NONPROFIT RESOURCE HUB

501(c)(3) Quick Start Checklist

Your free 10-step roadmap to starting and launching a nonprofit

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Step 1 | Define Your Mission & Vision

- ■ Write your mission statement - one clear sentence.
- ■ Example: "To provide free dance training to underserved youth in Charlotte, NC."
- ■ Define who you serve and what problem you solve.
- ■ Choose your nonprofit category (arts, education, community, etc.).

Tip: Your mission statement will guide your programs, fundraising, and IRS application. Make it specific.

Step 2 | Choose Your State & Incorporate

- ■ Choose the state where you will operate.
- ■ Pick your nonprofit name and check that it is available.
- ■ Search your state's business registry to confirm no one else has it.
- ■ File Articles of Incorporation with your state.
- ■ Save your approved filing and Certificate of Incorporation.

Tip: Most organizations incorporate where they primarily operate. State filing rules and fees vary.

Step 3 | Recruit Your Board of Directors

- ■ Check your state's requirements for the minimum number of directors.
- ■ Choose people who are committed to your mission.
- ■ Assign officer roles such as President/Chair, Secretary, and Treasurer.
- ■ Hold your first board meeting and document it with minutes.
- ■ Keep signed minutes and board resolutions with your permanent records.

Tip: Avoid building a board only around convenience. Look for people who bring reliability, skills, and independent judgment.

Step 4 | Write Your Bylaws

- ■ Start with a nonprofit bylaws template and customize it.
- ■ Cover board size, voting, meetings, officer duties, term limits, and conflicts of interest.
- ■ Have the board formally adopt the bylaws.
- ■ Keep the signed bylaws with your corporate records.
- ■ Amend the bylaws when the board or your structure changes, and have the board adopt each amendment.

Tip: Bylaws are your internal operating rules. Keep them current as your organization grows.

Step 5 | Get Your EIN (Employer Identification Number)

- ■ Apply directly through IRS.gov - there is no fee for an EIN.
- ■ Use the nonprofit's legal name exactly as it appears on your formation documents.
- ■ Save the EIN confirmation notice in more than one secure location.
- ■ Use the EIN for banking, tax filings, payroll, grant applications, and vendor forms.

Tip: Avoid third-party websites that charge you to obtain an EIN. The IRS issues EINs for free.

Before You Move to the IRS Application

Make sure you have these items together before starting Form 1023 or 1023-EZ:

- Approved Articles of Incorporation
- EIN confirmation
- Adopted bylaws and conflict-of-interest policy
- Board/officer information
- Program descriptions and activity details
- Current or projected budget

Step 6 | File IRS Form 1023 or 1023-EZ

- Check the IRS eligibility worksheet before choosing 1023-EZ. As of this checklist, 1023-EZ generally requires projected annual gross receipts of $50,000 or less for the next three years and total assets of $250,000 or less, plus other conditions. Confirm the current limits on IRS.gov.
- Create a Pay.gov account and file electronically.
- Gather your organizing documents, EIN, bylaws, activity information, and financial details before you begin.
- Pay the IRS user fee for the form you file (Form 1023 and Form 1023-EZ have different fees). Confirm the current amounts on IRS.gov before you pay.
- Save your submission confirmation.
- Keep your IRS determination letter permanently once approved.

Tip: Eligibility for 1023-EZ depends on more than revenue. Review the IRS requirements before filing.

Step 7 | Register With Your State

- Check whether your state requires charitable solicitation registration before fundraising.
- Apply for state tax exemptions that are separate from federal 501(c)(3) recognition.
- Check state annual-report and renewal requirements.
- If you solicit donations in multiple states, determine whether additional registrations apply.

Tip: State requirements vary. Check your Secretary of State, Attorney General, or charity regulator for current rules.

Step 8 | Open Your Nonprofit Bank Account

- Bring your EIN confirmation, Articles of Incorporation, bylaws, board resolution/minutes, and required identification.
- Open the account in the nonprofit's legal name - not a founder's personal name.
- Ask about monthly fees, minimum balances, online access, and nonprofit banking options.
- Set up bookkeeping from day one and keep receipts for every expense.

Tip: Separate banking and clean records help support good governance, accurate reporting, and financial transparency.

Step 9 | Launch Your First 90 Days

- Create a simple website and professional email address.
- Launch your first program, fundraiser, or community activity.
- Create a basic operating budget and track every donation and expense.
- Build a donor/contact list and keep written records of gifts and acknowledgments.
- Research grants that match your mission instead of applying everywhere.
- Set a board meeting schedule and document decisions consistently.

Tip: Your first 90 days are about building systems and proof of activity - not trying to do everything at once.

Step 10 | Stay Compliant - Annual Requirements

- File the right IRS Form 990-series return each year. Organizations with gross receipts normally $50,000 or less may file Form 990-N (e-Postcard). Organizations under $200,000 in gross receipts and $500,000 in total assets may be able to file Form 990-EZ. Check IRS.gov for the rules that apply to you.
- Renew state charitable registration and corporate filings when required.
- Hold required board meetings and keep signed minutes.
- Track income, expenses, grants, donations, and restricted funds.
- Keep copies of major contracts, policies, filings, and IRS correspondence.
- Review your bylaws, board roster, registered agent, and contact information annually.
- Set calendar reminders well before federal and state deadlines.

Keep These Records Together

Articles of Incorporation • EIN confirmation • bylaws • conflict-of-interest policy • board minutes • IRS determination letter • state registrations • Form 990 filings • bank records • major contracts

Next step: Put your major compliance dates on one calendar and assign one board member or officer to review them regularly.

For more free and discounted resources for 501(c)(3) nonprofits - grants, software, product donations, and nonprofit news - visit 501c3madesimple.com.

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