THE BUSINESS OF CHARITY

Readiness Checklist for Non-Profits

As a non-profit seeking funding, you should have most if, not all this information complete before you begin seeking grants, sponsorships, or corporate funding. If you do not have this information, and you are not sure where to begin, contact us for assistance!

Establishing Non-Profit Status:

☐Yes ☐No   Reserve a name with Secretary of State?

☐Yes ☐No   Select individuals to serve on its board of directors?

☐Yes ☐No   Designate officers to serve on the board?

☐Yes ☐No   Develop a mission statement? If so, what is it?

_____
_____

☐Yes ☐No   Description of programs activities.

_____
_____
_____
_____
_____

☐Yes ☐No   Establish board committees, if necessary

☐Yes ☐No   Organization incorporates or forms a trust to protect its founders and principals
from personal liability

☐Yes ☐No   Board meets to finalize organizational decisions? If so, when? _____

☐Yes ☐No   Board adopts bylaws? If so, when? _____

☐Yes ☐No   Apply to IRS for an employer identification number (E.I.N.)

☐Yes ☐No   Establish a bank account and establish check signing procedures

☐Yes ☐No   Designate which officer(s) have the power to sign checks

☐Yes ☐No   File Form 1023 with IRS to obtain 501c3 tax exempt status

☐Yes ☐No   File for state and local tax exemptions

☐Yes ☐No   Register with the agencies that regulate nonprofit organizations such as the state
attorney general and secretary of state, and tax authority and establish a calendaring
system to make sure it complies with the following (and in most cases mandatory)
reporting requirements:

☐Yes ☐No   Annual information return to the Internal Revenue Service

☐Yes ☐No   IRS Form 990

☐Yes ☐No   Annual report to the state agencies

Other:

☐Yes ☐No   Draft and implement a strategic plan.

☐Yes ☐No   Draft and implement a development plan to include a fund raising strategy.

Accounting:

☐Yes ☐No   Establish a budget
- ☐Organizational
- ☐Program
- ☐Grant, if necessary

☐Yes ☐No   Establish financial management, auditing and internal control systems

☐Yes ☐No   Establish a general ledger and bookkeeping system (either manual or computerized) to account for cash receipts and cash disbursements, assets and liabilities

☐Yes ☐No   Set up a chart of accounts to record financial transactions

☐Yes ☐No   Register with state as an Employer, if applicable

Administration Activities:

☐Yes ☐No   Determine need for mandatory and optional insurance:

☐Yes ☐No	Directors & Officers (D&O) liability insurance
☐Yes ☐No	General Liability
☐Yes ☐No	Professional Liability
☐Yes ☐No	Property/Fire Liability
☐Yes ☐No	Workers' Compensation
☐Yes ☐No	Unemployment insurance
☐Yes ☐No	Auto Liability
☐Yes ☐No	Short-term Disability, if applicable
☐Yes ☐No	Key Man Insurance

Other:

☐Yes ☐No	Medical and Dental Coverage
☐Yes ☐No	Establish a volunteer program
	How will you recruit volunteers?

_____

☐Yes ☐No	Establish a donation policy
☐Yes ☐No	Establish a system for providing receipts for gifts of over $250 to comply with IRS substantiation requirements
☐Yes ☐No	Lease, or purchase, office space
☐Yes ☐No	Lease a postage meter and apply for a nonprofit permit number in order to mail at the reduced nonprofit bulk rate
☐Yes ☐No	Lease or buy computer equipment
☐Yes ☐No	Lease or buy office equipment: copy machine, fax machine, desks, chairs, file cabinets, conference room tables and chairs, etc.

Human Resources:

☐Yes ☐No	Create organizational chart
☐Yes ☐No	Compose job descriptions for staffing needs
☐Yes ☐No	Create salary chart and set compensation levels
☐Yes ☐No	Prepare a personnel manual
☐Yes ☐No	Establish a payroll system (manual or automated), including:
	☐Yes ☐No Withholding requirements (federal, state & city)
	☐Yes ☐No Requirements for payment of funds withheld (federal, state & city)

☐Yes ☐No   Reporting requirements for funds withheld
(federal, state & city)

☐Yes ☐No   Establish a system for determining whether individuals performing services for it are employees or independent contractors.

☐Yes ☐No   Establish a system for preparing and filing Form 1099s on behalf of independent contractors.

☐Yes ☐No   Establish a mandatory system for maintaining records for each employee which include:

    ☐Yes ☐No Names and social security numbers

    ☐Yes ☐No W-4 and I-9 forms

☐Yes ☐No   Established Payroll period:

    ☐Yes ☐No Payroll calendar, including beginning and ending dates

    ☐Yes ☐No Timesheets or timecards, which include the days, or weeks, for each employee worked

☐Yes ☐No   Overtime, bonuses, sick leave, and vacations, etc.

☐Yes ☐No   Hire staff

Program Activities:

What types of services will your organization provide?

_____
_____
_____

Are you aware of any other organization in your area that is providing the same types of services or conducting the same types of activities that you plan to conduct? ☐Yes ☐No

_____
_____
_____

If yes, have you spoken with any of these organizations to discuss how you will avoid duplicating services? ☐Yes ☐No

How will you provide these services?

_____
_____
_____

Will you limit your services to a particular group of people? ☐Yes ☐No

If so, which groups will receive your services?

_____
_____
_____

How will you determine if an individual qualifies for your services? What will be your eligibility process?
_____
_____
_____

Are you currently providing services to your target population? ☐Yes ☐No

What services are you currently offering?
_____
_____

☐Yes ☐No	Create program policies and procedures
☐Yes ☐No	Create and/or modify client documentation and intake forms

Fundraising and Sustainability:

How will your organization be funded?
_____
_____
_____

From whom do you plan to seek grants?
_____
_____
_____

Please provide a detailed description of how you will raise funds.
_____
_____
_____

How will you sustain the organization in the interim?
_____
_____
_____

Funding Activities:
☐Yes ☐No Business Loans or Credit Application
　　　☐Yes ☐No　　Duns & Bradstreet Number (https://www.dnb.com/duns-number.html)

☐Yes ☐No Government Grants or Vendor Contract
　　　☐Yes ☐No　　System for Award Management (SAM) Registration (www.sam.gov)