



A General Checklist for Starting a Nonprofit Organization

- **Clarify the purpose of your new nonprofit organization.** What vision do you have for the community? What issues will you address? What problems will you solve? What challenges will you meet? What needs will you fill? What programs and services will you provide?
- **Survey the landscape and clarify your unique mission.** What other organizations share your vision? What are they doing? Is what you propose to do with your nonprofit different? If not, should you start a new nonprofit? If so, how is it different, in what specific ways? How might you partner with other organizations who share your vision?
- **Develop vision and mission statements.** Articulate in concise statements the vision you have for the community and the unique work your organization intends to do to make that vision a reality.
- **Build a board of directors.** The board is the closest thing to an owner a nonprofit organization has. Look for people who have a passion for your vision and an understanding of your mission. Bring people on the board with a wide range of skills, abilities and networks. Strive for diversity: gender, age, socio-economic background, race, etc.
- **Prepare the bylaws.** The bylaws are the “operators manual” for the board. Draft and adopt them early. And then follow them!
- **Develop a strategic plan.** It is impossible to know the future—especially as you start a new nonprofit organization. Still, if you don’t know where you are going then it doesn’t matter what path you take. Practically speaking, a long-term plan will help attract board members and funders as well as help you complete the paperwork. What will be true three years from now about your new nonprofit? Who will you be serving? How many? What programs and services will you be providing? Will you have staff? How many? What

facilities will you need? What materials will you need? How much will all of this cost? From what sources will the revenue to meet these expenses come?

- ***File for incorporation with the state.*** This identifies you as a legal entity operating within the Commonwealth of Kentucky.
- ***File for an Employer Identification Number (EIN) number with the federal government.*** This is a unique nine-digit number assigned by the Internal Revenue Service (IRS) to business entities operating in the United States for the purposes of identification.
- ***Apply for federal 501(c)(3) status.*** Complete and submit IRS Form 1023 to receive nonprofit status from the federal government.
- ***Set up tax exemption with the state.*** Nonprofit organizations are not required to pay certain taxes (e.g., certain sales taxes). Once your organization has received its nonprofit status from the federal government, file the appropriate paperwork with the state and receive a state tax exempt number.
- ***Register to raise funds.*** Register with the Kentucky Secretary Attorney General's office before beginning to raise funds in Kentucky. Before you raise funds in other states, check to see if they also require some form of registration.