



Basic checklist of things you need to do to start a nonprofit organization:

1. **Define your organization's purpose** and form, and write a mission statement. Your mission statement should explain why people will want to invest in your organization (as donors, volunteers, or recipients of service).
2. **Form a board of directors.** Required by law even if you do not have any employees. Resource - BoardSource: http://www.boardsource.org/dl.asp?document_id=17
3. **Write your organization's bylaws,** or the rules you will adhere to. Resource: NOLO <http://www.nolo.com/legal-encyclopedia/nonprofit-formation-documents-articles-incorporation-bylaws-minutes-30311.html>
4. **Develop an operating budget.** This is required on the application for nonprofit tax status. Resource: United Way - <http://www.centerfornonprofitexcellence.org/files/Budget%20Process%20Toolkit.pdf>
5. **File articles of incorporation.** If you don't incorporate, board members and other individuals in your organization may be held personally liable in case of a lawsuit. Articles of Incorporation should be filed with your Secretary of State (or other department that has authority for this filing in your state).
6. **Apply for an EIN** (Employer Identification Number) even if you will not have employees. In order to do so, the organization needs to fill out Form SS-4 before the 501(c)(3) application is completed and attach a copy to the exemption application.
7. **Apply for nonprofit tax status from the IRS.** (You will need IRS publication 557 and IRS form 1023).
8. **Register your organization with the state.** Contact the Secretary of State (Corporate Division) and Attorney General (Charities Division). Fees associated, \$75 - \$100.
9. **Apply for a solicitation license** from the state Commissioner prior to any solicitation activity. Initial fee is \$100, thereafter the annual fee is tiered so that annual fee is based on gross contributions.
10. **Apply for state sales tax exemption at VATAX Nonprofit Online.**
https://www.npo.tax.virginia.gov/VTOL_External_Entity/NPOLogin.seam
11. **Obtain liability insurance, including Directors' and Officers' (or D & O) insurance.** D & O liability insurance is necessary to protect your board members' assets.