



Training Playbook:

Forming a 501(c)(3) Support Group

Introduction

This playbook provides broad guidance about federal requirements for creating a 501(c)(3) organization and encourages contact with your secretary of state's office regarding state requirements. We don't presume to give legal advice or provide a comprehensive task list. This is a starting point for your own research.

While you can delegate some of the research to team members or the initial leadership group of your proposed 501(c)(3) support group, avoid delegating the entire formation of a nonprofit to a staff member. You need to be the primary contact with the leaders who may become part of the 501(c)(3)'s board of directors.

You should always consult the [official](#) U.S. government website for details about forming charitable organizations, but if that language feels challenging, other online resources abound. You can consult [NOLLO](#), and organizations like [legalzoom](#) will offer formation assistance for a fee.

Locally, your secretary of state's office is your "go to" resource, but you may also wish to consult a local community foundation, a nonprofit resource center (stand-alone or sometimes found at universities with nonprofit programs) or an attorney with nonprofit experience. The [National Council of Nonprofits](#) can help you find your state's association of nonprofits, and the [American Bar Association](#) provides a state-by-state directory of attorneys.

Formation Steps

Once you have recruited a small number of individuals willing to form the group and lead its first activities, work with these individuals to complete the following:

- Contact your secretary of state's office to obtain all requirements and contact information.
- Choose a name. Contact the secretary of state's office to see if the name is available. You may also be required to make it clear that the name relates to an entity (such as putting "Inc." at the end). Professional names like "Friends of XYZ Shelter" or "XYZ Animal Society" provide your officials and potential donors with more clarity than cute or clever names that don't convey your unique relationship to the shelter and its lifesaving work.
- Work with state-savvy legal counsel to draft [articles of incorporation](#) and file them with the secretary of state's office. Make sure the organization is fully legally formed before applying for any type of tax exemption.
- Draft [bylaws](#) for the group. There are many templates online that you can use as a starting point.

- Apply for your [federal](#) tax exemption via these steps:
 - Apply for your [EIN](#) (Employer Identification Number).
 - Provide a detailed business purpose.
 - File [Form 1023](#) with the IRS.
 - Pay the necessary filing fees.
- Apply for your state tax exemption, based on information from your secretary of state's office.
- Formally appoint directors for the board.
- Hold an organizational meeting of the board. Typically, bylaws are adopted at the first meeting.
- Obtain any necessary licenses and permits (sales tax, zoning, etc.) for the 501(c)(3)'s operations.

Conclusion

The legal formation of a 501(c)(3) nonprofit organization is not a difficult task, but it takes time, and it is vital to complete each step accurately and thoroughly. Work with a leadership team of 3-5 individuals, an attorney with nonprofit experience, and your secretary of state's office. It's far better to do this right in the beginning so that you can move on to lifesaving and fundraising with confidence.

Resources

- General information on articles of incorporation, bylaws, minutes and other topics can be found [here](#).
- Has a local "sister agency" recently formed a 501(c)(3)? By "sister agency," we mean another entity in your municipality, such as a public library, parks and recreation department, museum or community nonprofit similar to yours. There's no better guide on a journey than someone who has already been where you're going.