

# 10 Things You Need to Know Before Starting a Nonprofit

Understanding these issues can give you a head-start on success!



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# Introduction

Thank you for downloading this eBook. We hope it brings you value as you seek to start a nonprofit organization.

First of all, congratulations on seeking to start a nonprofit. Speaking as someone who has had a hand in starting thousands of them, and working in many others, it is an immensely rewarding endeavor.

But, starting a nonprofit isn't for the faint at heart. I'm guessing you probably have figured that out by now. Our goal with this eBook is to educate you about 10 of the most important issues you will encounter.

## Objectives

Here's what you'll learn:

- The differences between starting a nonprofit vs. a typical business
- How to structure your board of directors
- The different types of funding sources
- Get off to a good start with the IRS...and stay there!
- And much more...

We love nonprofits, and those who run them. Whatever you envision starting, we wish you the best of success!

Warm regards,

A handwritten signature in a cursive script that reads "Greg".

Greg McRay, EA  
Founder / CEO

# Issue #1: Define Your Nonprofit's Purpose

"Without a clear mission, you risk starting an organization with no feasible roadmap to success."

There are many reasons why people decide to start nonprofits. Some have a general sense of wanting to help others. Many have been personally affected by cancer, disease, or a natural disaster and want to contribute to solving the problem. Others may want to organize financial resources toward a cause they are passionate about.

Whatever motivates you, one of the most important steps is clearly defining your mission, outlining both ***purpose*** and ***programs***. Without a clearly defined mission, you run the risk of IRS rejection of your 501(c)(3) tax exemption application. But more importantly, you also run the risk of starting an organization without a feasible and sustainable roadmap to success.

## Defining Your Nonprofit's Purpose

When defining the purpose of your organization, ask yourself the basics of journalistic investigation: **Who, What, Where, When, How** and **Why**:

- Why am I starting this nonprofit?
- What is the mission of my organization? What wrong am I trying to right? What values will drive my organization's activity?
- Who is the target or beneficiary group that my organization will impact? Who will administer the services and resources my organization will provide? Who are the stakeholders who will support the mission? Who are my board members and potential staff?

- How will I accomplish my mission? How will we pay for the programs and services we administer? How will we raise funding for operations?
- Where will we accomplish our mission? Is it a local community initiative, a state or regional initiative, or national/international in scope?

Once you have the answers to these questions, you can begin to flesh out a three- year ***plan of action*** for your organization, including potential activity milestones, impact goals, budget figures and other details.

## Defining Your Nonprofit Programs - A Preliminary Action Plan

Your three-year plan of action will not only be an indispensable guide to help direct your activities, but much of that plan will need to be disclosed to the IRS in your 501(c)(3) application. There are many additional benefits to fleshing out your three-year plan, including the following:

- **Feasibility** - By defining your purpose and clearly outlining your program plans for the first three years, you will get a good idea of whether or not your plan is realistically achievable. You can begin to map out human resources needed, program-related costs, fundraising goals, and next steps to achieving your mission.
- **IRS Compliance** - You cannot get where you want to go without 501(c)(3) status. To get that, and to keep it, requires your nonprofit to be organized and operated for an exclusively charitable purpose. The IRS is going to evaluate whether or not your purpose, programs, and organizational structure meet that standard. Then, you have to maintain that compliance for the lifetime of your nonprofit's existence.

- **Sustainability** - Once you've determined that your plan is feasible and IRS compliant, you need to take a step back and consider your plan from the perspective of your community. Can you generate enough public interest that you will get the support you need to keep the organization going? Is the scope of the mission large enough and specific enough to help you gain board members, major donors, grants, volunteers and/or funding?

Answering these questions and preparing a detailed purpose and program plan are the first steps to setting up a sustainable nonprofit with lasting impact.

# Issue #2: Nonprofit Ownership & Control

"There is no such thing as ownership of a nonprofit."

For a visionary individual who wants to start a nonprofit, the concept of ownership can be a tricky one. You're a founder on a mission, with big ideas to help solve problems, and you want to retain as much control as possible of the organization you are investing so much time and energy into. However, unlike a for-profit company, *there is no such thing as ownership of a nonprofit.*

A nonprofit is a public organization that belongs to no person or group of people. Typically, it is controlled by a governing body called the **Board of Directors**. Sometimes there is a membership component, as well. The board is accountable to the public for ensuring the activities satisfy a charitable or other non-commercial purpose. Your state and the IRS monitor this through your periodic compliance filings and tax returns.

## For-Profit vs. Nonprofit

In a for-profit company, shareholders, members, or partners make controlling decisions for the organization. The owners control the company and share in the profits.

However, in a nonprofit corporation, there are no profits to be distributed, so **fiduciary duty** (financial accountability) rests with the Board of Directors.

Another unique situation with nonprofits vs. for-profits is that all assets are permanently dedicated to a charitable purpose...cash, cars, desks, buildings, etc. If a nonprofit shuts down, remaining assets must be donated to another charity.



The reason why there is no ownership of a nonprofit is three-fold:

- The whole idea behind being a nonprofit is that it exists for a publicly beneficial purpose. To ensure this, no person or persons will be allowed to own it and profit from it.
- Being exempt from taxation requires that no one stands to personally gain or profit from the entity
- Though nonprofits can and do cease operations, the premise is perpetual public benefit. To ensure the longevity of the organization, control of the nonprofit should rest with members who can plan for succession and continuity.

As the founder of your nonprofit, you are highly passionate about your potential impact and you probably want to retain maximum control of the organization in order to ensure success. That's totally understandable, and there are ways for founders to enhance such control.

But, the important thing to remember is that your vision for social good really should extend beyond the scope of your influence as an individual. That way, if anything happens to you personally, the organization is well-equipped to continue good stewardship in your absence.

Involving your key stakeholders (community members, constituents, funders, etc.) as you craft your purpose and programs will ensure that your nonprofit's vision is comprehensive in scope and prepared for success.

# Issue #3: Nonprofit Structure: Public Charity, Private Foundation, or Private Operating Foundation?

"The right category of 501(c)(3) for your nonprofit depends on which setup best enables your organization to achieve its goals."

Once you know the purpose of your nonprofit organization and have an understanding of your desired ownership and control, it is time for you to choose the type of 501(c)(3) that best represents your organization's planned operational structure.

There are two main types of nonprofits, **public charities** and **private foundations**, and then there is a third, less common type of 501(c)(3) called a **private operating foundation**. The biggest difference between public charities and private foundations are that public charities primarily operate programs, while private foundations are typically designed to give away (grant) funding to other charities or individuals.

## Public Charities

A public charity is the most common 501(c)(3), and is designed for one purpose - to operate programs directly benefiting the public. As such, the IRS requires public charities to meet three specific tests.

First, the IRS requires a public charity to restrict its activities to one or more charitable purposes (the **purpose test**).

Secondly, public charities must obtain at least 1/3 of their funding from the general public, either individuals or other public charities, instead of relying solely on private foundation grants or major donors (those giving more than 2% of your total income). This is known as the “**public support test**”. For nonprofits that sell goods or services, sales proceeds (program revenue) are considered public support, as well.

The third test of a public charity concerns the governing board of directors. Individuals related by blood, marriage or business co-ownership must comprise less than 50% of board seats. Additionally, while a minority of members of this board may be employed by the nonprofit, there are strict rules regarding arms-length decisions and potential private benefit to insiders. This is the “**organizational test**” to qualify as a public charity.

## Private Foundations

A private foundation is usually designed for the purpose of financially supporting other public charities, rather than directly operating its own charitable programs. This comes with some potentially reduced financial benefit to donors, specifically that only up to 30% of annual income is tax-deductible when donated to a private foundation versus up to 60% of income for public charities.

There is also a requirement that a minimum 5% of assets are distributed for a charitable purpose each year. Another trade-off is stricter limitations on board member employment within the foundation.

However, in exchange for these restrictions, private foundations are allowed to be **closely held** and **closely funded**. Unlike a public charity, there are no regulations prohibiting majority control by family members or business partners, nor any requirement of public support. It is not uncommon, especially with family foundations, for there to be a single donor providing income to the foundation.

# Private Operating Foundations

The third type of 501(c)(3) organization is the private operating foundation, which is a hybrid of sorts between a public charity and a private foundation. While a private operating foundation can be closely held, and can have funding from a limited number of sources, the private operating foundation must operate programs directly benefiting the public, and cannot consider grant-making as a program.

In exchange, the private operating foundation allows public charity-levels of tax deductibility for donors. There are relatively few of these types of nonprofit organizations, but they do allow flexibility for closely held nonprofits that want to directly run charitable programs.

## Making the Decision

All forms of 501(c)(3) organizations have transparency rules, and a closely held organization is not any expectation of privacy or lack of accountability with the IRS.

Each nonprofit organizational setup has its benefits and limitations. It's typically harder for private foundations to raise outside funding because of the perception that a closely-controlled board gives donors less visibility over the use and distribution of their donations. Public charities and private operating foundations are held to a strict expectation that their funding is used to run programs directly benefiting the public, with less flexibility.

If you are starting a nonprofit that will be operating some type of charitable program, you most likely will be starting a public charity. But, there are no hard-and-fast rules regarding what type of 501(c)(3) is best for your organization. It depends on which setup best enables your organization to achieve its goals.

# Issue #4: Setting Up Your Nonprofit Board of Directors

"The most important question you should ask when assessing board prospects is: does your prospective board member have a passion for the mission of your organization?"

When you start a charitable organization, one of the most important decisions you'll make is selecting your board of directors. Your board is legally responsible for governance, financial, and strategic oversight of your nonprofit. This usually includes adopting your initial bylaws, as well as overseeing budget management. The board has an obligation to the donating public to ensure that the nonprofit stays on mission and operates effectively.

## How to Choose Board Members

The most important question you should ask when assessing board prospects is:

*"Does your prospective board member have a passion for the mission of your organization?"*

If they're not willing to give their time, money, and resources, they're probably not a good fit. Board members should also have some business skills and be willing (and able!) to help make financial decisions.

It can be tempting to seek wealthy and/or prestigious names to join your board, but if they are not people of action and enthusiasm, they will be a detriment to your nonprofit. Obviously, board members should have high standards of integrity and value compliance and transparency.

It is also important to consider your board as a whole when identifying prospective board members. Remember, family members and business associates cannot make up a majority of a public charity's board.

Another important consideration is the range of skills and experience that your board represents. Ideally your board will represent a diversity of skills that will help support all areas of your nonprofit - fundraising, governance, and programs.

Even on a private foundation board, which allows for much closer relationships, having a healthy representation of necessary talents is still vitally important.

## IRS Requirements & Other Details

The IRS generally requires a minimum of three board members for every nonprofit, but does not dictate board term length. Service terms must be outlined in the nonprofit bylaws. New board members are typically nominated and given an up-or-down vote by existing board members in traditional organizations, and by stakeholder vote in nonprofits that operate through membership.

The states and the IRS expect that a board should meet a minimum of once a year. Most nonprofits will need to meet more frequently than that to be effective. During these meetings, operational and strategic decisions requiring votes are discussed and resolved.

## Strategy & Governance

The board is tasked with governance of the nonprofit. Ideally, it should not be nearly as involved in the day-to-day management of operations. Governance *oversees* operations, approves budgets, and sets strategic goals. Management, on the other hand, makes the daily tactical decisions that help the organization achieve those goals.

In small organizations, it's common for some employees of the nonprofit to occupy a board role, as well. In these situations, it's especially important to mind the difference between management and governance.

# Issue #5: Conflict of Interest & "Inurement"

"The best way to prevent inurement in your organization is to set clear conflict-of-interest policies for your organization, and then follow them."

As a company, the Foundation Group team works with over 1,000 startup nonprofits each year. One of the most frequent challenges we face when working with clients is **conflict-of-interest** concerns.

New 501(c)(3) organizations are particularly vulnerable to this for a number of reasons, particularly the close control often seen in the early years. Conflict-of-interest is often hard to avoid in these situations, partly because close control can be advantageous to maintain temporarily while the organization is getting its sea legs.

What you have to avoid at all costs, however, is allowing conflict-of-interest to devolve into **inurement** and **private benefit**.

## What is Inurement?

**Inurement** is defined as an insider in a nonprofit unfairly benefiting from the nonprofit's resources. In other words, an abuse of power resulting in personal gain from the organization's assets.

The most common offenders tend to be nonprofit employees who also hold board seats, but inurement can extend to any board position or employee.

Being found guilty of inurement in an audit can result in penalties at the state and federal level. These penalties can include fines, called **intermediate sanctions**, and may even result in the loss of tax exempt status in the most extreme examples.

# Types of Inurement

The most common types of inurement are **excess compensation** and the **improper use of assets**.

Excess compensation is any salary or wage deemed more than what the IRS considers "reasonable" for the job in question. This determination is fairly rare and can be easily avoided by making sure compensation matches the job.

Examples of improper use of assets could include using company vehicles used for personal travel, using lines-of-credit for personal expenses, or using a company mailing list to promote a personal business.

Inurement can be found in both public charities and private foundations. Public charities can be guilty of this when proper arms-length procedures are not followed when dealing with insiders.

For example, a board member who is also a paid employee should have no input into their own compensation. Requiring these individuals to recuse themselves regarding their own compensation solves this.

Private foundations, on the other hand, can have very close control...even by members of the same family. As a result, the IRS considers officers, directors, and significant contributors of a private foundation to be **disqualified persons**. Such individuals are barred from employment within the organization, except for a limited ability to provide professional services for a reasonable fee (legal, accounting, investments, etc.). Ironically, the IRS calls these personal services, though the definition implies what is typically credentialed, professional work.

The bigger point to know is that the IRS penalties associated with inurement and private benefit are always painful, even more so when dealing with disqualified persons.



# Preventing Inurement

The best way to prevent inurement in your organization is to set clear conflict-of-interest policies for your organization and then follow them. These policies include tying employee compensation to comparable salaries for organizations of similar size, and setting clear expense reimbursement policies.

Best practices also include requiring board members to disclose any potential conflicts of interest in operational matters, and to properly recuse themselves from voting on these items.

Taking the time to ensure these measures are followed are the best ways to ensure that your nonprofit organization is secure in its tax exempt status.

# Issue #6: Fundraising Basics

"For most startup nonprofits, building a broad donor base of individuals who can give at a variety of levels is the best way to sustainably grow your organization."

One of the most important things that a nonprofit can do to build a sustainable organization is to develop a robust fundraising system. Funding for nonprofits typically comes from three sources: **donations**, **grants**, and **program revenue**.

Each of these sources has benefits and limitations, but a critical thing for nonprofits to do is to diversify their funding sources to ensure they can continue to operate in case any funding source goes dry.

## Public Donations

Charitable donations are an indispensable part of most nonprofits' income. For many organizations, it is their *only* source of revenue. The federal government actively encourages donations by incentivizing giving through the charitable giving tax deduction.

Developing a broad base of supporters also strengthens your organization. Of all the sources of revenue we'll discuss in this section, donors are the most important. The more donors you have, the better able your nonprofit will be to withstand the loss of another source of revenue.

Also, public donations from individual donors and other public charities can help your nonprofit maintain its public support test, if it is recognized by the IRS as a public charity.

# Grants

Grants are great! They can provide larger funding amounts that can support specific programs and can take a lot of pressure off public fundraising. You should search to see if there are grants your nonprofit could apply for.

However, grants are a less reliable source of funding and should be considered supplemental to individual donor gifts. Grant funding is extremely competitive and typically only the top ten percent of nonprofits (by program size, history, or other criteria) are fortunate enough to be awarded grants.

Even if your nonprofit receives a grant, there's also the risk that in any given funding cycle, your nonprofit might not get chosen as the recipient next time. Also, grant funding typically requires a very specific designated use that is aligned with the goals of the organization *giving* you the grant, with detailed reporting and oversight required.

Get a grant if you can, but understand the limitations.

## Program Revenue

Program revenue is revenue generated through the program activities of a nonprofit, often in the form of selling something. In order for the IRS to recognize the revenue as legitimate, program revenue must be directly related to programs that drive the organization's tax exempt status, such as tickets sold by a nonprofit theater, or tuition and fees generated by a school.

Not all nonprofit business plans will include the generation of program revenue, but those that do often find it to be a good source of sustainable income.

# Unrelated Business Income

Revenue generated from an ongoing activity that is *not* directly related to a nonprofit's programs is called **unrelated business income**, or UBI. Unrelated business income is *not* a good revenue model for most nonprofits and cannot make up a significant portion of a nonprofit's revenue (about 20% max). In addition, net proceeds from UBI are fully taxable to the nonprofit.

We do not recommend UBI to be a part of most nonprofits' funding plans. It requires a separate set of accounting books, and usually ends up being a distraction to all but the most sophisticated of operations.

## Summary

For most startup nonprofits, building a broad donor base of individuals who can give at a variety of levels is the best way to sustainably grow your organization. Supplementing that broad base with major-gift givers and grant funding is merely the icing on the cake.

**Your donor base should become your fan base!** They are not only your best source of funding, but can also be a great group of people who can provide word-of-mouth advocacy, in-kind donations, volunteerism, and other non-financial resources.

# Issue #7: Nonprofit Employee Compensation

"Before deciding what to pay your nonprofit employees, the first step is to determine the market value of the job."

Executive compensation is a hot-button topic for both nonprofit and for-profit companies. It is important to understand what is fair and competitive when setting your employees' salaries. In fact, the IRS places a great deal of significance on this issue when evaluating new nonprofits seeking 501(c)(3) status.

## Compensation Basics

Before deciding what to pay your nonprofit employees, the first step is to determine the market value of the job. This process includes gathering information from sources such as the Labor Department, census data, or comparing the salaries for job postings of companies in similar sizes and locations. Completing this due diligence is most helpful in giving you an idea of what is reasonable and fair.

Unfortunately, the IRS's "reasonable" standard is quite subjective. But, it does include such things as job duties, geography, industry norms, and the size of the organization itself.

Setting a reasonable and fair salary for a nonprofit employee begins with the budget of the charity. If an organization cannot afford a particular compensation package, it's not considered reasonable for the organization.

The next level of consideration is for the actual job description - What is required? What is the employee responsible for? How many hours a week are necessary? Another consideration is the candidate's level of education and relevant experience.

# Arm's Length Consideration

The issues discussed in this section are applicable to any nonprofit employment arrangement. But, they take on even greater importance when it's a key employee situation, like an Executive Director.

Compensation for nonprofit executives should be set by an impartial, non-biased party. No executive, nor anyone related by blood or business interest, should be involved in discussions regarding their own compensation. This scenario is most sensitive when employees occupy board seats, such as frequently occurs with founders of small organizations. Employees and their relatives should recuse themselves from any related discussions in order to avoid the appearance of impropriety.

# Issue #8: Recordkeeping Basics for Nonprofits

"If it's not in writing, it didn't happen."

Perfecting the habit of properly documenting the activities of your nonprofit is one of the most important disciplines any new social entrepreneur can master.

There's a well-worn cliché that says, "If it's not in writing, it didn't happen". But, unless you are the hyper-organized type who just instinctively writes everything down, documentation may not be your strong suit.

So what exactly do you need to be keeping records of?

Let's look at four critical categories of recordkeeping and how you can make sure you have your bases covered.

## Accounting

The first category is your accounting records. If anything needs to be buttoned up tightly, this is it! Both state and federal regulations require that the financial records of your nonprofit be complete, accurate, and consistent with **Generally Accepted Accounting Principles**, or GAAP. In fact, your board has a fiduciary responsibility to ensure your accounting records are accurate.

Even if you have someone inside the organization who is well-versed in nonprofit accounting, best fiduciary practice suggests third-party oversight. We still highly recommend you enlist the services of a competent professional (like Foundation Group) to oversee what is being done AND to prepare your annual IRS Form 990 and related filings.

# Contributions

First, you have a regulatory requirement to keep accurate giving records. This is true of both cash and non-cash (or **in-kind**) gifts. The IRS will want details concerning this information on your Form 990, and your state likely will, too.

The second reason is more practical. Accurate records of donation activity makes it much easier to solicit future contributions from your supporters. And, as we have discussed in other articles, building a fan-base of consistent givers is fundamental to your nonprofit's financial health.

## Corporate Records

Obviously, you need to keep copies of all your corporate documents, such as your **articles of incorporation, bylaws** and related amendments, and your **corporate annual reports**.

What might be less obvious is **board meeting minutes**, which are the notes of what was discussed and decided in your board meetings. If the IRS or another government agency examines your nonprofit for some reason, it is very common for them to request meeting minutes. If you find yourself in a situation of defending a board action, such as compensation for your Executive Director who also happens to be a board member, you will want evidence of arms-length decision-making.

## Activity Records

What has your nonprofit been up to? If it is a fundraiser, how much money came in? What did it cost? Same thing for programs. What was accomplished? How many people were served? This is information that the IRS and your state will likely want to know the details of. It also makes great content for communicating with your donor base about all the incredible things your nonprofit is accomplishing.



# Issue #9: Nonprofit Compliance Basics

"The information you provide each year to your state and the IRS is used to determine whether your nonprofit will continue to qualify as a charity and maintain its 501(c)(3) status."

After incorporating in your state and setting up your nonprofit's 501(c)(3) status with the IRS, you must now maintain ongoing compliance with the rules and regulations. The information you provide each year to your state and the IRS is used to determine whether your nonprofit will continue to qualify as a charity and maintain its 501(c)(3) status.

Good recordkeeping will be the foundation of your success in this area.

## Federal Compliance

Every year, all 501(c)(3) organizations are required to file some version of **IRS Form 990**. Small public charities (those with under \$50,000 in gross revenue) can file a brief, electronic return called Form 990-N. For larger nonprofits, a much more detailed return is required (Form 990-EZ, 990, 990-PF, and/or 990-T). Form 990 reports information about the nonprofit's income and expenses, as well as program accomplishments, board members, and answers to numerous operational and board compliance questions.

Form 990 is not simply a statement of numbers similar to a personal or business tax return. There are a lot of subjective and narrative details required about the operation of the nonprofit.

Failure to annually file a Form 990 in a timely annual fashion can result in significant fines. Failure to file a Form 990 for three consecutive years results in an automatic revocation of 501(c)(3) status.

# State Compliance

Managing state fundraising requirements can be complicated. The vast majority of states require nonprofits to **register to solicit donations** with that state's Division of Charities prior to soliciting. Nonprofits fundraising in *multiple* states must also register in each of those states, and renew that registration on an annual basis.

Similarly, nonprofits whose corporate headquarters are in one state, but will have an ongoing physical presence in another, must usually register as a foreign entity in the other state by requesting a **Certificate of Authority**. It's important to know that there is considerable variability between states with regard to nonprofit requirements.

In addition to compliance filings, nonprofits are also required to file a **corporate annual report** for your state of incorporation, plus one for each state in which your nonprofit has a Certificate of Authority. You may be responsible for **employment tax, workers compensation, and unemployment tax** if you have employees. Also, employment-related regulations for nonprofits often differ from the requirements for commercial businesses.

## The Board's Role

A nonprofit's board of directors is responsible for ensuring that federal and state compliance records are up to date. Whether prepared by a third-party professional like Foundation Group, an attorney or CPA, or an employee, records must be detailed and accurate. The entire governance team is ultimately accountable to make sure the organization stays in compliance.

# Issue #10: Why You Should Choose Foundation Group for Your Nonprofit Startup and Compliance Needs

"There is no substitute for specialized expertise."

Starting and operating a nonprofit is complicated. You need a third-party professional you can trust to help you navigate the complex rules and regulations standing between you and your success.

**Foundation Group is here for you!**

## Our Experience

Foundation Group's seasoned professionals know how to take your idea and help you create a fully-functioning, 501(c)(3) organization that is IRS and state-compliant, properly structured, and poised for real success.

We have over 25 years of experience helping more than 20,000 nonprofits to achieve 501(c)(3) status. And, we have a 100% IRS approval rate, having never lost a case!

## Our People

Our firm is led by our founder and CEO, Greg McRay, who is licensed by the IRS as an Enrolled Agent, the highest tax credential awarded by the IRS. Our advisors, tax specialists, staff accountants and bookkeepers are career professionals who know what it takes to help your new nonprofit get off to the right start and on a path to accomplishing your mission.

# Our Consultative Approach

Having successfully guided thousands of nonprofits through the 501(c)(3) process, we've learned a thing or two about what works...and what doesn't. Here's the one, inescapable truth:

*There are NO cookie-cutter nonprofits!*

Every nonprofit is different...different mission, different goals and different challenges. And it's the challenges, like the ones we have discussed in this eBook, that go to the heart of why the consultative approach matters so much.

Our experts dive deep into your plans, and work with you to establish your nonprofit according to compliant, best practice.

## Real Tax and Compliance Advice

Nearly all non-CPA/non-attorney firms that work in the nonprofit space have a disclaimer that says they do not provide legal or tax advice. Why? They don't advise you on those issues because they CAN'T advise you.

*Only those who are licensed to practice before the IRS can advise you on tax matters!*

Starting and operating a nonprofit is all about tax compliance. You need a firm who can actually provide tax counsel and help you avoid the pitfalls. Not only are we licensed to represent your case before the IRS, we're legally obligated to provide you with the best, most accurate tax counsel for your particular situation.

There's no substitute for specialized expertise!

# Testimonials from Great Clients

*Incredible organization! Their team of knowledgeable professionals have always provided unparalleled service. There's no challenge too small or question too difficult. Whether you're looking to start a nonprofit, or make sure you stay compliant, Foundation Group is the right name to trust!*

Daniel Thomae - Training4Changes, Int'l

*Setting up a 501(c)(3) is a daunting undertaking that requires a LOT of patience and drive. Foundation Group came highly recommended and they did not disappoint! From the very first contact, their staff were amazing. The knowledge, willingness to teach, guide, encourage, and push at times, was refreshing. They listened to our mission, and made sure that everything we did was in compliance with the legal requirements, while staying true to our vision. Well worth the investment!*

Richard E. - One In A Million Organization

*I am so glad that I stumbled on the Foundation Group from an internet search. At first I thought, "How hard could this be? I already run my own business." So I bought a "how-to" book and thought there is NO way I can do this. I called Foundation Group. They were amazing and put me at ease from the very beginning. They really wanted to understand my heart and plan for this nonprofit. They wanted to dot every "i" and cross every "t" to make sure that we started our ministry/nonprofit with a firm foundation. If you are really serious about starting a 501(c)(3), you need a professional company that will get the job done and do everything you have no idea that really needs to get done. Don't waste your time looking for another company...you have found the right one.*

Mike Dileo - Princess Project

# Let's Talk About Your Nonprofit!



Call us at (615) 361-9445 to get started, or visit our SureStart™ nonprofit formation services page at [www.501c3.org](http://www.501c3.org)

We look forward to hearing from you!