



T.S. Wrobel & Associates

ATTORNEYS AT LAW

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Specialists in Providing Legal Services for New and Established Nonprofits

Dear Friend: If you have been trying to make sense of the process required to start your non-profit, you may be feeling overwhelmed or confused with the seemingly impossible task of setting up your organization and getting recognized by the IRS as tax exempt. We offer a complete nonprofit organization startup package for a set fee – a turnkey solution. Please see below for details.

We are here to help you. Our firm specializes in the startup and counseling of Nonprofit organizations. We also offer our clients ongoing legal representation on the host of legal issues facing nonprofits, including corporate, tax exempt status, and regulatory compliance, general counsel; employment law; real estate; lease issues; and liability issues.

We help nonprofits better the world

We are familiar with the special issues and significant challenges facing nonprofits, and are committed to helping our clients fulfill their organization's missions. Our expertise will save your organization time and resources that are better dedicated to fundraising, networking, building relationships and pursuing your nonprofit mission. To best avoid difficulties and delays with the IRS, your organization should be represented by an attorney specializing in nonprofit law.

Free Help from a 501c3 Specialist – Toll Free Consultation

Working with non-profits is our passion and purpose, and so by I know that by helping you, we are helping to make the world a better place. That's why we provide a **FREE 20 MINUTE CONSULTATION (1-800-928-4161)** for prospective nonprofit clients.

We cover all legal needs of nonprofits:

- Incorporation, bylaws, budgets, minutes for initial directors' meeting, and other startup documentation (routinely within 1-2 weeks of retainer)
 - Establishing Tax Exempt Status at the Federal & State level (routinely within 60-120 days of filing)
 - Guidance and instructions in maintaining corporate formalities and keeping your nonprofit tax exempt status over the long term
 - Continuing representation and consultation including employment, real estate, leasing, and contract issues
 - Compliance review - entailing review of bylaws, State and Federal filings and representation when organizations are out of compliance.
 - Accounting for IRS and state filings (8734, 990, etc.)
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Our 501c3 Nonprofit Startup Package

Once you are ready to incorporate and obtain 501(c)(3) or other 501(c) tax exempt status, we can provide a complete turnkey solution to obtain full nonprofit corporation tax-exempt status in a cost effective, timely and hassle free fashion. The package includes:

1. Professional staff working with you to:

- Create a Strategic Fund-raising Plan
- Write a Statement of Purpose and Program Activities
- Determine Structural Issues for the Board of Directors
- Create a 3-year Budget
- Review nonprofit corporate responsibilities

2. The above documents, when completed to your satisfaction, will be used to complete your organization's . . .

- Articles of Incorporation
- Bylaws
- Conflict of Interest Policy (Strongly Recommended for tax exempt status)
- Minutes of the your Board of Director's First Organizational Meeting
- IRS Form 1023 Exemption Application
- State Exemption Application and/or Registration
- Corporate Records Book

3. We also provide your organization with . . .

- Written Instructions on Maintaining your Corporate and Nonprofit Status
- A free Toolkit and Reference Guide on how to maintain your corporate and tax exempt status
- Ongoing representation at reasonable costs.

A Turnkey Solution for a Low Set Fee - \$1870

Our Fee for most Nonprofits is \$1870, plus the government filing fees. We also accept credit card with a \$60 processing fee. This set for our start up package will save you time and resources.

Get Started with Our Services

When you are ready to retain our services, or if you have any questions, you can contact us at 1-800-928-4161 or by email at info@tswrobel-law.com. When you contact us we will review with you the terms of our service, provide you with a straight forward written contract. Upon return of the signed written contract, our staff will begin working with you to complete the process of starting your new nonprofit, or providing you with any other legal assistance that you need.



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COSTLY MISTAKES YOU MUST AVOID IN STARTING A NONPROFIT

1. **Don't do it alone.** Get Help. You should assemble a team of volunteers who support your nonprofit purpose. This group can help you with research and resources. If you can, assemble a team with experience in accounting, legal, management or business, and nonprofit operations. It is highly recommended that you seek out a specialist as well to help you with the startup process. You can start a nonprofit yourself, with guidebooks, but almost invariably this takes a lot more time, more frustration, and could result in delays denial of status or compliance problems or other legal complications down the road for your nonprofit.
2. **Don't start before you know what the process entails.** Do your homework and get educated on all aspects of starting, operating, and managing a nonprofit organization. Our links page is a great place to start.
3. **Don't use an "incorporation" or "paralegal form" service.** Too often these services provide only part of the documents necessary for you to obtain tax exempt nonprofit status with the state and federal government. Again you should find a nonprofit consultant or an attorney experienced with the legal aspects of starting and operating a nonprofit. Find someone who can represent you on an ongoing basis long term relationship and not just "incorporating" your nonprofit.
4. **Don't begin without a vision, clear purpose, and strategy for success.** The team you have assembled should help you cultivate an identity, vision and purpose of the Organization. Every organization should begin by developing a statement of purpose and program activities that describes its reason for existing, its programs, and activities. A mission statement is best developed by meeting with potential clients, constituents, board members and other interested parties. This stage should include determining the type of organization that you will form (e.g., a charitable corporation under 501 ©(3) or another kind of nonprofit: member or not, corporation or unincorporated, association, or trust). Once a mission is honed and sharpened, your organization should select a name and reserve it with the Secretary of State.
5. **Avoid selecting your family or friends for your board.** Your board should be a resource to transforming your vision into reality. Consider how they can advance the mission of your nonprofit. You should have organizational or technical expertise, fundraising experience, connections with charitable foundations or donors, and commitment to the vision of the Nonprofit. Having at least 5 to 11 directors is recommended to best represent your membership and the public that you wish to serve.
6. **Don't start without a plan.** Develop strategic and fundraising plans. Strategic planning will help you detail the steps needed to fulfill your organization's goals, assess your staff needs, and establish operational priorities for the upcoming year and beyond. Your strategic plan should include your organization's budget priorities, identify potential donors, establish bookkeeping practices, and delineated fundraising activities (e.g., mailings, events, silent auction, raffles, etc.) Key features of a successful nonprofit include: (1) fundraising, (2) marketing, (3) internal operations, (4) programs, (5) volunteer development, and (6) community outreach.

- 7. Don't operate as a nonprofit without proper legal paperwork and recognition with the state and federal government.** Your nonprofit most likely will need to be incorporated, apply for federal and state tax exempt status, and register with other state government agencies.

Incorporating - A nonprofit corporation is created by filing articles of incorporation with the your state's Secretary of State. A Non-profit corporation is a corporation no part of the income of which is distributable to members, directors, or officers. A nonprofit corporation may be created for any lawful purposes, but must be fully stated in the articles of incorporation. The Articles are typically quite brief since the law requires minimal information including: the name of the corporation, a statement of charitable purpose, the name and address of the corporation's initial agent for service of process.

Bylaws - Your bylaws will guide your organization's day to day operations. These should be drafted carefully and will likely require the assistance of an attorney experienced in nonprofit law. The Bylaws of the corporation set forth various corporate procedures and matters affecting the governance of the nonprofit corporation. Specifically, the Bylaws set forth in general terms the responsibilities of the directors and corporate officer, the number of directors, the manner of calling meetings of the directors, the maintenance of corporate records, the voting procedures, and other general corporate matters.

EIN and Opening a Bank Account - New businesses, including nonprofits, are required to obtain an EIN from the IRS. The number must be used on various federal tax returns and documents. Application is made on Form SS-4, or by telephone at (800) 829-3676, and must be filed as soon as possible. To open a bank account you will need your EIN, Articles of Incorporation, your Bylaws, and Minutes of your Board of Directors meeting authorizing opening of bank account.

Applying for tax exempt status - Not all nonprofit corporations are entitled to exemption from state or federal taxes. Thus a nonprofit must meet federal and state requirements through an application process. Without a "determination letter" from the IRS granting nonprofit status, your donors cannot claim an income tax deduction. To receive 501(c)(3) tax-exempt status, your organization must thoroughly fill-out an IRS 1023 form and attach you proposed budget, Articles of Incorporation and bylaws. Resumes of your board members are helpful, but not necessary. You should also consult your state's secretary of state or nonprofit attorney or consultant about the complete list of forms necessary to start and register your nonprofit.

- 8. Don't start without being organized and fully aware of legal requirements.** The IRS conducts an extensive review before granting tax exempt status. And, tax exempt status can be revoked if an organization fails to comply with federal requirements. The organization must be operated for charitable purposes. Income and benefits of the organization must serve those charitable purposes, rather than inuring to individuals involved with the nonprofit. The assets of an organization must be permanently dedicated to an exempt purpose. An organization cannot qualify if a substantial part of its activities include attempts to influence legislation or campaigns for or against a candidate for public office. When the IRS is thoroughly satisfied with the Form 1023 submission and all questions have been addressed, a process which may take up to four to six months, the IRS will issue a "tax-exempt" determination letter, which grants tax-exemption for a preliminary (five-year) period to the nonprofit organization. At the end of 5 years, the 501c3 must file form 8734.



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