Before You Seek a Grant:

A Checklist for New Nonprofits

(Adapted from The Checklist Project of The Nonprofit Coordinating Committee of New York)

Start-up Checklist

YES NO

☐ 1. Organization reserves a name with appropriate State or District office.
☐ 2. Organization selects individuals to serve on its board of directors.
☐ 3. Organization designates officers to serve on the board.
☐ 5. Organization establishes board committees.
☐ 7. Organization retains an accountant for annual audit and mandatory government filings.
☐ 8. Organization incorporates or forms a trust to protect its founders and principals from personal liability.
☐ 9. Organization applies to IRS for an employer identification number (E.I.N.).
☐ 10. Organization establishes a bank account and establishes check signing procedures—see 11 below.
☐ 11. Organization designates which officer(s) have the power to sign checks.
☐ 12. Organization files Form 1023 with IRS to get its tax exemption and its designation as being other than a private foundation.
☐ 14. Organization applies for an Employer Registration Number and a Labor Department Number from appropriate State or District office.
☐ 15. Organization establishes financial management, auditing and internal control systems.
Start-up Checklist, continued

YES NO

☐ ☐ 16. Organization sets up a chart of accounts to record financial transactions.

☐ ☐ 17. Organization establishes a general ledger and bookkeeping system (either manual or computerized) to account for cash receipts and cash disbursements, assets and liabilities.

☐ ☐ 18. Organization composes job descriptions for staffing needs.

☐ ☐ 19. Organization hires staff and sets compensation levels.


☐ ☐ 21. Organization establishes a payroll system (manual or automated), including a) Withholding requirements (federal, state & city). b) Requirements for payment of funds withheld (federal, state & city). c) Reporting requirements for funds withheld (federal, state & city).

☐ ☐ 22. Organization establishes a system for determining whether individuals performing services for it are employees or independent contractors.

☐ ☐ 23. Organization establishes a system for preparing and filing Form 1099s on behalf of independent contractors.

☐ ☐ 24. Organization establishes a mandatory system for maintaining records for each employee which include (1) names and social security numbers, (2) W-4 and I-9 forms, and (3) for each payroll period the: (a) beginning and ending dates, (b) the days (weeks, etc.) each employee worked and the earnings for each day (week, etc.) and (c) all payments made to the employee, including bonuses and vacations.

☐ ☐ 25. Organization establishes a system to meet mandatory insurance requirements: 
   (1) Workers' Compensation, (2) Unemployment insurance, (3) Short-term Disability, (4) Auto Liability (if applicable), (5) [Others].

☐ ☐ 26. The organization procure necessary insurance coverages: general liability, property, professional responsibility (if applicable), sexual abuse (if applicable) and non-owned auto liability (if applicable).

☐ ☐ 27. Organization determines whether Directors & Officers (D&O) liability insurance is needed.

☐ ☐ 28. Organization registers with the appropriate State government office and establishes a system to make sure it complies with the following (and in most cases mandatory)reporting requirements: (1) Annual Information return to the Internal Revenue Service: IRS Form 990; (2) Annual report to the appropriate State or District office; (3) [Others].

☐ ☐ 29. Organization establishes a system for receipting gifts of over $250 to comply with IRS substantiation requirements.

☐ ☐ 30. Organization procures health benefits for employees.
Start-up Checklist, continued

YES NO

☐ ☐ 31. Organization establishes a retirement plan for employees.

☐ ☐ 32. Organization rents (or purchases) office space.

☐ ☐ 33. Organization leases a postage meter and applies for a nonprofit permit number in order to mail at the reduced nonprofit bulk rate.

☐ ☐ 34. Organization leases or buys computer equipment that is capable of email and accessing the Internet.

☐ ☐ 35. Organization leases or buys office equipment: copy machine, fax machine, desks, chairs, file cabinets, conference room tables and chairs, coffee maker, etc.

☐ ☐ 36. Organization develops and provides programs and services valuable to the community it serves.

☐ ☐ 37. Organization develops and implements the overall fundraising plan to support and sustain its programs and services.

Nonprofit Viability Checklist

YES NO

☐ ☐ 1. Organization has a vital mission statement.

☐ ☐ 2. Organization has a strong governance structure, including well-organized board, capable leadership, management, and staff.

☐ ☐ 3. Organization maintains clear lines of accountability.

☐ ☐ 4. Organization has efficient operations and support systems.

☐ ☐ 5. Organization has adequate facilities.

☐ ☐ 6. Organization has solid finances, with reliable and diverse revenue streams.

☐ ☐ 7. Organization has high-quality, well-regarded, relevant programs.

☐ ☐ 8. Organization implements sound organizational planning, development, and evaluation procedures.

☐ ☐ 9. Organization has solid history.
# Proposal Writing Basics

## Wisdom Exchange Project Outline

| Need | Many students are reading below grade level  
<table>
<thead>
<tr>
<th></th>
<th>Senior citizens are in need of meaningful work opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Description</td>
<td>Local senior citizens tutor elementary school students in reading</td>
</tr>
</tbody>
</table>
| Goals | Increase reading levels for students  
|      | Provide meaningful, rewarding volunteer work opportunities for seniors |
| Objectives | Recruit 20 students, grades 3 thru 6, who are below grade level in reading  
|      | Increase reading levels of at least 75% of the participants to their grade level in one year  
|      | Recruit, train, and retain at least 20 seniors as tutors for one year |
| Methods | One senior citizen will tutor one student for 2 days a week for one year  
|      | Tutors are trained volunteers from Madison Community Center; students are from P.S. 27 |
| Staff Responsible | Project Coordinator to oversee project  
|      | Reading Instructor (consultant) to provide training for seniors and to be available as resource |
| Collaboration | Steering Committee will include representatives from the school administration, parents and the senior center |
| Evaluation | A pre- and post-test to determine reading skills  
|      | Student folders with progressive work samples  
|      | Volunteers and staff meeting logs to evaluate and record the successful procedures and the obstacles encountered  
|      | A survey for volunteering seniors re: their learning experience, satisfaction, etc |
| Sustainability | Donations will be solicited from individuals in the community  
|      | Future support will be sought from United Way and from local government agencies |

## Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Executive Director 5% Time @ $60,000</td>
<td>$3,000</td>
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<tr>
<td>Project Coordinator 1/3 FTE @ $42,000/yr</td>
<td>$14,000</td>
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<tr>
<td>Fringe @20%</td>
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<td>Personnel Cost Subtotal</td>
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<tr>
<td>Consultant/Reading Spec. 20 days @ $500/day</td>
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<td>Consultant Cost Subtotal</td>
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<td>Supplies, reading materials</td>
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<td>Printing, copies</td>
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<td>Transportation for seniors to school</td>
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<td>Snacks for meetings</td>
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<td>Other Than Personnel Cost Subtotal</td>
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