



MARCH 2016

ANNUAL NONPROFIT CHECKUP

By Richard S. Caputo and Jacqueline Motyl

Operating and managing a nonprofit organization is no small task. To ensure compliance with the complex web of laws and regulations — both federal and state — nonprofits should conduct a “checkup” at the beginning of each fiscal year.

Specifically, a nonprofit organization should ensure that it: has made all required annual federal and state filings; has reviewed and, if necessary, updated its bylaws and/or internal governance policies and procedures; has reviewed and, if necessary, updated its insurance coverage; has provided its donors with timely, written receipts acknowledging their contributions; and has maintained adequate records regarding certain corporate decisions.

To assist your organization with this annual process, we have created the following checklist. If your nonprofit organization cannot answer “Yes” to a particular question, we encourage you to click the link below the question for more details on how to resolve the issue.

1. Has your nonprofit organization filed or is it in the process of filing its annual Form 990/990-PF Return?
No? Find out more [here](#).
2. If your nonprofit organization engages in fundraising activities, is it properly registered with the attorney general in each state in which it engages in fundraising activities?
No? Find out more [here](#).
3. If your nonprofit organization had a change in officers over the past year, did it update its

registered responsible party with the IRS?

No? Find out more [here](#).

4. If your nonprofit organization is exempt from federal income tax under Code Section 501(c)(4), has it formally registered with the IRS?

No? Find out more [here](#).

5. Has your nonprofit organization engaged in an annual review of its insurance policies?

No? Find out more [here](#).

6. Did your nonprofit organization provide written acknowledgement or quid pro quo disclosure letters to its donors last year?

No? Find out more [here](#).

7. Has your nonprofit organization reviewed its bylaws within the past year?

No? Find out more [here](#).

8. Has your nonprofit organization documented board approval for activities in the form of meeting minutes or written consents?

No? Find out more [here](#).

For more information about this alert, please contact [Richard S. Caputo](#) at 610.458.3121 or rcaputo@foxrothschild.com, [Jacqueline Motyl](#) at 610.458.1420 or jmotyl@foxrothschild.com or any other member of the firm’s [Nonprofit Organizations Practice](#).

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