

IRS FORM 1023/1024 APPLICATION CHECKLIST
KEYTLaw, LLC

Date: _____

Arizona CPA and charitable organization attorney Richard C. Keyt (phone: 602-424-4154) is the person you will work with primarily during the 1023 preparation process. Send this Checklist and the documents listed below to Ricky via email to rck@keytlaw.com or by mail to Richard C. Keyt, KEYTLaw, LLC, Phoenix, AZ 85016.

The purpose of this checklist is to help the people in your organization who are involved in the preparation of the corporation's IRS Form 1023. Save this file on your computer in a location where you can find it. Open the file and check boxes and enter information as you move through the 1023 preparation process. Update this Checklist once a week and send it to Richard C. Keyt until the Form 1023 is finished and ready to be filed with the IRS.

After you have given Ricky all the information needed to answer the questions in the Form 1023 Ricky will review and modify it as necessary. Ricky will schedule a time to discuss the Form 1023 with the corporation's representative named below. If necessary after that meeting, Ricky will make any changes to the Form 1023 and schedule a time for the representative to sign the Form 1023 or mail it for signature if the representative cannot come to our office.

Corporation Name: _____

Contact's Name: _____

PART 1
INFORMATION WE NEED

	Yes	No	Question
1.	___	___	Does or will the corporation engage in any lobbying activity?
2.	___	___	Does or will the corporation engage in any legislative activity?
3.	___	___	Does or will the corporation provide goods, services or funds to individuals?
4.	___	___	Does or will the corporation provide goods, services or funds to organizations?
5.	___	___	Does or will the corporation make grants, loans or other distributions to organizations? See Form 1023 Page 7, Section 13a-g.
6.	___	___	Does or will the corporation give scholarships?

	Yes	No	Question
7.	—	—	Are any members of the Board of Directors related by blood or marriage or controlled by another person or entity? For example, is any Director employed by a company that does business in any way with the corporation or that is a major donor?
8.	—	—	Are there any contracts (written or oral) between the corporation and any officer or director for services, leasing of property or any other purpose?
9.	—	—	Has the corporation engaged in any activity or received any donations?

PART 2 FORM 1023 TASKS

	Completed	Not Applicable	Task
10.	—		Save the pdf version of the IRS Form 1023 that we email to you on your computer.
11.	—		Open the Form 1023 pdf file on your computer and then review and revise pages 1 – 13. Don't spend any time on the Schedules after page 13 unless Ricky tells you to answer a specific Schedule. Answer questions to the best of your knowledge. Save the revised pdf file on your computer.
12.	—		Prepare the Narrative Description of Activities using Word or in the body of an email message. For more about this topic go to "Additional Advice about Your Narrative" in Richard Keyt's letter to the President of your corporation called "The IRS Form 1023 Preparation Process." For sample narratives of charitable organizations approved by the IRS go to: www.keytlaw.com/nonprofitcorporations/narratives
13.	—		Send the Narrative Description of Activities to Ricky
14.	—		Send the revised Form 1023 pdf file to Ricky
15.	—		Prepare the financial information requested on pages 9 & 10 of the Form 1023. For more about this topic read "Financial Information Considerations," "Statement of Revenue and Expenditures," "Balance Sheet," "Projected Budget," and "Final Advice on Financial Information" in Richard Keyt's letter to the President of your corporation called "The IRS Form 1023 Preparation Process."

	Completed	Not Applicable	Task
16.	—		Send the financial information Ricky
17.	—		Set a time to discuss the revised first draft of IRS Form 1023 with Ricky
18.	—		Review and revise the second draft of the IRS Form 1023 pages 1 – 13 and any Schedules prepared by Ricky
19.	—		Set a time to discuss the revised second draft of IRS Form 1023 with Ricky
20.	—		Review final version of the IRS Form 1023 with all attachments and Schedules
21.	—		Arrange for an authorized officer to sign the final version of the IRS Form 1023 with all attachments and Schedules
22.	—		Get a cashier’s check or a certified check payable to the Dept. of Treasury for \$850. This is to pay the Form 1023 filing fee. Mail or deliver the check to Ricky. Do not use a personal check.
23.	—		Put a copy of the IRS Form 1023 submitted to the IRS in the corporation’s minute book and another copy with the corporation’s records.

PART 3
FORM 1023 RELATED DOCUMENTS TO SEND TO RICKY

	Completed	Not Applicable	Documents to Send to Ricky
24.	—		You must complete and send to us an Officer/Director Information form on our website at www.keytlaw.com/azcorp/info.pdf for every person who is a member of the Board of Directors or an officer (President, Vice President, Secretary & Treasurer). Describe in detail the duties and qualifications of each person. The corporation must have at least three members of the Board of Directors at the time we file the Form 1023, and it cannot be controlled by a group of people. For example, if there are three Directors and two of them are married, the IRS will reject the 1023 because the husband and wife would have control of the corporation.

	Completed	Not Applicable	Documents to Send to Ricky
25.	—		Detailed budget for three years of financial information if you have not completed one tax year or four years if you have completed one tax year. Contact Ricky for help with this task.
26.	—	—	A copy of all leases to which the corporation is a party.
27.	—	—	A copy of all management contracts to which the corporation is a party.
28.	—	—	A copy of all independent contractor agreements to which the corporation is a party.
29.	—	—	A copy of all contracts between the corporation and all officers and directors.
30.	—	—	Copies of newsletters, brochures and flyers or mailings sent to prospective donors.
31.	—	—	A narrative that identifies all personal or business relationships, if any, that exist between major donors on the one hand and any member of the Board of Directors, officer, or employee. Describe the nature of the relationship. For example: Homer Simpson, a major donor, is the father of Bart Simpson the President of the corporation or Bart Simpson, the President, is an employee of World Wide Widgets, AZ, LLC, a major donor.
32.	—		Have the President sign the IRS Form 2848 and mail it to Ricky. This IRS form authorizes Ricky and Richard Keyt to act as the corporation's representatives with respect to the IRS Form 1023 and the application process. Form 2848 is located here: www.keytlaw.com/azcorp/2848.pdf
33.	—	—	If you answer Yes to question 3 above that asks "Does or will the corporation provide goods, services or funds to individuals?" then you must send a narrative that describes exactly what the corporation is doing or intends to do.
34.	—	—	If you answer Yes to question 4 above that asks "Does or will the corporation provide goods, services or funds to organizations?" then you must send a narrative that describes exactly what the corporation is doing or intends to do.
35.	—	—	Send a narrative that describes exactly How will the corporation raise funds? See Form 1023 page 6, Part VIII.

	Completed	Not Applicable	Documents to Send to Ricky
36.	—	—	If you answer Yes to question 5 above that asks “Does or will the corporation make grants, loans or other distributions to organizations?” then see Form 1023 Page 7, Section 13a-g. Send a narrative that includes the information described in that Section.
37.	—	—	If you answer Yes to question 6 above that asks “Does or will the corporation give scholarships?” then send a narrative that describes the classes of recipients and the criteria for selecting recipients.
38.	—	—	If you answer Yes to question 7 above that asks “Are any members of the Board of Directors related by blood or marriage or controlled by another person or entity?” then send a narrative that describe the relationship(s).

PART 4
CORPORATE TASKS & ADDITIONAL DOCUMENTS TO SEND TO RICKY

	Completed	Not Applicable	Task
39.	—		Signed copy of the Bylaws prepared by Richard Keyt.
40.	—		Signed copy of the organizational Resolutions prepared by Richard Keyt.
41.	—		Signed copy of the Conflicts of Interest Policy prepared by Richard Keyt.
42.	—		Signed copy of the Whistle Blower Policy prepared by Richard Keyt.
43.	—		Signed copy of the Document Retention & Destruction Policy prepared by Richard Keyt.
44.	—		Signed copy of the Gift Acceptance Policy prepared by Richard Keyt.
45.	—		Signed copy of the Travel & Expense Reimbursement Policy prepared by Richard Keyt.
46.	—		Signed copy of the Compensation Policy prepared by Richard Keyt.

	Completed	Not Applicable	Task
47.	—		Signed copy of the Joint Venture Policy prepared by Richard Keyt.
48.	—	—	Signed minutes of a Directors' meeting electing additional Directors. If additional members of the Board of Directors need to be elected have a meeting of the current Board and elect the new Directors. Document the meeting with minutes signed by the Secretary of the Board of Directors. Follow the format of the organizational resolutions prepared by Richard Keyt.
49.	—		Insert all of the signed documents listed above in the corporation's minute book.
50.	—		Register the corporation as a charitable organization with the Arizona Secretary of State. The corporation must register with the Arizona Secretary of State before it solicits its first donation from an Arizona resident. For more on this topic see " When Must an Arizona Nonprofit Corporation Register with the Arizona Secretary of State? " The registration form is in Richard Keyt's article called " How to Register as a Charitable Organization with the Arizona Secretary of State. "
51.	—		Set up the corporation's QuickBooks bookkeeping system. I recommend that you hire Arizona CPA Carolyn Sechler to do the corporation's bookkeeping or to assist you. Call Carolyn at 602-230-2700 or email her at carolyn@azcpa.com . I also recommend that you hire Carolyn to prepare the corporation's federal tax returns. Her accounting practice is limited to charitable organizations. The corporation must have a bookkeeping system and do proper bookkeeping in case of an IRS audit. Maintaining books using QuickBooks makes life easier for the Directors & Officers & reduces the cost of tax returns.