



## Guide to Starting a Charitable Nonprofit in Wyoming



### Wyoming Nonprofit Network

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# Introduction and Disclaimer

Every day, individuals like you are inspired to start a nonprofit to positively change lives and improve communities. Creating and sustaining a nonprofit is not easy, we applaud your enthusiasm. This purpose of this guide is to provide you with some initial considerations before forming a nonprofit and to offer some steps and resources in the process of forming a nonprofit. There are multiple hyperlinks throughout this document that will take you to specific websites with more information.

It is important to note that a nonprofit is different from a business in that nonprofits do not have owners. They are formed for the benefit of society and are governed by a volunteer board of directors. If you are the founder of a nonprofit, this is an important aspect to understand.

The Wyoming Nonprofit Network does not provide one-on-one assistance to start a nonprofit. We do freely provide information and resources in this guide and on our website to help you. As noted in this guide, we encourage you to seek professional guidance from an attorney and/or accountant with specific experience and expertise in nonprofits.

*The legal information contained in this Guide is intended for general guidance only. While every effort has been made to provide accurate and current information, the application and impact of laws can vary widely based on the specific facts and circumstances of each situation. Given the changing nature of laws, rules, and regulations, there may be certain information contained in this material that cannot be relied upon in specific situations. Accordingly, information concerning legal matters is provided with the understanding that the Wyoming Nonprofit Network and its representatives are not licensed attorneys engaged in rendering legal advice and services. As such, we highly recommend that you consult an attorney concerning your specific legal needs. We are not responsible for any errors or omissions, or unauthorized use of or reliance on the legal information. Every effort has been made to provide complete, accurate information, however, the materials are provided “as is” with no guarantee. Results obtained from the use of this information are made without warranty of any kind, expressed or implied, including, but not limited to warranties of performance, merchantability, and fitness for a particular purpose.*

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# Types of Nonprofits

## **501(c)(3) organizations**

The Internal Revenue Service defines more than 25 types of tax-exempt entities under Section 501(c). The focus of this guide is on **public charities granted 501(c)(3) status**. Charitable organizations are different from other types of tax exempt organizations in that they must benefit the broad public interest. In order to be [tax-exempt under 501\(c\)\(3\)](#), an organization must be organized and operated exclusively for one of the following purposes: charitable, religious, educational, scientific, literary, testing for public safety, fostering national and international amateur sports competition, and preventing cruelty to children or animals. In addition, none of the organization's earnings may inure to the benefit of any private shareholder or individual; all earnings must be used to further the organization's mission. 501(c)(3) organizations differ from other nonprofits in that a.) donations may be tax deductible, b.) purchases may be exempt from sales taxes and c.) and nonprofit bulk mailings may qualify for bulk rate.

It is vital to the work of charitable nonprofits that they remain nonpartisan. The IRS specifically states that a charitable nonprofit shall not endorse, fund, or oppose any political candidate. This enables organizations to work with elected officials of all parties at the local, state, and federal levels to address community needs.

Charitable nonprofits may engage in a broad range of advocacy activities that support their mission, within IRS limitations and [guidelines](#). The IRS defines lobbying as “carrying on propaganda, or otherwise attempting, to influence legislation.” These are activities that attempt to influence legislators to pass laws that are favorable or overturn laws that are unfavorable to one's cause. Educating decision makers and lawmakers about an issue is not considered lobbying, nor is hosting a public meeting or distributing a nonpartisan report about an issue.

**501(c)(3) private foundations** are charitable organizations but are not public charities. Typically, they are established with funds from a single source such as a family, individual, or corporation. Earnings from the investment of these funds are used to support charitable causes.

## **Other 501(c) organizations**

Other 501(c) organizations include entities such as civic leagues, social welfare organizations, labor organizations, business leagues, social and recreation clubs, fraternal societies, employee associations and veteran's organizations. Donations to these organizations are not tax deductible, they are not eligible for sales tax exemptions or special mailing rates, but they are allowed limited political activity and lobbying.

Refer to [IRS Publication 557](#) to read more about each category.

# Initial Planning & Research

If you are thinking of starting a nonprofit you have most likely identified a need and have an idea and desire to provide a service to meet that need. Before creating the nonprofit, here are just a few questions to consider.

- ❖ What need are you trying to meet?
- ❖ What proposed services will your organization provide?
- ❖ Who will services be provided to?
- ❖ Is there another organization in your community with a similar purpose?
- ❖ What are your revenue sources?
- ❖ Will your organization qualify as a charitable nonprofit?
- ❖ Does your group have the skills necessary to run a nonprofit charitable organization?

**Evaluate the market** to begin answering these questions. Start by talking with other organizations attempting to meet that same or similar need. Is there an abundance of organizations with the same or similar goals that are already competing for scarce funding? Can you partner with them rather than starting a new nonprofit?

**Funding** is a struggle that will always be a part of managing a nonprofit organization that relies heavily on the generosity of donors and other funding entities. Before embarking on this endeavor, it is important to consider how much potential funding might be available for your proposed organization, and if enough funders will consistently be interested in investing in your organization's mission. Consider the long-term sustainability of your organization.

Sources of income may include:

- Fees for services - membership dues, program fees, event tickets, etc.
- Individual donors - one time and regular giving
- Foundations – community, private, corporate
- Corporate giving - philanthropic, event sponsorship
- Government grants - federal, state, and local
- Federated funds – i.e. United Way
- Fundraising events

One alternative to starting a new charitable nonprofit is to seek out a **fiscal sponsor**. Fiscal sponsorship is a formal arrangement in which a 501(c)(3) public charity sponsors a project that may lack exempt status. This alternative to starting your own nonprofit allows you to seek grants and solicit tax-deductible donations under your sponsor's exempt status. Funding entities are typically more interested in giving their money to organizations that have tax exempt status, have been around a while, and can prove a successful track record. Using a fiscal sponsor is also a good way to begin operating sooner while waiting for 501(c)(3) status to be approved by the IRS or to test-run the organization while determining feasibility.

Some organizations remain in a fiscal sponsorship for the long-term and others take advantage of it only during the start-up phase when raising funds to establish the organization. Operating under a fiscal sponsor that provides administrative services and oversight and assumes legal

and/or fiscal responsibility for a group, can be extremely helpful in creating a strong foundation in which to operate your nonprofit.

Fiscal Sponsorship Resources:

[National Network of Fiscal Sponsors](#)

[Fiscal Sponsorship: A Balanced Overview – Nonprofit Quarterly](#)

[Fiscal Sponsorship for Nonprofits – National Council of Nonprofits](#)

[Fiscal Sponsorship - BoardSource](#)

Other alternatives to creating a 501(c)(3) include:

- Become a member or volunteer of an existing group
- Create a special project or program to be executed through an existing group
- If a regional or national organization exists in your area of interest already, start a local chapter

It is important to gain an understanding of the **state and federal rules** that govern a nonprofit.

Read:

- ✓ [Wyoming Nonprofit Corporation Act](#)
- ✓ [How to Create a Wyoming Company](#) – Wyoming Secretary of State
- ✓ [Life Cycle of a Public Charity](#) – IRS
- ✓ [Applying for 501\(c\)\(3\) Tax-Exempt Status](#) – IRS
- ✓ [Compliance Guide for 501\(c\)\(3\) Public Charities](#) - IRS

Additional Resources:

[How to Start a Nonprofit – National Council of Nonprofits](#)

[Starting a Nonprofit. A Wild Apricot checklist.](#)

[MindEdge Learning Courses](#) – The Wyoming Nonprofit Network has partnered with MindEdge to offer a number of different introductory courses in nonprofit management.



# Getting Started

## **Select a name**

To start, generate a list of possible names for the organization and [research their availability](#) with the Wyoming Secretary of State. It is advisable to search carefully, making sure to check for plural and singular versions of names along with all possible spelling variations. See [Helpful Search Tips](#) for assistance. If you're not ready to launch your nonprofit but would like to reserve a name that you have chosen and is available, an [Application for Reservation of Corporate Name](#) can be filed with the Wyoming Secretary of State.

## **Draft a Mission Statement**

Establish a preliminary mission statement early in preparation for filing and board recruitment. A mission statement clearly and concisely articulates the purpose of your organization. In developing the mission statement, incorporate the answers to the following questions. Who are you serving? What are you striving to accomplish? How will you accomplish this (services, programs, etc.)?

The mission statement should be concise, while also providing enough information about your organization's purpose so people can easily understand what you are trying to accomplish. Ask someone unfamiliar with your efforts to review it. They should have a basic understanding of why your organization will exist.

The wording in a mission statement may vary over time but you should not change the basic purpose of the organization unless warranted and meets IRS requirements.

## **Create a Business Plan**

Creating a 3 to 5-year business plan at this point allows you to clarify objectives, assess the feasibility of the nonprofit and its programs, evaluate necessary funding, and market your organization. Business plans articulate the vision, goals, and future of your nonprofit to potential board members, funders, and other donors. Putting thought into these areas now will help prevent shortfalls in cash flow and program misdirection later. Many variations of sample business plans can be found online, but every plan typically contains at least the following sections:

**Executive Summary** – This section is typically read first and is an overview of all other information in the document. It frequently acts as a marketing piece and should be written last to ensure you are addressing all essential points while putting your best foot forward. This is where your nonprofit's mission and goals will be presented.

**Market Analysis** – Your market analysis is a formal write-up of the market evaluation that was completed prior to deciding to start your nonprofit. Here you will restate the need your nonprofit wants to meet, note any other organizations in your market that are offering similar services, and emphasize why your nonprofit can meet this need more effectively than another organization.

**Products and Services** – In this section you will go into detail about the programs and services you wish to offer to align your organization with its mission.

**Marketing Plan** – The marketing plan explains your nonprofit’s approach and plan for communicating with and engaging target markets. These markets include:

- Beneficiaries of your services
- Volunteers
- Donors and funding opportunities
- Community members

The marketing plan should include your approach to branding, in addition to your plans for website, social media, promotional materials, and ongoing communications and engagement.

**Operational Plan** – All operations should be mission-driven and lead the organization closer to its goals. Explain in this section how your nonprofit plans to operate and deliver its services in the early stages. Include how you will implement the programs/services and how success will be measured.

### **Organizational Structure**

- **Governing Structure** – Explain the governing structure of the Board of Directors and their roles. Include your strategy for recruiting board members and the types of expertise, skills and connections needed for your particular organization.
- **Operational Structure** – Explain staff and volunteer roles in this section and the responsibilities given to each. Include the need and roles of projected staff positions that will be added as growth occurs. Many nonprofits start as all-volunteer organizations. Consider how long you can maintain this structure and a timeline for hiring staff, if appropriate.

### **Financial Plan**

- **Projected expenses** – Provide a realistic projection of expenses for daily operations, initial services programs, and programs to be added if details are known.
- **Projected income** – Here you will list the details of projected revenue streams from all sources. Explain your nonprofit’s plan for generating this income, including a percentage breakout for each funding source.
  - **Internal Controls** – Describe the internal financial controls that will be set in place to prevent inappropriate use of organization funds. A separation of duties is the primary way to prevent fraud, embezzlement, and misdirection of funds. Requiring more than one person to be involved in financial transactions makes it more difficult for unlawful activity to occur.

**Appendix** – Include any extra documents detailing your nonprofit’s structure and operation. The following may be included but are not limited to: annual budgets, cash flows, organizational flowchart, and Board of Directors listing.

Additional Resource:

[Business Planning for Nonprofits](#) – National Council of Nonprofits



[MindEdge Learning Courses](#) – The Wyoming Nonprofit Network has partnered with MindEdge to offer a number of different introductory courses in nonprofit management.

### **Choose Board of Directors**

The Wyoming Nonprofit Corporation Act always requires all nonprofits to have a minimum of 3 board members. Choose Board of Directors members that share a sense of purpose in the mission and have diverse business competencies that will contribute to the long-term governance of the organization. It's important to choose initial board members carefully because this board will lay the foundation for the organization through the development of bylaws, policies, and solidifying the mission that will set the direction of your nonprofit going forward. A board provides foresight, oversight, and insight. They are ultimately responsible for the organization.

#### **The responsibilities of the board include:**

1. Determine the mission, set organizational direction and ensure effective planning
2. Ensure adequate financial resources and protect assets
3. Ensure compliance with legal and ethical obligations
4. Select, support and evaluate the chief executive
5. Serve as an advocate and ambassador
6. Ensure the board operates effectively and efficiently
7. Monitor program performance and impact

In small and/or newly formed nonprofits, board members often serve as volunteers in carrying out day-to-day operational tasks. They should not confuse these dual roles, serving as a board member is separate from serving as a volunteer. We encourage you to seek board training for all board members and the chief executive. The Wyoming Nonprofit Network offers a workshop entitled *Board Fundamentals*. Check out our [website](#) for upcoming workshops or contact us for more information.

Additional Resources:

[Forming the Nonprofit's First Board](#) – Board Source

[Building Your Nonprofit's Board](#) - Nolo

### **Obtain professional counsel**

Recruit an attorney and/or accountant with experience in nonprofits to review documents submitted to the State of Wyoming and IRS. It is never a bad idea to ask qualified legal counsel or tax advisors to sit on the Board of Directors if they are willing, available, and share a sense of purpose in your organization's mission.

# Registering and Filing with the with the Wyoming Secretary of State

## **Registered Agent**

The Wyoming Secretary of State first requires that all business entities in Wyoming have a registered agent. Failure to maintain a registered agent results in dissolution or revocation of the business entity. If a law enforcement agency or the Secretary of State needs to contact a particular business, they will do so through this individual. Registered agents must be 18; have a physical address in Wyoming; and be willing to accept mail, legal documents, and maintain information about the company onsite. Once a Registered agent has been identified, a [Consent to Appointment by Registered Agent](#) must be filed with the Articles of Incorporation. More information can be found at [How to Find \(or Become\) a Registered Agent](#) on the Secretary of State's website.

## **Articles of Incorporation**

The primary incorporation document in the State of Wyoming is the [Articles of Incorporation](#) that is filed with the Secretary of State. At least one incorporator is needed to file. This is the individual(s) who organizes the incorporation and completes and files the Articles of Incorporation with the Secretary of State.

The Articles of Incorporation form on the Secretary of State's website has the minimal information necessary to create a nonprofit in Wyoming. It does not include language required by the IRS to obtain 501(c)(3) federal tax-exempt status. To receive tax-exempt status from the IRS, your Articles of Incorporation must include basic information such as:

- Your nonprofit's corporate name
- A statement that the nonprofit is a public benefit corporation, religious corporation, or mutual benefit corporation
- The street address of the initial registered office and the name of the initial registered agent at that office
- The name and address of each incorporator
- Whether or not the corporation will have members
- Provisions regarding the distribution of assets on dissolution
- A statement of purpose that meets IRS requirements
- Statements that your non-profit will not engage in prohibited political or legislative activity
- A dissolution of assets provision dedicating your assets to another 501(c)(3) organization upon dissolution.

Specific requirements for Articles of Incorporation can be found in the [Wyoming Nonprofit Corporation Act](#), and tax-exempt language required by the IRS can be found on their website in [IRS Publication 557, Tax-Exempt Status for Your Organization](#). The online version of the Articles has the Consent to Appointment by Registered Agent as a part of the document. Since you are likely creating your own Articles, a separate [Consent to Appointment by Registered Agent](#) form can be found on the Secretary of State' site to include with your filing.

A Wyoming nonprofit corporation can file using the state's [online service portal](#) with electronic signatures and payment or by mailing in a hard copy with original signatures and payment. At the time of this publication, the filing fee for Wyoming is \$25, plus a \$2.00 online convenience fee if filing online. The Certificate of Evidence and annual report reminders will be sent to the email address that you provide in the Articles.

# Preparing to File with the IRS

## **Employer Identification Number**

An Employee Identification Number (EIN), also known as a Federal Tax Identification Number, is a nine-digit number assigned by the IRS to business entities for identification purposes. Every business must have an EIN whether they have employees or not and whether they are for-profit or not. Obtain an Employee Identification Number (EIN) from the IRS by submitting the SS-4 Form on the online [EIN Application](#) portal.

## **Bylaws**

The bylaws of a charitable nonprofit will be its governing manual and should be drafted prior to the first official Board of Directors meeting. The format may be flexible, but care should be taken to ensure the bylaws include all requirements of the Wyoming Secretary of State. These requirements can be found in Chapter 19 of the [Wyoming Nonprofit Corporation Act \(17-19-206\)](#). Bylaws should include but are not limited to: objectives and purposes of the corporation; essential tax exemption information; specifics about membership or non-membership structure; emergency and general powers; rules for orderly operation; Board of Directors requirements; procedures for holding elections and organizing meetings; quorum requirements; replacing board members, and procedures for amending Bylaws.

Additional Resources:

[Bylaws Checklist](#) – Blue Avocado

[Bylaws](#) – BoardSource

[Bylaws Dos and Don'ts](#) – BoardSource

## **Recordkeeping and Accounting**

The IRS requires that all public charities keep thorough books and records detailing all financial and nonfinancial activities. The accounting software or system you select needs to be able to appropriately monitor and report all financial activities throughout the year.

A corporate records book should be maintained at the principal office. This book can be as simple as a binder that includes the Articles of Incorporation, Bylaws, minutes of the first board meeting and ongoing board meetings, tax exemption application and determination letters, and any other related documents.

To comply with annual accounting reporting requirements, a public charity must keep records based on a tax year of 12 consecutive months. This may be a calendar year that runs from January 1 to December 31 or a fiscal tax year that ends on the last day of any month other than December (e.g. August 1 – July 31). Records should include gross receipts, purchases, expenses, employment taxes, assets, and liabilities. Keeping thorough records is particularly important for all sources of support because this information is used by the IRS in determining nonprofit status. Details about what each of the above categories include and supporting documents that are needed can be read about in the [IRS 501\(c\)\(3\) Compliance Guide](#), *Publication 4221PC*.

### **Hold first Board of Directors Meeting**

This will be your board's first official meeting. The first Board of Directors meeting is an important one that includes creating many of the organization's founding documents. If certain policies and documents are not adopted by the time the Form 1023 application is submitted, it may be more difficult to receive the 501(c)(3) designation. More information about filing Form 1023 can be found later in this guide. Keep in mind the IRS rules for a 501(c)(3) organization when adopting these documents.

The agenda for the first meeting typically includes the following:

- Elect officers - The [Wyoming Nonprofit Corporation Act \(17-19-840\)](#) requires that unless otherwise provided in the Articles or Bylaws, a corporation shall have a president, a secretary, a treasurer and any other officers as are appointed by the board.
- Appoint committees and role assignments
- Adopt Bylaws
- Approve Policies:
  - Conflict of Interest policy
  - Compensation policy
  - Whistleblower policy
- Approve to submit Form 1023 for Federal tax exemption status (if ready)

Additional Resources:

[First Board Meeting](#) – Nonprofit Ally

[Conflict of Interest Policy](#) – National Council of Nonprofits

[Compensation Policy](#) – National Council of Nonprofits

[Whistleblower Policy](#) – National Council of Nonprofits

### **Open bank account once EIN is received, if desired**

To open an account on behalf of your organization, most banks will require a copy of the Articles of Incorporation, EIN, Bylaws, board minutes or a board statement authorizing the account and who the signatories are. Additional documents may be required based on specific bank policies.

# Apply for 501(c)(3) Tax-Exemption

## Apply for Tax Exemption from IRS

Obtaining the 501(c)(3) status opens many doors for a nonprofit organization. Having this designation lends itself to a nonprofit being considered a legitimate entity and has a positive impact on potential funding and grant opportunities, as well as encouraging individual donors to give tax deductible donations. It also exempts the nonprofit from the federal income tax, state sales tax, in some cases property tax, some employment taxes, and potentially reduced rates from the United States Post Office. If you haven't already, read [Applying for 501\(c\)\(3\) Tax-Exempt Status](#).

## Form 1023

[Form 1023](#), *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, is the long form for application. Read through the application, [watch the instructional video](#), read [Instructions for Form 1023](#) and [Applying for 501\(c\)\(3\) Tax-Exempt Status](#) (if you have not already done so).

To apply for 501(c)(3) status you will need to submit Form 1023, submit the already acquired Employee Identification Number, application fee, and required accompanying documents. These documents are explained in the above-mentioned *Instructions for Form 1023* and every attachment should show your organization's name and EIN. It should also state that it is an attachment to your application form and identify the line number to which it applies.

It is important to ensure you are submitting **all the necessary documents**, ready carefully and thoroughly. Some of these schedules and documents are dependent on the type of nonprofit you plan to operate. Double check requirements that may be specific to your type.

Applying for 501(c)(3) status with the IRS can be a lengthy process, and notification of tax-exempt status may take from 3-9 months. In addition, the IRS may contact you for additional or supplementary documentation, thereby lengthening the process even more. An organization may operate as a tax-exempt nonprofit until the application is processed and status is received. Special consideration needs to be taken regarding income received, such as donations, during this timeframe. Details regarding this can also be found in [Publication 4220](#), but we also advise checking with your tax professional for advice.

Most organizations will need to file an annual information return even while the application is still pending. To learn which Form 990 to file, read through the *IRS' Publication 4221PC, Compliance Guide for 501(c)(3) Public Charities*. If all information received establishes that an organization meets the requirements for exemption, the IRS will issue a determination letter recognizing the organization's exempt status and providing its public charity classification. **This is an important document that should be kept in the organization's permanent record.**

The IRS has created a site dedicated to assisting new and existing nonprofits titled [Stay Exempt: Tax Basics for Exempt Organizations](#).



### **Form 1023-EZ**

You may be eligible to file [Form 1023-EZ](#), *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, instead of Form 1023 if you are a smaller organization (assets of \$250,000 or less **and** annual gross receipts of **\$50,000 or less**). To determine eligibility to apply using this simplified form, complete the Form 1023-EZ Eligibility Worksheet at the bottom of the [Form 1023-EZ Instructions](#). At the time of publication, no other documents need to be submitted with Form 1023-EZ, but you do have to attest that your organization has proper organizing documents that contain necessary provisions required by Internal Revenue Code Section 501(c)(3).

# Additional Considerations

## **File for Wyoming State Sales Tax Exemption and Revenue Identification Number**

If you have already been granted federal tax-exempt status by the IRS, the nonprofit need only submit a copy of the IRS' Letter of Determination to the Wyoming Department of Revenue to be granted an exemption.

For a non-profit religious or charitable organization that does not have a 501(c)(3) designation letter from the IRS, the following documentation may be submitted to the Department of Revenue for review: Articles of Incorporation, Bylaws, Mission Statement, and Income and Expense Statements (for the past three years).

Once it is determined that an organization qualifies for Wyoming Sales/Use Tax exemption, the entity will receive a Letter of Authority from the Department of Revenue with information regarding the scope of the exempt status and instructions for the Streamlined Sales Tax Agreement (SSUTA) Certificate of Exemption. The Letter of Authority is not required to be presented to the vendor; rather the letter explains the boundaries of the sales/use tax exemption and contains the entity's RID (Revenue Identification) number. The [SSTBG Form F0003 Exemption Certificate](#) is used for purchases and can be found on the Wyoming Department of Revenue Website.

The [Department of Revenue](#) occasionally posts bulletins and webinars on their website that further explain relevant issues and policies.

## **Solicitation Permit**

Wyoming does not require nonprofits to register with the state before soliciting contributions from state residents. However, you may have to register your nonprofit in other states before engaging in **out-of-state solicitations**. Solicitations may include, but are not limited to: board members asking friends to make a donation, fundraising events, year-end letters asking for a contribution, phone calls requesting a gift, fundraising requests via email, "Donate here" buttons on a nonprofit's website, grant proposals submitted to a foundation, radio and TV spots that include a request to give, Crowdfunding events, etc.

As of 2018, 45 states have charitable solicitation laws. Non-compliant organizations may be subject to hefty fines, loss of tax-exempt status, loss of right to solicit, loss of grant and donation opportunities, and negative headlines. It can be time-consuming and sometimes costly to register to solicit in other states. Harbor Compliance and the Council of Nonprofits have published the [Charitable Solicitation Compliance](#). It is highly recommended that this publication be read through prior to soliciting funds from outside Wyoming.

## **Apply for Federal Nonprofit Mailing Permit**

If desired, apply for the [Federal Nonprofit Mailing Permit](#) from the U.S. Postal Service that allows certain nonprofits to send bulk mail at discounted prices. More information and [instructions](#) can be found at the United States Post Office website.

### **Property Tax Exemption**

It **may** be possible to obtain a property tax exemption for your nonprofit if property is owned and used for charitable purposes. Wyoming exemption statutes state that some property used for charitable purposes may be exempt from property taxes. Read through [W.S. 39-11-105. Exemptions](#). Sections xxvii, xxxv, and xli to see if your nonprofit may be eligible.

### **Insurance Considerations**

It is advisable to maintain insurance coverage to protect the nonprofit and its volunteer board members.

Some examples are:

- D & O Errors & Omissions Liability Insurance - This is insurance that protects a nonprofit's directors and officers from the defense, settlement, and judgement costs that can occur as a result of wrongful act allegations.
- Commercial General Liability and automobile insurance - to prevent undue loss in the event of an accident, fire, theft, etc.
- Property Insurance - if property is owned.

### **Human Resources**

It is likely that your organization will start up on an all-volunteer basis. Once you are considering hiring the first employee, several other human resource matters now need to be taken into consideration. As an employer, there are certain legal requirements that must be followed. The [Wyoming Department of Workforce Services](#) can provide information on what these requirements are, and offer training courses to assist with knowledge in specific areas. As an employer, a few areas you will need to become familiar with include:

- Workers' Compensation Insurance
- Unemployment Insurance
- OSHA – Occupational Safety and Health Administration – Risk Management and Compliance
- Department of Labor- Wage and Hour federal and state compensation requirements
- Employment taxes - Specific information regarding [Employment Taxes](#) may be found on the IRS' webpage.

# Annual Reporting

## **Determine Annual Reporting Requirements**

- WY State - Wyoming requires an [Annual Report](#) to be filed each year on the first day of the anniversary month of formation. If the report is not filed within 60 days of the due date the entity will be subject to dissolution.
- Federal- The IRS requires an annual filing from most tax-exempt charitable nonprofits. Specific [reporting and filing requirements](#) for your charitable organization may be found on the IRS's website.

## **Terminating a 501(c)(3)**

If termination of your nonprofit becomes necessary, the [Articles of Dissolution](#) must be filed with the Wyoming Secretary of State. More specific information may be found in the Nonprofit Corporation Act [Dissolution in Wyoming](#) section. Select Title 17, Chapter 19, Article 14

The IRS requires a final Form 990 for most exempt organizations, but specific information for your charitable nonprofit may be found on the [Termination of An Exempt Organization](#) page of the IRS' website.



# Wyoming Nonprofit Network

## *Our Mission:*

*The Wyoming Nonprofit Network represents the collective voice of the Wyoming charitable nonprofit sector and brings best practices, resources, and support to the nonprofit community.*

With more than 150 members, the Wyoming Association of Nonprofit Organizations, d/b/a Wyoming Nonprofit Network, works to promote a strong nonprofit sector and supportive public climate through advocacy and awareness building, training and education, research and information sharing, network building and technical assistance

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Visit our website [www.wynonprofit.org](http://www.wynonprofit.org) for more information on:

- Joining the Wyoming Nonprofit Network
- Our members
- Educational and networking events
- Resources on topics such as boards, advocacy, fundraising, and technology
- Job board

*The Wyoming Nonprofit Network would like to acknowledge Align, the National Council of Nonprofits and our peer state nonprofit associations in serving as resources when compiling this document. In addition, we have provided links to several agencies and organizations that can provide additional resources and information. Finally, we would like to recognize Elizabeth Colvin for compiling and writing this publication. Elizabeth was a University of Wyoming 2018 Spring Semester Intern.*