



## ***Setting up a 501.c3 Non-Profit Sports Organization***

Setting up a 501(c)(3) non-profit sports organization involves several steps and compliance with legal and IRS requirements. Here's a guide on how to establish such an entity:

### **1. Define Mission and Purpose:**

- Clearly outline the mission, goals, and intended activities of your sports organization. Ensure that your mission aligns with the criteria for a non-profit organization as defined by the IRS.

### **2. Choose a Name and Structure:**

- Select a name that reflects the purpose of your sports organization and check its availability. Decide on the organizational structure, such as a corporation, association, or trust.

### **3. Board of Directors:**

- Recruit a board of directors who are committed to the organization's mission. Ensure they have diverse skills and backgrounds to contribute effectively.

### **4. Draft Bylaws and Policies:**

- Create bylaws outlining how the organization will be governed, including the responsibilities of the board, decision-making processes, membership criteria, and conflict of interest policies.

### **5. Incorporation Process:**

- File articles of incorporation with the secretary of state or the appropriate state agency. This establishes your organization as a legal entity within the state.

### **6. Apply for Employer Identification Number (EIN):**

- Obtain an EIN from the IRS. This number is necessary for tax purposes, opening bank accounts, and other official documentation.

### **7. Apply for 501(c)(3) Tax-Exempt Status:**

- Prepare and submit Form 1023 (Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code) or Form 1023-EZ



## ***Setting up a 501.c3 Non-Profit Sports Organization***

---

(streamlined application for smaller organizations) to the IRS along with the required documentation and filing fee.

- Ensure all required information, including financial projections, organizational structure, and activities, is accurately provided.

### **8. Compliance and Record Keeping:**

- Maintain proper records of finances, board meetings, and organizational activities.
- Comply with state and federal reporting requirements, such as annual filings and tax returns.

### **9. Insurance and Liability Protection:**

- Obtain liability insurance to protect the organization, board members, volunteers, and participants from potential risks and liabilities.

### **10. Fundraising and Financial Management:**

- Develop a fundraising strategy to secure funding for the organization's activities. Ensure transparent and ethical financial management practices.
- Create a budget outlining income sources, expenses, and financial goals.

### **11. Public Relations and Outreach:**

- Establish a strong online presence and engage in community outreach to raise awareness about your organization's mission and programs.
- Cultivate relationships with donors, sponsors, and other community organizations.

Setting up a 501(c)(3) non-profit sports organization requires careful planning, legal compliance, and ongoing commitment to fulfilling the organization's mission. Consider seeking legal and financial advice to ensure compliance with all legal requirements and best practices for non-profit management.