NONPROFIT COMPLIANCE CHECKLIST

With an ever-changing slate of regulatory rules and requirements, it can feel like you spend more time on paperwork than your organization's mission. That said, compliance can't be overlooked. Maintaining good standing is essential to applying for licenses, obtaining grants and public funding, preserving your organization's reputation, and its right to solicit.

The following checklist is meant to serve as a brief, but thorough set of key points to regularly review as your organization grows. For a more in-depth discussion of nonprofit compliance, please view our comprehensive Nonprofit Compliance Guide.

General Compliance

Confirm Your Good Standing with Each Secretary of State

Regularly check that your nonprofit corporation is registered in all states in which you conduct business and is in good standing.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Foreign qualify in all jurisdictions where you conduct business.			
☐	Review your good standing and rectify any delinquent statuses.			
☐	Terminate registrations from states in which you are inactive.			

Note: If you don't withdraw from inactive states, you are still generally obligated to renew and file annual reports, pay annual fees, and maintain a registered agent.

Our purpose-built Entity Manager software is integrated with secretary of state databases in all 50 states plus D.C. to automatically monitor good standing on your behalf. Easily track registration information, annual report due dates, and more.

Appoint a Registered Agent

When expanding your organization, make sure you have an active registered agent for all states in which you transact business. You may also need a registered agent when applying for state fundraising licenses, which are typically filed with the state attorney general.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Appoint a registered agent for every state in which you conduct business.			
☐	Make sure your registered agent address is current and you are still in communication with them and receiving documents.			
☐	If you use different registered agents, consider consolidating to a single provider to ensure no document deliveries are missed.			

If your registered agents vary by state, or aren't offering you the level of service you expect, consider nationwide registered agent service for simplicity and protection.

File Annual Reports

Most states require nonprofits to file annual reports with the secretary of state.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Determine each state in which you must file an annual report for the upcoming year. (Note: Not all states require nonprofits to file annual reports.)			
☐	Plan for your filing deadlines and budget for statutory fees.			

Annual report deadlines are highly variable, making it easy for staff to lose track of them. We provide nationwide [Managed Annual Report Service] that allows you to fully offload this work. Our experts prepare and file reports on your behalf, so you enjoy continued good standing, and never need to worry about annual report tracking and filing again.

Charitable Solicitation Registration

State charity registration requirements are generally based on where solicitation activities take place and are received by the donor. Many states base exemption thresholds and filing fee amounts on state-specific contributions. These factors dictate where your organization needs to register, how much it will pay in filing fees, etc.

When assessing your current fundraising it's important to track where solicitations are going, and from where your contributions are coming.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Confirm where your existing donors live.			
☐	Determine where your current and planned solicitations will target.			
☐	Calculate how much, if anything, you raise in each state.			

Ongoing charitable registration compliance requires continuous attention and expertise.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Develop a plan to register where required (based on existing or planned solicitation activity).			
☐	Review the reach of all fundraising campaigns, including online, to see if you require additional state registrations.			
☐	Ensure existing registrations are up-to-date.			
☐	Understand varying deadlines and procedures for submitting state-level extensions if you need more time to file.			
☐	Establish a system to ensure timely submission of extensions and registration renewals.			

To focus on your mission instead of time-consuming paperwork, consider Harbor Compliance for managing all aspects of your charitable solicitation registration.

Meet Charitable Disclosure Requirements

In addition to charitable solicitation registration requirements, 25 jurisdictions require disclosure statements—separate from those required by the IRS—when communicating with donors.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Include federal disclosure information on donor receipts.			
☐	Include state-specific charitable solicitation disclosures on all written and web solicitations.			
☐	Facilitate communications between marketing and development teams and legal and/or compliance teams to ensure solicitations meet state and federal requirements.			

The specific language required in each jurisdiction differs. Harbor Compliance offers services to help you meet these requirements, whether you're fundraising nationally or in a single state. We prepare your disclosure statements and provide continuous monitoring to ensure disclosures meet changing state requirements.

Understand Commercial Co-ventures

At least 24 jurisdictions have requirements specific to commercial co-ventures (CCV), and most of the filing requirements fall on the business. While only six states require a formal license, others may require filing of the contract, disclosures in advertising, state-specific language in the contract, some form of accounting or recordkeeping, or a final financial reporting.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Ensure any CCV partners have obtained the necessary licenses to act in that capacity.			
☐	File financial reports on a timely basis following the conclusion of campaign activity.			
☐	Submit contracts before each campaign and financial reports at their conclusion.			
☐	Ensure all additional activity, beyond the scope of the partnership agreement complies with federal and state UBIT requirements.			

If you're planning a campaign for the upcoming year, we can assist with commercial co-venture licensing, alongside your charitable solicitation registration.

Ensure Proper Use of Paid Fundraising Professionals

Similar licensing requirements apply if you plan to engage fundraising counsel or professional fundraisers.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Ensure any fundraising counsel and professional fundraising partners have obtained the necessary licenses.			
☐	Ensure partners meet additional requirements for individual licensure, surety bonds, and solicitation materials prior to campaign activity.			
☐	Submit commencement notices and contracts prior to the beginning of campaign activity.			
☐	File financial reports on a timely basis following the conclusion of campaign activity.			

Before hiring outside fundraising help, view the registration and licensing requirements for professional fundraising counsel across the United States.

Record Keeping, Governance, and Policies

Maintaining governance and upholding policies are all essential to maintaining a compliant organization. To keep this information in order and ready to present as needed, be sure you check on all of the following items.

Communicate the Bylaws

Nonprofit bylaws are the main governing document for your organization, and guide the actions and decision-making of your organization's board of directors. They include requirements for giving notices, holding meetings, holding elections, the roles of the corporate officers, avoiding conflicts of interest, etc.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Deliver all notices in the manner prescribed by the bylaws.			
☐	Confirm all board members have copies of the bylaws and are familiar with each of them.			
☐	Ensure all bylaws are relevant and easy to follow, making amendments if necessary.			

Maintain Records and Minutes

Keeping accurate records and minutes is important because they are subject to review by the Internal Revenue Service and the Attorney General's charity bureaus. This practice confirms your organization is acting in a manner required by law, and in compliance with your stated mission.

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Maintain formal, secured minutes of all board and committee meetings.			
☐	Keep copies of organizational records, tax returns, policies, resolutions, contracts, grant agreements, etc.			
☐	Track board member information and their terms.			

Follow Meeting and Documentation Rules

	CHECKLIST ITEM	NEXT STEPS	RESPONSIBLE	PRIORITY
☐	Conduct regular board meetings as required by the bylaws.			
☐	Create and annually certify a Conflict of Interest Policy to guard against excess benefit transactions.			
☐	Create and annually certify a Document Retention policy that determines what types of documents you must retain and for how long.			
☐	Implement an official Whistleblower Policy to protect members who provide credible information on illegal practices or violations of policies within the organization.			
☐	Understand who is serving on the board and when their terms will expire (as specified in the bylaws, for both operating and reporting).			
☐	Review and update existing policies in order to meet the organization's ongoing operational needs.			

HARBOR COMPLIANCE®

If you need help with any aspect of compliance, please get in touch. Our specialists have helped thousands of nonprofits enjoy the benefits of worry-free compliance at every phase of their development. Let us help you enjoy a prosperous year!

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