

LIFEWISE ACADEMY



FILING FOR A 501(c)3

If a LifeWise Leadership Board purchases property, it will be necessary to form a 501(c)3 Religious Organization to hold the local property in support of the Organization's religious activities. The following steps are provided to complete the process through Ministry Consulting Group (MCG):

- ◆ Submit a [Startup Questionnaire](#)
 - ◇ Select "New Ministry Incubator" and click the link to the startup questionnaire (near the bottom)
- ◆ Choose a name for the Organization: "{Area} Character Academy"
- ◆ MCG files the Articles of Incorporation and charges the Organization a filing fee (currently \$235 in Ohio and \$285 in other states; MCG will pay the state filing fee and add that to your bill)
- ◆ Approval of the Organization's corporate charter is typically received within 3-5 business days
- ◆ MCG creates a page for the Organization on a web portal for secure document transfers
- ◆ MCG prepares Form SS-4 and uploads it to the Organization's portal page
- ◆ Establish a Board of Directors with at least three members
- ◆ Establish three officers serving in the roles of (these officers can be the same three members of the Board):
 - ◇ President
 - ◇ Vice-President/Treasurer
 - ◇ Secretary
- ◆ The local Board of Directors signs and returns the Form SS-4. Based on the Form SS-4, MCG secures a federal EIN and notifies the local group

At this point, the Organization can commence operations, including opening a bank account and accepting donations. The Organization is permitted to operate under the presumption of being tax-exempt, provided they timely file Form 1023 (see Startup Package below), until notified otherwise by the IRS.

- ◆ The local Board of Directors establishes an administrative program (or outsources it to MCG or some other bookkeeper/accountant)
- ◆ MCG sends the Organization a Startup Package including information on:
 - ◇ Holding the first Board Meeting
 - ◇ Sample Code of Regulations (i.e., Bylaws)
 - ◇ Other helpful material
 - ◇ Form 1023 Questionnaire
- ◆ The Organization submits the Form 1023 Questionnaire via the portal

Typically 7-10 days after receipt of the questionnaire, MCG prepares Form 1023 and submits a draft to the Organization for approval.

- ◆ The Organization gives MCG the green light to e-file Form 1023 and sends the \$600 filing fee (as of Jan 31, the IRS requires that Form 1023 be e-filed and that the filing fee be paid when the e-filing is submitted). The Organization also pays MCG the \$150 preparation fee.
- ◆ The Organization typically receives notification of IRS recognition of its tax exempt status 8-12 months after Form 1023 is submitted.

An Organization that solicits donations from the general public must register with the appropriate regulatory oversight department in their state (e.g., in Ohio-the Attorney General's Exempt Organizations Department).

MCG and LifeWise will work with the Organization to provide the following necessary documents:

- ◆ A cover letter describing the group's activities and relationships that relate to the exemption category
- ◆ Federal Tax Exemption Determination Letter
- ◆ Incorporation Documents
- ◆ Code of Regulations/Bylaws
- ◆ Description of the organization's religious purposes and activities
- ◆ The Organization's relationship to other faith-based organizations (i.e., LifeWise)

Some version of Form 990 will be required for each calendar year commencing on the date the state approves the 501's Corporate Charter.

The total to the Organization for this process is approximately \$1084-\$1134 depending on individual state fees.