



## Wisconsin Community Health Center Incubator Checklist

### Module 2: Organizational Development

#### Background

The foundation of a successful Community Health Center is a strong non-profit organization with a clearly defined mission, sound management, strong governance and a continuous focus on results. The following items reflect the federal Health Center program requirements for Governing Boards and outline initial steps required in the development of a non-profit organization.

Community Based Board of Directors	Yes	No	N/A
Consist of at least 9, but not more than 25 members.			
Maintain a majority (at least 51%) of members who are patients of the Health Center.			
Represent the diversity of the community (age, gender, race/ethnicity, expertise, community connections).			
Not have more than half of the members of the Board be individuals who derive more than 10 percent of their annual income from the health care industry.			
Not have members who are employed by the Health Center or relatives of Health Center employees.			
Not have more than half of the members of the Board be individuals who derive more than 10 percent of their annual income from the health care industry			
Draft Articles of Incorporation	Yes	No	N/A
Articles of incorporation establish the Health Center as a legal entity. Community Health Centers are generally incorporated as not-for-profit entities, which make them eligible to apply for tax-exempt status under state and federal income tax laws. Sample Articles of Incorporation at: <a href="http://www.mncn.org/info_start.htm">http://www.mncn.org/info_start.htm</a> <a href="http://www.managementhelp.org/boards/boards.htm#anchor133574">http://www.managementhelp.org/boards/boards.htm#anchor133574</a>			
Draft Mission, Vision, Bylaws	Yes	No	N/A
Bylaws provide governing rules for internal Health Center operations from defining the size and selection of the Board of Directors, the number of board meetings, how the board will operate. Sample Bylaws available at <a href="http://www.mncn.org/info/template_start.htm">http://www.mncn.org/info/template_start.htm</a>			

Convene an Initial Meeting of the Board	Yes	No	N/A
Approve Articles and Bylaws			
Authorize Tax-Exempt Filing			
Elect Officers			
Agree on monthly meeting schedule			
Agree on committee structure and appoint board members to committees			
Obtain Tax-Exempt Status Materials	Yes	No	N/A
Form 1023, Application for Recognition of Exemption <a href="http://www.irs.gov/charities">www.irs.gov/charities</a> Application fees at time of submission: \$750			
File Articles of Incorporation	Yes	No	N/A
In Wisconsin, Submit Articles of Incorporation and 1 exact copy to: Department of Financial Institutions PO Box 7846 Madison, WI 53707-7846 Information: (608) 261-7577 Fax: (608) 267-6813 Web Site: <a href="http://www.wdfi.org/corporations">www.wdfi.org/corporations</a> Filing Fee: \$35 <a href="http://www.wdfi.org/corporations/faqs.htm#forms">http://www.wdfi.org/corporations/faqs.htm#forms</a>			
File Application with IRS for Tax-Exempt Status	Yes	No	N/A
Submit Form 1023, Application for Recognition of Exemption to: Internal Revenue Service P.O. Box 12192 Covington, KY 41012-0192 Information: (800) 829-1040 Forms: (800) 829-3676 Web Site: <a href="http://www.irs.gov/charities">www.irs.gov/charities</a> Filing Fee: \$750 (\$300 if revenues less than \$10,000/year)			
Obtain a Wisconsin Certificate of Exempt Status (CES)	Yes	No	N/A
Generally, federally exempt 501(c)(3) organizations will qualify for sales tax exemption in Wisconsin. To obtain a Certificate of Exempt Status (CES) number, the organization must submit Form S-103 (CES) with a copy of the IRS determination letter, Articles of Incorporation, bylaws, and a statement of income and expenses for the organization's most recent accounting period to: Wisconsin Department of Revenue PO Box 8902 Madison, WI 53708-8902 Information: (608) 266-2776 Fax: (608) 267-1030 Web Site: <a href="http://www.dor.state.wi.us">www.dor.state.wi.us</a>			

Register to the State of Wisconsin to Solicit or Receive Contributions	Yes	No	N/A
<p>Wisconsin non-profit entities must register with the Wisconsin Department of Regulation and Licensing (DRL) in order to solicit contributions or have contributions solicited on its behalf in excess \$5,000. DRL must receive Form #296, Articles of Incorporation, Bylaws, IRS 501(c)(3) determination letter, and a statement explaining how the organization will use the contributions by July 31.</p> <p>Department of Regulation &amp; Licensing Charitable Organizations PO Box 8935 Madison, WI 53708 Phone: (608) 266-2112 Fax: (608) 267-3816 Web Site: <a href="http://drl.wi.gov/index.htm">drl.wi.gov/index.htm</a> Filing Fee: \$15</p> <ul style="list-style-type: none"> <li>▪ Contributions received &gt;\$5,000: Submit Form #308</li> <li>▪ Contributions received &gt;\$100,000: Submit audited financial statement, Form #11952, and Form #308 with filing</li> <li>▪ If the organization uses a professional fund-raiser to solicit in Wisconsin, the name and address of said fund-raiser must be provided</li> </ul> <p>“Contributions” refers to solicited or unsolicited. IRS Form 990 may be filed in lieu of Form #308 (Charitable Organizational Annual Financial Report), but must be accompanied with Form #1952.</p>			
Strategic Planning and Organizational Work Plans and Budgets	Yes	No	N/A
Develop and obtain Board approval on strategic plan.			
Develop work plans and organizational operating budgets.			
Identify source of accounting experience.			
Establish accounting system and record-keeping procedures.			
Fund Development	Yes	No	N/A
Develop a fundraising plan.			
Develop a fundraising plan.			
Develop and submit grant proposals; initiate fund raising from individual donors.			

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