FASD United Affiliate Guidance: Organizational Readiness to Do Business with Your State

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Purpose

This guidance provides general instructions for FASD United Affiliates to ensure their organizations are legally established, properly registered, and fully prepared to engage with their state government. This includes qualifying to apply for public funding opportunities, such as grants and contracts (RFPs), and maintaining compliance with applicable laws and regulations.

Checklist for State Readiness

Each Affiliate should review and complete the following key steps to ensure they are properly set up to operate as a nonprofit organization and do business with their state:

1. Register as a Charitable Organization in Your State

Why It Matters: Most states require charitable organizations to register with the state before soliciting or receiving contributions.

What To Do:
- Visit your state's Attorney General or Secretary of State website to locate the Charitable Organization Registration section.
- Register annually as required. This often includes submitting IRS Form 990, audited financial statements, and a registration fee.
- Some states utilize a central portal (e.g., the Unified Registration Statement) to streamline filings across multiple jurisdictions.

Helpful Resource: NASCO (National Association of State Charity Officials): https://www.nasconet.org/

2. Obtain and Maintain a Business License (if required)

Why It Matters: Many cities and counties require nonprofits to obtain a general business license or operating permit, even if they are tax-exempt.

What To Do:
- Check with your local city or county government office to see if a business license is required.
- Maintain your license annually and post it at your principal office if required.

3. Ensure IRS Tax-Exempt Status Is Current

Why It Matters: 501(c)(3) status is typically required to apply for government grants, qualify for tax-deductible donations, and avoid federal income taxes.

What To Do:
- Verify your tax-exempt status on the IRS Tax Exempt Organization Search: https://apps.irs.gov/app/eos/
- File Form 990 annually to maintain status.
- Keep your IRS Determination Letter and EIN documentation on file and accessible.

4. Register to Do Business with Your State Government

Why It Matters: States require vendors (including nonprofits) to register in order to receive contracts, grants, or payments.

What To Do:
- Identify your state's Vendor Registration System or Procurement Portal.
- Register your organization, including submitting your EIN, DUNS (or UEI), and banking information.
- Complete any required certifications (e.g., W-9, conflict of interest disclosure).
- Maintain an updated SAM.gov registration if federally funded opportunities are possible.

Examples:
- California: https://www.caleprocure.ca.gov/
- Texas: https://comptroller.texas.gov/purchasing/vendor/
- New York: https://grantsmanagement.ny.gov/

5. Create a SAM.gov Account (Optional but Recommended)

Why It Matters: Required for federal grants and helpful when states use federal pass-through funds.

What To Do:
- Go to https://sam.gov/ and create an account.
- Obtain a Unique Entity ID (UEI).
- Complete entity registration and renew annually.

6. Monitor State RFPs and Grant Announcements

Why It Matters: Being proactive in tracking opportunities is essential for timely applications.

What To Do:
- Subscribe to email alerts on your state's procurement or grants portal.
- Designate a team member to monitor RFPs and grant listings.
- Set internal deadlines to prepare timely and complete responses.

7. Maintain Good Standing with Your State

Why It Matters: States may revoke your ability to do business if you fall out of compliance.

What To Do:
- File your Annual Report or Statement of Information with the Secretary of State as required.
- Update board member and address information regularly.
- Stay current on corporate franchise taxes or other state-level nonprofit fees.

Recommended Best Practices

- Document Storage: Keep copies of all registrations, certificates, and tax-exempt documentation in a shared and secured folder.
- Internal Controls: Maintain a conflict-of-interest policy and financial controls as required by grant agreements and best practices in good governance.
- Capacity Building: Train staff on proposal writing, compliance, and grant management procedures.
- Connections: Build relationships with state agencies. This will allow you to be better aware of when funding may become available.
- Monitor: Ensure that someone in your organization regularly monitors available grants and RFPs from the state.

Questions or Support?

FASD United encourages Affiliates to contact your state's charity oversight office or procurement office for specific guidance. You can also contact FASD United's national office for assistance in understanding these requirements or troubleshooting issues.

This document is not intended to be considered legal advice, and we encourage each Affiliate to review their state's regulations and requirements independently.