

Getting Your Foundation Started with **impactfully**



Foundation Source will create your foundation, work with you to file IRS Form 1023 requesting nonprofit status, and get you up and running on the Impactfully platform. But what are some things that you might want to be thinking about?

- **To fund your foundation, it will need its own account established.** Contact your financial advisor or bank of choice to start the process of opening an account.
- **The following corporate documents, as well as your foundation's EIN, will likely be needed to open the account:**
 - Amended Bylaws
 - Amended Restated Certificate of Incorporation
 - Consent of the Sole Director Corporate Resolution
- **Private foundations need to file an annual tax return (Form 990-PF) every year with the IRS. The first deadline is May 15th** but you can always file a simple, no-penalty extension request which gives you until the second and **final deadline of November 15th.**
- **We've set up your foundation to have a calendar fiscal year (ending 12/31),** so your foundation's first tax return will be due next year by May 15th. If you haven't already, be sure to let your accountant know about your foundation and the annual 990-PF return!
- **Depending on your foundation's eventual assets and the income generated, your foundation may need to make quarterly excise tax payments to the IRS.** Private foundations enjoy a tax rate of just 1.39% on net investment income.
- **For more information about the 990-PF filing requirement and the details on excise tax payment,** check out this [Foundation Source whitepaper](#).
- **Ready to start making grants to charities?** Apart from creating and funding a foundation account, you'll also need to consider your typical means of grant disbursement. A checkbook is simple enough, but if you'd like to make payments online, you'll want to start speaking with your financial advisor or bank to figure out their process for initiating ACH or wire payments.



- Regardless of how you distribute your grants, make sure to look up the charity and enter the grant on Impactfully first! Our charity database draws from the IRS, so you can make sure you're giving to qualified charities or those that are in good standing with the IRS.
- When you enter a grant on Impactfully, its initial status is "To Be Processed." This allows you to enter the details of the grant and check that the recipient is a qualified charity, and then once you distribute the funds, you can mark the grant as paid, optionally entering details such as account and check number, payment date, etc.

Regarding next steps, here's what remains until you are up and running:

- Foundation Source will use the information provided on the application to incorporate your private foundation in the state of Delaware.
- As part of that process, you will receive a link to sign your Corporate Resolution and our online IRS Form 1023 Questionnaire. The 1023 Questionnaire will walk you through a series of questions that will provide us with the information necessary to prepare Form 1023 on behalf of your foundation.
- A member of the Account Services Team will provide copies of all corporate documents for your foundation.
- You will receive an email with a link to set up your Impactfully login and start using your foundation's new management platform.
- Once we have reviewed the information provided in the Questionnaire, we will provide you with a draft application for your review and approval, along with instructions on how to return the necessary signature pages.

At any moment along the way, we are available for questions using the email addresses provided and are happy to set up a call to discuss anything with you!

HAVE A QUESTION?

For more information, contact us at 800.839.0054 or impactfully@foundationsource.com.

www.foundationsource.com

©2022 Foundation Source Philanthropic Services Inc. All rights reserved. v0922

The information provided in this document is for general information purposes only, and does not constitute legal, tax or investment advice.

FOUNDATIONSOURCE