STARTING AN ALAS STATE AFFILIATE TOOLKIT

Starting a State Affiliate Toolkit

Welcome to the Association of Latino Administrators and Superintendents (ALAS) How to Start Your State Affiliate Toolkit! This simple toolkit will provide you specific steps you need to start your own State Affiliate organization with helpful tips on starting a 501c3, your own mentoring and protege program and developing your first conference to generate necessary ongoing funding for operations and sustainability.

This toolkit will cover the following and should be applicable in each state:

A. Fiscal Sponsorship

B. Steps to Incorporation

- Business Plan Development
- Mission Statement
- Recruit Board Members
- Legal Support
- Accounting Support
- Articles of Incorporation
- Bylaws
- Business Name Application
- Federal EIN# Application
- File Incorporation with State
- Federal Tax-Exempt Status Application
- Right to Solicit Donations Application

C. Response from the IRS

D. Advanced Ruling

E. Public Support Test

Nonprofits are tax exempt under the 501c status of the Internal Revenue Service. There are two types of nonprofits that fall under the 501c3 status--**Public Charities and Private Foundations.** Most folks who start their own nonprofit apply for 501c3 tax status which allows their nonprofit to receive tax deductible donations and not pay taxes. There are two options to start your own nonprofit organization. One option is try to find another 501c3 nonprofit to fiscally sponsor your organization or just take the steps to apply for your own 501c3 status. This is where legal support is needed. Try to solicit a local school legal firm to work pro bono or swap out services for a Gold, Silver or Bronze partnership. You can also go to www.legalzoom.com and try to do it on your own.

A. Fiscal Sponsorship

Fiscal Sponsorship is an option an organization can choose to follow before becoming an official 501c3 nonprofit. Fiscal sponsorship is good for individuals or groups in a hurry to begin operations and accept tax-deductible donations. However, many funding sources-foundations will not fund new groups.

Fiscal sponsorship usually involves a contractual agreement between a sponsoring organization and the organization being fiscally sponsored also known as the **fiscal project**. Fiscal Sponsorship gives the fiscal project's donors an opportunity to receive tax deductions for the donations that they provide for program support. In many cases the fiscal sponsor organization makes specific requirements for an organization to be fiscally sponsored. Some of these requirements involve the fiscal project to engage in strategic planning, fiscal reporting, and accountability activities. There are many ways an organization can be fiscally sponsored, for example one organization can be a project of another organization, or the fiscal project is separate entity with a Board of Directors. "Fiscal Sponsorship: 6 Ways To Do It Right," by Gregory L. Colvin, goes into more details about the different types of fiscal sponsorship.

It is helpful if new organizations that are looking for a fiscal sponsor do a little research before they jump into a fiscal sponsorship relationship. This really helps during the contract negotiation. Since the IRS is really particular about how fiscal sponsor relationships are set up there are a lot of rules about ownership of funds, for example in most cases the new organization doesn't have any control over the money that the donors give to the fiscal sponsor. So, it is challenging when new organizations add clauses in the contract to try to control their funds. It is helpful if new organizations not only learn about the benefits of being fiscally sponsored but also the limitations to being fiscally sponsored. However, once a new organization is fiscally sponsored they can generate donations and funds until they are ready to separate from their fiscal sponsor and apply for 501c3 nonprofit status.

Steps to Incorporation

There are specific steps to create an official 501c3 nonprofit organization.

<u>Business Plan Draft</u>

A nonprofit is like any business and requires a good plan to get started. Sample plans can be found on the Small Business Administration's website http://www.sba.gov. A good plan includes these components:

- Mission statement
- Description of activities
- Marketing plan

- Need for your nonprofit in the community, evaluation of what is already out there.
- Board and Staff bios showing their capabilities to perform the duties of the nonprofit.
- 3 year budget including realistic income and expenses. Some of these expenses are:

- Start-Up Costs
- Pre-incorporation expenses
- Incorporation & filing fees, board recruitment
- Office, furniture, equipment, legal, accounting, marketing, logo, technology
- Initial Operating costs
- Recruitment & Training, insurance, postage, and utilities

Mission Statement Draft

Your mission statement states what you do and why you do it. It is short and to the point and conveys passion. A mission statement is usually accompanied by a vision statement and goals, which shows what your organization wants to accomplish in the future.

Recruit Board Members

You are required to have a minimum of 3 board members to start. Recruit people you can trust and can bring three things to the table - knowledge, funding and/or contacts. It is important to be **diverse** in board member selection. While some board members may be able to give money, others may have expertise in an area that is needed. As an example, if an organization is recruiting 9 board members, it will want to recruit a lawyer, a teacher, an entrepreneur, two constituents (someone who benefits from the organization's services), a local community leader, a businessperson, a member of the nonprofit community, and a psychologist. In some states the Board Chair and the Board Secretary cannot be the same person.

Legal & Accounting Support

It is not a requirement for nonprofits to use a lawyer during the incorporation process; however it is helpful to receive both legal advice and accounting advice from the start. In some cities and states, start-up nonprofits can receive pro-bono legal advice from their local bar association or other legal services and accounting organizations. Look hard to find a Latino owned Law Firm and Accounting Firm. They are out there.

Articles of Incorporation Draft

- Must be a tax-exempt purpose
- No profits can benefit any individual
- Cannot be a political organization
- Upon dissolution, all assets must go to another tax-exempt organization of similar service

Bylaws

The bylaws are a very important document for a new nonprofit. Nonprofits must follow what is stated in their organizational bylaws so it is important to work with trusted board members and advisors when creating the bylaws for your organization. The bylaws describe your organization's corporate rules, behaviors, and actions and include the following sections:

- Powers of the board
- Meetings information
- Directors (numbers, elections, tenure, vacancies, removal, quorum, compensation, voting)
- Officers
- Committees
- Operational Staff
- Fiscal Year
- Conflicts of Interest
- Amendments

Business Name Application

Applying for a business name is another important step in the incorporation process. Check on www.Guidestar.org to see if name isn't already being used by a nonprofit. Think twice about including Foundation in the name of your organization because many assume foundations already have endowed or existing funds. Names are approved on a state by state basis; however some nonprofits choose to also trademark their name to avoid potential future law suits. Here are the requirements for applying for a name with the Secretary of State:

- Name must not already being used in the state
- Name availability search with Secretary of State
- Reserve name with Secretary of State

Federal EIN# Application

National application SS-4 with IRS.
This is a permanent identity for all government reports and documents.

File Incorporation with State

Nonprofit status requirements vary from state to state, however many states provide nonprofits with exemption from sales tax. In addition, each state's Attorney General and Secretary of

State's website list nonprofit specific filing requirements. It is also helpful to consult a nonprofit attorney to find out the specific state filing requirements.

California requires nonprofits to fill out form 3500 Franchise Tax Exemption application. Additional documents required with this application are:

- Financial Statements/Budget
- Articles of incorporation
- Bylaws
- Supporting Documents including statement of activities

Federal Tax-Exempt Status Application

Form 1023
You will also need to include the minutes of first board meeting
Most nonprofits can also apply for sales tax exemption; however this is not the case in the state of California.

Right to Solicit Donations Applications

This is done with your state's Attorney General's office and is an annual filing requirement.

Response from the IRS

Once you submit all your paperwork to the IRS it generally takes between 8-12 months to receive a response. While your application is pending, you may start receiving tax-deductible donations, however nonprofits be cautious because if their application is not approved then they are required to return the money from their donors.

Public Support Test

In order to be considered a 501c3 public charity, nonprofits must prove they are a public charity by following a public support test. This means over a five year period more than 2/3rds of their funds must come from a variety of sources. Generally nonprofits that have been fiscally sponsored can pass the public support test, however new organizations that don't have very much funding or funding from just two sources may not be granted permanent 501c3 status. The public support test information is included in the 1023 IRS exemption application.

Advanced Ruling

For those organizations that cannot pass the public support may be awarded an advance ruling period. This is a five-year period and gives the affiliate nonprofit an opportunity to get donations from a variety of sources. For more information about the advanced ruling period check out information on the IRS's website. Nonprofits should carefully track their funding during this advanced ruling period and work to receive donations from a variety of public sources. http://www.irs.gov/charities/charitable/article/0,,id=123155,00.html.

Developing Your Own Mentoring and Protege Program

Steps to Starting Your Mentoring Program

- Recruit retired former School Supt or Local Educational Leader to volunteer to head up
- Develop Mission Statement
- Recruit First Cohort from local districts to include both mentors willing to volunteer and proteges willing to learn
- Develop your own Handbook (See example)
- Solicit four corporate partners to help fund your eight quarterly meetings (ask for $2,500 per company and allow them 20 minutes to speak to your cohort over lunch. They are allowed to attend all of your sessions but allowed only one speaking session. This will generate $10,000 in funds you can use for travel and expenses; charge each protege $100 membership fee so they have skin in the game.)

ALAS Affiliate Convention Planning Guide

Please note: All dates indicated in document are just reference points. The dates indicate approximate time frames for planning purposes only and new dates should be added that are appropriate for the organization.

Pre-Convention Planning
Part 1: April– June

Committee Appointed by President
Review of Previous Convention Evaluations Review Articles of Incorporation, Code of Ethics
Review Current Educational Concerns
Review Possible Partners/Cities
Site Visits to Hotels/Recommendations Board Selects City by April 1, of given year Hotel Contract Signed by June 1 of given year

Send Hold the Date Cards June 30, of given year

Pre-Convention Planning
Part 2: June-September

Convention Focus/ Selection of Keynote Speakers
Convention Brochure sent to Graphic Artist by August 1 of given year Mailing of Brochure by September 15 of given year
Fundraising Packet Developed sent to Corporations, Foundations, by Oct 1, of given year

Pre-Convention Planning
Part: 3 October –March

Convention Program Book design/Info/Letters/Ads/ Public Relations/ advertisement of convention
October 30 of given year, send out "Call To Present" Due February 1 Take Brochures to other Conventions,
Mail brochures by Oct 15 of given year

Pre-Convention Planning Part 4:
November-March

Advertise: social media, radio, print, and other conventions Advertise Convention Components, special Guest, and Keynoters
By November 15 of given year, get all Bio's and Pictures of Keynoters and Special Presenters…begin to advertise……
By January Advertise the School Visits……

By end of February March/April begin to advertise Workshop Presenters

Pre-Convention Planning Part 5: April
Implementation of Convention Details:

Have Pre-Meeting with all hotel departments to review the contract and expectations for the convention.
Hotel:
Meeting with Audit Department to review final bill before leaving the hotel
Provide Room list to hotel for VIP's and guest speakers (use the comp nights) provided in the contract
Review the AV/audio equipment needs - presenters pay for their own AV
Specify colors for tablecloths and dais, table decorations, etc. for every function and vendors
Specify how waiters are to serve…(no dishes picked up while speaker is talking, etc.)
Sufficient help to serve in 20-minutes

Housekeeping dept./ have gifts in VIP rooms before they arrive Specify set-up and tear down times for vendors on a daily bases.
Any decision affecting the budget is made by the executive director and conference chair.
Get serving sheet signed by the executive director or convention chair daily. **Same with AV, no one should sign but designated person controlling the convention budget.**
No one changes the number of meals ordered but the person in charge, after consultation with registration. Keep meals simple with budget strictly adhered to.

Step Through Guide

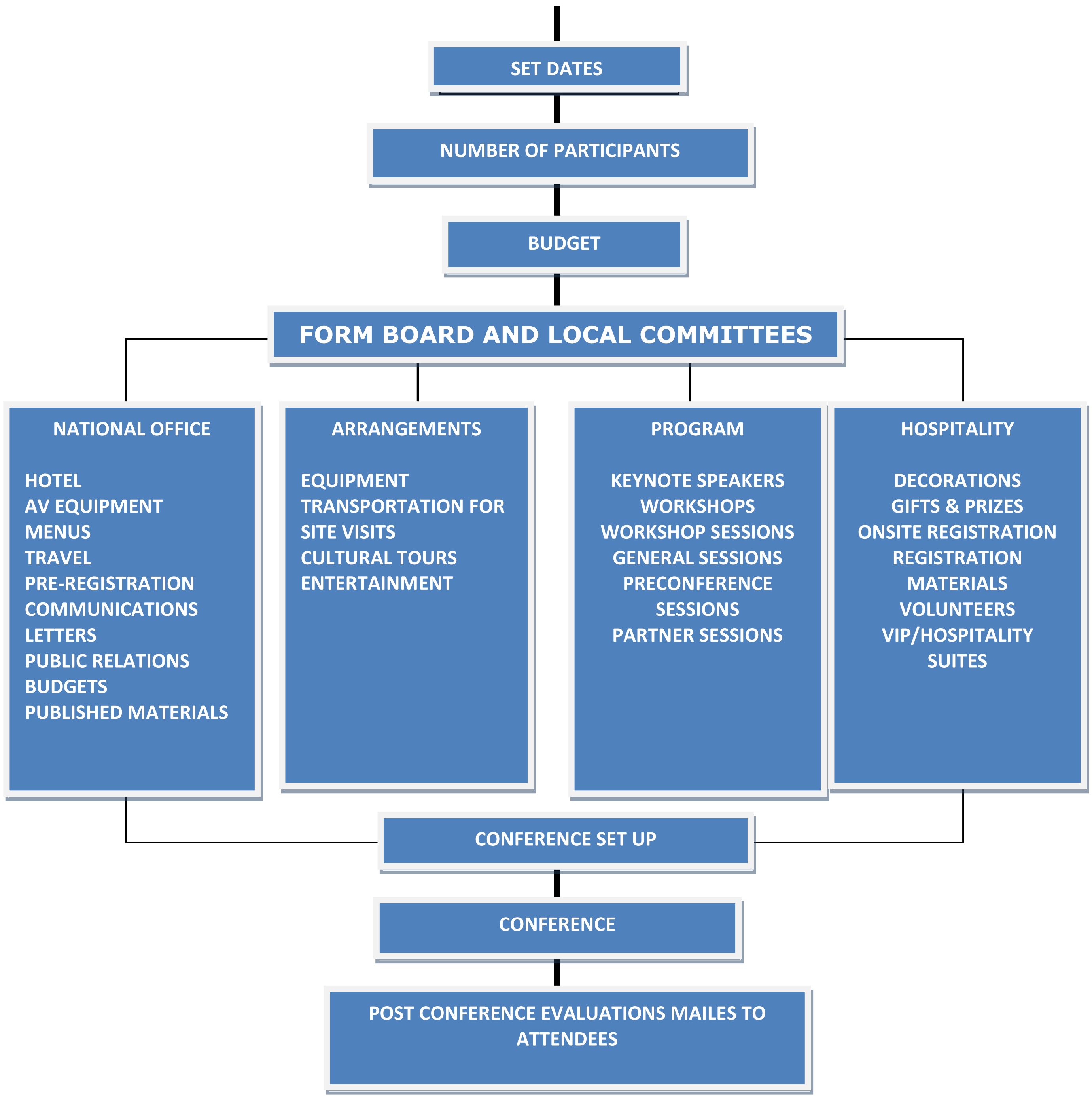
The **ALAS Ed Summit and Affiliate** Convention Step Through Guide is a month-by-month guide for planning a successful convention.
It is based on an **18-month** planning cycle. Additional time may be needed based upon the expected number of participants.

Planning Flow Chart
The Convention Planning Flowchart is a graphic representation of conference components to consider as you plan for your convention. State needs and committees will vary. Therefore, components and steps may need to be changed for the specific needs of your state's conference. This guide is a "living" document that changes as needed within a state.

Convention Planning Committees
Delegate responsibilities to a least three committees:
Arrangements (hotel, travel, budgets, registration, equipment….National or state Office)
Program: (speakers, workshops, generalsessions)
Hospitality (gifts, door prizes, decorations, VIP amenities, and hospitality suite)
Public relations/PR (E-blast, Newsletters,letters)
Business Development (sponsors, foundations, corporations)
The Convention Chair should develop other committees as needed. All Committees should give **clearly defined assignments** and set **realistic deadlines** for completing tasks.

FLOWCHART

HOTEL CONTRACT THEME



Eighteen Months Ahead

_______Board Selects a City

_______Work with travel firm to locate, and secure a hotel contract

_______Review Possible Partners/Cities

_______check on state testing dates and Easter Vacations

_______Site Visits to Hotels/Recommended

Twelve Months Ahead

The Month of April
_______Committee Appointed by President

_______Board Selects next site announced at April convention

_______Hotel Contract Signed

_______Review of Evaluation from previous conventions

_______Review Articles of Incorporation, Code of Ethics

_______Review Current Educational Issues

_______Select a theme

_______Send Hold the Date Cards

Step Through Guide

Seven Months Ahead

Pre-Convention Planning Part 2: June-September
_______Convention Focus/ Selection of / Speakers/ Workshops

_______Convention Brochure sent to Graphic Artist

_______Mailing of Brochure by end of September

_______Fundraising Packet Developed

_______complete pre-planning meeting for Workshops

_______contact hotel regarding Maps, shopping, restaurants, Entertainment

_______From local committee assign a Technical Manager for Convention needs

Step Through Guide

Six Months Ahead

Pre-Convention Planning Part: 3 October –March

_______Convention Program Book design/Info/Letters/Ads/

_______Public Relations

_______November send out “Call To Present” Due February 1

_______Distribute Brochures to other Conventions

Step Through Guide

Six to Four Months Ahead

Pre-Convention Planning
Part 4: November-March

_______Advertise Convention Components, special Guest, Keynoters

_______By December get all Bio’s and Pictures of Keynoters and Special Presenters

_______By January Advertise the School Visit

_______By February/April begin to advertise Workshop Presenters

Step Through Guide

Three to One Month Ahead

Pre-Convention Planning Part 5: April

Implementation of Convention Details*:*

Have Pre-Meeting with all hotel departments to review the contract and expectations for the convention. When negotiating with competing hotels, leadership should always inquire about how many comp rooms would be available.

Hotel:

_______Audit Department Review final bill before leaving the hotel

_______Hospitality Suites

_______Audio visual Needs

_______Sleeping room Guarantees

_______Room Set-up for workshop Sessions

_______Room list to hotel for VIP's and guest speakers (using the comp nights if available)

_______AV/audio equipment (set and keep budget)

_______Specify colors for tablecloths and dais, table decorations, etc. for every function and vendors

_______Specify how waiters are to serve (no dishes picked up while speaker is talking)

_______Sufficient help to serve in 20-minutes

_______Housekeeping dept./ have gifts in VIP rooms before they arrive

_______Specify set-up and tear down times for vendors on a daily bases.

_______Name of banquet captain, get-serving sheet signed only by one person daily. Same with AV No one should sign but designated person.

______No one changes the number of meals ordered but the person in charge, after consultation with registration.

Step Through Guide

One Month Ahead

Hotel

______Submit final Hotel List review room night count

______Adjust Workshop Session Rooms, if necessary

Workshop Sessions

______Submit All power point presentations to ALAS Office

______Set deadline for duplicating materials

______Optional: Purchase door prizes and decorations

Keynote Speakers and Workshop Presenters

______Send letter to confirm Travel and Hotel Information

______Purchase Small Gift for Registered Guest

______Obtain Biographical Information for Introductions

______Confirm Audiovisual Requests

Gifts, Prizes, and Decorations

______Confirm arrival of Gifts, Bags, Name Badges

______Purchase Necessary Decorations (Arrange to use Hotel Centerpieces and Decorations Whenever Possible)

Evaluation Committee

______Prepare Evaluation Form

Step Through Guide One Week Ahead

Hotel

______Check and Guarantee final Menu and numbers

______Make Final Check of Equipment

______Check final order for all AV Equipment

______Adjust Hotel List for Additions or Cancellations

Travel

______Confirm Receipt of Airline Tickets

______Confirm Transportation Manifest from Airport to Hotel

Assignments

Assign/or Ask Board Members to:
______Greet Guest During Check-in

______Work at Registration Tables

______Help Facilitate Workshops

______Travel on School Tours with Delegates

Print Material

______Proof All Print Material being Presented to Attendees

Step Through Guide

Night Before

______Check Set Up of Vendor Areas

______Set Up Registration Area

______Set Up Hospitality Suite

______Provide a Planned Activity for Attendees (Hospitality room or Dinner Suggestions)
______Greet Guest as They Arrive

Step Through Guide

One Week After Convention

Post Activities
______Collect All Documentation Included on the After Convention Checklist.

______Review all Bills and implement plan to pay

______Sign-in-Sheets

______Agendas, Handouts from Workshop Presenters
______Convention Evaluations

______All Keynote and Workshop Evaluations

Operational Components of **ALAS Ed Summit** Convention:

Operations for Annual Convention are divided into **eight** categories:

Budget
Planning the convention budget is the responsibility of the Executive Director and the Finance Team with approval by the Board of Directors. The fiduciary responsibility lies with the Executive Director (or President). No bills or contracts are to be executed, or engaged without approval by the Executive Director.

Hotel
Hotel and Travel Arrangements are negotiated by the Executive Director and the national office. The President or Executive Director signs final contracts with the hotel. Selection of Menus, check out meeting room space, and other arrangements necessary to plan a successful convention, falls to the First Vice President.

Travel
Final travel arrangements, air travel lists, and transportation to and from the airport are also responsibilities of the National Office. ALAS AFFILIATE provides the travel and mileage reimbursement to keynoters and special presenters. Otherwise travel is the responsibility of the convention participants.

Equipment
Contracted AV equipment arrangements are the responsibility of the National Office.

The **ALAS** Aspiring Superintendents Academy (SLA)
The Academy is a separate charge from the convention with the goal of training and preparing educational leadership for urban communities. The convention planning committee will plan this activity as a separate 1-2 day pre- convention activity.

Local School Tours
Local high Performing Schools and Programs should be highlighted and tours offered at the beginning of the convention. 3-5 schools are sufficient. School Districts should supply the buses, if financially strapped, and then ALAS AFFILIATE should pay.

Workshops
Workshops should be diverse and in conjunction with the theme. 20-30 workshops are sufficient if you are expecting 400-500 people. A lesser number is okay if you plan to do seminar sessions.

Budget Planning

The Annual convention is our major fundraiser and is a part of the larger organizational budget that supports the operations of the National Office.

- **Airfare**
- **Hotel**
- **Equipment**
- **Food and Beverage**
- **Transportation**
- **Presenters Honorariums**
- **Miscellaneous Items**

To help you plan your convention budget, use the **ALAS AFFILIATE FORM** (See Appendix)

Income
Conference Registration Fees
Sponsorships, Ad's, Foundational Support

Hotel
This line item should include the cost of hotel rooms (room, tax, and gratuity, tips) and meeting room charges, if any. Meeting room charges should be waived by the hotel if you are having people stay or having more functions at the hotel. A number of free hotel rooms should be provided by the hotel depending on the number of guests registered. All hotel rooms are directly billed to the Conference Attendee that occupied said rooms(s). T he cost for

Conference Presenters is a convention responsibility.

Equipment

AV and technology applications needed to present a quality educational convention should be optimized and planned as tools to deliver quality presentations.

Food and Beverage

This line item includes the cost of meals and breaks. Again, since meals and break refreshments are directly billed this should include service cost and tax. Food for ALAS AFFILIATE Board Members is included in their convention fees.

Transportation

Transportation includes mileage reimbursement to presenters, travel cost, parking at the hotel, and any ground between the airport and hotel.

Presenters

This consists of the fee paid to Keynoters and presenters and their travel expenses. There is a copy of a Conference Presenter Form located in the Appendix along with a copy of the presenters contract agreement.

Miscellaneous Items

This includes convention favors, given to participants, door prizes, and any other items not included in the above categories.

Budget Worksheet

Heading

The Heading should be filled out completely and submitted to the Finance Team and Executive Director.

- Executive Director and Treasurer's name
- Convention Coordinator
- The hotel where the Convention will be held
- The dates of the convention
- Approximate geographical area covered
- The city and state where Convention is held
- The number of anticipated participants

- The number of ALAS Board Members attending
- The names of state and national presenters

Airfare

Multiply the number of presenters by the cost per person (if all presenters are coming from same area). If there are groups of presenters coming from different areas at different prices, attach a separate sheet of paper that shows how the airfare is calculated.

Hotel Negotiation

It is best to work with a professional hotel/convention planner if possible. There are multiple negotiator companies and look for one that has hotel ties in the city of your convention.

Factors needed for negotiations are:

Sleeping Accommodations

- Single rooms
- Double rooms
- Triple Rooms

Meeting Space Requirements

- General Session Rooms
    - *Number of people
    - *Setup Style
    - *Time per session

Workshop Rooms

Catering

- Number of people per room
- Equipment space per room
- Setup Style
  - Number of Meals and Breaks at the hotel

Planning With The Hotel

After the negotiations are complete, set up an appointment with the hotel representative who will serve as your conference coordinator.

Be prepared to discuss menus, breaks, rooming accommodations, breakout sessions, and audiovisual needs.

It may be necessary to schedule subsequent meetings, but an over-view should be accomplished as soon as possible. This establishes the tone of your convention planning.

Discuss the level of service you expect and meet the “Key Players” of the hotel’s management.

Food and Beverage

Menus

Select menus for each meal at the convention

Anticipate food interests and stick to non-risky choices—deli buffets and chicken dishes usually please most people.

Some hotels allow you to sample what you have selected. Pre-Taste the food you select whenever possible.

Breaks

Set up your breaks and select what will be served. Consider coffee and juice for the morning breaks and tea or lemonade for afternoons. Limit sodas when possible due to cost.

Breakout Rooms

Have water available for participants in breakout rooms. Provide candy or mints when possible.

Creativity

Be creative in planning meals, use different themes, and foods to carry out the region's unique offerings.

The Association provides meals for conference attendees as a part of their registration fees. This includes breakfast and lunch; dinner is usually on your own.

Tom Davis, Steve Niederman & Ivette Dubiel contributed to the development of this toolkit. We would also like to acknowledge Heather Carpenter, PhD candidate at the University of San Diego for developing the non-profit template. Please feel free to add your comments, suggestions and ideas to improve it. The toolkit is designed to be a working and dynamic document. We are currently working on a fundraising and corporate partnership document you can use to sustain your organizations. More info to follow. For more information, please feel free to contact Tom Davis at tomdavis@calsa.org or on my cell at 619-607-2876. Adelante!

Notes: