



First Fridays with Friends

April 3rd, 2026

Your 501(c)(3) Roadmap

Next Steps

So...

- you've formed your core group
- drafted and approved bylaws
- have an (Memorandum of Understanding) MOU with your library....

Here is what happens next....

Side Note:

MOU's are not necessarily required but can be a good idea.

Step 1: Incorporate in Kansas

File Articles of Incorporation with the Kansas Secretary of State

- Include required IRS purpose and dissolution clauses
- Pay state filing fee - \$85 - online & \$90 - paper
- Designate a registered agent in Kansas - the responsible party that will receive legal, tax, and government documents on behalf of your organization.

What is a 501(c)(3)?

A federal tax-exempt nonprofit status recognized by the IRS.

- **Not legally** required but beneficial to your FOL group
- Exclusively for charitable and educational purposes
- Donations are tax-deductible.
- Must benefit the public, not private individuals

Step 2: Obtain EIN & Apply for 501(c)(3)

- Apply online for: EIN(Employer Identification Number) through IRS website (free)
- Set up an account with (either option):
- [Pay.gov](#) - secure website for making online payments & submitting forms to federal agencies
- [Login.gov](#) - shared, secure sign in service used to access various government websites with a single username and password
- Complete IRS Form 1023 or 1023-EZ
- Pay IRS user fee - 1023 EZ is \$275 and 1023 is \$600
- Receive IRS Determination Letter

Form 1023 vs. 1023-EZ

(Most Friends groups qualify for 1023-EZ)

1023-EZ:

For organizations expecting under \$50,000 in annual revenue and under \$250,000 in assets

- \$275 filing fee
- Streamlined online form

1023:

Required for larger or complex organizations

- More complex form
- Filing fee is higher (\$600)
- Eligibility is open to any organization seeking a 501(c)3.

Kansas State Requirements After Approval

- File Biennial Report with Kansas Secretary of State
- Apply for Kansas sales tax exemption (Form PR-78SSTA) - Register for an account on KDOR, complete application, you will then receive an Exemption Number and certificate.

*Must present the Exemption certificate to vendors when making tax exempt purchases

Annual IRS Filing Requirements

- Form 990-N (under \$50,000 gross receipts)
- Form 990-EZ (under \$200,000 gross receipts)
- Form 990 (up to or more than \$500,000 in gross receipts)
- Due 5 months and 15 days after fiscal year end
- Fiscal Year : October 1 - September 30th.

Consequences of Non-Filing

- Automatic revocation after 3 consecutive missed 990 filings
- Loss of tax-exempt status
- Donations no longer tax-deductible
- Reinstatement requires new IRS application and fees

Sample Timeline Checklist

1. Month 1: Incorporate with Kansas Secretary of State
2. Month 1: Obtain EIN from IRS
3. Month 2: Submit Form 1023 or 1023-EZ
4. 2–8 Weeks: Receive IRS Determination Letter (typical for 1023-EZ)
5. Annually: File IRS Form 990
6. Biennially: File Kansas Annual Report
7. Ongoing: Hold board meetings & maintain minutes

Best Practices for Kansas Friends Groups

- Keep separate bank account from the library
- Provide receipts for donations
- Maintain financial transparency and internal controls
- Maintain a central mail location
- Email account that all Officers can access.
- Exit Checklist
- Central access for all officers is key

Important Documents to Keep On File

- IRS Determination Letter
- Kansas Articles of Incorporation
- Bylaws and Policies
- Biennial KS. Secretary of State reports
- Annual Form 990 filings
- Board minutes and financial reports

Useful Links

IRS:

- [IRS 1023 EZ](#)
- [IRS 1023](#)
- [Annual IRS 990 Series Filing](#)
- [KDOR - KS Tax Exempt](#)

KS Secretary of State:

- [Instructions for Filing an Annual Report](#)
- [Articles of Incorporation](#)
- [Operating a Non-Profit Organization in Kansas](#)

Thanks for Joining!

Feel free to reach out to FOKL or to me directly for further information. We are happy to help answer any questions that may come up as you go through your 501(C) 3 Process!

FOKL:

friendsofkansaslibraries@gmail.com

Dalton Torneden:

daltont@eudoralibrary.org

For future First Fridays with Friends
information and archived videos:

<https://fokl.net/firstfriday/>