

TRORC Non-Profit arm 501(c)3

Frequently Asked Questions

1. What is the reason for pursuing this?

From the Board adopted TRORC Strategic Plan:

Strategy 6: The Commission will undertake vigorous resource development to address long-term organizational sustainability and sustained strategic actions.

“As Governmental resources continue to tighten at all levels, TRORC must seek to maintain and grow its funding, especially to be able to maximize its roles as coach and player and fund strong communications and outreach – in order to make significant progress in achieving the vision of a thriving regional economy and high quality of life.” **“For TRORC, diversity in funding should mean having a wide range of governmental and grant sources, including foundations; raising funds from individual donors...”**

2. Why seek this now?

As we see the potential for reduced public resources and the potential types of work we may be engaging in that may traditionally be funded by foundations, it was felt it would be appropriate to get this process underway at this time.

3. What would be the relationship of this 501(c)3 be to TRORC?

We would seek to make this entity an arm of TRORC, an entity that shares a similar broad mission and is linked to TRORC. This relationship can be set up this way under the IRS codes.

4. What kinds of governance arrangements would need to be created?

The Non-Profit arm would need a mission statement and a set of bylaws and would need a governing Board. The Non-Profit Board could be the Executive Committee of the TRORC to ensure a close, compatible and complementary relationship. With the help of Legal counsel, and after discussion and approval by the TRORC Board, these governance details would be agreed upon.

5. Has any other development organization or regional planning commission ever created one either in Vermont or nationally?

One or two Vermont regional planning agencies may have or have had such a mechanism over the years. Nationally, many regional entities have these as a supporting mechanism to fund and further their missions.

6. Doesn't TRORC have enough funding already to do what it needs to do beyond contracted work?

It is anticipated that TRORC would need and want to seed the Non-Profit with some of its fund balance to get the Non-Profit operational. This would be an appropriate and positive investment (use) of a portion of our TRORC Fund balance.

7. Would the Non-Profit have the same name as TRORC or a different name?

It is anticipated that a new name would be required, one that could incorporate a portion of the TRORC name.

8. Would new staff be needed to conduct the work of the Non-Profit?

Initially, perhaps not but as the potential for the workload increases, contract employees or regular employees can be considered.

9. What are the initial steps and costs to start the effort moving forward?

- a. File Articles of Incorporation with Vermont Secretary of State – fee = \$125
- b. Two-page form and attached bylaws
- c. Apply for Employer Identification Number (EIN) from Internal Revenue Service
- d. Complete IRS form 1023 for the 501(c)3 application – filing fee = \$825
- e. Legal fees to complete application = \$4-\$5,000
- f. Review period approximately 4-6 months
- g. Biannual reports filed with VT Secretary of State online = \$15/year
- h. Annual Form 990 returns filed by accountant or auditor