BIZFORMIQ | FICTIONAL WORK SAMPLE

Mission-to-Governance Readiness Brief

Riverbend Literacy Lab

An illustrative readiness discussion for a fictional community group considering a nonprofit organizational path.

FICTIONAL SCENARIO

A fictional community group plans free adult-literacy workshops, expects small individual donations, and has identified three prospective unrelated directors.

The readiness question is whether the proposed mission, activities, board structure, funding story, and recordkeeping habits tell a consistent and supportable organizational story.

1 Readiness map

Mission and activities

Describe the intended public benefit, beneficiaries, program activities, and limits of the organization's proposed work in clear factual terms.

Board and officers

Identify prospective directors, officers, meeting roles, authority boundaries, and the habits needed to maintain records of key decisions.

Financial stewardship

Discuss basic donation handling, spending authority, conflicts, document retention, and a practical cadence for reviewing activity and records.

Recognition pathway

Separate state nonprofit formation, EIN steps, and any later federal exemption application from the assumption that one action automatically creates the other.

2 Decision insight

01 **Mission, activity, and governance should align**

A mission statement has to be consistent with actual planned programs, the people accountable for oversight, and the financial story used to support the work.

02 **Formation is not exemption recognition**

State nonprofit formation and federal recognition of exemption are separate processes with different official requirements and review questions.

03 **Governance is ongoing**

Initial minutes, conflict awareness, records, and a meeting rhythm help a board maintain a coherent organizational record after formation.

RIVERBEND LITERACY LAB

Questions that strengthen readiness

3 Organize the evidence before a filing decision

Program description

What will the organization actually do, for whom, where, and with which resources during its initial operating period?

Board independence and roles

Who will serve as director or officer, what decisions will they make, and how will conflicts or related-party issues be discussed and recorded?

Funding and controls

What funding sources are expected, what spending controls are contemplated, and where will important receipts, minutes, and approvals be maintained?

Public and compliance questions

Which state filings, charitable-solicitation registrations, annual reports, tax filings, and official federal materials should be verified for the organization's specific activity?

4 Questions to take to qualified professionals

A **Exempt organization counsel or tax professional**

Does the organization's planned activity, governing structure, funding, and application information support the desired federal tax-exempt pathway?

B **State-specific counsel**

What state formation language, charitable-registration, reporting, licensing, employment, and governance requirements apply to the selected jurisdiction and programs?

C **Board and operational advisers**

What financial controls, insurance, safeguarding, data, grant, fundraising, and organizational policies are suitable for the planned program model?

Illustrative sample only

This fictional scenario demonstrates readiness organization and governance literacy. It is not a determination of eligibility for 501(c)(3) recognition or public-charity treatment, and it is not an IRS application, articles, bylaws, legal opinion, tax advice, charitable-registration analysis, or filing service. PraxisIQ Group Inc. is not a law firm.