

**Please read this important information before you fill out your application.**

*Welcome to The Seeds Project. As part of our application documents you'll see some samples to help you easily complete this paperwork. We suggest you read this overview and determine the necessary information before you begin. Then review the examples to see what a completed form should include. You can use some of those to guide you as you fill out our form. It will save you time if you just "follow the recipe".*

1. Running a Seed Project is like managing a simple business. It requires a separate business bank account. If your project is approved we will establish a separate bank account for you at one of our bank, using The Seeds Project tax identification number to establish your project as a non profit account.
2. Your Seed Project will require some simple accounting and reporting. You will need to keep standard accounting records for your project's expenditures and income, and tell us of any changes to you business activities or contact information. We make this as simple as possible for our projects. Each project submits a one page annual report form and the project's accounting records, every year on or before January 31<sup>st</sup>. These documents must be submitted electronically as email attachments. We suggest you use accounting software or a scanner to send copies of your accounting journals to us.
3. The ONLY documents you should send to us by postal mail are payments and forms that require a signature from you or another official (the registration form, bank signatory forms, etc.). We have instructions at the top of each form that tells you where to email that form or - if it is one of the few that must be mailed - shows the postal address for mailing.
4. To keep your costs at a minimum we function with a virtual, web-based office and rely on volunteers. If you have a question please read all the sections available on our website, reread the instructions in our documents, and do research on your own to find the answer your question BEFORE you email or call our staff.
4. The primary contact person(s) for your project needs to be reachable by email and by phone. In case the primary contact is travelling or otherwise unavailable, we need an alternate contact for your project. This alternate does not need to be actively involved in the project. The alternate should either be able to reach the primary or be able to answer banking and reporting questions for the project.
5. Your project's representative will be the main signatory and will sign all drafts (checks written) on your project's account. If your application is approved you will receive a letter authorizing you to add the person you have designated to be the signatory for your account.
6. A Seeds Board Member will also be a signatory on your project bank account. This is only for safety and oversight. The Board signatory will not be writing any checks on your account.
7. Your Seed Project must act within the legal requirements for non profit organizations. We do not make these rules. The IRS defines them, and they can change at any time. If your project is approved we will provide you with a current summary of the IRS requirements. However our summary is not a complete guide and you are responsible to check the current tax code for any issue that is questionable. **If you are not sure that something is allowed, please do not do it!** We do not allow any questionable activities. Any violation of the tax code will result in immediate termination of your non profit status. So please read

the summary carefully and be sure you understand it. We include a short IRS Compliance Quiz for you to complete and submit when you register your project so we can be sure you have reviewed and understand these important requirements.

Now you are ready to prepare your application. First, look at each of the three sample applications we provide. Then follow these “Application Guidelines” as you fill out your application.

## Seed Project Application Guidelines

Go to [www.seedsprojectnonprofits.com](http://www.seedsprojectnonprofits.com) and click the APPLY tab to see our instructions. Additional details are provided here.

**1. Name of Project:** Every project that is approved will need to file a DBA (“Doing Business As”) with the local government so we can open a bank account in that name for your project. Even though you are not yet approved you may want to reserve your project name to avoid conflicts with another organization or business that have a similar name. **Note: You cannot use the word “Foundation” in the name of your Seed Project.** Nolo Press’ “How to Form a Nonprofit Corporation in California” provides name check methods. In addition, do an Internet search on your prospective name. Be aware that if your project’s name is too similar to another organization’s you may need to change it.

**2. Mission Statement:** Make your mission statement concise, clear and substantive. As your project develops you may decide to change your mission statement. That is fine. So don’t worry about getting it perfect for this application. However the Board reserves the right to review your statement to insure it stills meets the requirements set by The Seeds Project. Below are some sample statements.

We are an organization that: (any of the following would be examples of a mission statement)

- Supports global harmony through conflict resolution education.
- Uses the arts in service of peace.
- Fosters the understanding of the interconnection of all life.
- Seeks donations and small grants for people in need.
- Supports an artistic form for global understanding.

**3. Funding:** Give your best estimate of amount and source. Some projects know this and others are guessing, which is fine. One sample wording: “We anticipate funding of \$10,000 this year increasing to at least \$20,000 next year. Our funding sources will be a \$5,000 grant from XYZ Trust and additional grants and individual donations.”

**4. Key people:** List the primary contact people in your project including phone numbers and email addresses and postal addresses.

**5. Contact and Alternate Contact:** Include name, address, phone number, email, and fax number.

**6. Additional Information:** Tell us your plans for the first year or foreseeable future.

- Give at least three examples of possible activities of your project. These do not need to be real activities you have planned or achieved. These examples should be varied to help us understand how you see your project may work. Be specific about each example and state why this activity would be within the parameters of your Mission Statement.
- Give at least three examples of activities that are similar to your project's purpose that will not fall within the parameters of your Mission Statement. Again, be specific and state why that activity would not meet the requirements or intention of your project. This helps us to understand what you intend as the scope of your project.

If you will be working with other organizations or individuals, include their names as well. Include a budget if you have one. Add additional pages as necessary.

### Annual Fees

The fee is based on your project's annual gross income for the previous year. Gross income is all income, before deducting any of your expenses. We strive to keep our fees at a minimum and do appreciate additional contributions from our projects to support our services to you!

Annual Income	Annual Fee
Up to \$2,500	\$50
\$2,500 or more	2% of the prior year's income

These fees are subject to change with changes in our overhead costs.

### Definition of "gross income" for your project

Gross income includes (but is not limited to) the following items:

- Any kind of cash contributions received.
- Fair market value at date of receipt of non-cash items (i.e.: autos and paintings). If value is over \$5,000, you must have value determined by appraiser.
- All grants; public or private.
- Special event fundraisers (i.e.: Bingo, Special dinners, and Carnivals).
- Membership dues.
- Dividends and interest.
- Any kind of investment income.
- Do not deduct related expenses. Expenses for fundraisers are not reductions in income. Your stated income should not be reduced by any expenditure.
- Do not include refunds of expenses or taxes. These are not new income even though they are deposits to your account.