

# 501c3 Nonprofit Fund Appendix A

## Public Review Checklist For Legal Lane, Finance, Safeguarding, And Activation Controls

Field	Public Review Value
Founder & Steward	Frenchie
Revision date	May 31, 2026
Appendix status	Public-review companion appendix for covenant-member review. Planning and review only. Not formation, legal advice, tax advice, solicitation, fundraising, spending authority, program launch, website authorization, or approval that any fund is active.
Related main plan	Paradise Folk School 501c3 Nonprofit Fund Business Plan V1 2026 05 31.docx
V8 relationship	Companion appendix under the covenant-member-approved Paradise Folk School Organizational Business Plan V8.
Source of truth	Local DOCX is the source of truth. Any Google Docs copy must carry the same version, date, status, owner, sharing permissions, and sync rule from the approved DOCX; the DOCX controls if there is a conflict.

## 1. Public Purpose

This appendix helps public readers, covenant members, and reviewers see how the proposed 501c3 Nonprofit Fund would stay inside its charitable, educational, religious/congregation-school, mutual-aid, public-benefit, and safeguarding lane before any future operation.

This appendix is written for public review. It explains guardrails in plain language, but it does not create an entity, authorize fundraising, approve spending, launch a program, certify legal compliance, or replace licensed legal, tax, accounting, campaign-finance, securities, insurance, or safeguarding review.

## 2. Public Reader Summary

Question	Plain Answer
Is this fund active now?	No. This appendix and the related business plan are planning and review documents only.
Can the public send money now?	No. No contribution, dues, investment, payment, or fundraising pathway is opened by this appendix.
Can website language change now?	No. Website copy requires separate source-of-truth approval after covenant-member review.
Who approves action?	Humans approve formation, publication, spending, voting, outreach, contracts, and public claims. AI review is advisory only.

## 3. What This Fund May Do Later

- Hold charitable and educational work after formation and approval.
- Support public-benefit education, food education, civic education, safeguarding infrastructure, mutual aid, scholarships/books, and approved community learning.
- Use restricted gifts only when restrictions can be legally honored and tracked.

## 4. What This Fund Cannot Do Now

- Accept donations, issue tax-deductible receipts, or publish donation pages.
- Launch youth, school, care, food, transportation, property, clinic, or public partnership activity.

- Support candidates, PAC activity, member payouts, private benefit, investment promises, or BenefitAll dues splits.

## 5. Activation Checklist

Gate	What Must Be True Before Use	Status
Formation and status	Nonprofit formation path, organizing documents, EIN, board/roles, bylaws, conflict policy, and required filings documented.	Pending
IRS/tax language	IRS recognition or qualified-organization status, or counsel-confirmed religious-organization exception, plus exact receipt/disclosure wording.	Pending
Tennessee solicitation	Charitable-solicitation registration or exemption reviewed before any public contribution request.	Pending
Bank/books	Separate account, chart of accounts, restriction tracking, approval IDs, reconciliation schedule, and no 501c4/PAC/BenefitAll commingling.	Pending
Safeguarding	Safeguarding officer path, background checks, youth/privacy controls, incident system, insurance review, and guardian consent where needed.	Pending
Public language	Website, forms, dashboards, and public summaries approved against no-promise wording.	Pending

## 6. Public Language Rules

### Safe Public Wording

- Paradise is preparing a future nonprofit public-benefit lane pending legal, accounting, safeguarding, and governing approval.
- Support pathways are not open unless a later approved document says so.
- Youth, school, food, care, and transportation activity require separate written launch approval.

### Do Not Say

- Tax-deductible unless IRS/counsel-reviewed exception and disclosure are documented.
- We are accepting donations now.
- Our school partnership is active.
- We can fund candidates or election work.
- Members receive payouts, ownership, dividends, or investment returns.

## 7. Bank, Books, Records, And Firewall Controls

Control Area	Public Review Rule
Separate accounts	Each lane needs its own bank account and books before use. No fund may borrow another lane to create public authority.
Approval records	Every future approval must identify owner, lane, amount if money is involved, reviewer, date, status, and public-summary permission.
Public dashboard	Only approved aggregate summaries may appear publicly. Raw ledgers, donor/member data, youth data, incident records, legal notes, and private partner notes stay restricted.
Cross-lane support	Any shared staff, brand, vendor, space, technology, data, or overhead requires written cost-sharing and counsel/accounting review before use.
AI tools	AI may help draft and review. Humans approve publication, outreach, money movement, signatures, votes, role assignment, and source-of-truth changes.

## 8. Safeguarding And Privacy Triggers

- Youth, school, student-record, guardian-consent, background-check, mandatory-reporting, transportation, food, care, health/access, housing, job-placement, property, incident, and whistleblower topics require separate written review before activity.
- No youth, safeguarding, health/access, incident, whistleblower, student, campaign, customer, or raw cross-lane donor/member data may enter public pages, open Google Docs copies, Discord, AI tools, or dashboards.
- Public materials may use only approved aggregate summaries or de-identified examples after privacy review.
- School-related work requires district/school approval, guardian consent where needed, FERPA-aware handling, accessibility review, insurance review, and approved public wording.

## 9. Open Legal, Accounting, And Professional Questions

1. Which Form 1023 or 1023-EZ path, if any, is appropriate?
2. Does any religious/congregation-school exception apply, and what public wording is safe?
3. What Tennessee charitable-solicitation registration or exemption applies?
4. What restricted-gift, pledge, refund, and redirect rules should be adopted?
5. What insurance, background-check, mandatory-reporting, guardian-consent, and FERPA-aware controls apply?

## 10. Covenant-Member Review Standard

- PASS means public readers can understand the lane, limits, and approval gates without mistaking the appendix for active authority.
- HOLD means wording is inaccurate, risky, unclear, overpromising, internally inconsistent, or weaker than V8.
- No PASS may be read as legal certification, tax advice, accounting sign-off, securities clearance, campaign-finance clearance, program launch, fundraising permission, or website authorization.

## 11. Official Reference Points

Topic	Official Source URL
IRS Form 1023 / 501c3 application	<a href="https://www.irs.gov/charities-non-profits/how-to-apply-for-501c3-status">https://www.irs.gov/charities-non-profits/how-to-apply-for-501c3-status</a>
IRS charitable contribution deductions	<a href="https://www.irs.gov/charities-non-profits/charitable-organizations/charitable-contribution-deductions">https://www.irs.gov/charities-non-profits/charitable-organizations/charitable-contribution-deductions</a>
IRS 501c3 campaign intervention ban	<a href="https://www.irs.gov/charities-non-profits/charitable-organizations/restriction-of-political-campaign-intervention-by-section-501c3-tax-exempt-organizations">https://www.irs.gov/charities-non-profits/charitable-organizations/restriction-of-political-campaign-intervention-by-section-501c3-tax-exempt-organizations</a>
Tennessee charitable solicitation FAQs	<a href="https://sos.tn.gov/charities/faqs">https://sos.tn.gov/charities/faqs</a>