

Non-Profit Organization Fact Sheet: Guam

Non-Profit Organizations are based in the community to provide services or benefits to specific populations and conditions described in the organization's mission statement.

These terms all describe the same thing:

- Non-Profit Organization (NPO)
- Community-Based Organization (CBO)
- Not-For Profit (NFP)
- Non-Government Organization (NGO)

All Guam based non-profit organizations **MUST** register with the Guam Department of Revenue and Taxation.

Guam non-profits are not required to have a business license.

All Guam non-profit organizations are required to report their income to the Guam Department of Revenue and Taxation.

The minimum requirements for a Guam non-profit organization to be recognized and registered with Guam Revenue and Taxation include:

- A. No less than three Board of Directors members
- B. Articles of Incorporation
- C. By-Laws

Upon successful submission and review by the Guam Department of Revenue and Taxation, a **Certificate of Incorporation** will be issued.

To qualify for U.S. federal funding, a Guam non-profit organization must be:

- A. Registered with Guam Department of Revenue and Taxation
- B. In possession of its **Certificate of Incorporation** for at least one year
- C. Successfully attain or, in some cases, awaiting approval of, its 501(c)(3) IRS tax exempt status

Public Trust: Non-profit organizations are based within the community. The organization's reporting, accountability and integrity of the organization is based on preserving Public Trust and fulfilling the mission of the organization.

Discretionary Money: Funds that can be used at the organization's discretion

Program Specific Money: Funds that can be used only for specifically identified purposes

Stakeholders, Consumers and Clients: People who access or who benefit from the services of your organization.

Community Partners: Individuals, groups or other organizations/agencies that partner with your organization to achieve the organizational mission.

Exit Plan: A formalized plan to identify what to do in the event the organization closes.

Contingency Plan: Emergency preparations, adverse impact planning and resolution of unforeseen situations

Liability: The organizational actions of every board member is effective for life, even after they leave the organization for whatever reason. This means board members are held accountable for all their organizational actions for life.

Membership Versus Non-Membership Organizations:

- A. Membership: Means that the organization collects dues from all identified and registered members of the organization. All members must be included in all meetings. All dues must be collected equally and consistently
- B. Non-Membership: Means that no dues are collected from any organization members. Voting and decisions are made exclusively by the Board of Directors

Board of Directors: Governs the organization and has very specific roles and responsibilities. Board members have the responsibility to ensure that the organization succeeds in fulfilling its stated mission in the community.

Executive Committees, Ad Hoc Committees, Special Committees: These groups are not necessary in all organizations. Each organization will determine its own committee needs.

This is by no means an exhaustive or definitive fact-sheet for all non-profit covenants and requirements. For more information, please contact Al Silverio at the GUAHAN Project at 671-647-5684.