SO YOU WANT TO START A NON-PROFIT?!

Are you ready to start a non-profit?

Below are some questions which might help you determine whether or not you should start a non-profit.

Think about why you want to start a non-profit

Do you want it badly enough to keep working long hours for an indeterminate time period without compensation?

Do you have familiarity with the intended mission (the "business" of the non-profit)?

Do you believe whole-heartedly in the intended mission?

What role do you see yourself playing in the organization?

Do you want to be a non-profit primarily because you can't make money doing this work as a for-profit business?

What about the funding?

Do you know how much money the certificates will cost? (Federal, state and local)

Are you familiar with the different ways a non-profit can raise money?

Do you know 4 or 5 "angels" who can become financial donors while you are waiting for certification to officially raise money?

What is the current funding environment for non-profits in general and for yours in particular?

What will you need to buy in terms of equipment? What about office space?

What about a board?

Do you have some acquaintances who feel the same way you do about the intended mission and who might be willing to serve as board members as well as committee heads (in the absence of formal staff)?

Do your future board members know about the responsibilities of a non-profit board and the time commitment?

How comfortable are you keeping board members motivated and engaged?

What's your mission?

Have you thought very carefully about your mission?

Is your mission compelling enough to qualify you for non-profit status?

Is your mission something that will truly benefit the community?

Organizational functions

Have you thought about the 4 or 5 organizational functions that are needed to "make it go"?
(Raising money, accounting for money, programs and projects, volunteers, marketing/communication)

Since you will not have staff in the beginning (ED and department directors), who will carry out the various functions?

Since the "DNA" of any non-profit is its programs, have you thought about what you'll offer in terms of programs for the public? Or what services you'll perform? **Is there demand?**

Physical plant

Where will you conduct business?

Sustainability and strategic planning

Have you thought about what needs to happen down the road? How will you sustain the viability of the organization in the future?

Who among the founders has experience in strategic planning?

Partnering

Have you thoroughly examined the possibility of housing your organization in an already existing non-profit?

Who else is doing work similar to your proposed mission?

Support

Do you know a coach or mentor or colleague who can support you (non financially) as you grow the organization and who can help you weather the tough times?

NON-PROFIT QUIZ

1. The executive director, even if that person is the founder of the non-profit, can be fired by the Board of Directors at any time. True or False?

2. The driving force behind a non-profit is its mission. True or False?

3. The government gives non-profits tax exempt status because they fulfill a community need that the government doesn't have to. True or False?

4. If the non-profit makes money from a bake sale, the Board can be paid a small stipend. True or False?

5. Because a non-profit is doing "good works" that means it doesn't really have to practice good accounting or management practices. True or False?

6. In addition to fund raising, what other organizational functions must be in place for a non-profit to be successful? Check the correct answers.

   Accounting/bookkeeping_____ Marketing _____ Programs and Projects_____ Sales _____
   Tracking Inventory _____ Human Resources _____

7. Even though a non-profit can pay salaries and other overhead/operating expenses, where does the money raised mainly have to go?

8. Really small non-profits don't have to worry about being audited by the IRS. True or False?