

Are You Ready To Start A Non Profit Organization? A Reality Check

What About You?	Yes	No
Are you the kind of person who can get a business started and make it go? (The first question is really the last, so before you answer, study the rest of this checklist.)		
Do you want your own nonprofit badly enough to keep working long hours without knowing how much money you'll end up with?		
Have you ever worked in a nonprofit like the one you want to start?		
Have you worked for someone else as a foreman or manager?		
Do you have any business school training?		
What About the Money?		
Do you know how much money you will need to get your nonprofit started? Or to break even?		
Have you figured out how much money of your own you can put into the nonprofit vs. how much money is needed? Can your board members supply money?		
Do you know how much credit you can get from a bank?		
Do you know where you can borrow the rest of the money you need to start your nonprofit?		
What About a Partner?		
If you need a partner with money or know-how, do you know someone who will fit, someone you can get along with?		
Do you know the good and bad points about going it alone, having a partner, and incorporating your business?		
Have you ever worked closely with someone else on a long-term project?		
What About your Clients?		
Do most nonprofits in your community seem to be doing well?		
Have you tried to find out whether nonprofits with a mission such as yours are doing well in your community and in the rest of the country?		
Do you know what kind of clients will want to utilize your services?		
Are there enough clients of this kind in the area where you want to open your nonprofit?		
Do they need a nonprofit like yours? (What will your clients do if you don't open your nonprofit)?		

Getting Started		
Your Building		
Have you found a good building or location for your nonprofit?		
Did you evaluate several locations before making your final selection?		
Can you out-fit the building the way you want without spending too much money?		
Is the location convenient for parking and/or public transportation?		
Equipment & Supplies		
Do you have an idea of what the equipment and supplies will cost? (Computers, copier, fax etc.)		
Can you save money by buying second-hand equipment?		
Have you considered the advantages of leasing vs. buying?		
Your Services/Products		
Have you decided what services and/or products you will offer?		
Do you know how much or how many of each you will offer when you open your nonprofit?		
Your Records	Yes	No
Have you worked out a record-keeping system to keep track of your income and expenses?		
Have you figured out how to keep your payroll records and take care of tax reports and payments?		
Do you know what financial statements you will need to prepare?		
Do you know an accountant who will help with your records and financial statements?		
Do you know what licenses and permits you need?		
Protecting your Nonprofit Business		
Have you made plans for protecting your nonprofit against risks of all kinds?		
Have you talked with an insurance agent about what kinds of insurance you need?		
Making It Go		
Advertising & Marketing		
Have you decided how you will market your services?		
Do you know how to prepare a marketing plan?		

Have you observed what other nonprofits do to get people to use their services?		
Have you considered direct mail as an alternative or an adjunct to your marketing strategy?		
Do you have a good mailing list or do you know how and where to purchase mailing lists?		
Pricing		
Do you know how to figure what you should charge for each of the services you will offer? Do you know what other nonprofits charge for services like yours?		
In your over-all funding mix, what percentage is derived from fees for services?		
Your Employees		
Do you know what kind of people you need to run your nonprofit?		
Do you have particular people lined up to fill certain positions?		
Do you know how much to pay?		
Do you have a plan for training your employees?		
A Few Extra Questions		
Does your family go along with your plan to start a nonprofit of your own?		
Do you have a work plan for yourself and your employees?		
Have you discussed your plans thoroughly with a lawyer? With an accountant? With a commercial banker?		
Have you read some good books or attended a seminar on starting a nonprofit business?		
Have you searched the internet to learn about your market and who else is in the field?		
Now, go back and answer the first question. If the answer is yes, proceed on to getting incorporated in the state of Texas and filing for 501c3 status with the IRS.		

Good Luck!

Depending on program type and funding sources, further registration, reporting, or licensing may be required.