

12 Questions to Answer

BEFORE FORMING A CHARITABLE NONPROFIT

You have a fantastic idea for a new nonprofit. You're excited and you want to get started right away. Chances are that your heart is in the right place, but well-intentioned people who have not done sufficient planning and research often form ineffective and unsustainable nonprofits. Don't let that be your story. Answer these questions before you take the leap.

1. What will the [charitable purposes](#) of the organization be?
2. What core activities will it perform?
3. Who will benefit from the activities of the organization?
4. Have you considered [alternatives to forming a new nonprofit](#), such as fiscal sponsorship or donor advised funds?
5. Are there existing nonprofits with a similar mission, and, if so, have you discussed your ideas with them?
6. Can your mission be furthered more effectively and efficiently by an existing nonprofit?
7. Can you attract sufficient resources to start and operate a new nonprofit?
8. What will your primary source of income be? (e.g. donations from individuals/foundations, generated earned income, etc.)
9. Have you drafted a business plan, including a three-year projected budget?
10. Are you familiar with [what it takes to start and run a nonprofit](#) in compliance with the laws and best practices?
11. Whose help will you need to form the nonprofit and get it running?
12. Do you have enough interested people to form a board of directors? Do you know the minimum size of a board in your state?

