

Points to Ponder When considering to go Non-Profit or Not

Question or Issue	Non Profit Structure	Other Structure
Decision making	Structure/rules provided	Have to define – flexible, can change easy
Ability to receive \$	Yes	Figure out, will cost you
Ability to expend \$	Yes	Figure out, will cost you
Ability to account for \$	Yes	Figure out, will cost you
Ability to account for \$	Yes	Figure out, will cost you
Ability to raise \$	Yes	Figure out, may cost you
Ability to build reserve \$	Yes	Not usually
Leadership	Structure assigns roles	Have to create, subjected to others
Vision/Plan	Structure encourages	Have to make structure, subjected to others
Membership/levels	Still need to define	May or may not create
Programs/Activity/Action	Often more formal, expansion	Maybe more/less flexible
Evaluate all	Structure requires aspects	Not as much
Reporting	Structure requires aspects	Have to create
Outreach	Can be easier	Can be easier
Hirer/fire staff	You are in charge, inc unemp, health, ss, etc.	Dependent upon another, costs
Make own resource/prgm decisions	You are in charge	Subjected to others
Liability	Fiscal is removed from personal, if work entails risks, need structure to handle	Harder to address w/out a structure if need to
Insurance	Easier to get, many grants require multiple types of insurance	If need will cost to ‘use’ someone else’s but can
Longevity	Can contribute	May inhibit – may be irrelevant
Credibility	Can help for certain audiences	May matter to certain audiences
Collaboration/partners	Some entities will prefer/require it	More flexible, may loose some
Organization Energy	1/3-1/2 toward administration/structure	Most towards work/programs vs administration
Costs	Up front registration, annual fee, fiscal audits, costs with staff, can be high if operating in many states	Can be same, more or less, depends on charges for services
Overhead	Have it, keep funds rec’ so in charge of it, can do in-kind	Usually lower, more in-kind
Extra support	Accounting, legal, human resources	Less need, may cost more if need
Technology	Intensive or not?	Intensive or not, harder to access