



## Starting a Maine Nonprofit: Readiness Checklist

Maine's nonprofits are essential to Maine's economy and quality of life, employing 1 in 6 workers and mobilizing approximately 350,000 volunteers each year. Maine is lucky to have passionate, dedicated people invested in making our communities better places to live, work, and visit.

**That said, starting a new nonprofit may not be the best solution to the problem you're seeking to solve.** Increased competition for dwindling resources creates a very challenging environment in which to sustain a nonprofit organization, and talking to similar organizations about possible collaboration is often the best move that you can make.

**Below are some questions which might help you determine whether or not you are personally and strategically ready to start a nonprofit.**

### Mission + Vision

- Is there a clearly defined need?
- Have you clearly defined your mission?
- Do you believe whole-heartedly in the intended mission? Do you want it badly enough to work long hours for an indeterminate time period without compensation?
- Do you want to be a nonprofit primarily because you can't make money doing this work as a for-profit business?
- Have you thought about what needs to happen down the road? How will you sustain the viability of the organization in the future?
- Who else is doing work similar to your proposed mission?
- Have you thoroughly examined the possibility of partnering with an existing organization to start a new program or enhance existing work?

### Funding + Support

- Do you know how much money the process will cost? (Incorporation with the state, application for tax-exemption, licensure to raise money.)
- Are you familiar with the different ways a nonprofit 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 nonprofits in general and for your mission area in particular?
- What will you need to buy in terms of equipment? What about office space?
- 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?

### Board of Directors

- 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?
- Do your future board members know about the responsibilities of a nonprofit board and the time commitment?
- Who among the founders has experience in strategic planning?
- How will you keep board members motivated and engaged?
- What role do you see yourself playing in the organization?

### Practicalities

- Are you familiar with the 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 (such as an executive director, program director, or administrative staff), who will carry out the various functions?
- What programs or services would you offer? Do you have evidence there is demand?
- Where will you conduct business?

**If you have reviewed the above and feel ready to move forward, you will want to work toward developing a nonprofit business plan that includes:**

- I. Executive Summary (Max 1.5 Pages)
- II. Context/Rationale (What is the problem you’re trying to solve? What are the gaps you’re trying to fill?)
- III. Vision Statement (What will change as a result of the organization’s work?)
- IV. Mission Statement (What will the organization do?)
- V. Values Statement (What values will guide the work?)
- VI. Programs (How will you achieve the mission?)
- VII. Organizational Structure (Board, Administration, Funding, Finances, Communication and Programs)
- VIII. Impact (What results do you expect and how will this be measured?)
- IX. Anticipated Revenue Streams
- X. Anticipated Growth Strategy
- XI. Appendices:
  - a. Illustrative Budget
  - b. Bylaws
  - c. Board Members