



## 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 over 400,000 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.** Competition for resources creates a challenging environment in which to sustain a nonprofit organization, and talking to similar organizations about possible collaboration is often the best move 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" – a short statement about your purpose?
- What programs or services would you offer? Do you have evidence there is demand?
- 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? (including fees to incorporate with the state and file for tax-exemption with the Internal Revenue System (IRS), and sometimes legal fees to assist with paperwork)
- Are you familiar with the different ways a nonprofit can raise money and what donors or foundations might support your work?
- Do you have a source for this start-up money?
- Have you thought about what needs to happen down the road? How will you sustain the organization in the future?

## Board of Directors and Other Advisors

*Nonprofits are required to have a “board of directors” of at least three people (five who are unrelated to one another is recommended).*

- Do you know people who feel the same way you do about the intended mission and who might be willing to serve as board members, advisors or volunteers?
- Do your future board members know about the responsibilities of a nonprofit board and the time commitment?
- Who among these 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?
- Do you know a coach or mentor or colleague who can support you (non-financially) as you grow the organization?

## Practicalities

- 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?
- What will you need to buy in terms of equipment? What about office space?
- 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? Do these people have experience in important areas such as raising money, financial management, marketing and communications, and managing volunteers? If not, what’s the plan for learning about these areas?
- Where will programming take place? Are there costs associated?

**If you have reviewed the above and feel ready to move forward, you will want to work toward developing a nonprofit business plan. To start, focus on some key areas, including:**

- **Statement of Need.** What is the problem you’re trying to solve? How do you know there’s a need? Backed up with data.)
- **Mission Statement:** What is your organization’s purpose. What will you do, and for whom?
- **Summary of Initial Program(s):** What will you do/offer?
- **Budget:** What will it cost to do this work and where do you see that money coming from?