

The “Daily Plan-It”™

SULLIVAN & SCHNITTKER, LLC

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So Your Client Wants to Start a Nonprofit

We often have the opportunity to help families who want to make a difference in the world. One of the ways that clients do this is by starting their own charity or nonprofit organization. The March 5th issue of *Time* Magazine featured an article entitled “Rethinking Nonprofits,” which focused on a new wave of interest in nonprofit start-up organizations. We thought we would give you the highlights of this story so that you may share them with any client who’s thinking of starting his or her own nonprofit.

Desiring to do good

Nonprofits are growing at a rapid pace. Technology has made it easier to create, share, and manage one. Plus, baby boomers, who have either earned or inherited significant sums of money, are itching to do something worthwhile. They are vehicles to, within a charitable structure, make a difference. But it’s important to help your client address a few simple issues.

Is it right for them?

The first thing to realize is that a nonprofit is just like any other business. To create a successful one, your client will need to bring to it the same techniques that make any business successful. He’ll need to “sell” his idea to donors—just like investors—in order to receive donations. Your client may need to work long hours with little or no pay. Fatigue and frustration may overshadow commitment, unless he knows what to expect.

Is the concept original?

Second, where will donors come from? There are 2.8 million charities currently in operation. This translates into lots of competition for the funding that’s needed to make a nonprofit successful. No matter how great a salesperson your client is, he may come up short if potential donors have their cash earmarked for similar organizations with well-established track records.

Nearly three million existing charities means that it’s

possible that your idea isn’t original. In that case, your charitable urges may be better served by contributing your time and money to an already established and successful organization. (You can research existing nonprofits by visiting guidestar.org.)

Getting started

If all this doesn’t deter your client, he’s ready to begin. We suggest that he draft a “business plan” to think through the issues. (Naturally, we can help your client incorporate as a nonprofit and, if appropriate, become a tax-exempt organization.) After drafting a business plan, your client should also draft a mission statement to serve as the guiding force for continued inspiration.

Many of our clients are bringing innovation and entrepreneurial zeal to the nonprofit world. We enjoy helping clients make a difference. Feel free to call us if you’d like to help us make a difference for someone in your life. As always, thanks for the referrals and support!

At Sullivan & Schnittker, we create estate plans tailored to your clients’ specific needs and goals. Drawing on listening, counseling, consulting and legal expertise, we learn about your clients’ goals, aspirations, concerns and fears. We explore strengths and weaknesses in a comfortable and confidential environment.

That’s not all. Our comprehensive team planning approach includes you, your clients’ most trusted advisor, whom they rely upon for help and advice.

It all culminates in a well-designed and thoughtful plan, unique to your clients’ goals. Your clients achieve peace of mind and they will thank you for it. This results in deeper relationships, more business and happy clients. A genuine “win-win-win” situation.