



# RUNNING A CONGREGATION-BASED NON-PROFIT

FROM THE FAITH INITIATIVE OF THE POINTS OF LIGHT FOUNDATION  
TIP SHEET SERIES #: CBN10

*Many congregations are interested in initiating and maintaining a non-profit in their congregation. Non-profits can be excellent vehicles for meeting local needs, reaching out to the community, and increasing congregations' visibility locally. However, uncertainty as to the level of support that members will show for the non-profit can sometimes prevent congregational leadership from moving forward with plans to start one. This tip sheet outlines some key elements to bear in mind when planning for a congregation-based non-profit, and offers advice to help religious communities and their non-profits avoid common pitfalls.*

## SEVEN TIPS FOR A POSITIVE CONGREGATION-NON-PROFIT RELATIONSHIP

1. **Communicate regularly and effectively with the congregation.** Keep the congregation involved in the process so that they will stay involved with the non-profit in the future. Be open to questions from individuals, and treat each one as an opportunity to learn and improve, rather than as a criticism. Remember that critical comments can be useful as suggestions for improving the non-profit.
2. **Negotiate communication space for the non-profit.** Use worship leaders' sermons, the weekly bulletin, and classrooms used for religious instruction to educate people about the non-profit and opportunities for involvement.

3. **Maintain positive relationships with key congregation staff.** Involve congregational leadership as part of an ongoing collaborative effort between the congregation and the non-profit.
4. **Maintain positive relationships with lay leaders.** Individuals with influence in the congregation can affect who gets involved and stays involved with the non-profit over time.
5. **Have a well-thought out financial plan for the non-profit, and be clear about funding sources.** This plan may change as the non-profit develops, but it is necessary to draft an initial financial map before beginning. Be sure to share this plan with finance and accounting leaders.
6. **Establish who will be in charge of the non-profit.** Successful congregation-based non-profits tend to be run by congregation members, NOT the religious leaders, who generally have too many responsibilities related to the congregation to effectively manage a separate organization. Those who do lead the non-profit should seek council and support from congregational leadership, but the latter should have responsibility for key decisions about the non-profit.
7. **Form an executive committee for the non-profit that is separate from its board council.** Only the board council should be in charge of the day-to-day functioning of the non-profit, while the executive committee should act as a check to the power of the council, and should be able to hold the council accountable for its actions.

**More information about starting a congregation-based non-profit is also available in tip sheet # CBN11.**