

How Organizations are Financed?

Rutgers University
Graduate School of Social Work – New Brunswick

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- What is a 501(c)3?
- What are the basic components of any budget?
- Are the budgets different if the organization is for profit or not-for-profit?
- When is a not-for-profit allowed to make a profit?
- What is the board's fiduciary (explain) responsibility?
- What is the board's liability?
- What are the differences between the budget for a human services organization (i.e., vocational or counseling service entity) and other not for profits (i.e., a “Y”)?
- When are you in the Red?
- When are you in the Black?
- If you are in the Red:
 - (a) Don't you have to close down?
 - (b) How do you pay your bills?
 - (c) How do you pay your staff?
 - (d) Which do you do first?
 - (e) How do you decide what to cut?
 - (f) What are the pitfalls of not-for-profits taking government grants?