**INDEPENDENT:**

At some point, economies of scale suggest bring the back office in house

Eventually, I would recommend you have your own back office. I am not a big fan of outsourcing.

Independence requires a greater expenditure of capital, human resources and use of board time

Expenditure of resources: you need the staff to have good controls in place plus manage all the other work

Need a sophisticated organization to operate independently

Should have enough net assets that earnings can cover the back office

It comes down to autonomy and control

If you are going to have to constantly have to go out for operating capital, it is not ideal

One person should not be tasked with managing the system alone. If that person leaves, you lose it all

It can be more costly to support your own system

You have greater latitude. (When you commingle you commingle control)

Need to justify to the donor as to why you want to invest in your own shop

Any donor development software you acquire will require more add-ons

Need to determine what you gain by being independent. What is the justification to your donors?

You need to have a compelling reason for committing to being independent

Look at the cost and the ability to justify outsourcing

It’s hard to keep the expertise in house

You cannot have one person do this alone

When you start out, this can be a huge investment of time, funds and human resources