

Guided Reading Activity

Business Organization

Lesson 3 *Nonprofit Organizations*

Review Questions

Directions: Read each main idea and complete the statements below. Refer to your textbook as you write the answers.

A. Civic Organizations and Cooperatives

Main Idea: Nonprofit organizations are organized like businesses. However, they usually operate to help the community or a particular group of people, not for financial gain. Labor unions, churches, school groups, and adoption agencies are just a few of the many types of nonprofits that operate in communities around the nation.

1. The results of the actions of nonprofits are difficult to _____, but they are important contributors to our _____ system.
2. A cooperative is a _____ association that benefits its _____.
3. A _____ cooperative buys food or other goods in bulk so that members pay _____ prices for the products.
4. A _____ union is a type of service _____ that provides financial services to its members.
5. Most producer co-op members are _____ who provide their products directly to markets, _____, or companies that use the products.

B. Labor, Professional, and Business Organizations

Main Idea: Labor unions and business or professional organizations promote the interests of their members.

1. Some workers belong to _____ unions that engage in _____ bargaining with management for better pay and working conditions for their members.
2. Doctors, lawyers, and other professionals may belong to professional _____ that work to improve working conditions, skill levels, and public _____ of the profession.

Guided Reading Activity *cont.*

Business Organization

3. Business associations, such as local chambers of _____, work to create a favorable environment for member _____.
4. The Better Business _____ provides general information on companies and maintains records of consumer inquires and _____.

C. Government as a Nonprofit

Main Idea: Federal, state, and local government may act as nonprofit organizations that provide needed goods and services to communities. They may provide services or goods directly or indirectly.

1. Many government agencies produce and distribute goods and services to _____, giving the government a _____ role in the economy.
2. The Tennessee Valley Authority supplies _____ to customers and is in direct _____ with private utility companies.
3. State and local government provide police, fire protection, schools, and other public services to consumers. All levels of government contribute to maintaining _____ and _____.
4. The government has an _____ role when its actions help to make the _____ economy run more smoothly.
5. Examples of indirect government involvement in the economy include its provision of _____ to college students and _____ Security payments to senior citizens.
6. Payments that result from indirect government actions often increase recipients' _____, _____, giving them more money to spend in the market.

Guided Reading Activity *cont.*

Business Organization

Summary and Reflection

Directions: Summarize the main ideas of the lesson by answering the questions below.

What nonprofit groups operate in your town or neighborhood? How does each group help residents and the general public? Choose one group you know about—a church group, food pantry, athletic club, food co-op, or similar nonprofit organization—and describe who belongs to it and how it helps people in your community. What needs in your community are not met by any nonprofit group? What type of nonprofit group might you want to start to improve life in your community? Explain your answer.
