



Donor Designated Program Helps Neighborhoods Raise Funds

Most Neighborhood Associations are not a charity, or 501(c)(3) organization, and as such, donors cannot deduct their gifts from their income tax. NACOK has a solution to this fundraising dilemma- The Neighborhood Alliance Donor Designated Program.

Your donors can donate their gift to NACOK and state on the check that it is ear-marked for your specific project (i.e., “Park View Park Project” or “Candy Cane Lane Street Light Project). We will mail your association a check for the full amount that was donated, and the donor will get a letter they can use for tax purposes. The only catch is the neighborhood project must align with our mission statement: “To create safe, attractive, and healthy neighborhoods throughout Central Oklahoma.” If you are an HOA, it must be a special project that would not otherwise be paid for by your mandatory homeowner dues.

Neighborhoods have raised \$500 to \$200,000 using this program. They have used the monies to fund new ornamental lights, park improvements, improved entrances, sound walls, new landscaping, housing rehab programs, etc.

How does your neighborhood get started?

- 1) Decide on your projects (it must meet our mission to create safe, healthy, and attractive neighborhoods)
- 2) Create a budget for your project and determine ways to solicit the necessary funds
- 3) **Complete the application form, where you’ll provide the following information:**
 - a. **Description of your project/how you intend to raise the funds**
 - b. **How much money you intend to raise**
 - c. **Name, address, and phone number of the neighborhood contact for the project**
 - d. **Timeline of the project (when you will be soliciting donations)**
- 4) **NACOK charges a small \$100 administrative fee annually until your project is fully funded. NACOK will charge \$2 per thank you letter for each donor. We donate the bookkeeping, auditing, paper, and staff time it takes for us to administer this program. The \$100 fee is due at the time of your application approval and on the**



anniversary of the start of your fundraising and you will be billed for letters at the end of the project. The fees cannot come out of the funds you collected for use on the project. They must be paid by the neighborhood from separate funding.

- 5) Begin a fundraising campaign. Include information on materials that indicate donors can make a tax deductible gift by making their check payable to Neighborhood Alliance of Central Oklahoma, and designating (on the check) that it is for your neighborhood project. Donors may either mail their check to our office, or the neighborhood can collect them and bring them to our office.
- 6) The donor will receive a letter from NACOK that can be used for tax purposes
- 7) The neighborhood must provide NACOK with receipts or invoices to show all funds collected are spent on the project
- 8) Remember, in addition to the letter NACOK sends each donor, it's the neighborhood's responsibility to thank all donors that give to your project as well

When your project has been reviewed and approved, NACOK will send you a letter giving you permission to use the Donor Designated Program. We can even supply you with a template for a donation pledge form to use while soliciting donations. Once you receive permission, you can begin fundraising!

For more information on Donor Designated, call NACOK at (405) 528-6322, or email Cassidy Smith-Toliver at Cassidy@nacok.org.