NEIGHBOR TO NEIGHBOR

CHARITABLE TRUST

Church Funding Pool and Startup Authorization

Initial funding activation and financial controls

WORKING DOCUMENT - AUGUST 2026

WORKING DRAFT
Initial Church funding activation and financial controls
Working version: August 27, 2026
Confidential -- Internal Financial and Operating Information -- Not for Public Distribution

Document Status

This record is completed after the Neighbor to Neighbor Charitable Trust has been legally established and funded, a participating Church has been selected, the Trust-Church agreement has been executed, and the Church has an accounting method capable of identifying N2N-designated funds. It is the Trust action that authorizes the initial Church funding pool and the financial boundaries for the first operating period.

The record does not decide which organizations, households, or charitable activities the Church will support. Those decisions remain with the Church within the broad charitable purposes and financial authority established for the relationship. Exact amounts and dates become effective only when this record is completed and signed by the authorized Trust fiduciary.

The initial authorization supplies financial capacity to the participating Church; it does not create a separate N2N case-approval process.

Activation Prerequisites

The funding pool should be activated only after the following formation and Church-readiness items are complete or counsel has documented why a limited remaining item does not prevent startup.

- The Trust has been executed and the Initial Trustee has accepted office.
- The Trust bank account is open, funded, and capable of making the authorized transfer.
- The Trust-Church Operating and Funding Agreement has been executed by both parties.
- The Church has completed its own internal approval to participate.
- The Church has established a practical method for identifying N2N-designated program funds and reporting their use.
- The Trust and Church contacts responsible for funding, accounting, and reporting have been identified.
- The broad charitable purposes and normal financial boundaries have been reviewed with Church leadership.
- The procedure for requesting additional capital or emergency funding is understood.
- Counsel and the CPA have identified no unresolved issue that prevents the initial transfer.

Readiness confirmed by	____
Date	____
Professional exception, if any	____

Initial Funding Authorization

The amounts below establish the financial resources available for the first operating period. An authorized amount is a maximum available for the stated purpose, not a direction that the Church spend the full amount.

Funding Category	Authorized Amount	Notes / Schedule Reference
Initial Church charitable funding pool	$_______________	___________________________
Trust reserve available for replenishment	$_______________	___________________________
Emergency / special allocation reserve	$_______________	___________________________
Administrative support reserve	$_______________	___________________________

Funding Category	Authorized Amount	Notes / Schedule Reference
Unallocated Trust balance	$________________	____________________________

Initial transfer to Church: $____

Transfer date: ____

Transfer / bank reference: ____

Church Funding Pool

The Church funding pool is replenishable. The Church may use the available balance for charitable activity within the broad purposes and financial limits established for the relationship without obtaining separate Trust approval for each distribution.

The Trust should retain enough information to understand the amount already provided, the balance reported by the Church, material commitments, and the amount of additional capital being requested. The Trust is not expected to review individual case files as part of ordinary replenishment.

Reporting interval	____
Routine replenishment review point	____
Minimum balance or other replenishment trigger	____
Person preparing Church funding report	____
Trust contact receiving report	____

Replenishment

The Church does not need to wait until the pool is nearly exhausted before requesting replenishment. When current activity and anticipated needs support more funding, a concise report can show the beginning balance, additional N2N funding received, expenditures, material outstanding commitments, refunds or credits, and the remaining available balance.

The Trust can replenish the pool within the authority established by this record. A materially larger funding level, a substantial recurring obligation, or funding outside the existing authorization calls for a separate Trust action or amended authorization.

Replenishment is a capital decision by the Trust. The Church continues to determine the charitable uses of the funds within the authority already provided.

Normal Financial Boundaries

The startup authorization should give the Church meaningful room to act while keeping unusually large or continuing commitments visible to the Trust before additional capital is committed. The completed limits below apply to the first operating period and can be revised as actual experience develops.

Matter	Initial Direction / Limit
Ordinary charitable distributions	Within the broad N2N purposes and available authorized funding; no case-by-case Trust approval required.
Substantial recurring support	Requires additional Trust capital approval when the proposed commitment exceeds the Church's available funding authority or creates a substantial continuing obligation.
Major capital or unusually large project	Church may develop and recommend the charitable activity; additional Trust funding must be authorized before the Church commits beyond its available authority.
Emergency activity	Church may use its existing pool immediately within current authority and request an expanded or event-specific allocation when more capacity is needed.
Administrative contractors	Not part of the initial startup authority unless an administrative funding amount or separate authorization has been completed.

Matter	Initial Direction / Limit
Direct N2N charitable funding outside the Church	Not part of the normal initial operating structure. Any exception requires separate professional and Trust review.

Emergency and Special Allocations

A major emergency may quickly exceed the amount normally carried in the Church pool. In that situation, the Church can request additional funding based on the event, expected charitable activity, available balance, and likely duration of the response. The Trust can either increase the existing pool or authorize a separate amount for that event.

When conditions make advance detail impractical, the additional authorization may be based on a reasonable estimate and followed by more complete accounting as the situation stabilizes. Emergency flexibility does not change the Church's responsibility to account for N2N-designated funds.

Emergency allocation authority up to	____
Person authorized to request expanded funding	____
Trust fiduciary authorized to approve	____
Post-event reporting target	____

Administrative Support Funding

The Church is expected to begin with its existing people and systems. Administrative funding should be added when the N2N-supported workload creates a real need for additional capacity.

If the Trust later authorizes funding for a Community Program Administrator, Financial Administrator, accounting services, software, communications, travel, or other identifiable program-administration costs, the authorization should state the amount and purpose. The Church will engage and pay the contractor or service provider, and the expense will remain separately identifiable from charitable program distributions.

Administrative Purpose	Authorized Amount	Effective / Reference
Community Program Administration	Not authorized at startup / $____________	________________________
Financial / accounting administration	Not authorized at startup / $____________	________________________
Technology / communications / records	Not authorized at startup / $____________	________________________
Other approved administrative support	Not authorized at startup / $____________	________________________

Reporting and Reconciliation

The routine report only needs to give the Trust a clear picture of the financial position of the N2N-designated funds. It is not meant to recreate the Church's underlying charitable records. The report needs enough information to support replenishment and identify unusual commitments or unresolved accounting items.

- Beginning N2N-designated balance for the reporting period.
- Additional funding received from the Trust.
- Total charitable expenditures during the period, with a practical breakdown by support area or purpose.
- Authorized administrative expenditures, if any.
- Material commitments not yet paid.
- Refunds, credits, recoveries, or returned amounts.

- Ending available balance.
- Any material exception, conflict, suspected misuse, or reporting issue requiring Trust attention.

Detailed recipient information should remain with the Church unless a larger, recurring, conflicted, professionally reviewed, or otherwise unusual matter creates a specific need for additional information.

Treatment of Unused Funds and Recoveries

N2N-designated funds remain subject to the Trust-Church arrangement until properly used, returned, or otherwise authorized. Refunds, vendor credits, insurance recoveries, returned deposits, and similar amounts related to N2N-supported activity should be credited back to the designated funds or handled as provided in the agreement.

If the Church relationship ends, the parties should reconcile outstanding commitments and determine the proper disposition of the remaining designated balance before the Church treats any amount as available for another purpose.

Initial Funding Activation Record

Complete this section when the prerequisites are satisfied and the Trust is ready to place the initial funding pool under the Church's administration.

Participating Church	______________________________
Trust-Church agreement effective date	______________________________
Initial charitable funding pool	______________________________
Administrative funding authorized at startup	______________________________
Reporting interval	______________________________
Replenishment review trigger	______________________________
Activation date	______________________________

Trust Authorization

I authorize the initial Church funding pool and related financial limits recorded in this document, subject to the executed Trust-Church agreement and any attached confidential schedules. This authorization permits the transfer of the completed amount to the participating Church and the beginning of limited Church-administered charitable activity within the stated purposes and financial boundaries.

Authorized Trust fiduciary	______________________________
Signature	______________________________
Date	______________________________

Church Acknowledgment

The Church acknowledges receipt of the initial N2N funding authorization, understands the broad charitable purposes and financial boundaries applicable to the designated funds, and confirms that its accounting and reporting method is ready for use.

Authorized Church representative	______________________________
Signature	______________________________
Date	______________________________

Financial Setup Confirmation

The accounting method for the N2N-designated funds has been established and the initial transfer can be recorded and reconciled.

Church financial contact / accountant	____
Trust financial contact / CPA	____
Confirmation date	____

Once this record is completed, signed, and the authorized transfer is received by the Church, limited Church-administered N2N charitable activity may begin. Later expansion of administrative capacity requires the applicable additional authorization.