NEIGHBOR TO NEIGHBOR

CHARITABLE TRUST

Purpose and Formation Plan

FROZEN WORKING BASELINE

Working name subject to legal confirmation
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Confidential - Internal Formation and Development Information - Not for Public Distribution
Prepared for internal formation, professional review, and operating development

Document Status

This plan records the purpose, initial operating structure, funding approach, program direction, governance, and expected development of the Neighbor to Neighbor Charitable Trust.

It is intended to give the Initial Trustee, attorney, CPA, banker, participating Church, and later administrators a common understanding of the structure being developed. The Trust instrument, Trust-Church agreement, tax and accounting advice, bank documents, funding authorizations, contractor agreements, and later program policies will control their respective subjects.

This plan preserves the operating intent behind those documents. If professional review requires a material change, the reason should be identified before the affected part of the structure is finalized.

Controlled revision - August 27, 2026: Clarified Church-first intake, payment structure, and use of the government and community resource directory. The Church-administered structure, private-funding model, and Church charitable decision authority are unchanged.

Purpose and Initial Operating Structure

Neighbor to Neighbor is being created to increase the ability of existing charitable organizations to respond to important community needs that their present resources do not adequately cover.

Churches, charities, and other community organizations often already know where those needs exist. They have relationships with families, other organizations, businesses, volunteers, service providers, and community leaders and usually understand local conditions better than a newly created organization could at startup. Their limitations may involve funding, staffing, equipment, facilities, professional services, or other resources necessary to meet the needs they encounter.

N2N will add financial capacity to that existing charitable network, beginning in Ada and Pontotoc County, Oklahoma.

The Neighbor to Neighbor Trust will be established and privately funded before a participating Church is selected. Once the Trust has been created, its bank account established, and sufficient initial funding made available, a prospective Church can evaluate a defined charitable purpose, an established funding structure, and the resources available to support the work.

During the initial stage, N2N will remain primarily a private funding source. The participating Church will use its charitable judgment, community knowledge, and existing procedures to determine where N2N-designated funds can be used effectively. The Trust will determine how much money is made available, the broad charitable purposes it is prepared to support, and the reporting necessary to account for those funds. Individual charitable decisions will remain with the Church.This structure also gives N2N time to develop quietly. Charitable work can begin through an established organization while the Trust develops its governance, financial controls, administrative direction, community understanding, and longer-term plans. Public identification of N2N as a separate community funding organization can occur later if leadership determines that greater visibility serves the program.

All N2N-supported charitable funding will continue through the participating Church during this stage. Requests for assistance are received and initially considered by the Church, even when a need is identified or referred by another charitable organization, community contact, or later by an administrator working on the Church's behalf. The Church remains the organization administering the charitable funds and deciding whether the need is one it will undertake. This keeps the Church informed about the activity supported with N2N resources and maintains one consistent funding channel while the structure develops.

The initial operating area provides a manageable setting in which to establish the relationship and learn from actual charitable activity. The Trust should nevertheless allow later expansion if community need, administrative capacity, and governance support it.

The Participating Church

The participating Church is central to the initial structure because it brings capabilities that N2N would otherwise have to build before meaningful charitable work could begin. These include community relationships, experience evaluating charitable needs, established financial and reporting practices, leadership accountability, and people accustomed to working with individuals and organizations in need.

Selection of the Church therefore deserves careful consideration. N2N should have confidence in the Church's leadership, financial stewardship, charitable judgment, ability to maintain appropriate records, and willingness to administer the additional funding without turning the relationship into a public promotion of N2N or its underlying source of capital.

The Trust will provide the Church with a limited, replenishable pool of N2N-designated charitable funds. The pool should give Church leadership enough flexibility to respond to qualified needs without seeking Trustee approval for each distribution.

The exact pool amount, broad funding purposes, reporting schedule, replenishment method, and treatment of commitments beyond the normal funding range belong in confidential authorizations. The Church's accounting only needs to let the Trust see what has been received, spent, committed, refunded, and remains available; it does not need a separate system more complicated than the work itself.

Replenishment can then reflect actual use, current commitments, expected needs, remaining funds, and the Church's reporting.

The Church may use N2N funding to support another church, qualified charity, or established community organization when it determines that organization is well positioned to address a legitimate need. A food pantry, housing organization, youth program, temporary shelter, emergency organization, or similar resource may already have the people and systems needed to provide the assistance.

The Church's reach can expand beyond organizations it already knows. New organizations and needs may be introduced by community contacts or, later, by the Church's program administrator. The Church can evaluate those opportunities using the same charitable judgment it applies to needs arising through its existing relationships.

A major project, substantial recurring commitment, unusually large emergency allocation, or material increase in the Church's available funding may require additional Trust authorization because additional capital is being requested. The Church continues to make the underlying charitable judgment; the Trust determines whether it is willing to provide the additional resources.

N2N funding may also cover identifiable costs required for the Church to administer the growing charitable activity. These expenses should reflect actual program needs, such as additional contracted administration, accounting, communications, technology, travel, or related operating costs. They are separate from any general contribution to the Church merely for participating in the arrangement.

Initial Areas of Charitable Support

Neighbor to Neighbor is being developed around three principal areas of community need. During the Church-administered period, these areas describe the kinds of charitable activity N2N intends its funding to support while leaving the Church room to apply its own judgment to individual situations.

Community Partner Support

Community Partner Support strengthens organizations already providing useful services.

Early assistance will likely involve defined and manageable needs such as food, supplies, equipment, facility repairs, temporary operating needs, or another specific resource that allows an organization to serve people more effectively.

Experience may later reveal larger limitations. An otherwise capable organization may be constrained by inadequate staffing, employee turnover, salaries or benefits that make it difficult to retain competent people, deteriorating facilities, transportation problems, outdated technology, professional-service needs, or other recurring operating pressures.

These needs fit the broader purpose of Community Partner Support, although substantial or recurring commitments require more understanding of the organization and its financial condition than most early assistance.

N2N may fully fund a defined organizational need when that is the sensible solution. Longer-term support is meant to strengthen the organization, not shift responsibility for its continuing mission or overall financial operation to N2N.

Critical Home Repair

Critical Home Repair addresses residential conditions that materially affect health, safety, accessibility, habitability, essential household systems, or the prevention of significant additional property damage.

The work may involve roofing, plumbing, electrical systems, essential heating and cooling, structural conditions, accessibility improvements, sanitation, water intrusion, or other serious problems affecting the safe and practical use of a home.

The Church or its administrator can evaluate the charitable circumstances and coordinate the project, while contractors, tradespeople, inspectors, engineers, or other specialists provide the technical judgment necessary to define the repair.

N2N funding may cover the full cost of a qualifying repair when that is the practical solution. Insurance, warranty coverage, household resources, or assistance from another source can be considered according to what is actually available and what need remains.

The initial repair activity should remain focused on essential conditions. If experience reveals broader housing problems involving extensive rehabilitation, replacement housing, or other needs beyond the intended repair program, those issues can be evaluated separately.

Temporary lodging, storage, transportation, or similar costs may also be appropriate when necessary to complete an approved repair safely and practically.

Public Safety & Emergency Support

Public Safety & Emergency Support provides additional financial capacity when a serious event places unusual demands on the community.

The Church may use N2N funding to strengthen organizations and resources already responding to tornadoes, severe storms, fires, flooding, extended utility outages, and other significant disruptions. Depending on the event, that may include churches, shelters, emergency organizations, food providers, responders, contractors, transportation resources, lodging providers, suppliers, utilities, and other community resources.

Support may include food, water, lodging, temporary shelter, fuel, transportation, temporary power, communications, supplies, cleanup, debris removal, property stabilization, essential repairs, responder support, animal-related needs, and other reasonable response or recovery costs.

A major emergency may require substantially more funding than the ordinary Church pool. The Trust therefore needs a way to make additional resources available quickly, either by increasing the allocation or creating event-specific funding.

Emergency reporting has to reflect the conditions on the ground. Immediate expenditures may occur before every supporting record can be assembled, with the Church completing the documentation as conditions permit.

Funding Approach

Neighbor to Neighbor will be privately funded. Its initial operation does not depend on obtaining its own 501(c)(3) recognition or raising money from government agencies, NGOs, or the public.

People and organizations receiving assistance may have other resources available to them. A household may have insurance, public benefits, warranty coverage, or assistance from another charity. An organization may have donations, grants, program revenue, government funding, or other support. Those resources can help the Church determine what need remains and where N2N funding can be most useful.

N2N funding is supplemental because it adds capacity when available resources are insufficient. It may still cover the entire cost of a defined need when that provides the practical solution. A qualifying repair, equipment purchase, emergency expense, or other approved need does not require an artificial matching contribution.

When a significant or recurring need may qualify for an existing public program, grant, insurance benefit, or other outside resource, the Church or administrator can make a reasonable effort to identify it before deciding how much N2N support is needed. The amount of review depends on the size, urgency, and complexity of the case. A household or organization is not expected to exhaust every possible source, and a practical solution should not be delayed for funding that is uncertain, incomplete, or too slow to meet the need.

As administrative capacity develops, the Community Program Administrator should maintain a practical resource directory covering important federal, Oklahoma, local, charitable, and other programs relevant to the N2N support areas. The directory is an administrative reference rather than a condition of eligibility or a commitment for N2N to pursue government funding itself. When another entity is the appropriate applicant, the administrator may help identify and coordinate the opportunity while leaving the application and underlying program responsibilities with the eligible household, organization, agency, or public body.

As Community Partner Support develops, this principle may extend to staffing and workforce needs. A charitable organization may provide valuable services but struggle to retain competent people because of inadequate salaries or benefits. Staffing, compensation, benefits, training, and similar costs may become appropriate areas of support when they materially affect the organization’s ability to serve the community.

Substantial recurring commitments should develop gradually because they require greater understanding of the organization, its finances, and the likely effect of continuing support.

Individuals and households receive the benefit of N2N assistance rather than unrestricted cash. The Church normally pays the organization, contractor, vendor, utility, lodging provider, landlord, supplier, or other appropriate party connected to the approved purpose. Detailed payment procedures can develop from operating experience instead of being fixed extensively at formation.

Expansion of Church Administrative Capacity

The Church should begin with a level of N2N-supported activity that its existing staff, financial practices, and community relationships can manage comfortably.

As the work grows, so will the administrative demands. More organizations may need to be visited, home-repair projects may require coordination and follow-up, contractors and specialists may need to be identified, and the volume of expenditures and reporting may exceed what existing Church personnel can reasonably absorb.

N2N can then provide designated administrative funding so the Church can expand its capacity.

A Community Program Administrator may be engaged by the Church to extend its charitable activity into the broader community. The administrator can visit organizations and project sites, identify needs beyond the Church's existing contacts, develop community relationships, coordinate contractors and specialists, follow significant projects, and provide Church leadership with the information needed to make charitable decisions.

During the Church-administered stage, that administrator represents the Church's expanded charitable activity. Work performed in the community remains part of the Church-administered program supported by N2N funding.

A Financial Administrator may be added when the amount and complexity of the N2N-designated funds require more specialized accounting and financial support. The Church may engage an accountant, accounting firm, or other qualified professional to maintain detailed program records, reconcile designated funding, track commitments and available balances, prepare reporting for the Trust, and assist with the financial review of larger or recurring commitments.

The two functions can be added independently as the workload develops. Their introduction does not alter the funding route: N2N continues to provide the financial resources to the Church, and the Church continues to administer the charitable activity.

Program and administrative funding should remain identifiable in the Church's accounting so the Trust can understand both the resources used for charitable assistance and the cost of supporting the expanded administration.

Development of Future Policies and Operating Standards

Administrators will gain practical experience that planning alone cannot provide. Part of their work is to preserve what is learned and turn useful lessons into policies, standards, procedures, and administrative practices as the program matures.

The Community Program Administrator will learn how organizations present their needs, what information is useful, when site visits add value, how specialists should be used, how contractors perform in practice, what documentation is useful, and where clearer program standards would improve consistency.

The Financial Administrator will learn what accounting detail is needed, how commitments should be tracked, which reports are useful, what financial information is appropriate for larger organizational support, how recurring commitments should be reviewed, and which financial controls provide meaningful protection.

As those lessons accumulate, they should be converted into usable guidance grounded in actual cases rather than assumptions made before the work begins.

During this period, the administrators continue working within the Church-administered structure while developing materials that could later support either an independently operating N2N or N2N as a program of Community Support Alliance.

Contractor agreements should address the custody and future use of work created specifically for the N2N-supported activity. Program standards, procedures, forms, record systems, provider information, training materials, and related developmental work should remain available for continuing use if the program later moves to another authorized charitable structure.

Future Organizational Direction

The Church-administered period gives Neighbor to Neighbor time to gain operating experience before a permanent structure is selected.N2N may continue operating through the Church, later become an independently operating charitable organization and seek its own 501(c)(3) recognition, or transition into Community Support Alliance after CSA has been established and has the governance, financial, and administrative capacity to assume the program.Development of administrators, policies, community relationships, and financial systems will prepare N2N for those options without changing the existing funding arrangement. Until a formal decision is made, N2N-supported charitable funding will continue to be administered through the participating Church.This preserves the ability to decide when, and in what form, Neighbor to Neighbor should move from a private funding source working in the background to a publicly identified charitable program or organization.

Governance of the Trust

The Neighbor to Neighbor Trust should be created and funded before the participating Church is formally selected.

One Initial Trustee may handle the formation and early Trust responsibilities, including work with counsel and the CPA, establishment of banking and accounting, receipt of private funding, selection and approval of the Church relationship, authorization of funding provided to the Church, and decisions involving additional Trust capital.

Routine charitable decisions involving funds already entrusted to the Church remain with the Church.

As experience develops, successor Trust governance can be designed around the responsibilities the funding structure actually requires. A future arrangement may benefit from both community or charitable understanding and financial or fiduciary expertise, with counsel determining the appropriate legal structure.

The Initial Trustee is expected eventually to leave routine trusteeship once reliable administration, suitable records, and qualified successor fiduciaries are in place. Counsel may then establish a Trust Protector, Trust Director, or comparable oversight role if that provides an appropriate way to preserve the Trust’s purpose and governance continuity without continuing routine administration.

The timing of that transition should depend on the readiness of the structure rather than a predetermined date.

Privacy, Records, and Accountability

The initial operating structure allows Neighbor to Neighbor to remain largely in the background while the Church carries out the charitable activity.

The Trust name may appear where appropriate in legal, banking, accounting, tax, contractual, or internal records. Broader public identification of N2N can occur when leadership determines that visibility is appropriate.

Community-facing administrators engaged by the Church should represent the Church’s charitable activity during this stage. Their work can expand the Church’s reach and improve the program without presenting N2N as a separate organization accepting requests or making independent funding decisions.

The same restraint should apply to the individual source of the private funding. Information needed by counsel, the CPA, the bank, the Church, insurers, or other professionals can be provided as necessary, while routine community, recipient, vendor, and public communications need not identify the underlying funder.

Program records need to show where the money went, why the assistance was charitable, and whether significant work was completed. The amount of documentation depends on the nature and complexity of the assistance.

A modest expenditure may need only the Church’s decision record, payment record, and receipt. A substantial home repair can justify estimates, contractor invoices, photographs, inspection, or completion confirmation. Larger or recurring organizational commitments may require additional financial information.

Unused funds, refunds, credits, recoveries, and similar adjustments should remain identifiable within the N2N-designated accounting and be handled according to the Trust-Church arrangement.

Professional Formation Issues

Counsel and the CPA should determine the appropriate legal and tax structure of the Neighbor to Neighbor Trust during the Church-administered period and the proper treatment of the Trust's private funding and distributions to the participating Church.

The Trust documents should provide the authority and flexibility necessary for the funding model described in this plan while preserving the ability to adopt a different permanent charitable structure later.

The Trust-Church agreement should address the broad charitable purposes supported by N2N, the Church's discretion in making charitable decisions, the funding pool, financial boundaries, reporting, replenishment, unused funds, conflicts, confidentiality, administrative funding, and procedures for ending or transitioning the relationship.

The agreement also needs to allow administrative capacity to grow with the work. N2N may fund Community Program Administration, Financial Administration, accounting services, software, travel, communications, and other costs that allow the Church to administer the charitable activity effectively.

Contractor agreements should accurately reflect the Church's role as the engaging party and address authority, supervision, confidentiality, records, work product, future use of program-development materials, termination, and continuity.

The CPA should establish a practical accounting system that distinguishes charitable program funding from administrative funding and allows the Church and Trust to understand funds received, spent, committed, refunded, and remaining.

The banker should establish the Trust account and appropriate financial controls before Church selection so the Trust is fully formed and funded when discussions with a prospective Church begin.

Counsel can determine what must be disclosed for legal, tax, banking, contractual, regulatory, or professional purposes and what may remain private during the development period.

Counsel and the CPA should also confirm how the Church's use of designated funds for individual assistance, grants or support to other charitable organizations, administrative contractors, and later recurring commitments should be documented and treated. These are implementation questions for the final structure rather than matters this plan needs to resolve in detail.

Formation and Startup Sequence

Formation begins with completion of the N2N operating direction and the information counsel and the CPA need to establish the Trust. Professional review should determine the legal form, tax treatment, governing law, Trustee authority, accounting requirements, funding mechanics, confidentiality provisions, and future governance flexibility appropriate for the Church-administered structure.

The Neighbor to Neighbor Trust should then be executed, its required tax and organizational records established, and its bank account opened. Private funding should be transferred into the Trust and the opening accounting completed before a participating Church is formally selected.

Once the funded Trust is in place, the Initial Trustee can evaluate and approach a prospective Church in Ada or Pontotoc County. Church leadership can consider the charitable purposes N2N intends to support, the financial resources available, the reporting expectations, and the practical responsibilities associated with administering the funds.

If the Church chooses to participate, the parties and their professional advisors can establish the Trust-Church agreement and determine how N2N-designated funds will be accounted for within the Church's existing financial structure. The Trust can then authorize and transfer the initial funding pool.

The first operating period should remain within a level of activity the Church can manage through its existing people, relationships, and systems. This period will provide practical information about the needs that arise, how the additional funding is used, what reporting is useful, and where more administrative capacity would improve the work.

As those responsibilities grow, N2N may authorize administrative funding so the Church can engage a Community Program Administrator, Financial Administrator, or other necessary support. Those contractors expand the Church's ability to serve the community while documenting the program standards, procedures, financial controls, and operating practices that could later support an independent N2N or N2N within Community Support Alliance.

The funding route remains through the Church throughout this development period. A different structure begins only after a deliberate decision about the future of N2N.

Over time, experience gained by the Trust, Church, administrators, counsel, and CPA will provide the information needed to evaluate that future. N2N may continue through the Church, become independently operational and potentially seek its own 501(c)(3) recognition, or transition into Community Support Alliance when CSA has been established and is capable of assuming the program.

The immediate work is to establish and fund Neighbor to Neighbor, select a Church with the charitable judgment and administrative capability needed for the initial phase, provide meaningful additional financial capacity through that Church, expand its administrative reach as the work grows, and use the resulting experience to build the operating structure needed for N2N's longer-term development.