



Non-Profit Chapter Assistance Program **NCAPSM INFORMATION**

"Soaring to Greater Heights of Academic Achievement"

Alpha Kappa Alpha Sorority, Inc.® and Alpha Kappa Alpha Educational Advancement Foundation, Inc.® (EAF) are committed to ensuring that chapters and members have maximum opportunities to raise money for scholarships and community projects while operating within the regulations governing the respective organization's IRS classification.

Small to medium sized AKA chapters are encouraged to partner with EAF by establishing an EAF NCAP Scholarship Endowment in the chapter's name.

Program Benefits:

- EAF is a 501(c)(3) entity with a not-for-profit tax-deductible status; chapters are 501(c)(7).
- Increases EAF visibility and awareness throughout the Sorority and the communities served.
- Increases fund-raising opportunities and resources, due to the favorable tax treatment provided to 501(c)(3) organizations.

How It Works:

Chapters raise money for scholarships and forward at least half of the net proceeds to EAF for their NCAP endowment. Donations may also be sent directly to the Foundation, designating the contribution in the chapter's name (endowment). When the NCAP endowment fund reaches \$25,000, it is capitalized, and the chapter can award scholarships from interest and dividends accrued minus a small administrative fee.

Eligibility:

NCAP endowments are only available to those chapters that have attained Silver level status or higher within EAF. See the EAF Chapter Contribution Form for instructions on chapter level giving.

Governance/Required Documentation:

- NCAP Memorandum of Understanding (MOU) executed between the Sorority, EAF and the participating chapter.
- NCAP Endowment Fund Agreement executed between EAF and the participating chapter.

Compliance:

The NCAP program is intended to operate within the regulations governing the respective organization's IRS classification. EAF is committed to ensuring that AKA chapters and members have maximum opportunities to raise money for scholarships while maintaining IRS compliance.

Chapter Benefits:

- Eliminates the expense and annual record-keeping associated with forming a not-for-profit foundation.
- Allows easier management of scholarship awards by small to medium-sized chapters with NO 501(c)(3) foundation of its own.
- Allows chapters to award scholarships in their local area.
- Allows your chapter supporters to donate to your local fundraising initiatives and receive charitable contribution tax treatment for those donations. Chapters are given EAF branded receipts to use for donations made directly to the chapter.

Once Established:

- At \$5,000, the chapter's endowment will be included in EAF's robust, diverse investment portfolio, earning interest that will help grow the endowment.
- At \$25,000, the endowment is capitalized, and the chapter will be able to grant scholarships and other awards from the annual interest (net of fees) earned by the endowment.

Chapter Scholarship Management:

- Set eligibility criteria (applications received by EAF are forwarded to chapter)
- Determine selection (judging) process and committee
- Select scholarship recipient(s)
- Send signed check request form for EAF to award, notify and mail scholarship checks directly to students or schools. Checks also can be sent to the chapter for direct presentation to the students.

If you are interested in obtaining more information about partnering with EAF and AKA to establish an NCAP Endowment, contact your Chapter's EAF Captain, EAF Regional Coordinator, and/or send an email to akaeaf@akaeaf.net

