

The Oklahoma Solicitation of Charitable Contributions Act – Are You in Compliance?

On July 1, 2011 Senate Bill 1070 went into affect and impacts all 501(c)(3) nonprofit organizations in Oklahoma who solicit or accept contributions as well as professional fundraisers and solicitors who are compensated by an organization to fundraise on their behalf. The entire bill is available at www.sos.ok.gov/charity and should be reviewed in full. Below are points of interest to help prepare your organization for the registration process.

The Details and How to Be in Compliance

Senate Bill 1070 requires that all nonprofits must register with the Oklahoma Secretary of State each year. Exempted from the registration are churches, schools and universities, member-based organizations and fundraising committed on behalf of an individual.

Registrations are valid for one year from the date of filing with the Secretary of State and must be renewed each year.

Where to Begin

Visit the Oklahoma Secretary of State website at www.sos.ok.gov/charity to download the registration form. The form requires the following information:

- Gross amount of contributions, gifts, grants and other similar amounts received in prior fiscal year.
- Total program service expenses
- Management and general expenses
- Fundraising expenses
- Aggregate amount paid or payable to professional fundraisers and professional fundraising counsel

In addition to the completed and signed registration form, charitable organizations are required to submit the following:

- A Professional Fundraiser Information attachment (if applicable) *see below for definitions*
- A copy of your IRS Form 990 for most recently completed fiscal year
- List of the names mailing addresses, title/position of each officer, each director and each trustee (or equivalent) and each salaried executive employee of your organization
- Registration fee in check or money order and made payable to the Oklahoma Secretary of State for (2 levels of payment)
 - \$65 if you anticipate contributions in excess of \$10,000*
 - \$15 if you anticipate your contributions will not exceed \$10,000**

**This fee represents an increase of \$50. Below is a breakdown of how the registration fee is dispersed among several state agencies:*

\$15 – General Revenue Fund of the State Treasury

\$34 – Attorney General’s Charitable Solicitations Enforcement Revolving Fund

\$16 – Secretary of State Charitable Solicitations Revolving Fund

***The breakdown of this fee is as follows:*

\$10 – Attorney General’s Charitable Solicitation’s Enforcement Revolving Fund

\$5 – Secretary of State Charitable Solicitations Revolving Fund

Registration Deadline

Each charitable organization must register each year by the date that the organization files its Form 990 **OR** by the date, plus extensions, that it is required to file its Form 990, whichever comes first.

Professional Fundraisers and Professional Solicitors

Senate Bill 1070 defines professional fundraisers and professional solicitors as below:

Professional Fundraiser – any person who for compensation or other consideration plans conducts or manages in this state the solicitation of contributions for or on behalf of any charitable organization or who engages in the business of or holds himself or herself out to persons in this state as independently engaged in the business of soliciting contributions for such purpose. This does not include an employee of the charitable organization or any volunteer who receives no payment, compensation or remuneration of any kind for soliciting any contributions. A volunteer may receive credit for fulfilling any community service requirement of an educational institution or government agency. Incidentals provided to uncompensated volunteers are OK; these include meals, supplies or similar support but cannot include reimbursement for expenses incurred in fundraising activities.

Professional Solicitor – any person that is either located within the state or that is soliciting contributions from any person in this state who is employed or retained for compensation or other consideration by a professional fundraiser to solicit contributions for or on behalf of any charitable organization. This does not include an employee of a charitable organization and who is engaged in such activities on behalf of the organization for which they are employed nor does it include a volunteer who engages in such activities as long as the volunteer does not receive any payment, compensation or remuneration of any kind and can receive credit for fulfilling any community service requirement of an educational institution or government agency. Incidentals provided to uncompensated volunteers are OK; these include meals, supplies or similar support but cannot include reimbursement for expenses incurred in fundraising activities.