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<b>Approved by:</b>	<b>The Board</b>	<b>Date Approved:</b>	<b>May/16/2016</b>
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**INTRODUCTION**

As an integral part of the ministry of the Bronte Seventh-day Adventist Church (“the Church”), the Benevolence Fund (“the Fund”) provides financial assistance to individuals or families who are experiencing financial or material needs. It has no budget for either income or expense. The Benevolence Fund’s receipts consist entirely of designated giving, as outlined below, and its expense consist of funds disbursed for the stated intended purposes at the direction and approval of the Church Board. Should at any time in the future the Church votes to close the Benevolence Fund, all money in the fund at that time will go in the general budget of the Church.

**PART I: SUMMARY**

1.1 Policy Purpose

The purpose of the Benevolence Policy is to set guidelines and practices that govern benevolence support provided to the Bronte SDA Church Family. This document sets forth the responsibilities of the Church Board and the guidelines for discharging those responsibilities. This policy is intended to cover

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all circumstances under which funds may be disbursed through the approval and direction of the Church Board.

The purpose of the Benevolence Fund is to meet people's basic needs on a short term interim basis. The fund achieves this purpose primarily in two ways: through specific disbursement at the approval and direction of the Church Board.

### 1.2 Oversight and Accountability

The Church Board has ultimate responsibility and accountability for the Benevolence Fund, and will necessarily make decisions to disburse funds according to its charter, and subject to these guidelines.

### 1.3 Definitions

**Applicants:** Individuals or families who approach the Pastor, Elder, or Church Board member to request financial and/or other assistance.

**Benevolence Fund:** It is an officially recognized fund and as such, it is an approved repository for designated giving. It has no budget for either income or expense. Its receipts consist entirely of designated giving and its expenses consist of funds disbursed for its stated intended purposes at the approval and direction of the Church Board.

**Gift:** A voluntary transfer of property without valuable consideration to the donor (i.e. no strings attached)

## **PART II: POLICY**

### 2.1 Contributions to the Benevolence Fund

First and foremost, private charity between individuals will be encouraged and the Church may facilitate individuals carrying out private benevolence. However, gifts made directly by a member to a needy individual or family are not tax deductible under CRA rules and funds cannot pass through any bank accounts attributed to the Church. In order to comply with CRA rules concerning charitable contributions, all gifts to the Benevolence fund must be unconditional and without personal benefit to the donor.

### 2.2 Responsibility

The administration of the Fund, including all disbursements, is subject to the approval and direction of the Church Board. The Church Board will consider all recommendations from anyone, however the Church Board is not bound in any way to honor those recommendations.

It is not the church's intent or practice to be a source of income for monthly and routine expenses. Any monetary gifts are simply to bridge the gap of despair, while directing the individual to other financial

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resources in the public and/or private sector. All funds and advice given will be done in accordance within the beliefs and truths of the Bronte SDA Church.

### 2.3 Restrictions

Contributions to the Benevolence Fund may not be earmarked or otherwise designated for a particular purpose(s) or recipients. The Church Board may choose, at its discretion, to decline contributions that are specifically designated or earmarked.

Donors to the Benevolence Fund are not allowed to recommend their contribution directly to a certain individual. Donors will not be permitted to recover a contribution on the grounds that the Church Board failed to honor the donor's recommendation.

### 2.4 Recipient of Assistance

In order of priority, recipients of assistance from the Benevolence Funds shall be:

1. Members of Bronte SDA Church
2. Regular Attendees of Bronte SDA Church
3. Person in the Community whose current status is financially or materially "needy"

### 2.5 Determining Need

1. The need of an individual or family may be brought to the attention of a Ministry member during the course of ministry, or by referral from a third party
2. A child's need must be assessed in consultation with the person who has legal responsibility for the individual and the financial status of the legal parent or guardian will be taken into consideration
3. Other sources of community assistance, including support from other area churches, may need to be verified.

### 2.6 Duration of Charity

The Church Board will provide assistance for specific needs that are expected to be a short term commitment. When a major need arises, other possible sources for assistance will be explored with the party in need (e.g., community and / or government programs).

Assistance from the Benevolence Fund is intended to be a one-time gift. In unusual circumstances, the Church Board may decide to provide assistance multiple times if the need is great. Disbursements from the Benevolence Fund may not be in the form of a loan. Under no circumstances is assistance from the Benevolence Fund to be considered a loan. No gift may be repaid, either in part or in full, in money or labor.

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### **PART III: Procedures and Guidelines**

#### **3.1 Eligibility**

- All assistance, including reporting, shall comply with the requirements of the Income Tax Act and Regulations. The assistance must be charitable under the law.
- Token assistance may be provided as a tangible demonstration of moral support without meeting all of the eligibility criteria.
- A person in the community whose current status is financially or materially “needy”. Support will not be restricted to members and there will be an openness to extending the same level of support to anyone else demonstrating the same need.
- Needs that will be considered for benevolent assistance include, but are not limited to the following:
  - An accident that results in financial needs
  - An unavoidable unemployment situation
  - Families that encounter legitimate financial difficulties
  - Individuals that are in need of special education / training opportunities due to social, emotional, delinquency or related difficulties. These opportunities should serve to help the individual for the greater good of society in the short and long term
  - Medical treatments and related expenses prescribed by a recognized Canadian / US medical professional not covered by a public or private insurance / medical plan
  - Other situations of demonstrated need

When financial assistance is provided consideration should also be given to meeting the spiritual, physical, mental, emotional, and other needs of the party receiving assistance. This will be done in consultation with the Pastor, Elders, Personal Ministries team and / or other qualified professionals.

The Church will not participate financially (funding or receipting) in projects which the law considers to be private benevolence.

Needs not usually considered for benevolent assistance, include, but are not limited to the following:

- School expenses, business investments, or anything that brings financial profit to the individual or family
- Paying off credit cards. Exceptions can be made when an individual has had to use a credit card in a crisis or emergency (e.g., hospitalization, death, etc.)
- Discretionary expenses (e.g. vacations)
- Treatments not prescribed by a recognized Canadian or US medical professional
- Business ventures or debts needs
- Legal fees arising from criminal behavior
- Insured losses
- Individuals on social assistance (except for types of assistance that are not considered to be ‘income’ by the relevant funding agency, to be determined in advance by consulting with a knowledgeable employee of the funding agency)

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- Where an individual or those legally responsible for the individual are determined to have adequate resources, unless the individual has been rejected by those person (e.g. because of faith)
- Projected and future needs (e.g., education fund for an orphaned child)

### 3.2 Funding

The Church Board will only provide assistance as resources are available. All Funds remain under the direction and control of the overall Church Board responsible for the church's charitable resources and will be administered by the Church Treasurer.

### 3.3 Funding Sources

- The only regular source of income for the Benevolence Fund is donor directed giving to the fund, with frequency as needed.
- Gifts intended for the Benevolence Fund can be designated at the time the gift is given, however the donation may not be designated for a specific benefit of a person or family.

### 3.4 Guidelines for Disbursement

The Benevolence Fund is intended as a source of last resort, to be used when the family or individual requesting assistance has explored all other possibilities of help from family, friends, savings, or investments. It is intended to be a temporary help during a time of crisis or other hardship.

The Church Board will not provide help to anyone who, in its estimation, will have negative or irresponsible behavior reinforced by financial help. Those requesting help must be willing to give the Church Board permission to follow up on any of the information provided to the Board. The Church Board will be sensitive to confidential issues.

### 3.5 Project Fundraising

The Church Board may approve a demonstrated need that is more than available funds. Special projects might include supporting local outreach ministries to the poor, or helping to provide assistance during times of catastrophe or major crises. Designated gifts toward an approved benevolence project will be used as designated with the understanding that when a given need has been met as determined by the Church Board, any excess will be used for other benevolence projects. All special appeals must clearly display this understanding. The Church will refuse gifts designated toward a specific benevolence project before the Church Board has approved the project.

Fundraising for a specific project will only be approved if the project meets all guidelines of this policy as a whole. The required 'needs' must be assessed and documentation must be completed before the approval of the project. Caution should be exercised when it can be reasonably expected that financial support of the project will come from only a small group of individuals, especially when the expected donors are closely related (i.e., non-arm's length) to the needy individual(s).

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### 3.6 Levels of Support

The Church Board is responsible for administering the Fund within these established guidelines

- Basic (up to \$ 150 per situation)

The Church Board has authorized the Church Elders to approve this level of assistance in each single situation at a regularly scheduled Elder's meeting. The Pastor may also approve this level of assistance, but must inform the Church Board. Repeat support at this level places the assistance at the intermediate level.

- Intermediate (Over \$ 150 to \$ 750)

A 50% of the Church Board may approve the level of assistance in each single situation. An email vote may be used if necessary. Repeat support at this level places the assistance at the Advance level.

- Advance (over \$ 750)

This level of assistance per situation may be approved by a two third majority at a meeting of the Church Board, subject to meeting all specified need criteria.

Note: Members of the Church Board and those consulted must disclose conflicts of interest (e.g., where proposed assistance involves a family member) and excuse themselves from the related discussion and decision.

Generally, assistance from the Benevolence Fund will not exceed \$ 1,500 per person or family (this is a cumulative cap in the unusual case of someone who receive more than one gift from the Fund). In very unusual circumstances, families and individuals who are in need of substantial funds (over \$ 1,500) can continue to be assisted up to whatever limit the Church Board deems appropriate.

### 3.7 Reporting / Documentation / Evaluation

The Church Board member(s) evaluating a case for assistance are responsible for the following:

Basic – to report the process involved in evaluating and reasons for granting assistance at the next regularly scheduled meeting of the Church Board. No written 'needs' documentation is required. To avoid repeat requests at the basic level between Elder meetings, the Elders should consult with the Pastor prior to providing assistance when possible, or immediately after assistance is provided.

Intermediate – to report the process involved in evaluating and reasons for granting the assistance at the next regularly scheduled Church Board meeting. Written documentation may be limited to the documentation of subjective factors considered for the request, at the discretion, by the Church Board members.

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Advance – two Church Board members are to evaluate the financial resources available to the person (including government support and resources available from other family members / significant others) being considered for advanced assistance, by reviewing copies of the most recent tax returns, pay stubs, and / or financial statements, etc., and to provide a written report at a meeting of the Church Board, that includes the process followed in evaluating the need and the maximum level of assistance recommended.

All documentation shall be signed by two members of the Church Board and filed in a confidential and secure place. Care should be taken not to reveal the names of individuals considered and / or approved for assistance outside of the Board Meeting. Individual names should not be included in the minutes of the Board meetings.

Payments will only be processed upon written authorized from a Church Board member (or, in the case of Basic assistance, the Pastor) by means of memo, cheque requisition, etc., a copy of which should be filed by the Church Board. Whenever reasonably possible, benevolent assistance should be paid directly to a supplier / service provider, or the funding should be in the form of physical goods or vouchers.

#### **Part IV: Canada Revenue Agency (CRA) Requirements**

The CRA sets out five key requirements for charities engaged in the type of benevolence activities such as those of the Bronte SDA Church:

- 4.1 A church cannot provide a private benefit disguised as a public benefit.
- 4.2 Benefits must be made available to members of the public in the community as well as members of the church.
- 4.3 The amount of assistance provided must be reasonable in the circumstances.
- 4.4 Gifts must not be made from designated funds.
- 4.5 The church must engage in a real inquiry into the needs and means of a potential beneficiary before providing assistance. Needs are determined on the basis of total reasonable expenses less all sources of current income. Means are determined on the basis of non-essential assets that might be sold to meet the need.

April 10, 2016: Bronte SDA Church reserves the right to amend this “Policy for Internal and External Communications” from time to time in the judgment of the Church Board to address issues that may arise or changes in the church.

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<b>Benevolence Funding Request Form</b>			
Date:			
Name of Person(s) Requesting:			
Current Address:			
City:	Province:	Postal Code:	
Current Phone Number / Contact Person:			
Which best describes your attendance at the Bronte SDA Church:			
<input type="checkbox"/> Frequent	<input type="checkbox"/> Sometimes	<input type="checkbox"/> Seldom	<input type="checkbox"/> Never
Type of Need Requested:			
Reason for Request:			
Have you or anyone else in your household/family been assisted by Bronte SDA Church? If yes, when was the assistance provided?			
Have you applied for assistance and / or been provided assisted by any other church / agency / organization? If yes, provide name and assistance provided.			
My signature below guarantees the information provided above is accurate and true. I also understand that Benevolence Funding from this church is a one-time gift and you or a member of your family cannot re-apply for another request for a period of ____ months.			
Signature of Person / Persons Requesting		Date	
<b>Official Use Only</b>			
<input type="checkbox"/> Approved via Email	<input type="checkbox"/> Approved at Board Meeting	<input type="checkbox"/> Need more information	<input type="checkbox"/> Denied
Date of Decision:		Cheque Issued:	
Date Cheque Issued:		Cheque #:	