

Christian Reformed Church of Stratford Benevolence Policy

1. Introduction

- 1.1. Deacons realize that benevolence is a quality of our life in Christ and not merely a matter of financial assistance. Deacons are therefore called to assess needs, promote stewardship and hospitality, collect and disburse resources for benevolence and develop programs of assistance.
- 1.2. Acts 4: 32, 34, and 35
“All the believers were one in heart and mind. No one claimed that any of their possessions was their own, but they shared everything they had. There were no needy persons among them. For from time to time, those who owned land or houses sold them, brought the money from the sales and put it at the apostles’ feet, and it was distributed to anyone who had need.”

2. Purpose

- 2.1. The purpose of this document is to provide guidelines for the disbursement of the Deacon Fund.
- 2.2. The purpose of the Deacon Fund is to provide aid for those with basic needs both in the church and in the community.

3. Motivation

- 3.1. To provide accountability to the congregation who have entrusted the deacons with these resources and to ensure their use is consistent with congregational expectations.
- 3.2. To provide efficiency and wisdom in the use of these funds, helping to ensure that the funds will be effective in aiding the recipient rather than a hindrance or creating a dependency.
- 3.3. To ensure that we are in full compliance with Canada Revenue Agency requirements for the operation of charities.

4. Modification

- 4.1. It is possible that situations may arise which are not covered by this document in its current form. Therefore, changes can be made as needed with the unanimous approval of the deacons.

5. Definitions

- 5.1. *Applicants*: Individuals or families who approach the deacons requesting financial or other types of assistance.

- 5.2. *Deacon Fund*: The Deacon Fund is an officially recognized and designated permanent fund of the Christian Reformed Church of Stratford. As such, it is an approved recipient for designated giving. It has no budget for either income or expenses. Its receipts consist entirely of designated giving, and its expenses consist of fund distributed for its stated purpose at the direction of the deacons.
- 5.3. *Gift*: A voluntary transfer of property without valuable consideration to the donor (i.e. no strings attached).
- 5.4. *Grocery Certificates*: Certificates of specific dollar denomination which can be used for purchases at local grocery stores.

6. Canada Revenue Agency Requirements

The Canada Revenue Agency sets out four key requirements for charities engaged in the type of benevolence activities such as those of the Christian Reformed Church of Stratford:

- 6.1. A church cannot provide a private benefit disguised as a public benefit.
- 6.2. Benefits must be made available to members of the public in the community as well as members of the church.
- 6.3. The amount of assistance provided must be reasonable in the circumstances.
- 6.4. The church must engage in a real inquiry into the needs and means of 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.

7. Oversight and Accountability

- 7.1. The deacons are responsible for the Deacon Fund and are accountable to the council and the congregation. Regular reports will be provided including the following information:
 - 7.1.1. Amount of funds received and
 - 7.1.2. An overview of how the funds were disbursed. (The specifics of who received funds and how much must remain confidential.)
- 7.2. Two deacons with signing authority must sign every cheque issued from the Deacon Fund. Blank cheques must never be pre-signed.
- 7.3. The Deacon Fund will be audited regularly by either two members of council, or by an outside accountant.

8. Income

- 8.1. The only regular source of income for the Deacon Fund is the offering specified for same, with frequency as needed or decided by the deacons.

- 8.2. Gifts intended for the Deacon Fund can be designated as such at the time the gift is given, but may not be given for the specific benefit of any person or family. The deacons must retain full control over the direction of all funds given to the Deacon Fund.

9. General Guidelines for Disbursement

- 9.1. The Deacon Fund is intended as a source of last resort, to be used when the applicant 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.
- 9.2. Assistance from the Deacon Fund is normally intended to be a one-time occurrence. In some circumstances, the deacons may decide to help more than once. If there are subsequent requests, two deacons will arrange a meeting with the applicant to develop a longer term plan.
- 9.3. A gift from the Deacon Fund is not a loan, and there is no expectation or requirement of repayment.
- 9.4. Applicants will be encouraged to receive financial, family, or emotional counseling if there is a perceived need for this type of assistance.
- 9.5. The deacons will not provide help to anyone for whom, in their estimation, financial help will reinforce negative or irresponsible behavior.
- 9.6. Applicants must be willing to give the deacons permission to follow up on any of the information provided to the deacons. All information gathered in reference to requests for assistance will be kept strictly confidential.
- 9.7. The deacons may decide to limit the maximum amount of funds one applicant can receive in any given year.
- 9.8. Members of the congregation may not be reimbursed from the Deacon Fund for benevolence they performed of their own accord without the approval of the Deacons before the gift was made.
- 9.9. In addition to responding to requests from applicants, funds from the Deacon Fund may be used for other activities and projects with the purpose of meeting peoples' basic needs.

10. Recipients

- 10.1. Recipients of funds disbursed from the Deacon Fund are not restricted to church members and attendees. Although recipients outside our church may be welcomed to attend, it must be made clear to them that the funds are in no way dependent on that.

11. Criteria

The stated purpose of the Deacon Fund is to meet peoples' basic needs. Normally these are defined as:

11.1. Lodging (including utilities)

11.2. Food

11.3. Clothing

11.4. Medical treatment (may include medications)

11.5. Transportation to or from a place of employment

11.6. Funeral expenses, and

11.7. Initial evaluation and professional counseling appointments (provided that it has been approved by the church pastor)

12. Needs that will NOT be met by the Deacon Fund

12.1. Business investments or anything that brings financial profit to the individual or family.

12.2. Repayment of loans. Exceptions can be made based on how the debt was acquired (e.g. use of a credit card in a crisis or emergency).

12.3. Needs of an individual who are unlawfully at large or paying for fines as a result of breaking the law.

13. Approval Limits

13.1. Any one deacon can approve a one-time request for grocery certificates of \$100 or less.

13.2. All other requests must be approved by a majority of the deacons (50% + 1).

14. Procedure for Disbursement

14.1. In a meeting, by email, or by a telephone conference, the deacons review the request and come to a decision.

14.2. The person making the request is informed of the decision.

14.3. Grocery certificates are issued or cheques are written and disbursed. Cheques from the Deacon Fund will be payable to vendors, landlords, etc., rather than to the applicant with the following exceptions:

14.3.1. A recipient who has made a purchase or payment which the deacons agreed to reimburse them for, and

14.3.2. A church member acting on behalf of the deacons in a situation where a cheque directly from the deacons could not be delivered in time.

In both cases, the deacons must be provided with an invoice or a receipt.

14.4. The Treasurer of the deacons will keep a copy of all associated invoices or receipts.