

# **BENEVOLENCE FUND POLICY & GUIDELINES**

## **IN GENERAL**

These policies have been drawn up in an effort to protect the pastoral staff from the consequences of making independent financial decisions regarding benevolence (financial support to members in immediate need).

## **PURPOSE**

To manage a benevolence fund and distribute said funds to needy individuals on a case-by-case basis.

## **PROCEDURE**

Maintain an appointed committee of people who shall:

- Manage the fund in an independent bank account entitled Faith Mission Benevolence Fund.
- Deal with benevolence requests based on these written policies and procedures.
- Inform the Body about status of the Fund and to seek additional gifts that will keep the fund alive.

## **GUIDELINES**

The Trustees will establish a start-up fund which will be replenished through designated offerings from the congregation. When dealing with a benevolence request, the appointed committee shall:

- Discern the difference between helping someone in difficult times and underwriting their irresponsibility or particular lifestyle.
- Discern the difference between “need” and “convenience”, e.g. if someone requests money for housing while they are currently housed with no threat of being homelessness, ask the question, “Is this really a need or is this for convenience?”
- Provide financial instruction any time money is provided, i.e. basic financial planning, reference a simple money management book, etc.
- Provide vouchers as opposed to money whenever possible.
- Not provide money to people who are not a part of this fellowship, i.e., nonmembers or those not in regular attendance (see church Bylaws for definitions). Those requesting assistance who are not members of the church shall be instructed concerning the importance of church membership
- Consider assistance, other than the providing of money, to non-members and those not in regular attendance on a case-by-case basis.
- Have no expectation of repayment of the amount being expended.
- Counsel the applicant to seek assistance in the following order of priority:
  1. Family (Relatives)
  2. Their current church fellowship (if other than Faith Mission Christian Church)
  3. Benevolence Committee
- Not, as a committee, refer any applicant to state or federal-government agencies for financial assistance.
- Not seek to counsel an applicant about terminating assistance from any state or federal government agencies as soon as possible if the applicant is receiving same.
- Make decisions based on a quorum of committee members. A quorum of committee members consists of any three committee members.
- Understand that all decisions made by the quorum of committee members should be made outside of the presence of the person(s) requesting assistance.
- Maintain complete confidentiality regarding benevolence discussions except for pertinent information to the Senior Pastor about the member’s need.

## Signatures

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*Senior Pastor*

*Date*

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*Church Clerk*

*Date*

# BENEVOLENCE FUND PROCEDURES

## Statement of the Benevolence Fund:

Hebrews 6:10 (NIV)

God is not unjust; he will not forget your work and the love you have shown him as you have helped his people and continue to help them.

**Purpose:** The benevolence policy is a tool to help the church comply with increasing federal and state government guidelines in operating nonprofit organizations. This policy is intended to help the church avoid conflicts by providing well-written and understandable content based in biblical handling of the financial resources God has provided.

**Adoption and Amendments:** The Benevolence policy is not included in the church's Constitution or Bylaws and can be amended, deleted or added to at any regularly scheduled Leadership Team meeting. The church body will be informed of changes made to the designated benevolence fund policy.

A copy of the benevolence policy will be given to all council members, the Trustees and the church clerk and also kept in a prominent location of the church, such as the church's website.

## Guidelines:

The church, in exercising our religious purposes, has established a benevolence fund to assist persons in financial need. The church welcomes contributions to the fund. The administration of the fund, including all disbursements, is subject to the control and discretion of the appointed benevolence council. The council may consider recommendations from anyone, but in no event is the council bound in any way to honor the recommendations. Donors will not be permitted to recover a contribution on the grounds that the committee failed to honor the donor's recommendation.

The church recognizes that planning for future needs is a practice of good stewardship and has established this fund as an ongoing fund. Should at any time in the future the church vote to close this fund, all money in the fund at that time will go in the general fund of the church.

The council will record the required Internal Revenue Service documentation for benevolence requests. The following documentation should be recorded for accurate record-keeping:

1. A complete description of the assistance
2. The purpose for which the aid was given
3. The objective criteria for disbursement
4. How the recipients were selected
5. The name, address and amount distributed to each recipient
6. Any relationship between recipient and officers, or key employees or substantial contributors to the church.

The assistance is always based on the availability of benevolence funds.

The church will help via payments of bills to 3<sup>rd</sup> party that will provide receipts for expenditures (IRS required for over \$75.00)

The church will void and return all checks designated to a specific individual or family. Please instead give to specific individuals or families directly.

The types of help that will be provided by the benevolence fund include, but are not limited to, payments of water, gas or medical bills but are not limited to those categories. Once an individual or family has met the annual limit up to \$200.00 of financial assistance, they are no longer eligible. However, the church reserves the right to exceed the \$200.00 annual limit in special circumstances to be approved at a legally called congregational meeting.

The information collected regarding the request is **confidential** and will be stored securely.

# BENEVOLENCE FUND SUPPORT REQUEST FORM

The Church is making every effort to live for and be surrendered to Christ and the teachings of the Bible. It is our privilege, purpose, and passion to share about Jesus Christ primarily throughout the local area. Please give your request to the Pastor, a Deacon, the church clerk, or place in a sealed envelope in the offering plate.

*Note: Information given on this form is confidential and will not be disseminated to anyone other than the Pastor and the Benevolence council members without the expressed written or verbal consent of the requestor.*

## RECIPIENT INFORMATION:

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

## VENDOR: (also attach bill)

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Account/Invoice #: \_\_\_\_\_

## REQUEST:

Amount of Request: \_\_\_\_\_ Date of Request: \_\_\_\_\_

PURPOSE: (Please explain why there is a need) \_\_\_\_\_

## GENERAL INFORMATION:

Do you have a personal relationship with Jesus Christ? ☐ Yes ☐ No ☐ Not Sure

Are you a member of the Church? ☐ Yes ☐ No

Which best describes your attendance at Church? ☐ Frequent ☐ Sometimes ☐ Seldom ☐ Never

In your opinion which description best describes your financial situation?

☐ Short term emergency ☐ Short term problem ☐ Long term problem

Is the recipient related to any employee, officer, board member or benevolence council member of the Church?

☐ No ☐ Yes

(If yes) Who? \_\_\_\_\_

(If yes) What is your relationship to the above-mentioned? \_\_\_\_\_

Have you received assistance from the Church in the past calendar year? ☐ No ☐ Yes

(If yes) Explain: \_\_\_\_\_

## FINANCIAL INFORMATION:

Are you willing to receive financial counseling? ☐ No ☐ Yes

REQUESTOR NAME if different from recipient (print): \_\_\_\_\_

REQUESTOR SIGNATURE: \_\_\_\_\_ Date: \_\_\_\_\_

# BENEVOLENCE FUND DISBURSEMENT FORM

## Selection of Benevolence Funds Recipient:

Complete this form to verify all required information has been received and approved prior to writing the check. After the check has been written, give this form to the church clerk to file. Supporting documents are confidential and are kept in the church file and will be maintained as required by the IRS.

- ☐ Name
- ☐ Address
- ☐ Relationship between recipient and members, officers or trustees
- ☐ Need of financial assistance

Purpose-How does this further Faith Mission Christian Church's mission:

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Manner in which selected:

The church council has reviewed the request for benevolent funds to determine that there is a need and researched to verify if the recipient has/has not received assistance in the past. Based on the information available, and in compliance with the church policy, the council has voted on this amount.

Name of any substantial contributor or grantor:

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Is the recipient a family member of substantial contributor or grantor?

- ☐ Yes ☐ No

Benevolence Funds are controlled by: Faith Mission Christian Church Benevolence Council.

Approved: ☐ Yes ☐ No (reason): \_\_\_\_\_

PAYABLE TO \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

Benevolence Account:

Council Signature/Date: \_\_\_\_\_

Check Completed By: \_\_\_\_\_ Date Paid \_\_\_\_\_ Check# \_\_\_\_\_