

Recommended By: Finance and Audit Committee

Title of Policy: BENEVOLENCE FUND POLICY

Policy Number: 2.1

Approval Date: March 15, 2019

Approved By: Board of Directors

Purpose:

Because people in need matter to God, as part of the ministry of the EFCC, benevolent financial assistance may sometimes be provided to individuals or families who are in a time of crisis or who are experiencing financial or material needs. This ministry falls in line with the charitable activities of the EFCC, which are:

1. Encouragement of EFCC Churches across Canada and solicitation of support for our missionaries in Canada and around the world.
2. Missionaries in Canada and around the world provide ministry outreach.
3. Church Community Building through EFCC sponsored events (conferences, seminar & retreats).
4. Provide Leadership Training for pastors, missionaries and other church members.
5. International Compassion outreach to meet the needs of the poor (shelter, meals, water, Bibles and medical supplies).
6. Provide Children & Youth Programs (scholarships, deaf materials, clothing, school supplies, playgrounds, shelters and camps).

The purpose of this policy is to help the EFCC distribute aid objectively and provide a basis for appropriate government reporting. The process for distributing benevolent funds includes determining:

- who can make application for assistance
- what the eligibility criteria and guidelines are
- whom then to assist
- what kind of assistance to provide
- under what conditions to offer such assistance
- who is responsible for distributing funds
- how the funds are delivered.

Scope:

This policy applies to **all requests made to the EFCC for Benevolent Funding.**

Policy:

A. EFCC BENEVOLENCE COMMITTEE

The EFCC Benevolence Committee is responsible for administering the Benevolence Fund within established guidelines. The Benevolence Committee will be make up the Executive Director, the National Director, the EFCCM Director, the Director of Finance & Operations and

the Manager of Personnel and Projects or their designates. Other individuals may be invited in to the meetings in an ad hoc capacity if determined by the committee. A chairman will be chosen from within the committee and a recording secretary will be appointed to ensure accurate records are kept.

B. FUNDING

The EFCC will only provide assistance as resources are available. All benevolent funds received will remain under the direction and control of the **EFCC Benevolence Committee** and will be dispersed at its discretion.

Funding sources are as follows:

1. Funds designated by an individual donor towards the EFCC Benevolence Fund.
2. The EFCC Benevolence Committee may request to allocate funds from other EFCC ministry accounts to the Benevolence Fund when determined appropriate and with the approval of the EFCCM Director or National Mission Director.
3. Fundraising for Benevolence Fund
 - a. Gifts given toward an approved benevolent project will be used as designated with the understanding that when a given need has been met, as determined by the Benevolence Committee, any excess will be used for other benevolent projects. All special appeals must clearly display this understanding.
 - b. The EFCC will refuse gifts designated toward a specific benevolent project before the approval of the project.
 - c. Fundraising for a specific project will only be approved if the project meets all the criteria and guidelines of this policy as a whole. **Caution** should be exercised when it can be reasonably expected that financial support for 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).

C. PROCESS

1. Application is Made

A properly completed "Application Request for Benevolent Funds" (see attached) must be completed by either a Missionary (national or international), a Regional Ministry Facilitator or the National Mission Director and passed on to the Benevolence Committee in order for the project to be considered for funding.

2. Benevolence Committee meets to review all applications and determine Eligibility

- a. The Committee will convene whenever an application has been received in order to review applications and determine eligibility for funding.

i. Eligibility for funding:

a) Criteria

The following criteria **MUST** be met in order for an application to receive approval:

- 1) It has been determined that the person or family is in a time of need or crisis.
- 2) It has been determined that all other possible sources of financial assistance have been exhausted (including community or government programs, support from the individual's local church or other churches in the area, etc.).

- 3) The need MUST contribute to the furthering of the charitable activities of the EFCC (see above).
- 4) The providing of benevolent funds to an individual or group must serve to help not only the individual but also the greater good of society in the short and long-term.
- 5) Because every request for funding is unique, determination of eligibility will be considered on a case-by-case basis at the discretion of the Benevolence Committee.

b) Guidelines

For the EFCC's benevolence program, the following guidelines should be applied in determining need and eligibility for assistance from the EFCC.

- 1) All assistance, including reporting, shall comply with the requirements of the Income Tax Act and Regulations. The assistance must be charitable under the law. A Canadian registered charity may only engage in public benevolence and not private benevolence.
- 2) The EFCC will not participate financially (funding or receipting) in projects which the law considers to be private benevolence.
- 3) Any person or group within the scope and outreach of the EFCC ministry and projects can be eligible for funding.
- 4) A dependent individual'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.
- 5) Needs that will be considered for benevolent assistance will be determined by the EFCC Benevolence Committee but could include:
 - i. Individuals who are in need of funding for special education or training opportunities due to social, emotional, delinquency or related difficulties. (*See "Scholarship Fund Policy 2.2" for post-secondary specific training scholarships*)
 - ii. Medical treatments and related expenses prescribed by a recognized medical professional not covered by a public or private insurance/medical plan.
 - iii. Other situations of demonstrated need.
- 6) Needs NOT considered for benevolent assistance:
 - i. Discretionary expenses (e.g., vacations).
 - ii. Treatments not prescribed by a recognized medical professional.
 - iii. Business needs arising for any reason.
 - iv. Insured losses.
 - v. 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).
 - vi. An individual or those legally responsible for the individual are determined to have adequate resources, unless the individual has been rejected by those responsible persons (e.g., because of faith).
 - vii. Projected and future needs (e.g., education fund for an orphaned child).
- 7) 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.
- 8) The EFCC will provide assistance for a specific need that is not expected to involve a long-term commitment.

- 9) Private charity between individuals is encouraged, but it must be done independently of the EFCC.

3. Benevolence Committee Evaluation

Based on all the above criteria and guidelines, the Benevolence Committee either approves or rejects an application for benevolent funding and informs the person who made application as soon as possible.

4. Release of Funds

The Benevolence Committee determines the AMOUNT of money that is to be released from the Benevolent Fund for each approved application and informs the applicant of such. The release of funds would follow the usual guidelines as set up by the Financial Policies and Procedures Manual.

D. DOCUMENTATION & FOLLOW UP

Written documentation of all meetings of the Benevolence Committee MUST be kept and should clearly reflect the process involved and reasons for granting assistance in compliance with the criteria and guidelines for Benevolent funding as described above.

All documentation shall be signed by two members of the Benevolence Committee and be filed in a confidential and secure place. Care should be taken to keep confidential the names of individuals considered and/or approved for assistance.

A written follow up report, "Benevolent Funds Follow Up Report" (see attached) must be completed for every approved application and must be sent to the Benevolence Committee. This is usually completed and sent by the person who made the initial application. This report should indicate that the money was spent for its intended purpose. This report must be filed with the original application in a secure location.

Application Request for Benevolent Funds

Date: _____

EFCC Person making request for Benevolent Funding: _____

Email: _____ **Phone Number** _____

A. Benevolent Funding is being requested for the following person/family:

Name _____ Phone Number _____

Address _____

Date of Birth _____

Martial Status ___single ___married ___divorced ___widowed ___remarried

Occupation _____

Members of immediate family (relationship and age):

_____	_____
_____	_____
_____	_____

Relationship to EFCC personnel making application: _____

B. Type of need:

The request is being made for which of the following categories:

_____ **Special education or training**

a. Give details of training required: _____

b. Why he/she is unable to pay for it: _____

c. How this will benefit the greater good of society, as well as the individual: _____

_____ **Medical treatments/expenses prescribed by a recognized medical professional**

- a. Give details of treatment/expenses required: _____

- b. Is it covered by a public or private insurance/medical plan? _____
- c. How this will benefit the greater good of society, as well as the individual: _____

_____ **Other need**

- a. Give details of need: _____
- b. How does providing funds for this fit in to the Charitable Activities of the EFCC?

- c. How this will benefit the greater good of society, as well as the individual/family?

C. Eligibility:

Have all other avenues for funding been exhausted? _____
(family, community/government programs, fundraising, local church, etc)

Is the person needing benevolent assistance a dependent? _____

If yes, has the legal guardian/parent been consulted? _____

If yes, has it been determined that the legal guardian/parent cannot financially provide
for the dependent person in need? _____

For Benevolence Committee Use Only

Does the above application fit within the criteria and guidelines: ___ yes ___ no

Application ___ APPROVED ___ REJECTED Date: _____

Approved by: _____ Title: _____

Person making request was notified on: _____

Amount of funds to be released: \$ _____ Date funds sent: _____

Benevolent Funds Follow Up Report

Date: _____

EFCC Person who made request for Benevolent Funding: _____

Email: _____ Phone Number _____

A. Benevolent Funding was requested for the following person/family:

Name _____ Phone Number _____

Address _____

B. The need that request was made for was:

_____ Special education or training

_____ Medical treatments/expenses prescribed by a recognized medical professional

_____ Other need _____

C. Report on how funds were used and how recipient is doing:

Report Received by Benevolence Committee on: _____ (date)