

His Reformed Church

Benevolence Policy

Effective Date: January 29th, 2006

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1. Purpose

This policy provides procedures for the funding, consideration and granting of benevolent gifts from His Reformed Church.

2. Scope

The scope of this policy applies to all benevolent activities managed by the Board of Deacons. These activities are limited to the disbursement of cash gifts. All disbursements of cash are treated as gifts so that they are not taxable to the recipient.

This policy does not cover other types of charitable or need based support given to persons. Personal needs for food stuffs, emergency shelter, medical/psychological care, legal counsel, non-financial services, etc. are referred to appropriate agencies, as appropriate.

The church will not participate in or offer benevolence for any need that is non-scriptural, illegal, or is a clear duplication of services more readily or appropriately available through recognized public agencies,

The Board of Deacons shall refer persons in need of other forms of support to Love INC for subsequent referral to the appropriate agency(s). Love INC is a World Vision Agency that administers “in the name of Christ” (INC).

Love INC is supported by gifts from local churches, maintains a database of both third party referral agencies as well as frequent benevolent applicants, and serves as a valuable clearing house for both applicants and service providers.

3. Definitions

3.1 Benevolence

Benevolence is defined as an act of kindness, charitableness, good will, generosity or expressions of Christian love intended to address the needs of the poor and distressed. It is specifically intended to address “life-threatening” or “life-hindering” situations.

The primary objective of benevolence is to make a person whole, to preserve life and to facilitate the individual in obtaining a more lasting solution. Benevolence should not be used as a substitute for longer term care, counseling or other assistance. Its purpose is to encourage growth rather than foster dependency. The intent of the fund is to offer a “hand up” versus a “hand out” to those in need.

In terms of the church, a benevolence program is one that provides for the basic necessities of life. Benevolence is not strictly an event; it is a vital part of ministering within the body of believers. It is important to realize that benevolence is a quality of our life in Christ and not merely a matter of financial assistance. Exercising of benevolence should be used as an opportunity to proclaim the love of God.

3.2 Benevolence Fund

A cash fund maintained for the purpose of supporting cash gifts to those in need. Examples of such needs include loss of a primary job, death in the family, and financial distress.

These funds are generally received via the offertory envelope system, as designated tithes and offerings. Special offerings specifically for the benevolence fund may also be collected from time to time. Monies may not be transferred from other church funds (General, Mission, Building, etc.) to the benevolence fund.

Contributors to the benevolence fund may not designate the recipients of donations to the benevolence fund. Such transactions could jeopardize the church’s tax exempt status.

3.3 Benevolence Requests

Awareness of the need for a benevolent gift can originate from a wide variety of situations, including walk-ins, phone calls, personal conversations with church staff members, friends of persons in need, etc.

The need for benevolence gifts are communicated to any member of the Board of Deacons via receipt of a Benevolence Request Form.

3.4 Direct Benevolence Recipients

Recipients may include members of the church, immediate family of those members, regular attendees of church services, occasional attendees of church services, members of the local community and transient persons.

Members of the church, immediate family of those members and regular attendees of church services are classified as Internal Recipients. Internal Recipients may be eligible for either single benevolent gifts or multiple benevolent gifts over a short period of time.

Occasional attendees of church services, members of the local community and transient persons are classified as External Recipients. External Recipients are typically eligible for single benevolent gifts.

3.5 Indirect Benevolence Recipients

Benevolence gifts are generally granted to meet a specific financial need (i.e. bills), for such items as food, fuel, rent, etc.. The specific need of the Direct Benevolence Recipient should be addressed indirectly through payment to the organization/company providing the needed service (i.e. the Indirect Benevolence Recipient).

Benevolence gifts, in general, should not be provided to the Internal Direct Benevolence Recipients in cash or check form.

In the case of External Direct Benevolence Recipients, gifts shall be provided only to Indirect Benevolence Recipients.

3.6 Benevolence Review Amount

Benevolence requests for amounts less than or equal to \$25.00 do not require special review processes.

Requests for amounts greater than \$25.00 require special review processes.

Multiple requests for benevolence for the same Direct Benevolence Recipient in the same calendar year (regardless of amount) also require special review processes.

4. Policy

- 4.1 The initial portion of the Benevolence Request Form shall be fully completed prior to its submittal to a member of the Board of Deacons.
- 4.2 Benevolence requests will be processed by the receiving Deacon in accordance with the procedures below. Upon either approval or disapproval of the requests, the next section of the Benevolence Request Form shall be fully completed prior to its submittal the Church Treasurer.
- 4.3 The remainder of the Benevolence Request Form shall be completed by the Church Treasurer and Church Bookkeeper, as applicable.
- 4.4 All information gathered as part of the benevolence process shall be treated as confidential and shall not be shared outside of those parties directly involved in the processing and approval/denial of eah Benevolence Request Form.
- 4.5 Benevolent gifts may not be received by pastors, members of consistory, church employees, as well as immediate family members of each of these groups. For legal and accounting reasons, individuals that play a direct role in the control of a tax exempt organization (i.e. the church), should never accept tax-free money from that organization. All payments to individuals within this group should be treated as some form of taxable compensation.
- 4.6 Benevolent gifts shall not be made to persons in situations where the benevolent gift may be inappropriate given the circumstances. Examples of inappropriate circumstances include, but are not limited to:
 - Gifts shall not normally be provided to individuals who are experiencing substance abuse problems. An active alcoholic or drug abuser will not sufficiently benefit from a benevolent gift until the addiction is first addressed. Note: Diaconal discretion may be applied in specific cases. In such cases, any benevolent gift shall be made to the appropriate Indirect Benevolence Recipient.
 - Gifts shall not be provided to pay for morally or scripturally inappropriate items, such a legal fines, gambling debts, lodging for unmarried couples, etc.
 - Gifts shall not be provided to individuals who are mentally ill or otherwise psychologically disturbed. The underlying condition must be addressed first for the individual to benefit from the gift.

4.7 Benevolent gifts should be made with an attitude of encouragement, compassion and learning. Our desire is to encourage people to grow in their personal lives and grow in their relationship with Christ.

5. Procedures

5.1 Deacon(s):

- Prayerfully consider each submitted Benevolence Request. Prayer with the benevolence requestor is also encouraged.
- Contact Love INC for possible referral, where applicable.
- For Benevolence Requests in excess of the specified Benevolence Review Amount, the Deacon receiving the submitted Benevolence Request shall engage at least half of the Board of Deacons for prayer and consideration.
 - Contact Direct Benevolence Recipients, as necessary, to validate the need for benevolent support.
 - Complete submitted Benevolence Request Forms.
 - Assess the long term needs of the requestor. Refer the requestor to financial counseling, mentorship support or other individual ministry programs, if appropriate. Note: This extension of the ministry is outside of the Board of Deacons' benevolence responsibilities.
 - Approve or disapprove of considered Benevolence Requests.
 - Gather information needed to allow for payments to Indirect Benevolence Recipients (ex. Bills, account numbers, amount due, etc.), if approved.
- Inform Board of Deacons of status of each approved or disapproved Benevolence Request at monthly meetings of the Board of Deacons.
- Submit completed Benevolence Request Forms to Church Treasurer for processing (if approved) and filing.

5.2 The Church Treasurer:

- Makes Benevolence Request Forms available to Church Secretary, members of Consistory and the members of the Congregational Care Committee.
- Reports (at monthly Board of Deacons meetings) the Direct Benevolence Recipients to which benevolence gifts were given (directly or indirectly).
- Leads the Board of Deacons in prayer for the Direct Benevolence Recipients.
- Reviews and signs submitted, approved Benevolence Request Forms.
- Provides the approved and signed Benevolence Request Forms to the Church Bookkeeper.
- Directs the Church Bookkeeper to draw checks to the approved Direct Benevolence Recipients or Indirect Benevolence Recipients.
- Files disapproved Benevolence Request Forms.
- Files completed, approved Benevolence Forms.

5.3 The Church Bookkeeper:

- Draws checks to the approved Direct Benevolence Recipients or Indirect Benevolence Recipients, as documented on approved and signed Benevolence Request Forms.
- Delivers drawn checks to Indirect Benevolence Recipients.
- Returns drawn checks for Direct Benevolence Recipients to responsible Deacon listed on Benevolence Request Form.
- Returns completed Benevolence Request Forms to Church Treasurer for filing.

Benevolence Request Form (Page 1 of 3)

SECTION #1: Benevolence Request	<u>Date:</u>
<u>Section Completed By:</u> Name: Phone #:	<u>Requestor category:</u> <input type="checkbox"/> Church member <input type="checkbox"/> Family of church member <input type="checkbox"/> Regular church attendee <input type="checkbox"/> Occasional church attendee <input type="checkbox"/> Community member <input type="checkbox"/> Transient
<u>Direct Benevolence Recipient:</u> Name: Street Address: City: Zip Code:	
<u>Nature of Request:</u> 	<u>Amount Requested:</u> \$ _____ . _____ <u>Receiving Deacon:</u>

Benevolence Request Form (Page 2 of 3)

SECTION #2: Benevolence Approval/Disapproval	
<u>Diaconal Notes:</u> 	<u>Supporting Deacons:</u>
<u>Signatures (if approved):</u> 	<u>Diaconal Decision:</u> <input type="checkbox"/> Disapproved <input type="checkbox"/> Referral to Love INC <input type="checkbox"/> Referral to Other Ministries <input type="checkbox"/> Approved (single gift) <input type="checkbox"/> Approved (short term gift)*
<u>Indirect Benevolence Recipient:</u> Name: Street Address: City: Zip Code: <input type="checkbox"/> Details (account number, copy of bill, etc) Attached	<u>Total Amount of Gift*:</u> \$ _____. <u>Period of Gift Distribution*:</u> <input type="checkbox"/> Single Gift <input type="checkbox"/> 2 Months <input type="checkbox"/> 3 Months

Benevolence Request Form (Page 3 of 3)

SECTION #3: Benevolence Disbursement		
<u>Disbursement Authorization Signature (Church Treasurer):</u> 	<u>Benevolence Recipient:</u> <input type="checkbox"/> Direct <input type="checkbox"/> Indirect	
<u>Disbursement Completion Signature (Church Bookkeeper):</u> 	<u>Action Taken:</u> <input type="checkbox"/> Check Provided to Receiving Deacon <input type="checkbox"/> Indirect Payment Made	
Check #: _____ Amount: \$ _____.____	Check #: _____ Amount: \$ _____.____	Check #: _____ Amount: \$ _____.____
<input type="checkbox"/> Gift Distribution Briefed To Consistory		

ENCLOSE ALL APPLICABLE INFORMATION TO SUPPORT INDIRECT BENEVOLENCE RECIPIENTS