

Bay Farm Community Church Benevolence Fund Policy

Benevolence Defined

Benevolence is defined as an act of kindness or generosity. Church benevolence programs are those that provide for the basic necessities of life to needy persons. This would include food, clothing, shelter, medical care and other types of assistance to the poor or destitute. The reason the classification of a gift as benevolence is so important is because benevolence is not taxable to the recipient. Normally, all other types of payments to individuals are some form of taxable compensation: wages, salary, honorariums, contract labor, payments for professional services, etc. Benevolence, however, is never taxable to the recipient because it is considered a charitable program of the church.

Benevolence Uses

As the benevolence fund is intended to meet peoples' basic needs during a time of financial crisis, hardship, or other emergency, the needs are typically:

- Food or Transportation
- Primary lodging (mortgage/rent)
- Utilities (electric/water/gas/sewer/trash)
- Necessary medical services

Other needs will be considered on a case-by-case basis. Under no circumstance is a gift from the Benevolence Fund to be considered a loan.

Until and unless a separate fund is established for non-solicited benevolence (goods and services for care and comfort, bereavement, etc.), these items will also be funded from the Benevolence account.

In order of priority, recipients of funds disbursed from the benevolence fund are at the direction of the Benevolence Fund Team and are as follows:

- Church members
- Regular attendees
- Members of the immediate community

Benevolence Fund Team

A team will oversee use of the Benevolence Fund. This team is to review requests for the use of the Benevolence Fund and award to the persons or family in need according to this policy. The Benevolence Fund Team will be composed of 3 to 5 people appointed by the Deacon Board of Bay Farm Community Church. The Team is to be

made up of church members and must include at least one Deacon Board member appointed by the Deacon Board. All Team members will serve for one year or as the Deacon Board requires.

Assistance from the Benevolence Fund is intended to be a one-time gift per year. In unusual circumstances, the Benevolence Fund Team members or the Deacon Board may decide to help an individual or family more than one time a year. However, under no circumstance is a gift/s from the Benevolence Fund to exceed a total amount of \$1,000.00 per family within a 12-month period without the approval of the Deacon Board.

Funding for the Benevolence Fund

The congregation of BFCC will regularly be encouraged to make designated contributions to the Benevolence Fund in addition to their normal giving to the General Fund. Additionally, the Elder Board of BFCC may include in the annual General Fund Budget additional funding for the Benevolence Fund.

Benevolence Fund – Request and Disbursement Procedures

- The Benevolence Fund Team must verify that there is in fact a real need. The needy person or family must fill out an application form detailing their need and their current financial situation, and turn the form in to the church office.
- The applicants *may* be asked to come in for an interview with two or more Benevolence Fund Team or Deacon Board members before a final decision is made.
- The Deacon Board may require the applicant to attend a BFCC provided financial management training seminar or class in order to receive additional funds when requested.
- Applicants should allow up to one week for review of their application, and will be contacted by phone, e-mail, or letter.
- The Benevolence Fund Team will determine whether a cash gift is appropriate or whether direct payment of bills should be made. Cash gifts should be avoided whenever possible.
- The name of the person or family who receives the funds is to be kept in confidence among the members of the Benevolence Fund Team.
- All gifts will be recorded and supported with a Disbursement form. This form will contain the amount, date, type of disbursement (gift card, cash, etc.), name of recipient and the total amount paid year to date for this person/family. The recipient must sign for receiving the gift.