

# **GATEWAY COMMUNITY CHURCH**

## **Benevolence Fund Policy and Procedures**

### **Introduction, Purpose & Biblical Basis:**

The Benevolence Fund is an officially recognized and designated permanent fund, established according to the Gateway Community Church bylaws. As such, it is an approved recipient for designated giving. It has no budget for either income or expense. The Benevolence Fund's receipts consist entirely of designated giving, as outlined below, and its expenses consist of funds disbursed for its stated intended purposes at the direction of the Benevolence Fund Committee. Should at any time in the future Gateway's Church Council votes to close the Benevolence Fund, all money in the Fund at that time will go in the general budget of Gateway Community Church.

The purpose of this document is to set forth the responsibilities of the Benevolence Fund Committee and the guidelines for discharging those responsibilities. It is not intended to cover all circumstances under which funds may be disbursed from the fund, only those which involve the Benevolence Fund Committee.

The purpose of the Benevolence Fund is to meet people's basic needs on a short-term interim basis. The fund achieves this purpose primarily through specific disbursement at the direction of the Benevolence Fund Committee.

The Benevolence Fund Policy shall be guided by the following Biblical principles:

*"If anyone has material possessions and sees his brother in need but has no pity on him, how can the love of God be in him? Dear children, let us not love with words or tongues but with actions and in truth." (1 John 3:17-18)*

*"Let us not lose heart in doing good, for in due time we will reap if we do not grow weary. So then, while we have opportunity, let us do good to all people, and especially to those who are of the household of the faith." (Galatians 6:9-10)*

*"All the believers were one in heart and mind. No one claimed that any of his possessions was his own, but they shared everything they had." (Acts 4:32)*

**Benevolence Fund Committee:**

The Benevolence Fund Committee serves at the appointment of the Senior Pastor for a term of one year. There is no restriction on the number of consecutive years a member may serve on the Benevolence Fund Committee. The Benevolence Fund Committee shall consist of five members; the Gateway Community Church Business Administrator; and four members from the congregation who have a heart for benevolence.

**Oversight and Accountability:**

The Benevolence Fund Committee is accountable to the Gateway Church Council and to Gateway's Senior Pastor. The Benevolence Fund Committee will necessarily make decisions to disburse funds from the Fund according to these guidelines.

In addition, the Benevolence Fund may be the recipient of special offerings to help individuals or groups of people involved in natural disasters or devastating circumstances. Any such offering will be disbursed based upon this stated intent and it may be further directed through the Gateway Church Council, regarding the feasibility, propriety, and timing of the offering.

**Source of Funding:**

The Benevolence Fund shall receive income from two sources:

1. Through the receipt of designated giving by individuals and/or families wishing to make a donation to the Benevolence Fund; and
2. Through the allocation or transfer of funds from the General Fund when deemed necessary and appropriate by the Senior Pastor upon approval by the Gateway Church Council.

**Contributions to the Benevolence Fund:**

The leadership of Gateway Community Church encourages members to minister directly to other members of the congregation as they become aware of specific needs. However, gifts made directly by a member to a needy individual or family are not tax-deductible under IRS regulations.

In order to comply with IRS regulations concerning charitable contributions, all gifts to the Benevolence Fund must be unconditional and without personal benefit to the donor.

The administration of the fund, including all disbursements, is subject to the control and discretion of the Benevolence Fund Committee. The Benevolence Fund Committee may consider recommendations from anyone, but in no event is the Committee 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.

Contributions to the Benevolence Fund may not be earmarked or otherwise designated for a particular purpose(s) or recipients due to IRS regulations regarding tax-deductible contributions. The leadership of Gateway Community Church may choose, at its discretion, to decline certain contributions that are designated or earmarked.

Contributions to the Benevolence Fund in the form of check should be made payable to Gateway Community Church with a notation that the funds are to be placed in the Gateway Community Church Benevolence Fund.

Donors making contributions to the Benevolence Fund subject to these conditions may be able to deduct their contributions if they itemize deductions on their federal income tax return. The leadership of Gateway Community Church recommends that donors consult their individual tax advisor or CPA concerning the appropriate tax treatment of contributions they make to the Benevolence Fund.

### **Guidelines for Disbursement:**

**General Guidelines:** The Benevolence Fund is intended as a source of last resort, to be used when the family or individual requesting assistance 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 or other hardship

Assistance from the benevolence fund is intended to be a one-time gift. In unusual circumstances, the Benevolence Fund Committee may decide to help more than one time. Disbursements from the Benevolence Fund may not be in the form of a loan. Under no circumstances is assistance from the Benevolence Fund to be considered a loan. No gift may be repaid, either in part or in full, in money or labor. However, recipients can make a gift to the Benevolence Fund. Again, the reasons behind this guideline are due to IRS requirements.

Those requesting assistance must also be willing to receive financial, family, or emotional counseling. The Benevolence Fund Committee will not provide help

to anyone who, in its estimation, will have negative or irresponsible behavior reinforced by financial help.

Those requesting help must be willing to give the Benevolence Fund Committee permission to follow up on any of the information provided to the committee. The committee will be sensitive to confidential issues.

**Recipients of Assistance:**

In order of priority, recipients of assistance from the Benevolence Funds shall be:

1. Members of Gateway Community Church
2. Regular attenders of Gateway Community Church
3. Non-members who live within 10 miles of the church as part of our community service, or who are passing through this immediate area and are stranded.

To the extent possible, the Benevolence Fund Committee shall coordinate donations with other churches in the Clear Lake area that also have benevolent programs. In addition, referrals for assistance shall also be made to approved Charitable Organizations in the Houston area that may be able to better meet the needs of people not classified in Items #1 or #2 above. The Gateway Business Administrator shall compile a list of churches and other Charitable Organizations for this purpose.

**Criteria:**

The stated purpose of the Benevolence Fund is to meet people's basic needs. Normally, these needs are defined as, but are not limited to the following:

1. Primary lodging (mortgage or rent)
2. Utilities (electric, natural gas, water, sewer, trash)
3. Medical services
4. Transportation to or from a place of employment
5. Funeral expenses
6. Initial evaluation and professional counseling appointments

**Needs that may not be met by the Benevolence Fund include, but are not limited to the following:**

1. School expenses, business investments, or anything that brings financial profit to the individual or family
2. Paying off credit cards. Exceptions can be made when an individual has had to use a credit card in a crisis or emergency (e.g., hospitalization, death, etc.)
3. Needs of individuals who are wanted by the law or for paying fines as a result of breaking the law
4. Housing for unmarried couples
5. Legal fees arising from criminal behavior
6. Penalties relating to late payments or irresponsible actions
7. Private school fees or tuition
8. Business ventures or debts
9. Gambling debts
10. Security deposits
11. Adoption assistance
12. Child care
13. Vehicle payments
14. Alimony/child maintenance payments
15. Discretionary expenses
16. Insured losses
17. Projected and future needs

**Levels of Support:**

**Basic (up to \$100 per situation):**

The Business Administrator may approve this level of assistance in any single situation. Repeat support at this level places the assistance at the Advanced level. The Benevolence Committee will review on a quarterly basis all gifts made in this support level to determine if any modification of the policy is needed.

**Advanced (over \$100 per situation):**

This level of assistance per situation must be reviewed and approved by the Benevolence Fund Committee subject to meeting all specified criteria.

Generally, assistance from the Benevolence Fund will not exceed \$500 per person or family (this is a cumulative cap in the unusual case of someone who receives more than one gift from the fund). In very unusual circumstances, families and individuals who are in need of substantial funds (over \$500) can continue to be assisted up to whatever limit the Benevolence Fund Committee deems appropriate. Such cases should be reviewed carefully and, when appropriate, additional accountability should be sought.

Special projects, sometimes funded by special offerings designated for the Benevolence Fund, might include supporting local outreach ministries to the poor, or helping to provide assistance during times of catastrophe or major crises.

**Procedure for Disbursement Application and Approval Process:**

Individuals or families seeking assistance from the Benevolence Fund shall complete the follow steps:

1. Obtain and submit an Application for Assistance from the Benevolence Fund, along with all supporting documentation.
2. Complete interview(s) and/or appropriate counseling with the designated Benevolence Fund Committee member(s) as applicable.
3. Provide all additional documents and information requested by the Benevolence Fund Committee.

Review and approval of the Application, as well as written communication of the amount and form of assistance, shall be done by the Benevolence Fund Committee at the earliest practicable date.

Payments from the Benevolence Fund will only be made directly to third party service providers rather than to the individual requesting assistance. In all cases, the Benevolence Fund Committee reserves the right to award an amount less than the amount requested.

**Record Keeping:**

The following information will be documented for all Benevolence Fund disbursements:

1. Complete description of the assistance provided
2. The purpose for which the assistance was given
3. The name, address, and amount distributed to each recipient
4. Any relationship between a recipient and officers, directors, or key employees or substantial contributors to the charitable organization