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## Benevolence Fund Policy

### Purpose

God's people are commanded to care for each other:

Carry each other's burdens, and in this way you will fulfill the law of Christ.

Galatians 6:2 (NIV)

If anyone has material possessions and sees a brother or sister in need but has no pity on them, how can the love of God be in that person?

1 John 3:17 (NIV)

As an integral part of the ministry of the Canadian Pacific District (CPD), the Benevolence Fund provides financial assistance to individuals or families who are experiencing financial or material needs (see also Matthew 25:31-46).

### Funding

Funds can be allocated from the General Fund to the Benevolence Fund as part of the annual budget process or as and when the Lead Team decides to do so. Any unused balance remaining in the fund at the end of each year can either be carried forward to the next year or transferred back to the General Fund at the discretion of the Lead Team.

The CPD may publicize the fund among the local churches so that churches can contribute money to the fund if they choose to (without specifying a named individual or family).

Fundraising for the benefit of a specific individual or family is considered private benevolence and is therefore strictly disallowed even if no tax receipts are issued. However, the CPD is free to assist a specific person or family by encouraging individuals (but not churches) to donate money directly to the donee concerned without having the money being deposited into the CPD bank account first. No tax receipts will be issued for such donations.

### Authority

The CPD Lead Team has the authority to decide to whom financial assistance will be offered, and the amounts to be donated based on facts collected by, and known to, Lead Team members. The Lead Team has the authority to approve assistance up to \$10,000 per donee per year. Any assistance beyond \$10,000 will need to be approved by the District Executive Committee (DEXCOM).



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Payments will only be processed upon written authorization from the Lead Team.

## **Eligibility**

Assistance is not exclusive to Christian and Missionary Alliance church members or employees; it is also available to any needy individual or family who may come to the CPD's attention during the course of ministry or through referral from a third party.

Needs that will be considered for benevolent assistance include the following:

- An accident that results in financial needs
- An unavoidable unemployment situation
- Families encountering legitimate financial difficulties
- Individuals in need of special education/training opportunities due to social, emotional, delinquency, or related difficulties. These opportunities should serve to help the individual for the greater good of society in the short and long-term.
- Medical treatments and related expenses prescribed by a recognized Canadian medical professional not covered by a public or private insurance/medical plan.
- Other situations of demonstrated need

Needs NOT usually considered for benevolent assistance:

- Discretionary expenses (e.g., vacations)
- Treatments not prescribed by a recognized Canadian medical professional
- Business needs arising for any reason
- Insured losses
- Where an individual or those legally responsible for the individual are determined to have adequate resources, unless the individual has been rejected by those persons (e.g., because of faith)
- Projected and future needs (e.g., education fund for an orphaned child)

## **Evaluation of Need**

While it is important to respect and protect the dignity and privacy of the individual or family, adequate information must be obtained to make the assistance decision. In collecting the



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information, questions may need to be asked about assets, income, references, and other personal information.

The process involved in evaluating the needs and reasons for granting the assistance must be properly documented.

## **Tax Reporting**

Benevolence payments must be reported on T5007 slips as “social assistance” in accordance with the requirements of the Income Tax Act, except in situations as outlined below. The assistance, if reported on a T5007, must be reported as income by the recipient on the annual tax return, but may be deducted before the taxable income line.

The exceptions noted above include payment made to or on behalf of the recipient as follows:

- Medical expenses
- Child care expenses
- Funeral expenses
- Legal expenses
- Job training or counselling expenses
- A series of payments in the year that together do not exceed \$500
- Payments that are not part of a series

## **Amendments**

August 2016  
December 2017

