



# Guide for Raising and Disbursing Benevolent Support

## **Background**

Most CBOQ churches provide for a benevolent fund, which is used to support members and adherents of the congregation and the broader community in time of need. While in most instances individual assistance is limited to the provision of bus tickets, meal or grocery vouchers or limited cash, occasionally there arises a circumstance in which the congregation wants to provide more significant help.

This guide is provided so that churches can establish policies and procedures to ensure that their benevolent work is part of the church's charitable activities which is within CRA requirements.

## **Principles**

- Benevolent Fund must be available to the larger community (i.e. not just church members)
- Contributions should be made to the fund; never to assist specific individuals or families
- Disbursement guidelines should be created so that the Pastor/Deacons can disburse funds in a confidential manner
- Disbursement guidelines should include the requirement for a needs assessment
- Receipts and disbursements must be reported in the church annual report and on the T3010 Government Information Return

## **Procedures**

In most cases the Pastor will maintain a small petty cash fund and/or vouchers in the church office for disbursement as people identify the help needed. Specific guidelines for the amount and frequency of assistance that can be provided will help to ensure that the fund is managed effectively. The pastor should keep adequate records of the names and amounts provided. Information for annual reporting should only require the amount disbursed, not a listing of who has received assistance.

A procedure should also be in place for unusual circumstances. For instance, a family has experienced a disastrous fire and lost their home and all its contents. It is appropriate for the church to assist the family from donations to the benevolent fund, but the matter of raising the funds and providing assistance must be two separate functions.

- 1) The church board identifies the situation and recognizes that financial assistance would be of support to the family.
- 2) An appeal is placed in the Sunday bulletin indicating that a major need has been identified and requesting contributions to the benevolent fund.
- 3) A small group is dispatched to meet with the family to assess what needs the family has and which of those the church can reasonably meet.
- 4) Assistance is provided according to this assessment.

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DISCLAIMER: This guide is provided for information purposes only and is not intended as advice to the local church. Information is current only as of the date that the guide was prepared. Readers are advised to seek professional advice for their particular situation.

Revised 08/2014