

Unity of Fairfax

Benevolence Fund Guidelines

Introduction and Purpose

The Benevolence Fund is an officially recognized and designated permanent fund, made available to congregants of Unity of Fairfax who are struggling financially due to exceptional circumstances. The purpose of the Benevolence Fund (referred to in the document as the Fund) is to meet people's basic needs on a short-term interim basis. Assistance from the Fund is intended to be a maximum of a one-time gift within a one-year period.

The receipts of this Fund consist primarily of contributions from members of Unity of Fairfax, as well as fundraising and other sources as outlined below. The expenses consist of funds disbursed to assist a congregant at the direction of the Benevolence Fund Committee. The Benevolence Fund is separate from Unity of Fairfax's general operating fund and does not have budgeted receipts or expenses.

The purpose of this document is to set forth the responsibilities of the Benevolence Fund Committee and the guidelines for operating the Fund. It is not intended to cover all circumstances under which funds may be disbursed.

Benevolence Fund Committee

The Benevolence Fund Committee shall consist of five members:

- The Senior Minister
- The Executive Director
- One Board member appointed by the Board of Trustees (hereafter referred to as the Board)
- Two Members of the Compassionate Community Service Team (one may be a congregant appointed by this team)

The Senior Minister and Director will serve on the committee as long as they hold those positions. The other Benevolence Fund Committee members serve for a term of two years, renewable for a second term and not to exceed four consecutive years.

Each member of the committee must sign a confidentiality agreement which covers their term of service and beyond.

Annual Review and Report

The Committee will have an organizational meeting in January of each year to evaluate the status of the fund, set monetary guidelines for disbursements in the coming year, prepare

reports of disbursements from the previous year, review IRS guidelines to insure compliance, and any other business as necessary.

Oversight and Accountability

The Benevolence Fund Committee is accountable to the Board. The Committee will interface with the Board when necessary through the Board member appointed as a member of the Committee. The Senior Minister has ultimate responsibility and accountability for the Fund.

Source of Funding

The Benevolence Fund shall receive income from the following sources:

1. Through the receipt of designated giving by individuals and/or families wishing to make a donation to the Benevolence Fund.
2. Fundraising events held specifically for the Fund.
3. A designated donation of 10 percent of the Unity of Fairfax proceeds from spiritual education and spiritual practice events, programs and classes.
4. Through the allocation or transfer of funds from the General Fund when deemed necessary and appropriate upon approval by the Board.
5. Other sources such as grants, gifts, bequests, etc.

Contributions to the Benevolence Fund

The leadership of Unity of Fairfax 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. In addition, contributions to the Fund may not be earmarked or otherwise designated for a particular purpose or recipients.

The administration of the Fund, including all disbursements, is subject to the control and discretion of the Benevolence Fund Committee as authorized by the Board. The Committee may consider recommendations for disbursement from anyone, but in no event is the Committee bound in any way to honor the recommendations.

Contributions to the Fund in the form of check should be made payable to Unity of Fairfax with a notation that the funds are to be placed in the Unity of Fairfax Benevolence Fund. Donations may also be made through the unityoffairfax.org.

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 Unity of Fairfax recommends that donors consult their individual tax advisor or CPA concerning the appropriate tax treatment of contributions they make to the Fund.

All record keeping and disbursements will be in accordance with all relevant and current IRS regulations.

Should at any time in the future Unity of Fairfax vote to close the Benevolence Fund, all money in the Fund at that time will go into the general budget of Unity of Fairfax.

Guidelines for Disbursement

General Guidelines

The Benevolence Fund is intended to be a temporary help during a time of crisis or other hardship. Assistance from the 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 Fund may not be in the form of a loan. No gift may be repaid, either in part or in full, in money or labor.

While not a requirement for every situation, a member requesting assistance may be asked to receive financial counseling. If this request is made, the Benevolence Fund Committee may elect to provide financial resources to help pay for financial or other counseling.

Those requesting help must be willing to give the Committee permission to follow up on any of the information provided to the Committee. The Committee will hold all matters in confidence.

Recipients of Assistance

Recipients of assistance from the Benevolence Funds shall be:

1. Congregants (members and regular attendees) of Unity of Fairfax.
2. Employees of the church. The Fund will occasionally assist staff members in need, however, these gifts must be taxed as income according to IRS guidelines in Publication 526.

IRS guidelines exempt Board members and their families from receiving benevolence from Unity of Fairfax due to their position of substantial influence on the tax-exempt organization.

Current IRS guidelines should be consulted, but at the time the guidelines were written gifts from a Church Benevolence Fund were not considered taxable to the recipient.

Criteria

The stated purpose of the Benevolence Fund is to meet people's basic needs during a time of crisis or hardship. 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 expenses
4. Transportation to or from a place of employment
5. Funeral expenses
6. Initial evaluation and professional counseling
7. Vehicle repair of primary vehicle
8. Groceries
9. Basic clothing

Levels of Support

Basic (up to \$250 per situation)

Any three members of the Benevolence Fund Committee may approve this level of assistance in any single situation. Repeat support at this level places the assistance at the Advanced level.

Advanced (over \$250 per situation)

Applications for this level of assistance, and the supporting documents necessary, will be made available for review to all committee members. The request will be granted if a majority of Committee members approve the application, subject to meeting all specified criteria.

Generally, assistance from the Benevolence Fund to a recipient or household cannot exceed a maximum amount within a 12-month period, which will be set each year by the Committee based on the funds available. (The proposed maximum at the fund's inception in 2016 is \$1500). This limit will be determined every January by the Committee depending on the amounts available in the fund, but the maximum may be adjusted during the year as the fund receipts allow. To prevent depletion of the fund, disbursements to any one individual or family cannot exceed more than half of what is currently in the fund at the time of the request.

In very unusual circumstances, households and individuals who are in need of substantial funds and who have the opportunity to make a life-changing decision may continue to be assisted up to whatever limit the Committee deems appropriate. However, such cases must be reviewed carefully and additional accountability must be sought.

Application and Approval Process

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

1. Obtain a "Benevolence Request Application" from the church office or by email from director@unityoffairfax.org. The application must be completed fully, with all supporting

documentation attached. To maintain confidentiality, applications should be submitted directly to the Senior Minister or the Executive Director, who are members of the Committee.

2. The application will be reviewed by members of the Benevolence Fund Committee. The Committee may contact the applicant for additional information or to schedule a meeting. The Committee may also contact utility companies, landlords, etc. to verify need.
3. 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, but generally within a maximum period of two weeks or ten business days.
4. The Committee will contact the applicant with the decision and any necessary explanation. If the Committee determines that the applicant is eligible for assistance, it will make the applicant aware of the amount and how the funds will be disbursed.

Disbursements will be made to the applicant or directly to third party service providers, as determined by the committee. In all cases, the Benevolence Fund Committee reserves the right to award an amount less than the amount requested.