

# Sample Above-Budget Fundraising and Special Gift Policy

## Policy and Procedures

If you wish to donate to a non-budgeted organization or individual through the congregation:

1. Please **clearly identify any above-budget or special gifts** that you give in the church offering. Indicate who is to receive this gift and that it is meant to be above budget. Unidentified donations are assumed to be in support of the general budget of the congregation.
2. Above-budget or special gifts will **only be received for qualified recipients**. A qualified recipient is an organization to whom the church can legitimately forward funds as a charity recognized by the CRA.
3. **Donation Receipts** will be issued for donations received by the congregation within the limitations as described in this policy.
  - a. Only the church treasurer may issue charitable receipts on behalf of the congregation.
  - b. In order for the contribution to be recognized as tax deductible, gifts must go to the church, or a charity recognized by the CRA.
  - c. Groups within the church wanting to raise special funds must obtain the approval of the church treasurer and/or council.
4. **Compassion and benevolence gifts** Individuals or groups may request that money be dispersed from the Benevolence Fund for special needs among church members or visitors. The Benevolence Fund team will decide, in accordance with its guidelines and policy, if and how much will be given. Contributions may be made to the Benevolence Fund, but a donor cannot earmark a contribution to a specific person and receive a tax deduction. People may, and are encouraged to, give directly to others in need or to non-charity causes in which they feel called to help. Donations given in this manner are not eligible for a charitable receipt.
5. **Other gifts to individuals and pastors** Any gifts earmarked for individuals, including pastors, are not tax deductible. These gifts should be given directly and not channeled through the church.
6. **Gifts for mission workers** Donations will be accepted for church-sponsored and/or recognized mission workers given that these gifts meet the restrictions of item #2 above.
7. **Where donors receive a gift or service**, the fair-market value of that gift or service must be deducted from the receipted amount. An example would be a meal received at a fundraising dinner.
8. This policy is not meant to provide **tax advice**. If you have questions about a gift or its deductibility we encourage you to speak with your tax advisor.

**Speak with an Account Manager at your nearest Kindred branch for advice and options for your church.**

*At Kindred, we understand the financial needs of your congregation and offer no-fee banking to faith communities.*



1-888-672-6728 ► [www.kindredcu.com/contact-us](http://www.kindredcu.com/contact-us)

© 2021 Everence®. Permission to reproduce this resource graciously provided by Everence®. Everence® is a ministry of Mennonite Church USA and other churches.

MK-32150 (2026/05)