#

Decoding Canadian Charitable Giving for Missions

Missions Education & Engagement Team



**DEFINITION OF TERMS**

***Charity*: •** pursues **its \_\_\_\_\_\_\_** charitable purposes

* activities **must \_\_\_\_\_\_\_\_\_\_** to its overall charitable purposes and objectives
* **\_\_\_\_\_\_ \_\_\_\_\_\_** sendmoney toa person, or entity over which it does not have Direction, Control or Accountability

 **All the church’s resources must be spent on its own activities.**

***Charitable Work:***

* relieving poverty
* advancing education
* advancing religion
* or benefiting the community as a whole in ways the courts have said are charitable

How? 1. Through its own staff/membership or through \**an intermediary*

 2. Give to others that are Qualified Donees

***Qualified Donee:***  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***To legally fund those who are not Qualified Donees:***

Use an **Intermediary** whenthe church \_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_ the task and the Intermediary has a \_\_\_\_\_\_\_\_\_\_ that the church needs (ie. a s\_\_\_\_\_\_\_\_\_, staff or specialized e\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_).

*NOTE: We always recommend working through a Canadian charity that has operations in the ministry location.*

* **Agent**
* **Joint Venture participant**: organizations pooling resources
* **Co-operative participant**: each entity is responsible for a certain part
* **Contractor**

ALWAYS have a formal agreement in place with documentary evidence to prove direction, control and accountability. The church can be liable for the Intermediary’s actions!

**COMPLIANCE ISSUES FOR SHORT TERM MISSIONS**

Although churches often go through a missions organization, the Church still must demonstrate control and accountability. Have a Short Term Missions \_\_\_\_\_\_\_\_\_\_\_\_ in place.

**Who Is the Beneficiary?**

**Ask**

Does this STM
benefit others?

Is the focus to do our own
church’s work?

Who benefits?

The Church is “the boss” and the STM is the Church’s project.

The community receiving the team should benefit
-> transparency in soliciting funds

**Short Term Mission Teams & Fundraising:**

* maintain a separate short term missions fund
* create a clear, itemized budget

*Dislaimer Example:*

*CRWM will make every effort to use your gift for the program or project you designate. Gifts to programs or projects that are oversubscribed, or cannot be completed, will be directed to those that have a similar intent or ministry location.*

* fundraising letters & emails: ~~“support my trip to X”~~
* use a fundraising disclaimer
* split receipting for selling items for fundraising

**Money Matters**

* purchase plane tickets (& other expenses)
through the church’s account

***Sample Guidelines from CRWM*
 Expenses That are Not in the Budget/ Reimbursable
(ie. items that personally benefit the participant)**

* Passport
* Personal property loss regardless of cause (theft, damage, loss, etc.)
* Theft-loss insurance and personal property insurance
* Personal items (clothing, toiletries, camera, electronic equipment, etc.)
* Gifts for hosts, souvenirs
* Immunizations: tetanus, polio, measles, mumps, Hepatitis B
* Entertainment, travel amenities, tours
* Physician costs (other than those already stated)
* Prescriptions or over-the-counter drugs (first-aid items)
* Non-ministry related travel
* North American expenses (rent or mortgage, utilities, student loans, etc.)
* Furniture & fixtures for international lodging
* Legal fees (including traffic tickets) or banking fees
* ensure all participants have medical insurance
* carry less than $10,000
* obtain local currency from lawful sources
* do not keep all the money in one location

**RESOURCES**

* Ministry Share Video available at: <http://ministryshares.crcna.org/> -> “For Churches”
* Canada Revenue Agency: <http://www.cra-arc.gc.ca/> -> search for “CG-002”
* Canadian Council of Christian Charities: http://www.cccc.org

**The Missions Education & Engagement Team at Christian Reformed World Missions** offers a host of services and resources to help CRC congregations in their calling to fulfill the Great Commission. For more information or to explore what this journey could like for your church, visit **[www.crwm.org](http://www.crwm.org)** or contact:

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