

Emergency Fund

The early New Testament church took seriously the responsibility of caring for the sick and needy. Not only did they contribute to the support of individuals, but churches as well (Acts 6, 1 Corinthians 16:1ff, Philippians 4:14ff). Today, in some countries, the 'State' has assumed responsibility for providing welfare to the underprivileged. However, in recent times, this responsibility has increasingly been set aside, and the church is once again stepping in to meet the need. This is not necessarily a bad development. Churches are now involved in creating employment opportunities, providing meals, offering budgeting help and providing monetary gifts and loans.

Where financial assistance is required, accountability and good stewardship of money is important. Therefore, the following policy may provide a guideline in establishing and operation of such a fund:

One Emergency fund policy

1. A senior leader may draw upon church funds up to a value of \$200 (or an agreed amount) for distribution. A record is kept and the recipient must sign for it. Requests for amounts larger than \$200 (or what is agreed upon) will be treated separately and should be drawn from the church account with agreement between two appointed leaders.
2. The pastor or leaders are to present a monthly financial statement to the Council detailing any transactions recorded. No mention of the names of the recipients' needs be made.
3. It may be wise to have an agreement that a leader investigate the recipient's financial situation with a view to budgeting help and establishing a repayment method in some cases. The recipient's lifestyle, character, and sense of responsibility should guide this decision.
4. Allow up to 20 weeks for those making repayments, with funds returning to the emergency reserve. It is unwise to create dependency if it can be avoided.
5. This emergency fund can also be used to reimburse Church Members' expenses when asked by the pastor or leader to help someone in need, i.e. prepare a meal or have someone stay short term in a home.
6. Periodic love offerings to contribute to the fund is a good idea.
7. To prevent abuse the emergency fund is not to be publicised widely.