

## Short-Term Mission Trip Planning and the Local Church

Once a church has decided to participate in a short-term mission (STM) trip, many issues will have to be identified and addressed. This information bulletin is limited to some of the organizational and financial issues and has been prepared in response to questions raised. The Canadian Council of Christian Charities (CCCC) has given permission to the liberal use of their material here.

### Setting the Goals of a Short-Term Mission

Success of a project depends on results matching expectations. STM trips work the same way with the added complexity of aligning the expectations of the mission with that of your church. Before approaching a mission agency indicating your desire to take a team from your church on an STM trip, ensure you are clear and realistic about your objectives. It is the mission agency which should be setting the terms of reference of the work and will be the acknowledged authority while your team is on-site. Expect that the entire life-cycle of an STM trip could be a twelve-month window from the initial vision, through the time away and on to the follow-up.

### Co-operation with Missions and Mission Agencies

Before your church sets off to plan an STM trip, check with the head office of the mission agency responsible for the mission to determine if the timing and visit location are appropriate. It may be that the mission your church has planned to visit is already scheduled to receive other visiting STM teams. Contact the mission agency first as they may be helpful in setting up the budget for your trip and also to clarify the goals and objectives of your trip. Consider partnering with your denominational mission agency for your STM.

### Make the Mission Trip an Approved Project of the Church

Making your STM project an approved project of the church is important. Depending on how your church manages budgets and finances, getting budget approval is a project milestone which may have to occur many months before the trip is scheduled to happen. This may be as simple as a minuted motion at a board of elders meeting or as major as a minuted decision at the annual congregational budget meeting. After formal approval for the project has been given, receiptable donations can now be directed to the STM trip. All of this presupposes that the objectives of the trip are clear and in keeping with the overall charitable purposes of your church. Any tourist / vacation aspects of the trip must be incidental to the charitable / missionary activity and the cost of any extra-curricular activities are at the personal expense of the participant.

When these items have been addressed and have a positive conclusion, it is then that further planning points should be continued.

### **Appointing a Team Leader**

An essential element of the concept of "direction, control and accountability" as required by the Canada Revenue Agency (CRA) is that for the duration of the trip, an appropriate level of leadership and supervision has to be in place. What this looks like will vary with the demographics of the group going on the trip but it is important that a team leader is identified and is charged with the responsibility of ensuring that the actives undertaken are in keeping with those of the mission and the charitable purposes / objectives of your church.

### **Identification of the Team Members**

It is important that the members of the STM team be identified as early as possible in the life-cycle of the project. Selection of team members should be based on their gifts and skills relative to the stated goals of the STM, not their ability to raise support for the project. The purpose should be to reach your missions objectives by sending the best team that you can put together.

### **Raising Funds for the Project**

As funds are being raised to cover the cost of the STM trip, receiptable donations are made payable to the local church and assigned to the approved project. The accumulated funds are to be used for the common good of the project. Payment of a non-receiptable registration fee by each team member when they sign up as a team member would be an indication of a personal investment in the project. An amount of \$250 per participant has been suggested by a veteran of many STMs. Including a complimentary team T-shirt or similar item when using a registration system eliminates the issue of "advantage" discussed in "Receipting" below.

Because the gifts (i.e. donations) must be property such as cash and securities, the value of services can be accepted as payment but cannot be receipted. This situation may come up if a person unsuccessful in raising their fair share of funds would offer to do church cleaning or lawn care as consideration in lieu of raising cash. In order for donations to qualify as a gift, there can be "no legal obligation to pay" which would be the case if the church is requiring each team member to cover all or part of their cost of the trip. In this case, because this payment is not voluntary, contributions toward these costs would not be considered a gift

and could not be receipted. Group fundraising events would be an alternative to putting the onus on each team member to raise a significant amount of support on their own. It may well be that a person who through no fault of their own, is unsuccessful at fundraising but for whom a mission trip would be a valuable experience may never have a chance to go without using pooled funds.

### **Importance of Having a Designated Gifts Policy**

It is important that every church has a Designated Gifts Policy. A sample wording as provided by the CCCC is:

*Spending of funds is confined to organization-approved programs and projects. Each restricted contribution designated towards an organization approved program or project will be used as designated with the understanding that, when the need for such a program or project has been met or cannot be completed for any reason determined by the organization, the remaining restricted contributions designated for such program or project will be used where needed most.*

Having a **Designated Gifts Policy** provides transparency to donors and fosters communication between the STM team and the donor base about the project.

### **Receipting**

At common law, a gift is a voluntary transfer of property. The Income tax Act (ITA) also requires the amount of the official receipt for the gift to be reduced by the amount of "advantage" or benefit received by the donor. Ensuring that all donations are directed to the project, are pooled for the common good of the project, and cannot be returned to the donor, a longer discussion on "advantage" is not necessary. Receipts can now be issued for the full value of each donation.

### **Financial Controls**

In your accounting system, keep a separate account for the trip and retain the appropriate records for expenses occurred, both before the team leaves leave and while on the STM trip. The team should keep an expense log while they are away.

### **Re-Entry Support and Reporting**

Prior to returning from a STM, develop a strategy for debriefing the program participants. The mission agency should be able to provide resources for this. It is also important for the financial supporters of the STM to hear personal accounts of the trip. A written report to the

church about the STM trip provides the final chapter on “direction, control and accountability”.

## **Conclusion**

The issues which have been addressed here have been generally limited to those issues over which Revenue Canada would have an interest in but there is an over-arching principle of good planning, well in advance. STM trips have the potential to be a culturally and spiritually enriching experience if done well.

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For more information, CCCC members can access more free resources on the CCCC website at [www.cccc.org](http://www.cccc.org) in the CCCC bulletins section.