

FUNDING ISSUES FOR OVER 40s IN MISSIONS

(Excluding Short Term Teams)

This handout aims to help you identify the main funding issues facing over 40s when getting involved in missions and the questions you may need to ask to get the information you need to Get Going. Research has shown that finance is one of the major issues for this age-group in considering mission involvement.

Missions is a “faith venture” - risk & faith go together. As Christians we must take risks – financial and otherwise. Security is a “mirage”. But if the HS is moving you into some kind of mission involvement, you still need relevant information (financial & otherwise) to prepare effectively.

Recommended reading about risk – *Don’t Waste Your Life* by John Piper

Agencies have a wide range of financial policies and you will need to ask your questions. However.....

- Don’t choose agency on basis of cost.
- Philosophy of member care, security, ministry options, location, level of independence, are the more important criteria.

Sources of information

Printed hard-copy

- Some agencies have brochures or handbooks with some information
- Generally the information you will want is not readily obtainable in a single document
- Therefore you will need to ask appropriate questions.

Web page information

- A number of agencies have quite good information on their websites, on relevant financial & support policies,
- Relatively few have actual costs listed.
- Generally found under the FAQ sections.

Potential Costs

(This will be dependent on definitions of short-term & medium-term – Clarify this with the agency)

1. Application fees
2. Medical exams
3. Psych tests
4. Vaccinations
5. Medical expenses on location
6. Medical & Emergency Evacuation Insurance - Specialist missions insurance available;
(Agencies may have some emergency funds, but don’t rely on this)
7. Passports & Visas
8. Administration fees (see over)
ALL ORGANISATIONS HAVE OVERHEADS TO PROVIDE MEMBER SERVICES.
Sometimes this is negotiable if agency is still adapting to over 40s with own resources
9. Pre-field training / orientation including associated travel
10. Living costs (accommodation, food, utilities, transport – see over)
11. Other miscellaneous costs (see over)

Administration Fees

Nearly all agencies will require you to pay towards Homeside, Field & International Office administration and services such as Member Care. All have different arrangements so you need to ask specifically what they are.

Questions to ask?

- What does this fee cover?
- Is it levied on personal income, as well as donor income?
- Is it levied on personal gifts etc?
- Do I report personal gifts, other funds?
- Does all support have to be channeled through the agency accounts?
- What additional fees does the field / host country office charge?

Living costs (accommodation, food, utilities, transport)

- Most agencies can give you an estimate of daily accommodation/rent and food costs for your intended location.
- Remember the estimates are probably based on a modest lifestyle.
- At least one agency pays you a “living allowance” out of your support funds, a standard amount for each location to ensure parity of living standards.
- For some agencies you will need funds to pay directly yourself; other agencies may pay expenses on your behalf.
- Clarify the living arrangements – private board, hotel, private rental?
- What are expected “set-up” expenses?
- Don't forget to ask about **Local Transport** - how much you should allow for this.

Other miscellaneous costs/issues you may encounter

- Language tuition (a basic knowledge for markets, transport can be invaluable)
- “Hosting” meals for local pastors
- “Hosting” travel/taxis for locals
- “Skin tax” – you will probably pay more than the local people for food & utilities
- How do you arrange Currency Exchange?
- Do you physically take in cash (USD) or rely on bank transfers?
- High inflation
- Cost of internal travel
- Cost of professional registration in host country (eg doctor) & associated travel costs

Pooling

Some agencies pool all donated support, and guarantee a standard level of support to be paid to you to cover your expenses. Shortfalls in your support will be covered by other sources; your excess support may be channelled back into this fund.

Tax deductibility for donors

- In some cases, your supporters may get tax deductions for their donations for your support, depending if your work qualifies as medical aid/relief work.
- You may also be able to claim your own airfares in these circumstances.
- You may have to pay PAYG tax on donor support.
- Check with the agency about its tax status and also with your accountant/tax agent.