

## ZAKAT POLICY

### Policy Statement

SMILE Canada - Support Services is a registered Canadian charity (RR846663623 RR0001) dedicated to supporting newcomer children and youth with disabilities and their families. Since 2008, SMILE has diligently supported and distributed services and care to marginalized populations found at the intersection of racialization, disability, and newcomer status.

SMILE is committed to upholding values of transparency when distributing Zakat funding that is responsible, efficient, and impactful to the critical and essential needs of SMILE families. The organization seeks to improve the wellbeing and quality of life for underrepresented, underserved, and vulnerable populations across Canada.

### Zakat Compliance & Oversight

#### Compliance with CCI

SMILE's Zakat policy has been carefully reviewed and developed in consultation with Islamic scholars including the Canadian Council of Imams (CCI). In 2021, SMILE received an updated ruling from Dr. Mohammed Iqbal Nadvi and the committee of the Canadian Council of Imams affirming that SMILE is a Zakat-eligible organization. This ensures that 100% of Zakat funds are distributed to eligible programming.

#### Audit & Financial Oversight

SMILE ensures strict adherence to both Islamic principles of Zakat and Canadian government regulations in the management of Zakat in the following ways:

- All Zakat funds are only used on Zakat-eligible programs designed to support zakat-eligible recipients based on the 8 categories of Zakat-eligibility (i.e. the poor, needy, underserved, etc.)
- Zakat funds are not used on any salaries, events, and organization operational costs
  - Fundraising and administrative costs are fully disclosed in SMILE's audited financial statements, publicly available online.
- SMILE conducts an external audit with a third party accounting firm in addition to internal audits to ensure the strict segregation and review of Zakat funds
  - This process of internal and external audits ensures full compliance with Islamic and government regulations
  - The auditor is publicly voted in during SMILE's Annual General Body Meeting

## Governance & Accountability

SMILE is committed to upholding the following practices for the responsible and transparent distribution of donor Zakat:

- Segregation of Zakat funds through an internal audit procedure via Quickbooks to ensure funds are utilized in one year (maximum) of collection;
- Clear indication of Zakat-eligible campaigns marked and stated on campaign collection platforms such as Launchgood, Micharity, etc.
- Use all Zakat only on eligible charitable SMILE programming;
- Carefully assess applications to Zakat-eligible programming to ensure families' eligibility based on their financial need and circumstances;
- Distribute all Zakat funds and donations within one fiscal year
- Provide impact reports on an annual basis for transparency on the ways funding has been used;
- Compliance with all Canadian Revenue Agency (CRA) charity guidelines and regulations

## Use of Zakat Funds on Zakat-Eligible Programming

SMILE Canada ensures that all Zakat funds are allocated and spent only on SMILE Zakat-eligible programming to support the dire financial needs of newcomer children with disabilities and their families, which includes the following:

- **SMILE's Accessibility Fund Program** that provides essential therapy, respite care, adaptive equipment, and parent coaching for families that are financially constrained in providing their child with a disability critical access to essential supports
- **SMILE's Hospital Support Program** that provides culturally responsive care and support to children and youth with critical illnesses in long-term stays in hospital settings.
- **SMILE's Emergency Response Program** that provides emergent and imminent support to newcomer families impacted by war, displacement, trauma, etc.

SMILE is committed to principles of transparency, integrity, and community partnership when managing and disbursing Zakat Funds.

For more information, please contact [info@smilecan.org](mailto:info@smilecan.org).