



**E-Giving**



# E-Giving

1. Will this help you?
2. Tools
3. Decision-Making
4. Effective



# Is it worth the effort?

## *Putting it bluntly:*

Is there a net gain in time, efficiency and revenue?

Will this impact:

- Number of givers?
- Size of gifts?
- Regularity of gifts?

Are there unintended consequences? For example:

- Givers feeling removed from their gifts?
- Isolating most dependable givers?
- Increased burden on staff?
- Increased expense to securing gifts?





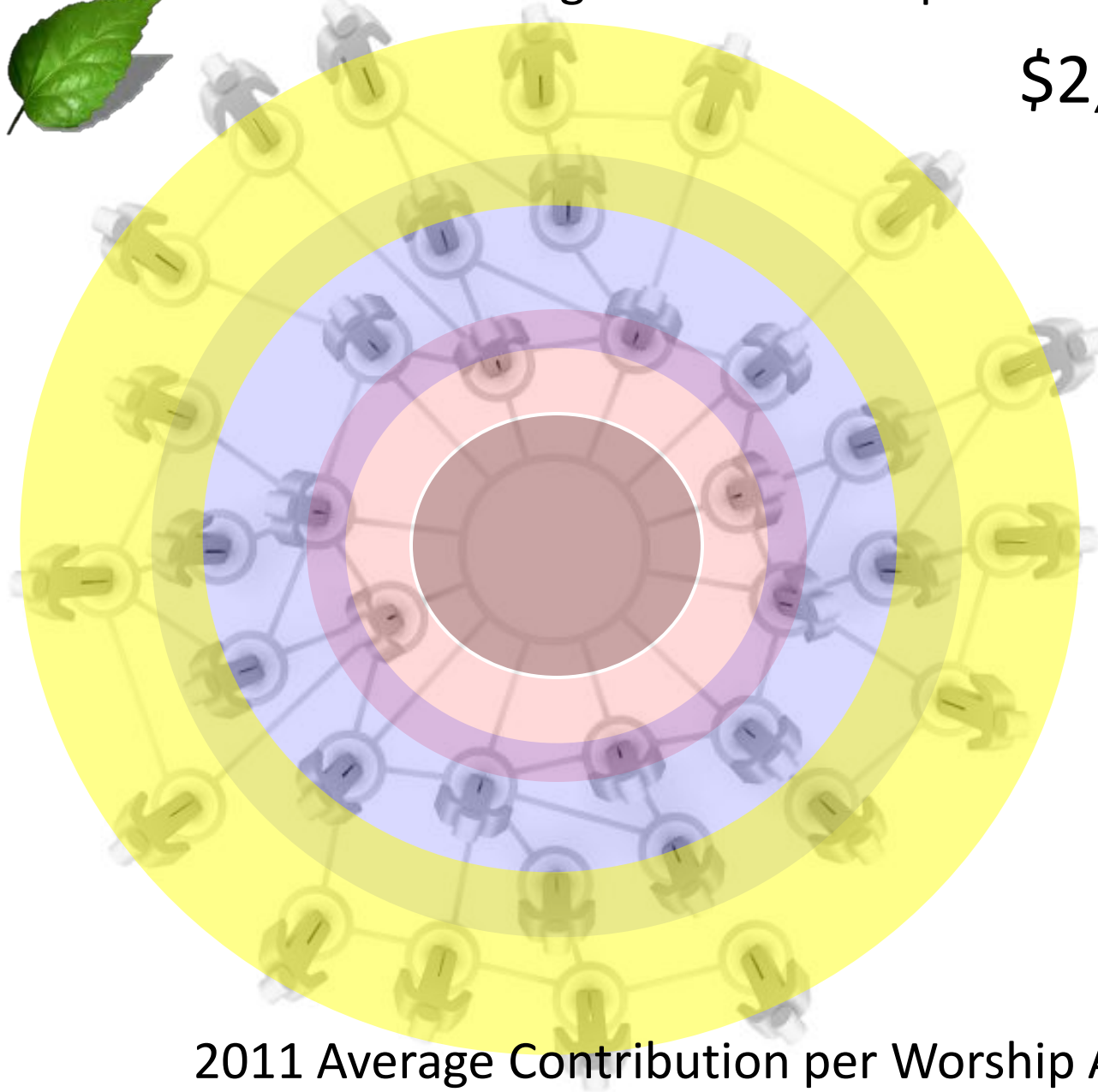
Who is your  
Audience?

Think about your givers



2011 Average Contribution per Member

\$2,221



Largest Givers

Modest Givers

Casual Givers

\$1,025

2011 Average Contribution per Worship Attendee



- Core Membership
- Tithers
- Gifts > Average
- E-Giving tools do not suit their gift size
- Older
- E-giving tools are less interesting / unfamiliar

Largest Givers

E-Giving Neutral

RECOMMENDATION

Modest Givers

- ✓ Do NOT detract from traditional giving
- ✓ Planned Giving



- Regular Membership

- Gifts = / < Average

- Regular to Irregular Givers

- Young Adults and Families, Baby Boomers

Largest Givers

- E-giving tools are convenient

- E-giving tools are helpful discipline

- May not give if not present in church

Modest Givers

RECOMMENDATION



- ✓ Online Banking

- ✓ Website Giving





- Some Regular and Some Infrequent Members / Visitors
- Non-Tithers
- Gifts < Average or Nothing
- Give in the Moment
- Over 50% Church Attendees Give \$0.00
- E-Giving Tools Are Helpful

RECOMMENDATION

Modest Givers



✓ Immediate Giving Tools





# E-Giving Tools



Online  
Banking

**Basic,  
Easy,  
Low Cost**



Online  
Giving

**Expected,  
3<sup>rd</sup> Party,  
% Cost**



Mobile  
Giving

**Advanced,  
3<sup>rd</sup> Party,  
% Cost**



Giving  
Kiosk

**Advanced,  
3<sup>rd</sup> Party,  
Equip Cost,  
% Cost**



Mobile Card  
Processing

**Easy,  
Events,  
% Cost**



# E-Giving

## SIMPLIFY

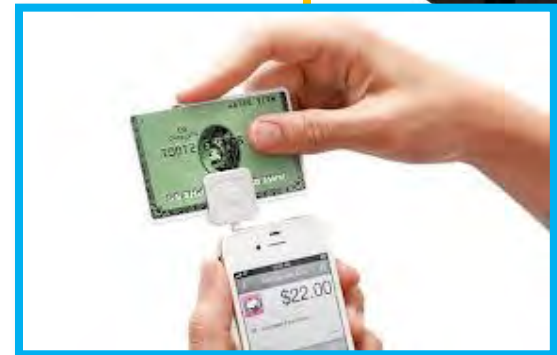
Tool

Description

Cost

Who needs it?

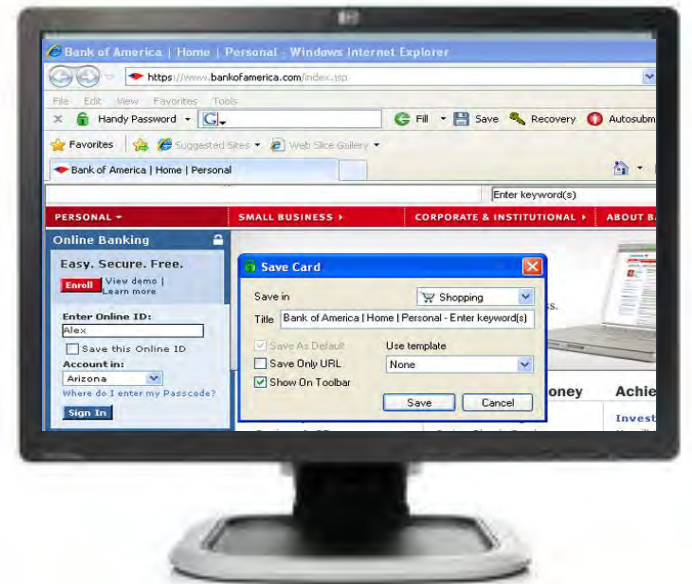
Pro's & Con's





# E-Giving

1. Online Banking
2. Online Giving
3. Mobile Giving
4. Text to Give
5. Giving Kiosk
6. Mobile Card Processing

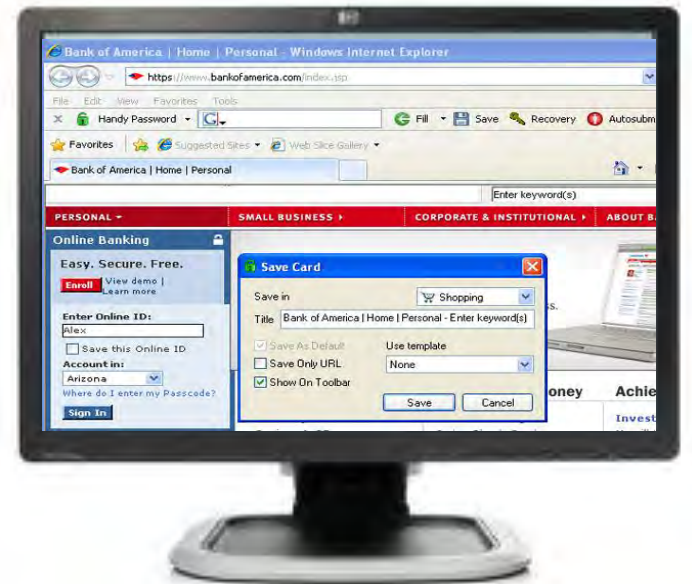




# E-Giving

## 1. Online Banking

Members conduct their own financial transactions through a website operated by their own financial institution. In most cases, a processing center mails a computer-generated check to the church.



EXAMPLE



Welcome Ann Jones

Payment Center

Add a Bill

Bill History

Manage My Bills

My Profile

[View new message from customer service](#)

## Pay Bills

Account: Personal Checking \*9215

Features	Bill Name
	American Express *45887
	BellSouth Telecommunications *64593
	Georgia Power *31058
	Joe the Gardener Lawn Maint. *55732
	Macy's Ann's card *80948

JOHN DOE OR JANE DOE  
123 MAIN STREET  
ANYTOWN, TN 01234  
PHONE 555-1212

2670

87-823/641

19

Pay to the  
Order of

\$

Dollars

6-73

*Bank of Yourtown*  
YOURTOWN, TN

For

⑆012345678⑆

⑆98765432⑆

\$

or recurring

MY CHURCH

\$250.00

09/19/11

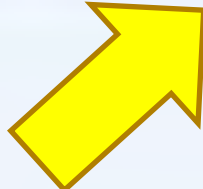
Send Payments

### Pending Payments

Bill		Amount	Pay Date
Macy's *80948	<a href="#">Cancel</a>	\$85.67	5/28
American Express *45887	<a href="#">Cancel</a>	\$515.00	5/26
Total		\$600.67	

### Recent Payments

Bill	Amount	Pay Date
BellSouth Tele... *64593	\$78.25	5/18







# E-Giving

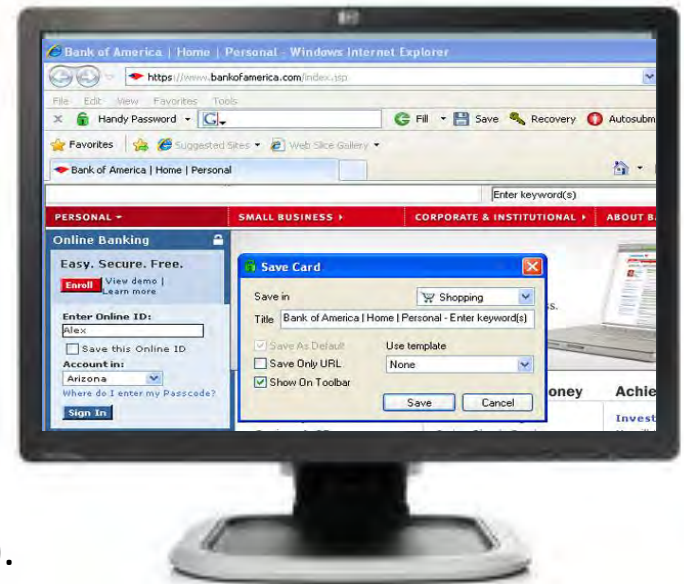
## 1. Online Banking

### Church Action:

- No set-up.
- Comparable to receiving check via mail or in rare cases an EFT.

### Donor Action:

- Easy First Time Set-Up (Minutes). Quick implementation of current, future-scheduled or recurring transactions.
- Also fast and easy to do from Smart Phones.





# E-Giving

COST: \$0.00

## 1. Online Banking

### PROS:

- 80% of households already pay at least one bill online: Already the favorite/preferred/primary method of bill payment
- No Cost
- No Contract to Donor or Church
- Easy and Fast
- Frequency Options: Single, Recurring or Specific Dates
- Improved Consistency & Budgeting for both Donor and Church
- Secure
- No debt instrument involved

### CONS:

- Not Participating in Offering Part of Liturgy
- When not automatically recurring, potentially less predictable than EFT/ACH







# E-Giving

## 2. Online Giving



Description: Accepting credit cards, debit cards and ACH (electronic checks) through your website.



# E-Giving

## 2. Online Giving

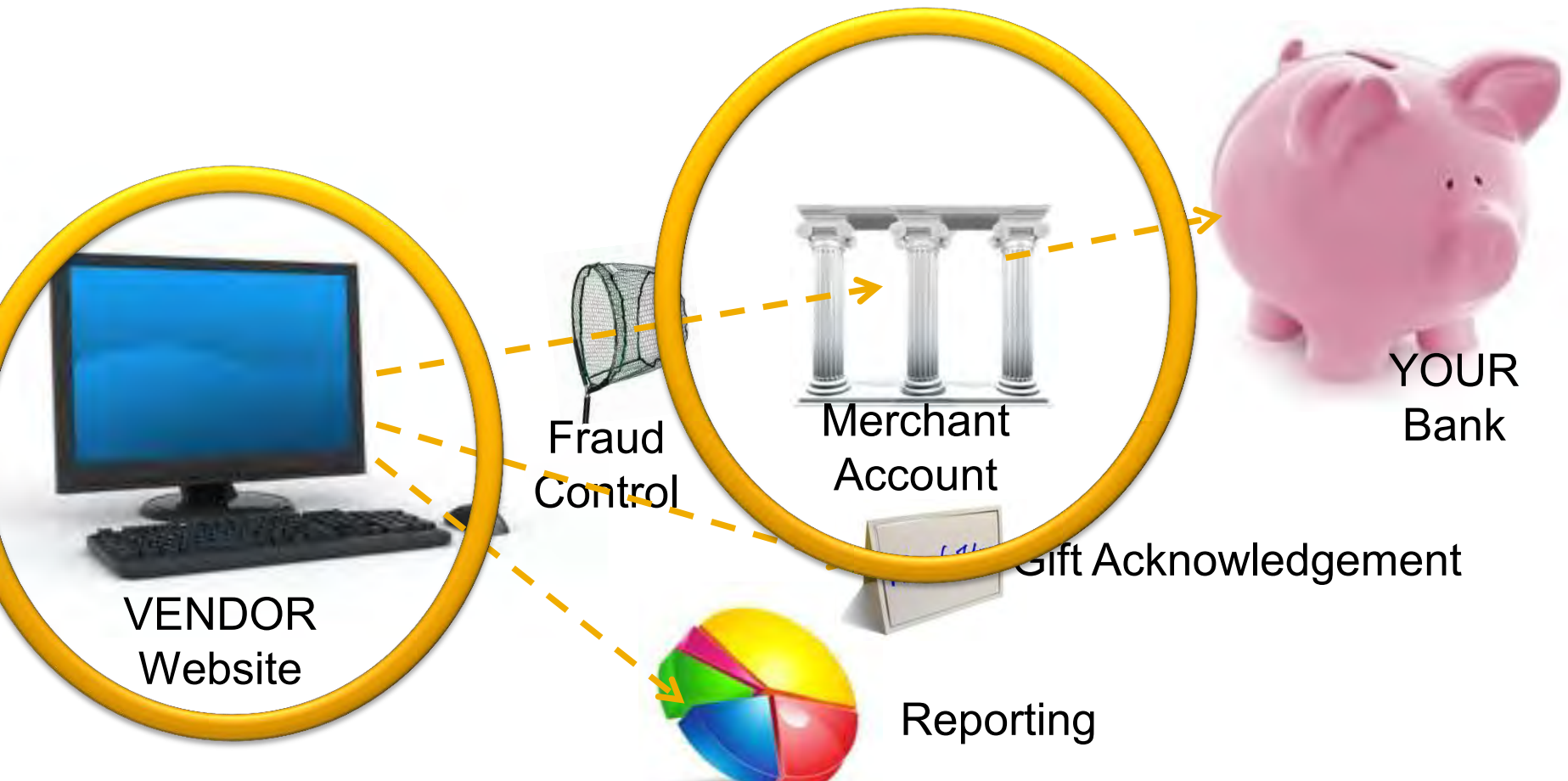




# E-Giving

*COST: Varies*

## 2. Online Giving





# E-Giving

Vendor	Set-Up	Monthly	Per MC/Visa Transaction		Amex	ACH	Merchant Account (If not included)	
			Rate	Fee				
RANGE	0-\$350	\$0-\$75	2.1%-5.0%	\$.15-.35	3.25-5.0% + tran. fee		2.25-3.85% +	
EasyTithe	0	\$49	1.99%	\$.25			NA	
Vanco	\$50	\$25	2.75%	\$.45		\$.25-.50	NA	
Qgiv	\$199	\$25	3.95%	\$.25		1.95% \\ \$.50	NA	
Presb. Fnd.	0	0	3.59%	\$.26			NA	
Ntwrk fGood	\$199	\$49.95	3.00%				NA	
ACS	\$125	\$35	-	\$.20			2.25-2.95% + \$.15- .39/trans.	
BlackBaud			Not pub.	Not pub.			NA	
Fellowship 1			Not pub.	Not pub.			NA	
PayPal	0	0	2.97%	\$.30			NA	
Google	0	0	1.9-2.9%	\$.30			NA	



# E-Giving

## Fees to:

- ✓ Discount Rate (fee) 1.5%-3%
- ✓ American Express +1%
- ✓ ACH / e-check 0-1%
- ✓ Merchant Account *if not provided by your vendor*
  - ✓ Monthly minimum fees \$0-\$75
  - ✓ Gateway fees \$20-\$100
  - ✓ Statement fees \$5-\$30
  - ✓ Authorization fees \$0.15-0.30
  - ✓ Chargeback fees \$15-25
- ✓ 3-Tier Pricing: Cards are ranked in 3 tiers and thereby charged different rates
  - ✓ Different processors charge different rates
    - ✓ 1<sup>st</sup> Tier: Qualified Rate: lowest rate / quoted by merchant
    - ✓ 2<sup>nd</sup> Tier: Mid-Qualified Rate: Keyed in trans. or rewards card
    - ✓ 3<sup>rd</sup> Tier: Non-Qualified Rate: higher marked up rate



# E-Giving

## FOCUS FIRST ON:

- User experience
- Customer service
- Compatibility
- Security

## CONSIDER FEES *AFTER* YOU IDENTIFY THE BEST SYSTEMS:

Fees will frustrate you, and in reality they will in reality probably vary only slightly

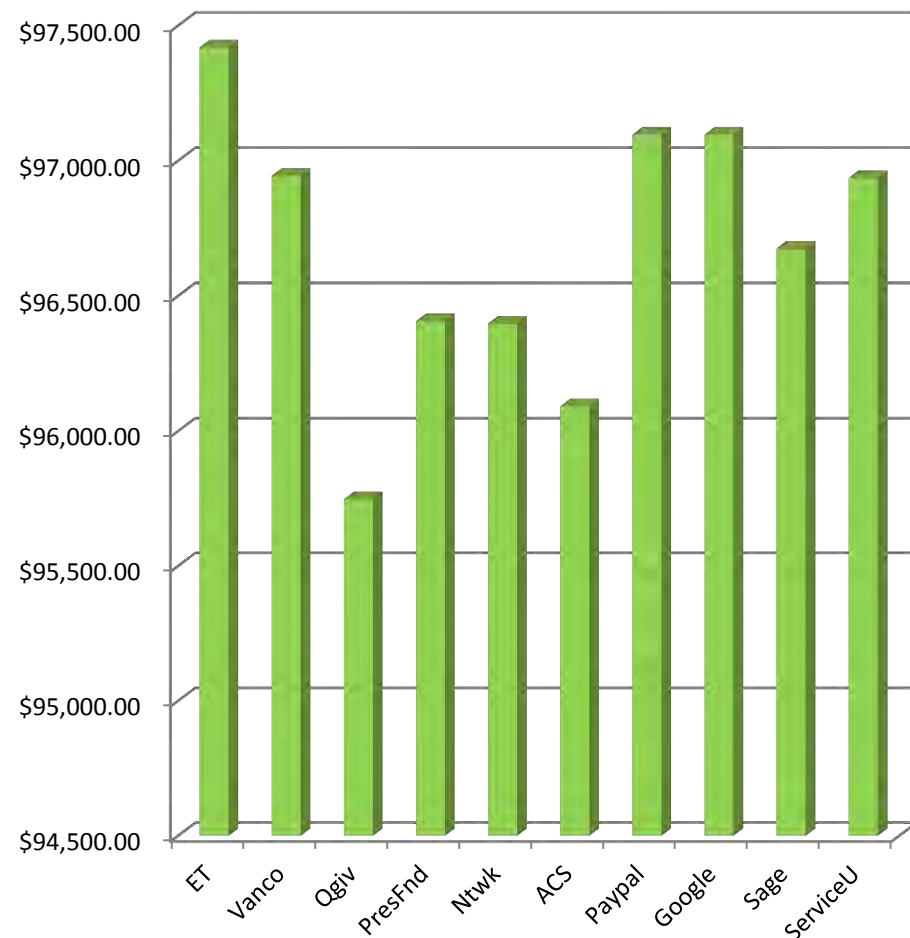




# E-Giving

\$100,000  
(Card Charges)

Net Income



Income Range = \$95,750 - \$97,422

Income Variance = \$1,672

Expense Range = \$2,758 - \$4,250

*1<sup>st</sup> year costs includes setup if any.  
Assumes 150 transactions/year*





# E-Giving

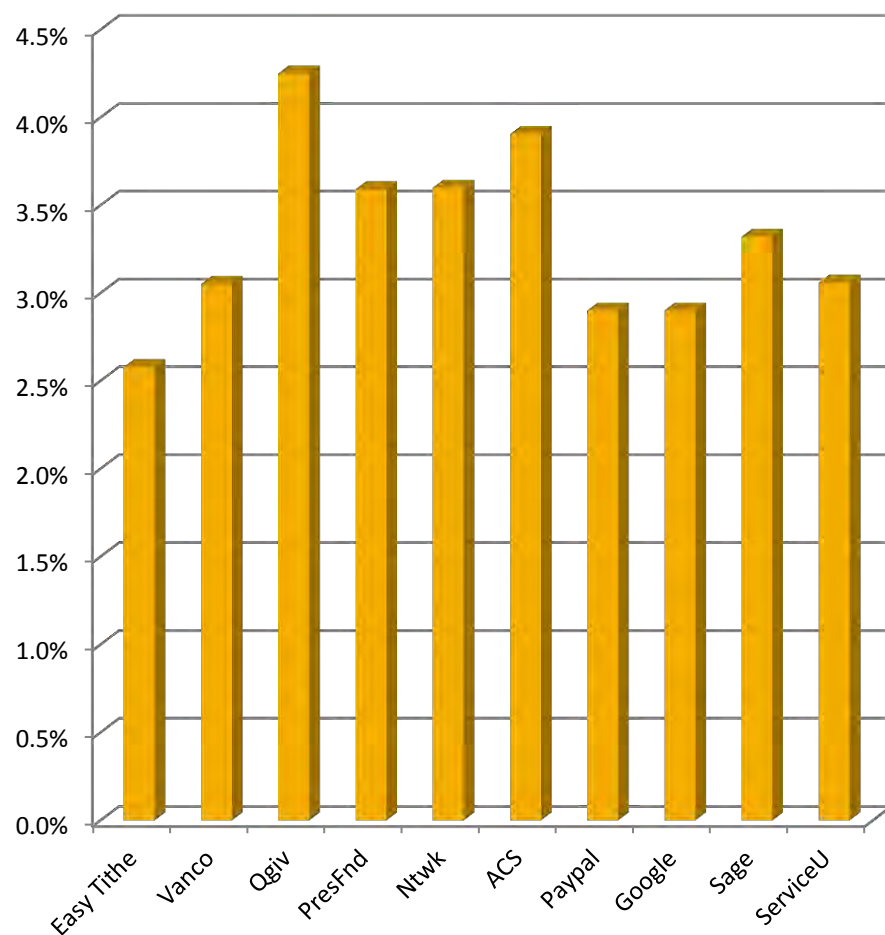
\$100,000  
(Card Charges)

Variance: 2.6%-4.2%

Average: 3.3%

*1<sup>st</sup> year costs includes setup if any.  
Assumes 150 transactions/year*

## EFFECTIVE RATE



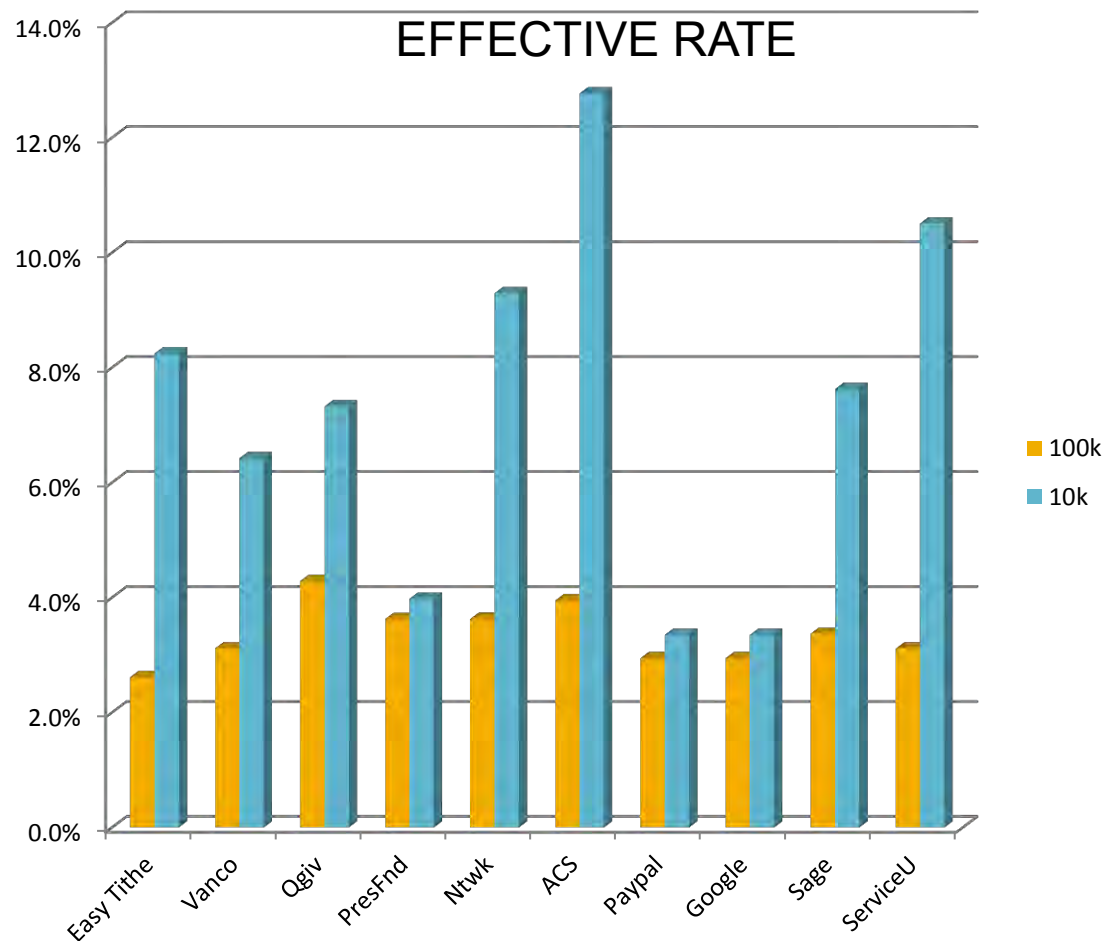


# E-Giving

\$10,000-\$100,000  
(Card Charges)

Effective Rate for \$10,000

Variance: 2.9%-12.3%





# PayPal & Google

Least Expensive; Simple Solution; No Merchant Account

Donate now with..  
**PayPal**

...or Google  
Checkout

**Description:** Universally accepted tool to pay and get paid online.

**PROS:**

- Easy solution, widely accepted
- Up and running in 1 hour
- Secure
- No merchant account required
- One time or recurring donations

**CONS:**

- 50% visitors do not complete transaction
- Look/feel not integrated with host site
- Designations not an option
- Not personal. After donation PayPal sends church the amounts & name of donor. Donor also receives e-mail as proof of donation

**COST:** 2.2 (2.9%) = \$.30/transaction (non-profit rate)  
No monthly fee/minimum/setup



# E-Giving

## 2. Online Giving

### PROS:

- It is expected
- Easy and fast for donors
- Relatively low cost
- Easy to operate once set up
- Donor can designate to tithe, special offering, etc.

### CONS:

- Expensive for card usage
  - Giver is not Participating in Offering Part of Liturgy
  - Extremely difficult to compare providers.
- Complicated comparison, especially of pricing





# E-Giving

## Mobile Giving



Members and visitors may conduct their own financial transactions through their mobile phone or tablet.

The transaction is similar to online banking with the interface optimized for mobile devices



# E-Giving

## Mobile Giving

1. Donor completes 1-time setup online
2. Goes to mobile site for transaction
3. Donation captured in secure environment
4. Funds transmitted as ACH or plastic card
5. Donor receives confirmation by text, e-mail and on financial account statements





# E-Giving

## Mobile Giving

Many vendors provide mobile giving in addition to their computer-based online giving.



COST =  
Online Giving





# E-Giving

## Mobile Giving

Who needs it?

Visitors and  
casual givers

By 2014 mobile  
internet will overtake  
desktop internet  
usage





# E-Giving

## Mobile Giving



### PROS:

- Can be part of liturgy
- Fewer people carry cash
- Mobile apps are becoming standard for payments/giving
- Giving is available to visitors
- Tool of younger generations
- Soon will be the norm
- Fees may be justified, as these givers would not give otherwise

### CONS:

- Very non-traditional
- High fees
- Phones are discouraged in worship
- Expensive if used by regular givers



# E-Giving

## Text to Give



## Micro donations

- Not suited for a church
- Receive donations of \$5 and \$10
- Requires a large donor base
- Gifts are processed through cell phone carrier bills



# E-Giving

## Giving Kiosk



Free-standing or desktop interface where givers can swipe a credit or debit card.

Other features are available such as volunteer and event registration.



# E-Giving

Giving Kiosk



COST =  
\$2,500-\$5,000

... plus the standard  
charges for card  
transactions  
outlined in online  
giving



# E-Giving

## Giving Kiosk



### PROS:

- Convenience
- Reflecting reality of financial tools
- Giving must be easy

### CONS:

- ATM appearance in church
- Giving is a transaction
- Commercializing church
- Cost



# E-Giving



## Mobile Card Processing

Accept major cards on a smart phone or tablet.

A free card easy-to-use app downloads onto the mobile device. A quick registration process permits transactions, signatures and receipts.

A free card-reader plugs into a smartphone or tablet.





# E-Giving



## Mobile Card Processing



COST =  
2.75%

No contracts, monthly  
fees or merchant  
accounts required.



# E-Giving



## Mobile Card Processing



### PROS:

- Low cost and easy set-up
- Best for sales, fundraisers, events
- No monthly/annual fees

### CONS:

- Transaction cost
- Requires person with modest technical know-how
- Does not link in with church software



# E-Giving



## Mobile Card Processing



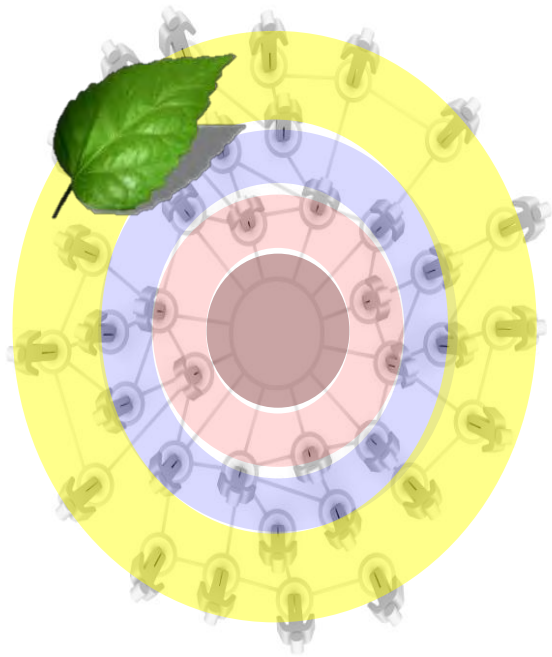
## VENDORS:

- Square Up
- Intuit GoPayment
- PayPal
- Several others...



# Decisions





# Decisions

Consider the giving trends in your church



# Decisions

- 1) Pre-approve with Session:** ensure the effort has support of the leadership
- 2) Assemble your team:** research and decision-making team (incl. Bus. Adm.)
- 3) Assess your congregation:** what tools does the culture need
- 4) Identify providers:** see resource section of this presentation
- 5) Feature comparison:** ensure the providers have the features you need
- 6) Identify 3-4 vendors:** make spreadsheet comparing the services most desired
- 7) Cost comparison:** calculate comparison based on giving forecasts



# Decisions

- **Integration** with your website – does the provider interface keep your look/feel?
- **Designated** giving – does the provider allow a menu or other way to identify the gift as pledge, special offering, etc.?
- **Integrate with current church software?**
- **Secure for donors** - PCI DSS Compliant (Payment Card Industry - Data Security Standards) and 128 bit encryption.
  - **Experience** in the industry: many years with many clients.
- **Comprehensive solution** providing a full menu of coordinated tools (including those that may be required in the future) credit, debit, EFT, Mobile, etc.
- **Display Church name** on donor receipts and card statements
- **Receipts/Acknowledgements** to the donor – what is the process
- Is **Customer Support** available and for what period and cost?
- **Contract period**





# Effective

Will e-giving boost your revenue?

Probably not IF you don't

1. Lead people to it.
2. Make it easy.

=





# Effective



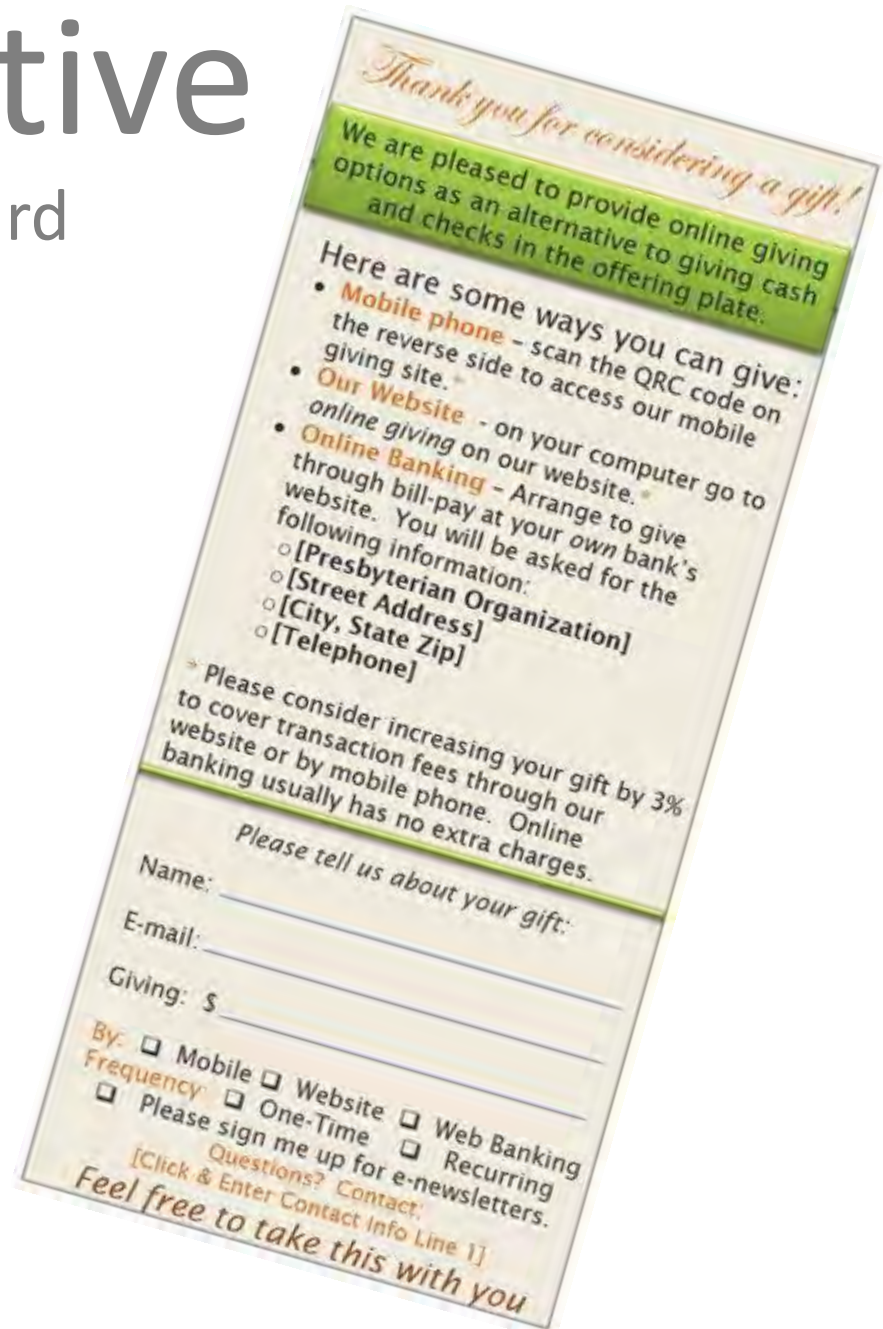
QR Code

<http://qrcode.kaywa.com>



# Effective

## Pew Card





# Effective

- **Q&A** on the website about online giving
- **Newsletter** articles and bulletin blurbs
- **Announcement** at worship and testimonial
- **Survey** younger members if they've tried it and to give you feedback



# RESOURCES

[www.IdealWare.com](http://www.IdealWare.com)

<http://givewithjoy.org/cartoons.htm>

[www.AffinityResources.com](http://www.AffinityResources.com)

[www.ChurchTechToday.com](http://www.ChurchTechToday.com)

State of the Plate 2011

[www.ChurchGivingMatters.com](http://www.ChurchGivingMatters.com)

[www.nptrends.com](http://www.nptrends.com)

[/nonprofit-trends/2010-online-giving-trends.htm](http://www.nptrends.com/nonprofit-trends/2010-online-giving-trends.htm)

[www.pcusa.org](http://www.pcusa.org) [/search/congregations/](http://www.pcusa.org/search/congregations/)

[www.Credit-card-processing-review.toptenreviews.com](http://www.Credit-card-processing-review.toptenreviews.com) [/v2/](http://www.Credit-card-processing-review.toptenreviews.com/v2/)

[www.TechSoup.org](http://www.TechSoup.org)

# VENDORS

- Vanco
- EasyTithe
- Fellowship One (CMS)
- ACS (CMS)
- ServiceU
- Sage Merchant Services
- GiftWorks
- QGiv
- Blackbaud (CMS)
- E-Tithes.com
- SimpleGive
- Presbyterian Foundation
- Google
- PayPal
- Square Up