UNITED METHODIST FOUNDATION *of Louisiana*

"Where Faith and Money Come Together"

Electronic Giving:

Services, credit card readers and more

Churches today are seeking newer and easier ways to set up giving to benefit their congregations. A common request circulates around setting up online giving. Online giving has its own set of complexities and options; however, it is becoming easier to navigate the set-up process. New options for online giving are developing all the time.

How can you help create different alternatives to the offering plate for your church?

There are a number of options that are available to churches today. We've broken this down in three ways:

- Third party service providers present the easiest learning curve, but probably larger onset costs. This is a good place to start for the church that knows they want to jump into the game and has some funds to do that.
- Mobile card readers are the quickest way to get started and with the lowest costs, but also have a bit of a learning curve. This is good place to start for the church where you are not sure how people will respond to giving online. Use this to test the waters without much set up costs.
- Website direct has the most complex learning curve, but can be cost effective in the long term. This is for a church that has an experienced web developer in-house or on staff that can help to navigate this set up process.

Third Party Services

In most instances, a church will make better use of their time and security by working through third party service providers.

There are many options out there for merchant service providers. If you need online giving, card readers, texting to give, or even a full sized kiosk, you have all those options available for a new type of offering plate today.

EasyTithe allows you to integrate online giving within their giving kiosk, which are monitor or computer terminal set ups. They offer a full range of features that could fit just about any size congregation. EasyTithe's pricing suggests that they will take a transaction fee and a standing fee

for various levels of their service. This is not a deal breaker, as other services have similar plans and some will have just a standing price or a percentage take per transaction. You will want to weigh the financial options between them and other services.

SecureGive offers unique payment options to go along with their full service features. They have options of flat rate or per-transaction percentages. If you expect a large volume of giving through the various gateways, then it may make sense to pay a flat rate and save over the per-transaction fee. If you do not know the amount of giving you may take in, using the per-transaction fee makes good sense. This way you do not lose money if the online giving is not used regularly.

Giving Kiosk is actually a brand name to a company, though many companies in the marketplace use the term 'giving kiosk' as service options. You may place an electronic kiosk, or kiosks in the narthex, fellowship hall or anywhere in your church. Imagine a sleeker, more personable looking ATM. People are able to use their debit or credit cards to give on a weekly, recurring or event basis. The systems can cost you a minimum of $1000 to approximately $5000 for a single kiosk machine, so the onset is more than some of the online options. The data from Giving Kiosk states that the increase in giving will pay for the set up costs within a month or two of use. Similar to EasyTithe and SecureGive, Giving Kiosk has added features to provide you a website portal where members have their own login and account information.

PayPal may have the easiest set-up of any online merchant service provider. You can set up a business account for free and start taking in donations in minutes. People are becoming more and more familiar with using the services of PayPal as well, so the trust value is built in. There are options to create recurring giving, one-time gifts, and event registrations that can be listed on your church website, but route through PayPal's secure settings.

Vanco Services is used by many United Methodist churches through their UMEFT partnership (United Methodist Electronic Funds Transfer). Through their service, you can develop a custom portal page (colors, logo) through which members can safely give. Vanco's pricing options are pretty straightforward. One unique feature with Vanco is the option to offset the card fees from a transaction. This set up would charge the donor the card fees as part of their donation. With this option, a $100 dollar donation would charge the donor $104.50 (approximately) so that a full $100 donation goes to the church. Many times people are willing to pay these fees for the convenience of online card giving. Vanco can also provide mobile card readers for digital devices.

Mobile Readers

Flint is a free feature-rich app that allows you to process credit cards by scanning with your mobile device's camera. Simply position the card number in the scan area, then enter the card verification number on the back. No extra hardware or merchant account is needed. All data is fully protected according to industry PCI DSS standards and guidelines. All transactions are encrypted for safety, and no information or images is ever stored on your phone. Transaction rates start at 1.95% and there are no monthly fees. Keyed entry is also supported at the same rate

as a scan. Download the free Flint app now on the App Store or Google Play to check out Flint's multiple payment and customer marketing tools

Square is a card reader that can attach to a phone or tablet. If your church has a wi-fi connection available, then utilizing a tablet to have at a welcome center or church office for people to give is a good starting point in online giving. You can use any tablet or phone for this process, but it is a good idea to invest in a church-owned device to avoid control and possession issues. This can allow a square connected device to be available at all times, not just when the pastor or lay leader is in the building. A neat function of Square is the ability to recognize people through their cell phones when they come into proximity of a device. This actually allows people to give with their cell phone and not have to swipe their card.

Square is a product based service, so you may have to get creative in setting up giving levels as a buyable product as part of your set up. What we mean by that is you might have to create a 'bronze tithe' and assign a price value to that, say $250. This can be a very real option if you are doing a renovation or fundraising project and someone can 'buy a chair' or 'gallon of paint' as giving.

PayPal Triangle: Similar to Square, the Paypal Triangle is free to order and the service will only charge 2.7% per transaction so you avoid any onset or standing fees. You may use it with any device that has the *PayPal Here* app installed. You can collect donor information within the app. After a transaction on the "Thank You" page, you'll see an "Add Customer Info" link. If donors give you permission, collect their email addresses so you can easily stay in touch.

Though Square supports more devices and doesn't require a credit check to apply, it looks like Triangle has the advantage with better options in customer support, check processing and payment channels. Both of these mobile readers may be good options for you to test your online giving market without putting down a large start-up investment.

Website Direct

There is technical work and risk that goes into taking online payments directly off your website. First, you will need to secure a merchant account, a payment gateway and a TLS or SSL certificate.

- **Merchant Account**: This is a banking service that allows you to accept debit or credit cards. Authorize.net is an example of a popular, and reliable, merchant account service provider. Merchant account providers will generally charge a standing fee. Depending on the amount of transactions the church might be making, this may be a cost-effective option.
- **Payment Gateway**: This is an electronic service that authorizes your card payments, protects card data and processing information. More and more merchant account providers are able to offer payment gateway services. Setting up a payment gateway can be a time consuming process because it depends on your web developer's experience and a number of other variables. Ask your web-developer to do some research and submit a realistic time-line.
- **SSL or TLS certificate:** Secure Socket Layer or Transfer Layer Security are the common reference terms for a secured webpage. You see these often when you come

- across an https:// on a webpage. A webpage that is taking in payment information with only an http:// address is not secure and should be avoided. This is a security risk for the website provider as well as the user as sensitive information can get out of your possession quickly. The cost for a certificate will likely be around $100, with extended services costing more.

Security Note

With recent concerns about Internet security (Target's customer information being compromised or a security bug like Heartbleed re-emerging), your congregants may likely have a concern about online giving. This is understandable and a good question to ask when making a decision on vendors and practices. When choosing an online giving method, consider security compliance of a vendor and your church's security measures. Choose a company that is PCI (Payment Card Industry) compliant with current security standards. Be sure to look up PCI standards and ask a company representative how they meet those criteria. Take a further step to ensure that your church's hardware and Internet connections (which will be part of the mechanism for making online giving happen) are locked down and secure as well. Be vigilant about people's security concerns.

As you can see, putting online payments onto your church website can be taxing and cost prohibitive if you do not have informed people and incoming funds to offset the costs. If you do have some of those things in place, then doing transactions on your website can save you money and be an effective tool.

There are many ways to re-imagine passing the offering plate for the church in today's world. Setting people up for online giving can help the church to have consistent and easy tithing regardless of the ebbs and flows of church attendance. People are not bound to have to remember to bring a checkbook or cash with them to church either.

Print this article out or send it around to your finance committee and let this be a discussion starter at your next meeting.

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