



***Developing a Parish Plan
for Automated Giving***

What is ACH?

A paperless, electronic transaction that goes through the Automated Clearing House and transfers money from one bank to another. Could be credits (deposits) or debits (withdrawals).

What is an Automated Giver?

A parishioner, who through prayer and reflection, chooses an automated way to exercise good financial stewardship by having his/her regular weekly offering electronically delivered to the parish.

Why Do I Need a Plan for Automated Giving?

We recommend that parishes design a plan for Automated Giving so that each parish will make appropriate and optimal decisions regarding how Automated Giving will be implemented. This includes considering all operational procedures as well as developing communication and marketing strategies. This booklet will help with the planning process. It includes questions to ask and useful planning worksheets.

Why Automated Giving?

One of the principles of good financial stewardship involves planning the gifts that are to be shared. Implementing an Automated Giving strategy in a parish is one great way that parishioners can enact their financial stewardship plan each year.

Benefits:

- For those who embrace stewardship as a way of life, Automated Giving for the Sunday collections provide an opportunity to keep the Church a priority when it comes to sharing financial gifts (i.e. the Offertory).
- The more people that use Automated Giving, the more reliable a parish's revenue stream will be from the weekly Offertory.

- Automated Giving is significantly more secure than cash gifts. For example, when largely promoted, the use of Automated Giving minimizes the physical cash on hand in a rectory/parish office.
- As more parishioners opt for Automated Giving, data entry by parishes for the regular collections will be less time consuming and the cost for envelope mailings will decrease.
- Not everyone attends Mass each week (for a variety of reasons), so Automated Giving ensures that the parish regularly receives the intended gift as planned by the parishioner.

Getting Started

Your parish plan should address the following points:

- *Your Bank*
- *Parish Decisions and Operational Issues*
- *Security Issues*
- *Communication Issues*
- *Other Kinds of Automated Giving/Direct Debits*

Your Bank

- 1) Is your bank an ACH Originator (it needs to be - and most are)?
- 2) What do you have to do to set up and initiate ACH debits for your parishioners' accounts through your bank?
 - Which parish bank account will be the recipient of ACH debits?
 - What bank forms do you need to complete? Who needs to complete and sign them? (Pastor and/or other Authorized Signer on the Parish Account?)
 - What bank services do you need to begin to use in order to generate ACH transactions? re there online processing capabilities? (Do you have adequate computing systems to handle the bank's online processing ? Do you have firewall protection?)
 - How do you physically generate an ACH debit from a parishioner account? Does the bank's system allow for recurring transactions?
 - What types of bank accounts can be used for the ACH debits (definitely checking – are there others, like statement savings accounts)?

- 3) What fees will your bank charge (one time and recurring)?
- To set up ACH debits? Per ACH transaction?
 - For a “returned” ACH transaction due to insufficient or uncollected funds?
 - How many times is the ACH debit attempt made before it is returned (usually 3)?
 - Will your bank fee for these ACH debits be based upon existing account relationships (account analysis)?
- 4) What happens if an ACH debit “rejects” or is “returned?”
- 5) Your bank statement: How are the ACH credits to your parish’s bank account reported to you (probably as a bulk or “batch” deposit)? Is there a way of viewing the contents of each bulk or batch deposit?
- 6) Does the bank report provide totals debited to an account by month and year to date figures for ease of reconciliation with parish records?
- 7) What kind of reporting does your bank provide (online and/or paper) that will show details for each ACH transaction (bank number, account number, amount, date of transaction)?

Parish Decisions and Operational Issues

- 1) Based upon your bank’s fees, what you think parishioners would want, and your own preference for parish record keeping, make a decision: At what intervals will the ACH debits take place? (Example: Monthly on the 1st of the month.)
- Weekly, Twice a Month, Monthly.
 - 1st of the month, 15th of the month, other.
- 2) Most people have a checking account. Some folks have statement savings accounts or other accounts that allow ACH transactions. What kind(s) of accounts will you show on your Authorization Form from which parishioners can choose?
- 3) If you choose a monthly interval, how will you calculate the offering? The simplest method is a rounded set amount each month. For example, \$100.00 a month or \$50.00 twice a month. Sometimes, a parish may choose to use the following calculation (and round down the cents): Weekly amount multiplied by 52 divided by 12. For example:
 $\$20.00 \times 52 / 12 = \86.66 . Offering would be \$86.00 a month (or \$43.00 twice a month.)

Whichever calculation method you use, be sure to inform the parishioners before they sign up. Your parish's Authorization Form should reflect this choice (see sample Authorization Form).

4) How will your parish address the ritual action of the Offertory for those parishioners who choose Automated Debits?

Perhaps change the current envelope system for automated givers. Some ideas follow, several of which are based upon the options that are available from your envelope printing company (check with them):

- Automated Givers receive a packet of envelopes containing only special collection envelopes.
- Automated Givers receive a regular packet of envelopes and are instructed to write
- on their weekly envelope "ACH" or "DD" (direct debit).
- Automated Givers receive a regular packet of envelopes and includes a special Offering Acknowledgement slip (see sample slip verbiage on page 8).
- Automated Givers receive a regular packet of envelopes and next to their envelope number, the letters "ACH" or "DD" are pre-printed (so that the envelope counters know that this is an automated giver).
- Automated Givers receive a packet of envelopes containing only special collection envelopes. Additionally, Offering Acknowledgement Cards are available before each Mass. Each family takes a card and places it in the collection basket. These cards are then "recycled" for the following week. (See sample card verbiage.)

5) Human Resources: Who in the Parish will be responsible for:

- *Accepting* and processing the Parishioner Authorization Forms?
- *Verifying* the Parishioner Authorization Forms?
- *Processing* Updates, Changes, and Cancellations?
- *Verifying* Updates, Changes, and Cancellations?
- *Reconciling* the bank statement with the bulk (or batch) processing reports?
- Periodic audit of Automated Giving program?

6) Parishioner Authorization Forms (see sample Authorization Form):

- Who will customize the form based upon your parish plan? (the parish name, frequency of payments, types of accounts, etc. Other legal verbiage on the Authorization Form should not be changed.)
- How will the forms be distributed?
- Where will completed forms be kept?

- How will Automated Givers be given access to new forms for Updates and Changes?
- How will the Parish accept cancellations?

7) Financial Stewardship Renewal Adaptations:

- How will Automated Givers be given the opportunity to make a renewed commitment in their level of giving during each parish Financial Stewardship Renewal? (example: Special mailing with a Commitment Card and a new authorization. See sample verbiage or the Renewal Form.)

8) Collection Counters' Procedures:

- How will the Collection Counters handle envelopes coming from Automated Givers?
- How will these collection funds be reflected in total collections for the week in Regular
- Collections in the parish General Ledger?

9) Parish Database Entry Issues:

- Generally, how will Automated Givers be designated in the Parish Database? (Example: keyword: DirectDebit.)
- How will the collection data for the Automated Givers be entered? (example: if the
- interval is monthly, once a month, and in batches if your system has that capability.)
- The Parish Database should be specially coded so that Automated Givers' contributions are listed separately by account (for annual reporting purposes) - to differentiate ACH electronic transactions from regular envelope giving.
- Are there any special database considerations (based upon your current parish system) for inputting Automated Givers' renewal commitments (for example, entering rates, terms, and fund keywords in the parish data system)?

10) Discussion with Parish Finance Council:

A decision to offer ACH services should be discussed with the Finance Council and other parish councils prior to implementation. These groups can offer additional guidance to the

- Pastor in designing the appropriate form at your parish.

Security Issues

1) Confidentiality and Record Retention:

How will confidentiality of parishioners choosing Automated Giving be maintained?

- In what safe and secure location will the Authorization forms be kept?
- (Example: Placing the Authorization Forms in a fireproof safe that is locked at all times, with a limited amount of people who have entry access).
- Who will have access to them?
- Will there be copies made and kept in another safe and secure location?
- If any data regarding ACH transactions is kept on parish computers, how will it be secured (password control)?

2) Dual Control and Oversight:

- What checks and balances will be in place? (Example: Dual control - different people entering data and reconciling accounts.)
- Who will periodically review the ACH bank reports and statements, and reconcile these records with the parish contribution records?

Communications Issues

1) Advertising and Promotion:

- How will the parish get the word out about the Automated Giving Program? (example: parish welcome kit, bulletin, web site, mailing, flyers, poster, an ad in the monthly envelope mailing, etc. See sample verbiage for parish “ads”.)
- How often will the parish promote Automated Giving?
- Will goals be set?
- How will the parish target different groups of people in the parish to invite them to become Automated Givers? (for instance, ministry leaders, catechists, school teachers, school parents, senior citizens, new parishioners, at meetings of specific ministry groups, etc.)
- How will the parish target non-envelope users? Those who currently use envelopes? Those who don’t receive envelopes?
- Will the parish consider designing an “Automated Giving” display that will include an informational poster and blank authorization forms?

2) Parishioner Inquiry Packets:

- How will the parish handle parishioner inquiries about Automated Giving? (See sample Info/Inquiry Letter.)
- How will the Inquiry Packets be distributed?

3) Thanking Parishioners who Choose Automated Giving:

How will the parish thank parishioners who decide to participate in the Automated Giving program? (See sample “Thank You” letter.)

Other Kinds of Automated Giving/Direct Debits

1) Parishioner Controlled/Initiated:

- Parishioner initiates Automated Giving on their own, through an online bill paying service (usually the bank).
- This usually generates a paper check to the parish, which is then handled as a regular contribution in the same manner in which the parish currently handles checks for the regular collection that come in the mail. (See “Sample Ways to Communicate Automated Giving” for a bulletin “ad” to solicit this type of giving.)

2) Credit Card Transactions:

- The parish is set up to accept credit cards for donations.
- Credit card transactions have their own security and operational issues which are similar but different from those mentioned in this booklet.
- The credit card fees are based on the volume of transactions, and are generally higher than ACH fees.
- If a parish is interested in setting up credit card processing, we recommend that you study the platforms available and carefully review the fee structure.

Bank Account and Routing Numbers



Routing Number
(Always 9 Digits)
Also called ABA
Number or
Transit Number

Account Number

Check Number

Sample “Offering Acknowledgement” Text

Pre-printed Cards or Slips

In the spirit of responsible financial stewardship, I/we give Name of Parish community this weekly offering by participating in the Automated Giving Program. It is with gratitude to our most generous God that I/we share financial gifts with the parish to help continue the mission of Jesus to bring about the reign of God.

Offertory Envelope: “DD” Indication

If you want to identify electronic and ACH donors with a separate envelope suggested copy:

FINANCIAL STEWARDSHIP - GRATEFULLY GIVING

Our baptism calls us to be stewards of God's gifts

Thank You for sharing your gifts with this parish community!
Prayerfully reflect on how you can share your financial resources with the parish.

Weekly Offering

Other \$100 \$75 \$50 \$35 \$25 \$15

Name of Church

123 Main Street

Anytown, NY 11512

#4768 DD (Constituent ID)*

Mr. and Mrs. John Doe

123 Circle Drive

Anytown, KS 66000

*An example of how to distinguish Automated Giving envelopes from others
(for the Collection Counters and Data Entry people)

Sample Authorization Form

Authorization Agreement for Automated Giving

I, _____, hereby authorize the R.C. Church of **(NAME OF PARISH, CITY, STATE)** to initiate debit entries to my Checking () Savings () account indicated below and the depository named below to debit the same such amount.

Amount \$_____ Monthly on the first of the month.

Depository:

Name _____
Address _____
City, State, Zip _____
Banking Transit-ABA #: _____
(always nine digits)
Bank Account Number: _____

(Attach to this form a voided check if checking account debit or a pre-printed savings deposit ticket if savings account.)

This authorization is to remain in full force effect until the R.C. Church of **(PARISH NAME)** has received written notification at least five business days in advance of the desired termination date.

(Authorized signature for above account) (Print Name) Date: _____

If second signature is required:

(Authorized signature for above account) (Print Name) Date: _____

=====

Cancellation of Automated Giving

I, _____, direct the R.C. Church of **(NAME OF PARISH, CITY, STATE)** to discontinue automatic debit entries to my bank account.

(Authorized signature for the parishioner bank account) (Print Name) Date: _____

(Only one signature is necessary to make this cancellation request)

Sample Renewal Form

Automated Contributions

Effective today and as a response to this year's annual Financial Stewardship Renewal, I, _____, hereby authorize the R.C. Church of **(NAME OF PARISH, CITY, STATE)** to change my existing automated debit amount to the new amount shown herein according to the terms I have indicated below.

New Amount \$ _____ Monthly on the first of the month.

This authorization is to remain in full force effect until the R.C. Church of **(PARISH NAME)** has received written notification at least five business days in advance of the desired termination date.

(Authorized signature for above account) (Print Name) Date: _____

If second signature is required:

(Authorized signature for above account) (Print Name) Date: _____

Sample Ways to Communicate Automated Giving

"Bulletin Ads"

For All Parishioners:

For all of our Parishioners, Name of Parish offers an alternative to writing a weekly or monthly check. Join our Automated Giving Program and have your financial stewardship offering transferred directly to the parish account. Call the parish office at (xxx) xxx-xxxx or email name@nameofparish.org for more information.

Looking for a way to simplify things? With our Automated Giving Program, Name of Parish receives your donation automatically! No more mad rush to find a pen to write a check. Planned and proportionate financial stewardship is made easier with this new option! Call the parish office at (xxx) xxx-xxxx or email name@nameofparish.org for more information.

Alternatively (for Parishioners who already use Online bill paying):

Do you use online services to make payments? If yes, planning your giving to the parish can now be as easy as **POINT -- CLICK -- SHARE!!** Now, by directing your online payment service to make the parish a regular recipient, there's yet another way you can fulfill your financial stewardship commitment! Your contribution will come to the parish automatically! Why not consider setting your Parish as one of your regular monthly or weekly commitments?

Sample Info/Inquiry Letter for Automated Giving

Date

Name

Address

City, State ZIP

Dear (Names of Parishioners),

Thank you for considering Name of Parish's Automated Giving program as a means to share part of your financial gifts, particularly your Weekly Offering at Mass, with _____ Parish.

Optional: As you decide the amount you wish to contribute to the parish, you may wish to review a Stewardship Giving Guide. The steps described in the enclosed brochure may help you make a planned, proportionate and sacrificial offering.

To enroll in our Automated Giving program, kindly complete and sign the enclosed Authorization Form. Sign and keep the second copy for your records. When complete, return the form to the parish office along with a voided check (or pre-printed savings deposit ticket) for the bank account you want us to use for your Automated Giving. This will provide the information we need to set your request up with your bank (the bank identification number and account number) and will be held in strict confidence.

Now state what the procedure is for the Offering at Mass for those with Direct Debits, for instance: We will continue to send you collection envelopes for your use. After we process your request for Automated Giving, each week at Mass place your envelope in the collection basket to acknowledge that you are participating in the Offering of the Gifts as an Automated Giver.

Thank you so much for considering this form of regular giving as part of your overall stewardship plan. This is one more way that you exemplify what it means to live up to your baptismal call to follow Jesus as a good steward of God's gifts.

Sincerely yours in Christ,

Pastor

Sample “Thank You” Letter for Automated Giving

Date

Name

Address

City, State ZIP

Dear (Names of Parishioners),

I would like to thank you for choosing the Name of Parish’s Automated Giving program as one way you will share part of your financial gifts in our parish community.

Now state the start date and frequency:

Beginning August 1, your bank account will be debited (monthly, twice a month, weekly, etc.) for the amount you authorized (\$100.00, \$50.00., etc.) and the proceeds will go to the parish.

Now state what the procedure is for the Offering at Mass for those participating in the Automated Giving Program:

You will continue to receive collection envelopes for your use. Each week at Mass you should participate in the offertory by placing an envelope in the collection basket to acknowledge that you are participating in the Offering of the Gifts as an Automated Giver. Merely right Direct Deposit or Automatic Giver on your envelopes.

Again, many thanks for participating in our Automated Giving program. This is one more way that you have chosen to share your gifts with Name of Parish, and for this I am most grateful to you and to God. I pray that the Giver of all good gifts continues to bless you and yours as you go about helping to build the Kingdom of God.

Sincerely yours in Christ,

Pastor

Bank Worksheet

Bank Name: _____

Bank Contact Person: _____ Day Phone: _____

Parish Bank Account to Use (recipient account): Type/Name _____

Account #: _____

My bank is an ACH Originator. Yes____ No____

We have all the bank forms we need to setup ACH debits. Yes____ No____

What bank service/program do we need to initiate ACH debits? _____

How do I physically generate an ACH debit from a parishioner account?

On Paper ____ Online____ Other_____

What kinds of bank accounts can we use for ACH Debit?

Checking____ Statement Savings____ Other_____

What fees are there for ACH debit services?

Initial Setup: _____ Per Transaction:_____ Rejected Transactions:_____

Are any of these fees offset by our existing account relationships? (account analysis)?

What happens if an ACH debit “rejects” or is “returned?”

How many times will an ACH debit attempt be made before it is returned? _____

How are the ACH credits to our parish’s bank account reported on our statement?

Is there a way of viewing the contents of each bulk or batch deposit? Yes____ No____

Explanation:_____

What kind of reporting does this bank provide (online and/or paper) that will show details for each ACH transaction (bank number, account number, amount, date of transaction)?

Parish Worksheet

At what intervals will the ACH debits take place (one or more choices)?

Weekly__ Monthly__ Twice a month__ Other:_____

What time of month?

1st of Month__ 15th Month__ Other:_____

What kind of account will we offer to debit for our parishioners on our Authorization Form?

Checking Account____ Savings Account____ Other:_____

A Combination (explain):_____

How will we calculate the offering amount? (Eg. Monthly, based on 52 weeks in a year (rounded down). Or, just a flat monthly amount. Or, once a week.)

Our plan to address the ritual action of the Offertory for those who choose Automated Debits:

Who in the Parish will be responsible for:

- Accepting and processing the Parishioner Authorization Forms? _____
- Verifying the Parishioner Authorization Forms? _____
- Processing Updates, Changes, and Cancellations? _____
- Verifying Updates, Changes, and Cancellations? _____
- Reconciling the bank statement with the bulk (or batch) processing reports?

- Periodic audit of Automated Giving Program. _____

Parishioner Authorization Forms:

- Who will customize the form based upon your parish plan? _____
- How will the forms be distributed? _____
- Where will completed forms be kept? _____
- Will there be copies? ____ How will they be kept? _____

- Who will have access to the Authorization Forms? _____

How will Automated Givers be given access to new forms for Updates and Changes?

How will the Parish accept cancellations? _____

How will Automated Givers be provided the opportunity to increase their level of giving during Stewardship Renewal
: _____

How will the Collection Counters handle envelopes coming from Automated Givers? _____

How will Automated Givers be designated in the Parish Database: _____

How will the collection data for the Automated Givers be entered? _____

Special parish database considerations for Automated Givers: _____

How will the parish get the word out about the Automated Giving Program?

How often will the parish promote Automated Giving?

Our goals for participation in the first year are: _____

Second year: _____

After three years: _____

How will the parish target different groups in the parish to invite them to become Automated Givers? _____

How will the parish target non-envelope users? Those who currently use envelopes? Those who don't receive envelopes? _____

Will there be a display that will include an informational poster and blank authorization forms? _____

Who will create it? Who will tend to it? _____

How will the parish handle parishioner inquiries about Automated Giving? (See sample Inquiry Letter.) _____

How will the parish thank parishioners who decide to participate in the Automated Giving Program? (See sample “Thank You” letter.)_____

Need ideas/help? Call the Office of Stewardship and Development (913) 647-0325 or email stewdev@archkck.org

