



Tithing in the 21st Century and the New Normal

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DARE to explore new options



doodle



action



research



educate



Nacha and the ACH Network

Nacha is the private sector rule-making organization that administers the ACH Network

Develops, maintains, and enforces, the NACHA Operating Rules that all participants follow

Provides payments education to the industry on the use of the ACH Network.

The ACH Network processed nearly 25 billion payments with a value of over \$55 trillion in 2019 – that roughly 100 million transactions every day.



In 2020, Nacha's industry vertical efforts will be concentrated in 4 industries



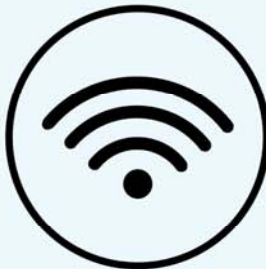
NONPROFITS

- Charities
- Houses of worship
- Higher education



HEALTHCARE

- Medical
- Dental
- Patient bill payments
- Refunds of overpayments



SUBSCRIPTION SERVICES

- Music streaming, personal styling, and other lifestyle services



TOLLING

- Paying highway tolls
- Payment interoperability among agencies

WHY CHOOSE ACH

- ACH donors make an average of 8.2 donations compared to 3.5 donations by those who use other payment types in a 12-month period.
- ACH donors give more than double (\$1,700 versus \$650) in a 12-month period than those using paper check, credit card, or other means.
- 71 percent of ACH donors authorize automatic donations on a set schedule versus 9 percent using other payment types.
- Members who donate electronically give more per person than those who give via the offering plate. During a recent Sunday service, the average check was \$235. Of those who gave electronically the average donation was \$347 per person.
- Donations made via [ACH/EFT/echeck] are more cost effective for your organization than credit cards, as credit card donations can cost 3-5% of the donation amount to process.

How tithing by ACH works



Sue wanted to donate a fixed amount to her favorite nonprofit on the first of every month but didn't want to have to remember to do it. So, she went on the charity's website to schedule her recurring donation using Direct Payment. Just set it and forget it.



The nonprofit received Sue's authorization to take the payment from her checking or savings account on the first of every month.



Each month, the nonprofit electronically sends a file with the payment details to its bank or payment processor, which makes an electronic ACH entry for Sue's payment. Sue's payment is batched together with other ACH payments and delivered electronically to an ACH Operator.



The ACH Operator sorts the transactions. In Sue's case it sends a request for the payment amount to her bank. Sue's bank makes sure she has enough money in the account, and if there is, it debits her account for the amount of the donation. Sue will see this payment listed as part of her account activity.

Mission Hills Church

A Direct Payment success story



A GROWING CHURCH SHIFTS DONATION METHODS TO INSPIRE ITS MEMBERS' GIVING

DIRECT WITHDRAWAL VIA ACH EXPANDS GIVING OPTIONS AND DRIVES DEVELOPMENT

When it comes to charitable giving, research shows religious organizations receive the bulk of donation dollars. And households that contribute to religious organizations tend to give more — both in the amount of their donations and the percentage of income they donate.¹

For example, in 2016, total giving to charitable organizations was \$390.05 billion. Of that, \$122.94 billion went to religious organizations across all faiths.² And it is the donating public, not big foundations, who is responsible for the majority of those annual donations.³

Religious organizations experience challenges similar to most nonprofits: Keeping donors engaged, retaining them, and enabling ongoing and sustainable contributions. They must also build and grow sustaining donor programs to help ensure a consistent cash flow. Also, they would ideally want all donor contributions to go toward the organization and not credit card fees.

At Mission Hills Church, they have learned that donations by direct withdrawal via ACH extend the impact of their donors' giving even further.

¹National Center for Charitable Statistics

²Charity Navigator giving statistics, and Giving USA 2017: The Annual Report on Philanthropy

³Charity Navigator <https://www.charitynavigator.org/index.cfm?content=view&id=42>



MISSION HILLS CHURCH
REAL. MESSY. NEW.

Mission Hills, which recently celebrated

75

years as a church, is a large, nonprofit organization with four campuses in the Denver Metro Area. Through the church's giving, it seeks to affect lives in-house, in its community, regionally, and around the world.



Sustaining Donors are the biggest donors

- Focus on Sustaining Donors and using ACH as the preferred payment method for recurring donations
- Capital Public Radio - Sacramento
 - Based on interviews during the Consumer Donation Tracking Study we connected
 - Developed a case study based on the success of their program



BUILDING ONE OF THE NATION'S TOP SUSTAINING DONOR PROGRAMS WITH DIRECT WITHDRAWAL VIA ACH

THE FUNDRAISING CHALLENGE FOR PUBLIC RADIO STATIONS

Public radio stations generally focus their fundraising on getting one-time annual contributions from their listeners. Most stations also have sustaining membership programs, but recent analyses reveal that very few of them are effective or successful. For example, a 2014 study by Greater Public found that the average station raises barely \$2 of every \$10 in membership revenue from sustainers, and sustainers make up only about two in every 10 donors to the average station.

Yet 2015 data from donorCemix shows that sustainers' contributions are worth up to four times more than those from traditional donors over the life of their giving. In addition to donating more frequently and at higher amounts than traditional givers, sustainers continue to give for many years.

"Our results really highlight the value of ACH for sustaining memberships. Seventy-six percent of our sustaining donors pay with ACH; they're responsible for more than 44 percent of all individual donation dollars, and they have an 18 percent greater likelihood of continuing to give after the first 12 months than sustainers who use credit/debit cards. Those are pretty remarkable numbers!"



Based in Sacramento, Calif., Capital Public Radio (CapRadio KPXR & KQJZ) airs programming from National Public Radio (NPR) and other public radio producers and distributors, as well as locally produced news and public affairs programs. Over 500,000 listeners tune into classical, jazz, news and public affairs shows each week on one of Capital Public Radio's seven stations serving California's Central Valley and the Sierra Nevada.



Make Giving a Habit:

Messages that Resonate to Encourage Donors to Switch to Recurring Payments via ACH



Most nonprofit organizations have strategies that focus not just on acquiring new donors, but retaining them for years to come. While the occasional donor is always appreciated, the key to fundraising success is the sustaining donor who regularly contributes a set amount to a nonprofit — typically monthly.

Direct Payment via ACH, which is also known as Electronic Funds Transfer or EFT, is the gold standard for sustaining donations. More cost effective for nonprofits than donations made via credit/debit cards, nearly three-quarters (71 percent) of ACH donors authorize automatically executed donations according to a set schedule.



Top Messages to Help Convert Donors to Direct Payment via ACH

Using Direct Payment via ACH means more of
your money goes directly to our cause

Your account information remains
confidential with Direct Withdrawal via ACH

Direct Payment via ACH is one of
the safest payment types.



Top Messages to Help Donors Choose Direct Payment via ACH

For paper check donors, security and ease are extra important.

For card donors, reducing both Environmental footprint and fees are essential.

For frequent donors, speed and ease resonate well.



Top Messages to Help among Demographic Groups

Younger donors – age 21-39 – tend to hone in on messages about simplifying and streamlining the donation process.

Among women, being in control and Organized is essential. Men want to know that their donation is received and put to use quickly.

learn about ELECTRONIC PAYMENTS

this site sponsored by NACHA

NACHA

Search



for CONSUMERS

for ORGANIZATIONS & BUSINESSES

for FINANCIAL INSTITUTIONS

Home / Growing Your Sustaining Donor Program with ACH



Growing Your Sustaining Donor Program with ACH





Free Industry Toolkit

- Best practices, tools, and educational material
 - What messages work best with donors
 - How to ask for, and how to authorize, sustaining donations via ACH
 - NACHA-produced case studies and educational resources
 - Both logoed and white labeled resources are available
- Donor toolkit website
 - <https://achgiving.org>
- Direct Payment video for consumers:
 - <https://www.youtube.com/watch?v=BVX-ll4cihU>

How to get started

Contact

- Contact your payment processor

Ask

- Ask relationship manager how to add ACH as one of your payment options

Create

- Create plan for rolling out your message about a new payment option
- Leverage our toolkit

Promote

- Promote ACH as a preferred method for tithing
- Explain, why, when they can start, and what the members need to do

Continue

- Continue with that message especially for new members

DARE to explore new options



doodle



action



research



educate

- did you have any lightbulb moments?
- what did you document?
- what will you start doing?
- what will you stop doing?
- what will you share with your colleagues?