

Information for Parishes regarding different forms of giving for your parishioners

Canon 35 section 16.1(h) and section 16.2 refer to money received by a Parish or Church. The basic requirement is that any money received on behalf of the Parish is deposited “immediately” into the bank account established by the Parish Council. Administrative Policy 2.2.3 “Envelope Procedures” establishes the minimum internal controls over receipts to help protect the parish and all other parties involved in receiving money on behalf of the parish. This policy was created in 1996 and has not been updated to deal with alternative forms of receipts.

This is a summary of some alternative forms of giving that parishes may choose to offer their parishioners (other than the regular offering plate) **in order of preferred methods**. It is not a comprehensive list as new technologies emerge very quickly.

April 9, 2020 – I’ve received this from a parish.

Glen,

You may want to **drop PayPal from any suggestion** as a way for parishes to accept monetary gifts or other payments. From our experience (major fraud issue), PayPal has too many "holes" in its system. One being, that PayPal will process payments by depositing funds in an account other than that specified by the payee (third party). They also will process cheques via electronic deposit (i.e. photo deposit) into a third party's account without endorsement.

Regarding e-transfers in to a parish, as recommended by the accounting firm we use, it is best practice to set up a dedicated e- mail to receive e-transfers (here at NNN it is payment@NNN.ca). Then set the receipt of e-transfers with the Parish’s bank account to "automatic" that way, no individual can redirect the receipt of the funds into another account.

Pre-Authorized Receipts (PAR)	
A parishioner sets up a one-time or ongoing direct deposit for the parish’s benefit	
Pros	Cons
Procedures are already established and are available on the Diocese’s website	Parish needs to set up the program with the diocesan office
Parishioners and others can sign up for regular monthly withdrawals or one-time payments	Parish needs to track deposits to issue a receipt
	One monthly deposit to the parish
	\$0.50 cost per direct debit
	3.5% transaction fee for credit card processing

CanadaHelps.ca	
The parish sets up an account with CanadaHelps and puts a “Donate Now” button on their website or facebook page or embeds their donation link in an email or newsletter	
Pros	Cons
Relatively simple to set up	Parish needs to set up the program with CanadaHelps.ca
Many instructional resources available online	One weekly deposit to the parish
Parishioners and others can sign up for regular monthly withdrawals or one-time payments	Transaction fees of 3.5 – 4.0%
Receipt issued automatically by CanadaHelps	
An established organization	

Post-Dated Cheques	
A parishioner may offer a series of post-dated cheques. These could be dropped off at the parish office or church using social distancing protocols.	
Pros	Cons
Simple for most parishioners	Parish needs someone to pick-up, record, and deposit
No transaction costs	Cheques must be maintained in a secure environment
Procedures can match current envelope procedures	Parish needs to track deposits to issue a receipt
	Parishioners should not seal envelopes with saliva (use a damp cloth or sponge)

Other forms of on-line or electronic payment systems exist and parishes should check with their bank or credit union to see what might be available.

Set up the parish as a “Biller”	
The parish sets up a deposit system through their bank. Much the way that utility companies allow customers to pay from their own bank.	
Pros	Cons
Easy for parishioners	Complicated to set up
	Costly for the parish
	Need to establish unique name for the parish and a unique “customer number” for each parishioner
	Parish needs to track deposits to issue a receipt
	Requires a corporate bank account

Other common types of e-transfer exist and appear relatively simple to establish and set up. For the Parish it is important that **strong internal controls are established to protect the Parish**, the donor, and any individual involved in the process. Some common requirements would include:

- Parish Council must understand and approve any electronic receipt system.
- Use a dedicated email address to receive e-transfers for example payments@xyzparish.ca and maintain control over who has access to that email address
- Use a parish email address for any communication with the provider. For example treasurer@xyzparish.ca versus sally.struthers@hotmail.com
- Maintain a file of all correspondence with the payment processing company
- Accurately track and record receipts
- Ensure no one individual can unilaterally change the banking information to re-direct deposits

PayPal.com	
The parish sets up a PayPal account to receive payments.	
Pros	Cons
Relatively simple to set up	Both parish and giver must have a PayPal account
	Parish needs to track deposits to issue a receipt
	Internal controls must be developed to protect the parish and the giver

Western Union Transfer	
The parish establishes a Western Union account to receive payments.	
Pros	Cons
Relatively simple to set up	\$5.50 charged to the giver regardless of the size of the transaction
	Parish needs to track deposits to issue a receipt
	Internal controls must be developed to protect the parish and the giver

E-Transfer/E-Mail Money	
Pros	Cons
	Parish needs to track deposits to issue a receipt
	Requires setup at the bank
	Internal controls must be developed to protect the parish and the giver