

Generosity in the Midst of COVID-19

With the new challenges we are navigating with COVID-19, churches are understandably concerned about the financial impact. It is a short-term and a long-term challenge.

Congregations need to be equipped to continue receiving gifts in new ways.

Local churches will likely face much hardship due to decreased giving, during a time when they are not convening in person in a physical church building. Much of giving in local churches traditionally continues to be done on Sunday morning through the offering plate.

Options for giving to the local church during this time include:

1. mailing in donations
2. online giving
3. auto-bill pay or ACH transfers
4. inviting annual giving earlier rather than later in the year.

More information about these options is included below.

On March 27, 2020, ABCUSA Acting General Secretary Dr. C. Jeff Woods put out a call to American Baptists to support churches, pastors and regions, stating,

“Today, I am encouraging all of us to take another action and continue to support our churches, pastors, and regions during this critical time of ministry.

I have spoken to many pastors during this time of chaos and bewilderment and I believe that our ABC pastors are working harder now than prior to the onset of COVID-19. They are working differently, and with even more effort as they check on their congregants through electronic means, meet the emotional needs of families, youth, and the elderly, help staff community resources, research and post best practices related to the pandemic, figure out how to stream worship services and Bible studies, and the list goes on and on.... Ministry has become even more difficult in recent days and we must not ignore the emotional, financial, and physical health of our pastors.”

As church leaders in local communities, you are encouraged to think about new ways to look at generosity in your local context.

During a pandemic, it is also helpful for us to consider the reasons we give. We participate in larger denominational offerings in order to have an effect on the world outside of our local church community. We give to our local church and region in order to provide support for ministry in our regional and physical neighborhoods.

As Christians, we give out of a sense of generosity, thanking God for what God has done for us. Giving in order to advance God’s work in the world is a way of expressing our appreciation for God’s love as well as taking part in being the hands and feet of God. Generosity also provides purpose and meaning to our lives in new and exciting ways.

Considering Ways for Persons to Give During Stay at Home Orders

1. **Mailing in donations:**

In the short-term, your church may wish to encourage attendees to mail in their offerings. The church might send out a special mailing to congregants including a stamped, addressed envelope to simplify the process for recipients.

2. Online giving:

*Please note that when contacting a company to set-up online giving, you will want to have on hand the Employer Identification Number (EIN) for your church as well as the bank routing number and account number for the congregation.

The American Baptist Churches of New York State prepared the information below, which can be helpful to all ABC churches.

On-line giving has existed for many years, yet the sudden onset of disruptive times elevates this opportunity for churches and donors to adapt. While some will remain “mail-in” givers, giving online will expand the ways we can choose to give. It may take a few days to get everything “just right” with the on-line giving company you choose, but it may become a vital part of your tithing now and into the future.

NOTE: Many companies offer their services to be your e-giving provider. Some offer multiple tiers of service plans (with increasing costs per tier). Some offer a set fee per transaction. In other words, read the fine print carefully about per transaction fees and costs for set-up and monthly program costs. It will be up to the church leadership to decide if the monthly fee (if any) or per transaction fee costs is an acceptable “cost of doing business”.

However the donor gives, there will be a fee assessed. For example, you can set up a donation through your bank, via what is called an ACH (aka “automatic clearing house”) or give via a debit or credit card.

Some companies we surveyed offer possibilities:

Tithe.Ly (<https://get.tithe.ly>) offers free set-up to customers. Uniquely, they offer a donor the option to add to their contribution an extra amount to offset the transaction fees, allowing every dollar to be given directly to the church. They list their charges per transaction (trx):

- 2.9% + \$0.30 p/trx,
- ACH/Bank: 1% + \$0.30 p/trx,
- AMEX: 3.5% + \$0.30 p/trx.
- *(Note: Certain transactions (ACH) may take longer for a first time deposit to ensure security (up to 10 days). After the first time use, the depositing will take place at a quicker rate (under 2 days). See the Tithe.ly help documents.)*

Givelify (<https://givelify.com>) offers a plan for “places of worship” as well non-profits. They also have some integration with already existing church apps. Donations are processed the next day. They list their charges per transaction (trx):

- 2.9% + \$0.30 per trx

PayPal (<https://www.paypal.com/us/webapps/mpp/donations>) offers no monthly fee costs for all 501c3 charitable not-for-profits. Again, you can set up a page for donors to give through a website. PayPal is also used by many online retailers and ebay as a payment method.

- 2.2% + \$0.30 p/trx (regardless of donor payment method)

Give Plus, part of Vanco (<https://www.vancopayments.com/egiving>) offers tiered fees to churches based on size. For this explanation, I am citing a church of less than 100, whose monthly tithes would be under \$20,000 per month. Such a church would receive emails noting receipt of an online gift and later an email with confirming receipt. You can designate the categories for how many possible line items for people to choose from (ongoing expenses for the general fund, missions, building fund, etc.) as well as set up specific giving opportunities for special needs or offerings that have a shorter window for giving. GivePlus allows you to set up an option for donors also to cover the fees incurred by the church with each transaction. The Give Plus platform charges these fees for a 100 member or fewer church:

- 1% + \$0.45 p/trx (ACH donation)
- 2.75% + \$0.45 p/trx (debit or credit)
- \$10 per month fee for handling donations under \$20,000/month

Square (<https://squareup.com/help/us/en/article/6397-use-square-as-a-nonprofit-organization>) is another common app used by retailers and not-for-profits alike. Square is used by many small businesses. Note there is a slight upcharge for key-entering a card number versus “swiping” the card.

- 2.6% + no extra for credit cards
- manual entry: 3.5% + \$0.15 p/trx

The above companies are highlighted for illustration purposes and do not constitute an endorsement by ABCNYS. You are responsible for reading “the fine print” and terms listed above were as of mid-March 2020, and therefore subject to change.

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The American Baptist Churches Central Region provided an additional overview of Tithe.ly as a resource for anyone interested in learning more, which can be reviewed at: https://mcusercontent.com/ef60d7092a4df22488c5e5c11/files/b5348d33-9a0b-47ef-8dab-8f58710bc714/3_20_20_Tithe.ly_final_copy.pdf

3. Auto-bill pay/ACH transfer

Individuals can contact their banking institutions in order to either set-up an auto-bill pay, where the bank will send a check for you. Individuals might also consider setting up an automatic giving (ACH Transfer) with their bank. Please contact your personal banking institution to discuss these options and consider what might work best for you at this time.

4. Inviting annual giving earlier rather than later in the year

Churches may wish to contact their membership, acknowledging the difficulty of the time in the midst of the COVID-19 situation. Churches may consider making a request for those who are able to do so to consider making their annual gift earlier in the year rather than later in the year, as they are able.

Additional Opportunities for Assistance for American Baptist Churches and Pastors

Opportunities are available for American Baptist churches and pastors to receive support. We encourage you to consider the options below as you move forward in the coming weeks and months in this new and constantly changing ministry dynamic.

CARES ACT

There are several provisions that apply to clergy and congregations in the comprehensive stimulus package recently passed by the U.S. government.

Recovery Rebates

Most Americans will be receiving a check in the next few weeks from the U.S. Government. Many persons have decided to give all or a portion of their check to their local church or region. Section 2204 of the Bill also allows individuals to deduct up to \$300 of their donation from their taxes even if the taxpayer takes the standard deduction rather than itemizing. This is a perfect opportunity to share with those whose needs are greater than our own.

Paycheck Protection Program

Small businesses and nonprofits can also receive assistance from Phase 3 of the CARES Act through the Paycheck Protection Program. This provision allows nonprofit organizations who retain their employees during the health crisis to receive three months of loaned income from the Small Business Administration. Those who retain 100% of their employees during this economic crisis could have 100% of the loan forgiven. The application process, conducted by local banks and lending institutions, **includes local churches.**

Informational links to this program:

How the Coronavirus Relief Bills Benefit Churches and Other Nonprofits

<https://www.frcblog.com/2020/03/how-coronavirus-relief-bills-benefit-churches-and-other-nonprofits/>

Link to the CARES Act Bill: <https://www.congress.gov/bill/116th-congress/senate-bill/3548/text#toc-id40c30dd4a08343e7b83eefd391b45c4e>

Ministers and Missionaries Benefit Board (MMBB)

For pastors who are experiencing financial hardship as a result of the coronavirus, MMBB is offering emergency assistance according to the following guidelines, “While all members are eligible for assistance, focus would be placed on assisting those in pastoral leadership and those who are most likely to suffer income loss during this crisis. Requests would be made on a one-time basis rather than spread over a period for expedition and ease of administration.” Additionally, “Pastoral leaders who are forced to leave their churches or whose church is forced to close may also be eligible for premium assistance.” Applicable clergy in need of this assistance should contact MMBB directly by calling (800) 986-6222.

Consistent with previous disaster-related relief, the CARES Act also waives the 10-percent early withdrawal penalty for distributions up to \$100,000 from qualified retirement accounts for coronavirus-related purposes made on or after January 1, 2020.

One Great Hour of Sharing

American Baptist Home Mission Societies will be connecting with ABC leaders this week to gather input regarding the potential raising and distribution of funds related to One Great Hour of Sharing. ABHMS oversees the national distribution of these funds for the American Baptist Churches USA denomination.

Finally, for pastors in need, just as many churches have discretionary funds to be able to support members and neighbors in need, many American Baptist regions have special funds dedicated to supporting pastors in need. Contact your region to see if there are options that might be available to you.

Abundant Generosity as American Baptists

“We have always been a bold and compassionate people. This is an opportunity to shine once again as we pray, act, and support our churches, pastors, and regions,” said Dr. C. Jeff Woods, Acting General Secretary of American Baptist Churches USA.

Continue to consider how your local church can reach out and affect your community in new ways, either through virtual opportunities, volunteering, offering space and finding ways to provide support to the least of these.