

White Paper

ELECTRONIC GIVING STABILIZES PARISH FINANCES IN BOSTON PARISH

Has your parish considered using an electronic giving program?

For parishes seeking a more stable offertory program, a well-constructed pledge campaign with convenient electronic giving options and traditional envelopes will appeal to all demographics of your membership. The success of such a campaign relies heavily on making your members feel good about how their contributions will be used—and recognizing them openly and with gratitude for those contributions.

Parish Desperate to Increase Contributions

St. Ignatius of Loyola, in Chestnut Hill, Massachusetts, set up an electronic giving program in the aftermath of the much-publicized Archdiocese of Boston sex scandal. Collections across the Archdiocese had declined approximately 20%, and St. Ignatius needed to know just how much income they could count on for the following year.

St. Ignatius is staffed by Jesuits and located adjacent to Boston College. Their parishioners come from over 125 zip codes, and some from as far away as New Hampshire and Rhode Island.

A “Best Practices” Story

Using a quote from St. Ignatius himself, they set up the "Pledge for the Greater Glory" program in 2002 to describe their philosophy of regular ongoing giving, also known as the Annual Parish Support Program. The pastor of St. Ignatius reminds his parishioners that participation in this program is one of the most important ways they can demonstrate their love for the parish and its mission. 500 families responded to his message, and approximately 330 of these families pledged through their new electronic giving program.

The pledge program has stabilized the revenue at St. Ignatius, and the finance committee can now plan for the future with greater

Many young people today are motivated by electronic giving and find it more convenient for their active lifestyle.

certainty. Last winter, for example, three sizable snowstorms made it nearly impossible to get to Sunday Mass. The electronic contributions, however, were unaffected by the weather. Those parishioners who give electronically "are delighted to not have to stop and think where their envelope, checkbook, or cash is on Sunday morning," explains Richard Moynihan, Business Manager at St. Ignatius. Moynihan stated, "We live in an increasing electronic age and for many of our parishioners, electronic giving reflects their regular way of doing business."

The following table profiles the Annual Parish Support Program at St. Ignatius:

Type of Giving	% of Parishioners	Estimated Average % of Monthly Collections
ELECTRONIC GIVING	52%	
Credit Card Withdrawals	35%	55%
Checking/Savings Withdrawals	17%	30%
TRADITIONAL	48%	
Envelope Users	25%	15%
Other (one-time donations or checks, etc.)	23%	

Parishes acknowledge electronic givers at every Mass to reduce pew discomfort.

Making the Transition to ACH

Many parishes find that it is difficult for parishioners to transition from an "envelope culture" to electronic giving. "At first some parishioners expressed concern when the basket was passed," explained Mary Blackburn, Database Manager for St. Ignatius. So members of the Finance Council addressed this issue by including an announcement read at every Mass, stating: "We gratefully acknowledge those who make their donations through automatic deductions and credit cards. The baskets are now passed for those who support the parish through weekly contributions." This awareness has significantly reduced the pew discomfort. The most reluctant group to convince is the older parishioners who are not comfortable in an electronic environment and still prefer to use a weekly envelope.

Electronic Giving Saves Time

Blackburn found that electronic giving saves more time than using envelopes, because the transactions for electronic donations are processed and recorded automatically. And contributing electronically not only provides a cost and administrative savings for the church, it also gives the parishioner the extra bonus of earning travel miles and other rewards offered through electronic withdrawal.

Choosing a Product for Electronic Giving

At St. Ignatius, Blackburn and Moynihan initially used a different product for electronic giving before they switched to the ACH Electronic Giving Module by ParishSOFT. Because ACH Electronic Giving is completely integrated with ParishSOFT's Offering & Pledges Module, it is much easier for them to manage an individual electronic account for each parishioner, including a payment schedule and withdrawal date. The system is flexible because processing dates can be changed when needed, and best of all, parishioner contribution records are updated automatically with each ACH transaction.

It saves time to integrate electronic giving with regular collections or tuition software.

How Hard Is It?

The process is not complicated. After choosing a processing date, they submit the collection request data to ParishSOFT electronically, and a few days later, they receive a list of transactions, which includes exceptions and reason codes along with any warnings of credit card expiration dates, thereby eliminating bounced

When choosing an ACH program for your parish, pick one that provides warnings of credit card expiration dates — to eliminate bounced withdrawals and ensure continuity in your parish income.

withdrawals. This feature alone is a "huge help" in granting a consistent giving level, says Blackburn. Built-in tracking of expiration dates allow staff to contact the giver and update account information to maintain the continuity of payment deductions.

Great Contribution- and Pledge-Management Software Adds Many Advantages

Moynihan pointed out that the Offering & Pledges Module by ParishSOFT has a lot of useful reporting features that would help any parish gain a better financial profile for planning purposes. The End-of-Year (EOY) statement is important for each parishioner's tax purposes. Reports generated by the ParishSOFT module give St. Ignatius the ability to constantly monitor parish contributions and help the pastor target parishioners for a potential capital campaign, in addition to providing individual family contribution reports upon request. Either way, this parish keeps the words of St. Ignatius foremost in their hearts, "*All the things of this world are gifts of God, presented to us so that we can know God more easily and make a return of love more readily.*"

About ParishSOFT

Founded in 1998, ParishSOFT offers a complete suite of church management software and web services that streamline operations, increase stewardship, foster collaboration, and improve communications. ParishSOFT currently serves the technology needs of 4,500 churches and 32 Catholic arch/dioceses across the United States.

For more information or a product demonstration, please visit www.parishsoft.com.

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