

The Path of the Loonie

When we place our donations to St Paul's on the collection plate each Sunday, or initiate our donation electronically, we take it on faith that our offerings will be well and securely managed. However, adding knowledge to that faith in how your donations are handled seems like a good way to achieve transparency and trust about the process as well.



This article combines two talks I gave in December about how we handle donations, both physical (delivered in-person via the collection plate) and electronic. The Loonie is, of course, representative of all the types of donations that we currently receive, i.e. cash, cheques, and electronic.

In-Person (Physical) Donations

The Loonie's journey to the bank begins when, out of your generosity in giving, you place your donation on the collection plate as it is passed by our Sidespeople during the offertory. Loonies may be placed directly on the plate. Or, if you would like a tax receipt, you may place your loonie in a donor envelope located in the pew. For those who make regular donations (weekly, monthly, or quarterly), you may choose to use our pre-printed envelopes, which eliminates the need to provide your contact information with each donation.

The Sidespeople then bring the Loonies to the altar to be blessed by Fr Stephen. They remain there until the conclusion of the service, as a reminder that what we have given is to the glory of God and to His church. After each service, the Sidespeople or Duty Warden lock the Loonies in the church office. Following the 11am service, the Loonies from all three services are placed in the church safe by the Duty Warden.

A day or so later, a team of two Counters retrieves the Loonies from the safe, and counts them ready for deposit to the bank. Any mailed or dropped-off donations received by the church office are also included at this time. Counting your Loonies involves more than just a physical count. Each Loonie is identified as cash or cheque and assigned a distribution category, based on your directions. For example, Loonies can be directed to the General Fund, Flowers, Special Offerings, Memorials, Outreach (such as Hollyer House), or Loose (when there is no contact information or envelope # provided). Once counted and recorded on a spreadsheet, a summary sheet is placed with the Loonies into the church safe, awaiting pick-up by the Treasurer. The empty donation envelopes and spreadsheet are retained for the use of the Envelope Secretary (that would be me).

As your Envelope Secretary, I retrieve the count summary, spreadsheet, and the empty envelopes and record the relevant details in our "Donations" database, which tracks donation dates, amounts, and distribution categories. The data is summarized week by week over the donation year, and used to generate charitable tax receipts at year end.

Finally, our Treasurer retrieves the Loonies from the safe, combines them with revenues from other sources, such as rents and fundraising, and deposits them in the bank. Total elapsed time

for our Loonie's eventful journey from you to the bank is usually less than 7 days but may, on occasion, be up to 10 days.

Electronic Donations

Over the last decade or so, the use of electronic commerce has mushroomed into prominence as on-line technology has matured and expanded, never more so than during the pandemic. This has been the story at St Paul's as well. But the migration is not absolute, in that parishioners still continue to effectively use a mix of physical and electronic donation methods in order to meet special occasion giving, such as our Hollyer House Project or our current Christmas Appeal.

Giving electronically has caused some parishioners discomfort about what to do when the collection plate is passed each Sunday. Some feel guilty about passing an empty plate. Some feel a sense of loss at not being able to express their offerings to God by putting something on the plate to be blessed. If this concerns you, one solution is to place a small wooden token on the collection plate. These tokens are available in the basket located in the narthex as you enter the church.

Perhaps best known at St Paul's is our PAW (Pre-Authorized Withdrawal) Program. PAW is currently being used by 116 parishioners and represented over 60% of total general givings in 2023. Each PAW donor has pre-authorized the Envelope Secretary to withdraw funds monthly from their debit account and transfer them to the church's bank account. A few days before the scheduled withdrawal date, the Envelope Secretary submits the current month's withdrawal data to the bank. On the scheduled withdrawal date, the bank completes the transaction.

As Envelope Secretary, I record each monthly withdrawal in the "Donations" database and advise the Treasurer of the gross monthly deposit amount. The Treasurer reconciles the transaction with the church's monthly bank statements and donors receive notification via their personal bank statements.

The bank charges St Paul's a flat-rate monthly fee of \$58 to accommodate the PAW process. There may be a bank service charge to you, depending on your personal bank service plan. I manage PAW using the bank's web-based on-line banking tools. Our current service provider is TD Bank. You can make changes to your PAW amount, if and when required, simply by submitting a revision request to the Envelope Secretary.

Some donors prefer to use e-transfers. Using this method, donors, at their own convenience, initiate a request to their bank to transfer funds from their debit account to the Treasurer's email address, <<treasurer@stpaulshk.org>>, including any relevant data, such as contact information for first time donors, and distribution instructions regarding where they want their donations used. St. Paul's is set up for auto-deposit of e-transfers, which immediately accepts the donation into the church's bank account without the need for user names and passwords. Very simple. Very convenient.

When St. Paul's receives an e-transfer, the Treasurer notifies the Envelope Secretary so that the "Donations" database can be updated. The church incurs no banking fee for e-transfer deposits, but you, the donor, may be charged a nominal fee for each transaction, depending on your personal bank service plan.

Other electronic donations are made via online donation platforms, such as **Canada Helps** and **PayPal Giving Fund**. These platforms provide all the mechanics (including the use of both debit and credit cards) for transferring funds directly to our Treasurer, including your directions regarding the intended use of your donation. It's important to note that both of these platforms issue their own charitable tax receipts directly to you. The Treasurer records the transaction as a revenue for the church, but does not inform the Envelope Secretary since there is no tax receipt obligation for St Paul's.

Note that transaction fees are possible when using these platforms. In the case of **Canada Helps** <<<https://www.canadahelps.org/en/sign-in/>>>, a voluntary fee (which is eligible for charitable tax deduction) is requested from the donor for each transaction. In addition, a mandatory fee is automatically charged to the church ranging from 3.5% to 5% of the transaction amount. The amount of your donation to the church is then reduced by the fee charged.

The **PayPal Giving Fund** platform offers essentially the same service as Canada Helps but in the case of charitable institutions like churches, they waive these fees. Given this, from the church's viewpoint, the PayPal Giving Fund platform is preferred over Canada Helps. You will note in our church bulletin, and on our pew-located donation envelopes that a QR code is provided, which directs you to our Church's page on the **PayPal Giving Fund** platform. If searching PayPal directly, search for "Saint Paul's Anglican Church."



Travel tips for the Loonie's journey – both Physical & Electronic

Let's talk for a moment about confidentiality. While it is possible that your weekly donations may be seen as they are counted, or our Treasurer will of necessity view your electronic donations, be assured that no one but me, the Envelope Secretary, knows how much you have given in total over the course of each year. Even so, the volunteer positions of Treasurer, Envelope Secretary, and Counters are all vetted and pre-approved by Corporation to ensure your donation privacy is maintained.

A word about charitable tax receipts. For both physical and electronic donations, the Canada Revenue Agency (CRA) will only accept your tax receipts with complete contact information, specifically the donor's full name and address. First time, or one-time donors must legibly print their contact information either on a guest envelope, or in the message space on an electronic platform in order to receive a tax receipt. Also please note that to meet CRA regulations related to charitable donations, St Paul's retains your confidential donation records for audit purposes for a full 7 years before destroying them.

I'd like to note and thank the members of the volunteer team that are involved in safely managing the path of your Loonies from home to bank. First, our donors: **THANK YOU** for your offerings. For physical donations, our Sidespeople, Fr. Stephen, the Duty Wardens, the Counters, the Envelope Secretary, and the Treasurer all play important roles. Electronically, the Envelope Secretary and the Treasurer are involved, as are the banking platforms that you utilize.

Our Loonie's journey, regardless of the path taken, is now complete; it is securely and safely deposited in our church bank account. Regardless of your method of donating, physical or electronic, please know that your contributions are always most gratefully received for the work and mission of this Parish.

Please also note that, as Envelope Secretary, I am here to help make your Loonie's **travel arrangements** at any time.



You can find further information regarding donating to St Paul's on our website, or by contacting me directly.

Francis Christensen

Envelope Secretary

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<https://stpaulshk.org/give/>