To Cash App or Not to Cash App? That is the Question

Our audit team is often asked our thoughts on using various types of payment processing apps to receive tithes and offerings from donors. The reasons for consideration usually are the convenience of younger donors and the expected increase in offerings.

This seems to be a simple question and I have a simple answer: “Yes, it is possible to use various apps (Cash App, PayPal, Zelle, Stripe) for donations, but we don't recommend it.”

The “Why not?” takes a bit longer. And since each church board has the final say in decisions like this, I have put together a more detailed version of the often hidden costs and challenges involved in order to help board members make a more informed decision.

1) Accepting donations through other platforms greatly multiplies and complicates the work of the treasurer. Literally. Multiplies. I have seen situations where entering donations and reconciling takes many hours longer than it would have if the church was only using Adventist Giving. Most of our treasurers are volunteers, and unless your treasurer is keeping track of their hours, you will not know what you are asking them to do in exchange for the benefits of using these apps. I am very mindful of our treasurer’s time, and will always advise against anything that makes their work harder or more complicated unless there are legal or policy reasons to do so.

2) Complicating the treasury job will make it more difficult to find a new treasurer when the need arises. Finding, training and retaining a competent treasurer can be a challenge. In fact, I have yet to see a church that has a waiting list of potential treasurers. And the more complex the job, the harder it is to find someone to fill it. Multiple income streams mean more monthly online activity, more passwords, more manual data entry, more deposit entries at bank rec time, more details to keep track of, and more support time to fix it when errors occur (and they will). Even if the current treasurer is capable and agreeable, it may mean that finding a competent and available future treasurer may be virtually impossible. If your church ends up having to hire a treasurer to fill the position or pay them for the hours they spend, the extra app income might not even outweigh the cost.

3) Each new donor platform gives another outside entity access to your bank account, which increases the potential for security issues. Data breaches are increasing in frequency. And since banks and credit card companies are, for the most part, good at identifying fraudulent charges and limiting the damage, it is not so much about risk of losing money to fraud as it is about the extra time and inconvenience when it happens. As more and more churches use debit and credit cards, the number of GCC churches having to transition to new bank accounts because of fraudulent activity is increasing, and changing bank accounts midstream is not an easy task.

4) Data entry complications. What if your church receives a donation from “$greenfrog15” with no detail of tithe or particular offering? With some apps, it can be difficult to sort out who the donor is and where they want their donation to go. So your treasurer has to take time to track down “$greenfrog15” in order to properly enter the donation. Also, app donations must be entered into Jewel manually, which is tedious, and adds to the treasurer’s monthly load (Adventist Giving is imported directly, requiring no data entry of individual donors and donations).

5) Bank reconciliations can be daunting under the best of circumstances. With the extra deposits created on the statement by these apps, your treasurer can end up investing more hours than would normally be needed. And if mistakes are made, it can be many more.

6) Support problems. If you have problems with a donation app, will there be someone you can contact for assistance? From our experience, it may take a while. Which can delay entering offerings and closing the month, to say nothing of the time on hold or spent creating emails. Some apps, like Cash App, offer very little or almost no support if problems arise.

7) Fees. Some apps may be free to non-profits, but most charge a fee of anywhere from 2-4% to process a donation. Unless the donor voluntarily pays this, it is probably going to be passed on to your church. All Adventist Giving fees are covered by the Georgia-Cumberland Conference, the Southern Union and the North American Division so the local church receives the service totally for free!

8) Counting the cost of access. I have heard it said by some that it is important to give donors access to giving in whatever way is easiest for them, and using various donation platforms accomplishes this.

Let me ask a question that may give some perspective on this. If the board decided that 24/7 access to your church building was all-important, and every time someone wanted to enter your building to pray they called the pastor, who had to drop everything or get out of bed and go unlock it for them, day or night, multiple times each week, how long would the cost of access seem all-important?

Your board will have to decide if easy access to various payment processing apps for donations is worth the cost to the treasurer. Once that door has been opened, it is rarely ever closed. And as more and more donors begin to use a certain app, then another donor asks to use a different app, and the board says “Why not, this seems to be working fine.” And before you know it, the treasurer is doubling or tripling their hours.

Our audit team has worked to support our treasurers during the ever-increasing technology demands of the last few years, many of which have been unavoidable, while also working to protect them from complications that are not absolutely necessary. We will always advocate for the treasurers, and in doing so, we are also advocating for your church’s future as well.

For more tutorials on GCC-DENOMINATIONAL POLICIES-GUIDELINES, see section 6000 on the gccsda.org auditor webpage.