



## Gifts by E-Transfer – Best Practices

E-Transfers are one of the methods that congregations are using to accept donations during this time. Originally intended for individual to individual transfers, many community associations, organizations, charities and congregations are using this giving method, with appropriate processes in place to protect both the donor and the recipient.

**Note:** While many banks are allowing congregations to accept e-Transfers, there are some banks that won't. Check with your bank to see if it's possible.

Because this type of giving is new, the Session should consider and approve it before e-Transfers are received. The process could be facilitated by appropriate people in the congregation who will work to ensure processes protect both donors and the congregation. It is a good idea to talk with both your bank and your auditors as these processes are established.

### **Keep the following in mind as you set up your e-Transfer processes:**

- Ensure there is an electronic trail of the transfer of funds and email records for both the donor and the congregation.
- Determine who is responsible for managing the e-Transfers. When the e-Transfer email is received, it can be forwarded to two people—perhaps the treasurer for deposit and the envelope steward to record the gift for receipt. Having two people involved meets the best practices to safeguard the assets of the church and the reputation of those involved.
- Use an official church email address to receive the gift rather than a personal email address. You might want to use or create a specific email address for gifts so that only the people who are responsible for receiving the gifts have access to it. Keep copies of the emails informing of the transfer in your financial files with other donation records.
- Set up your account so that the e-Transfers are **automatically deposited**. This bypasses the insecure Question & Answer password step and prevents someone from mistakenly depositing the funds into their personal bank account. When the donor is making the transfer, they will be informed that the e-Transfer money will be directly deposited, and they must approve this.
- Be sure to get the full name and address of the donor so that you can issue the charitable tax receipt. Remember that receipts must go to the person who sent the funds—so donors must send the funds from their own bank account.