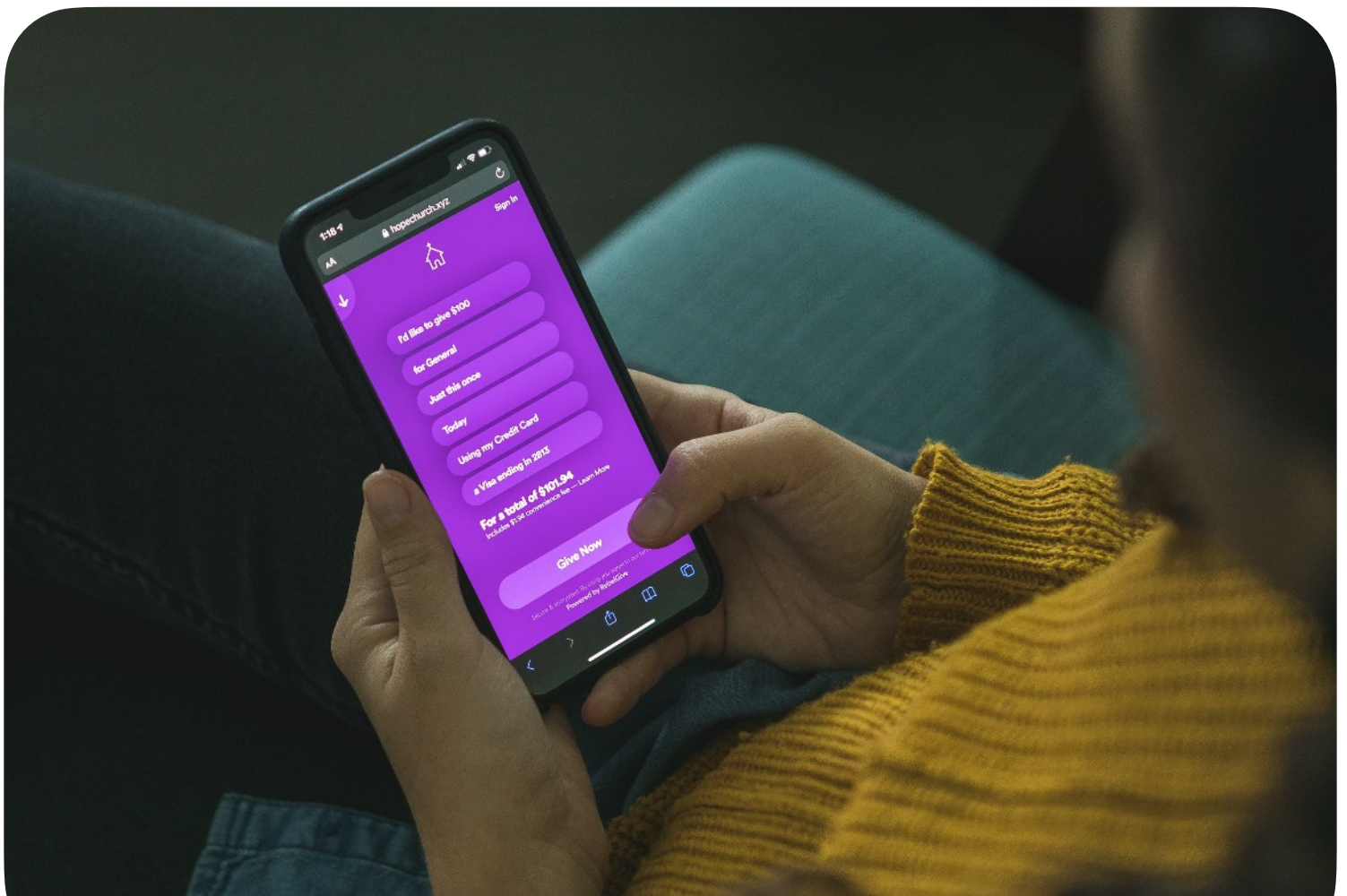


# Giving Fees Cheat Sheet [2022]

A transparent and thorough explanation of how church giving providers price their platforms.

**Written by Brady Shearer**  
Creator of Nucleus



# The most consequential part of choosing a church giving provider?

## The giving fees.

This is because the pricing structures of church giving providers are **unique & complex** – and unlike any other tool your church is likely using.

As a result, churches frequently misunderstand the true costs of giving software - setting ministries back thousands of dollars every year. Needlessly.

What follows is a transparent and thorough explanation of how these costs are calculated. Because we believe transparency is important (despite being unusual in our industry).

*Let's dive in.*

## MY DISCLAIMER:

I'm aware a document like this can come off as self-serving. We, **Nucleus**, have our own giving solution for churches — [Nucleus Giving](#).

## So here are three important considerations:

- To talk about this subject in-depth, it's important to have up-close, first-hand experience of the industry - which demands some kind of involvement yourself
- Describing a problem like this without working toward a solution yourself can come off as empty criticism - kind of like a backseat driver
- The data shared within this document was originally a working theory without proof - but now that our platform has processed hundreds of millions of dollars in donations to churches, we have the real-world data to compare to the current industry standard

## Bottom line:

This subject is always tricky to talk about. So whoever you're currently using or will be using in the future as your church giving provider, my objective is to offer you the knowledge that's mostly missing when most churches make these decisions.

Because the reality is that hundreds of millions of dollars in donations to churches are being needlessly lost every year to fees. It's preventable.

So I know these conversations are never perfect. But they are necessary.

And irrespective of the giving platform you use - this information is equally important for all of us.

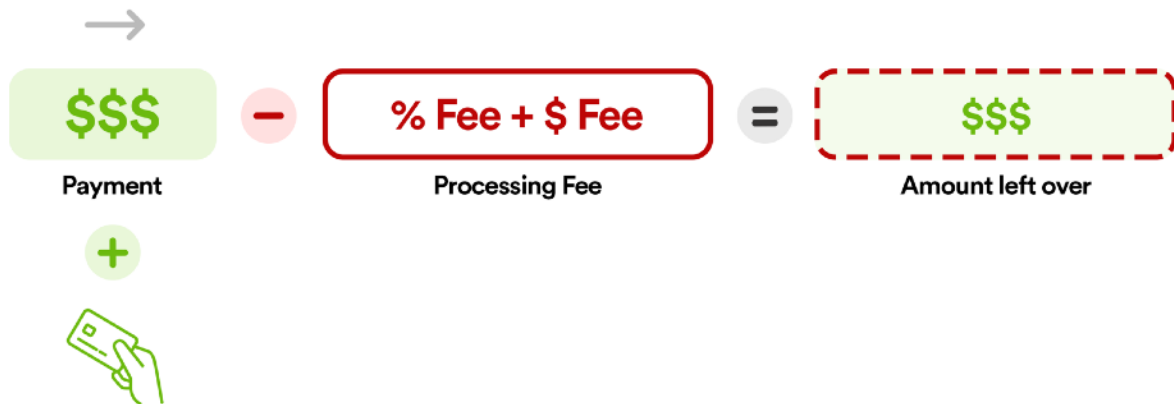


**Brady Shearer**  
Creator of Nucleus

# The first thing to understand is that every digital transaction has a fee attached to it.

Meaning, any time you pay for groceries, fill up your car with gas, or donate to your church with a credit or debit card — **there's a fee that must be paid.**

Here's how digital transactions work:



For businesses, there's a fairly straightforward solution to this challenge:

Account for how many people use cards to pay for what you sell and build that fee into the price of the products themselves.

Of course, this complicates things for churches. Because we can't simply raise the price of donations. It doesn't work that way.

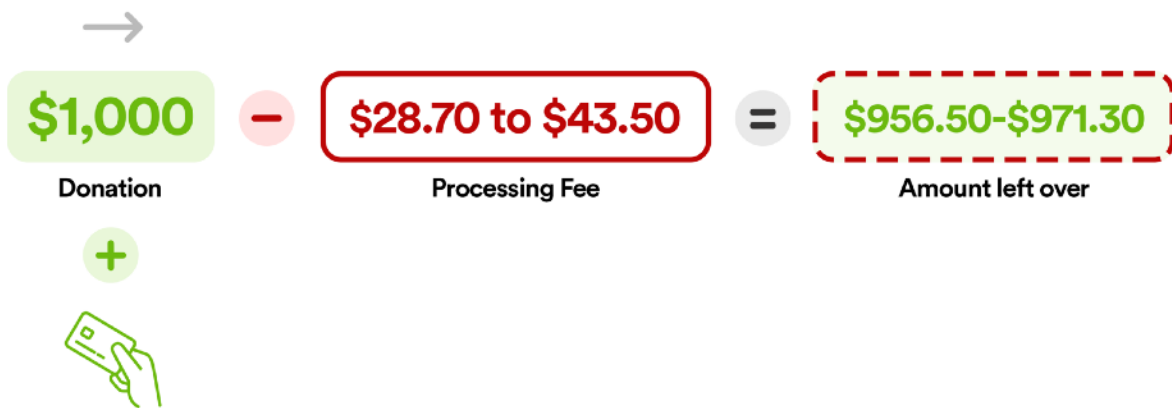
So what can be done?

# First, let's outline just how much processing fees actually cost.

According to Square, an American financial services and digital payments company, when it's all said and done, the average cost of processing payments is **between 2.87% and 4.35% per transaction.**<sup>1</sup>

Meaning, **the average church can expect to lose between 2.87% and 4.35% of every digital gift they receive to processing fees.**

Here's an example of online giving:



Obviously, this is substantial. But where does this money actually go?

The fee is paid to credit card companies (VISA, Mastercard, American Express, etc.). And these fees afford us the convenience of using cards to pay for things while ensuring every transaction is compliant, safe, and secure.

## BUT HERE'S THE THING...

Every credit card company charges a different rate.

American Express' fees are different from VISA's which are different from Mastercard's and so on.

**It gets complicated fast.**

### So this is why church giving providers exist:

1. Church giving providers blend various digital transaction fees together to offer churches a more predictable rate
2. Because church giving providers work with many churches, they can generally negotiate a more competitive rate with credit card companies than an individual church can based on the volume of donations they're processing
3. Giving apps also provide churches with the necessary tools to manage their giving (dashboards, donation portals, reporting tools, fund & gift management, accounting, people records, etc.)

# And what about the cost?

Let's take a look at a few of the major church giving providers:

Provider	Credit Card Processing Rate
Tithely	2.9% + \$0.30 (3.5% + \$0.30 Amex)
Pushpay	Undisclosed
Kindrid (+ Ministry Brands)	2.6% - 3.0% + \$0.30 - \$0.35
Subsplash	2.3% - 2.9% + \$0.30
Givelify	2.9% + \$0.30 (3.5% + \$0.30 Amex)
<b>Nucleus Giving</b>	<b>1.9%</b>

Essentially, the **Nucleus Giving** rate is ~1 full percentage point lower on average compared to other major giving providers – **accounting for a ~33% overall reduction in fees.**

Which begs the question – what's the reason for this difference? We're all working with the same credit card companies. The same payment processors. So what's happening?

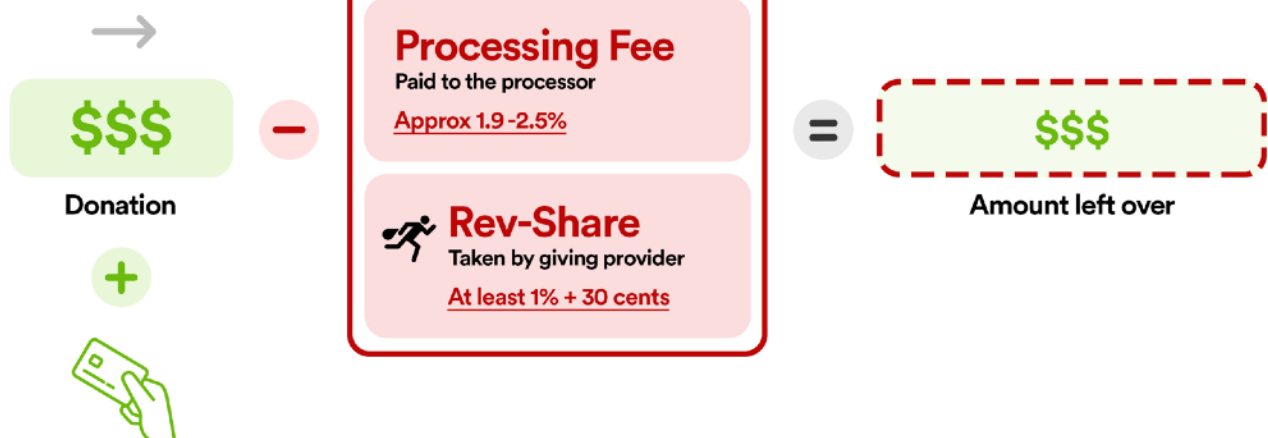
Here's what happening...

# The term every church leader needs to familiarize themselves with is rev-share.

## Now, what is rev-share and how does it work?

Essentially, after a church giving provider has negotiated its rates with credit card companies and payment processors, **the provider will then artificially inflate these fees to keep a bit of every single tithe and offering for themselves.** This is called rev-share.

Here's how rev-share works:





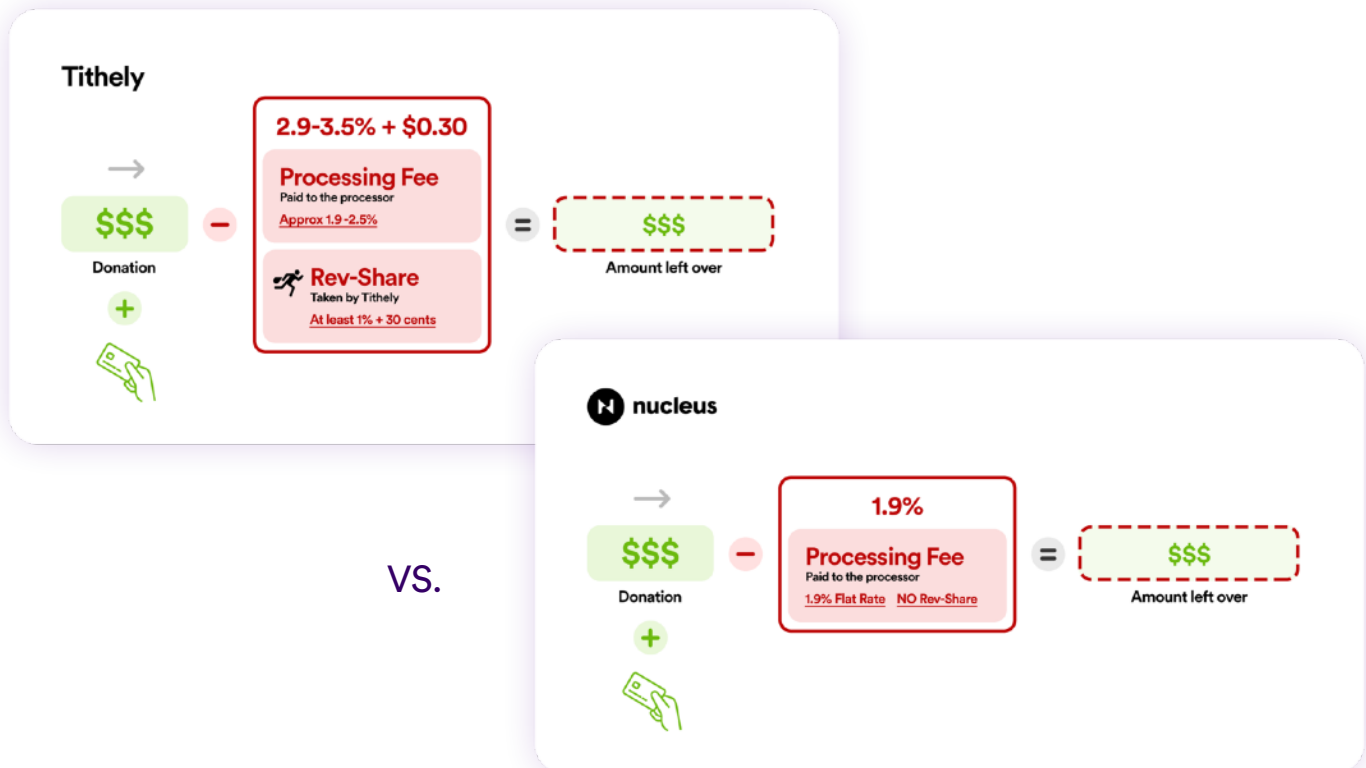
Now, you might be wondering — how much exactly is rev-share?  
What’s the percentage?

That information isn’t public. And it’s different for every provider. But here’s a simple way to estimate it:

At [Nucleus Giving](#), the blended rate we receive from the credit card companies is **1.9% flat**. And so the disparity you see between the Nucleus Giving rate of 1.9% and the rates that other church giving companies charge is an easy way to estimate how much they’re inflating their fees to keep for themselves.

So with Tithely, their rate is **2.9% + \$0.30** (and for AMEX it’s even more, but let’s set that aside right now for the sake of simplicity).

Subtract that rate from Nucleus Giving’s rate of 1.9% and **the difference is 1% + \$0.30**. Again, this math isn’t exact – but it does provide an accurate range.



## There's more though...

When a platform like Pushpay is owned by a public company, they're obligated to publish reports on how much they earn from churches and *\*how\** they earn it. This gives us insight into just how profitable rev-share is for church giving providers.

From their annual report (which is publicly available), of the more than 11,000 churches that use their platform, **the average church is paying Pushpay \$1,475 USD each month; close to \$20,000 per year.**



**ARPC**

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US\$1,475 per month, up from US\$1,317 per month, an increase of 12%

Moreover, if you look at the breakdown of how much Pushpay earns from their subscription costs vs. their rev-share processing costs – that's where you can truly see the disparity:

About **28%** of Pushpay's revenue comes from monthly subscription costs while **72%** comes from rev-share. Meaning, the extra 1% or so they add to inflate the processing fee translates to about three-quarters of their overall revenue.

	2021 US\$000
Year ended 31 March	
Subscription revenue	49,299
Processing revenue	128,921
Other operating revenue	832
<b>Total operating revenue</b>	<b>179,052</b>

### To be clear:

We're using **Pushpay** as the example here because they release publicly available data. Platforms like **Tithely**, **Subsplash**, and **Ministry Brands** are private companies — so they're not obligated to release that kind of information.

But knowing their cost structures are similar, and more importantly, that their profit models are all powered by rev-share - it's reasonable to assume that they're earning similar amounts.

This is why platforms like **Tithely**, **Subsplash**, or **Givelify** can publicly advertise their subscription costs as **\$0 per month**. Because monthly subscription costs are inconsequential compared to rev-share.

Now, it should go without saying that from a business perspective, this is a great pricing model. It's quite lucrative.

Oddly though, this kind of pricing doesn't really exist elsewhere. It's unique to the church giving space.

For example, imagine if your website provider asked the same thing - to sign away a percentage of your tithes and offerings? Or your worship presentation software? Or the software you use to plan your services and schedule your volunteers?

The church giving industry is the only place it exists. But it doesn't need to.

**We think it's time for a new standard.**

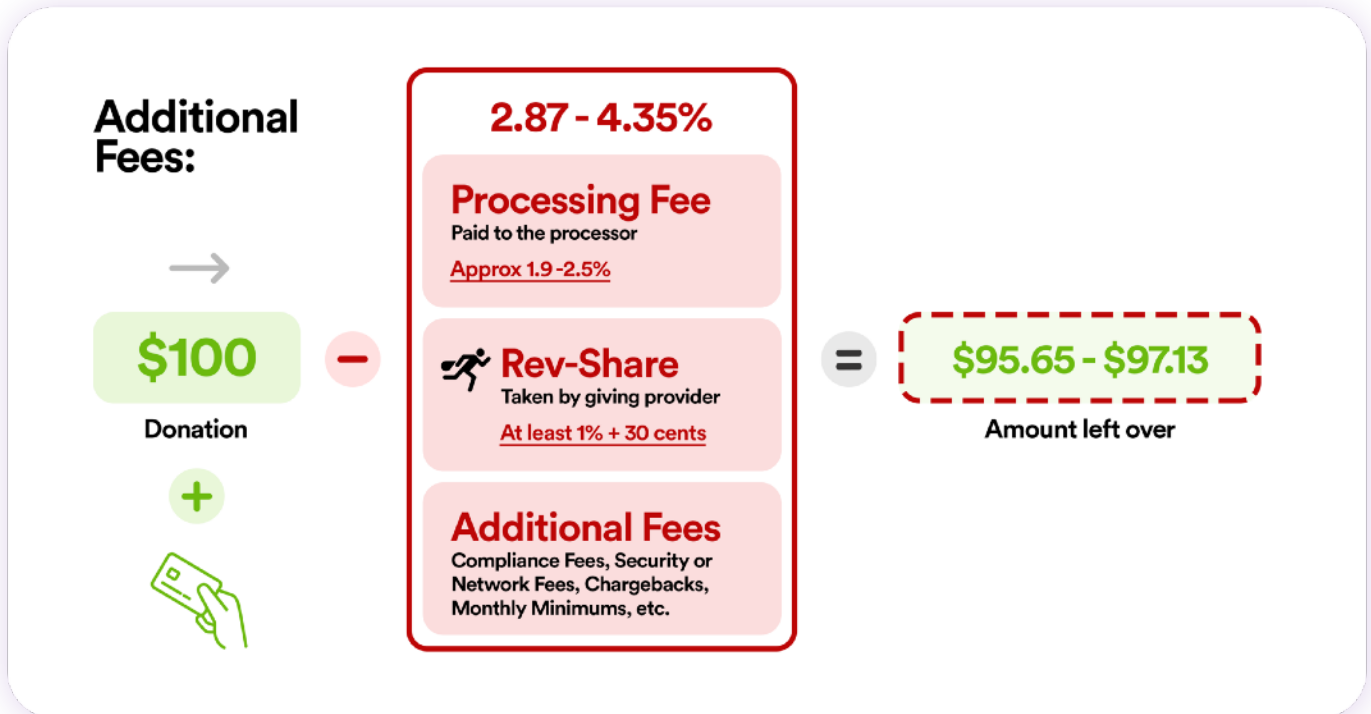
# Believe it or not — there are more fees to discuss...

Because there are other costs typically associated with digital transactions including compliance or security fees, chargebacks, annual fees, etc.

## How much are these additional fees?

According to Square, **additional fees will push your quoted rate anywhere from 28% to 60% higher than what you see publicly advertised.** <sup>2</sup>

And the reason these kinds of fees aren't advertised is that they're specific to your account and the behavior of your church's donors.



Now let's discuss the pricing model of Nucleus Giving, because we are unique...



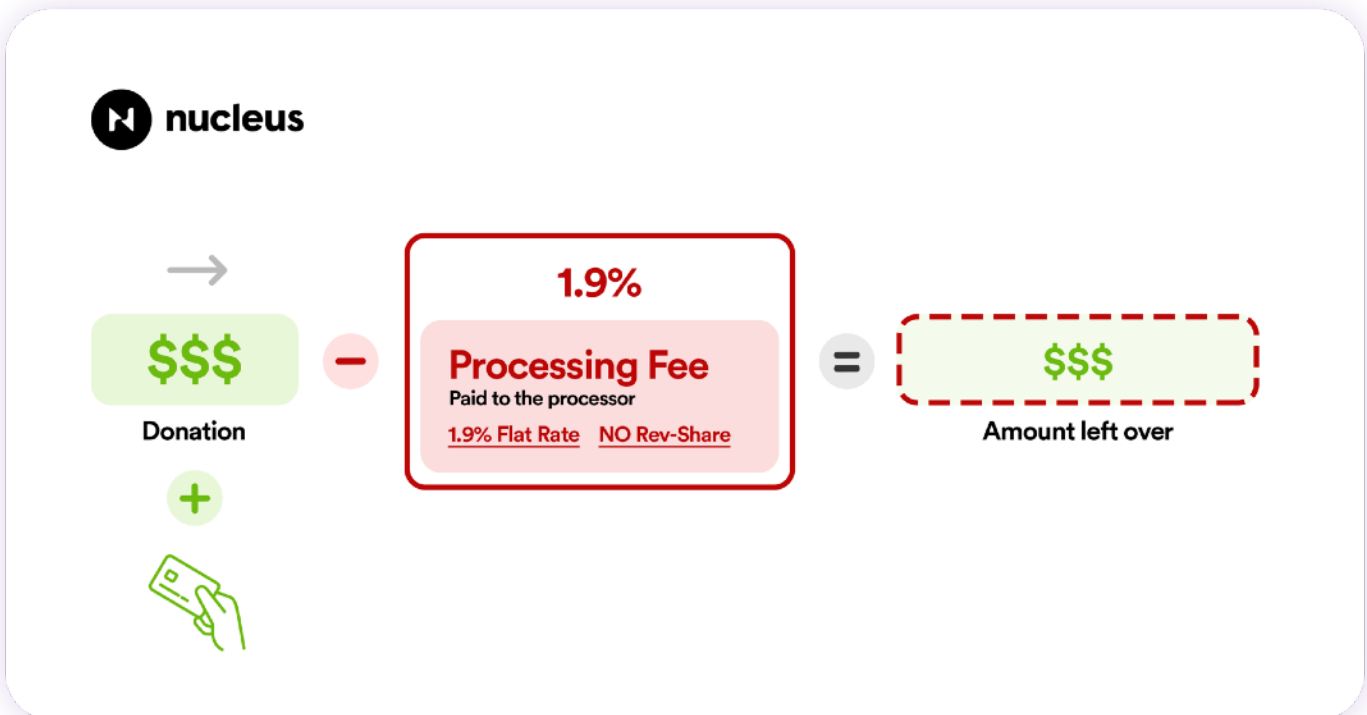
First, the flat rate for any donation made through Nucleus Giving with a credit card is just 1.9%.

This rate is the lowest in the industry. How? Simply because we're not inflating it to keep any for ourselves. Anyone could do this.

The best part?

By eliminating rev-share, Nucleus Giving has helped churches reclaim millions of dollars in donations. Even better? This hasn't compromised our platform's growth nor our ability to sustain a profitable business.

And we don't stop there. Because with Nucleus Giving, we also cover any additional cost or fee typically associated with digital transactions. So there are no surprises.

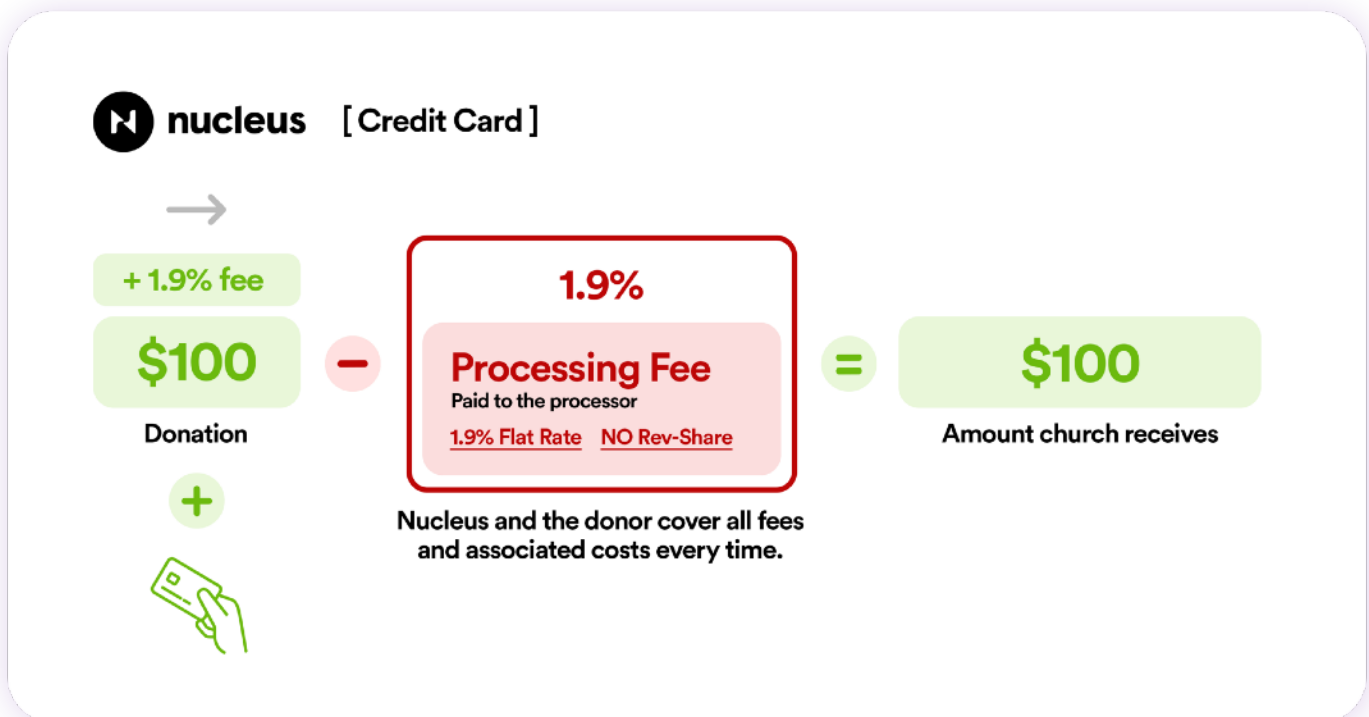


Finally, we take it even one step further.

When a donor gives to your church and the 1.9% processing fee is due, we calculate this fee and add it on top of each donation made automatically.

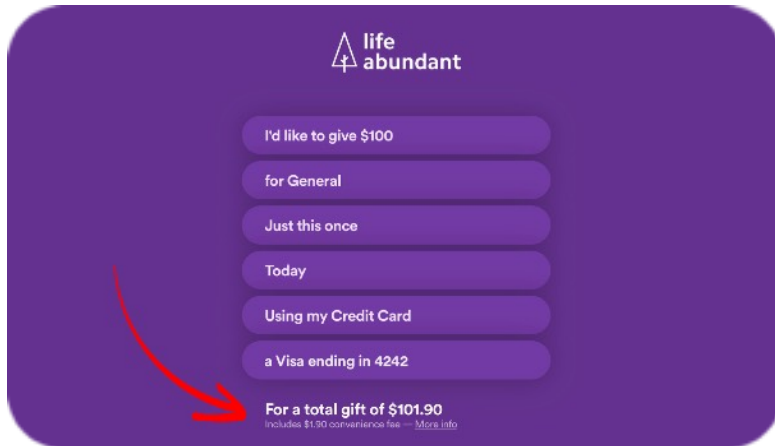
For example, if a donor submitted a gift of \$100 to your church with a card, that gift would cost the donor \$101.90. They cover the 1.9% processing fee.

And we do this to ensure that you, the church, never lose any of your donations to fees. Ever.

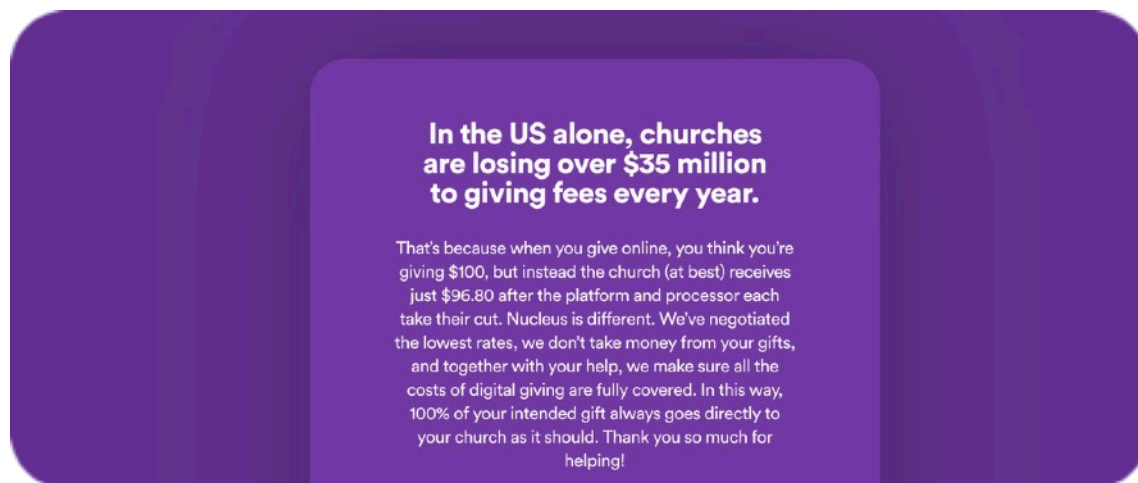


## Here's what that actually looks like to a giver when they're donating through Nucleus Giving:

When you arrive at the final stage of the GivingFlow<sup>SM</sup> the total cost comes up at the bottom for the giver and it shows the convenience fee added with a link for *More Info*.



When that gets clicked, a new overlay appears explaining how much money churches lose to fees every year, and explains that with Nucleus Giving, we make sure every cost is covered for the church so they don't lose any of the intended donations.



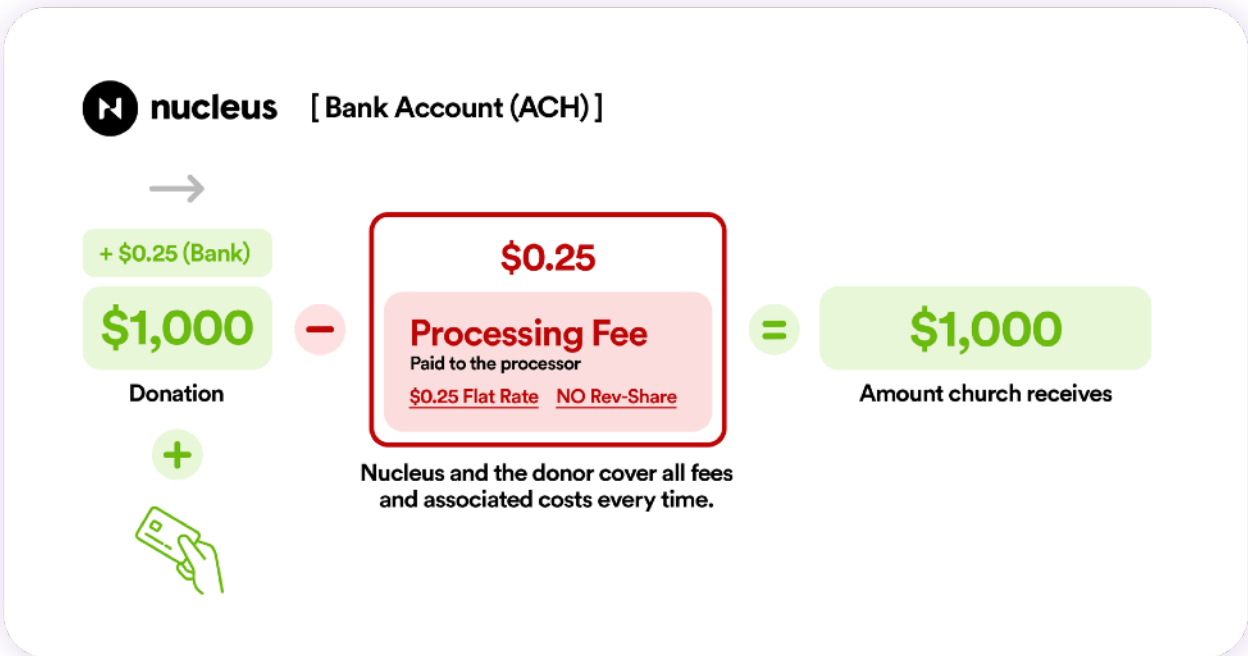
Most importantly though, we also give the donor the choice to opt-out of the percentage fee...

**Here's how we do that:**

To this point, we've talked exclusively about card giving. But there's actually another way to give digitally — through your bank account. This is sometimes called **ACH giving**.

The best part about ACH (bank account) giving? **There is no percentage fee charged.** That's because there are no credit card companies involved in a bank account transaction. Credit cards charge percentage fees. Banks don't. So when you give via ACH, you never have to pay a percentage fee. Instead, the cost is just **\$0.25 flat.**

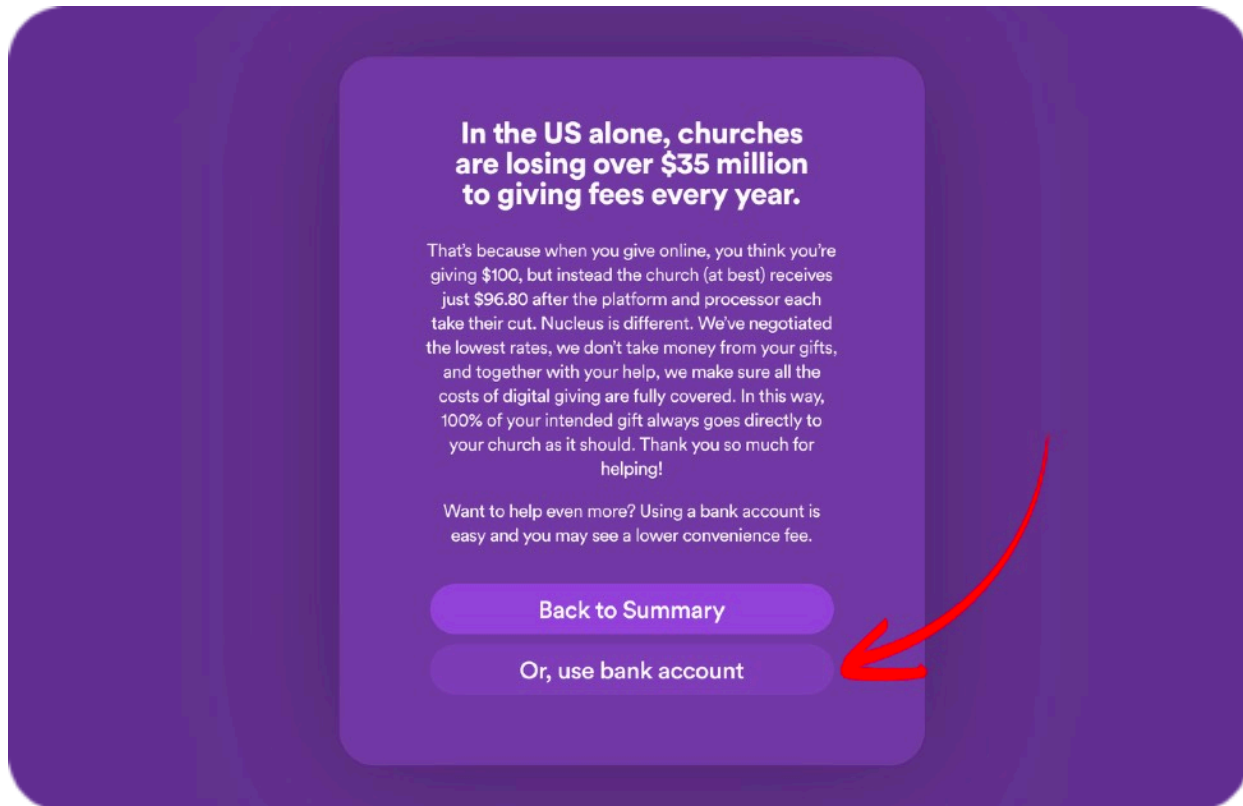
So with Nucleus, we give donors the option to opt-out of the credit card convenience fee altogether by donating through their bank account (ACH). In fact, not only do we provide this option to donors — we recommend it!





## Here's the best part:

Giving via bank account is just as simple with Nucleus as giving with your credit card. You simply log in to your online banking, select the account you wish to donate from, and it's done.



**In the US alone, churches are losing over \$35 million to giving fees every year.**

That's because when you give online, you think you're giving \$100, but instead the church (at best) receives just \$96.80 after the platform and processor each take their cut. Nucleus is different. We've negotiated the lowest rates, we don't take money from your gifts, and together with your help, we make sure all the costs of digital giving are fully covered. In this way, 100% of your intended gift always goes directly to your church as it should. Thank you so much for helping!

Want to help even more? Using a bank account is easy and you may see a lower convenience fee.

[Back to Summary](#)

[Or, use bank account](#)

By doing this, we engage the donors of your church as partners, educate them on the true cost of giving fees, and importantly, give them the choice to opt out of the fee as well.

The result? Churches and donors saving millions of dollars on fees.

**For example...**

**Here's a church that got a big gift for \$42,000.** The giver donated through their bank account and there was no percentage fee lost:



In the midst of all this craziness and knowing so many churches are struggling without meeting, we had a \$42k donation come in today which is 4K more than our weekly budget. Thanks to what you stand for, this was done without the fee. Truly amazing and in awe of their generosity and my thankfulness to you guys! Thank you!



Here's another example — **this time for \$40,000.** With a fee of just \$0.25 because it was given through a bank account.

4:13 PM

We just got a donation for 40k.  
Thanks to you we received 100% of it  
and it only cost the giver 25 cents!

Of course, these are the glamorous examples, right? When a bigger donation comes in all at once.

But it doesn't matter if it's a \$40,000 donation all at once – or smaller donations that eventually add up to \$40,000 collectively. **The fees are identical.**

And this is the inherent problem of signing away a percentage of your giving to use a church giving provider — **the fees are inescapable.**

With that being said, here's a more everyday example - a church of 250. When the pandemic hit, their digital giving grew. And because they were using Nucleus Giving, they saved roughly \$3,000 in fees that would have been lost.

Sitting here working on finances for our church and just crunching "pandemic giving".

Since March 9 when the 🦠👤 hit the fan—our churches giving shot through the roof online.

We've brought in nearly 6 figures online and saved roughly \$3,000 in fees.

74.5% of total giving has been online.

We are a church of about 250.

I'm pretty much blown away...

When it's all said and done, **fees can easily account for a ~3% margin in a church's budget.** For churches like the one above, these donations are reclaimed instead of being surrendered to fees.

Ready for the real punch in the gut...? 🙌

Recall that with ACH giving there are no percentage fees to be paid, because there are no credit card companies involved.

The cost of an ACH gift is just \$0.25. No percentage fee whatsoever.

And yet, when we look at the pricing for church giving providers – what do we find...?

### Church giving provider rates:

Provider	Credit Card Processing Rate	Bank (ACH) Processing Rate	Takes Rev-Share
Tithely	2.9% + \$0.30 (3.5% + \$0.30 Amex)	1% + \$0.30	Yes 😞
Pushpay	Undisclosed	Undisclosed	Yes 😞
Kindrid (+ Ministry Brands)	2.6% - 3.0% + \$0.30 - \$0.35	0.75%-1.0% + \$0.30-\$0.35	Yes 😞
Subsplash	2.3% - 2.9% + \$0.30	0.5% - 1.0%	Yes 😞
Givelify	2.9% + \$0.30 (3.5% + \$0.30 Amex)	0.5% - 1.0%	Yes 😞
Nucleus Giving	1.9%	\$0.25	No 😊

Unlike credit card fees that are **inflated** by church giving providers to keep a portion of each donation for themselves, ACH percentage fees are completely **contrived**. Because banks don't charge percentage fees on transactions.

Meaning, those percentage fees go straight to the giving companies.

And this behavior persists and continues because it's the norm. **It's the standard.** We allow it to happen. Churches pay the price – literally – and these companies pad their profit margins.

And let's be clear for a moment, I'm not against turning a profit as a company. Nucleus is a for-profit business. We're not a charity. We're profitable. And we're growing at a healthy, sustainable pace.

Rather, my frustration stems from companies gouging churches. Having them sign away a percentage of every tithe and offering they receive digitally just to put a donation portal on their website?

The church giving industry is the only place it exists.  
But it doesn't need to.

**It's time for a new standard.**

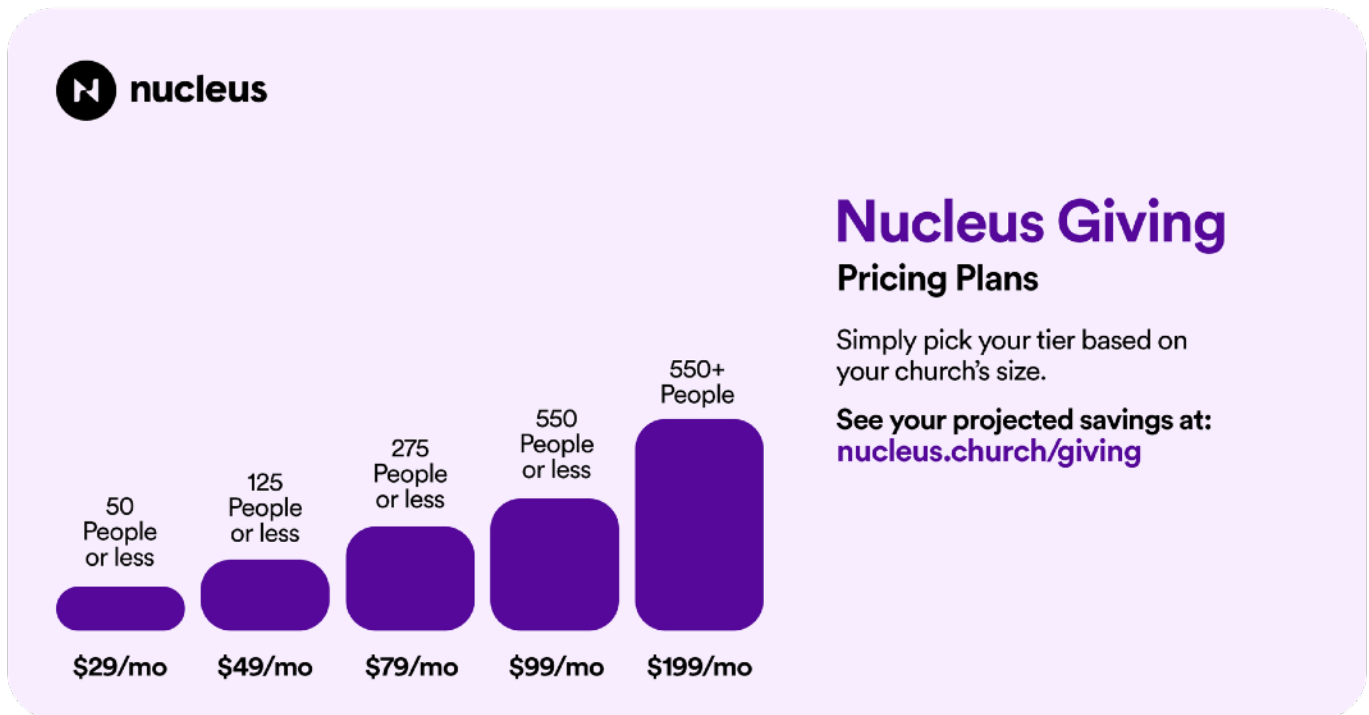
Now generally, when I talk about Nucleus Giving and the changes we're pushing for in the giving space, there are a series of follow-up questions – so let's briefly cover those now: 📌

# FAQ's

## 1. How does Nucleus make money?

Simply put, **we charge a flat monthly rate.** This is the same pricing model virtually all software platforms use – it's straightforward, predictable, and fair.

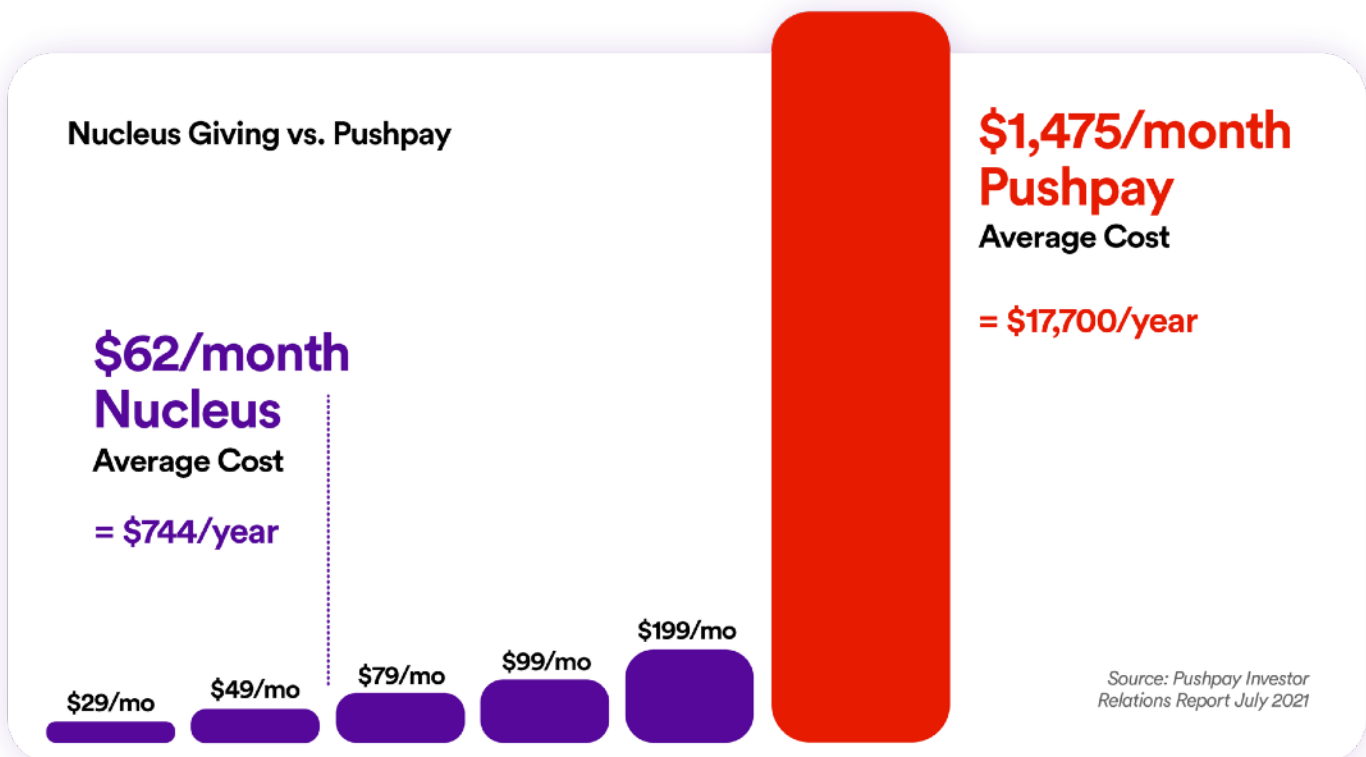
This monthly fee is the only cost churches on our platform ever pay. And determining your monthly cost is as simple as picking your tier based on the size of your church.



The reason we price our platform in this way is to ensure churches of every size (*even smaller churches with smaller amounts in digital giving*) enjoy monthly savings.

For a visual comparison, below you'll find a diagram comparing the monthly costs of Pushpay and Nucleus.

*(and again, we're using Pushpay as the stand-in here, but you can expect most companies that participate in rev-share to be earning similar amounts per church — because their pricing strategies are the same, and the majority of income providers earn from churches is from fees, **not** from monthly subscription costs)*



Believe it or not, the average cost to a church on **Nucleus Giving** for a whole year, is half the cost of just one month on Pushpay.

# FAQ's (continued)

## 2. Aren't you just passing the fees onto the giver?

When people see Nucleus Giving for the first time, and see we pass the processing fees onto the donor automatically, it's understandable to conclude that we're the same as every other company — except, we make the donors pay the fees instead of the church.

But the reason our fees are the lowest in the industry is that we don't participate in rev-share.

Essentially, **the Nucleus Giving rate is ~1 full percentage point lower** on average compared to other major giving providers – accounting for a **~33%** overall reduction in fees.

We then pass on the considerably smaller fee to the donor. Ensuring your church receives **100%** of every intended gift.

Finally, we then give the donor the option to opt out of the percentage fee themselves by donating through their bank account.

**This order of operations allows us to minimize processing fees as much as possible for both churches \*and\* donors.**

## 3. How effective is this model? And what about Planning Center Giving?

There is one major church giving provider that I have yet to mention: **Planning Center Giving.**

And this is because Planning Center is one of the few, rare exceptions of a church giving provider that does not participate in rev-share – just like



Nucleus. Planning Center’s fees for card giving are slightly higher than Nucleus’ – but comparable.

### Church giving provider rates:

Provider	Credit Card Processing Rate	Bank (ACH) Processing Rate	Takes Rev-Share
Tithely	2.9% + \$0.30 (3.5% + \$0.30 Amex)	1% + \$0.30	Yes 😞
Pushpay	Undisclosed	Undisclosed	Yes 😞
Kindrid (+ Ministry Brands)	2.6% - 3.0% + \$0.30 - \$0.35	0.75% - 1.0% + \$0.30 - \$0.35	Yes 😞
Subsplash	2.3% - 2.9% + \$0.30	0.5% - 1.0%	Yes 😞
Givelify	2.9% + \$0.30 (3.5% + \$0.30 Amex)	0.5% - 1.0%	Yes 😞
Planning Center Giving	2.15% + \$0.30	\$0.25	No 😊
Nucleus Giving	1.9%	\$0.25	No 😊

So how is Nucleus Giving different from Planning Center Giving?  
If at all?

The primary difference between Nucleus and Planning Center is that with Planning Center Giving, donors are given the choice to **opt-in** and cover the percentage fee. With Nucleus Giving, donors have the choice to **opt-out** and avoid the percentage fee – by switching to bank account giving.

The options are very similar. The difference is in how each platform presents this choice.

Now, when these two platforms are stacked up against each other – how do they actually perform at scale? We have the numbers for this. You might expect the performance to be virtually the same. But in practice, it's quite the opposite.

According to Planning Center, the average effective rate they're seeing for churches in reports that span greater than twelve months is currently around 1.6%.<sup>3</sup>

With this new view, we can smooth out these numbers and give you a better sense of your effective rate over time. For combined payout reports that span 12+ months, the average effective rate we're seeing is currently around 1.6% for US churches who have a good mix of ACH and card donations.

### **What does this mean? What is an effective rate?**

Your effective giving rate is the average amount paid to fees per transaction in your church after every fee and donation is tallied up.

Recall that the average effective giving rate as reported by Square is between **2.87%** and **4.35%**.

So the fact that Planning Center's effective rate is **1.6%** is good. Quite good in fact.

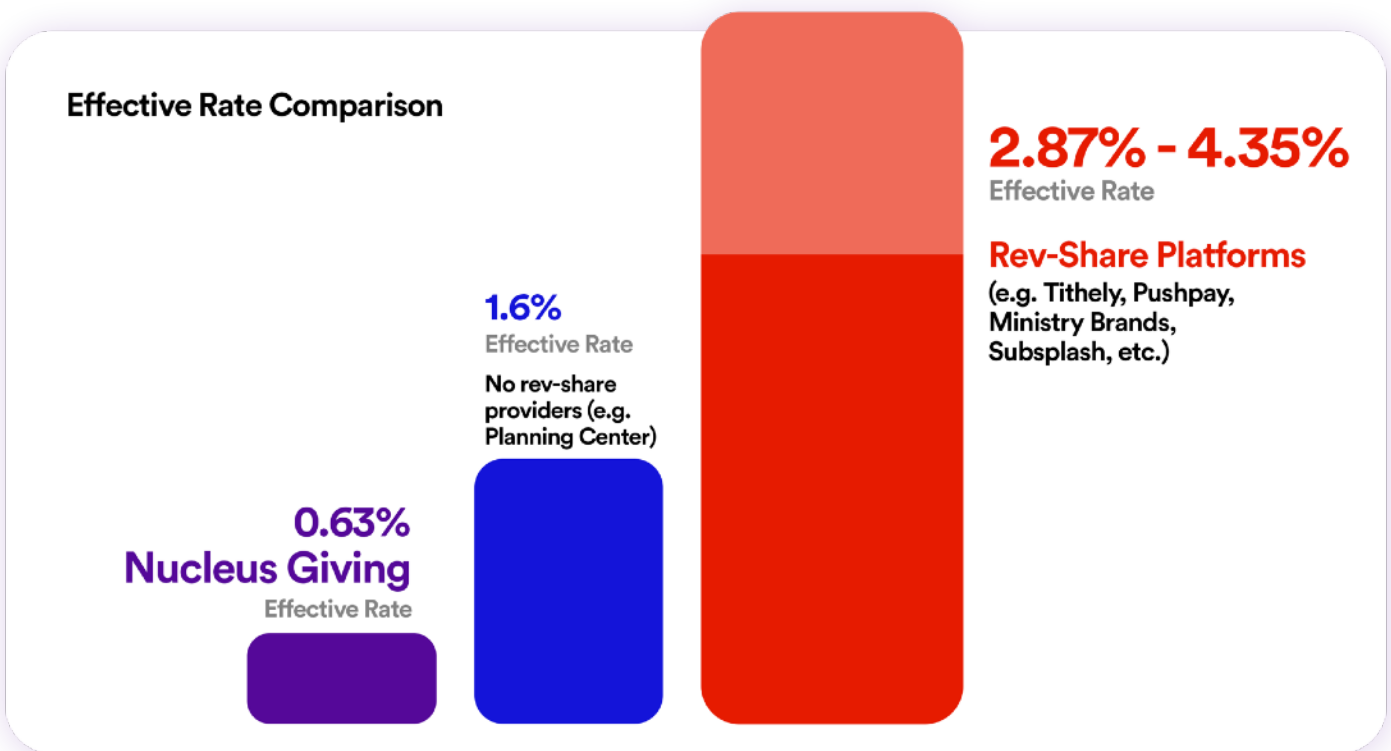
And it's the direct result of not participating in rev-share.

**So what is the effective rate for Nucleus Giving? We ran the numbers. We added up every dollar and cent ever donated through our platform (hundred of millions in total). And we found that **~70%** of our giving volume was from bank account donations. Meaning, the effective rate for Nucleus Giving is just **0.63%****

Now, as we've discussed, a **single percentage point makes a colossal difference in the world of fees**. Entire business models for hundred-million-dollar giving companies are predicated on a 1% fee.

One percent is the difference between a provider that participates in rev-share and a provider that doesn't.

With that in mind, when comparing Nucleus Giving to a provider that doesn't keep donations for themselves like Planning Center, **we still shave off another whole percentage point** just by giving parishioners in churches the choice to opt-out of the fee, rather than the choice to opt-in to the fee.



\*For the sake of clarity, **the effective rate on Nucleus Giving for churches is always 0%** – because you, the church, will never lose donations to fees. The purpose of this diagram is to show just how effective our method is at minimizing fees for churches *and* parishioners overall.\*

As for rev-share giving providers, their effective rate is top of mind for them as well.

According to Subsplash, “An effective rate of 3% or less is great! If your effective rate is 3–4%, consider negotiating for a better processing rate or finding a lower-cost giving platform. If your effective rate is higher than 4%, make a change as soon as possible.”<sup>4</sup>

An effective rate of 3% or less is great! If your effective rate is 3–4%, consider negotiating for a better processing rate or finding a lower-cost giving platform. If your effective rate is higher than 4%, make a change as soon as possible.

Need help calculating the effective rate of your current giving solution? [Connect with a Subsplash ministry consultant today!](#)

### Pay special attention here.

Subsplash is making a clear distinction between an effective rate of 3% and 4%.

In fact, according to Subsplash, that extra percent in effective rate warrants changing your provider **as soon as possible**.

Again, the Nucleus Giving effective rate is 0.63%. So if a 1% in savings necessitates changing your provider as soon as possible, how about triple that?

Our belief is that the Nucleus Giving platform represents the best overall option for minimizing giving fees for both churches and parishioners.

The numbers support that belief.



With Nucleus, for those that don't mind paying the credit card fee because of the convenience that comes with it – they do. And for those that wish to donate without being charged a percentage fee – they do, by donating through their bank account.

And by bringing your donors into this economic equation and making them partners, everyone wins.

**It's the most effective giving strategy by far to avoid fees.**

And more importantly, we think it's in line with the heart of what church should be at its best – everyone playing their part as a joint community.

# Next Steps

If you are motivated to begin exploring options for changing giving providers – we want to make that as easy as possible for you.

**We know changing providers can be tricky. So we're glad to add an extra 3 months free to your first year of Nucleus Giving.**

## Here's what that looks like in practice:

Let's say you signed up for a Nucleus Giving annual plan on November 1st, 2021. Normally, your renewal date would be November 1st, 2022 – the following year. Instead, with these extra 3 months of free time, your renewal date becomes 15 months after your initial signup date rather than 12. So now, your renewal date would be February 1st, 2023.





Combined with an annual plan already giving you 2 months free compared to our monthly costs – that translates to **15 months for the cost of 10 in your first year.**

To claim this special pricing, just click the button or visit:

[nucleus.church/giving/3free](https://nucleus.church/giving/3free)

[Claim your special offer](#)

# Ready to explore the Nucleus Giving platform?

-  [Talk with a real person at Nucleus](#)
-  [Demo the Nucleus GivingFlow](#)
-  [Calculate your first-year savings with our Savings Calculator](#)
-  [Explore the full Nucleus Giving Platform](#)





The information and data in this document is accurate as of October 5th, 2021. Send an email to [hello@nucleus.church](mailto:hello@nucleus.church) if you believe an update is needed.