

Adapting technology to an old system

BY JOE STEFENONI

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Many of our Granges have record books dating back to their founding that includes dues payments made by members. Even today, collecting dues is a major part of any Grange Secretary's job.

If we are being frank, our dues collection system is antiquated, with members paying a lump sum by cash or check once a year. What if we could offer our members the option

to pay their dues semi-annually or monthly with an electronic platform? The modern consumer, particularly Millennials, are accustomed to paying bills online in monthly installments. Academic research also shows that consumers are willing to pay a higher total price if the installment price is low. So, from a marketing standpoint this would allow your Grange to collect a little more in annual dues to support your mission and activities. Consider which sounds more appealing.

Scenario 1: Telling a young professional that the annual dues for your Grange \$72 per year.

OR

Scenario 2: Telling a young professional that your dues are \$6 per month, and they can pay online.

I encourage all of our Granges to consider adopting this technology. It is a valuable tool not only for improving the internal operations of your Grange, but also will be a modern, attractive feature in your member- ship recruitment efforts.

Setting up an Online Payment Platform

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As a society we have moved to paying bills by electronic means, either by credit and debit card use or by setting up payments online. Much of today's personal finance is dictated by monthly, online payments (utilities, cell phone, car payments, etc.). Netflix has built an empire off of an \$11 per month online payment. These online payments are attractive to younger generations since it fits into their existing financial payment structure. Setting up an online payment platform can also allow your Grange to collect dues on a semi-annual or quarterly basis, which can be an incentive to someone looking to join the Grange who may not carry checks or have a large chunk of single-time disposable income.

ESTABLISHING A PAYMENT PLATFORM

To establish an online payment platform, you will need an email address for your Grange and a website on which to put your payment icon. If your Grange does not currently have your own website, think again! The National Grange has established an email for each Community Grange, as well as a basic WordPress website. Of course, you can use your own pre-established emails or sites or if you have not yet logged into your National Grange provided email or grange.org website, contact National Grange IT Director Stephanie Wilkins at swilkins@nationalgrange.org or by calling at (202) 628-3507 ext. 101.

TIP: Do NOT use a personal email account to link to your Grange's finances. If ever something happens to you or you are no longer in charge of taking online payments, you will have a hard time changing the system and by using your personal account, you may have to supply access information to others, something you probably do not wish to do.

While a great variety of platforms exist, such as Facebook, Venmo, Apple Pay and Google Pay, these instructions will be for setting up a PayPal business account because PayPal is one of the frontrunners, used by many small businesses and highly trusted. It is also a fairly easy platform to navigate and comes with its own great tutorials should any features change. There are other systems (Square, Stripe, Venmo, CashApp, etc.) that can be used but it is imperative to keep a good reporting system and make sure personal and Grange finances are separate.

WHAT DOES THE DIGEST HAVE TO SAY ABOUT ALL THIS?

The National Grange Digest of Laws section 6.11.3 states that “A Subordinate Grange may regulate the amount and time of dues payments provided such regulations conform to the By-Laws and Laws of the State Grange having jurisdiction and of the National Grange.”

This means that your Grange can adopt how often a member can pay their dues (just annually, semi-annually or quarterly) as long as your State Grange has not adopted any provision that prohibits Community Granges collecting dues other than annually. The National Grange Digest of Laws does not regulate the manner in which your Grange collects its dues.

PAYPAY SET UP

Follow the instructions below;

1. To begin, go to paypal.com and click Sign Up in the upper right-hand corner.
2. Select Business Account and click Next.
3. Enter the email address for your Grange (one that is not a personal email address), and click Continue. Then enter a pass- word for your PayPal account and click Continue.
 - a. The email and password should be shared with at least one other officer in your Grange and kept in the records of your Grange for when a transition in officer positions occurs.

4. The next page will ask you to enter the contact information for your business (your Grange).
5. After entering the contact information for your Grange, the next page will be information about your Grange including the type of business you are, your estimated yearly sales and your Federal Employer Identification Number (EIN). The “Business Type” is Nonprofit Organization, the “Product or Service Keywords” should be Civic, Social and Fraternal Associations. Enter your estimated sales, EIN and website for your Grange, then click Continue.
6. Next, you will be prompted to enter information about the person establishing the account. This should be someone designated by the Grange.
7. After completing this step, your account is created! From this point you will receive an email from PayPal asking you to confirm the email address on the account and your business identity.
8. After confirming the email address and the business identity, you will be able to link your bank account to receive payments.

LINKING A BANK ACCOUNT TO PAYPAL

1. Click Wallet at the top of the page (if you’re on a mobile device tap Menu, then Wallet).
2. Click + Link a card or bank.
3. Click Link a bank account.
4. If you don’t see your bank listed, then click I have a different bank at the bottom right.
5. Depending on the bank you select, you may have an

option to link your bank instantly using your online banking log in information.**

If you don’t see the option to link instantly: • Select Checking or Savings.

- Enter the bank’s routing number and your account number, then click Agree and Link.
- Verify that your routing and account number are correct and click Continue

**You will need to enter your user ID and password for your online bank account. This information is not stored in PayPal’s system and is used to match up with your banking institution to confirm ownership. Once this information is entered correctly, your bank account will be confirmed instantly.

If you don’t or can’t confirm your bank instantly, you will be prompted to manually confirm your bank account (your bank account needs to be confirmed in order for you to use it as a funding option when making purchases).

In two to three business days, review your bank statement to find two small deposits (each between \$0.01 and \$0.99 USD) that PayPal sent to your bank account. There will be a third entry on your statement combining these two amounts as a withdrawal. For example, you may see two

deposits of \$.05 and \$.15 and a withdrawal of \$.20. Enter the 2 small amounts, in this example this would be \$.05 and \$.15, on the confirm bank screen. With this information, you can complete the confirmation process online or follow the steps below:

Click Wallet at the top of the page.

Click the bank you want to confirm.

Enter the exact amounts of the 2 deposits made to your account, then click Submit.

IMPORTANT NOTE

Some banks combine the 2 small deposit amounts into one lump sum. In this situation, you will need to call PayPal to confirm your bank, or follow the instant confirmation process.

Your routing number is the first set of numbers at the bottom of your check. The routing number usually has 9 digits.

Your bank account number is the second set of numbers at the bottom of your check.

If you receive the message “Check and Try again,” you may have typed the wrong number, or PayPal may not accept your bank. If you encounter this issue, contact PayPal customer service.

MIND THE FEES

PayPal service comes with a 2.9% plus \$0.30 per transaction fee. If you are setting up your account to take your Grange’s annual dues QUARTERLY (so in four payments), for example, and your total dues are \$50 per person, you would pay \$1.20 in per transaction fees (4 x \$0.30) and \$1.25 in percent transaction fees (4 x \$0.3125) totally \$50 collected from the payer but only \$47.55 collected into your account. For some Granges who wish to encourage younger members or those who prefer to pay in this fashion to remain with the Grange, losing \$2.45 annually per member that pays in this manner may be OK but for others, the budget is already down to the penny and they may wish to include in the payment amount the fees (ex. Instead of charging \$12.50 quarterly, charge \$13.12 to recover all fees).

USING THE ACCOUNT FOR MORE THAN JUST DUES

Donations to the Grange and sales of items at events may also be taken using this account.

SETTING UP “ITEMS” & TAKING IN YOUR FIRST PAYMENT

You can start receiving payments after you confirm the email address on your PayPal account.

To confirm your email address:

1. Click Settings (the gear icon) near the top right corner of the page.
2. Click on the email address you want to confirm under “Email address”.

3. Click Confirm this email address and we'll send you an email with a confirmation link.
4. Click the link in the email to complete the confirmation process.

Note: The first time you receive payments with PayPal, you will be requested to accept the payment manually by logging in your PayPal account and clicking the Accept button.

The payments you received will be available in your PayPal balance. You need to add a bank account to your PayPal account for future withdrawals.

SETTING UP RECURRING BILLING

Recurring billing allows you to break down your annual dues into smaller payments (i.e. semi-annually, quarterly or monthly). Recurring billing is desirable to people who are accustomed to paying their bills online. To explore this option, after you have set up your PayPal business account, click on Tools > Recurring Payments. More information can be found by visiting

<https://www.paypal.com/us/brc/article/setting-up-recurring-payments-for-business>

USING A PAYPAL READER

Having a card reader is a good piece of equipment to have on hand at your business meetings or events to take electronic payments. Card readers can be obtained from PayPal for a minimal cost here: [us.paypal.com/card-readers](https://www.paypal.com/us/brc/article/setting-up-recurring-payments-for-business), or through online retailers like Amazon. Using a card reader will require a smartphone or tablet with the PayPal app.

REPORTING TO THE TREASURER & GRANGE

PayPal has a user-friendly dashboard that shows how much money has come in over a period of time, what fees were deducted and when money was moved from the PayPal account into another account (like your Grange's linked bank account).

FOR ADDITIONAL INFORMATION

Additional information on setting up a PayPal Business account can be found at "[paypal.com/cs/smarthelp/home](https://www.paypal.com/cs/smarthelp/home)" or "developer.paypal.com".