Flipcause is unique in that it is a fundraising platform, a payment processor, and merchant account all in one. Usually, these are separate providers and services you have to integrate together. But because on Flipcause they are already integrated, you have more benefits, control, and clarity over your transaction processing. It also means that the way you treat your Flipcause balance (and how to recognize it in your accounting) will be different than how you would with other fundraising platforms.

About Your Flipcause Merchant Account

What is a merchant account?

In order to accept credit (and debit) cards for payment, organizations need to have a Merchant Account. Your organization’s merchant account is an asset account, like a bank account - it’s your organization’s holding tank for your payments that you receive online.

In most cases, an organization wishing to accept online credit card payments must obtain their own merchant account, which involves undergoing a stringent underwriting and approval process with a bank. Factors that will impact the ability to get a merchant account, as well as the fees that will have to be paid per transaction, include things like personal credit history, business history, and if the business type has a high risk of credit card fraud (which nonprofits do). The fees are also typically not straight-forward and include things like application fees, setup fees, monthly fees, and more in addition to per-transaction fees. Because a separate merchant account is required for each type of card that an organization is required to process (Visa, MasterCard, AMEX, Discover, etc.), the process of obtaining a dedicated merchant account for your organization can be cumbersome, confusing, and expensive. These accounts often also come with term contracts that you are locked into. (Learn more here).
What are the benefits of having my merchant account built into Flipcause?

With most nonprofit software, you need to obtain your own merchant account to plug into the software of payments processing. This means that you are signing up for multiple services and probably paying multiple fees per transaction for the use of these combined services.

With Flipcause, all of that is eliminated. The payment processing, payment gateway, and merchant account are all integrated and included in your Flipcause subscription at no additional charge and without hidden fees. Because we have all of those pieces built-in, you get the following benefits:

- Saved time & resources by avoiding applying for and setting up merchant accounts
- Manage your supporter data and merchant account holdings in one place
- Simpler accounting & reporting
- Lowest processing fees in the industry with our Guaranteed Effective Rate of 1.5%
- No term contracts
- Bank-level security and state-of-the-art fraud protection, plus optional additional custom control over accepting payments
- Issue refunds directly from your database
- Tokenized & encrypted supporter credit cards stored on file for future use
- Automated recurring payment processing

How it works
Your Merchant Account, like any other asset account, will be comprised of debit and credit transactions.

Incoming revenue (from supporters) will be the main credit transactions. Other incoming funds that you might see are account credits from Flipcause, such as Guaranteed Effective Rate credits.

The most common debits you will see will be processing fees and transfers you make out of your Flipcause account to your bank account. Other debits you'll see are refunded and disputed transactions, dispute fees, and any Flipcause invoices (unless directly paid with your credit card).

You should recognize the balance in your Flipcause Merchant Account as an asset in your accounting. To wait until you make a transfer to record these funds into your checking or savings account is not technically correct (since Flipcause is already your merchant account, the way you account for it is slightly different than what you might be used to).

**Merchant Account FAQ**

**OVERVIEW**

A unique aspect of Flipcause is that it's both a Merchant Services Account and a Fundraising Software.

**What is a Merchant Services Account?** Some well-known examples are PayPal,
What do Merchant Services do? They act as the gateway between businesses and credit card companies (Visa, MasterCard, etc.). Merchant Services handle compliance, settlement, accounting reconciliation, tax reporting, and facilitate disputes and fraud cases. They are responsible for all merchants in their network and are ultimately responsible for any financial loss and fraud that occurs through their gateway. Flipcause takes a risk by allowing organizations to process funds through our gateway. This is why we conduct compliance reviews of accounts, large transactions, and large withdrawals.

COMMON ACCOUNTING MISTAKES

The Mistake: Trying to reconcile your Flipcause transfers to your bank accounts using individual donor data.

Problem: Double reconciliation is happening. The Flipcause Account Balance already has been reconciled in the Flipcause Account Statements.

Solution: Flipcause should be accounted for like any other bank account, or merchant credit account. The Account Balance is an asset of the organization and it should be treated as a separate account. The Flipcause Account Balance Asset is easily reconciled by bookkeepers if it is treated as a separate account. All transfers from Flipcause to the organization’s bank will be treated as a bank-to-bank transfer and will not to be further reconciled.

Notes: Flipcause Account Statements account for “Received” amounts, “Processing Fees Paid” and “Transfers” made. “Transfers” are either bank-to-bank transfers, invoices, or credits transferred in or out of Flipcause (e.g. software subscription, bug bounties, dispute fees). Because all of these are already reconciled in the Flipcause Account Balance, when
The Mistake: Trying to reconcile an offline contribution in Flipcause.

Problem: Offline payments can be recorded in Flipcause, but they are not actually deposited in Flipcause, therefore cannot be reconciled in Flipcause.

Solution: You'll want to record in your accounting software where the offline contribution came from. For example, if you receive a $100 check from a donor, and deposit it in your bank, the $100 deposit record needs to accounted for in that bank (not Flipcause). Simply marking it as a donation in your accounting software or with your bookkeeper should be enough to reconcile the deposit.

Notes: Reconcile the record where the original deposit is made. Separate from being a merchant processor, Flipcause is also a database, so if you would like to keep a searchable centralized database of all your transactions, it’s helpful to also add offline donations into it.

COMMON QUESTIONS

Question: Why can I not set up automatic bank transfers?

Answer: You can transfer Flipcause funds at any time. Flipcause is not set up for automatic bank transfers for accounting simplicity and account security.

Flipcause is like a bank account, you should access the funds when you need them. Because transferring from your Flipcause account to your bank account is like a bank-to-bank transfer, you can transfer any amount as you need it and it’s easily handled by your accountant or bookkeeper with your Flipcause Monthly Statement.

From a security perspective, the Flipcause team monitors every transaction and transfer...
Help Center

We identify a fraudulent transaction—which happens often in the nonprofit space. If we identify a fraudulent transaction, you can have the opportunity to reverse transactions when you have an available balance. If you don’t have an available balance (because it was transferred out), you won’t be allowed to immediately reverse a transaction which may lead to a dispute and a dispute fee. In short, you get the most accounting flexibility and account security when you manage the transfers manually.

Question: If I deposit funds from Flipcause to my bank, tell me again why do I not need to reconcile that deposit with individual donor records

Answer: This is because transferring money from Flipcause to your other bank account is not a standard deposit. Rather, it is a transfer from one asset account to another. The assumption is that you are recognizing Flipcause as an asset account like any other bank account. Asset accounts should be reconciled separately.

Question: If I don’t transfer funds from my Flipcause account, do I need to account for it in my year-end taxes?

Answer: Yes. Funds in Flipcause are assets of your organization. Keeping your funds inside your Flipcause Account is no different than keeping your money in a bank account from an accounting perspective. Your accountant should recognize your Flipcause as an asset holding account. Additionally, Flipcause reports form 1099-K to the IRS if you cross the receiving threshold in a calendar year. (We are required to file form 1099-K for your organization if you received at least 200 Transactions AND at least $20,000 in total for the year.)

Question: Should I leave my funds in my Flipcause Account?

Answer: This is completely up to you. You have complete control to transfer funds out of your Flipcause Account Balance at any time. We give you and your staff the flexibility to decide when and how you would like to organize your funds. Keep in mind that your organization is responsible for refunds and charge disputes that come through your
Help Center

refunds through your Flipcause Account, your account must have an available balance to draw from. Any negative balance you incur is considered a debt from your organization to Flipcause.

**Question:** Why is good to have my Merchant Services Account built into my fundraising system?

**Answer:** Having a built-in merchant account saves you time by eliminating the need to reconcile two different systems: your fundraising data and your merchant services data. All of your transactions are reconciled in easy-to-read monthly statements with detailed transaction descriptions (similar to bank statements). By combining the two systems, you are able to handle operational tasks, such as issuing refunds directly from your Flipcause Account, without the need to manually record the transaction in multiple systems.

This system also saves a lot of time and money. It allows you to avoid paying the additional price for a merchant services account. You don’t need to go through the approval process directly with the credit card companies, and you don’t need to worry about compliance issues such as PCI, tax reporting, or fraud case handling. It’s all built in and we’re here to support you!

**Question:** When I process a refund for a credit card payment, and the donor did not cover the processing fee, do I still refund the full amount of the credit card transaction or just the amount that our organization received?

**Answer:** It depends on how your organization prefers to handle this. Transaction fees are not refundable from the credit card company. From the supporter perspective, they would expect to be refunded the full amount they paid. However, refunding them the full transaction will leave your organization to foot the bill for the transaction fee. So, it would be up to you whether you want to give the supporter a positive experience and cover the cost, or refund them only what was received.
**DEFINITIONS**

**Posted Records** - All Credits and Debits to your Accounts. Credits include fully processed “Received,” “Fee,” and “Transfer” records.

**Received Records** - Credit card transactions processed through the Flipcause Gateway and credited to their Flipcause Account Balance. It also includes debited refunds processed to credit cards.

**Transfer Records** - Transfers out and in from Flipcause Account Balance. Examples of “Transfers Out” would be transfers to attached bank accounts, or invoices paid directly to Flipcause using the Flipcause Account Balance. “Transfers In” would include Refunds or Credits to your Account Balance directly from Flipcause.

**Fee Records** - Fees debited from your account when credit cards are processed using the Flipcause Gateway. Fee Records will record as $0 in transactions where the fee is covered by the supporter.

**Pending Records** - Transfers and Refunds that have been requested but not yet processed. Also, temporary compliance holds due to large or suspicious transactions. Pending records reduces the Available Balance.

**Reconciliation** - An accounting process that uses two sets of records to ensure figures are accurate and in agreement. Reconciliation is the key process used to determine whether the money leaving an account matches the amount spent, ensuring the two values are balanced at the end of the recording period. For example: We DEBIT a supporter's credit card and CREDIT your organization’s Flipcause Account Balance.

**Available Balance and Account Summary**

Your Account Summary will give you an overview of your Available Balance, any Pending Balance, and the Total Balance that is available to you in your account. You can click “View
The “Available Balance” is the amount of funds in your Flipcause account that you are able to transfer to your bank account.

The “Pending Balance” is the amount of funds in your Flipcause account that is pending approval from our Verification Department. Transactions of $5,000.00 and above will automatically be flagged for verification, and will take 2-3 business days for approval.

The “Total Balance” is the available balance plus the pending balance.

There are no fees to make a transfer from your Flipcause account - 100% of the funds you see labeled "available" belongs to your organization.

Add a Bank Account

Before you can begin transferring funds from your Flipcause Account, you will need to set up your Bank Account(s). This is a 3-step process:
Add Your Bank Account Information

- To set up your Bank Account, go to *Account Summary > Bank Accounts*

![](image)

- Then click the plus sign under “Add Bank Account”
Enter in your general bank account information: Name of Account, Name of Bank, Routing Number, Account Number, and indicate whether it is a checking or savings account. Then click “Add Account”

You will be lead directly to the image verification process, which can be completed immediately.

You will be able to complete the deposit verification within 1-2 business days, when you receive two small verification deposits into the account.
Image Verification

To submit an image verification you will need to (1) log into your online bank account (2) take a photo of the **Account Holder** and **Account Number** while holding your driver's license or **photo ID** in front of the screen (3) Then upload this image.

To upload an image:

- Go to **Account Summary > Bank Accounts** and find the Bank Account you are verifying
- Click the **Verify Image** link
- Drop your file into the dotted box or click the box to upload an image then click **Submit Image**
Once your image has been uploaded, it will go through a review process. You will receive a confirmation email once your image has been verified.

- Your account will be fully verified when both your deposits and images have been verified. It will appear with a green check mark that says **Verified**

- Once your account is fully verified, you can begin to transfer funds into your account!
- If you have any trouble with this process, please also see here.

### Deposit Verification

- Once you have received the 2 deposits, go to **Account Summary > Bank Accounts** and find the Bank Account you are verifying and click “**Verify Deposit Amounts**”
And overlay will appear where you can enter the 2 amounts you received (do not enter any special characters or periods, just the two digit amounts) then click **Verify Deposit Amounts**

Once the deposits are verified, it will say "Deposit verified" under the bank account name.

Your account will be fully verified when both your deposits and images have been verified. It will appear with a green check mark that says **Verified**
Once your account is fully verified, you can begin to transfer funds into your account!

- If you have any trouble with this process, please also see here

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Transfer to Bank

To transfer available funds from your Flipcause Merchant Account to your bank account, go into the Merchant Account > Account Summary section on your Dashboard and click the “Transfer to Bank” button.
On the overlay, enter the amount you would like to transfer and a description for your records, then select the bank account that you would like your funds to be deposited via ACH transfer. It will take about 3-5 business days for the amount requested to arrive in your bank account.
Before you can begin transferring funds, you will need to add a bank account. Click here for instructions on how to add a bank account.

Manage Individual Transactions

To manage each individual transaction, first go to the Reports section of the main menu, then click on the “Details” button next to the transaction information. (You can also get to a similar view of options by going to the Activity section in the Campaign Editor for a specific campaign.)

Within here, you can use the different buttons shown to Download the Receipt and Resend the Receipt, as well as Issue a Refund, Add a Note to the transaction, or Send a Message to the supporter.
Refund a Transaction

In the Reports section of the Dashboard, go to Reports > Transaction & Activity. Once here, set the Choose Report Type filters to "All Transaction Records", set the date range filter and add any additional filters. Scroll down to view the individual transactions. Once you find the Transaction you are looking to refund, click the Details button and then hit Refund/Cancel. Here, you can choose to do a full or partial refund. If the supporter covered the processing fee, you can also choose to refund the processing fee here. Note: If you refund the processing fee to your supporter, it will be deducted from your organization's account balance.
Q: When I process a refund for a credit card payment, and the donor did not cover the processing fee, do I still refund the full amount of the credit card transaction or just the amount that CFA received?

A: It depends on how your organization prefers to handle this. Transaction fees are not refundable from the credit card company. From the donor or customer perspective, they would expect to be refunded the full amount they paid. However, refunding them the full transaction will leave your organization to foot the bill for the transaction fee. So, it would be up to you whether you want to give the supporter a positive experience and cover the cost, or to be strict about zeroing out the transaction, and refund them only what was received.
Partial Refunds

You can issue a partial refund on any transaction and the funds will be deducted from your Flipcause account balance to the card your supported used to make the transaction. To quickly find the transaction in question, go to Reports > Transactions > Search for name or email > Click Details on the desired entry. This will now open a popup with the transaction details.

Next, Click Refund/Cancel > Select desired refund type > Enter refund amount > Click Submit. The funds will now be credited back to your supporter.
Note: If a supporter wants their money back and will no longer be attending your event, select Refund and Cancel. If a supporter wants their money back and will still be attending, select Refund and Don't Cancel.

Pull a Report of Transfers

To create a report of your transfer activity:

1. From the Dashboard main menu under Merchant Account, go to Account Summary, then click the sub menu "Merchant Account Records & Reports".

2. From the Choose Record Type dropdown menu, select "Posted Transfers". Use the Choose Date Range filter to refine your report. Click Generate Report.

3. You will see a summary (# of records and Amount) and list of transaction activity.
4. From the View Full Report popup window, select how you would like to view the report using the radio buttons. If needed, enter the email address you would like to receive the file, then click **Get Report**.
Download Your Monthly Statement

You can download monthly Flipcause Merchant Account Statements in PDF or CSV format.

To download your monthly statement:

- From the dashboard under Merchant Account, click on Statements:

  ![Statements]

- Within the Statements tab, you'll see a list of all the available monthly statements for the current year. If you need to view older statements, you can use the dropdown menu on the left to select a different year. Click on the monthly statement you want to download:
The Download Statements popup window will appear. Use the radio buttons to choose whether you'd like to receive your monthly statement as a PDF or a CSV file. Then click **Get Statement**:

- The Download Statements popup window will appear. Use the radio buttons to choose whether you'd like to receive your monthly statement as a PDF or a CSV file.

That's it! Depending on your account permissions, you can also automatically send
Automatic Monthly Statement Emails

It's easy to automatically send your monthly Flipcause Merchant Account Statements (in both PDF and CSV format) to your bookkeeper and other stakeholders for accounting purposes. Note: you must have adequate administrative privileges to make these changes.

Here's how to automatically send monthly statements:

- From the dashboard under Merchant Account, click on Statements:

- Scroll down to the Automatic Monthly Statement Emails section and click the toggle to Yes.

- Next, enter email addresses of the people you would like to send the monthly statements to. Separate multiple email addresses by comma.

- You can also enter a custom message to include with every email:
From now on, monthly statements for the previous month will be emailed to these individuals on the 10th of the following month. You can always return to this page to add or edit recipients, or to change the message you include in the monthly statement email.

"Funds" becomes "Merchant Account": July 25, 2018

The "Funds" section on your Flipcause sidebar has a new name: "Merchant Account". We recognize that change isn't always easy, so we want to thank you for your patience as we work to make this part of Flipcause easier to understand. Read more to learn about why this update was made.

What are the updates?

1. The "Funds" section is now called "Merchant Account".

2. CSV Statements: You now are able to download and automatically email 

• Hit Save when you're done!
2. Campaign Filtering: The ability to filter records by "Campaign" was removed from the "Merchant Account Records & Reports" page, in order to preserve data integrity. This is because of the fact that "Campaign" information can be edited, while all information in the Merchant Account section is related to financial data, which is non-editable. The "description" field of all Merchant Account records now includes the Campaign Title and ID as it stood at the time of a transaction for your bookkeepers reference.

3. Better Understanding of Merchant Accounts: We've made several small design and terminology changes for clarity, including overlays and infographics showing how your Merchant Account works and links to new Help Center articles About Merchant Accounts and Flipcause Reporting Types. This last article will guide you through which report to use for your Merchant Account, and which to use for performance tracking, such as using the Transaction Report to determine how much you received through the Flipcause gateway for a specific campaign. (We've also added a new at-a-glance output of "Net Received on Flipcause" in "Reports" > "Full Transaction Report", so you can see how much your Flipcause Merchant Account Balance received from specific campaigns.)

Why did we make these changes?

We made these changes for a couple of reasons:
1. The term "Funds" was simply confusing. We had been using the term as shorthand to mean "Flipcause Merchant Account Balance", which was not clearly defined within the platform. We heard your feedback, and recognized that this term was unclear because of the true definition of "funds" within the nonprofit space.

In the nonprofit space, a 'fund' refers to a specific accounting ledger that is generally categorized as unrestricted' or 'restricted'. The number of 'funds' within each of these general categories can change over time and are determined by the restrictions and reporting requirements by donors, board, or fund providers. These ledgers or 'funds' should be set up internally in your organization, and all of your organization's contributions (from individual donors, grant issuing foundations, events, etc) should be reconciled into their proper 'fund' in your accounting system. Learn more about Fund Accounting here.

2. Flipcause is NOT an accounting system to be used for 'fund' reconciliation and accounting. It is important not to try to reconcile your various contributions into your organization's separate ledgers or 'funds' within Flipcause itself. Your bookkeeper should instead reconcile all contributions to your organization to the proper organizational 'fund' using your accounting system.

3. *Flipcause IS a payment processor with a built-in merchant account* (like Paypal), and a suite of community engagement tools. Some of your contributions (i.e. cash, checks, grants) come in directly to your bank account, so your bookkeeper will look at Bank Statements in order to reconcile these types of contributions. Contributions through your Flipcause payment gateway (forms and campaigns) are all accounted for within your Flipcause Merchant Account, so your bookkeeper can look at Flipcause Merchant Account Statements to reconcile contributions made through Flipcause. Every financial transaction through the Flipcause gateway is settled in real-time in your Flipcause Merchant Account Balance, so all money received is considered your organization's asset as soon as it is posted to your Merchant Account. Since your Merchant Account Balance is considered your organization's asset, the balance does NOT need to be transferred to your bank account in order to be accounted for in your books. We recommend keeping a balance in your Flipcause Merchant Account to be available for potential refunds to your supporters.

4. To make this easy for you, we issue monthly Merchant Account Statements, just like banks issue monthly Bank Statements. These Statements can be downloaded from your dashboard or emailed to your bookkeeper on a monthly basis via CSV or PDF. They
provide financial information about all money that has been raised through your Flipcause payment gateway, any fees that you've paid to Flipcause, and any other debits and credits that have been added to or deducted from your Flipcause Merchant Account. Like your bank statements, these statements provide transaction details such as Posted Date, Amount, and Description. The "Description" field includes relevant information from the transaction such as: supporter name, activity type, and the original campaign that the transaction occurred through.

We hope that this change to terminology will improve your overall understanding and experience of your Merchant Account, and we welcome your feedback!

Reporting Fraudulent Transactions

If you uncover a transaction that is fraudulent in your account, you can flag it as fraud right from your Flipcause Dashboard. Flagging a transaction as fraud will initiate an investigation with our compliance team who will look to reimburse the card holder (refund the transaction), and file a fraud report. Once the fraud investigation is initiated, the related funds will be deducted from your merchant account.

To flag a fraudulent transaction:

- From the left-hand side of your Dashboard, click on Reports:
Next, click on **Transaction & Activity Reporting**: The Report Type will automatically be set to All Transaction Records. Use the filters to define a range that includes the transaction you want to flag as fraudulent. When you're done, click **Generate Report**.

- Scroll down to the list and locate the fraudulent transaction. **Note: if you don't see the transaction you're looking for, you may have to refine your filters!** Click the **Details** button:
This will open a window with the transaction details. Click the **Flag Fraud** button at the top of the record:

- Click the checkbox to report the transaction as fraud. You can also enter any relevant details in the text box below, but this step is optional. Then click **Submit**:

- You will be asked to confirm your submission. Click **Yes** to send the report:

- You will receive a confirmation that the transaction has been flagged as fraud:

**Exporting Flipcause Transactions for QuickBooks**
Here's how to get your Flipcause Merchant Account transactions out of Flipcause:

Step 1: Go to Statements (under Merchant Account in the left-hand sidebar).

[Image of the Flipcause interface with a highlighted section for statements]

Step 2: Select the year and month for which you'd like your account statement.

Step 3: Please select "CSV" as the desired format for your monthly statement, and click Get Statement. This will download the CSV file to your computer.

Step 4: Open the CSV file (either in Excel or by uploading to Google Sheets, which is free). The statement contains the following fields:

- Flipcause Merchant Account Number
- Transaction Posted Date
- Transaction ID
- Transaction Description
- Debits
- Credits
- Balance
You may need to add, alter, or rename fields in this spreadsheet in order to prepare them for upload into your particular QuickBooks setup. For example, if certain donations should be restricted to a specific fund, or if your processing fees need to be applied to a specific expense account, you will need to indicate these in an additional field.

**Step 5:** After adjusting your statement to your needs, you can forward this to your bookkeeper or upload it to QuickBooks.

Your monthly statements become available on the 10th of the following month. You can also sign up for statements to be automatically emailed to you or your bookkeeper.

**Additional Notes:**

1. Please be sure to consult with a certified accountant to make sure your QuickBooks set up correctly for your particular organization.
2. Make sure to also share this information with your accountant and bookkeeper so they know how to treat your Flipcause Merchant Account - it's just like any other Asset Account owned by your organization.
3. You should also refer to QuickBooks help articles for the latest updates on how to log your donations correctly into QuickBooks.

**Failed and Declined Payments**
There are four reasons that your supporter's payment might fail. Here's what they are and what to do about them:

1. Invalid entry

   What happens: Credit card information (credit card number, security code, expiration date) is incorrect. The supporter will see a message letting them know which part needs to be corrected.

   Solution: The supporter should review the entered information, correct any typos, and try again.

2. Card declined

   What happens: A card can be declined by the issuing bank due to insufficient funds, expired card, due to a security placed by the bank on the account holder's card, or when the attempted card is no longer valid because the associated account has been closed. The
3. Blocked by your security settings

What happens:  This is rare, and only applies if you specifically set blocks on specific countries in your Flipcause account. If a supporter's transaction meets rules you set to block them from the system, they will get a message that says "Payment Failure: Contact the organization to complete the payment"

Solution: The supporter should contact your organization directly to make the payment. Or, you can update your security settings (we recommend checking with your staff and any internal cybersecurity protocols before doing this).

4. Blocked by Flipcause security filters

What happens: Nonprofit donation pages are targets for fraudulent credit card charge attempts, and these can end up costing a fortune when these charges are disputed. Our proprietary system blocks 99% of these attempts from going through. Occasionally, a legitimate transaction is flagged by our security filters.

Solution: Your supporter should try again using a different card. If there are persistent issues or you suspect there is an error, please don't hesitate to contact us!

Flipcause Processing Fees & Guaranteed Effective Rate

What are the Processing Fees on Flipcause?

- For payments made by the supporter - web payments and payments made through the card reader - the processing fee is 4.9% + 30 cents per transaction (these can
For payments processed by your organization manually - through the Dashboard or using manual entry in the mobile app - processing fee is **3.5% per transaction** (payments manually processed by the org cannot qualify for the Guaranteed Effective Rate of 1.5%).

In both cases, there is an option for the supporter to cover that processing fee for you.

**What is an Effective Rate?**

Because your supporters can cover the fee or not, this means the effective rate you pay on average toward processing fees is going to be different (lower) than the actual processing fee per transaction.

For example, if all of your supporters covered the fee, you’d pay no transaction fees and have cost-free fundraising, and your effective rate is 0%. (Yes, this actually happens sometimes!)

If none of your supporters covered the fee, your effective rate ends up being the full 4.9% + 30 cents. (This typically only happens when you never give them the option to cover it.)

Ok, but realistically, what can you expect to pay toward transaction fees on Flipcause?

What typically happens is about 86-89% of your supporters will opt to cover the fee, given the option. This results in about a 1.1% effective rate.

**So, what is Flipcause's 1.5% Effective Rate Guarantee?**

We want to make sure you’re getting the best effective transaction rate possible, so we will cap your effective rate at 1.5% (for qualified transactions).

We check to see what your effective rate is per quarter, and if it goes above 1.5%, we will refund you the difference via account credit at the beginning of the next calendar quarter.
As long as you allow supporters the option to cover the fee, those transactions will qualify for this 1.5% Effective Rate Guarantee. (Note that this guarantee does not apply to manual payment)

We're all about transparency. You can review our processing fee structure on our site here - flipcause.com/pricing.

You can also see transaction rate information on the Home page of your Flipcause Dashboard under Transaction Rates and Savings.

Here is an example from an existing nonprofit client:

<table>
<thead>
<tr>
<th>Rate This Quarter</th>
<th>Rate Last Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.24% per transaction in Q2</td>
<td>2.84% per transaction in Q1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Saved on Fees to Date</th>
<th>1.5% Rate Guarantee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,058.89</td>
<td>$519.79 credited on 04/11/18</td>
</tr>
</tbody>
</table>