

Demystifying Cryptocurrency Donations:

A Guide for Nonprofit Leaders

Fundraising Resources

NONPROFIT FINANCIAL COMMONS



Fundraising Resources

QuickStart for Cryptocurrency Fundraising:

- 1. Determine who will do what considering how you will incorporate cryptocurrency donations in your current operations and strategy, as well as identifying and executing where processes may differ from other donations.
- 2. Build your potential donor list identifying how they have engaged with you in the past and how they might engage in the future.

3. Craft your storytelling

- ▶ Identify mediums such as shortform videos, which can be a powerful engagement tool for younger donors.
- Avoid fundraising language that may result in restrictions on how contributions can be used, unless part of an intentional strategy to do so.

4. Show up where donors are

- ▶ Target online engagement. Think beyond email to social media and other virtual communities.
- ► Consider text message (SMS) campaigns as an alternative to direct mail, and use texting to follow up – avoid phone calls.

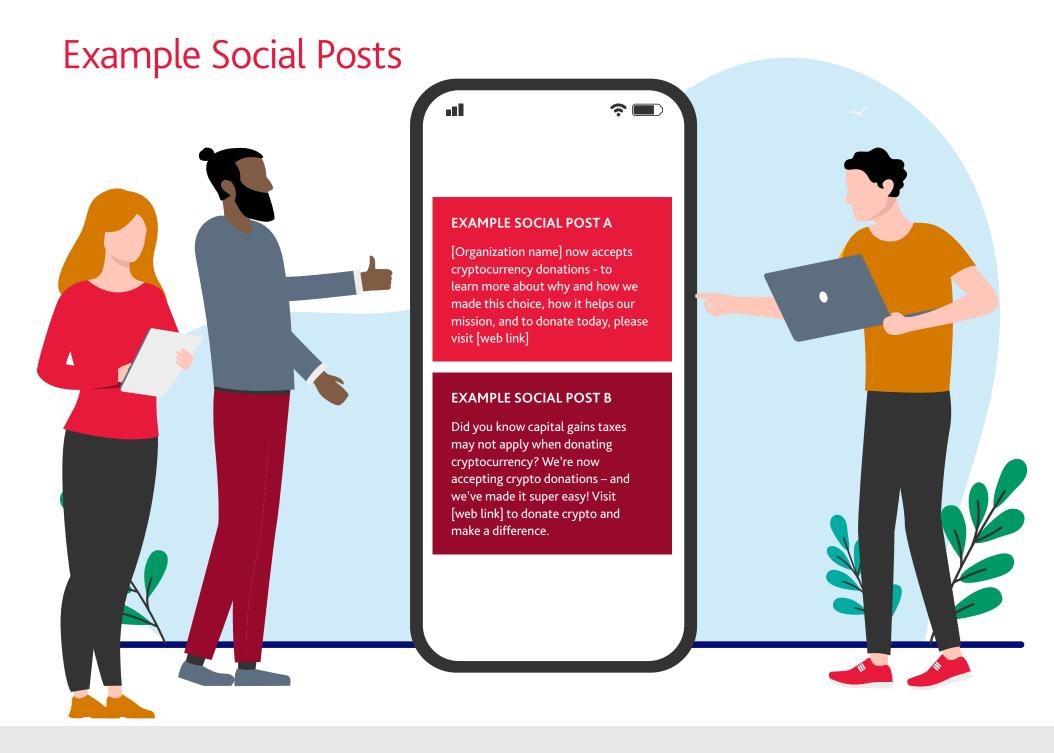
5. Make it easy for donors and yourself

- ▶ Limit the numbers of steps needed for donation processing through technology solutions, and make donations available via your website. See the **Solutions** Companion for more information.
- ▶ Collect only the data you need, and organize donor data to help you understand and engage with donors.

6. Show your gratitude

Let donors know why the gift was important to you, and send Donor Gift Acknowledgements (required for gifts over \$250). See Polices & Procedures for more on gift acknowledgements including a template.







EXAMPLE EMAIL TO DONOR LIST A

Our ability to drive our mission forward relies on the support of donors. Donors rely on [our organization]'s ability to make supporting our work easy, safe, and worthwhile.

We thought carefully about the decision to accept cryptocurrency donations and chose an approach matched to our goals and values. It's easy, safe, and enables you to give cryptocurrency so that our work can be successful.

To learn more about why and how we chose to accept cryptocurrency donations, how it helps our mission, and to donate today, please visit [web link].

EXAMPLE EMAIL TO DONOR LIST B

We're committed to leaving no stone unturned to achieve our mission – which is why we've added the ability to accept cryptocurrency donations for a new way you can make a difference. Did you know cryptocurrency donations may not be subject to capital gains taxes on the appreciation in value? A tax professional can advise on what this could mean for you.

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We hope you'll consider how your cryptocurrency can be used to drive the change we need for our world. No crypto? No sweat. Click here [web link] to learn about all the ways to give, and support our critical mission today.

Rebecca Coker, Nonprofit and Grantmakers Advisory Managing Director rcoker@bdo.com Dipty Jain, Nonprofit and Grantmakers Advisory Partner dipty.jain@bdo.com At BDO, our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes — for our people, our clients and our communities. Across the U.S., and in over 160 countries through our global organization, BDO professionals provide assurance, tax and advisory services for a diverse range of clients. BDO USA, P.A., a Delaware professional service corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. Material discussed in this publication is meant to provide general information and should not be acted on without professional advice tailored to your needs. © 2023 BDO USA, P.A. All rights reserved.

