



CRYPTO AND THE ANALOG NONPROFIT
**40TH ANNUAL UNIVERSITY OF TEXAS NONPROFIT
ORGANIZATIONS INSTITUTE**

JANUARY 19, 2023

KARIN PRANGLEY & ROSS BRUCH
BROWN BROTHERS HARRIMAN MULTI-FAMILY OFFICE & TRUST COMPANY

1

1

Key issues for nonprofits on cryptocurrency and other digital assets:

- Understand how blockchain assets are adding new and unique opportunities to philanthropy
- Decide on whether to accept gifts of crypto from donors and if so, when and how
- Revise the gift acceptance policy to address gifts of crypto; Will the policy allow or prohibit such gifts?
- Invest the organizations endowment in crypto?

2

2

How Large is the Crypto-Philanthropy Market?

- 16% of adult Americans have invested in cryptocurrency (*Pew Research Center*)
- One billion crypto users by 2030 (*estimates Boston Consulting Group*)
- 83% of Millennial millionaires own cryptocurrency. More than 50% of that group have half of their portfolio invested in crypto assets, and nearly a third have at least 75% in crypto (*CNBC Millionaire Survey*)

3

How Large is the Crypto-Philanthropy Market?

- 45% of cryptocurrency users are likely to give at least \$1,000 per year to charity. In comparison, 33% of the general investor population reported giving \$1,000 or more to charity per year (*Fidelity Charitable Study*)
- Organizations are putting significant resources in crypto fundraising and setting ambitious revenue targets:
 - 2021: American Cancer Society raised \$1M for Crypto Cancer Fund
 - 2022: Shift4 CEO Jared Isaacman agreed to match \$10M in crypto charitable donations to nonprofits made on The Giving Block.



4

How Large is the Crypto-Philanthropy Market?

- Fidelity Charitable, the largest donor advised fund administrator and charitable grant-maker in the U.S., received \$331 million in digital assets last year through its donor-advised funds, a nearly 12-fold increase from the \$28 million received in 2020.
- Bitcoin accounted for 88% of its crypto donations, followed by Ether at 11%.

5

The Giving Block's 2021 Annual Report *(2022 report not yet published)*

- Processed \$69 million in crypto donation volume in 2021, up 1,558% from \$4.2 million in 2020
- In 2021, the average crypto donation made via The Giving Block was \$10,455, an increase of 236% from 2020
- More than 1,000 nonprofits accepted cryptocurrency donations via The Giving Block by the end of 2021

Top Cryptocurrencies Donated in 2021
Cryptocurrencies With the Highest Annual Donation Volume

 Ethereum (ETH)	\$30,794,056.69
 Bitcoin (BTC)	\$25,885,974.03
 USD Coin (USDC)	\$4,739,117.28
 Dai (DAI)	\$2,247,258.63
 Flow (FLOW) *	\$1,407,000.00
 Solana (SOL) *	\$1,235,197.54
 Gemini Dollar (GUSD)	\$484,560.25
 Cardano (ADA) *	\$408,125.16
 Litecoin (LTC)	\$339,447.41

88% OF OVERALL 2021 CRYPTO DONATION VOLUME WAS DONATED IN BITCOIN, ETHEREUM AND USD COIN.
*PROCESSED VIA THE GIVING BLOCK'S PRIVATE CLIENT SERVICES

6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Crypto and the Analog Nonprofit

Also available as part of the eCourse

[2023 Nonprofit Organizations eConference](#)

First appeared as part of the conference materials for the
40th Annual Nonprofit Organizations Institute session
"Crypto and the Analog Nonprofit"