

Not-for-Profit Industry

Bitcoin: What Nonprofits Need to Know and How It Might Give Your Fundraising a Competitive Advantage

A Fluctuating Market

Bitcoin valuation is largely determined by Bitcoin demand, so you need to be aware that Bitcoin value can rise dramatically, but also plunge, within short periods of time, as opposed to traditional currencies, whose values change at a slower, more predictable rate.

Identifying Bitcoin Players

Unfortunately for fundraisers, Bitcoin transactions are completely anonymous. Unlike traditional currencies, which are regulated by the Securities and Exchange Commission, there are no profit or sell disclosures, making transactions difficult to trace. There are still ways to figure out who is highly invested in the crypto market, however.

UTILIZING BITCOIN TO MEET YOUR FUNDRAISING GOALS

How to Target Bitcoin Investors

As with any fundraising process, targeting Bitcoin investors starts with building out a prospect list and creating a network. Since there is no public registry of successful Bitcoin investors, one way to proceed is with some basic Google searches using search terms such as:

- Bitcoin Companies
- Cryptocurrency Companies
- Bitcoin Millionaires
- Blockchain Technologies/Companies
- Mining Companies

The search results will generally surface the names of various CEOs and others who are involved in the industry.

After you have built your list, we suggest testing out a donor analysis software such as RelSci. RelSci can map out how to reach people through personal and organizational networks. RelSci sifts through prospects and reports on their career and academic backgrounds as well as any board affiliations or volunteer positions. This will allow you to determine connections between Bitcoin investors and individuals in your organization, such as board members.

Cole, Newton & Duran's Not-for-Profit Practice

Our team has years of experience providing assurance, accounting, and tax services to a variety of not-for-profit organizations. Clients receive up-to-date information on the latest accounting developments and industry regulations.

Cole, Newton & Duran's team of professionals are involved in every stage of our client's engagement to ensure they are receiving high quality, responsive service. Clients enjoy working with experts who help achieve their objectives. Clients receive industry knowledge and solutions they need to not only reach, but to exceed their strategic goals.

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Bitcoin can also be incorporated into your online marketing strategy. Once you have the capacity to accept Bitcoin payments, you can include the currency logo in your web-based donation platforms. Donations can be accepted via a personal Quick Response (QR) code linked to a Bitcoin address. A QR code, scanned in barcode form, is generated when you set up your Bitcoin wallet. QR codes allow you to make and accept transactions because these unique codes recognize your personal virtual wallet information. Although there may only be a small number of donors wishing to pay in Bitcoin right now, it is certainly a good idea to make it easy for those who do!

WHY BITCOIN?

As Bitcoin continues to dominate the newsfeeds of tech-savvy innovators and create millionaires overnight, nonprofits that adopt cryptocurrency tools may be able to gain a competitive advantage.

The preceding is an article by CJ Orr, Director of Business Development, at [Orr Associates, Inc.](#), a consulting firm that helps nonprofits fundraise more successfully through a business orientation to problem-solving, a metrics focus, and an outcomes-driven perspective.

Contact Us

If you would like to discuss how Cole, Newton & Duran's not-for-profit team can help your organization with your accounting, tax, or consulting needs, please feel free to give me a call.

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