

nonprofit tax returns

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CAUTION



This presentation is different

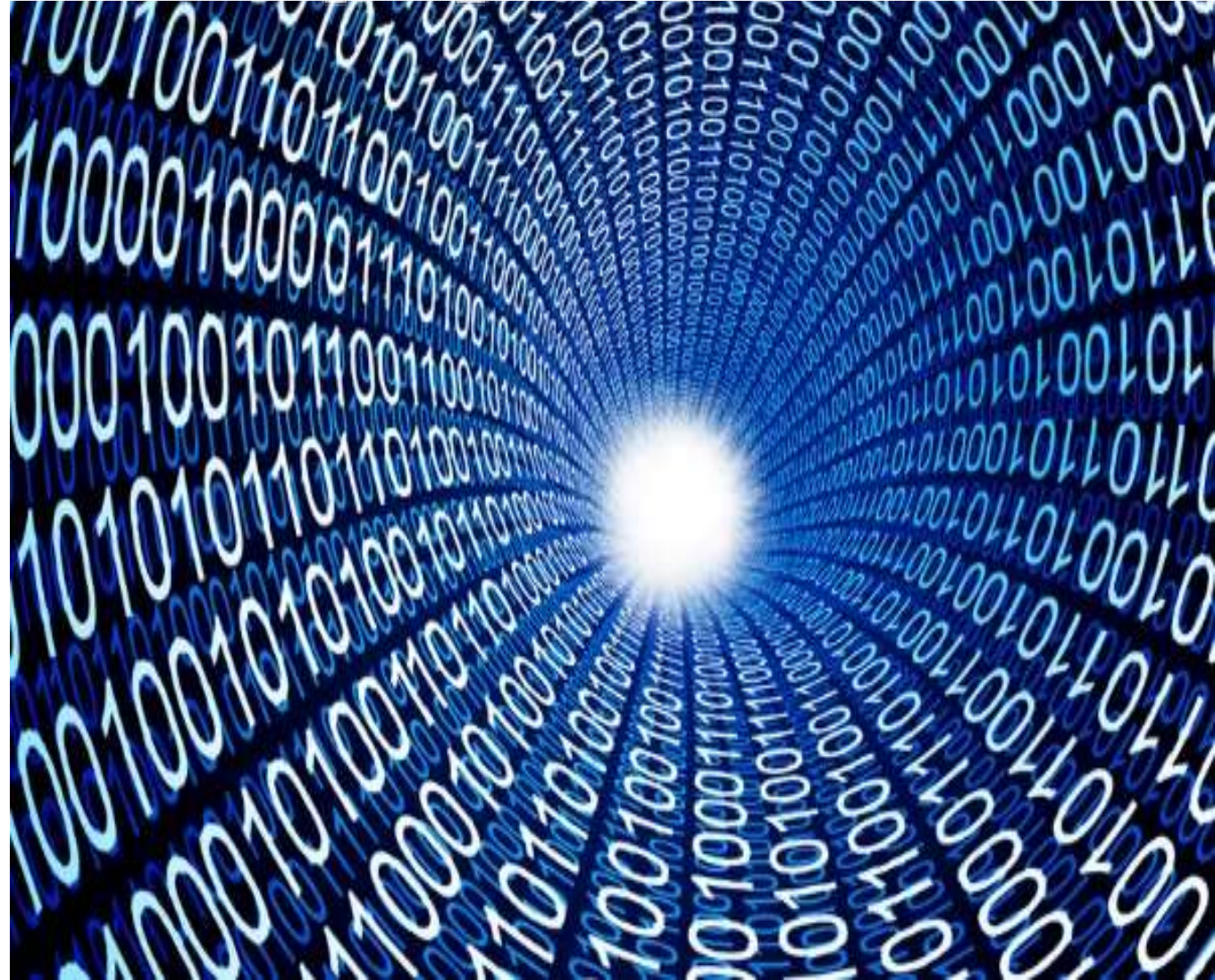
War stories

*This
worked for
me once*



Massive data

*Over 1 million e-filed
nonprofit tax returns*



**You wish it were true;
so I'll tell you it is, and
you'll be happy.**



**How about a nice cup of
reality?**



“Best” practices

What big organizations do



Best practices

What growing organizations do differently



The
Psychology
and
Economics
of
Noncash
Gifts



WHY?



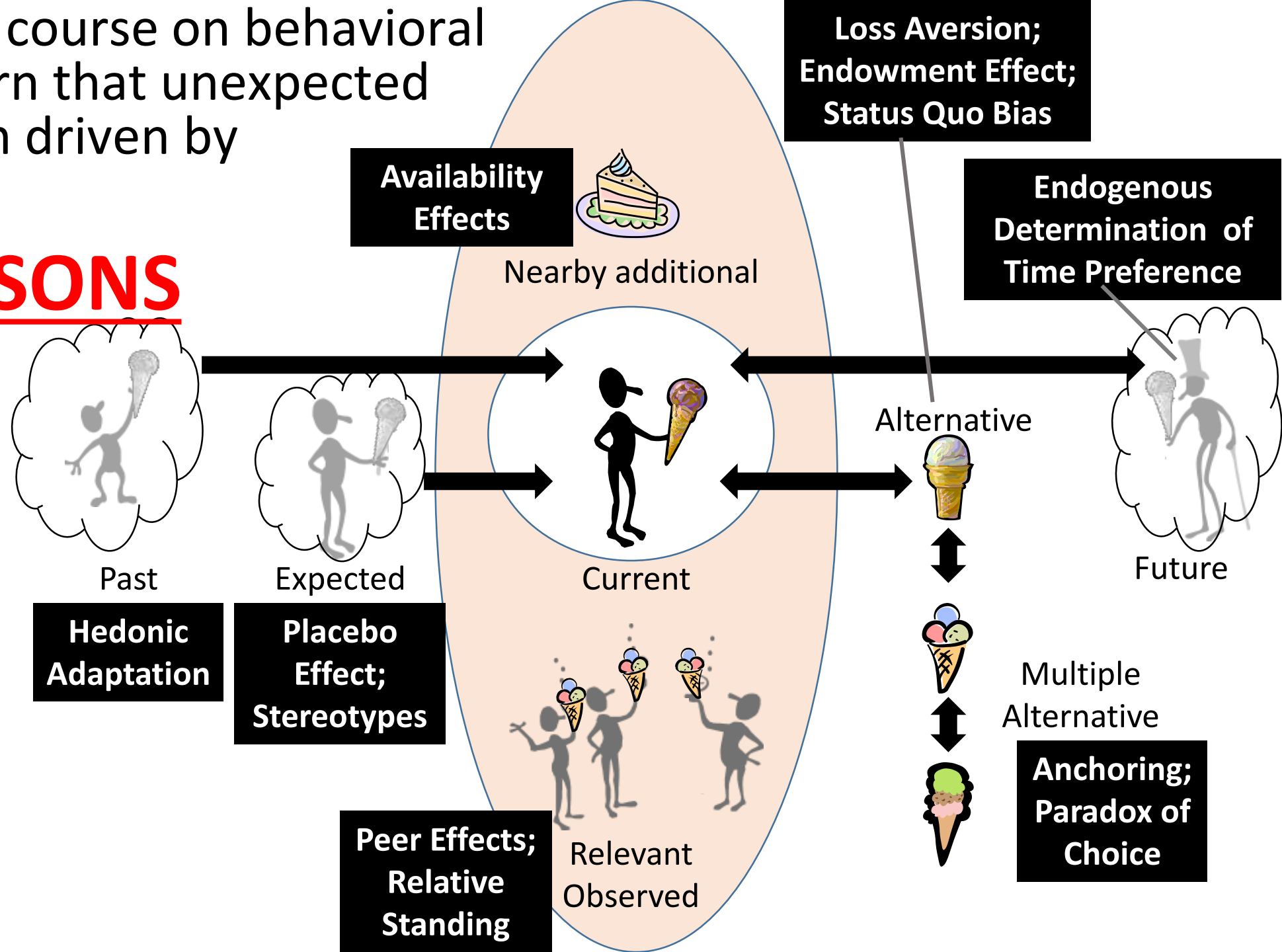
Asset gifts

- feel relatively smaller
- remind us of our wealth
- mentally reclassify assets as donation relevant
- reflect donor-centeredness
- require fundraiser expertise
- are more social
- are cheaper

Current
and
future
fundraising
growth

In my graduate course on behavioral finance, we learn that unexpected biases are often driven by

RELATIVE COMPARISONS



Relative comparisons matter in charitable decisions



- Cash gifts naturally compare with our disposable income purchases (small)
- Asset gifts naturally compare with our wealth holdings (large)
- Moving donors from giving out of disposable income towards giving out of wealth can be transformational

**If you are
asking for
cash, you are
asking** small



Wealth is not held in cash.
It is held in noncash **assets**.

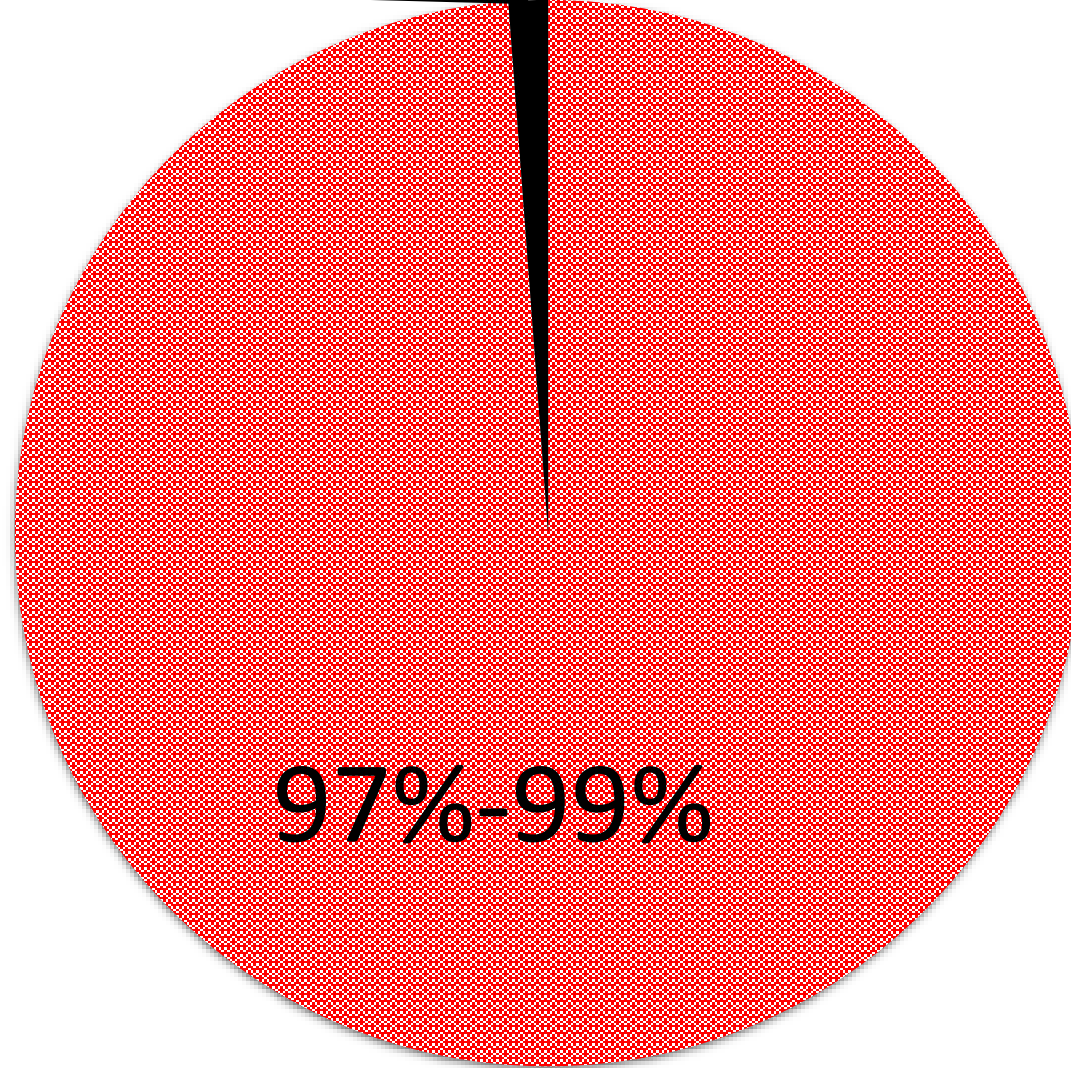


If you are asking from the cash bucket, you are
asking from the **small** bucket.

Financial assets held by families (U.S. Census 2017)

<https://www2.census.gov/programs-surveys/demo/tables/wealth/2013/wealth-asset-ownership/wealth-tables-2013.xlsx>

1%-3%



- Other financial assets (stocks, bonds, retirement accounts, life insurance, mutual funds)
- Cash: Checking, savings, money market deposit accounts, and similar

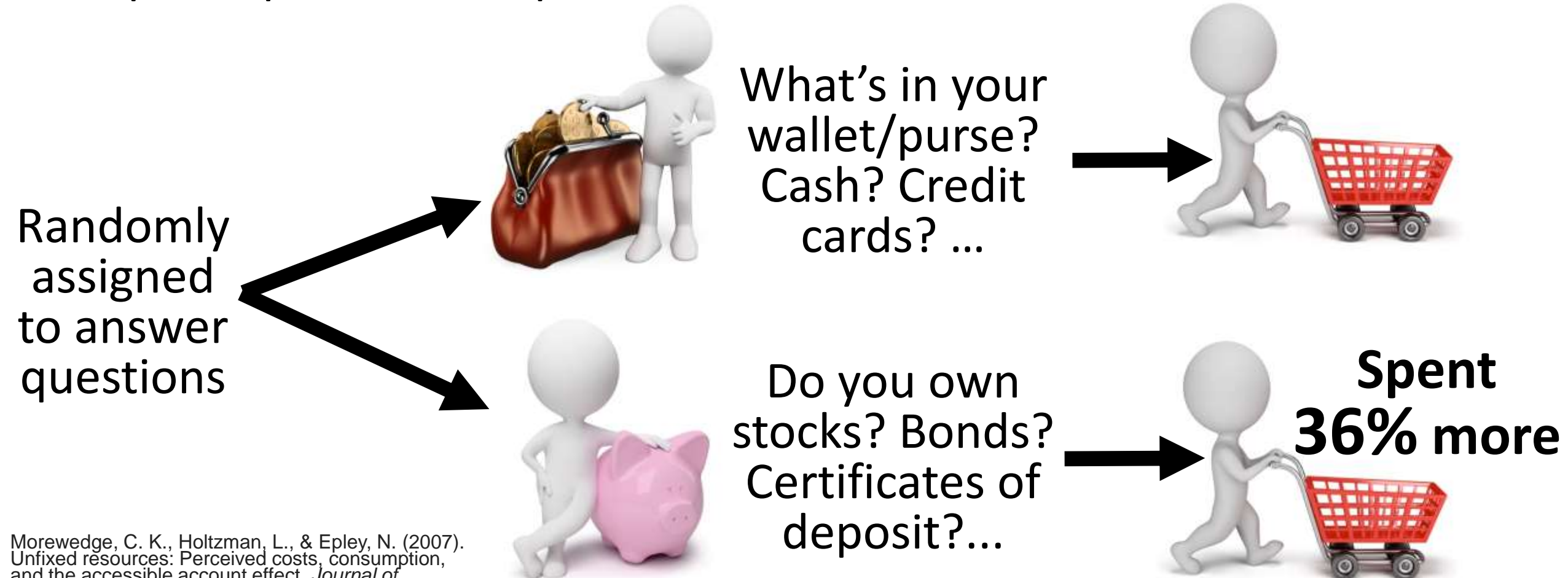
Asset gifts feel relatively smaller

“For a wealthy donor, asking for the same gift from assets (where it constitutes a tiny share) rather than from income (where it constitutes a much larger share) may reduce the relative perception of financial loss.”



Asset gifts remind us of our wealth

Shoppers entering Broadway Market in Cambridge, MA: Would you like to participate in an experiment and receive this free chocolate bar?





People who feel wealthy act charitably

The strongest predictor of donation amount was subjective feelings about one's wealth, not it's objective adequacy.

Wiepking, P., & Breeze, B. (2012). Feeling poor, acting stingy: The effect of money perceptions on charitable giving. *International Journal of Nonprofit and Voluntary Sector Marketing*, 17(1), 13-24.

Relative comparisons change this feeling. Making college students feel richer by having them report their savings on a scale ranging from \$0 to \$500 rather than \$0 to \$50,000 increased subsequent donations.

Herzenstein, M., & Small, D. (2012). Donating in recessionary times: Resource scarcity, social distance, and charitable giving. *ACR North American Advances*.

Mental accounting

People attach labels to
financial assets and
then treat them
differently

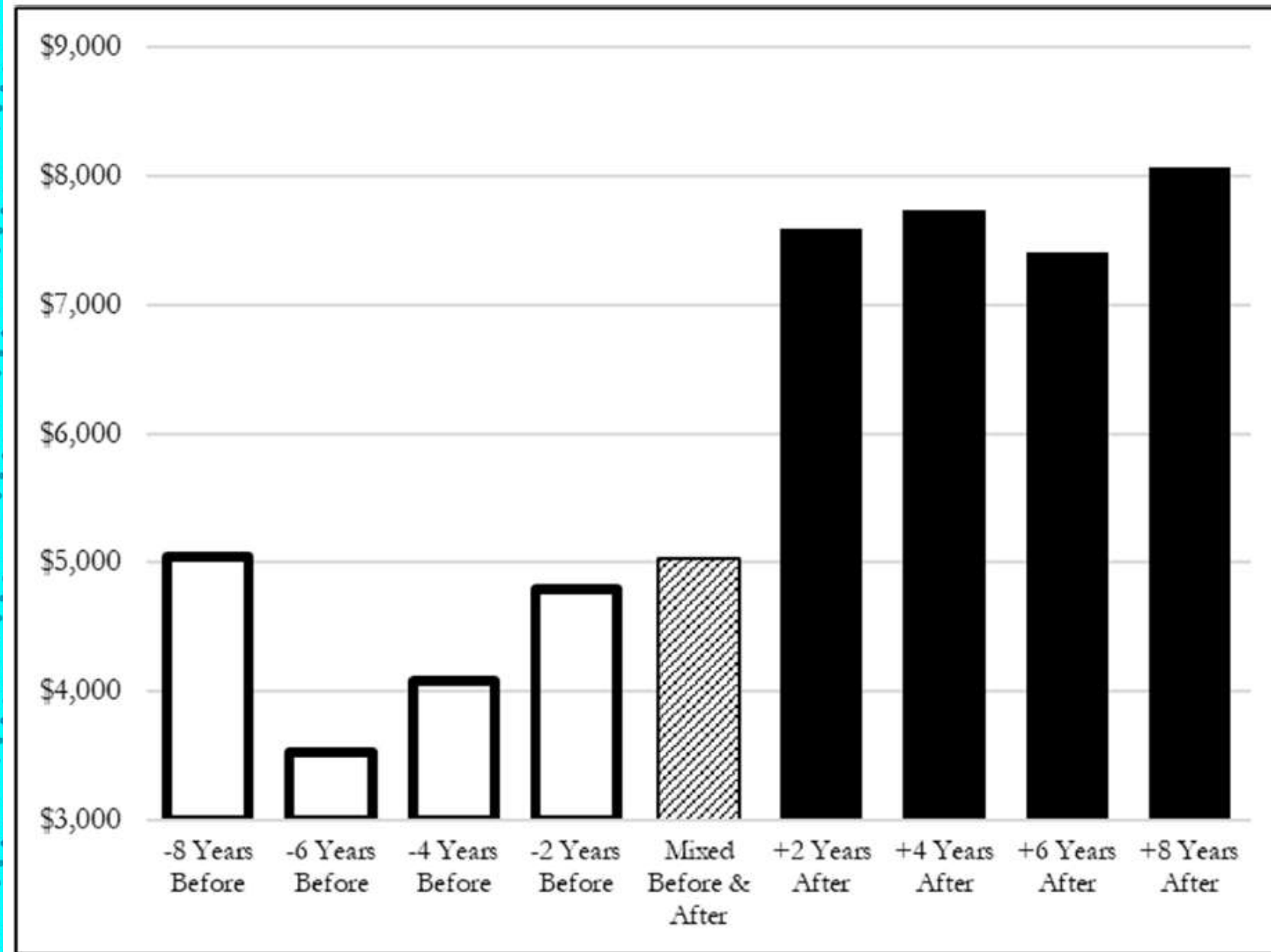




Labeling assets as donation relevant

When a donor makes a gift of a noncash asset, the donation experience can re-categorize that asset class as appropriate for future charitable consideration

Figure 1. Average Annual Charitable Donations Before and After Adding Charity to an Estate Plan



For many, the first time they commit to a charitable gift from their wealth is when they add charity to their estate plan.

James III, R. N. (2020). The Emerging Potential of Longitudinal Empirical Research in Estate Planning: Examples from Charitable Bequests. *UC Davis Law Review*, 53, 2397-2431.
<https://lawreview.law.ucdavis.edu>



Labeling assets as donation relevant

Expanding the total number of budget categories for which a particular charitable donation was arguably relevant increased donations



Irregular unearned gains – like appreciated assets – generate more giving

People are more likely to spend irregular unearned gains (vs. regular earned income) on luxury goods in general (O'Curry, 1999) and charitable donations in **particular** (Reinstein & Reiner, 2012; Konow, 2010).

Framing a donation as an exceptional event removes it from comparison with regular disposable income budget items and **increases giving** (Sussman, Sharma, & Alter, 2015)

Konow, J. (2010). Mixed feelings: Theories of and evidence on giving. *Journal of Public Economics*, 94(3-4), 279-297.; O'Curry, S. (1999). Consumer budgeting and mental accounting. In P.E. Earl & S. Kemp (Eds.) *The Elger companion to consumer research and economic psychology*. Northampton, MA: Cheltenham.; Reinstein, D. & Riener, G. (2012) Decomposing desert and tangibility effects in a charitable giving experiment. *Experimental Economics*, 15(1): 229-240.; Sussman, A. B., Sharma, E., & Alter, A. L. (2015). Framing charitable donations as exceptional expenses increases giving. *Journal of Experimental Psychology: Applied*, 21(2), 130.

Cash is anti-social

Gifts of objects are pro-social

Reminders of cash promote independence and exchange motives, reducing willingness to help and to make donations



Vohs, K. D., Mead, N. L., & Goode, M. R. (2008). Merely activating the concept of money changes personal and interpersonal behavior. *Current Directions in Psychological Science*, 17(3), 208-212.

Savani, K., Mead, N. L., Stillman, T., & Vohs, K. D. (2016). No match for money: Even in intimate relationships and collectivistic cultures, reminders of money weaken sociomoral responses. *Self and Identity*, 15(3), 342-355.



Cash is anti-social

Gifts of objects are pro-social

In contrast, gifts of objects are common in social relationships and emphasize communal norms rather than self-interested exchange relationships and exchange norms

Mauss, M. (1923). Essai sur le don forme et raison de l'échange dans les sociétés archaïques. *L'Année sociologique*, 1, 30-186. [The Gift: Forms and Functions of Exchange in Archaic Societies]; Cheal, D. (1987). Showing them you love them: gift giving and the dialectic of intimacy. *Sociological Review*, 35(1), 150-69.

Fundraiser technical sophistication

- Organizations promoting and receiving non-cash gifts, especially complex gifts, are more likely to develop technically-skilled fundraisers
- This greater level of financial knowledge changes the relationship from "asking" to "advising" and this leads to long-term fundraising growth



Fundraiser technical sophistication

- Free 65 video YouTube series
- Direct link:
bit.ly/TexasTechProfessor



**Appreciated asset
gifts are objectively
cheaper**

Donors can give more at
the same net cost



Appreciated asset gifts are objectively cheaper



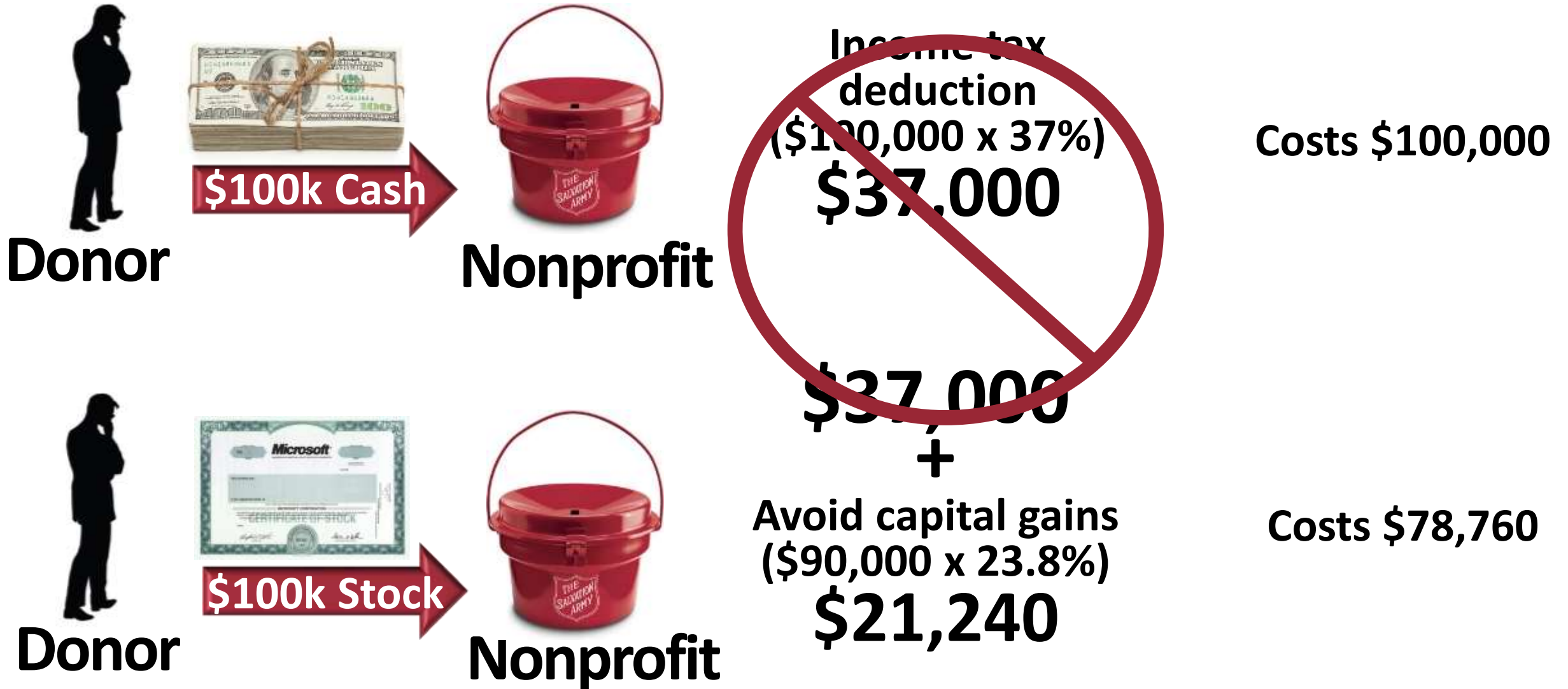
**Tax
deduction
only**

**Tax deduction
+
Avoid capital
gains tax**

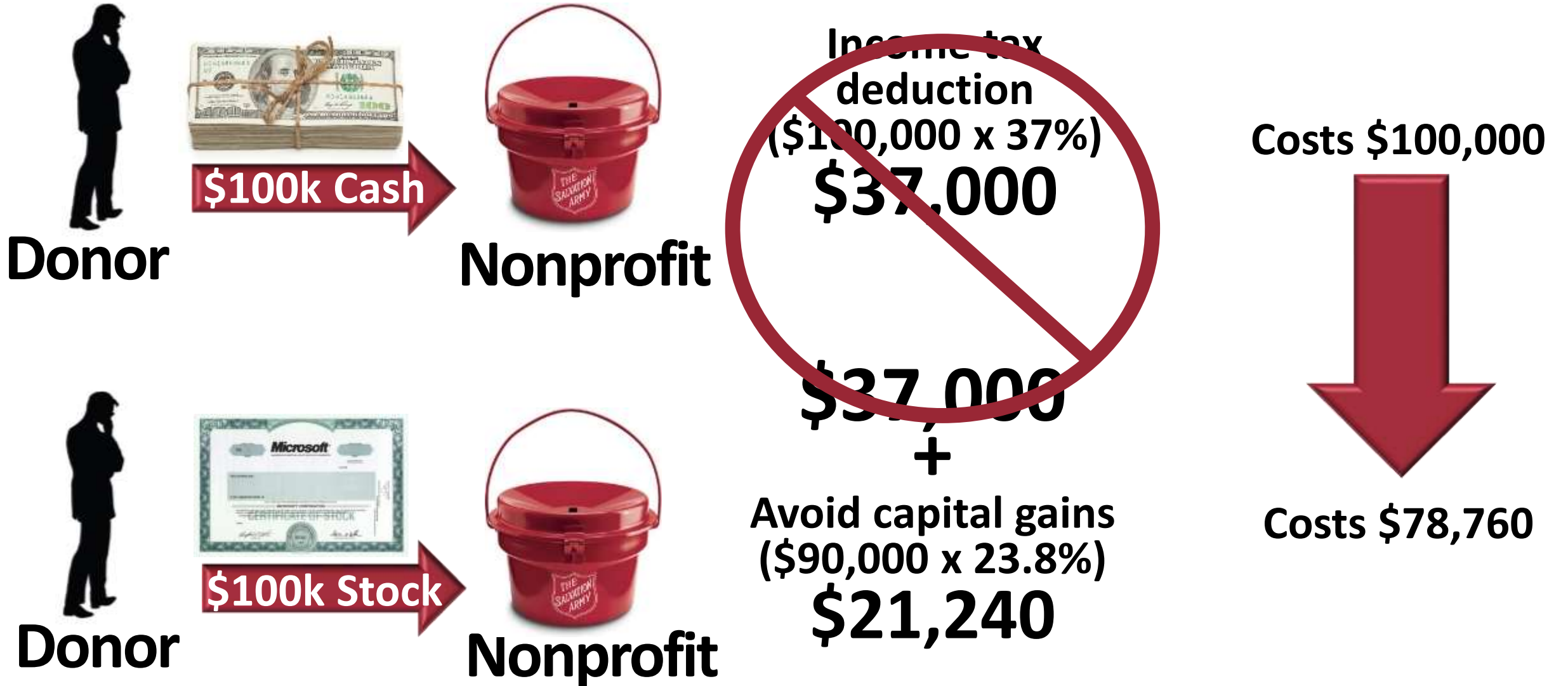
Asset gifts are cheaper for itemizers



Asset gifts are cheaper for non-itemizers



Use the new tax law to shift non-itemizers to asset gifts



Asset gifts got EVEN cheaper for many



\$100k Cash



Donor

Nonprofit

Net cost \$52,370 in '18 vs. \$49,700 in '17

2017

Income tax deduct.
(\$100,000 x 39.6%)

\$39,600 fed

(\$100,000 x 11%)

-(~~\$100,000 x 4.36%~~)

\$6,644 state

+

Avoid capital gains
(\$90,000 x 23.8%)

\$21,240 fed

(\$90,000 x 11%)

-(~~\$90,000 x 4.36%~~)

\$5,980 state

2018

Income tax deduct.
(\$100,000 x 37%)

\$37,000 fed

(\$100,000 x 11%) =

~~-(~~\$100,000 x 4.36%~~)~~

\$11,000 state

+

Avoid capital gains
(\$90,000 x 23.8%)

\$21,240 fed

(\$90,000 x 11%)

~~-(~~\$90,000 x 4.36%~~)~~

\$9,900 state



\$100k Stock



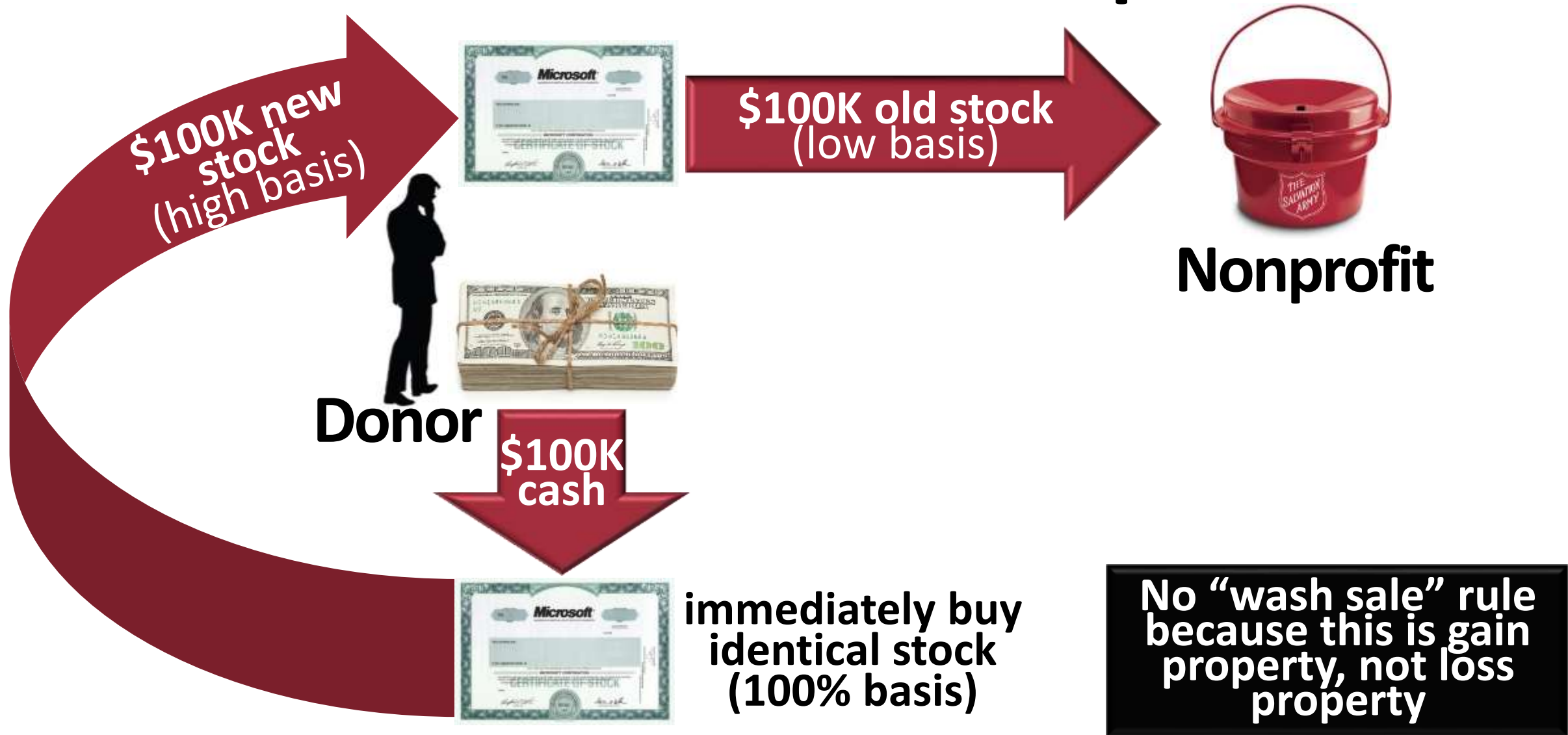
Donor

Nonprofit

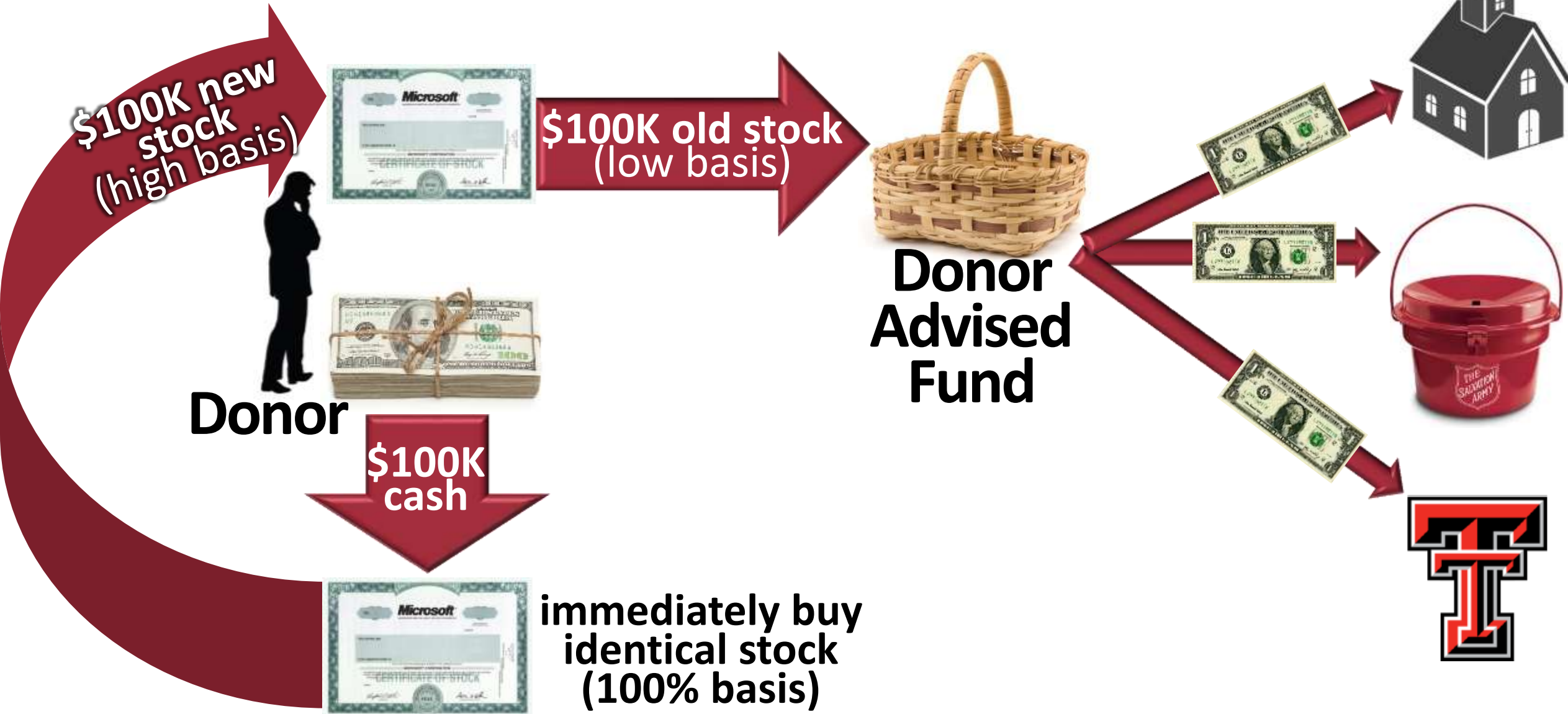
Net cost \$16,490 in '18 vs. \$23,903 in '17

No need to change your portfolio!

The Charitable Swap



The Charitable Swap with a DAF



Reflect real “donor-centeredness”

- Nonprofits promoting non-cash gifts are willing to increase their hassle (*cash is easier for the charity*) to benefit the donor (*gifts of appreciated assets are cheaper for the donor*)
- Action, not just talk



WHY?



Asset gifts

- feel relatively smaller
- remind us of our wealth
- mentally reclassify assets as donation relevant
- reflect donor-centeredness
- require fundraiser expertise
- are more social
- are cheaper

Current
and
future
fundraising
growth

If you just want results, the exact cause might not matter to you

Why this new data is such a big deal



First time IRS released in computer readable format all e-filed Form 990s from 2010 forward including 1,055,917 tax returns from 205,696 nonprofits

Let's start with a simple comparison

NONPROFITS

receiving
**ONLY
CASH**
gifts



NONPROFITS

receiving
**ANY
NONCASH**
gifts



NONPROFITS

receiving
**SECURITIES
NONCASH**
gifts



5-year average growth in total fundraising

(2010 to 2015)

NONPROFITS

receiving
**ONLY
CASH**
gifts

2,548 nonprofits raising \$1MM+
in 2010 reported only cash gifts
in 2010 & 2015 on e-file IRS-990

GROWTH

NONPROFITS

receiving
**ANY
NONCASH**
gifts

4,236 nonprofits raising \$1MM+ in
2010 reported noncash gifts in 2010
& 2015 on e-file IRS-990

GROWTH

NONPROFITS

receiving
**SECURITIES
NONCASH**
gifts

2,143 nonprofits raising \$1MM+
in 2010 reported securities gifts in
2010 & 2015 on e-file IRS-990

GROWTH

5-year average growth in total fundraising (2010 to 2015)

NONPROFITS

receiving
**ONLY
CASH**
gifts

2,548 nonprofits raising \$1MM+
in 2010 reported only cash gifts
in 2010 & 2015 on e-file IRS-990

11%

GROWTH

NONPROFITS

receiving
**ANY
NONCASH**
gifts

4,236 nonprofits raising \$1MM+ in
2010 reported noncash gifts in 2010
& 2015 on e-file IRS-990

50%

GROWTH

NONPROFITS

receiving
**SECURITIES
NONCASH**
gifts

2,143 nonprofits raising \$1MM+
in 2010 reported securities gifts in
2010 & 2015 on e-file IRS-990

66%

GROWTH



Yeah, but...
Maybe there was
something special
about those five
years?

3-year average growth in total fundraising

(2010 to 2013; 2011 to 2014; 2012 to 2015; 2013 to 2016)

NONPROFITS

receiving
**ONLY
CASH**

Average Total
Fundraising

Years Growth

'10-'13 = **5%**

'11-'14 = **1%**

'12-'15 = **2%**

'13-'16 = **0%**

NONPROFITS

receiving
**ANY
NONCASH**

Average Total
Fundraising

Years Growth

'10-'13 = **34%**

'11-'14 = **30%**

'12-'15 = **30%**

'13-'16 = **25%**

NONPROFITS

receiving
**SECURITIES
NONCASH**

Average Total
Fundraising

Years Growth

'10-'13 = **44%**

'11-'14 = **42%**

'12-'15 = **39%**

'13-'16 = **33%**



Yeah, but...
Maybe it's just
because noncash
organizations are
BIGGER?

5-year total fundraising growth by initial level of total contributions

	\$100K to <\$500K	\$500K to <\$1MM	\$1MM to <\$2MM	\$2MM to <\$3MM	\$3MM to <\$5MM	\$5MM to <\$10MM	\$10MM+
Nonprofits reporting only cash <small>contributions in 2010 & 2015 on e-IRS 990s</small>	56% [n=9168]	25% [n=2397]	14% [n=1343]	18% [n=478]	0% [n=358]	0% [n=223]	26% [n=146]
Nonprofits reporting any noncash <small>contributions in 2010 & 2015 on e-IRS 990s</small>	137% [n=2278]	71% [n=1373]	60% [n=1215]	58% [n=652]	48% [n=728]	36% [n=679]	35% [n=962]
Nonprofits reporting securities <small>contributions in 2010 & 2015 on e-IRS 990s</small>	400% [n=114]	176% [n=187]	103% [n=340]	94% [n=284]	68% [n=385]	50% [n=427]	43% [n=707]

Beyond simply “some v. none,” what happens when nonprofits shift to a larger SHARE of cash or noncash gifts?



What happens **IN THE SAME YEAR** when gifts shift from cash to assets?

When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-13%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+18%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+26%

Fixed effects regression analysis of the 761,876 e-filed IRS Form 990s reporting positive contribution amounts from 205,696 organizations in 2010-2016.

Does the TYPE of noncash asset matter?



Gifts from larger asset types have more impact

*Same year effect of a 10% ratio shift (asset type/total giving)
for nonprofits already reporting substantial noncash gifts*

Doesn't help	none/minimal	Books, Food, Collectibles, Uncategorized
Helps a little	+2% to +3%	Cars, Boats, Household goods, Art, Pharmaceuticals
Definitely helps	+7%	Publicly-traded securities, Historical art & artifacts
Helps a lot	+14% to +18%	Real estate, Non-publicly-traded securities

Yeah, but...
My organization is different;
we are really big and
sophisticated



What happens IN THE SAME YEAR when gifts shift from cash to assets at large, \$50MM+, fundraising NPOs?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-6%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+28%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+13%

Fixed effects regression analysis of the 2,566 e-filed IRS Form 990s reporting contribution amounts of \$50MM+ from 723 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at large, \$500MM+, fundraising NPOs?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-14%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+13%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+4%

Fixed effects regression analysis of the 142 e-filed IRS Form 990s reporting contribution amounts of \$500MM+ from 46 organizations in 2010-2016.



Yeah, but...
Our sector
is different;
you wouldn't
understand

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Education** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-11%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+14%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+24%

Fixed effects regression analysis of the 115,047 e-filed IRS Form 990s from 29,165 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Colleges & Universities?**

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-9%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+10%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+18%

Fixed effects regression analysis of the 20,447 e-filed IRS Form 990s from 4,361 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Arts & Cultural** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-15%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+21%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+28%

*Fixed effects regression analysis of the **70,744** e-filed IRS Form 990s from **18,228** organizations in 2010-2016.*

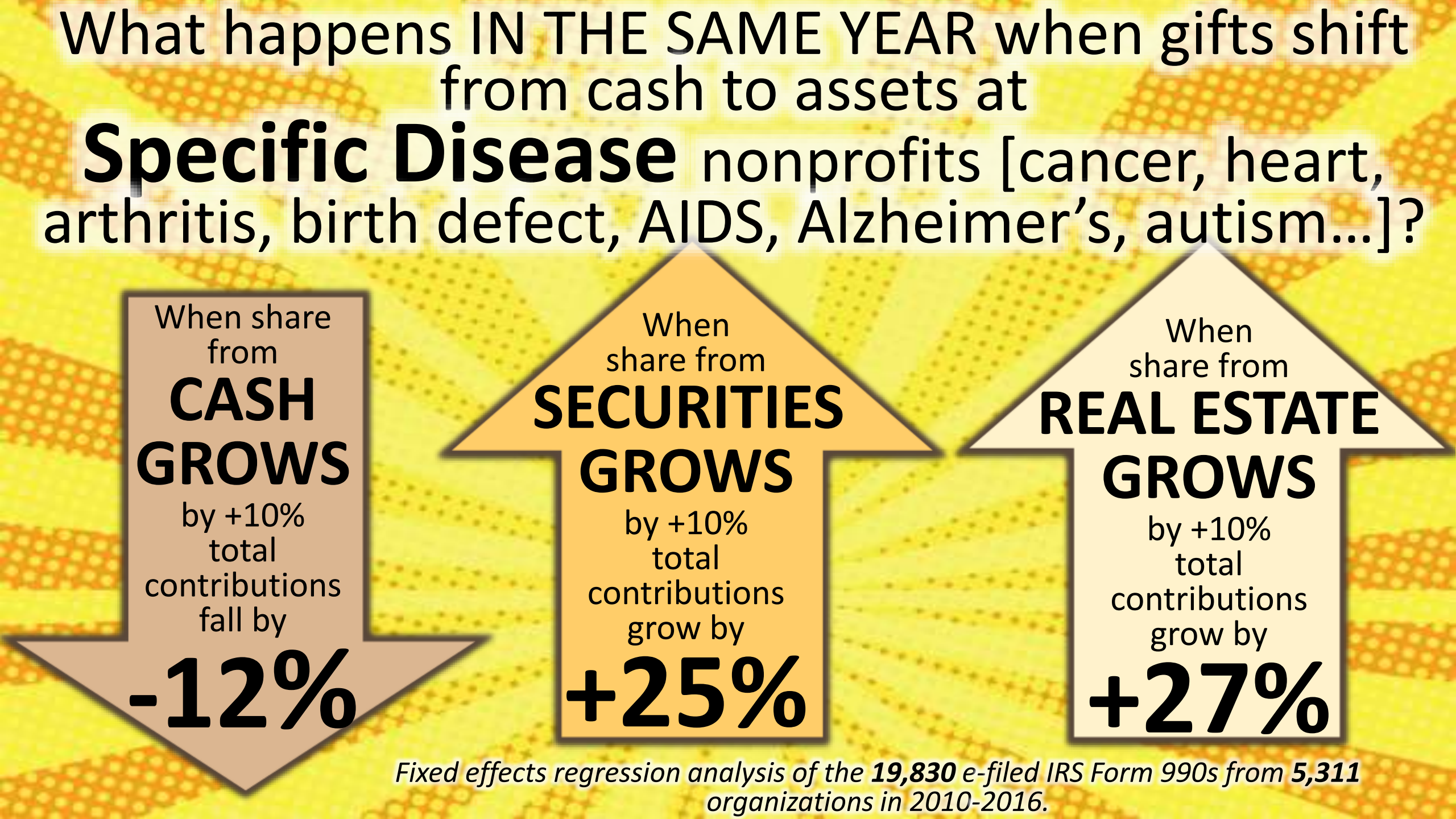
What happens IN THE SAME YEAR when gifts shift from cash to assets at **Health Care** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-13%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+22%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+27%

Fixed effects regression analysis of the 63,904 e-filed IRS Form 990s from 14,960 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift
from cash to assets at
Specific Disease nonprofits [cancer, heart,
arthritis, birth defect, AIDS, Alzheimer's, autism...]?


When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-12%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+25%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+27%

*Fixed effects regression analysis of the 19,830 e-filed IRS Form 990s from 5,311
organizations in 2010-2016.*

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Environment** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-19%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+16%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+28%

Fixed effects regression analysis of the 18,197 e-filed IRS Form 990s from 4,761 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Housing & Shelter** nonprofits?

When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-14%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+27%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+22%

Fixed effects regression analysis of the 27,256 e-filed IRS Form 990s from 7,472 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Recreation, Sports, Camps** nonprofits?

When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-13%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+24%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+35%

Fixed effects regression analysis of the 42,197 e-filed IRS Form 990s from 12,620 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift
from cash to assets at
Human Services (Red Cross, Salvation Army,
YMCA, Family Services, Hospice, Adoption) nonprofits?

When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-14%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+23%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+28%

*Fixed effects regression analysis of the 104,214 e-filed IRS Form 990s from 24,874
organizations in 2010-2016.*

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Animal or Wildlife** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-11%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+20%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+27%

Fixed effects regression analysis of the 16,029 e-filed IRS Form 990s from 4,220 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Business or Community Development** nonprofits?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-13%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+21%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+26%

*Fixed effects regression analysis of the **48,477** e-filed IRS Form 990s from **14,520** organizations in 2010-2016.*

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Community & Public Foundations?**

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-13%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+17%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+24%

Fixed effects regression analysis of the 30,060 e-filed IRS Form 990s from 7,611 organizations in 2010-2016.

What happens IN THE SAME YEAR when gifts shift
from cash to assets at
International Development/Relief
nonprofits?

When share
from
CASH
GROWS
by +10%
total
contributions
fall by
-14%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+12%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+31%

*Fixed effects regression analysis of the 15,432 e-filed IRS Form 990s from 4,161
organizations in 2010-2016.*

What happens IN THE SAME YEAR when gifts shift from cash to assets at **Religious** nonprofits filing form 990?

When share from
CASH
GROWS
by +10%
total
contributions
fall by
-14%

When
share from
SECURITIES
GROWS
by +10%
total
contributions
grow by
+15%

When
share from
REAL ESTATE
GROWS
by +10%
total
contributions
grow by
+25%

*Fixed effects regression analysis of the **36,194** e-filed IRS Form 990s from **10,015** organizations in 2010-2016.*

Shifting
to gifts of noncash
assets drives total
fundraising growth in
every nonprofit sector, at
every fundraising size, in
every time period
(same year and 3 or 5
years later)



What about
planned gifts
like
Charitable
Gift
Annuities?



**Where new CGA gifts grew
+50% or more 2013-2017**

**26
organizations
in ACGA
surveys**

+50%

**Where new CGA gifts fell
-50% or more 2013-2017**

-50%

**40
organizations
in ACGA
surveys**

**Where new CGA gifts grew
+50% or more 2013-2017**

**Share of
CGA gifts
from cash
fell by
24%**

**Avg contract
size grew by
\$122,000**

**Where new CGA gifts fell
-50% or more 2013-2017**

**Share of
CGA gifts
from cash
rose by
4%**

**Avg contract
size fell by
\$47,000**

What demographic factors predict who will donate noncash assets?



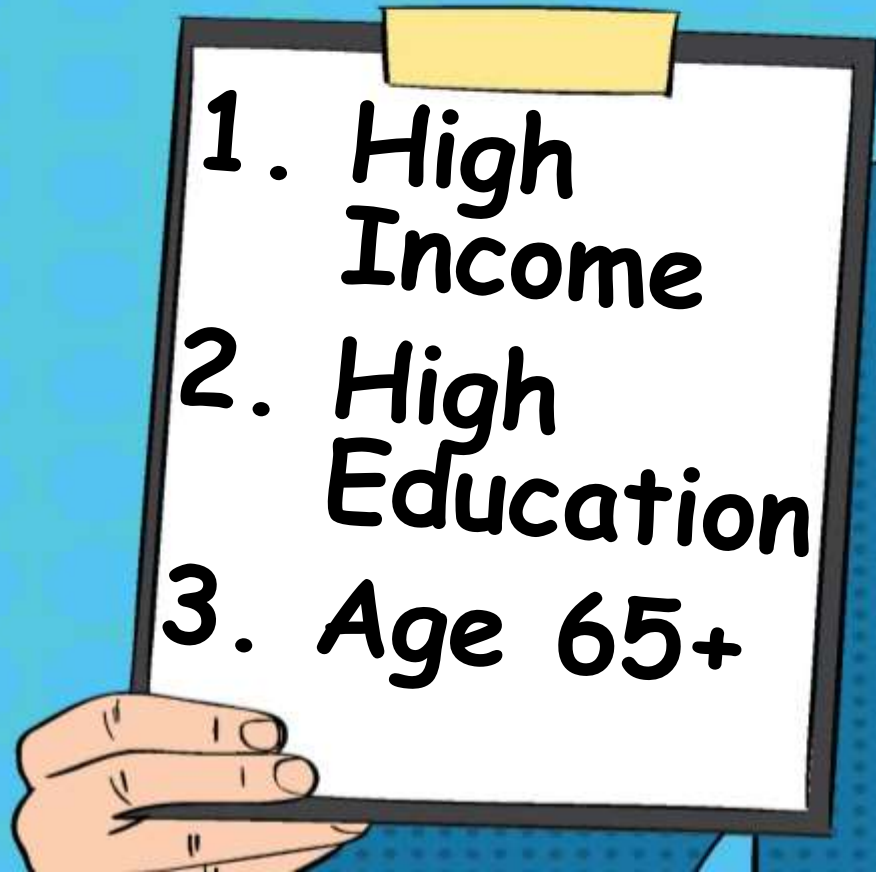
Consumer Expenditure Survey from the Bureau of Labor Statistics (73,109 households)

Measures gifts of stocks, bonds, or mutual funds

Also measures gifts of cash to religion, education, politics, and other charities

Method: Tobit multiple regression

What predicts who will donate noncash assets?



No significant differences for gender, other age distinctions, marriage, childlessness, African-American, Caucasian, Asian

Tax incentives matter more



1. Giving cash to education was 2x more responsive to tax price than giving cash to religion
2. Giving stocks, bonds, or mutual funds was 10x more responsive to tax price than giving cash to education

How to talk about gifts of assets



**Should
you
mention
tax
benefits?**



Social Desirability Bias

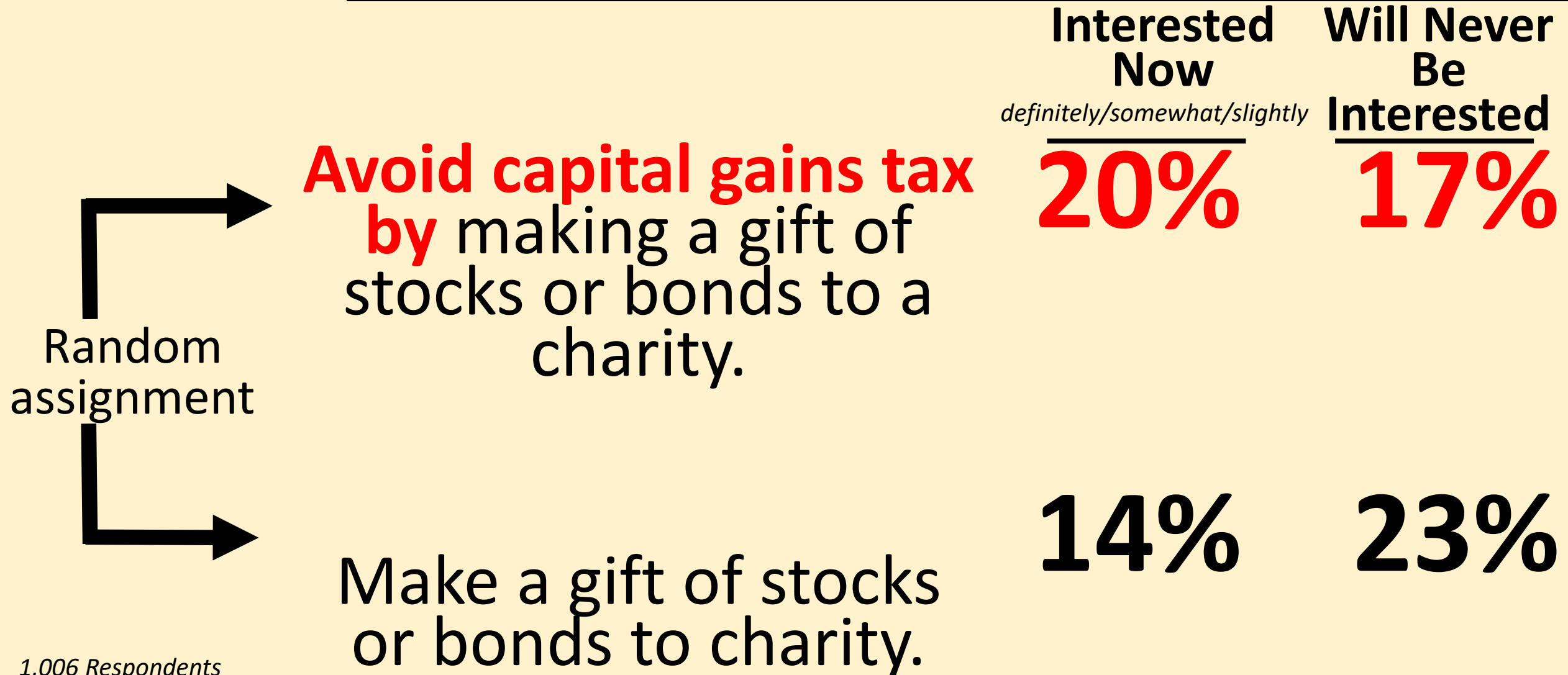
People report
socially-approved
motivations



Other motivations
must be tested,
not self-reported



Mentioning tax deductions increases charitable interest



Random
rotating
assignment

Mentioning tax deductions increases charitable interest

**Interested
Now**
definitely/somewhat/slightly

50%

**Receive a tax
deduction and** make a
gift that pays you
income for life.

**Will Never
Be
Interested**
8%

33%

Make a gift that pays you
income for life **and**
receive a tax deduction.

14%

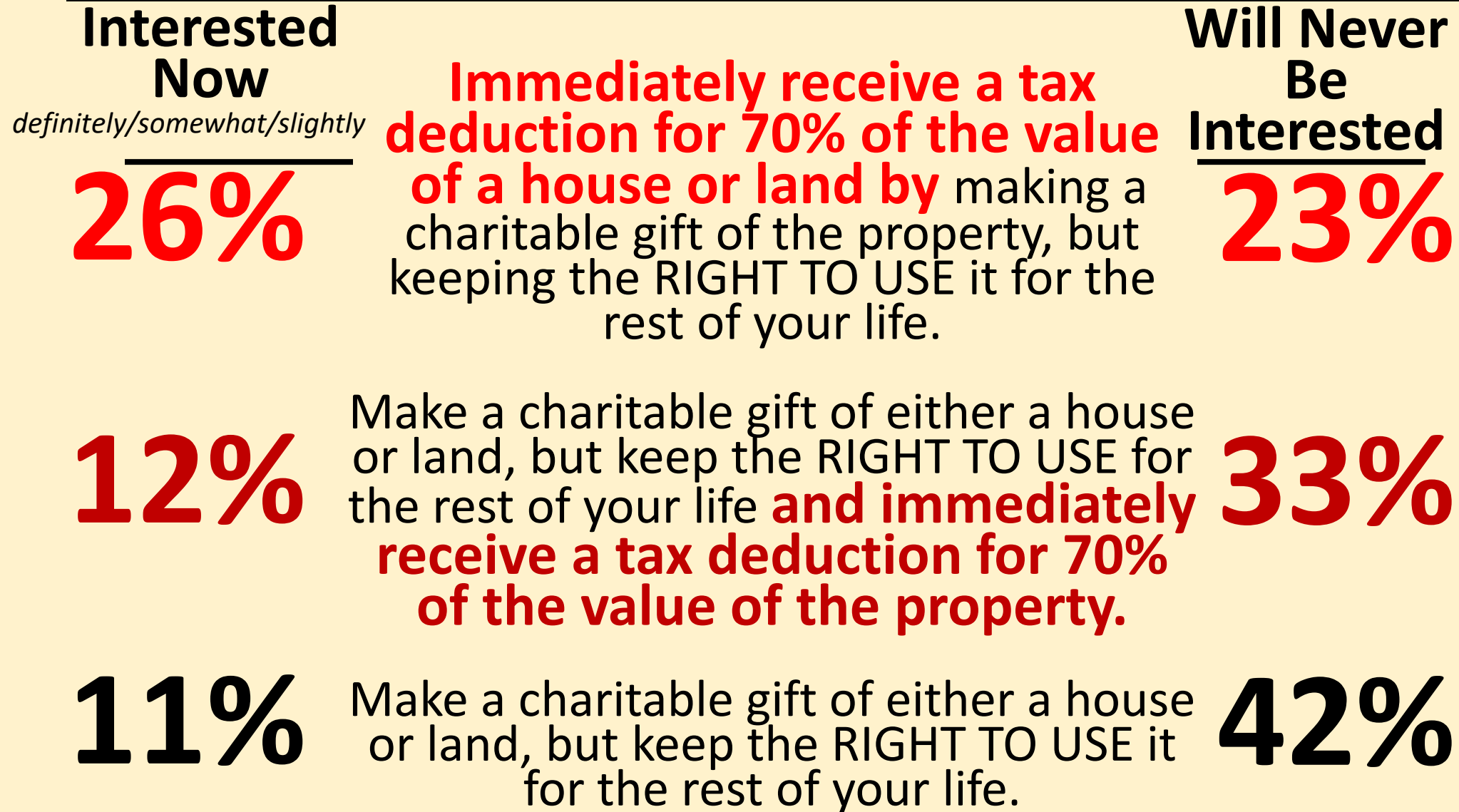
31%

Make a gift that pays you
income for life.

20%

Random
rotating
assignment

Mentioning tax deductions increases charitable interest



Random
rotating
assignment

Mentioning tax deductions increases charitable interest

Interested
Now

definitely/somewhat/slightly

28%

Get an immediate tax deduction

by making a gift where you still control the investment of the assets, and receive income from the investments for the rest of your life with anything left over going to charity at your death.

Will Never
Be

Interested

17%

27%

Make a gift where you **get an immediate tax deduction**, still control the investment of the assets and receive income from the investments for the rest of your life with anything left over going to charity at your death.

20%

21%

Make a gift where you still control the investment of the assets, and receive income from the investments for the rest of your life with anything left over going to charity at your death.

25%

Best phrasing to describe tax benefits



I might
be/am
definitely
interested

___%

___%

___%

___%

___%

___%

**Please rate your level of interest
in clicking on the button to read
the corresponding information.**

Avoid taxes by giving stocks

**How to avoid taxes by giving
stocks**

Save taxes by giving stocks

Tax tips when giving stocks

**Avoiding capital gains taxes by
giving stocks**

Giving stocks

I might
be/am
definitely
interested

**Please rate your level of interest
in clicking on the button to read
the corresponding information.**

28%

Avoid taxes by giving stocks

27%

**How to avoid taxes by giving
stocks**

25%

Save taxes by giving stocks

24%

Tax tips when giving stocks

24%

**Avoiding capital gains taxes by
giving stocks**

16%


Giving stocks

**Mentioning
tax benefits
works, but it
isn't "the
reason"**



**How can I convince the board
this is important?**

*What's a
compelling
argument?*

A comic book illustration of a woman with long brown hair and blue eyes, looking thoughtful with her hand near her chin. A speech bubble above her head contains the text 'What's a compelling argument?'. The background is a teal color with a white dot pattern.

Room for growth at Texas Tech University?		2017 Texas Tech Foundation	2017 Iowa State University Foundation
Total contributions		\$70,971,175	\$182,944,883
Noncash contributions		\$7,475,636	\$109,538,183
Noncash share		10.5%	59.9%
Publicly traded securities		X	X
Closely held securities			X
Partnerships, LLC, trust interests			X
Miscellaneous securities			X
Residential real estate			X
Commercial real estate			X
Art			X
Historical Art			X
Books			X
Collectibles			X
Historical Artifacts			X
Other-Grain, Gold, Life Insurance	1 gift		102 gifts

**New
strategies**





Accepting noncash gifts is safer today

- **Using DAFs that accept any asset type**
- **Using new instruments like the single-asset LLC**

Non-cash
gifts are more
important and
more work



Are fundraisers given the extra tools and rewards to do the hard work of raising gifts of assets?



Or to do we hit the “easy button” of cash only?
(keeping the nonprofit in the no growth/slow growth category)



Why cash is not king in fundraising



Data on the power of asset gifts from 1 million nonprofit tax returns

Russell James III, J.D., Ph.D., CF
Professor and Director of Graduate
Studies in Charitable Financial Policy
Texas Tech University

Connect with me on LinkedIn for free access to all my slides, books, papers

