DAOs and the Nonprofit Sector

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The Australian Centre for Philanthropy and Nonprofit Studies

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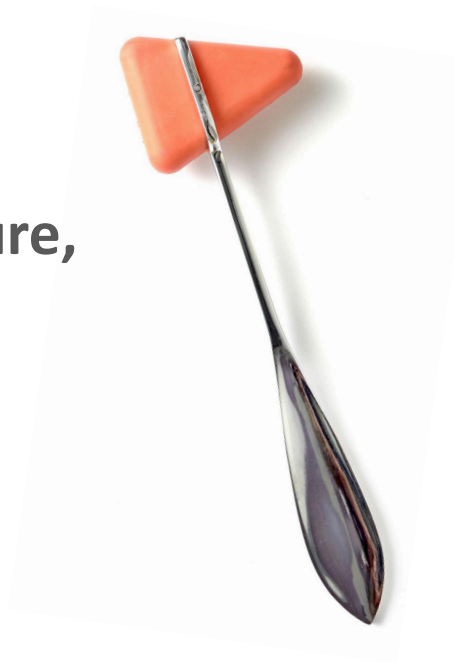## ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

QUT acknowledges the Turrbal and Yugara, as the First Nations owners of the lands where QUT now stands. We pay respect to their Elders, lores, customs and creation spirits. We recognise that these lands have always been places of teaching, research and learning.

QUT acknowledges the important role Aboriginal and Torres Strait Islander people play within the QUT community.

Beware the Knee Jerking Politician and Regulator

- The Bubble Act of 1720

- Repealed in 1825

- Joint Stock Companies Registration and Regulation Act 1844

- Limited Liability Act 1855

It is all about infrastructure, not regulation – Stupid!

Bouquets for those

- Technology neutral settings

- Australian Charities and Not-for-Profit Commission Guidance

acnc.gov.au/tools/guides/charities-and-crypto-assets

What makes nonprofits competitive?

- Prof. Henry Hansmann pointed to the non distribution constraint in every Nonprofit constitution

- A signal of trust that gave it a competitive edge over other market participants because of reduced transaction costs

For Profit - $- **contract** – delivery – **monitoring**

vs

Nonprofit - $ - gift - delivery

Nonprofits have successfully managed unlimited liability for centuries

- Faith based organisations as consensual compacts in law

- Management strategies of unincorporated status and liability

- Exotic legal forms

  - Mutuals – co operatives

  - Company limited by guarantee and shares

  - Community Investment Companies (asset lock)

Giving Circles

The first non-profit led philanthropic DAO

Big Green is a USA 501c3 non-profit that believes growing food changes lives. We created a DAO (Decentralized Autonomous Organization) to democratize and decentralize grantmaking for food and gardening organizations in the US.

Kimbal Musk and Big Green

Principle #1: Growing food changes lives. It improves nutrition security, improves mental health, exposes youth and families to nature, and opens our eyes to weather volatility created by climate change.

Principle #2: Putting organizations in decision-making positions disrupts established hierarchies of power in philanthropy.

Principle #3: Streamlining the philanthropic model decreases the level of effort and financial cost for donors and organizations.

Principle #4: Preserving the mission of Big Green DAO and its 501c3 Status requires that grantees will be vetted according to the Big Green Charter.

Principle #5: Any of these principles or governance mechanisms of the DAO can be modified with a ⅔ majority vote of the DAO Community and ⅔ majority ratification by the DAO Committee.

How to participate in Big Green DAO

Donate — Make a tax deductible donation to the Big Green DAO Treasury[2] and receive one DAO governance token

Fund — Receive funding from Big Green DAO accompanied by a DAO governance token

Govern — Vote on giving preferences and the direct distribution of funds to non-profit organizations. Grantees become decision-makers for future grants.

Grow — Engage on- and offline with the Big Green community and propagate gardening culture.

BIG ✳ GREEN DAO
disrupting philanthropic hierarchies

DIGITAL PLAYHOUSE
FOUNDATION

GORDON CHRISTIAN, STACKS AUSTRALIA LEAD

AGNES WATER / TOWN OF 1770 AUSTRALIA'S FIRST DIGITAL CURRENCY TOWN 2018

KIERAN NOLAN, THE SCHOOL OF BITCOIN LEAD

ELECTRA FROST, ACCOUNTANTS ON-CHAIN LEAD

REGISTERED CHARITY
acnc.gov.au/charityregister

1 LEARN

THE SCHOOL OF BITCOIN
theschoolofbitcoin.com
GET OFF ZERO
Financial Literacy: Decentralised Autonomous Education System

2 BUILD

STACKS AUSTRALIA
stacksaud.org Start.stacks.org
BLOCKCHAIN DEVS & STARTUPS
Unleashing Bitcoin with smart contracts, NFTs, DeFi & dApps

3 SUPPORT

ACCOUNTANTS ON-CHAIN
accountantsonchain.com
BUSINESS SUPPORT MODEL
Professionals learning Web3 to support innovation success

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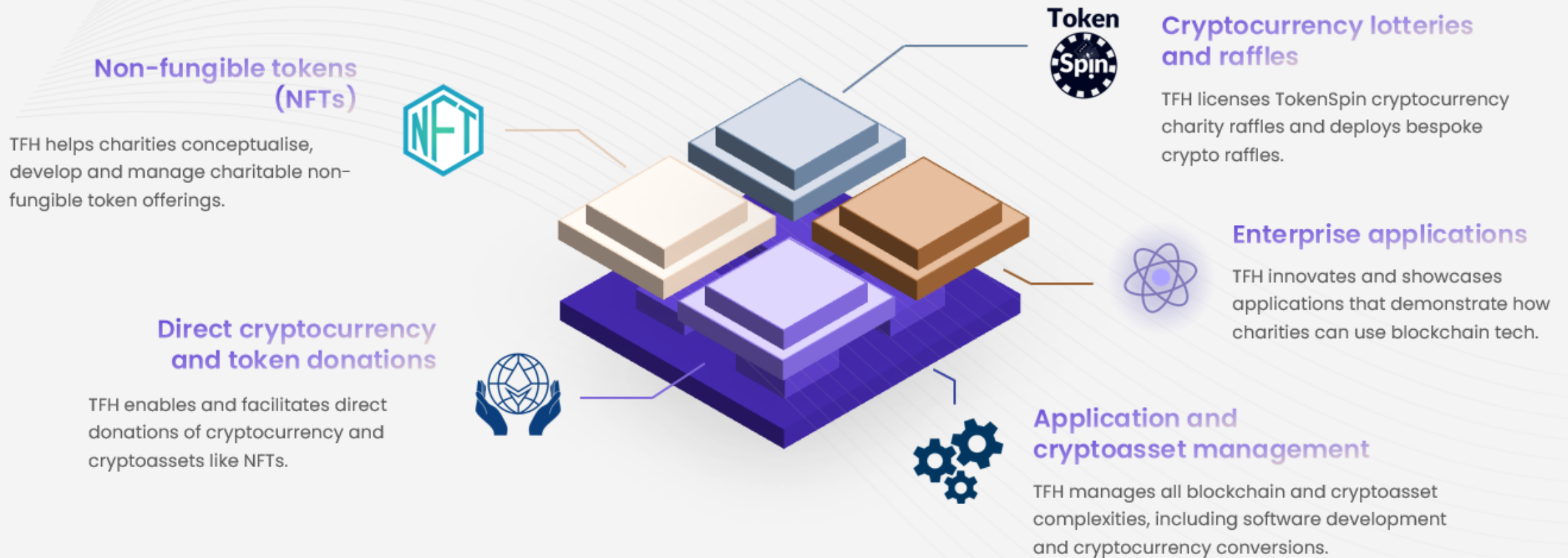
Tokens for Humanity

Established in early 2018, Tokens for Humanity (TFH) is an ACNC registered charity specialising in developing deep-technology applications for charities.

Blockchain technology and the cryptoasset markets present a significant opportunity for charitable organisations. Tokens for Humanity aims to alleviate charities of their innovation costs as they relate to using blockchain technology and fundraising from the cryptoasset markets.

Products

Tokens for Humanity offers customisable blockchain products and services, managing technical and cryptoasset complexities for charitable organisations to leverage blockchain's potential. Tokens for Humanity provides nonprofit-specific solutions and support throughout the application lifecycle.

Cryptocurrency lotteries and raffles

TFH licenses TokenSpin cryptocurrency charity raffles and deploys bespoke crypto raffles.

Non-fungible tokens (NFTs)

TFH helps charities conceptualise, develop and manage charitable non-fungible token offerings.

Enterprise applications

TFH innovates and showcases applications that demonstrate how charities can use blockchain tech.

Direct cryptocurrency and token donations

TFH enables and facilitates direct donations of cryptocurrency and cryptoassets like NFTs.

Application and cryptoasset management

TFH manages all blockchain and cryptoasset complexities, including software development and cryptocurrency conversions.

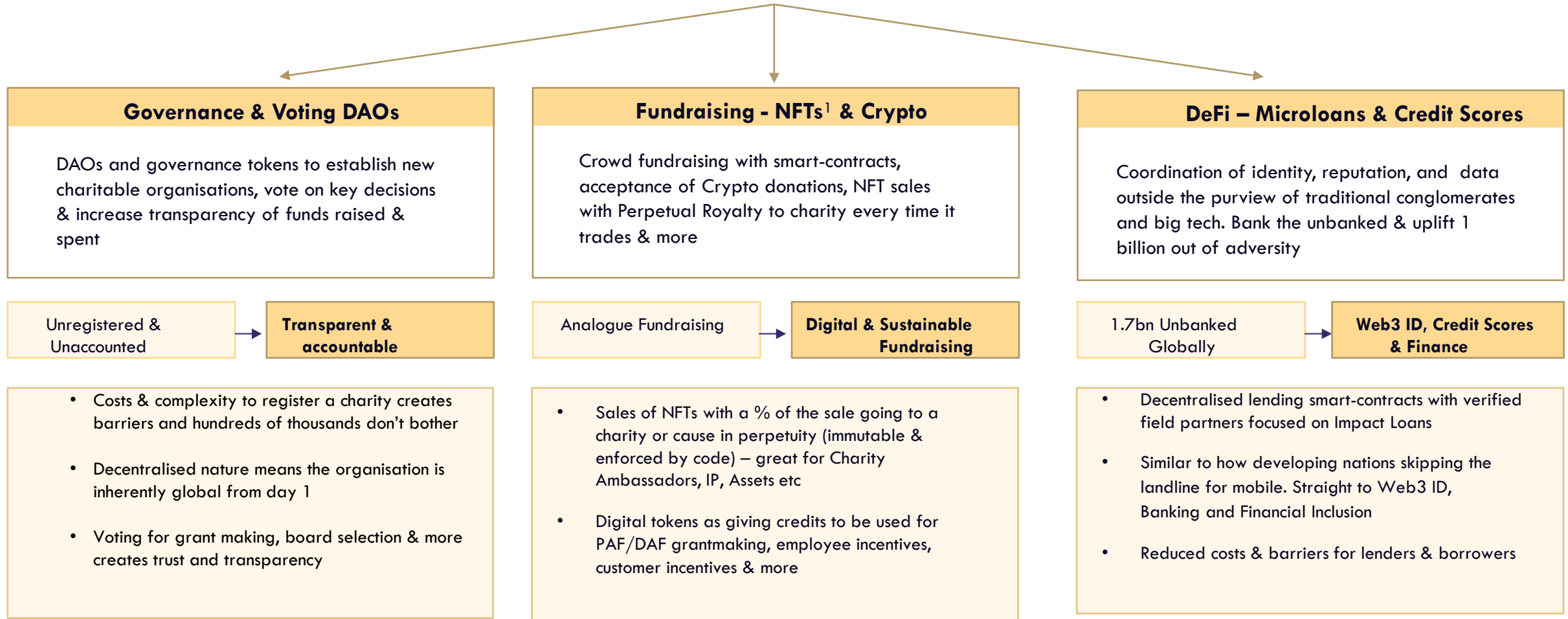# The Foundation for National Parks & Wildlife invites you to mint an NFT and plant a (real) tree

The Foundation for National Parks & Wildlife (FNPW) has teamed up with renowned blockchain charity, Tokens for Humanity (TFH) and Australian cryptocurrency exchange Independent Reserve, to offer the Ethereum community the ability to mint non-fungible tokens (NFTs) and plant real trees in flood-damaged areas.

5+ Years of Research & Development in Web3 & Platform Technologies for Impact

Little Phil's Web3 & Blockchain Infrastructure

Contact Josh Murchie – josh@littlephil.org

Governance & Voting DAOs

DAOs and governance tokens to establish new charitable organisations, vote on key decisions & increase transparency of funds raised & spent

| Unregistered & Unaccounted | → | **Transparent & accountable** |

- Costs & complexity to register a charity creates barriers and hundreds of thousands don't bother
- Decentralised nature means the organisation is inherently global from day 1
- Voting for grant making, board selection & more creates trust and transparency

Fundraising - NFTs[1] & Crypto

Crowd fundraising with smart-contracts, acceptance of Crypto donations, NFT sales with Perpetual Royalty to charity every time it trades & more

| Analogue Fundraising | → | **Digital & Sustainable Fundraising** |

- Sales of NFTs with a % of the sale going to a charity or cause in perpetuity (immutable & enforced by code) – great for Charity Ambassadors, IP, Assets etc
- Digital tokens as giving credits to be used for PAF/DAF grantmaking, employee incentives, customer incentives & more

DeFi – Microloans & Credit Scores

Coordination of identity, reputation, and data outside the purview of traditional conglomerates and big tech. Bank the unbanked & uplift 1 billion out of adversity

| 1.7bn Unbanked Globally | → | **Web3 ID, Credit Scores & Finance** |

- Decentralised lending smart-contracts with verified field partners focused on Impact Loans
- Similar to how developing nations skipping the landline for mobile. Straight to Web3 ID, Banking and Financial Inclusion
- Reduced costs & barriers for lenders & borrowers

Where to from here?