



Transcript

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Problems with In-Kind Donations

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B: I'm Brittny Wilson.

N: And I'm Nia Wassink.

Both: And this is, The Nonprofit Reframe

B: Together, Nia and I have over thirty years of nonprofit experience. We've worked the program side, the business side, and everything in between.

N: We are reframing the nonprofit experience by challenging the status quo because we know that nonprofits and their staff are undervalued, under-resourced and unrelenting.

N: Welcome back everybody!

B: This week's episode, we're going to be talking about in kind donations. Nia, what is an in kind donation?

N: Well an in-kind donation is a gift of goods or services, could be a gift card, it could be a bag of clothing, but physical items that...

B: Deodorant.

N: Deodorant. Lots of different options there, that are donated to a nonprofit. Typically, they fall into two categories for most organizations, of course there's a wide variety, just think about all the things in your life that you could donate. But typically they are either use in some sort of direct client relationship, you know the deodorant that is going to go on to a client or for like a silent auction you know they're going to go to a

B: The deodorant that's going to go on to a client..

N: Oh my God! I didn't realize that! I didn't mean the actual application of the deodorant, I meant the nonprofit will be then..

B: Passing it on to the client.

N: Let's just keep going.

B: Okay! Great, yes excellent examples. And for a lot of organizations, they rely heavily on in-kind donations.

N: Well there are organizations set up just for that purpose, to process those items, kind of be an aggregator and then push them out either to other nonprofits or directly to the public.

B: Alright!

N: We got a lot of stories on these in-kind donations. Both of us have been in positions of being the primary contact for the recipient organization. So we've had to kind of deal with some of the nuances and the donor expectations around in-kind gifts and boy do we have a lot of stories.

B: Tons of stories, tons of stories. And there's certain times a year that tend to be heavier in the in-kind donation department, specifically around the holidays, when people are you know thinking they're more giving thinking more philanthropically and a lot of times organizations will put out a need for wish lists. And so businesses and individuals will

do in-kind drives and then drop them off at the organization.

N: Yeah, I worked with an organization once where there was a national company that did in-house drive. So every quarter they you know kind of selected something different shoes or clothes or games and then they would bring all those donations together and then give them out to their affiliate nonprofits. Sounds like a great idea right? And we signed on, we had all these conversations and you know agreements that we signed and we are very clear we needed any items that we were going to receive to be brand new. And for our population, you know highly vulnerable about kids, there is both like the hygiene aspect where we needed it to be new but also..

B: Like deodorant.

N: Like deodorant. Deodorant should always be new, that is an important lesson to learn today. If you're hearing up for the first time today, please let others know about it.

B: #deodorantshouldalwaysbenew

N: So we would get these donations from this company, and they would not be new. I mean that is the moral of the story. And so we even went back and we had a conversation of like, it's so generous of you because you always have to start in a place the deference. We really appreciate it and we got a bag of shoes, none of which were new, half of which didn't even have a matching pair. We can't use these. And we could never get to a place of that relationship being able to actually be effective.

B: Did they acknowledge that that's what they were giving you?

N: Well at first they would say, absolutely not that's not how we do them. We always ask for new donations and then our folks go through them to make sure that their brand new. and I was like, I'm looking at this bag and they are not new, they just they flat out are not. And so it would be awful, but we would pick up the donation for the quarter, we would sit in our car and like sort it out, grab the things that were new that we could use. And then go to the nonprofit again can one of those aggregator groups, that could then use the other stuff. And so the majority never even got back to us and we told them this. Like I'm going to be clear, we were very transparent, but they just couldn't get to a place of kind of changing their internal processes to make it fulfill the intention of the program.

B: And this is why we're doing this episode. Talk to anybody that works a nonprofits, this is such a hot topic because again, like you just stated, coming from a place of deference, knowing that a lot of us rely on these in-kind donations, but then having to deal with kind of the mess that comes with them as well.

N: Oh my gosh, such a mess.

B: Such a mess! So I worked at a place where we would always get a ton of donations around the holidays, like I was stating earlier, and it was great we got a lot of stuff. We would put out a wish list we would mostly get what that was what was on the wish list, but then we would also get just kind of whatever somebody decided to clean out of their closet. And/or we would get stuff that wasn't even for the population we were serving.

N: Right.

B: Right. So you know we're serving teenagers, let's say and we would get underwear for five year olds. And they were even new.

N: Yeah.

B: So at least they were new and we could pass them on to somebody else. But ultimately it just created more work for us as staff to have to sort through all of that.

N: Exactly.

B: And so we're here as a PSA to the donor of you know hey, recognize what you're giving, what the organization needs, first.

N: I actually had a donor once say, because they were donated to me that we couldn't use I think was furniture and and we just had no place to really utilize that much less store it and they said well you can sell it. Like I have time to be out selling these items on your behalf so that you can make a donation. Absolutely not.

B: So you bring up such a great point, storage.

N: Oh my gosh, storage!

B: That's a number one issue!

N: Yeah.

B: We are not a thrift store. We're not a Goodwill. We do not have storage for all of these pieces of furniture that you

think are so have so much life left in them and you'd like to gift them to some of our clients. We don't have that immediate need right now and we don't have a place to store it until we have that need.

N: Well and I think that like that's an important part, you've got this donor who either has some attachment to the thing and so they want to live on, or they have an attachment to the organization and want to do anything to help it. Like I genuinely believe most of the donors are coming from that place. But they miss out on this key thing of not understanding some of those dynamics. Like I don't need your bleached out clothes, to give to somebody living in poverty. Right, like they don't want that either. There needs to just be this understanding that there's a certain level at which it's not usable anymore. No matter how condescending you might be towards somebody living in poverty, they don't want it.

B: Well particularly when you're working in human service agencies, you're dealing with people in trauma, and what is it saying to the client when we're giving them clothes that we wouldn't wear ourselves?

N: Exactly, I don't want another Smith family reunion 1982 t-shirt. I'm not a Smith, I wasn't at the reunion, I wasn't even born.

B: Exactly. And so a lot of it comes from our service philosophy, right? That we believe that the people that were serving deserve the same quality...

N: Yes

B: As anybody else.

N: Exactly. So, rule of thumb. If you wouldn't use the thing, not you don't use it, but you wouldn't use it. Like it's in such bad shape the clothes are...

B: It's missing buttons, it's got a rip, there's only one shoe, not the pair.

N: That's when you don't donate it. That is when you call time of death on that item, it's unfortunately just time to move on. And I also recognize that part of people wanting to donate is this sense of reusing, recycling. Right, not wanting to add to the to the dump and sending it there and yet there's a point at which you're going to send it to the nonprofit, they're going to send it into the trash anyway.

B: You're just passing on the responsibility.

N: And adding more work to the nonprofit you love.

B: Absolutely and I want to go on record, that I take full accountability that I do this myself with Goodwill.

N: Oh tell me.

B: Well, I mean I have become more conscious in the last couple of years of what we're donating to Goodwill, but I have for sure being guilty in the past of just going through purging, Marie Kondoing my house and my closet and then just taking it all in dumping it at Goodwill.

N: Did you hear that after that show came out, sorry for folks who aren't in my brain, the show is tidying up with Marie Kondo, it was on Netflix, came out like January what a year or two ago maybe?

B: Yeah.

N: And it's all about kind of recognizing the value of items in your life and those that don't continue to hold that value, to pass them on.

B: I think it's bringing you joy.

N: Bringing you joy, that's what I was looking for. So right after that came out, all of the thrift stores were like so inundated with stuff, that they had like shut down. Goodwill had to hire temporary employees, I mean it was like this massive, people giving their shit away.

B: And then they had to go through all their shit, and take it to the dump!

N: Yeah, so on that I felt so bad, this donor came in once and she had this big black bag and I open it up and it is trash, like legitimate trash and...

B: Like crappy stuff?

N: No, like old wrappers.

B: Like her legit trash can.

N: Right, and I always try to strike this balance between being honest and authentic with the donors and also not want to offend them. Because she had brought this in, she clearly thought there was some value in it and so I turned her and I just said I'm so sorry what we're not going to be able to utilize this with our young people. And she looked at it realizes

she grabbed the wrong bag from her trunk.

B: Oh my gosh.

N: And that was the trash bag and she had an actual bag of toys for us.

B: Aw bless her heart. Well, yeah going back to what you said earlier around people saying well you can just sell it. So one time, I had this donor call us and she said that she had this extravagant dining room table, and she wanted to know if we needed a table. But it was legit like twenty feet long.

N: Oh my gosh.

B: A big large table so I started asking her some questions about it and she said it's really expensive, you know we paid like \$20,000 for it and I don't know if it was made out of marble or what, but she told me that if we wanted it, A. we would have to come and get it.

N: Of course.

B: B. We would have to rent a big truck because it was so large. And C. We would need at least ten people to carry it, because it weighed three tons. So when, you know, I politely said I'm so sorry but we really don't have a need for a table of that size or caliber. And she said well I don't understand why don't you just sell it then? You could sell it and you can get \$20,000. What I know about selling furniture? Especially something as niche as this intricate, ornate, twenty-foot heavy as hell table. Where am I going to sell that?

N: You sell it, donate the \$20,000.

B: Exactly. So clearly that's the problem. She didn't want to have to go through the bother of trying to sell it or move it herself, so she saying well why don't you just do it?

N: Right, right.

B: But we don't have that kind of capability and so when I told her that, kindly. She said, so you're telling me your organization doesn't need \$20,000?

N: Ohhhhhh, the Gaul!

B: I know, I know! And so well it's that story and one more. I have one more story that really, we started a new process with our in-kind donations when people called in, where we said we needed to see a picture of the item first and we need a dimensions. And of course we always ask what condition it's in, how old it is, but we've been burned so many times. And one of those times is we had a donor who called and said they were doing an estate sale and they had a couple of twin beds, twin mattresses that had really never been used. They were bought brand new, were used in a spare guest room that was barely ever used and asked if we needed them.

N: Great.

B: So they also had a couple couches and at the time was working for an organization where we had some clients moving into new housing, and so we felt that you know, yeah sure maybe they could use some couches to help furnish their new place. Asked them if they were in good condition. Oh of course they're in great condition! Asked them if they were new, they're in like new quality. So we go out to this person's house and I'm pretty sure the person had died, that was living there.

N: Okay.

B: It was the family that was trying to get rid of the furniture and stuff. So it was sort of a somber atmosphere.

N: Yeah.

B: And we walk in, and these couches, these two couches are straight out of 1955. They might have been in "like new condition", but they were fifty-years old. I mean it's something you would see walking into my grandma's house. And they were exceptionally, I don't know what it is with this long furniture, it was an exceptionally long couch. We can bring the right vehicles, trucks you know we just ask somebody if they had a truck.

N: Right.

B: If they could come and I had a SUV. So we were going to shove stuff in that. It was the biggest cluster fuck, trying to get that shit back to the office, and then we didn't have anywhere to store it!

N: Right.

B: We had nowhere to store it. We knew we didn't feel like in the moment we could change our minds.

N: Right, right.

B: Especially given the situation around it, and then we get back to the office, and we have these huge ass couches with

nowhere to put them. So we ended up renting a storage unit.

N: Oh my gosh!

B: And costing the agency more money, to store these couches.

N: Oh my gosh!

B: It's ridiculous.

N: Now, how about at the silent auction side of donations?

B: Well, we'll get into that more when we talk about Galas next month, but yeah that's a nightmare.

N: My biggest pet peeve is the art side. Because I mean I've actually put in like just blanket policies we won't accept art. I mean it's so subjective anyway.

B: Yes.

N: So trying to sell it when you have a limited audience of whoever's attending your event. You just have the opportunity for it to not sell, the artist to be upset. You'd have to hold on to it and try again. I mean there's so many scenarios, but this one time, my gosh and I just started at the organization, so I hadn't put that policy into place yet. And our event committee was out soliciting and at did you ever watch Friends back in the day?

B: Oh Yeah.

N: Do you remember Phoebe's picture of that like woman coming out of the canvas? It was like that! It was like half a mannequin coming out of this canvas kind of leering at you. It hair that hung down.

B: Like three dimensional?

N: Three dimensional.

B: Stop!

N: So it was massive first off, and scary as hell. I remember one of my employees brought in her daughter, who came into my office where it was and just turn around screaming, running down the hall. What are you supposed to do with that?

B: What are you supposed to do that? We had donated to us one time, a headboard for a bed.

N: Oh yeah.

B: But it was an art piece. So it was hand painted on I think it was on fabric, of cherubs. For \$2,000! Who is buying a \$2,000 headboard at an auction with cherubs painted on it?

N: Again so specific

B: So niche! I'm sure there's someone out there that would love that, but the odds of them being at the gala, at my gala?

N: no.

B: Slim to none, slim to none.

N: I worked for an organization once, where every child who came in for services would get a teddy bear or a stuffed animal of some sort. So we needed a large volume and we had a storage area where we'd hold them all and then we, people would do drives for us throughout the year. And it's such a fun, easy thing. Like people love doing drives for something like stuffed animals, but we had to be so clear like they have to, have to, have to be brand new. If we don't see tags on them, we can't take them.

B: Yeah those are just a sponge for every germ a kid emits.

N: Yeah, germs, bed bugs I mean so many things.

B: Saliva, snot, throw up. Come on, if you have kids you know what ends up on those stuffies.

N: And so I mean, I don't even know how many times we had to have like that conversation with a donor who just showed up, schlepped like three bags and from their car, they hadn't called in advance, hadn't looked at the info on our website, and we had to turn them away. And without fail they are always pissed off.

B: Always pissed off.

N: And I mean I get it, and do some research. I mean it if you are really doing this altruistically, if you're really doing this to help the kids, make sure you're doing what actually going to be helpful.

B: Yeah, 100%. And so that's a real call out to nonprofits, to create a wish list.

N: Yeah.

B: Make it public, put it on your website, tell them exactly what you need, what condition it has to be in and then empowering you to say no.

N: Yes.

B: And if it's on the website, then you have an out. I'm sorry our wish list is on the website, that's not part of our wish list, we don't have capacity to take that in right now, or we don't have a current need for that. We can't accept it.

N: Right, right. And I think we as nonprofits need to be more clear when we say no. I mean I've been around plenty who say yes, they take it, and then I go somewhere else immediately. And I think both in terms of donor intent, we have a duty to ethically tell them we cannot use this thing.

B: Right.

N: But, I think we also have a duty to say you know you can be a better donor, by knowing who can use this and who can't.

B: Right.

N: You know, again when I was working in child welfare, we had one of those aggregator organizations who could take the stuff, who could process it, and so people would show up to us and we could say we can't take it but you can go here instead.

B: That's great.

N: And that was a great way for us to say, you can your items can still have usage and can still benefit these children, without us having to take on that burden.

B: Exactly. Well in its nuance though, right? Because especially around fundraising, it's all about relationships.

N: Exactly.

B: And so sometimes you make exceptions, because you're trying to salvage or foster the relationship.

N: Right and you don't want to offend. I think especially when it's like after somebody has passed and it's like something very meaningful from the estate.

B: Right.

N: It's like you don't want to tell a mourning family, that you don't want their half used shampoo and conditioner from their loved one, who just passed away. I mean I'm sure there's like some depression era folks were like that still good, but we can't use it and yet, it's really hard to say that in the moment. And so I also get that as a nonprofit you don't always have to have that conversation or you don't always have to have it then.

B: Well and that's why it's hard. So you, in the moment have to feel out the situation and make the call.

N: Yeah.

B: And that's why it's important for us to have this topic on the podcast, so hopefully we can also educate donors so there's less of those situations.

N: Yeah. I don't even know how many times my husband has like prepped a bin to go donate and I'm going through it and being like, this is trash, we are throwing this out. I'm not going to make Arc thrift store have to do this on your behalf.

B: Exactly, exactly. So our takeaways are?

N: Donors, think about whether or not you would use that thing. If so, find an appropriate place to donate it, if not, throw it in the trash.

B: Throw it in the trash. It's okay.

N: Yeah, it's okay. We can have a whole conversation about fast fashion and what that's doing to our environment and but that's not what today is about. What about the message for nonprofits?

B: Just to restate what was already said, make sure that you're clear, that it's posted publicly, what your needs are what condition, and then set some process internally in asking for more information before you say yes, especially if it's over the phone. Like if they just walk in the door, you're making that decision in the moment, you're having that conversation right then and there. But if it's over the phone or through email, you have an opportunity to ask for more information, get clarity, send a picture, what are the dimensions? And even then, it's a crapshoot. But just being mindful, more mindful before automatically saying sure we'll take that.

N: And I think, having that conversation across your entire staff, is really important. I mean how often are and do you have volunteers who show up to do a shift, and so they're talking the program staff about it. And if you haven't had that conversation with program staff about what's really needed and what your processes are and even like the important things like the in-kind gift form, where they have to provide their own valuation.

B: Yep.

N: Then the development side of things gets all messed up. You've got all the stuff that maybe you can't use. You know so it just ends up being a bigger cluster, so make sure that everybody internally knows what that process is, who's the point person, who do they need to go to when that donor shows up wanting to donate a cherub headboard.

B: Well you bring up such a great point because I have been in that situation, where the organization had multiple locations.

N: Oh yeah, that's hard.

B: So donors are showing up at the different locations. And especially if it's a program staff who maybe don't know the process, they're just saying okay and they're accepting everything. The person is not getting the charitable form filled out, the in-kind donation form filled out, so we have no way of even recognizing the donation, or contacting the person to say thank you. And so, like you were talking about streamlining that process, so they know, I'm sorry we don't accept donations at this location you need to go here.

N: Yes. Yeah and I think we can be stronger as nonprofits in setting boundaries around that. I think as more of us do that donors will become more familiar with you know calling ahead and checking the website and doing their research. If they know this one nonprofit's going to take whatever you know is brought to them, then we continue to reinforce that behavior.

B: That's exactly right.

N: Yeah.

B: All right, well I think that wraps up in-kind donations for today.

N: We will certainly talk more about them, we have more stories about ridiculous in-kind items especially for silent auctions, so stay tuned make sure that you are subscribed. Email us if you have some great stories!

B: I know you do.

N: Send them our way, we would love to share them on the podcast at some point and we are at nonprofitreframe@gmail.com

B: Have a great week!

N: We would like to thank our sponsors. Mission Launch is a Colorado-based nonprofit consulting firm, focusing on fundraising and board governance. You can learn more at missionlaunchco.com. And Jake Walker Music who provides our theme music. You can find him at jakewalkermusic.org. Thank you so much.