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GoFundMe Creates 1.4M Nonprofit Donation Pages Without Consent with Ephraim Gopin – Transcript

Jess Birken 00:00:02 Welcome to Charity therapy, the podcast where we explore the ups and downs of the nonprofit sector and answer your burning questions. I'm your host, Jess Birkin, owner of Birkin Law Office, and I'm excited you're here. Imagine hanging out with me and my super smart, funny, nonprofit expert pals. You get to ask them anything about your nitty gritty nonprofit life and get their wisdom for free. Whether you're a seasoned pro or just strapping on your nonprofit boots, we're here to share stories and remind you you're not alone on this journey. So get ready to join the conversation and bring me the tough questions. I ain't scared. Ready to rock? Let's dive in. Hello and welcome to this juicy episode of Charity therapy. Today I am joined by my very good friend and returning charity therapy guest, Ephraim Gopin. Ephraim is a fundraising whiz at his company, 1832 communications, where he helps move organizations from survival to thriving, thank you so much for coming back on the show.

Ephraim Gopin 00:01:10 Thank you Jess.

Ephraim Gopin 00:01:11 Happy to be here. Thanks for having me again.

Jess Birken 00:01:13 Absolutely. I there's nobody else I would have wanted for this episode besides you. So I'm glad you're here. And, before we get into the meat and potatoes question today, I have a little primer question first. So, like, in your opinion, as a nonprofit communications expert, what would you say makes a like good donation page on a website? Like what do you expect to see on a website when you see the Donate Now button? Like what's the gold standard?

Ephraim Gopin 00:01:46 So as soon as I click, the first thing I want to see is a great banner image. I want to see something related to their mission that's going to capture my attention. I want to see a headline, plus a quick tagline that gives me an idea of who they are. This may be the first time I'm ever visiting this nonprofit or finding out about them, so I need some kind of tagline. Tell me who you are. I need you to give me three donation amounts.

Ephraim Gopin 00:02:10 And what's the impact of giving? I need you to tell me if I there. Make sure you highlight monthly because you want people to consider giving monthly donations. Obviously you want an easy to fill out and submit form. The second you add friction to the process, you're going to lose conversions. People are going to leave. You should put a checkbox asking people to subscribe to your e-newsletter. You can definitely do that. And like I said, make it easy for me to go from field to field, fill it in, submit and move on with my life. And after that I expect to see a thank you message, either as a pop up or as a landing page. A warm, heartfelt thank you and then an immediate email also thanking me for my donation.

Jess Birken 00:02:54 Okay, listen y'all, if you just don't listen to like, another second of this podcast you just got you just got free consulting because you can just go to your own website, donate page and like, compare that to a checklist and basically improve your life right now.

Jess Birken 00:03:12 I love that that was like maybe the best answer ever. Such a like value nugget. So the reason I bring that up. As you're well aware, there's been a bunch of drama around GoFundMe and we have a listener question on this topic. So are you ready for me to unveil this question to you?

Ephraim Gopin 00:03:35 I am ready to talk about this kerfuffle. Let's go.

Jess Birken 00:03:39 All right. Here we go. We recently had someone send over a link to a GoFundMe fundraising page for our non-profit Only Problem. We've never created a page on GoFundMe for fundraising, and the page has the wrong logo and a bunch of broken links all over it. I've been seeing buzz that this has happened to other organizations too, and Go Fund Me just made a bunch of donation pages for everyone. Isn't this illegal or something? What do we do? Okay, here's what I'll. Here's what I'll say. In case you've been sleeping under a rock for the last week. Here's what happened is go fund me. Which is the thing where, you know, little Timmy has been a bifida and his family has amazing hospital bills, and they need help.

Jess Birken 00:04:26 People are always, like, posting a GoFundMe page to fundraise for their personal plight. It's a wonderful resource. Well, they decided they were just going to go scrape the IRS data and figure out who all the nonprofits are and make them donation pages. So they created a donation page for like 1.4 million nonprofits or something like that. And the first thing that I thought of when I saw this was there was a there is a company called avo AVO that did the same thing for lawyers. Like, I don't know, 15 years ago or something. And they basically were like, they scraped all the bar association data. Figured out the names of every licensed attorney, and then they made every lawyer a profile and they were like, come claim your profile. Oh, doesn't it look like crap? You have to come claim it in order to make it look better. And let me tell you, the legal industry was very angry. I'm going to try not to swear. But they were so mad. Can you imagine a bunch of litigious, sometimes literal litigators just inundating this company with angry letters about how dare you make this page for me? So that was like my first sort of like, oh, this is here.

Jess Birken 00:05:47 We go.

Jess Birken 00:05:48 On the roller coaster of people being angry because if you just go and make a donation page for over a million nonprofits, you're not going to make everybody happy. So that's background.

Ephraim Gopin 00:06:00 Correct.

Jess Birken 00:06:01 I don't know like do. Is it illegal? No. Probably not. I'm sure they consulted their attorneys. It's not illegal. But there's definitely legal implications for sure. But what's like what's your hot take. What did you think when you first saw this.

Ephraim Gopin 00:06:17 Okay. So I want to start with the positive. Before I, before I lose it on this topic. Go Fund Me is the largest crowdsourcing platform out there. And in a lot of cases they do good work, great work, wonderful work, life saving work. Okay. By being able to have you mentioned little Timmy with his bifida and all that, let's not throw out all the good that they're doing with this turd. So I'm going to take this one question while I'm going all the way. I'm I'm beyond that. So let's unravel a little bit what they did here.

Ephraim Gopin 00:06:51 Okay. Number one, they created 1.4 million nonprofit pages without consent. Start there. Number two. As you said, they scraped data from the IRS. That data, as I understand it, is sometimes 2 to 3 years behind. So it is possible that they put up data on an organization's page with the wrong logo, the wrong messaging, the wrong branding, the wrong programming and services, and who your beneficiaries are. And now donors are going to that page and they're seeing information which isn't updated. It's not relevant anymore. It's not current. And they're giving money.

Jess Birken 00:07:29 Well, theoretically.

Ephraim Gopin 00:07:30 Theoretically. Okay. Theoretically.

Jess Birken 00:07:32 The ask is at least there.

Ephraim Gopin 00:07:34 Okay. That's fine. So you have you have that aspect of it that they did this completely without consent on the legal side. You're the legal expert. I seen people saying are they legally allowed to take the name, the branding, the logo and everything of a registered 501 C3. Is there no protection for that 501 C3 from somebody? Because if they can do it, then I could do it right? Couldn't I create a page for any nonprofit? That is so that's that.

Jess Birken 00:08:00 Let me speak to that real quick. It's totally legal. That data is public. It's in the public domain. There's no privacy issue here. This is why AVO could do it to all the lawyers. Because all of the lawyers registration registration information is available to the public in all of their states, on all the state PA websites, just like the 990 is a public document and it's available on the IRS. So that's how like there's some like charity watchdog groups or GuideStar. Now candid you know foundation Finder. They they create these profiles of organizations based on publicly searchable data. And they can do that.

Ephraim Gopin 00:08:42 So yeah.

Jess Birken 00:08:42 It's totally legal.

Ephraim Gopin 00:08:43 Good. So let's the legal side, let's say all they do, everything is legal. Now let's talk about everything else that they did, which is really bad. And let's take let's take your favorite nonprofit. Just save the snails. Save the Snails is a growing nonprofit. They have two full time people in their non-profit. It is year end campaign time. Plus, they've got a million things going on and now we are going to call them and say, hey, guess what? There's a page online that is not telling your story correctly.

Ephraim Gopin 00:09:13 They're actually setting the story for you by posting what they're doing. You may, at Save the Snails have a gift acceptance policy that you can't take gifts through. I don't know, a crowdfunding platform. Let's just say that's your gift acceptance policy. And now donations are coming in through crowd, through a

crowdfunding campaign, or through GoFundMe. You can't take those. Continue, by the way. Save the snail says, okay, wait, they've been raising money for me. Oh, good. Where's the money? Are you. And I have seen the terms and conditions, and it's not a guarantee you'll get the money in the first place, because it goes through the PayPal giving fund. And if PayPal doesn't have a relationship with you, they're not necessarily going to find you. And PayPal can give it to an organization that's like Save the Snails. So they could go to save the lizards and give that money to, I don't know, blizzards and sales the same. Sorry, I may have just mixed up my oh.

Jess Birken 00:09:59 Maybe save the crustaceans, go with, like, exoskeleton creatures.

Ephraim Gopin 00:10:05 Good, good. That's fine. So you see. So PayPal could give it to whoever. PayPal give it to everyone who we want. I'll give you the worst. The worst thing about this. Forget the consent, which is that's probably the worst thing. The second worst thing, there is a very good chance that people may have given to through GoFundMe to your organization. You will never know who they are. It takes PayPal up to 45 days to get you the donation, so you may never know who they are or be. If you do, you're not giving gratitude in a timely fashion, and if you never know who they are, you're certainly not doing retention. Now let's take this away from Save the Snails and let's look at the user end. I am a good person, Smith. I come to the GoFundMe site and I find the safest snails. I love snails, I would love to save sales, I come to the page.

Ephraim Gopin 00:10:56 I give \$100 through GoFundMe and then crickets. Not save the crickets, just crickets. And now I don't get an email from the organization. Say the snail saying thank you for your donation. I don't know what the impact was. I don't even know if they got it because I hear nothing from them because Save the Snails never got that information. So I don't.

Jess Birken 00:11:18 Forget the default status on these pages is that the donor is going to give a 16% tip.

Ephraim Gopin 00:11:25 Oh yeah.

Jess Birken 00:11:26 To go fund me. That is, the default setting on this is 16% is going to go to GoFundMe as a tip, which is crazy.

Ephraim Gopin 00:11:38 That it's not just it's not just crazy. Okay. So now so I'm going to add that into what I'm about to say. So on both ends of this, from the GoFundMe, from the organization side and from the user side, it's just bad. Okay. Now why did this happen? And I think that this this definitely has to be within the conversation. GoFundMe has competition.

Ephraim Gopin 00:11:58 GoFundMe is a privately owned company. They want to maximize revenue. Somebody there said, hey, 1.4 million nonprofits don't have a page on our site. Create it. Start getting money in. Hence that 16.5%. Really, really, really. That tip irks the heck out of me because they are basically just that's the default. And if you don't know better, you're just giving them 16.5, by the way, or 5% of a monthly donation. That's the other tip that you could give 5%.

Jess Birken 00:12:27 I didn't see that one.

Ephraim Gopin 00:12:28 If I saw.

Jess Birken 00:12:28 5% of a monthly donation.

Ephraim Gopin 00:12:31 I saw this, I saw screenshots of that. So now GoFundMe is basically this is a cash grab, a revenue grab for them, obviously, as again, as a for profit, for profit businesses are going to for profit. Okay, I have a lot to fault them with, but this

is what they do. They make money, right? They have investors, they have to make money. And you have to constantly make more and more and more So this whole thing, this whole kerfuffle, is because there's a money grab here and they've decided to do it on the backs of non-profits such as Save the Snails, who don't have a voice, who don't have the ability to get a high priced lawyer and sue them, or to get them to take it down.

Ephraim Gopin 00:13:12 Okay. Which is why I'm sitting here in my favorite shirt, my jaw shirt. And the reason I'm wearing this shirt is there is a huge shark coming out of the water that's go fund me. And that is the shark going to eat. That woman who's trying to swim away from the shark is are they? That's what's happening here. They are taking over for these small nonprofits, and they're telling all the donors, just come do it through us. We've already created the page. We've already done all the work. And you said it before. There's a claim. Your page thinks so. They're telling the nonprofits claim your page, and now you can get more money coming in. But should the nonprofits use Go Fund Me? Should they claim the page? Should they get the page taken down? It's a mess. What they.

Jess Birken 00:13:52 Call And.

Ephraim Gopin 00:13:53 Here's.

Jess Birken 00:13:53 So somebody listening to this is thinking, well, just just the donor should just go to their website and not to this. But here's the thing.

Jess Birken 00:14:02 The way search engine, like when you search for something, the way it works is the strength of the domain is going to push the strongest thing to the top. So if I search for what's the IRS rule about whatever IRS gov is going to come up? Not my little law firm website. Right. So there's all these small non-profits who don't have any search engine optimization, their SEO juices like really low. They're super small, they don't have any traffic. And now here comes the gorilla. Go fund me and their their link to your nonprofit's page is going to be above your link. Even though the person

might have heard your organization's campaign and be looking to make a donation to you. Most people are just going to click on the first thing or they're like, oh, go fund me. I know and trust that as a thing. I'll feel safe giving there. So they'll click there anyway. Like the madness of this, with their domain strength over some small nonprofits, is bananas. So I'm not surprised that people are like, is it illegal? This is crazy because there are a lot of small nonprofits who are just going to get like, busted up over this.

Jess Birken 00:15:16 And we haven't even talked about the fact that when they are taking a cut of the donation, whether it's the 16% one time or the 5% recurring, first of all, I don't think that's consistent with the AFP fundraising standards because you're not supposed to take a cut. So right away we're like on the back foot for fundraising standards. And there are a lot of states that require you to register if you are using a professional fundraiser and someone who takes a cut of your donations made is going to be considered a professional fundraiser. So like where I'm sitting in Minnesota, you can be a small nonprofit if you raise less than \$25,000 and all of your fundraising is done by the volunteers of the organization, you don't pay anyone to do fundraising for you. You're exempt from registering. Well guess what? All of a sudden you're getting donations from GoFundMe and they're taking a cut. You're no longer exempt, and now you're in bad standing, potentially with the state's attorney general's office, because you're actually using a professional fundraiser and you don't meet the criteria anymore for exemption.

Jess Birken 00:16:33 So this just has cascading effects for nonprofits. Plus, I've had clients where they're getting gifts through, like the Facebook giving has a very comparable platform. And if you take any dollars from a human being in California, you now have to deal with California's charitable solicitation compliance, which is horrible. Sorry, California, but you suck. Yeah. Like if even one person from California gives through this GoFundMe page, now you get you got a state you never have had contact with where you have to register because this of this fund, their fundraising platform rules that PayPal giving fund and GoFundMe now have to comply with. Is it bananas. The legal consequences that this is going to have for these small nonprofits?

Ephraim Gopin 00:17:28 I will add, first of all, your SEO point is excellent. I have seen screen grabs of SEO of search engine result pages where GoFundMe was above. It was

the first result. The second one was the organization's website. So that's already been online now and it's out there. But again, now I got to claim the page.

Ephraim Gopin 00:17:47 I got to know.

Jess Birken 00:17:48 That page exists. And then you claim your profile.

Ephraim Gopin 00:17:51 Claim the profile. Fill out all the information. Go into the back end. Go do this and do all the things that you need to do. What an absolute Pita of a product. The whole thing from top to bottom. And I will just add one more little nugget that has just driven me nuts is their lack of communication. Yeah.

Jess Birken 00:18:12 They say the comms around this. You pointed out how bad they are.

Ephraim Gopin 00:18:16 It's it's it's it's horrible. And I don't again this is a corporation that has a comms team and PR people. They can afford to hire the best people. On Monday, I found an article where they're. I believe her title is. She's the strategic head of non-profit communication. Something like that. She just, you know, we're going to have more communications with our nonprofits. That's what she hasn't said. She didn't say sorry. She didn't say anything.

Jess Birken 00:18:41 I think the fact that they have said nothing in in any way like oops or sorry, I have to believe that they know exactly what they're doing.

Jess Birken 00:18:55 And they knew that, like every single non-profit person on LinkedIn would be talking about this and that. This was the whole game. They're like, yeah, this is

going to create a lot of drama. And guess what? GoFundMe will be on the tip of everybody's tongue for weeks and weeks and weeks. And like we all what is the saying? All press is good press. Yeah. Like they're in that mode right now.

Ephraim Gopin 00:19:15 Basically yes and no. Because the one thing I did point out today to somebody was that all the posts, almost all I don't want to say all almost all the posts I'm seeing on LinkedIn about this are non-profit consultants. I'm seeing very, very few from CEOs, actual CEOs, fundraisers, board chairs. I'm seeing very few of those. And what I think is not happening yet is it hasn't filtered down. I'm sure that most a lot of consultants have told, like I did, current and former clients. Hey, this is what's going on. You better check it out.

Ephraim Gopin 00:19:47 But it hasn't filtered down to the 1.4 million. It's a large number. No, because.

Jess Birken 00:19:52 They're busy.

Jess Birken 00:19:53 Doing other stuff. They're not noticing that a GoFundMe page in their name cropped up out of nowhere.

Ephraim Gopin 00:20:01 It's going to take this going well. Yeah. GoFundMe knows this. And that's why at the end of the day, we can all yell and scream til we're blue. And it really is just I it's it's a horrible thing that I don't. I just don't like what they've done. They've done everything totally unethical.

Jess Birken 00:20:19 It's so gross for this listeners question. You know, what the answer is is to go claim your profile.

Ephraim Gopin 00:20:26 Okay, wait. Just to add to that, I did see that you can I saw one person, one person so far. She emailed. She commented that she did email them and they offered to take down the page. She didn't have to claim her page. They offered to take it down. So if there's even a chance to do that, I would suggest sending an email to either their legal team or somebody their through their customer service page.

Ephraim Gopin 00:20:49 Whatever page it is. Their contact page and seeing if they'll take it down first. If not, you don't get a response.

Jess Birken 00:20:54 I assume there is a way. If you claim your profile.

Ephraim Gopin 00:20:58 You can.

Jess Birken 00:20:59 Change the default tip from 16% to to zero. You. I assume you can delete your account if you claim your account. I mean, I think they have to have those features available that would pique my interest. From a legal perspective, if they if you can't. But yeah, I mean, you want to waste time contacting legal and asking them to republish it. Sure. Or claim your dang profile. I just think GoFundMe is going to win this one because everybody's going to be talking about it. Everybody who has a non-profit audience is going to be talking about it, and a lot of non-profits are not going to think about contacting the legal department. They're just going to think about, I need to claim this profile because it exists, just like Giving Tuesday existed. And then everybody was like, I guess we participate in Giving Tuesday or whatever.

Jess Birken 00:21:54 You know what I mean? Like, they're just going to be a lot of groupthink around this.

Ephraim Gopin 00:21:58 So are we going to have a GoFundMe day? We're all non-profits. We'll send all their people to GoFundMe to give money through GoFundMe. Is that the next thing? How?

Jess Birken 00:22:06 Probably what they want. I mean, who knows? They probably want to create a new giving day. So now everything you said at the top about what should your donate page be is missing here. It's the wrong logo, broken links, wrong. Just wrong. Everything. So like one way or another either. I would think this page needs to go away or they need to fix it. In your wisdom as a fundraising communications nonprofit expert. What do you think is best or does it depend on the nonprofit?

Ephraim Gopin 00:22:38 No, I think what's best is to tell the ad, the fundraiser, whoever it is, get the page down. You want traffic going to your website, you want traffic going to your donation form. you want people on your website.

Ephraim Gopin 00:22:49 Eyeballs on your website is what you always want the second you sent. There's nothing wrong with every now and then sending it to external sites, but you want to drive eyeballs to your site. That's where you want the traffic. Go fund me. Because of the SEO and everything else, they can drive traffic on their own just fine, thank you. If it means you have to claim your page and then delete it, do it. I know it's a headache. I know it's your end. I know you don't have time. Just do it. Get it done, get it over with and then go back to your regular, you know, successful. Hopefully you surpass your goals for your end and Save the Snails becomes a growing, thriving nonprofit.

Jess Birken 00:23:24 Yeah okay I love that. So let's let's kind of wrap up here I think some of the main takeaways are you heard it. What's supposed to be on a good donation page. Y'all go back rewind, listen to that. Write it down. Make sure your donation page has that.

Jess Birken 00:23:39 Secondly, if you're gonna allow this GoFundMe page to exist for your organization, go back, Rewind. Write down that list. Make sure your GoFundMe

page has that information, and know that you're not going to be doing donor acknowledgement properly. And also if you're going to let that GoFundMe page exist. Make sure you sign up for the Pay Direct so that your donations don't go to the PayPal giving fund and get siphoned off into wherever for 45 days. If you're going to do this, go all in. If you're not going to do it, consider not doing it. Because if a rhyme said so, and that's really all you should need to know is this page is not helping you. And I know that most nonprofits listening to this probably don't know much about SEO, but there is no way that your website domain will ever be stronger than the GoFundMe domain. So take a prime seriously and consider deleting this account because you don't need to fundraise in all the places. We're going to just wrap by saying, you heard a rhyme, what he said.

Jess Birken 00:24:51 The most important page is your page. So maybe this is also an opportunity to like rein in if you've got like all of the pages, all of the places, maybe this is an opportunity for you to kind of clean house on all those things. iFrame. You're amazing. Thank you for coming in for this very hot topic. Important listener question on this one. If people want to connect with you, I know you offer like donation page audits and website audits. If people want to connect with you to talk about that sort of thing, where can they find you?

Ephraim Gopin 00:25:26 LinkedIn at Prime Coconut. My name is the best. Or you can email me at Ephraim, my first name at 1832 coms. Com. Com and always happy to hear from nonprofits. Here's and to help them if I can.

Jess Birken 00:25:43 Yeah you're an amazing resource to the community. Thanks again for being here. Hey folks, just a quick update on this episode. I am coming back to you hot 48 hours after iFrame and I recorded this.

Jess Birken 00:25:56 GoFundMe now has officially walked back their stance on these non-profit donation pages, so I just wanted to make you aware that some of the drama has already cooled. They are publishing all of the unclaimed donation pages and they're turning off SEO indexing instead. Non-profits can now opt in to have a donation page with GoFundMe, which is the way it always should have been. So what did we learn from this whole fiasco? I think the situation with GoFundMe is the perfect example of

what happens when people think they can help non-profits and make a buck off them at the same time. Look, I'm just saying they should have booked a session with me. I could have given them some advice and avoided this whole kerfuffle in the first place. So anyway. See you.

Jess Birken 00:26:47 Next time.

Jess Birken 00:26:48 Folks, if you enjoyed this episode, do me a favor and share it with a friend. If you are in any way connected to a small non-profit. Go look and see if they have a GoFundMe page and especially if it looks bad and wrong.

Jess Birken 00:27:04 Please connect with your nonprofit folks and help them fix the issue. Get the word out. Spread the word. Share the pod. It really does help me out if you have a question or a story to share. Maybe you had an interaction with GoFundMe legal team. I would love to hear about it. I will keep it anonymous. I'd love to do a future episode on that. Get at me at charity therapy. And as always, thank you for listening.

About the Author



Hi, I'm Jess Birken.

I'm the owner of Birken Law Office, I help nonprofits solve problems so they can quit worrying and get back to what matters most – The Mission. I'm not like most attorneys, I actually have an outgoing personality, and – like you – I like to think outside the box. Most of my clients are passionate and have an entrepreneurial spirit. I'm like that too. My goal is to help you crush it. Getting bogged down in the minutia sucks the joy out of the important stuff. My clients want to do the work – not the paperwork.

Let's connect!

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