Donor Anonymity:
Questions and Answers

Q1: What are some typical reasons that donors would prefer to remain anonymous?

A: Motivations behind remaining anonymous are as varied as the donors themselves. Reasons cited have included a desire to avoid publicity but signal the charity’s quality, concern about undue attention on their children, awkward social consequences if their peers realize their worth, worry about being kidnapped and held for ransom, wanting to shift attention away from themselves and onto the recipient organization. Staying anonymous is a way for donors to guide their philanthropy – concern for being “hit up” or spammed by other organizations outside the donors’ interests looking for gifts. Finally, donors may wish to remain anonymous for religious reasons, either dictated by their religion as the most appropriate way to give (i.e. 12th century Jewish rabbi and philosopher Maimonides wrote that the second highest level of charity is to give anonymously to the poor) or the recipient organization works in an area outside the tenets of their religion.

Q2: What are some hypothetical examples of donors wishing to remain anonymous?

A:
—Donor A, who has pledged an estate gift of $1 million, would prefer to remain anonymous because members of the donor’s family might be irritated that the donor did not keep the money in the family.

—Donor B, who has pledged a $1 million gift (half cash, half estate), is still a faculty member and would not want colleagues, staff, or students to treat him or her differently because he or she is a big donor. Disclosure upon retirement is fine for this donor.

—Donor C, who is making a $1 million cash gift to support criminal justice policy research, prefers to remain anonymous in order to avoid a surge of other solicitations from organizations raising money in the field of criminal justice.

—Donor D, who is making a $1 million estate gift for student support, prefers to remain anonymous because he or she is an alum of another university but prefers to give their money to a different school. They do not want their fellow alums to know that they have made such a large gift to the other university.

—Donor E, who is a graduate of one school on campus, is making a $1 million gift to another school on campus and would prefer to remain anonymous until passing in order to avoid difficult conversations with loyalists of their school of graduation.

—Donor F is a parent of a student and prefers to remain anonymous until their child graduates.

—Donor G is a parent of a faculty member at SPEA and prefers to remain anonymous because the faculty member does not want the identity of the donor to be disclosed.
Q3: How often do SPEA donors request that their names not be disclosed?

A: Since 1972, SPEA has received less than 50 gifts and pledges where the donor requested to remain anonymous. Gifts and pledges from anonymous donors have ranged in size from $5 to almost $2 million, with the latter donor fitting one of the examples in Question 2.

Q4: Is there an exception about donor confidentiality for key officials inside the recipient organization who have a “need to know” the identity of a donor?

Yes. The dean and executive director of development may, at their discretion, make all or part of any donor record available to Committee members if the information is essential to them in executing their responsibilities. At SPEA, this exception has been used on occasion with the Faculty Advisory Committee on Development (FACD). All information regarding anonymous donors is only shared with and among FACD through oral communications in order to balance respect for a donor’s request for anonymity and Freedom of Information requests.

Q5: Is there legal precedent supporting the right of donor anonymity?

A: In *NAACP v. Alabama*, the Supreme Court of the United States reversed a contempt order issued against the National Association for the Advancement of Colored People (NAACP) for failing to disclose its members’ identifying information. The State of Alabama sought to obtain a membership list from the state’s NAACP chapter. When the NAACP refused, a federal court found the NAACP in contempt and fined it $10,000. The Supreme Court reversed, holding that the right of association is protected by the 1st and 14th Amendments to the United States Constitution. In the 1958 decision, the Court ruled unanimously that “freedom to engage in association for the beliefs and ideas is an inseparable aspect of the ‘liberty’ assured by the Due Process Clause of the Fourteenth Amendment.”

Q6: What are the counter arguments to these rights to free speech and the freedom of association?

A: Philanthropic freedom should be balanced with other values citizens care about—such as accountability, fairness, civility, and a respect for the truth—and stronger disclosure rules in philanthropy are needed to achieve that better balance. The nonprofit sector depends on the public’s trust and support to thrive. Anonymous giving can threaten that trust, especially when donors use their gifts to sway public policy. Problems with anonymous giving include questionable motives, conflicts of interest, eroding public trust, and providing a platform for bad behavior.

Q7: What is an example of anonymous giving used to sway public policy?

A: In an analysis of funding for LGBTQ issues, anonymous funders awarded over $90 million in grants between 1970 and 2010, having “transformed the LGTQ funding landscape in the United States and overseas.” The next largest funder, the Arcus Foundation, distributed almost $78 million.
Q8: Are there any precedents where a school, college, or university has refused to accept any gifts from donors who are not willing to have their names posted publicly?

A: SPEA administration is not aware of any such precedents.