

From *More Than Money Journal* Issue #28: Who Knows You're Rich? Reprinted with permission from the Steven and Michele Kirsch Foundation

## Pros and Cons of Giving Publicly vs. Giving Anonymously

What are the pros and cons of giving anonymously -- from your point of view and the charitable recipient's point of view?

### From a donor's point of view

#### Arguments in favor of anonymity:

- You don't want your name associated with a **controversial cause**, either for reasons of personal safety or because the association might offend other people in your life.
- You are making an unusually large gift and cannot afford to be perceived as rich. This "**I-am-not-a-Rockefeller**" concern is legitimate if you are able to make just one large gift, typically because of a windfall. You may not want to raise expectations (or hackles) elsewhere.
- You **don't want to be overwhelmed** by requests. Toward the end of his life, the author James A. Michener gave \$5 million to the libraries at the University of Northern Colorado, with the stipulation that the gift and his name not be revealed until he died. He had been inundated with requests when he had previously made sizable, public gifts.
- You use anonymity as a **shield against mischief**. You may not want it to be known that you have "deep pockets" if you become engaged in litigation as a result of an auto accident or business situation.
- You want **credit given to those performing the services** rather than to those providing the funding. This only works if all donors operate the same way; otherwise you simply give more visibility to the smaller group of donors who like recognition.
- You may want to **fend off even benign forms of attention**, especially if you are a public figure. An actress whose name is well known regularly escapes to a small town whose name is not because she treasures the privacy it provides. She does her local giving through middlemen, an arrangement that spares her endless chitchat with the grateful.
- You want **hidden personal facts to stay hidden**. For example, you may not want estranged family members to know your current financial situation.

#### Arguments in favor of making your charitable gifts known:

- Your gift may **encourage other individuals to contribute** to the organizations in which you believe by publicly acknowledging your support of the organization's work.
- You **get the recognition you deserve** for being a philanthropist.
- **If you are a Board member**, it's important that you publicly support the entity, both with your time and your financial resources or others might question your commitment. More to the point, they might question the financial and administrative stability of the organization.
- By publicly acknowledging that you engage in charitable giving, you **inspire others to engage in giving**. They might not give to your charities, but you are setting a good example in your community or business network.
- If you are dedicated to a particular cause or geographic area and willing to support more than one organization working on that cause, open acknowledgment of your gift will bring you to the attention of similar organizations. You will **minimize the amount of time you have to spend finding worthy charities to support!**

## From the Charitable Recipient's Point of View

### Reasons why a charity wants you to be public about your gifts:

- Being associated with a "name" donor **can be very positive in terms of other fundraising**. "Jim" (author James A. Michener) had been inundated with requests when some of his other gifts became known," said Gary Pitkin, the University of Northern Colorado's dean of libraries. "But he also knew that his name would help us raise funds." Two new, significant gifts to the libraries followed the announcement of the Michener gift.
- Publicizing gifts, especially sizable ones, is much easier to do if the organization can name the donor(s). The **press wants the personal angle**; it makes the story much more compelling.
- Charities are always looking for individuals who might become committed to their cause. They often review the annual reports and newsletters of other similar nonprofit organizations to identify potential donors. If most donors were "anonymous," many charities would have significantly lower fundraising results than they currently do.
- Charities know that giving stimulates more giving. They want you to **"stand up and be counted"** so that it becomes the norm for everyone to make charitable gifts.
- It's extra work for organizations to make sure that they keep your name off every publication, including annual reports, since the vast majority of donors want to be acknowledged publicly. Of course they'll do this for you, but don't you want your charitable gift to be most efficiently used to deliver services or conduct research?

### Reasons why a charity might want you to remain anonymous:

- **NONE\***

#### **\*A Note from the Editor of *More Than Money Journal*:**

We know of some reasons an organization may in fact prefer an anonymous gift or may prefer delaying publicity about the giver's identity until a later date:

- If you are a controversial figure in the community, your name associated with a funding drive could conceivably hurt an organization's chances of enlisting other funders to its aid.
- An organization may sometimes prefer that you remain anonymous because sometimes "the mystery is more powerful than the facts." For example, a woman donated anonymously to begin a fund in honor of a public figure who had died. The organization announced the anonymous gift, not specifying the amount. The public perception was that the gift was larger than it actually was and theories abounded about who had made the donation. This produced a great deal of publicity, which attracted many more donations to the fund.
- An organization may sometimes be concerned that a large gift that meets or exceeds the stated goal of its funding drive could convince other potential donors that the need is already met, when in fact the organization could still use donations. The organization may want to postpone the announcement of your support, even if it wishes to eventually make your name public.