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## **Donors Increasingly Make Their Big Gifts Anonymously, Chronicle Analysis Finds**

By Sam Kean

Last October, the University of Cincinnati and Ohio State University announced \$20-million gifts on the same day. Both gifts supported space research and both set up endowed chairs in space exploration — named for, of all people, Thomas Jefferson. It stands to reason that the same individual, someone with an interest in Ohio, early U.S. democracy, and galaxies far, far away made both gifts.

But no one knows for sure, because a “Deep Throat”-like secrecy surrounded the donations. They were announced as anonymous, and no one at the university foundations, which handled the gifts, knows the name of the donor, either. He or she worked only through a lawyer and never hinted at any motivation. And neither university knew of the other’s gift until just before it planned to announce its own, when they received joint instructions from the lawyer on how to promote the gifts.

Not all anonymous gifts are such clandestine operations, but more and more nonprofit organizations find themselves in the same position as the Ohio universities. Anonymous charity hasn’t had a year like 2007 in recent memory, which left many nonprofit groups with big checks but little they could say about them.

According to *The Chronicle’s* compilation of gifts of \$1-million or more announced in 2007, unnamed donors pledged or gave at least 87 donations of \$1-million, including 23 gifts of more than \$10-million and four gifts of \$100-million or more. The donations totaled just under \$1.1-billion, greater than all but the single largest gift of 2007.

Their sum far exceeds the *Chronicle’s* total of large anonymous gifts in 2006 (\$672-million) and 2005 (\$328-million).

The single largest anonymous gift in 2007 — a \$150-million pledge to the Comprehensive Cancer Center at the University of California at San Francisco — went to support experimental cancer research, patient care, and recruitment of scientists and doctors.

James W. Asp, the university’s associate vice chancellor for development and alumni relations, says he has definitely seen more big, anonymous gifts lately at the university. He also believes more groups are willing to let donors remain anonymous.

A decade ago, he says, “we would encourage [donors] to be more public,” to help promote the beneficiary and its mission. Now, he says, especially because of family and privacy concerns,

“people are thinking it’s okay to remain anonymous. Some donors even find that they can do more and better giving by staying out of the limelight.

## **Keeping Secrets**

Colleges, universities, and related institutions received the majority of last year’s large anonymous gifts, \$683-million total.

But a number of surprises popped up as well. The **Boys & Girls Clubs of Boston** received 10 anonymous gifts of \$1-million or more for its \$100-million capital campaign. Museums, symphonies, private schools, and camping charities received large gifts, too. And just as the recipients were diverse, the practices of the donors varied greatly.

In contrast to the Ohio gifts, some donors establish open relationships with charities they want to support, or at least with the organizations’ leaders. The Erie Community Foundation, in Pennsylvania, received one of the year’s most surprising pledges: \$100-million to aid charities in a county that has 280,000 people.

Michael L. Batchelor, who has served as president of the grant maker for 17 years, had known for a decade that the gift would be coming, and from whom.

But that doesn’t mean the donor’s identity was considered less of a secret. Each of the dozens of local groups that benefit from the new Anonymous Friend Fund met with the Erie foundation’s office and signed forms agreeing not to inquire into the source of the money. The foundation also instructed groups on how to list the gifts on the informational tax forms they file with the Internal Revenue Service (as “anonymous”).

Not that those restrictions stopped people from digging for the donor’s name. “There’s been some speculation,” Mr. Batchelor says, “but there’s been a lot of wrong guesses.”

And while the donor escaped attention for the gift, the foundation didn’t. National and even international newspapers wrote articles on it. Mr. Batchelor says he even thinks that “calling this the *Anonymous* Friend Fund ironically created more media attention.”

Usually, however, groups themselves contribute to that attention by promoting gifts — which can inadvertently “out” the donor. Last year, someone gave \$100-million to the Johns Hopkins University, in Baltimore, partly to support the Bloomberg School of Public Health. Within a few hours of the gift’s announcement, news sources were citing Mayor Michael R. Bloomberg of New York, a Johns Hopkins alumnus, as the donor.

Something similar happened to Mr. Bloomberg in 2005, with a \$20-million gift to the Carnegie Corporation of New York. The corporation declined to comment on the outing of Mr. Bloomberg, but it did say that since 2002 it has distributed more than \$115-million from one anonymous donor to New York groups.

Linda E. Johnson, chief executive of the Free Library of Philadelphia Foundation, says people have pressed her about the identity of the person who gave the library \$15-million in April to support its capital campaign for a larger central library. The inquiries were casual, not from people wanting to publicize the name, but Ms. Johnson rebuffed them all.

“They didn’t understand how serious we are about the anonymity,” she says. “But once you answer the question a few times, that seems to put a stop to it.”

In fact, Ms. Johnson had never even thought of the possibility that the name would get out. When asked about the potential for a leak, she pauses for a long time. “Wow,” she says. “That’s something I’ve never contemplated.”

### **Guarding Identities**

Nonprofit leaders don’t like to contemplate word getting out because they view keeping the secret as an ethical obligation, and violating that obligation might harm their bottom line. Mr. Batchelor of the Erie foundation says, “We would be breaking that moral obligation, which is an impossible thing to even imagine a community foundation doing. People give us money because they trust us.”

Altogether, though, answers to questions about the donor’s identity — “We can’t say” — are about the only definite answers most officials give. When asked about even periphery details of working with anonymous donors, most pause frequently, weighing each word to judge how much information it reveals. Or else they begin an answer enthusiastically — knowing that promoting a gift promotes the institution, too, and encourages others to give — but stop short, alerted to some unseen danger. They trail off, adding, “I’m sorry, that’s all I can say.”

Officials guard details, of course, because the Internet makes it far easier than before to tease out people’s identities from scraps of information.

Above all, officials say, the desire to avoid publicity motivates donors to conceal their names. Some worry about undue attention on their children, or the awkward social consequences if the neighbors realize how many millions the couple next door is worth. Some worry about being kidnapped and held for ransom.

And some want to shift attention away from themselves and onto others. Washington and Lee University, in Lexington, Va., announced a \$100-million gift during commencement last spring but said it would remain anonymous for the time being. The reason, officials said, was that the donor did not want to detract from graduation.

Other donors pick and choose when to be anonymous, says **Kathy K. Sheehan**, vice president for development at the **Boys & Girls Club of Boston**.

“It isn’t an either-or situation,” she says. At a fund-raising dinner with 400 of their wealthy peers, for example, they might let their name be used because it sends a good message, she says, whereas they might not want their name used in a newspaper.

She also notes that “donors are more and more trying to focus their giving efforts.” Publicity harms that goal because once a gift is announced other groups hit the donor up for gifts, too. Staying anonymous, she says, “is a way for [donors] to guide their philanthropy.”

Most nonprofit officials say that secrecy does take work, but rewards await organizations that keep donors’ names secret, rewards beyond the satisfaction of keeping a promise.

In less than a year on the job, the chairman of the architecture department at California Polytechnic State University at San Luis Obispo secured a \$60-million bequest in September from an anonymous living donor, who had attended the university but never graduated, due to financial hardship. And because the university kept his name quiet, the donor is now considering making an additional gift soon, says Michael D. McCall, the associate vice president for development.

“It’s been a very satisfying experience for this donor,” Mr. McCall says. “He has been impressed with how professional the university was in handling the philanthropy, especially the anonymity. We proved to him we were worthy.”

Mr. McCall has advice for other organizations dealing with anonymous donors: “Very early on, they need to put in place a plan for handling the anonymity.” Charities spend time planning how to promote gifts, he adds, “but you need to put just as much time into the anonymity as into the other parts.”

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