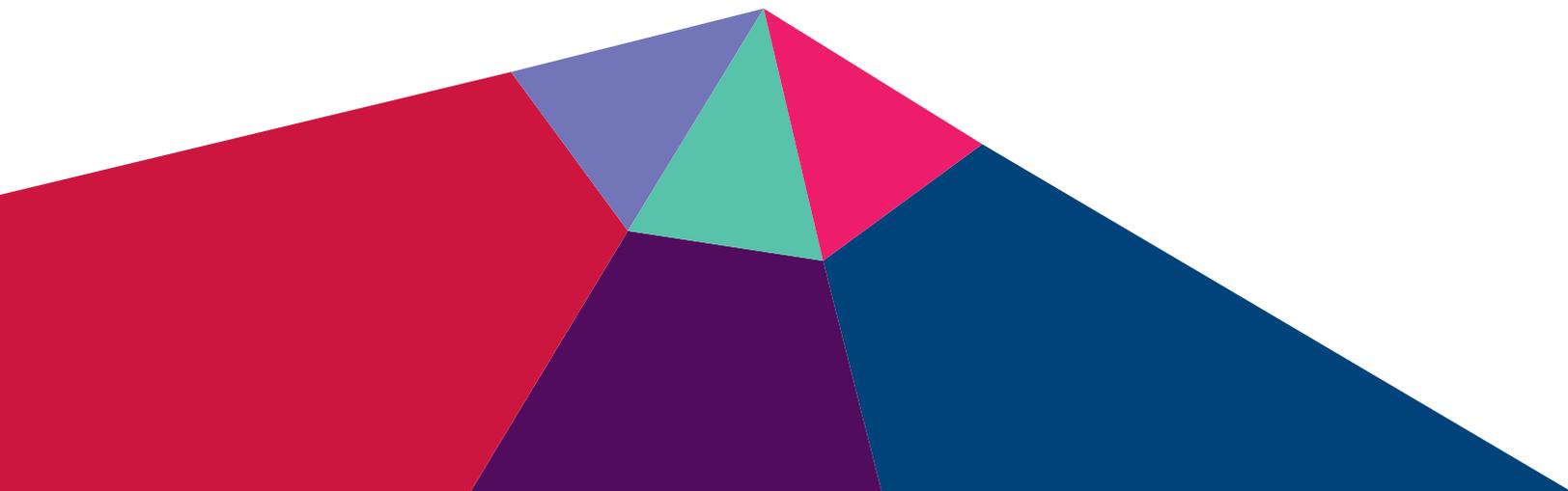




# **Contributed Responses to Give.org Donor Trust Special Report: Diversity, Equity, and Inclusion**

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## Franklin Guerrero

Vice President of Philanthropy, Major Gifts  
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*There is a true yearning to respond to  
The singing River and the wise Rock.  
So say the Asian, the Hispanic, the Jew  
The African, the Native American, the Sioux,  
The Catholic, the Muslim, the French, the Greek  
The Irish, the Rabbi, the Priest, the Sheik,  
The Gay, the Straight, the Preacher,  
The privileged, the homeless, the Teacher.  
They hear. They all hear  
The speaking of the Tree.*

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**Maya Angelou**  
**“On The Pulse of Morning,” 1993**

One could use the metaphor of travel to describe the human endeavor at the heart of seeking progress, realization, and love. Philanthropy is at the intersection of love for humanity, and its public manifestation among humans should be justice and equity.

The solution that programs focused on diversity, equity, and inclusion (DEI) bring to the perennial challenges of racial conflicts, white supremacy, misogyny, and all forms of exclusion and oppression should inscribe themselves in the registry of what love and justice truly mean. Philanthropy, by definition, should strive to be the foreword to policy and legislation. It should be that fiercely independent, innovative, and equalizing force that the government and private sector can forge in response to the constraints of democracy, taxation, or profits.

One could make the case that philanthropy has come late to the conversation. If so, the reason may lie in the many schools of thought in fundraising and wealth planning that center the

work around the individual philanthropist and not necessarily the communities that border or occupy the existential space within their mission statements. Therefore, this report on Donor Trust: Diversity, Equity, and Inclusion presents many critical implications for the charitable sector and the country. It is also, in that sense, timely and suitable for discussions about the present and future of giving in North America.

Can we engage donors and cultivate and solicit them to support causes beyond traditional benevolence and charitable need? Has our sector retained a level of moral imperative and prophetic wisdom to question (and have an impact on) how our societies advance to a more democratic system based on civil and human rights without always surrendering to the aspirations of competitiveness and profitability? I raise these questions because at the core of the report is the desire for a practice of giving and donor engagement that takes seriously who and what our country aspires to be, albeit with the current social and political polarization. Diversity, equity, and inclusion are not optional at the leadership and management levels, nor should they be at the level of employees, donors, and fundraising. Forward-oriented nonprofits must have outcomes-based strategies that incorporate and integrate workplace, workforce, and marketplace DEI principles as central to their mission, goals, and objectives.

The report explores the mindset of donors and searches for an understanding of what donors value in DEI policies in charities. It delves into donors' considerations in making gifts and how DEI plays a role. Another pertinent goal of the report is to understand how different demographic

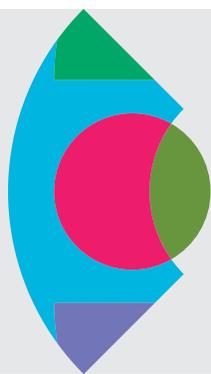
groups position themselves in front of the issue. The critical discussion that such reports invite us to have should not occur at the expense of diverse communities (including age, race, sexual orientation, and religious identity); rather, it must take place with them, full stop. Communities of color and diverse communities, in general, have agency and a voice that needs to be affirmed with the varied assets that they bring to the table as co-hosts of the feast.

The report uses a survey to capture quantitative information and qualitative aspects of donor interest, beliefs, feelings, and behavioral trust. The report confirmed what I experienced in dealing at the face-to-face level with dozens or hundreds of donors every year. In general, donors that I work with show a flow of positions similar to the following assertions:

- Donors value and appreciate the idea of a diverse and inclusive board of directors and senior management in charities. The report validates that statement.
- The report also shows that a significant number (40 percent) supports the idea of not tolerating proven cases of racism, gender discrimination, and other forms of exclusion.
- However, when it came to affirming diversity in their communities, only 21 percent said they would not donate to charities that are not representative of their communities.
- A disappointing but not shocking data point is that one out of 10 donors did not include as an issue or concern the concept of representation and equity in their giving process.
- Younger, diverse communities of color and LGBTQ+ participants believe that diversity, equity, and inclusion are important yet are willing to support charities that have not demonstrated diversity and representation as part of the outcomes.

I agree that we need to have this dialogue on diversity, equity, inclusion, and philanthropy. We know that the country is changing; as my son says, the country has changed, even if some have not noticed it. The data on diversity, workforce resources, workplace composition, and marketplace dynamics call for an expansive plan to address, engage, and incorporate equity and communities of color into the leadership of organizations. The marketing and fundraising efforts should not consider these communities as beneficiaries of compassion but as resourceful donors—as people who fully belong in the conversation, not only on an aspirational basis but because of how generous these communities are. There is a great deal of data available demonstrating the generosity of African American and Latino communities.

The nonprofit sector is justifiably alarmed by recent results showing that fewer households donate to charity. Perhaps we can listen affirmatively and empathically to the rock, the river, and the tree. They remember and anticipate the diverse country that is to come in this pulsating America.



## Jon Bergdoll

Associate Director of Data Partnerships,  
Statistician for Giving USA | **Indiana University**  
**Lilly Family School of Philanthropy**

BBB Wise Giving Alliance's special report on diversity, equity, and inclusion (DEI) is full of fascinating data points and observations. The report provides an overview of the perception of nonprofits with regard to DEI from various standpoints of both specific groups and different scenarios of inclusion or discrimination. Any of the report's findings provide ample food for thought and deeper analysis. The report contains a lot of information, and an easy approach would be to skim through it and come away with your assumptions about DEI in the nonprofit sector broadly confirmed: people care about diversity, but it may not be their top concern, and in general younger folks and people of color care more. And while this wouldn't be an *inaccurate* takeaway, it would miss some interesting details that make the picture a bit more nuanced.

In particular, I'd like to zoom in on a pair of questions that have an interesting relationship to each other. Respondents were asked if they had heard about a lack of DEI at a specific charity during 2021, and the results found that younger people, people of color (especially African American and Hispanic/Latino respondents), and some religious groups (particularly Muslims) were more likely to report having heard about this.

Later in the survey, respondents were asked how their donations would change under the hypothetical scenario that "the charity's culture tolerates discrimination against people served..." Here the report finds that older folks, along with white and Asian respondents, were *more* likely to say that they would stop donating to this charity;

and among religious groups, Muslims stood out in terms of not saying they would stop donating. On its own, this discrepancy seems counterintuitive. Why would those who elsewhere in the report place high importance on diversity have a more muted reaction to prejudice? A possible answer is found by looking at how these are a near inversion of the answers from the first question on hearing about a lack of DEI.

In a report I worked on earlier this year,<sup>1</sup> we examined the intersection of racial justice and generosity. One key question we wanted to answer was how respondents defined a racial justice cause or organization. While more detail is in the report itself or available upon request, relevant here is that certain demographic characteristics were related to a broader, more inclusive definition of racial justice causes (i.e., choosing more options).<sup>2</sup> Some of those variables might seem familiar here: younger people and African Americans (along with single women) typically had more expansive definitions of racial justice causes.

With this in mind, let's look back at that question where respondents indicated whether they had heard about a lack of DEI at a specific charity. Some—or possibly all—of the demographic-related differences surely boil down to the variety of respondents' lived experiences and sources of information about nonprofits. I'd suggest, though, that some part of this discrepancy is a result of a gap in how respondents define a lack of DEI. Older respondents potentially have a more limited definition of discrimination than do younger respondents; and respondents more likely to

be the target of intolerance may have a broader definition that includes more systemic issues.<sup>3</sup>

This theory, in turn, helps make sense of why younger, more diverse donors were less likely to say they would stop donating to a charity over discrimination. In this framework, when older people were asked about hypothetical discrimination, they may have imagined explicit, strong bigotry, which would merit a stronger response. Conversely, younger and more racially diverse people who were asked the same question could imagine a range of all-too-common occurrences, which resulted in relatively softer responses, even when accounting for the greater importance they put on DEI.

My purpose in this deep dive into two questions from this wide-ranging report is twofold. I wanted to show an example of the complexities that can be found through a closer reading of this report, while also illustrating what is hopefully an interesting and helpful point.

DEI issues are complex and talking about them will reveal that core concepts—like discrimination or social justice—do not have shared definitions across all groups. Even small, locally focused nonprofits tend to have a broad swath of demographics represented among their stakeholders. A conclusion that's too easy to draw is that some folks care about DEI issues and others simply do not. The truth seems to be more nuanced: yes, broadly speaking, older and nonmarginalized people are less likely

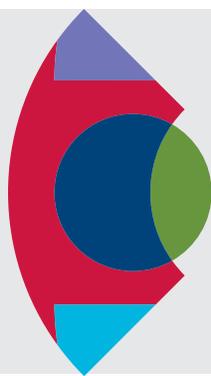
to prioritize DEI than younger or marginalized people, but some of this difference may come down to communication. Thinking through how to communicate to specific audiences the DEI efforts and issues of your organization is necessary—and is just one small point illustrated within the data of this report.

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<sup>1</sup>Ackerman, J., Bergdoll, J., Osili, U., Skidmore, T., & Sager, J. (2022). *Women Give 2022: Racial Justice, Gender and Generosity*. Women's Philanthropy Institute, Indiana University Lilly Family School of Philanthropy. <https://philanthropy.iupui.edu/institutes/womens-philanthropy-institute/research/Women-Give-2022-Report-final.pdf>

<sup>2</sup> For more detail about the definition of "racism" and its evolution over time, see: Sommers, S. R., & Norton, M. I. (2006). Lay theories about White racists: What constitutes racism (and what doesn't). *Group Processes & Intergroup Relations*, 9(1), 117-138. <https://doi.org/10.1177%2F1368430206059881>; and Zimmer, B. (2020, September). The evolution of *Racism*. The Atlantic. <https://www.theatlantic.com/culture/archive/2020/09/how-racism-made-its-way-into-dictionary-merriam-webster/615334/>

<sup>3</sup>See also: Johnson, J. D., Simmons, C., Trawalter, S., Ferguson, T., & Reed, W. (2003). Variation in black anti-white bias and target distancing cues: Factors that influence perceptions of "ambiguously racist" behavior. *Personality and Social Psychology Bulletin*, 29(5), 609-622. <https://doi.org/10.1177%2F0146167203029005006>; and Sommers & Norton, 2006.



## Afshan Paarlberg, J.D.

Visiting Assistant Professor, Muslim Philanthropy Initiative | Indiana University Lilly Family School of Philanthropy

The U.S. population is becoming more ethnically and racially diverse. Alongside demographic changes, the COVID-19 pandemic and the murder of George Floyd have reignited discussions about racial justice and equity across many levels of society. Philanthropic and nonprofit research and practices are taking notice of these trends. This report adds an important new dimension to understanding how donors interpret and respond to the perceived presence or absence of institutional diversity, equity, and inclusion (DEI) practices.

My research and work<sup>4</sup> with Muslim American nonprofits drew my attention to the many significant findings on Muslim American donors, who are among the groups to express the highest degree of importance for institutional DEI. Muslims have been present in America since at least the 16th century, as documented in the accounts of enslaved Africans.<sup>5</sup> Although Muslim Americans constitute about 1.1 percent of the total U.S. population, they are projected to become the second-largest faith-based group by 2050.<sup>6</sup> Muslim Americans are racially, ethnically, and linguistically

diverse, with no one group constituting a majority.<sup>7</sup> Despite their longstanding presence, Muslims in America are oft-marginalized based on race, religion, or national security scrutiny.

Nonetheless, Muslim Americans continue to give back in many ways. Muslims have a longstanding history of giving behaviors rooted in Islamic moral traditions, including *zakat*, *sadaqa*, and *waqf*. Zakat is an annual obligation to give 2.5 percent of one's wealth toward one of eight deserving categories. Sadaqa embraces additional forms of giving, including everyday actions such as smiling or abstaining from harmful actions. And the waqf is comparable to today's private foundation. It is based on an irrevocable gift that provides for a perpetual public good.

Zakat and sadaqa continue to motivate giving among Muslim Americans. According to survey research, Muslim Americans gave more generously than the average population in 2020 and gave an estimated 1.8 billion dollars in zakat in 2021.<sup>8</sup> Muslim Americans also give through actions

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<sup>4</sup> The Ihsan Standard is a Muslim Legal Fund of America-funded legal and research project with the Muslim Philanthropy Initiative at the Indiana University Lilly Family School of Philanthropy. This project engages with Muslim American nonprofits and leaders.

<sup>5</sup> Diouff, S. (1999). "Sadaqa" among African Muslims enslaved in the Americas. *Journal of Islamic Studies*, 10(1), 22-32; Kalin, A. (Director). (2006). *Prince Among Slaves* [Film]. Unity Productions Foundation.

<sup>6</sup> Mohamed, B. (2018, January 3). New estimates show U.S. Muslim population continues to grow. Retrieved October 19, 2021, from <https://www.pewresearch.org/fact-tank/2018/01/03/new-estimates-show-u-s-muslim-population-continues-to-grow/>.

<sup>7</sup> *Id.*; Hill, M., Kowalski, D., Kocak, M., Muhammad, H., Ahmed, S., & Islam, N. (2015). *Study of intra-Muslim Ethnic Relations*. Muslim Anti-Racism Collaborative.

<sup>8</sup> Siddiqui, S. & Wasif, R. (2021). *Muslim American Giving 2021*. [https://scholarworks.iupui.edu/bitstream/handle/1805/26703/Muslim-American-Giving-2021\\_Final.pdf](https://scholarworks.iupui.edu/bitstream/handle/1805/26703/Muslim-American-Giving-2021_Final.pdf); Siddiqui, S., Wasif, R., Hughes, M., Paarlberg, A., & Noor, Z. (2022). *Muslim American Zakat Report 2022*. Muslim Philanthropy Initiative at Indiana University Lilly Family School of Philanthropy. <https://scholarworks.iupui.edu/bitstream/handle/1805/28468/Muslim-American-Zakat-Report20220412.pdf?sequence=7&isAllowed=y>

such as smiling and advocacy.<sup>9</sup> And during the COVID-19 pandemic, Muslim Americans engaged in formal and informal acts of philanthropy, including donations of PPE supplies.<sup>10</sup>

Muslims also draw from religious inspiration in support of racial justice. In the oft-quoted last sermon of Prophet Muhammad, the message of anti-racism was delivered: “There is no superiority of an Arab over a non-Arab, or of a non-Arab over an Arab, and no superiority of a white person over a black person or of a black person over a white person, except on the basis of personal piety and righteousness.” Organizations like the Muslim Anti-Racism Collaborative have embraced this faith-inspired mission and have created spaces and resources for advancing racial justice. They also support a deeper appreciation of diversity, dialogue, and self-reflection within Muslim American organizations, a community working toward anti-racism ideals.

This report finds deeper meaning when read alongside these histories, traditions, and practices. For example, one finding suggests that Muslim Americans express a strong belief that DEI board and staff positively affect an organization. Muslim Americans also place high importance on representation among the board and staff. These perceptions may be influenced by lived experiences in which Muslim Americans are a minority and lack representation in organizations. It might also stem from Islamic moral traditions and values, which emphasize unity in diversity. Muslim Americans are also the most likely religious group to find reporting about board demographics as a helpful tool in giving. The expressed desire for transparency might be further explored with marginalization and the impact of governmental

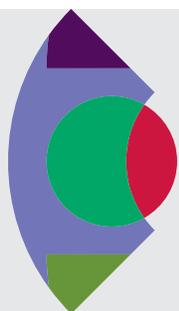
charity raids on Muslim American nonprofits following 9/11.

Ultimately, this report provides key insights about the benefits of institutional DEI in relation to donor engagement and trust. As U.S. demographics continue to change and DEI continues to become a tool for racial justice, nonprofit organizations can benefit from understanding the ways in which giving among diverse donors is impacted by DEI within charities. Emerging philanthropic research highlights the richness of philanthropic traditions, preferences, and behaviors across diverse communities. Thus, alongside understanding donor perspectives of DEI, philanthropic research can provide fuller context and meaning about giving traditions across diverse communities.

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<sup>9</sup> Siddiqui, S., Wasif, R., Hughes, M., Paarlberg, A., & Noor, Z. (2022). *Muslim American Zakat Report 2022*. Muslim Philanthropy Initiative at Indiana University Lilly Family School of Philanthropy. <https://scholarworks.iupui.edu/bitstream/handle/1805/28468/Muslim-American-Zakat-Report20220412.pdf?sequence=7&isAllowed=y>

<sup>10</sup> Ikramullah, E. (2021). *Facing COVID-19 Through Service and Contribution*. Institute for Social Policy and Understanding. <https://www.ispu.org/contributions-during-covid/>



## Michael Martin

President and CEO | Evangelical Council for Financial Accountability (ECFA)

### The Faith Foundations of Diversity and Its Critical Role in Enhancing Trust

Diversity is an expanding priority among the 14.6 million donors and \$30 billion in total annual revenue represented by the accredited members of ECFA (Evangelical Council for Financial Accountability). We're seeing Christ-centered churches and nonprofits increasingly voice theological foundations for diversity as well as linking it to their specific faith-based mission.

A case in point is Edgar Sandoval Sr., who grew up in Central and South America and is currently President and CEO of World Vision U.S. This Seattle-based ministry, both a founding and ongoing member of ECFA since 1979, annually raises more than \$1 billion for their mission "to follow our Lord and Savior Jesus Christ in working with the poor and oppressed to promote human transformation, seek justice, and bear witness to the good news of the Kingdom of God."

"One of my presidential imperatives is to build a more diverse employee and donor base," he explained as I interviewed him on a recent ECFA podcast. "Diversity is in our DNA as Christians."

I asked him why. "The Word of God says [in Genesis 1:26-27] that every human being is created in the image of God," he explained. "That means every human being that we come in contact with is God's image bearer."

"We also believe that Christians are God's instruments for what Jesus taught us to pray that 'thy will be done on earth as it is in heaven' [Matthew 6:10]," Sandoval continued. "Scripture's

glimpse of heaven in Revelation 7:9 says that those praising God will be from every nation, tribe, people, and language. So if diversity is in our heavenly destiny, why wait?"

World Vision's value of championing "kingdom diversity" here on earth has translated across their organization. This same posture and practice can be found across many of ECFA's more than 2,600 members. It starts with a church or nonprofit's mission and values, which then influences their board who give oversight to the mission, their staff who execute it, the people they serve, and the donors who financially underwrite and pray for their work.

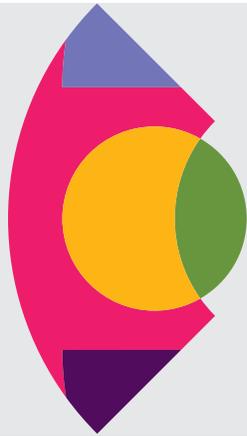
Another aspect of this ripple effect involves staff culture where diversity is becoming increasingly important for workers who are looking to serve and invest their time and skills in an organization that embraces their values. During recent years when the Great Resignation and Great Reset have chronicled an unusually high turnover of staff—the world of charities being no exception—a large number of ECFA members are asking themselves if they are representative enough of today's increasingly diverse world. For those who answer "no," whether for the board or staff team, they respond by showing a greater intentionality to become more diverse as they recruit and retain workers who represent and carry out the organization's mission.

Looking at ECFA's membership, then, I suspect that a commitment to diversity with its foundations rooted in scriptural truth starts on the inside, at the core of what they believe and do and the kind of

staff team and culture they encourage. From there it works its way out in expressions that donors find to be authentic and credible, translating into heightened donor trust.

As my friend Dr. Walter Kim, president of National Association of Evangelicals, explained so well on another recent ECFA podcast, “Trust is absolutely essential because what other currency do we have?”

**ECFA’s podcast is titled “Behind the Seal.” It is available at [ECFA.org/podcast](https://www.ecfa.org/podcast). ECFA (Evangelical Council for Financial Accountability) is one of the nation’s oldest and largest accreditors of nonprofits. Its mission is enhancing trust in Christ-centered churches and ministries. Michael Martin is ECFA’s President and CEO. He is both an attorney and a CPA, and has written on both scholarly and popular levels. His authorship is probably best known from his contributions to ECFA’s annual Minister’s Tax & Financial Guide and the Church and Nonprofit Tax & Financial Guide.**



## **Erwin de Leon, Ph.D.**

Chief Diversity Officer, School of Professional Studies, Lecturer in Discipline, Nonprofit Management Program | **Columbia University, New York**

Charitable organizations exist to serve our communities and are expected to contribute to the betterment of society. A better society, in my opinion, is one where every individual and their respective communities feel and believe that they belong. We can aspire and work toward this ideal by practicing diversity, equity, and inclusion (DEI) in our organizations.

Although the call for equity, justice, and inclusion has gotten louder of late, the importance and impact of DEI has been known for some time now. DEI in any setting is good. Its practice has been proven to be, well, good for business. Minority employees feel heard and seen, while the majority find meaning and feel pride in their work. Clients and other constituents are better served by individuals who share their identities and lead organizations.

DEI is especially salient to nonprofits as they rely on the support and goodwill of donors who give based on their perception of and affinity to a charity. The authors of the *Give.org Donor Trust Special Report on Diversity, Equity, and Inclusion* posit as much and their findings show that donors indeed value the practice of DEI in organizations. Nonetheless, a few stats are worth noting.

First, a set of findings reflects an understanding among donors about how the practice of DEI can have a significant impact on a charity and, ultimately, the people and communities they serve. Specifically, over half of respondents assume that

DEI has a positive effect on how trustworthy a charity is and its overall accomplishments, as well as think that DEI has a positive effect on how well the charity serves its constituents and is able to focus on its core mission. Half of respondents say DEI has a positive effect on how well a nonprofit incorporates broader perspectives and experiences. That said, close to a third of donors indicate that they think DEI has no effect whatsoever.

Another series of findings can give one further pause. Only one in five respondents deem diversity—as measured by race and ethnicity, disability status, gender, sexual orientation, and religious identity—in a charity’s board and staff as highly important in their decision to give. In contrast, a higher proportion of respondents gives low importance to diverse board and staff representation.

What I find most stunning is that only 13 percent of donors say that a lack of DEI is a common problem for charities! Moreover, 26 percent think that it is sometimes a problem. These numbers belie the fact that the lack of DEI, particularly in leadership roles, is a serious problem faced by most organizations.

This points to the need for our sector to educate donors and the general public about why the practice of DEI is vital for charities to better serve our communities and improve our society. The responsibility to amplify the practice of DEI rests on all of us.

As nonprofit practitioners, we need to acknowledge our own biases and be aware of how our identities and roles manifest and intersect at the office and in the field. We constantly have to educate ourselves about developments in DEI thought and practice. None of us can claim full knowledge and expertise in this evolving and, thankfully, growing space. We have to be humble, open, curious, and hopeful.

As organizations, we should commit to the hard labor and real cost of creating diverse, equitable, inclusive, and anti-racist communities. We must question our structures, policies, and procedures and, to borrow Equity in the Center's framing, move from being awake to woke to work—that is, to practice DEI well within our organizations and the communities we serve, and eventually make an impact beyond our immediate sphere.

As funders, we are called upon to support and fund DEI initiatives, which do come at a financial cost beyond direct programs and services. We need to be honest about the inherent inequity and injustice that has elevated us to such a position of privilege and power.

As individual donors, we must learn all we can, not just about the cause and organization we're supporting, but larger societal structures and systems that perpetuate inequality and injustice, including the lack of DEI in the very charities we endorse. We should understand how DEI ought to be practiced in a nonprofit. It appears that donors attribute responsibility to different individuals at a charity— 24 percent to board members, 23 percent to the CEO, 19 percent to all staff, and 13 percent to Human Resources—when everyone in an organization has a part to play. As donors, we must hold charities accountable. Yet less than 10 percent of donors expect a charity to disclose its DEI statement.

## About BBB Wise Giving Alliance

BBB Wise Giving Alliance (BBB's Give.org) is a standards-based charity evaluator that seeks to verify the trustworthiness of nationally soliciting charities by completing rigorous evaluations based on 20 holistic standards that address charity governance, results reporting, finances, fundraising, appeal accuracy and other issues. National charity reports are produced by BBB's Give.org and local charity reports are produced by local Better Business Bureaus – all reports are available at [Give.org](https://www.give.org).



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