

ABOUT THE SOUTHERN POVERT LA CENTER The SPLC is a catalyst for racial justice in the South and

beyond, working in partnership with communities to dismantle white supremacy, strengthen intersectional movements, and advance the human rights of all people.

www.splcenter.org

ABOUT CAIR

Since its establishment in 1994, CAIR has worked to protect civil rights and to promote a positive image of Islam and American Muslims. Through public outreach, education, and advocacy, CAIR puts forth a mainstream perspective to ensure the American Muslim voice is represented in all levels of society. In o ering this perspective, CAIR seeks to empower American Muslims and encourage their participation in political and social activism. Today, CAIR is the most prominent voice for American Muslims and is a reliable resource and partner for media, public o cials and policy makers, and civil rights and interfaith partners.

www.cair.com

TABLE OF CONTENTS

press Star to	3
$\frac{1}{\sqrt{2}} = \frac{1}{\sqrt{2}} \left(\frac{1}{\sqrt{2}} + \frac{1}{\sqrt{2}} \right)$	4
	5
le geographic geotation page sector	7
II. Accordente de la companya	9
CASE STUDY A	11
III a construction of the state	13
IV.	



EXECUTIVE SUMMARY

Hate crimes, bias incidents, and hate speech across American society all have been rising over the last few years. The scientific evidence - from federal agencies, advocacy organizations, and university-based researchers - reinforces what most observers already recognize: increased mass shootings, attacks on houses of worship, and a resurgence in white supremacist activity. As private and public sector leaders mobilize to find ways to curb the problem, leaders in philanthropy have also recognized the need to combat the problem of hate-funding in their sector, which until very recently was largely overlooked. Recent research by various civil society organizations and independent journalists has shown that individuals have been using Donor-Advised Funds (DAFs) for years to anonymize and direct funding toward hate groups operating as 501(c)(3) tax-exempt organizations.

The following document is the product of a highlevel, closed-door symposium composed of more than three dozen practitioners, advocates, and scholars in the philanthropic sector, convened in August 2019 by the Council on American Islamic Relations (CAIR), the Southern Poverty Law Center (SPLC), and the American Muslim Fund. The oneday meeting aimed to assess the current state of the cross-sector discussion surrounding the problem of hate-funding in philanthropy. By identifying best practices, analyzing case studies, and discovering key points of consensus and constraint among leading figures in the sector, the conveners produced this white paper to serve as a learning resource for stakeholders. In addition to benefiting from data gathered at the symposium, this document was also informed by external interviews, literature reviews, and continued consultation with experts.

While the problems identified in this paper can be applied to the entire philanthropic sector, this white paper focuses on the role that community foundations can play in combating hate-funding. It 61w.sms sureaholdion wiinsa hthated [(r (ta)20.5 (areas:It)]TJET

SUMMARY OF KEY RECOMMENDATIONS

- Establish leadership. Community foundations should reassert their role as vanguards in establishing reforms that will curtail hate-funding and steward the public discussion on philanthropy and the public good.
- Learn from other sectors. Because the questions facing philanthropy are not unique, the sector should engage in shared-learning models concerning hate-funding and screening from related and parallel sectors such as social media, banking, the media, and internet service providers.
- Support cross-sector collaboration. Industry leaders in philanthropy should support the development of resources and tools such as university research collaborations, software products, and public education materials to help foundations and their stakeholders mitigate the problem of hate-funding.
- Support the Hate is Not Charitable campaign. A nity organizations should encourage their members to both adopt the pledge and begin reviewing internal procedures to screen grantees.
- Expand Diversity, Equity, and Inclusion (DEI) policies and programming initiatives to explicitly condemn hate activity.

- Align donor agreements with existing hate-free and anti-discrimination policies that govern other activities.
- Adopt policies and establish best practices to guide peer institutions such as family foundations, religious and faith-based charities, and commercially backed charities.
- Establish variance power standards. Because preventing and stopping hate-funding in philanthropy will likely trigger questions about donor intent, leaders in the sector should immediately convene research and public education initiatives to clarify the current state of practice on variance powers and DAFs.
- Fund research. The sector should make particular e orts to support the growing but largely under-resourced research community — composed of think tanks, scholars, and independent journalists — exploring the impact of DAFs on the philanthropic landscape.

INTRODUCTION

In recent years, numerous charitable institutions have been used by donors to indirectly support organizations that use their nonprofit tax status to actively seek funds to promote racism and bigotry. In 2013 and 2014, for example, the National Policy Institute, an organization started by white nationalist leader Richard Spencer, received two anonymous Donor-Advised Fund (DAF) grants from the

Richard Spencer has used the National Policy Institute to advocate for an

discussion from the convening, no part of this paper should be attributed to any of the participating individuals or organizations.

This document discusses the points of consensus and constraint that sector leaders identified during the roundtable discussions. The analysis and recommendations are also informed by a review of relevant literature as well as continued consultation with sector actors, experts, and advocates. It starts with an overview of the problems on hate funding in the philanthropic sector, followed by a summary and analysis of the roundtable discussions convened during the dialogue, covering three broad thematic areas: the role of DAFs in hate-funding; anti-hate initiatives in the tech sector as a model for philanthropy; and the potential for sector-wide solutions and shared frameworks.

In addition to identifying specific aspects of the problem, the discussion at the symposium yielded

several key themes that deserve special mention. These include 1) the unique role of community foundations in combating hate-funding; 2) the need for foundations to abandon the "pretense of neutrality" in their giving strategies and to expand their commitment to diversity, equity, and inclusion; 3) the need for sector-wide reform and coordination; and 4) the importance of safety and risk assessment. The conclusion contains a series of immediate and actionable recommendations for stakeholders to consider. Also included are appendices that contain useful information for practitioners, such as suggested further readings, resources on security for organizations thinking about screening out hate groups, definitions of key terms, and frequently asked questions.

II. ARE DONOR-ADVISED FUNDS THE PROBLEM?

Donor-Advised Funds play an increasingly powerful role in philanthropy. They allow donors to make a non-revocable charitable contribution to a public charity (such as a community foundation, though increasingly non-traditional providers such as Fidelity Charitable Gift Fund, Schwab Charitable Fund, and others) for which the donor receives an immediate tax benefit.²⁵ The public charity invests the money, and the donor is able to recommend contributions to charitable organizations from the fund over time. DAFs are marketed both as charitable savings accounts or - because DAFs have comparatively modest overhead costs - as a cheaper and easier alternative to a private foundation. They are used primarily by individuals, though several institutional foundations and corporations use DAFs as their preferred giving vehicle. In 2018, there were 728,563 DAFs across the country -agrowth of 55 percent over the previous year. Donors contributed \$37.12 billion and used them to recommend \$23.42 billion in grants to qualified charities. Charitable assets held by DAFs totaled \$121.42 billion, up from \$112.1 billion in 2017.26

The rapid expansion of DAFs has changed the landscape of traditional philanthropy by decentering the role foundations have played in shaping the funding of civil society activity and allowing smaller, less experienced charitable actors to influence the public space in ways that were previously impossible or unlikely.²⁷ Among the range of emerging problems identified in this new philanthropic landscape is the use of DAF dollars to promote non-active charitable work. While The overwhelming traditional philanthropy might fund consensus among broad public interest services and activities such as public education, stakeholders was medical research, or the arts, DAFs that DAFs in and now allow donors to direct funding toward narrow, ideologically of themselves are driven organizations that operate not the problem, under a 501(c)(3) status. Given that recent research by journalists, think but that there are a tanks, and advocacy organizations has shown the way in which DAFs number of problems have been used to fund hate activsurrounding them. ity, stakeholders in philanthropy are

seeking ways to prevent their platforms from being exploited by extremist groups that leverage DAFs for their powerful tax benefits, anonymity, and wealth preserving characteristics. During the first session of the symposium, conveners asked stakeholders from the private, philanthropic, and academic sectors: "Are DAFs the problem?"

The overwhelming consensus among stakeholders was that DAFs in and of themselves are not the problem, but that there are a number of problems surrounding them. Among the most important concerns were the way DAFs enable consolidation of wealth (due to the lack of regulated payout rates) and provide a screen of anonymity for donors.²⁸ And although there was recognition among leaders in community foundations, nonprofits, and even commercially backed DAF sponsors that DAFs have radically changed the landscape of philanthropy in the last decade, most experts agree that e orts to aggressively regulate them are destined to fail and would cause more harm than good to the charitable sector as a whole. On the positive side, others noted that DAFs have contributed to the democratization of institutional charity, allowing people who are not wealthy to become philanthropists.

Nonetheless, stakeholders and experts agree that DAFs play a unique role in exacerbating the prob-

lem of hate-funding in philanthropy itself. For some foundations, the problem may seem relatively small in that funding may come in a small amount and by only a few donors, thus amounting to a minuscule percentage of a charity's overall giving. That said, participants agreed that even if the number of contributions to hate groups is relatively small, it contributes to the normalization of problematic and possibly dangerous activity and rhetoric. Stakeholders seemed to fully support not funding hate. In one instance, the president of a major metropolitan community foundation, responsible for the management of more than \$3 billion in charitable assets, was adamant that even if it were "only one dollar being funneled through their name to a

9

A central concern raised by all stakeholders is the issue of anonymity. Because a DAF is in and of itself a charitable vehicle, when a DAF donor contributes to a fund, they are not necessarily identified in the public and private records of where the donation ultimately arrives. Rather, it is the sponsoring DAF organization that is identified as the origin of the donation. This is the case even though the donor receives the tax benefit at the time of the contribution to the DAF.⁴¹ With standard charities or nonprofits, if a donor provides a financial contribution, that donor understands that they lose control over the way their funding is managed or used. Thus. with DAFs. both elements - surrender of control and transparency – are avoided. The structure of the DAF creates a scenario in which a donor contributes to an account that is legally and logistically managed by an external agency but in practice and reality remains in the control of the donor. In this way, a donor can direct a contribution anonymously to a 501(c)(3) organization while ensuring that the original source of the contribution remains hidden from public view. The public sees only an untraceable DAF account serving as a bu er and intermediary between anonymous donors and 501(c)(3)s. This structure allows donors to give anonymously to nonprofits that promote hate - while only the name of the sponsoring charity is listed in public records.

The philanthropic and charitable sector has traditionally advocated self-regulation by developing self-governance and industry standards that avoid federal or state interference.⁴² While some stakeholders and critics urge regulatory intervention, the legislative track record on DAF reform is poor. In 2014, for example, former U.S. Rep. Dave Camp (R-MI) suggested placing a five-year limit on undistributed DAF monies as part of a larger tax reform bill, but the proposal never reached the floor for debate.⁴³ Even more modest regulations to close loopholes and incentivize charities to pay out funds at higher rates have been met with silence from legislators.

III. INTERNET GOVERNANCE AS A MODEL FOR PHILANTHROPY

In many ways the tech industry, especially social media companies and internet service providers, mirrors the philanthropic sector — especially public charities such as community foundations and DAF providers. For example, they both interface with public and private interests in a similar fashion in that they are private institutions while simultaneously exerting a strong influence in the public space. Both sectors also claim to function as neutral platforms that serve their users and clients needs, and both have significant concerns about managing the line between dangerous hate speech and free speech. And, both sectors are grappling with the rise of hate in general.

In recent years, the tech industry has taken steps to address hate on their platforms, and there are important lessons that philanthropy can learn from these e orts. For that reason, the symposium hosted key advocates involved in the discussion about online hate speech and violent extremism. Specifically, it brought together First Amendment experts, financial access advocates, and leading figures involved in campaigns to help the tech sector adopt anti-hate policies. Participants in the symposium agreed that, like the tech sector, philanthropy can best address the issue of hate by adopting comprehensive and concrete anti-hate policies that are transparent to their donors and the wider public.

The problem of hate speech in the digital space is nearly as old as the space itself. Until recently, internet companies — from social media giants like Facebook to online payment vendors like PayPal have generally used First Amendment arguments to justify a lack of strong policies and procedures for banishing the purveyors of hate from their platforms.⁴⁶ Tech companies, however, are private entities and the First Amendment does not apply to the policies of a private corporation but rather to actions taken by government. Some companies have claimed to operate as neutral platforms, simply providing a space for their users to engage, and have abstained from direct content production, moderation, or regulation.

While an open internet creates immense social value and provides opportunities for people to connect in ways that were simply unimaginable a decade ago, it has also proven that it does not favor *equal* speech. The open internet, for all its good,

In recent years, the tech industry has taken steps to address hate on their platforms, and there are important lessons that philanthropy can learn from these e orts.

has been used by a highly vocal minority to engage in hateful activities and promote violence in violation of the fragile public trust that it provides. Hate groups and individual extremists regularly exploit online platforms to organize, fund, incubate, and normalize racism, sexism, xenophobia, and religious bigotry. The proliferation of dangerous hate speech online chills the speech of targeted groups, and it both threatens and causes real harm to people's safety and freedom. This reality has led to significant challenges around content management and platform governance.⁴⁷

While several civil rights organizations have long pressured social media platforms and internet companies to address online hate, it took the tragic events surrounding the 2017 "Unite the Right" rally in Charlottesville, Virginia, for companies to realize that the "no action" approach inherent in relying merely on free speech arguments is an action in itself.48 That day showed beyond a doubt that hateful rhetoric online can easily turn into deadly violence in real life. Since then, many tech companies have realized that they need to play a more active role in ensuring their platforms are not used to spread hate and promote violence. While some companies made progress, many others have failed.⁴⁹ As a result, civil society stakeholders and civil rights organizations began to take aggressive action and explore sector-wide solutions.

The SPLC and the Center for American Progress, joined by Color of Change, Free Press, the National

13

Hispanic Media Coalition, and the Lawyers' Committee for Civil Rights Under Law, formed a broad-based coalition of civil rights, anti-hate and open-internet organizations.⁵⁰ This coalition, called Change the Terms, is dedicated to helping companies significantly decrease hateful activities online while maintaining a commitment to an open internet. After nearly a year of gathering stakeholder input from civil society, the technology sector, and policy circles, the coalition launched a set of model policies - comprehensive, legally grounded corporate policies and standards for social media platforms, payment service providers, and other internet-based services. Additional outreach to build momentum was done after the public launch and has led to new and heightened levels of coordination between coalition members. individuals, groups most often a ected by online hate, and internet companies.

To preempt concerns that were likely to arise, particularly around free speech, the coalition communicated in advance with good faith critics in the community, such as the American Civil Liberties Union and the Electronic Frontier Foundation, to convey that online hate is itself a threat to the free speech of others. In addition to threatening people's safety and freedom, it discourages the online speech of targeted groups and curbs democratic participation. Moreover, the coalition communicated about why the First Amendment does not apply to the policies of a private company and that, even if it did, it should be remembered that the First Amendment does not protect *all* speech. The coalition very carefully crafted its definition of hateful activity to cover types of speech that courts have said are not protected as free speech: incitement to violence, intimidation, harassment, threats, and defamation.⁵¹ This dialogue with free speech advocates helped sharpen final policy documents and led the coalition to create a document that outlined and answered potential contentions. This document was then released in parallel with the policies themselves.⁵²

The model policies provided numerous benefits. For one, they immediately provided structure, transparency, and accountability to online content moderation. They set a benchmark to measure the progress of major tech companies and provide a guide for newer companies that may be wrestling with these issues for the first time. For advocacy groups and coalition members, the policies helped them organize and speak with a united front. Prior to the model policies, some large companies used the lack of a unified voice among civil rights and advocacy groups to drag their feet and even to play di erent groups against each other to impede progress. However, with a standardized policy model, groups gained the power to push internet companies to respond to their terms and enact policy changeo the motTEMC /Span &Lang (en-US)/MCID 1265 BDC /La

IV. TOWARD A SHARED FRAMEWORK — BEST PRACTICES ON SCREENING HATE GROUPS

In light of the current political climate, a number of foundations and philanthropic actors have sought to tackle the problems of inequity and social polarization by directing funding to advocacy, organizing, and educational programs fighting these dangerous trends.⁵⁵ However, as current research shows, it is not enough for philanthropy to support these e orts through dollars alone. The sector also must take measures to combat hate within its own ranks. Indeed, a growing number of foundations, funding collaboratives, workplace giving programs, corporate giving entities, and other organizations in the philanthropic sector have individually developed more extensive policies and practices to ensure that their giving is both in compliance with the law and aligned with their mission and values statements.⁵⁶ While participants all recognized the urgency of the problem, called for immediate action to address it, and understood the importance of sector-wide change, the question remains with regard to how to implement systems to screen out hate groups from DAF portfolios. Despite the challenges, several key areas of consensus and constraint emerged in the discussion that can help stakeholders identify concrete steps to implement systems that prevent hate groups from exploiting their platforms.

As has been mentioned throughout this paper, participants again repeated the unique role that community foundations play in serving as vanguards in the e ort to screen out nonprofits that promote hate and discrimination. Through the course of the conversation, it became clear that foundations would need to approach the problem in a tiered and phased approach, recognizing that the problem requires long-term capacity-building solutions. It was recommended that the most immediate step all foundations can take is to begin instituting a conversation among sta , executive teams, and governing boards. These discussions can and should take the form of task forces composed of members from various levels of the organization who review how the issue a ects the foundation and what corrective measures can be implemented to shield it from being indirectly used by hate groups.

Unfortunately, many participants and stakeholders have raised the issue that even beginning a conversation around hate groups can be controversial within some organizations due to its presumed political nature. However, it is best for stakeholders to recognize that while there may be a legitimate degree of di erence on what constitutes anti-social and polarizing activity, at a core level community foundations should understand the problem of hate within a public safety context. At a bare minimum, screening practices and policies should be implemented against organizations and activities that contribute to a climate of fear and risk for vulnerable and targeted communities, as the role of hate propaganda in fueling violence is well documented.

The second step in the process of screening for hate groups and one that can also be accomplished with relative ease is to review a foundation's existing policy and programming ecosystem on Diversity, Equity, and Inclusion (DEI) and build anti-hate due diligence structures therein. The central argument here is that foundations are already predisposed to adopt anti-hate policies and may have more available internal resources than they recognize. As one participant argued during the session, "we simply should not grant money to organizations that promote ideas for which a sta member would get fired for within our own organizations." Indeed, it should be expected that at a basic level, most foundations are well within reach of adopting

country's largest commercial providers of DAFs, recently banned contributions to the National Rifle Association (NRA).⁶⁸ This ban came after the City and financial services industries. It is also used by, and actively markets to, the charitable sector.⁷⁶ World-Check is often criticized by civil rights organizations, advocates, and experts on international terrorism for bias and misinformation that can result in the blacklisting and de-platforming of legitimate charitable groups.⁷⁷ The commercial nature of World-Check, its lack of coordination with civil society organizations, its use of unsubstantiated data, and its lack of transparency make it a highly problematic tool to screen out hate.⁷⁸ Despite the numerous problems with the product, World-Check is still used widely in the philanthropic sector and is integrated into a number of grant management software programs.

Adding new steps in due diligence processes will take up more time and sta capacity — two things in short supply at most foundations. Indeed, most stakeholders acknowledged the fact that their organizations simply lacked the human resources and in-house subject area expertise to implement comprehensive due diligence and vetting processes to screen out hate. For these reasons, nearly all participants agreed that while comprehensive due diligence *policies* are needed, there is also a need for advocacy organizations, academia, and philanthropy to work together to develop easy-to-use due diligence *tools* for screening out hate at a sector-wide level.

If these three sectors – academia, advocacy organizations, and philanthropy - work together to develop tools and model policies, it will circumvent several di culties and dangers that could occur if any of these groups were to develop these in isolation of each other. For example, if philanthropy were to develop a tool or policies without input from advocacy organizations and academia, it would run the risk of missing important nuances or regulating hate arbitrarily. Because of the siloed nature and extensive time commitment required of academic research, scholars working in isolation from philanthropy or civil society could run the risk of using data that is outdated and therefore of limited value. Furthermore, because academic research tends to be heavily dependent on funding, it could run the risk of not being sustainable over time. Finally, if advocacy organizations alone provide guidance or recommendations for the sectors, it may create a public relations risk for philanthropic organizations wishing to adopt these recommendations. As the GuideStar experience has shown, this could also lead to fringe groups and their supporters launching harassment and intimidation campaigns.

Given the well-resourced and institutionally connected networks that create and disseminate hate-filled propaganda in our society, it is only logical that civil society, academia, and philanthropy equally join forces over the long term to manage the threat that hate presents to our democracy.

The nature of a verification list was also subject to productive discussion. Participants and stakeholders acknowledged that a list was simply one of many tools that should be available to foundations for their own analyses - but not one that would provide a mere checklist to escape accountability. Likewise, it was argued that a list should be considered only as a starting place for a wider conversation on anti-hate policies and programming in a foundation and that the overall goal of a foundation should be to increase its capacity in this space through continued education and resourcing. Participants also recognized that foundations would naturally have di erent approaches to the use and development of such tools. That is, while some might consider a list as an endpoint in a long conversation about equity and social justice, others might consider it just the beginning. Ultimately, consensus was arrived upon at the notion that such a tool or system is needed and that foundations should strive for collaboration and coordination but not uniformity.

While it is critical for individual community foundations to take on this work, there was consensus that a sector-wide dialogue and collaboration on developing best practices for community foundations need to take place. In this regard the role of a nity groups such as United Philanthropy Forum, the National Committee for Responsive Philanthropy, and the Council of Foundations were identified as institutions that could begin modeling best practices and setting nonbinding standards for the sector. In particular, it was argued that a special role should be played by the National Standards for Community Foundations, the accreditation program developed by the Council of Foundations.⁷⁹ While debates over self-regulation, oversight, and due diligence in philanthropy are expected to continue, there was a deep consensus on the urgent need to develop a shared framework to allow community foundations to be better equipped to address hate funding in their grantmaking. •

V. RECOMMENDATIONS

Philanthropy is at a crossroads. With the growth of bias, discrimination, and violent hate crimes and white supremacist terror attacks a ecting our communities, philanthropy has a responsibility to address hate both in society and in the sector itself. Community foundations, due to their "big tent" local nature and civic missions, occupy a unique space in society, allowing them to transcend much of the polarized and fragmented nature of public life today. And while community foundations regularly combat social inequity, revelations that their charitable platforms have been used by special interest networks to funnel money to hate groups has resulted in more demands that the philanthropic sector take measures to insulate itself. As thought leaders in philanthropy have argued, even if the actual dollar amounts to hate groups from community foundations remain small in the context of the sector's enormous contribution to the public good, those funds nonetheless contribute to the normalization of hate speech and activity. More importantly, hate-funding directly undermines the civic mission of community foundations by going against their values and harms the safety of the communities they represent.

Accordingly, community foundations should reassert their role as vanguards in establishing reforms that wihe hommunisc.666 38F **Qg**

APPENDIX A

SUGGESTED READINGS

AND FURTHER RESOURCES

- General
- Amalgamated Foundation. Hate is Not Charitable, 2019.
- CAIR. "Hijacked by Hate: American Philanthropy and the Islamophobia Network," May, 2019.
- Democracy Fund. "As Hate Attacks Rise, Philanthropy Can Take Steps to Curb Them," by Tom Glaisyer and Nadia Firozvi. December 13, 2019
- The Nathan Cummings Foundation. "How Philanthropy can Curb the Rise of Hate," Sharon Alpert. April 29, 2019
- NPR. "Mainstream Charities are Unwittingly Funding Anti-Muslim Hate Groups," May 7, 2019.
- Sludge Report. DAFs and Hate-Funding Series, 2019

Donor Advised Funds

- Institute for Policy Studies. Warehousing Wealth: Donor-Advised Charity Funds Sequestering Billions in the Face of Growing Inequality, July 2018.
- The Urban Institute. "Discerning the True Policy Debate over Donor Advised Funds," October, 2015.
- Hurtubise, Mark. "The Problem with Donor Advised Funds and a Solution, in Stanford Social Innovation Review. https://ssir.org/articles/ entry/the_problem_with_donor_advised_fundsand_a_solution
- The Chronicle of Philanthropy, "Working with Donor-Advised Funds: The Basics," May 01, 2018.
- Non-Profit Law Blog, Neo Law Group. "California AB 1712: Donor Advised Funds," January 18, 2020.

Hate Speech Online

- Change the Terms. "Frequently Asked Questions," 2018.
- •

APPENDIX B

DEFINITIONS AND FREQUENTLY ASKED QUESTIONS

What is a hate group?

The Southern Poverty Law Center defines a hate group as an organization that — based on its o cial statements or principles, the statements of its leaders, or its activities — has beliefs or practices that attack or malign an entire class of people, typically for their immutable characteristics. We do not list individuals as hate groups, only organizations.

The organizations on the SPLC group list vilify others because of their race, religion, ethnicity,

United States and abroad, often marshaling the same debunked myths and demonizing claims in their e orts.

A major misconception — one that is deliberately promoted by anti-LGBTQ hate groups in order to accuse the SPLC of being "anti-Christian" — is that the SPLC considers opposition to samesex marriage or the belief that homosexuality is a sin as the sole basis for the hate group label. This is false. There are many organizations and hundreds of churches and other religious establishments that oppose same-sex marriage or oppose homosexuality on strictly Biblical grounds that the SPLC does not list as hate groups.

Does the SPLC list any anti-white hate groups? The SPLC has listed black separatist groups since the late 1990s. Most prominent are the Nation of Islam and the New Black Panther Party, which has no relationship to the Black Panther Party of the 1960s and 1970s. The organizations hold beliefs whose tenets include racially based hatred of white people. Other black nationalist groups believe black people are the true Israelites and many espouse virulently antisemitic and anti-LGBTQ beliefs.

What is a black separatist hate group? Black separatist groups have always been a reaction to white racism. These groups are typified by their antisemitic, anti-LGBTQ, anti-white rhetoric and conspiracy theories. They should not be confused with mainstream black activist groups such as Black Lives Matter and others that work to eliminate systemic racism in American society and its institutions.

Why doesn't the SPLC list Black Lives Matter? While its critics claim that Black Lives Matter's very name is anti-white, this criticism misses the point. Black lives matter because black lives have been marginalized for far too long. As BLM puts it, the movement stands for "the simple proposition that 'black lives *also* matter.'"

The SPLC has heard nothing from the founders and leaders of the Black Lives Matter movement that is in any way comparable to the racism espoused by, for example, the leaders of the New Black Panther Party — and nothing at all to suggest that the bulk of the demonstrators hold supremacist or black separatist views. Indeed, people of all races have marched in solidarity with African Americans during BLM marches. Why doesn't the SPLC list Islamist terrorist groups like ISIS?

The SPLC lists only domestic hate groups — those based in and focused on organizing in the United States. We do, however, list several U.S.-based groups that are ideologically similar to groups like ISIS. They are usually listed as hate groups because of their vilification of Jews and LGBTQ people.

Why doesn't the SPLC list antifa as a hate group? The SPLC condemns violence in all its forms, including the violent acts of far-left street movements like antifa (short for anti-fascist). But the propensity for violence, though present in many hate groups, is not among the criteria for listing. Also, antifa groups do not promote hatred based on race, religion, ethnicity, sexual orientation or gender identity (see criteria above).

Does the SPLC list any far-left hate groups? The SPLC's goal is to identify all U.S.-based groups that meet its definition of a hate group regardless of whether one would think of the group as being on the left or the right. One can always debate whether a group should be considered "left" or "right." The Nation of Islam, which we list for its antisemitism and vilification of white people, is a case in point. Another example is Jamaat al-Muslimeen — a Muslim group that is listed because of its vilification of Jews and the LGBTQ community. But, as a general matter, prejudice on the basis of factors such as race is more prevalent on the far right than it is on the far left.

This does not mean that extremism and violence on the far left are not concerns. But groups that engage in anti-fascist violence such as antifa groups, for example, di er from hate groups in that they are not typically organized around bigotry against people based on the characteristics listed above. •

the charitable mission of the community foundation. These pledges had not been in place with previous policies and prior to 2017, there was no formal statement of organizational commitment to diversity, equity, and inclusion. We could only adopt and implement this anti-hate policy tied to our charitable mission, after completing the extensive foundational work necessary to *first* develop a culture that reflected the importance of diversity, equity, and inclusion. We utilized the problematic VDARE situation as an impetus to put an equity lens at the center of our work. Now, because DAF donations must align with our core values, and those mission-driven values are embedded in our work, it will no longer be possible for a situation like the VDARE case to ever happen again.

After consulting with and studying the practices of other foundations who have been held up as leaders in this work, we knew our journeyneeded to go deeper than simply developing a policy. With a new CEO and leadership at Innovia, we began working with our communities, board and sta to elevate and integrate diversity, equity and inclusion into our work. This commitment required us to have honest discussions about race and racism with our community partners. We facilitated diversity, equity and inclusion training for our board, sta and volunteers. We changed our board structure to ensure it represented the communities we serve. We sponsored workshops supporting racial equality curriculum. We participated in and helped lead forums and events for businesses and community organizations on topics such as health disparity and grantmaking with an equity lens. We learned. We helped to teach. We supported. Many of the important steps we took are listed on the timeline below and this is work we plan to continue.

Recently, Innovia Foundation also updated our mission, vision and values and created a strategic framework to guide our future decision-making. This process took more time than expected by some. But these deliberate steps provided the groundwork and the necessary foundation for the adoption of our anti-hate policy. This policy gives us a solid, defensible standard against which to evaluate organizations according to their charitable purpose, not just their tax status. https://innovia.org/ news/strategic-framework/

We are confident that our updated policies and framework will help us work with our trusted

partners to transform our region for the better. We are committed to standing alongside those who feel marginalized, and are dedicated to growing, learning, and continuing to engage in challenging conversations in our communities about racism, hate and discrimination.

Our commitment to "getting it right" is demonstrated not only in our history over the last three years but even now through this episode of engaging with the SPLC and CAIR to help correct what we feel is an imbalanced public portrayal of our organization and stakeholder community. To clarify and add to the public record, we have included below a partial summary and timeline of activities initiated at Innovia over the last three years, under new leadership, that demonstrate our commitment in words and actions to forging a path to hate-free commuchallenge within their organizations.

- In 2018, Innovia participated in E ective Leadership training through the Nonprofit Leadership Alliance with curriculum centered around cultural sensitivity and promoting diversity, equity and inclusion in the workplace and in our community by learning compassionate communication skills and a cultural mindfulness.
- In 2018, Innovia participated in a twoday workshop presented by Philanthropy Northwest at Russell Family Foundation focused on grantmaking with an equity lens.
- In 2019, Innovia unveiled our new mission, vision and values that included for the first time diversity, equity and inclusion as key priorities.
- In 2019, Innovia participated in the Philanthropy Institute: Leading Strategies for Emerging Practitioners, an educational program focused on grantmaking theories and practices with diversity, equity and inclusion being integrated into the entire training. Topics ranged from the historical context of philanthropy, how grantmaking practices can be more equitable, and how foundations can maximize impact through advocacy and collaboration.
- In 2019, Innovia was a partner and co-funder for two Why Race Matters Workshops for non-profit and foundation leaders.
- In 2019, Innovia held an all-day diversity, equity and inclusion board retreat, facilitated by Richard Woo, CEO of the Russell Family Foundation and Doug Stamm, former CEO of Meyer Memorial Trust.
- In 2019 and 2020, Innovia convened the Census Complete Count committee with advisors from underrepresented communities in our region.
- In 2020, Innovia's Board adopted a new antihate policy modeled after work from East Bay Community Foundation (Oakland, CA), Brooklyn Foundation (New York, NY) and other community foundations leading the field in promoting hate-free philanthropy.
- In June 2020, Innovia a rmed its commitment to advancing racial justice in our community and country in a statement of solidarity with our Black-led and Black-centered nonprofit

partners, donors, volunteers and neighbors throughout Eastern Washington and North Idaho.

We invite community foundations and other philanthropic orgainzations interested in learning from our journey to contact us for more information. We are committed to working with our colleagues in philanthropy to advance racial equity through increased learning about structural racism, promoting organizational changes in policies and procedures and increasing advocacy for those who face injustice and systemic racism every day. We can be reached at info@innovia.org or (509) 624-2606.

ENDNOTES

1 Wyland, Michael. "White Nationalist Charity's Form 990 Tells a Strange Tale Involving a Community Foundation," *Nonprofit Quarterly*, March 22, 2017. https://nonprofitquarterly.org/white-nationalist-charitys-form-990-tells-strange -tale-involving-community-foundation/

2 Letson, Al. "A frank conversation with a white nationalist," *Reveal, Center for Investigative Reporting, co-produced with PRX*, November 10, 2016. https://www.revealnews. org/episodes/a-frank-conversation-with-a-white-nationalist/

3 Bentley, Rosalind. "Augusta Foundation Gave Grants to White Nationalist Richard Spencer," *The Atlanta Journal-Constitution*, March 21, 2017. https:// www.ajc.com/news/local/augusta-foundation-gave-grants-white-nationalist-richard-spencer/vUNbtuLCyfm2rxM-BLAjpyH/

4 Barzegar, Abbas, and Zainab Arain. "Hijacked by Hate: American Philanthropy and the Islamophobia Network," *Council for American Islamic Relations*, 2019. http://www.islamophobia.org/images/ IslamophobiaReport2019/CAIR_Islamophobia_Report_2019_Final_Web.pdf

5 See for example, Kotch, Alex. "America's Biggest Charities are Funneling Millions to Hate Groups from Anonymous Donors," Sludge, February 19, 2019. https://readsludge.com/2019/02/19/ americas-biggest-charities-are-funneling-millions-to-hate-groups-from-anonymous-donors/; Kotch, Alex. "America's **Biggest Christian Charity Funnels Tens** of Millions to Hate Groups," Sludge, March 18, 2019. https://readsludge. com/2019/03/19/americas-biggest-christian-charity-funnels-tens-of-millionsto-hate-groups/; Kunzelman, Michael. "White Nationalists raise millions with tax-exempt charities," Associated Press, December 22, 2016. https://apnews. com/ae1c8163ac574bb3bd1f3facfca5 83/White-nationalists-raise-millions-with-tax-exempt-charities

6 "Hate is Not Charitable," *Amalgamated Foundation*, March 19, 2019. http://amalgamatedfoundation.org/ hate-is-not-charitable

7 "2018 Hate Crime Statistics," *Federal Bureau of Investigation Uniform Crime Reporting*, November 12, 2019. https://ucr. i.gov/hate-crime/2018/hate-

crime; Levin, Brian and Lisa Nakashima. "Report to the Nation: Illustrated Almanac. Decade Summary: Hate and Extremism," *Center for the Study of Hate and Extremism*, November 2019. https:// csbs.csusb.edu/sites/csusb_csbs/files/ ALMANAC%20CSHE%20Nov.%20 2019_11.12.19_1130amPT_final.pdf

8 "Bias Brief: Trump's Impact on Anti-Muslim Bias," *Council for American Islamic Relations*, September 2019. http:// www.islamophobia.org/images/2019/ Bias_Brief/BB_2_-_FINAL.pdf

9 Beirich, Heidi. "The Year in Hate: Rage Against Change," *Intelligence Report*, February 20, 2019. https://www.splcenter. org/fighting-hate/intelligence-report/2019/year-hate-rage-against-change

10 Costello, Maureen and Coshandra Dillar. "Hate at School Report," *Southern Poverty Law Center*, Donors," *Sludge*, February 19, 2019. https://readsludge.com/2019/02/19/ americas-biggest-charities-are-funneling-millions-to-hate-groups-from-anonymous-donors/

23 The first community foundation was the Cleveland Foundation, founded in 1914. Sacks, Eleanor. "The Growing Importance of Community Foundations," 2014, *Lily Family School of Philanthropy*, adapted from introductory essay in *The Europa International Foundation Directory 2014*, Taylor & Francis/Routledge. https://scholarworks.iupui.edu/ bitstream/handle/1805/6364/the_growing_importance_of_community_foundations-final_reduce_file_size_2.pdf?sequence=1&isAllowed=y

24

geair, Peter. "PayPal CEO Grapples with Fringe Groups: Dan Schulman explains who gets booted—and why," *The Wall Street Journal*, February 21, 2019. https:// www.wsj.com/articles/paypal-ceo-grapples-with-fringe-groups-11551016800

47 "Frequently Asked Questions," *Change the Terms*, last accessed January 2020.

Tax-Exempt Propaganda: The Case for Defining the Second Prong of the Methodology test," *Catholic University Law Review*. Vol. 68: 3, Summer 2019. https:// scholarship.law.edu/cgi/viewcontent. cgi?article=3509&context=lawreview

73 United States Tax Court. "The Nationalist Movement c. Commr. Of Internal Revenue," April 11, 1994. 102 T.C. 558 (T.C. 1994). https://casetext.com/case/the-nationalist-movement-v-commr-of-internal-revenue

74 Wineburg, Sam and Nadav Ziv. "The Meaninglessness of the .Org Domain," *The New York Times.* December 5, 2019. https://www.nytimes.com/2019/12/05/ opinion/dot-org-domain.html?smid=nytcore-ios-share

75 "SHEG Research Note: Dot-Orgs and Hate Groups. Stanford Digital Repository," *Stanford History Education Group*, November 23, 2019. https://purl.stanford. edu/vt471sv7857 76 "Donations could be hit if charity sector ignored financial crime risks," *World-Check*, 2011, https://www.worldcheck.com/media/d/content_pressrelease_reference/World-Check_Charities_Post_Event.pdf; Andrei, Kyle, Charis Bernard and Amadie Hart. "A Consumers Guide to Grants Management Systems," May 2016. https://c.ymcdn.com/sites/ tagtech.site-ym.com/resource/collection/885AD252-79CB-4904-85A8-6C0D-F5217EE6/IDEALWARE_2016CONSUM-ERSGUIDEGM_MAY27,pdf

77 Currier, Cora. "Flimsy Evidence and Fringe Sources Land People on Secretive Banking Watchlist," June 23,
2017, *The Intercept.* https://theintercept. com/2017/06/23/flimsy-evidence-and0 Tc 0 Tw /Span≮Ac50CID 4269 BDC BT8 0 0 8 342.7098 603.20010

