

# COALITION FOR NONPROFIT BOARD DIVERSITY DISCLOSURE

**EMBARGOED  
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## PRESS RELEASE

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## **Coalition Asks IRS to Require Disclosure of Nonprofit Board Composition Diversity Gaps Persist Among Large Public Charities 140+ Leaders and Organizations Across U.S. Sign Open Letter to IRS**

PHILADELPHIA, PA – A Coalition of leaders from the fields of higher education, healthcare, philanthropy, law, and nonprofit governance, today called upon the IRS to require large nonprofits to make public the composition of their governing boards.

In an Open Letter, the Coalition for Nonprofit Board Diversity Disclosure specifically requests that the IRS include on tax form 990 a question about “the gender and racial/ethnic demographics of their boards, based on how board members self-identify.” It further supports “including LGBTQ+ and disability disclosure.”

More than 140 organizations and individuals interested in the governance and operation of nonprofit organizations and committed to the value of diversity throughout organizations have joined the growing Coalition to date.

The Open Letter emphasizes that gender and racial gaps persist in nonprofit board rooms, including those of some of the country’s largest universities and hospitals. It also reveals the difficulty that even researchers have obtaining data about nonprofit boards. The IRS, the letter asserts, is best positioned to collect and make public this data as the agency that already asks questions about nonprofit boards and governance practices. The letter clarifies that requiring institutions to be transparent would not require them to change their boards; however, asking the question conveys a message that the IRS stands behind diversity as a good governance practice.

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Citing more than 15 years of “mainstream and highly visible organizations and publications, and countless studies and reports” on for-profit boards that show that diversity is a commonly accepted standard of good governance, the Coalition points to [Nasdaq’s model](#), approved by the Securities and Exchange Commission, that requires its listed companies to report aggregate board composition data.

Board diversity in the nonprofit sector has not generated the same degree of interest and advocacy, although a [2020 national study](#) reports that board diversity brings benefits for nonprofits similar to for-profit organizations.

“After years of scrutiny or pressure, leaders in the for-profit community have finally recognized that board diversity makes for better decisions and reduces risk,” said Jane Scaccetti, CPA and member of several for-profit and large nonprofit boards and signatory to the letter. “It is time for the boards of nonprofits that serve and employ diverse populations to do likewise.”

In the Open Letter, the Coalition makes it clear that they are asking for the one new question to be added only for those organizations that file the full Form 990, not the Form 990-EZ used by the smallest nonprofits.

“Board demographic disclosure will bring visibility and accountability to institutions benefiting from the designation of public charities,” said Cid Wilson, President & CEO of the Hispanic Association on Corporate Responsibility (HACR) as well as Chair of the Alliance for Board Diversity. “The IRS is the one entity that could require them to disclose the demographic make-up of their boards. Form 990 is an existing straightforward way to capture accurate data that will be made publicly available every year.”

To read and sign the letter or learn more, go to [coalition-4-nonprofit-diversity](#).

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