

# Protecting Your Constituents' Personal Information

A principle every nonprofit should embrace

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## Executive Summary

Beyond HIPAA, FERPA, PIPEDA, PCI Compliance, and other government-mandated privacy regulations, nonprofit organizations have an obligation to protect the privacy of constituent information. Government-mandated privacy regulations tell us what kinds of information we can collect, opt-in and opt-out permissions we may need, and how we can use the information acquired. But every organization should further define how staff will manage requests for constituent information such as addresses and phone numbers. You can educate trustees, volunteers, and staff by creating and enforcing a policy to protect the personal privacy of constituents by maintaining confidentiality of all constituent information.

## Is Your Organization's Constituent Information Being Shared?

It's generally understood that information in your constituent database – especially data such as giving history and social security numbers, is private. But do you know what happens when a trustee, who happens to be in sales, calls your data entry staff and asks for a list of names, addresses, and phone numbers of constituents within a specific ZIP code? Perhaps the data entry staff wants to please the trustee, who is a major donor, and emails him a spreadsheet of 250+ constituents from your database.

This scenario happens more often than we probably know or would like to think. With a privacy policy that is communicated at all levels, your organization can avoid situations like this, where information is shared and constituent privacy is violated.

## Acceptable Use of Constituent Data

Organizations compile constituent information in a database for a variety of reasons in an effort to advance their missions. Data compiled may include biographical information (such as name, address, phone number, email address, spouse name, birth date, giving history, employment, relationships, volunteer activities, etc.). All this information is critical to the work of the development and marketing offices. Good database administration practices limit access to who can and cannot view, add, edit, or delete constituent information.

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Additionally, constituent information may be shared with certain volunteers, including trustees, executive or program staff, auxiliary members, and event committee members, who actively participate in the resource development activities of the organization. Often when sharing lists, we emphasize the confidentiality of gift information; but, we also need to go one step further.

According to the Association of Fundraising Professionals Code of Ethical Principles and Standards:

- Members shall not disclose privileged or confidential information to unauthorized parties, and
- Members shall adhere to the principle that all donor and prospect information created by, or on behalf of, an organization or a client is the property of that organization or client and shall not be transferred or utilized except on behalf of that organization or client.

To meet these ethical principles and standards, organizational leadership should consider implementing a constituent privacy policy.

## Policies Allow Staff To Maintain Consistency And Standards

A privacy policy provides development staff and volunteers with a clear guide and procedures for handling requests for constituent information. A policy will outline when constituent information may be released and provides context for appropriate requests and use.

## What Should The Policy Include?

A privacy policy does not need to be complex. At its basis, it should include a simple statement that the organization protects the personal privacy of constituents by maintaining confidentiality of all constituent information.

To further describe how confidentiality will be maintained, include a statement that outlines how and when information will be released. For example,

*"To ensure the privacy of individuals, organizations, foundations, and corporations, constituent information will be released only after consent is obtained from the constituent. Exception is made only for the purposes of advancing the organization through resource development efforts that require constituent information to develop strategies and present gift proposals."*

Finally, clear procedures for what information will be released and when it will be released should be stated. Consider the following:

- Define what constituent information will be released, such as address, phone number, email address.
- Describe the processes for managing third-party requests for information:
  - Staff explains the policy to the requestor.



## About the Author

*Susan McLaughlin* brings more than 16 years of fundraising and nonprofit administration experience to her role as a Blackbaud consultant. Susan is responsible for leading enterprise-level implementation of Blackbaud solutions within the Healthcare and Human Services vertical. She specializes in constituent relationship management, annual giving, major and planned gifts, moves management, and campaign planning and management. Prior to joining Blackbaud, Susan led the J.C. Blair Memorial Hospital Foundation in Pennsylvania as its first executive director. She was responsible for all aspects of foundation management including fundraising, financial and database management, policy development and implementation, fund distribution, marketing, and public relations. She is a charter member of the Association of Fundraising Professionals, Allegheny Mountains Chapter and was recognized as the chapter's first Outstanding Fundraising Professional in 2006. Susan holds a Bachelor of Arts from Gettysburg College. She received her Certified Fund Raising Executive credential in 2000 and serves as a subject matter expert for CFRE, International.

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- Staff contacts the constituent for whom information was requested, explains the policy, provides the identity of the requestor, and asks permission for release of information.
- Staff contacts requestor with approval or denial.
- Describe the processes for managing internal release of information for the purpose of advancing the organization's resource development efforts:
  - Constituent information will be made available on an as-needed basis to trustees, volunteers, other staff.
  - Information may include giving history as well as other information necessary to develop a strategy of cultivation, solicitation, and stewardship.
  - Information released in this manner will be clearly marked as confidential.
  - Those receiving the information will be verbally instructed that it is confidential and to be used only for the purpose of resource development for the organization.

Depending on your organization's activities, you may also choose to include a statement that constituent information, in full or in part, will not be sold to individuals, businesses, or other parties under any circumstances.

## Conclusion

A privacy policy provides clear guidance to staff, trustees, and volunteers about acceptable use and dissemination of constituent information. Organizations that adopt such policies will be able to confidently reassure constituents that their private information is secure; and staff can be confident that they are upholding the ethical principles and standards of the fundraising professional without fail.

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