

STEPHEN BEETS

Wake Forest University, United States

MARY BEETS

Clark Enterprises, Inc., United States

AN ABSENCE OF TRANSPARENCY: THE CHARITABLE AND POLITICAL CONTRIBUTIONS OF CORPORATIONS

Abstract:

Currently, the billions of dollars of annual contributions of corporations to charitable and political organizations are inadequately disclosed. Even though current and potential stockholders may benefit from and often request such information regarding these contributions, public corporations are not required to disclose any information about such payments in annual financial statements. This lack of transparency is confounded by disclosure requirements of private foundations, which a corporation may choose to establish for the purposes of administering charitable giving for the corporation. This article enumerates the magnitude of the charitable and political gifts of 40 generous public corporations, the current disclosure requirements for those companies, and ethically questionable strategies that corporations may use to manage those disclosures for their benefit.

Keywords:

charitable contribution disclosure
political contribution disclosure
corporation transparency