

## A Donor *Can* Stand Up

*Battling over donor intent at the Atlantic Philanthropies*

By Neil Maghami

**Summary:** Conservatives may not approve of many of the causes that former billionaire Charles Feeney has given money to over the years, but they would agree that he ought to have influence over how his foundation, Atlantic Philanthropies, spends his hard-earned money. This article tells the story of how the duty-free stores magnate fought back after his foundation's board of directors cut him out of the decision-making loop.

The story of Charles “Chuck” Feeney and his Atlantic Philanthropies will long remain a fascinating chapter in the history of American philanthropy. A latter-day Horatio Alger born in Elmora, New Jersey, Feeney helped build a billion-dollar global chain of duty free stores, which formed the basis for an enormous personal fortune that he promptly began giving away. Feeney’s belief in “giving while living” led him to transfer his wealth to a vehicle known as the Atlantic Philanthropies (AP), based in Bermuda. Since 1982, AP has made about \$6.5 billion in grants everywhere from the U.S. to Vietnam, Cuba, the Republic of Ireland, Australia, and South Africa. For the first 15 years, AP operated anonymously, only publicly revealing its existence—and the generosity of its founder—in 1997. In line with Feeney’s “giving while living” com-



Charles “Chuck” Feeney

mitment, it will conclude its grant-making in 2016 and close its doors in 2020.

*Foundation Watch* last looked at Feeney’s amazing personal story in 2011 (see: “The Atlantic Philanthropies: Right—and Wrong—Ways to Give Away Money,” June 2011). At that time, author Martin Morse Wooster noted that in 2007 AP had taken on as its president and CEO Gara LaMarche, a veteran of both George Soros’ Open Society Institute and the ACLU, and that AP demonstrated a growing appetite to fund far-left

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organizations such as the Huffington Post and Health Care for America Now. (HCAN is an umbrella group of left-wing organizations spanning unions, MoveOn, and the disgraced ACORN network. It received more than \$26 million—over half its budget—from AP and is widely credited with being the most effective outside supporter of Obama-care. See “Socialized Medicine Back with a Vengeance,” *Organization Trends*, March 2009). For AP, a foundation that owed its existence to Feeney, who has made personal donations to the Democratic Party and opposed George W. Bush’s 2004 re-election, LaMarche’s presence at AP’s helm seemed only logical.

But that wasn’t the end of the story. Later in 2011, LaMarche resigned and Frederick “Fritz” A. O. Schwarz Jr., the chair of AP’s board of directors, left the board; more director departures followed in 2012. The net result was a decisive switch in direction for AP. Not a political switch, by any means—indeed, AP continues to generously fund various far-left causes after LaMarche’s departure—but a definite and significant philosophical switch, signaling that the intent

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of the foundation’s living founder must be given due respect. This issue of *Foundation Watch* will examine the circumstances behind this change in direction, and assess some of its potential ripple effects.

## **Planting the seeds of crisis**

The best source of information about the history and development of AP is Irish journalist Conor O’Clery’s *The Billionaire Who Wasn’t: How Chuck Feeney Secretly Made and Gave Away a Fortune* (first published in 2007 and updated in 2013). As an authorized biography, the book reflects the author’s high level of direct access to Feeney, his family, key associates and others able to shed light on the views and values behind Feeney’s actions. There are times when, as an astute reviewer of the book observed, one wishes O’Clery had aimed to do more than deliver a final manuscript that reads in many parts like a long newspaper article, rather than the dramatic story that it is.

The book claims that one can trace the roots of what occurred at AP in 2011-12 to an internal board debate in 2009 regarding “how best to dispose of the remainder of Chuck Feeney’s endowment, then standing at \$3 billion.” At this point in AP’s history, Feeney was one of 12 board members.

If it were up to Feeney alone, the answer to the question is clear enough: simply continue what AP had done all along. Feeney’s own inclination, as demonstrated by his long record, was to favor “the provision of seed money for medical research centers and hospital and university buildings that would continue to benefit lives long into the future,” as O’Clery puts it.

Feeney’s “transformational philanthropy” across five continents focused on laying down a big check early on to support major projects (usually centered on a new building of some kind), which would in turn inspire others to make their own large contributions. But Feeney wasn’t focused on the buildings

themselves (he never allowed them to be named for him) but rather the way large new facilities could revitalize a local neighborhood and also spur long-term growth in a larger area by boosting the educational and medical sectors. Just as he heeded Andrew Carnegie’s injunction not to die rich, he also heeded his predecessor’s advice to build “the ladders upon which the aspiring can rise.” This was the niche where Feeney had found his proudest moments as a philanthropist—such as the \$125 million that AP committed in 2008 to the University of California San Francisco Medical Center in the run-down Mission Bay neighborhood. Or the \$62 million AP provided to Galway University in Ireland, which is just a portion of the \$800 million AP has provided to fund education in Ireland. Or the \$350 million AP provided to Feeney’s alma mater, Cornell, so it could build a campus on New York City’s neglected Roosevelt Island (a fraction of the estimated \$1 billion AP has awarded to Cornell).

For his part, LaMarche had his own answer to this question, one he had proffered even before becoming AP’s CEO in 2007: amplify AP’s funding for “community organizing” and “social justice giving,” as O’Clery puts it. In other words, embrace the philosophy of Soros and the Open Society Institute, and fund battalions of radical Alinskyite nonprofit protest groups.

As O’Clery writes, “from 2007 to 2011, under LaMarche’s management, [AP] would make over one hundred contributions to 501(c)(4) organizations” such as HCAN. (See examples below.) In this, LaMarche enjoyed a particularly strong rapport with three members of AP’s board: Frederick “Fritz” A. O. Schwarz Jr. (AP’s board chair, a prominent liberal lawyer and great-grandson of the famous New York toy baron); Elizabeth McCormack (a long-time fixture of the Rockefeller family’s philanthropic interests); and Michael Sovern (one-time Columbia University president and former trustee of Bill Clinton’s legal defense fund).

O’Clery writes that “Feeney was initially supportive of LaMarche’s prioritizing health care reform.” But the wider consequences of this shift towards smaller grants was not lost on him. It meant a major change in the size of grants AP had been making for most of its history, as well as their intended impact.

Feeney has liberal political leanings, but his philanthropy was another matter – more rooted in a philosophical, rather than political, view of the world. AP’s record of grants can be best understood as an expression of Chuck Feeney’s personal background. Feeney’s family of origin was not a wealthy one, but it was rich in terms of values—including charity towards others. One gets the impression from O’Clery’s book that Feeney’s philanthropy gave him a chance to express some of his most dearly held personal values, as handed down by his parents and neighborhood. Said his daughter Leslie:

“He has incredible empathy with people, which has its roots in his Irish Catholic background. He is a real child of his time. One needs to understand those Irish American neighborhoods during and after [World War II], how they worked, how they helped each other. That’s a big part of his life. He saw his mother and father take people off the street, helping people.”

For Feeney, the chance to do something extraordinary for others in need was no light matter—not out of a desire to be ostentatious or court publicity, nor out of a sense of “guilt” that he had become a rich man, but more likely, perhaps, for him to demonstrate that his basic beliefs remained undiluted by his great wealth.

In strategy, tactics, and impact of philanthropy, the approach of LaMarche, who seems to live for political controversy, activism, publicity, and adulation, could not be more different from Feeney’s.



**Christopher Oechsli, president and CEO of the Atlantic Philanthropies, with Charles Feeney.**

The philosophical battle lines between founder, key board members, and the foundation’s senior leaders were drawn.

### **The battle for AP begins**

In June 2009, Feeney criticized recent trends in AP grants. According to O’Clery, Feeney circulated a letter to his fellow board members in which he “expressed doubts about the direction the foundation was taking and the rising costs involved. He told directors that it was time to take a breather, that the foundation was doing lots of things, some good, some mediocre and some bad. He pointed to the proliferating number of causes that were being supported under the emphasis on advocacy and social justice. This support required hiring more staff to manage a multiplicity of programs.” It was time, Feeney suggested, to halt the current grant-making and reconsider.

The reaction of the majority of the board was to flatly turn Feeney’s proposal aside. O’Clery claims that Elizabeth McCormack, a staunch LaMarche ally, went so far as to say Feeney’s letter was “all wrong” and that the real danger facing AP was that it could become “too interested in building buildings, research centers, etc.”

In June 2010, Feeney expressed his misgivings about the current approach to grants again. Feeney “challenged the funding of the health care campaign and inquired pointedly how the new pattern of payouts on social justice and advocacy impacted on the foundation’s capital,” O’Clery informs us. One concern that seems to have been building on Feeney’s part was that multi-year grants to many causes appeared to be a surefire recipe to multiplying the foundation’s costs, tying up too much capital in administration versus actually accomplishing its goals.

This time, it was Schwarz and Sovern who rebutted Feeney – Schwarz said the health care grants had been validated by the Obama administration’s official thanks for the way AP’s dollars had helped sustain the campaign to pass ensure health care legislation. While O’Clery is not specific about how Schwarz knew this, perhaps Schwarz was thinking of how the Obama Administration had made sure that Gara LaMarche was on hand in the East Room of the White House on March 23, 2010, to watch as President Obama signed the Patient Protection and Affordable Care Act.

The White House's praise aside, Feeney's concerns remained. Soon after the meeting, Feeney turned to board member Harvey Dale (a longtime intimate) during a private chat and asked if he would approach Schwarz, McCormack, and Sovern to request they resign as board members. Dale advised Feeney against this, but went ahead after Feeney insisted.

When Dale informed Feeney that each had refused—McCormack retorted, “you will have to carry me out on a stretcher”—Feeney grew exasperated, but then decided to alter his tactics. In September 2010, Feeney's circulated a 2,000 word “manifesto,” as O'Clery calls it, that amounted to a defense of his belief that AP should prioritize his beloved niche of large “bricks and mortar” projects such as hospitals and university campus buildings.

Wrote Feeney: “Personally, I draw a lot of satisfaction from this type of grant-making: it is uplifting to see an intelligently-designed project executed well and to know that it will be available as an asset for many future years.” Why? In large part because such projects represented, from Feeney's view, the “highest and best use” of the foundation's endowment, particularly when it came to helping foster productive medical research.

The strategy pursued under LaMarche, of making smaller grants more oriented towards advocacy alone, was not in Feeney's view “a viable strategy to attain the highest and best use for our resources.” And Feeney added that “this style of grant-making is not one that I would have supported to any significant extent” when setting up AP.

Here, Feeney was playing what seemed like a powerful trump card: he had earned the money that formed AP's endowment. Shouldn't he have some say in how that endowment was used? Shouldn't his intent as a donor be considered?

Other members of the board gathered their forces and responded to Feeney through a letter in November 2010. They told Feeney, politely, to drop his objections to the advocacy funding program, claiming that it was based on the same thirst for “social justice” that motivated Feeney's philanthropy in the first place. While “infrastructure development can be a means to social change,” the letter seems to imply, in so many words, social justice is AP's future.

In other words: more funding for Alinskyite groups, and less for new facilities.

Feeney's reply came in December. “I can only surmise that you underestimate, or perhaps wish not to engage with, my misgivings about, and objections to, Atlantic's current grant making focus, the structure of the board and certain of its practices, and a number of operational aspects, including ever-increasing staff numbers and elevated overhead costs.” Feeney reiterated that he was less exercised about “social justice” as a philanthropic theme than he was about whether it was “a worthy use of our resources.”

Feeney also expressed his surprise at a June 2010 reference in AP's in-house journal that declared, “At Atlantic, we define Giving While Living as the decision by a donor to spend his or her philanthropic resources while alive, and generally, but *not necessarily*, with the donor's active participation in the giving program” (italics added).

Perhaps with those words “not necessarily” in mind, Feeney's letter ended with the declaration that “it is the view of the founder that a change of leadership is necessary” to achieve his desired outcomes, both on the board and in the CEO's office.

A tense board meeting followed on December 6. Matters became even more tense when the board took the extraordinary step of hiring lawyers and escalating the disagreement with

Feeney over AP's direction to the point that AP resources were being used by the board to hash out a dispute with its founder. Feeney's own money was being used to thwart his wishes—at a cost of \$1,300 an hour in legal fees. (At this point in the story, one isn't sure what the board could have done to more deliberately alienate Feeney.)

A special board meeting was scheduled for Jan. 27, 2010. Before the meeting, an extraordinary development occurred.

## A “Prediction of possible future events”

Just prior to the special meeting, “each director received a copy of a 2,500-word anonymous letter, berating the board for its treatment of Feeney.” The writer claimed to represent a group of Feeney's friends who were aware of the rising tensions between him and the board, and felt deeply troubled by what they saw. “Many of us,” the letter noted, “are from the wrong side of the tracks and some of us are even nostalgic for a good old-fashioned street fight.”

The letter did not hint at any violence, except perhaps to the board's collective reputation. The letter advised that Feeney's friends would not tolerate further arrogant behavior by the board. If it took buying ads in the *New York Times* and *USA Today* to publicize the board's bad-faith dealings with Feeney, the letter said, then his friends would buy those ads. If it meant taking the story to Oprah and putting it on national TV, they were prepared to make that happen. If it required publicizing how \$300,000 of AP funds had been used to fund a vanity biography of board member Elizabeth McCormack, then that was fair game as well.

The letter added: “please do not take this as a threat,” but as a very serious “prediction of possible future events.”

As for LaMarche, the letter was far gentler, saying either he would have to go along with Feeney's vision favoring bigger grants

for major projects, or find another place to work.

## Feeney triumphs

After the letter came roughly another two months of meetings, memoranda, and efforts by the board to force Feeney to meet it halfway, to give ground on some of his criticisms. In March 2011, momentum shifted more in Feeney's direction. An AP staff memo revealed a pattern of organizational overspending that neither LaMarche nor the board had been particularly attentive to: "staff had been let go with hefty packages and replaced; large amounts had been spent on consultants and travel; some of the grant-making was being outsourced; limousines were ferrying people to lunch; and lots of people were flying business class across America and around the world."

The revelations of self-indulgence contrasted starkly with Feeney's own famous self-denial (he avoided luxury and always flew coach) and bolstered his concerns about the need for wholesale change at AP. Feeney continued to make his case and, come the summer, he had reasserted himself completely. In June, LaMarche resigned, issuing a long public letter that paid tribute to Feeney's philanthropic vision. LaMarche would be replaced by Christopher Oechsli, a longtime AP staffer and Feeney confidant. By September, board chair Fritz Schwarz opted not to seek re-election to the board.

(It's worth noting that, according to O'Clery's book, key members of Feeney's family remain favorably disposed to LaMarche, saying what happened was not all his fault. They blame the former board chairman more than anyone else.)

In June 2012, the board approved a series of bylaw changes that included term limits. That took several board members, including McCormack, out of the picture (Sovern would resign by September, after some bitter final words).

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Feeney resigned from the board as well, but his "founding chairman" role would provide him with continued input on grant decisions. And that, along with the changes to the board and Oechsli's leadership, meant Feeney's intent as a donor would continue to be honored.

## Just to be clear

At this point, for clarity's sake, it would help to outline AP's long record (both pre- and post-LaMarche) of funding far-left groups. This is only to underline the point that the clash at AP truly was focused on tensions over philanthropic strategies, tactics, and goals, rather than just political views:

The **ACLU** received \$5.1 million from AP between 2006 and 2012, including for projects aimed at achieving "racial justice."

Another recipient of a big dose of Atlantic support is the **Advocacy Fund** (formerly known as the Tides Advocacy Fund). Between 2007 and 2014, just under \$45 million flowed from Atlantic to the Advocacy Fund, supporting everything from the We Are America Alliance Action Fund's voting registration work (\$5.75 million) to immigration reform to efforts to abolish the death penalty at the state level.

From 2002 to 2012, Atlantic donated \$2.7 million to the **Alliance for Justice** mainly for pro-gun control efforts, "core support," and advocacy training. Founded by former ACLU stalwart Nan Aron, the Alliance is "a national association of over 100 organizations, representing a broad array of groups committed to progressive values and the creation of an equitable, just, and free society"; when the Left needs an organization to attack a Republican Supreme Court nominee, it turns to the Alliance. (See "The Obama Agenda: Will Washington's Liberal Lobbies Get A 'New Deal' or 'Clinton's Third Term'?" *Organization Trends*, December 2008.)

The vote-fraud apologists of the **Brennan Center for Justice** at New York University received about \$4.3 million between 2003 and 2012, including funding for litigation and projects such as the "Liberty and National Security Program," which Atlantic supported with \$2.6 million in funding. The program's goals are to "[restore] the proper flow of information between the government and the people by securing increased public access to government information; ensuring government policies targeting terrorists do so effectively and without religious or ethnic profiling; and securing appropriate government oversight and accountability." In other words, to ensure the war on terror is fought according to the Left's preferred approach. Interestingly, the co-director of this initiative at Brennan, Elizabeth Goitein, is a former political advisor to former Sen. Russ Feingold (D-Wisc.), just like Atlantic's current CEO. Former AP board chairman Schwarz is Brennan's chief counsel.

Between 2008 and 2010, the **Center for American Progress Action Fund**, a 501(c)(4) pressure group, received just under \$3 million for projects involving "racial justice," progressive media, and health care reform advocacy.

**Center for Budget and Policy Priorities** (CBPP) received total funding of about \$30.4 million over the last decade to fund its activities as a left-wing D.C. think tank. About \$15 million of this sum was donated in 2014 for the Center's "Institute for Equity and Fiscal Sustainability." The creation of this "new, in-house institute [will allow for the development of] in-depth, long-term solutions to major policy issues affecting low-income, vulnerable populations and for a leadership development program on fiscal policy," according to Atlantic's description of the grant.

AP gave \$5.2 million to the **Center for Constitutional Rights** (CCR) between 2006 and 2013. Longtime CRC readers will re-

call the group's true agenda as described in CRC publications such as "The Terrorists' Legal Team: Case By Case, the Center for Constitutional Rights Undermines America" (*Organization Trends*, September 2006). In 2011, CCR led a campaign to censor then-Fox News Channel fixture Glenn Beck for his efforts to highlight the influence of professor Frances Fox Piven, a Marxist and a longtime darling of the hard anti-American Left.

The **Center for Democracy in the Americas** received nearly \$820,000 in AP grants between 2010 and 2014, all focused on U.S.-Cuba policy. This organization based in Washington, D.C., exists to "[change] U.S. policy toward the countries of the Americas by basing our relations on mutual respect, fostering dialogue with those governments and movements with which U.S. policy is at odds, and recognizing positive trends in democracy and governance." Its work is broad, but largely focused on Cuba and Venezuela.

The **Christopher Reynolds Foundation**, a low-profile organization founded in 1952 and based in Boston, received \$1.8 million from Atlantic between 2008 and 2009. The vast majority of the funds went towards projects focused on shifting U.S. policy towards Cuba.

The **Democracy Alliance** received \$250,000 in 2010 and \$250,000 in 2011 from Atlantic. Although separate from the Democratic Party, this fundraising powerhouse is a shadowy cabal of donors created by George Soros that has channeled "more than \$500 million into liberal and pro-Democratic organizations" since its founding in 2005. LaMarche ended up becoming its president after he left Atlantic (See "The 'Vast Left-wing Conspiracy': George Soros's Democracy Alliance," *Foundation Watch*, October 2014).

Speaking of Soros, AP donated \$50,000 in 2010 to help set up the **George Soros Chair**

**in Public Policy** at the Soros-sponsored **Central European University**.

From 2001 to 2012, **Human Rights Watch**, now heavily Soros-dependent, received some \$6.6 million from AP, with more than \$2.5 million of that sum marked for a project on U.S. counter-terrorism.

Atlantic's donations to **La Raza** (2009-2014) total nearly \$6.5 million, for general support, advocacy on children's issues, and "responding to anti-immigrant ballot sentiment" (\$300,000 in 2005). (See "La Raza's Growing Influence," *Organization Trends*, February 2015.)

Between 2013 and 2014, Atlantic donated \$1 million to the **Latino Victory Project**, founded by Henry R. Muñoz III, a top Obama fundraiser, and Eva Longoria, the Hollywood actress who campaigned actively to boost Hispanic turnout for President Obama in the 2012 elections. The Project produces a steady stream of op-eds, letters to the editor, and statements beating the drum on behalf of President Obama and his immigration agenda—or warning his opponents against trying to block his policies from proceeding.

The Arlington, Va.-based **Lexington Institute** received \$245,000 between 2008 and 2010 from AP; \$210,000 of this funding went to hiring "legislative consultants to educate policymakers on U.S.-Cuba policy for an alliance of U.S. organizations advocating to change U.S. policy toward Cuba" and "increas[ing] media outreach, legislative, and research capacity [and supporting] trips to bring U.S. policymakers to Cuba."

AP also donated \$4.9 million from 2003 to 2013 to support the work of the **National Coalition to Abolish the Death Penalty**.

Between 2003 and 2010, Atlantic gave just over \$410,000 to the **New America Foundation**, a liberal mainstay of the Washington, D.C. think tank scene. More than 75 percent

of the funds went to projects pushing for changes in U.S. policy towards Fidel Castro's Communist dictatorship in Cuba.

From 2009 to 2013, Atlantic funneled \$4.1 million through the shadowy **Tides Center**, for everything from a study on how an aging population will affect the U.S. workforce to the Huffington Post's Investigative Fund (\$250,000) for a project that would "provide continued support to restore due process and human rights protections in the U.S." (\$1 million). Another \$4 million passed through the Tides Foundation in 2009-2010, more than three-quarters of which was earmarked for a "cluster of community-based organizations and other strategic partners" working on issues related to aging. Donors often use Tides as a pass-through funder to cover their political tracks. Publicly available records of funding streams to radical groups will tie Tides, not the original donor, to the potentially embarrassing grantees (see "The Tides Foundation and Center: Brokers of the Revolution," *Foundation Watch*, October 2010).

The **Sixteen Thirty Fund** received \$4.5 million from 2009 to 2014 from AP. The Fund is a 504(c)(4) nonprofit overseen by Arabella Advisors, a philanthropic advisory firm founded by Eric Kessler, a League of Conservation Voters, Clinton Global Initiative, and Environmental Grantmakers Association alumnus. Through this fund, Atlantic was able to contribute \$1 million toward Sixteen Thirty's "Unity '09: Moving a Progressive Policy Agenda in America" effort, and \$2 million went to fund "constituency mobilization, media, and visibility to achieve public policy changes" as part of Unity '09, a coalition of left-wing groups that focused on steering President Obama's agenda through Congress.

From 2008 to 2014, Atlantic provided the **Washington Office on Latin America** with about \$247,000 in funding, all of which was used for projects aimed at changing U.S.

policy towards Cuba. Of note, Christopher Oeschli, Atlantic’s current CEO, was once a WOLA director. (For more on WOLA, see “The Washington Office on Latin America: Three Decades of Leftist Advocacy,” *Organization Trends*, April 2007).

**Unanswered questions**

O’Clery’s book, while competently executed, leaves many unanswered questions about the battle for AP—uncomfortable questions, it must be acknowledged, but important ones nonetheless.

How closely did the board members who earned Feeney’s ire coordinate their actions? Were these spur-of-the-moment responses and rejoinders, or was there something more organized afoot? What was their true agenda?

How could these sophisticated individuals be so arrogant and oblivious towards the founder’s concerns? As outsiders, why did they persistently and directly undermine his efforts to correct AP’s direction? What gave them the right to do this?

Was there a deliberate strategy on the part of some board members to exhaust Feeney to the point that he walked away from his own foundation out of sheer frustration? (O’Clery vividly details the health problems that the stress of the situation caused for Feeney.)

And, as an unnamed Feeney family member implies to O’Clery, was this faction’s real objective to drive the founder off the board so it could halt his plan to spend down AP’s entire endowment on good works? What was their alternative plan for the endowment, if they had had their way?

Finally, who really did write that anonymous letter?

**Conclusion**

Chuck Feeney initially sought anonymity as he gave away his fortune, but he is now very

much a public figure. In that anonymous January 2010 letter, Feeney’s friends said they hoped he himself would make public the story of how AP’s board grew deaf to the wishes of its founder—as paraphrased by O’Clery, “so that those who might follow [Feeney] could benefit from his mistakes as well as his successes.” That would include the matter of how hard Feeney had to fight to preserve his vision for his own foundation versus that of certain board members.

Feeney’s story contains an obvious lesson about protecting donor intent, one that this writer imagines is being very carefully, if quietly, studied by individuals and families who have already endowed, or are considering endowing, some of their wealth to foundations.

On that score, there’s a telling moment in the book where Feeney, Bill Gates, and future AP CEO Christopher Oeschli are sitting together in January 2011. Oeschli asks Gates about his experience with “outside advisors” in running a foundation. “We discovered they bring an agenda and ego of their own,” Gates says.

As Feeney’s own story shows, that agenda and ego can clash directly with a donor’s stated, expressed intent. But a donor does not have to simply cave in when that intent comes under attack. The donor doesn’t have to accept the attacks, or be intimidated by self-important “advisors” on a foundation board with august pedigrees or overfed egos.

If there’s a lesson in Feeney’s experience, it might be (paraphrasing Esther Forbes’ novel *Johnny Tremain*) that “a donor can stand up.”

*Neil Maghami’s most recent piece for CRC was “Tom Steyer, the New Paladin of the Left” (Foundation Watch, August 2014).*

**FW**

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**Terrence Scanlon, President**

# PhilanthropyNotes

*Wall Street Journal* columnist **Kimberley A. Strassel** mocked the **Bill, Hillary, and Chelsea Clinton Foundation**, referring to it in a headline as “The Clinton Foundation Super PAC.” With the revelation that foreign governments have been plying the philanthropies with large gifts, “it’s long past time to drop the fiction that the Clinton Foundation has ever been a charity.” The Clintons “have simply done with the foundation what they did with cattle futures and Whitewater and the Lincoln Bedroom and Johnny Chung – they’ve exploited the system,” Strassel wrote. The Clinton Foundation was profiled in the September 2014 and February 2008 issues of *Foundation Watch*.

Sen. **Ted Cruz** (R-Texas) is demanding that the **Internal Revenue Service** investigate U.S. government funding given to **OneVoice (PeaceWorks Network Foundation)**, a radical anti-Israel group that aimed to drive Israeli Prime Minister **Benjamin Netanyahu** from office in that country’s March 17 parliamentary elections. In a letter to IRS Commissioner **John Koskinen**, Cruz said the Obama administration ought to be focused on Iran, not Israel. “The Islamic Republic of Iran is pursuing the deadliest weapons on the planet, and there can be no doubt that their first target will be Israel, followed by the United States,” Cruz reportedly wrote in the letter. “Yet the Obama administration seems much more interested in regime change in Jerusalem than in Tehran.” The U.S.-based group receiving federal money, OneVoice International, in turn is working with **V15**, an “independent grassroots movement” in Israel, according to Ha’aretz. OneVoice has hired Obama campaign aides such as **Jeremy Bird** of political consulting powerhouse **270 Strategies** to take on Netanyahu’s **Likud Party**. Bird was national field director for Obama’s 2012 re-election campaign.

Our friends at the **American Council of Trustees and Alumni (ACTA)** have another notch in their belt: After years of struggling to defend donor intent against a recalcitrant **Trinity College**, ACTA and **Diana Davis Spencer** have succeeded in having the college respect the wishes of Mrs. Spencer’s father, **Shelby Cullom Davis**. Mr. Davis endowed a fund to support a professorial chair who would “teach students about private enterprise and entrepreneurship, the practice of which made Mr. Davis so very successful as a businessman and investor.” The battle began in 2008, when it was learned Trinity was quietly diverting the funds to projects opposed to the donor’s wishes, and it was only resolved this year.

## Goldman Sachs WATCH

London-based Goldman Sachs analyst Sonia Pereiro Mendez claims the investment bank refused to pay her bonus after she revealed that she was pregnant, according to Business Insider. The trial judge is allowing Mendez, who specializes in distressed investments, to seek damages regarding a bonus in 2010 even though he dismissed allegations that her male co-workers were given better opportunities by the firm. Mendez, who joined Goldman in 2003, “said she was left out of meetings and client dinners, and was told she would be getting no bonus in 2012, months after she told management that she was pregnant.” She has been with the company since 2003. Goldman says she is not entitled to a bonus because her job performance has been ranked in the bottom 25 percent of Goldman employees.