



Learning from Madoff: Lessons for Foundation Boards

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Revised Edition



On 12 March 2009, the now infamous Bernard L. “Bernie” Madoff, pleaded guilty to a multi-count criminal complaint after admitting that he defrauded thousands of investors in what many consider to be the single largest investor fraud committed by one person. The media have followed the developments closely since Madoff’s arrest on 13 December 2008, and there has been considerable interest throughout the nonprofit sector regarding the extensive impact of the fraud on charitable organizations.

In March 2009, the National Committee for Responsive Philanthropy (NCRP) released [Criteria for Philanthropy at Its Best: Benchmarks to Assess and Enhance Grantmaker Impact](#), which proposes aspirational goals we recommend as a means to advance our philanthropic community. In *Criteria*, we included a chapter on [Ethics](#) that covers how “a grantmaker practicing Philanthropy at Its Best serves the public good by demonstrating accountability and transparency to the public, its grantees and constituents.”

As this white paper shows, the Madoff scandal provides additional evidence of the relevance of NCRP’s recommendation that foundations have larger, more diverse boards, that they maintain policies and practices that support ethical behavior (e.g. maintaining a written investment policy) and that they disclose information freely.

KEY FINDINGS AND COMPARATIVE DATA

NCRP conducted additional research on a list of foundations that invested with Madoff, originally compiled by Daniel Smith for Nicholas Kristof’s blog in *The New York Times*. We examined board size and diversity to determine whether there was any correlation between board composition and exposure to Madoff. Our analysis found a clear association among several aspects of these institutions and the goals we established under our recommendations for ethical practices. Below is a summary of NCRP’s key findings:

1. One hundred five foundations (71 percent) of the close to 150 foundations in the *Times*’ dataset lost between 30 and 100 percent of their assets due to investments with Madoff.¹
2. The median board size among these 105 foundations was three, with a range of 0-7 total

trustees.²

3. A mere 16 (15 percent) of these 105 foundations had boards comprising five or more individuals, the minimum board size recommended by NCRP; 39 foundations listed only one or two trustees, and 45 foundations listed three or four trustees.
4. Of the 16 foundations with five or more trustees, an analysis of trustee names shows notable homogeneity.³

The listing of foundations and trustees begins on page 6.

By way of comparison, it is useful to consider some recent studies that have been released about foundation boards. In January 2006, the Council on Foundations (COF) released a [Board Briefing](#) document on board size for its members. At that time, its most recent *Foundation Survey* found that the median overall board size for Council members was 11. That survey identified numerous influential factors associated with board size, including type of grantmaker and asset size. Community foundations tended to have larger boards, with a median size of 16, and family foundations tended to have smaller boards, with a median size of seven. However, the majority of the COF survey sample comprised larger foundations: 78.5 percent of respondents had \$10 million or more in assets. A study of grantmakers with three or fewer staff by the [Association of Small Foundations](#) (ASF) found the median number of board members among survey respondents was five. The median asset size of respondents was \$8.3 million and nearly two-thirds of respondents were family foundations.⁴ A broader survey conducted by the Foundation Center (FC) in 2005 included 20,429 foundations with at least \$1 million in assets. Only 22 percent of those foundations had assets of \$10 million or more. The respondents had a median board size of three and a mean board size of 4.4.

The 105 most affected foundations were, as Kristof describes them, among Madoff’s “poorer foundations” and appear to have been primarily family foundations with a median total asset size of \$3,235,430. This is significantly lower than that of the typical COF and ASF member, and more closely resembles the majority of foundations in the FC survey.



TRUSTEE RESPONSIBILITY

Recent reports have raised the issue of trustee responsibility and documented the ways that Madoff exploited relationships of trust with members of the foundation community to advance his scheme. Some of the most relevant explorations of the scandal and its implications include:

- Ben Gose [reported](#) in mid-January in *The Chronicle of Philanthropy* that “Attorneys general, lawyers representing the very charities the board members serve, and possibly even the Internal Revenue Service could go after [trustees] under an array of state and federal laws that impose a fiduciary duty on board members and require them to act prudently when making investment decisions.”
- Nicholas Kristof [blogged](#) about the Madoff scandal in *The New York Times* in late January and stated that he was sharing [estimates](#) of total charitable losses of close to 150 foundations generated by Daniel E. Smith publicly because “this is a matter of public concern: These foundations serve the public interest, and if the non-profits that rely on them have been financially crippled, we should get a heads up.”
- Rick Cohen, national correspondent for *Nonprofit Quarterly* and former executive director of NCRP, wrote an incisive [piece](#) in early January 2009 on the lack of due diligence among foundation boards that have closed, highlighting the homogeneous nature of many family foundation boards that were affected significantly by their investments with Madoff.
- Melissa Berman of Rockefeller Philanthropy Advisors cautioned attendees of a session at the Council on Foundations 2009 Annual Conference in May regarding Ponzi schemes. Part of the session focused on the “trust deficit” that has developed following Madoff. Berman emphasized that when it comes to financial advisors, a foundation must ask itself, “Can I fire this person comfortably?”⁵
- Dr. Jeffrey R. Solomon, president of the Andrea and Charles Bronfman Philanthropies, addressed trustee responsibility in a recent newsletter issued

by 21/64, one of the foundation’s operating programs. Solomon wrote, “[T]he hard lesson we are learning is that individuals and foundations must become less passive and more strategic in stewarding their investments.”⁶

- Rabbi Mark Borovitz, a former alcoholic and scammer whose Los Angeles-based foundation lost between \$200,000 and \$300,000 to Madoff dubbed the violation of trust an “affinity theft” in a recent article published in *Vanity Fair*. In the rabbi’s words: “Whether it’s Latino, or black or Jewish or Christian, everybody wants to trust their own. ... He took advantage of every vulnerability, because he knew our vulnerable spots.”⁷

Simply put, reputational reference and reputational trust trumped due diligence in this situation.

While he did not fault the foundations for having done anything wrong, Rick Cohen suggested a lack of due diligence and the governing board’s fiduciary duty to protect tax-subsidized dollars in his analysis of the situation. Cohen stated: “It may be time to turn a very tough eye on family foundations, large and small, where the stewardship of tax exempt moneys is left to a handful of people all with the same surnames.” Ben Gose, like Kristof, reported that trustees were not being accused of collusion with Madoff but cited Jack Siegel, a Chicago lawyer who advises charities, as noting that many financial investment managers chose not to invest with Madoff because the consistent, high returns on investments made via Madoff’s business seemed improbable. Siegel stated that “If [trustees] did their due diligence but came to a different conclusion about Madoff— you can’t fault them for that. It’s all about process. The question is, did they do what normally would be done in selecting investment managers?” Gose provides the example of Yeshiva University, which lost a \$14.5 million investment that it made via a trustee who was the head of Ascot Partners; the firm invested the entirety of the fund with Madoff.

The Picower Foundation has so far been counted among the most notable victims of the Madoff scheme; it lost all of its nearly \$1 billion endowment. However, emerging information indicates that Jeffry Picower may have been complicit in the Ponzi scheme. *The New York Times* and *Wall Street Journal* have recently reported that \$12 billion

was withdrawn from the accounts of Madoff's investors in 2008, including \$5.1 billion by Mr. Picower. Irving H. Picard, the court-appointed trustee overseeing the Madoff bankruptcy, is suing Mr. Picower and other investors to recover the withdrawn funds in order to redistribute them to all victims of the scheme. The lawsuit alleges that the investors who withdrew funds should have realized that their returns were too high. The case against Mr. Picower also accuses him of colluding with Madoff to perpetuate the Ponzi scheme and details accounts showing annual returns, some of which were backdated, of up to 950 percent. William D. Zabel, lawyer for the Picowers and a trustee of the Picower Foundation, has denied the allegations.

The Betty and Norman F. Levy Foundation had total assets of \$244,389,849 and total exposure to Madoff is estimated at 100 percent. The foundation had three trustees, Betty and Norman Levy's son, daughter, and daughter-in-law. *Vanity Fair* reported on the way in which Madoff exploited his close personal relationship with the late Norman F. Levy. Levy was a leading light of Jewish wealth and philanthropy; his blessing by entrusting Madoff with much of his philanthropic and personal fortune led other foundations and investors to do the same. This foundation also funded the now defunct JEHT Foundation,⁸ established by the Levy's daughter, which [closed](#) because of the institution's financial reliance on the Levy Foundation.

CONCLUDING OBSERVATIONS

NCRP, like Gose and Kristof, believes that most trustees at foundations impacted by their Madoff investments neither acted in bad faith nor colluded with Madoff. We believe also that, in most cases, trustees should not be held liable financially for falling victim to Madoff's scheme.

However, the list of trustees compiled by NCRP shows significant homogeneity among the trustees, even among the selection of the 16 foundations referenced earlier that had boards of at least five or more individuals. This raises the relevant question of whether homogeneous groups can be expected to make the best decisions about investment strategies. As NCRP notes in *Criteria*, recent research by University of Michigan professor Scott E. Page shows a significant correlation between diverse groups and better

decision-making and problem-solving, even when ability is controlled for. Given this research, it is likely that a more diverse group could have avoided poor investment decisions, clouded by relationships of trust.

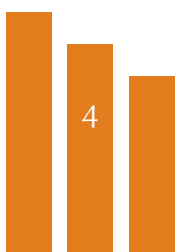
Therefore, NCRP recommends that foundation boards have at least five members with diverse perspectives and backgrounds.

This means, for example, expanding board membership by adding people who have different life experiences and who may consequently view issues before the foundation with a different lens. Many foundations have found value by adding the grantee or constituent perspective to their decision making. As NCRP noted in an article published in the spring issue of the [Nonprofit Quarterly](#), many family foundations' boards have found benefit by diversifying in this way; it is possible that the foundations analyzed here could have avoided their over-reliance on their trust in Madoff by including external and more disinterested points of view.

Additionally, maintaining policies and practices that support ethical behavior and disclosing this information publicly can help retain the public trust and ensure ethical stewardship of a foundation.

Such policies and practices include, but are not limited to: maintaining and implementing conflict of interest and whistleblower policies; subscribing to any of the numerous available codes of ethical conduct and good governance for nonprofit organizations; and sharing demographic information on a foundation's trustees and staff. Some exemplary grantmakers noted in *Criteria* already do this. Public charities must now report governance and management policies on the IRS's form 990,⁹ but these revisions were not made to the 990 PF form filed by private foundations.

In sum, the Madoff foundations scandal offers evidence of the importance of the strategic and deliberate ethical practices suggested in *Criteria for Philanthropy at Its Best*. Although aspirational, the goals clearly have practical implications. Because of the limitations of 990 PF forms and other publicly available data noted by NCRP and Cohen's analyses and previous work, pinpointing a causal relationship between the homogeneity among the



trustees of those foundations victimized by Madoff and poor investment decision-making is difficult, although a strong associative relationship is clear. Diversifying board composition is not a panacea, but it offers a practical solution to prevent abuses of the public trust brought to the fore by this analysis. Moreover, implementing and publicly disclosing due diligence processes, ensuring no conflicts of interest and establishing whistleblower protection policies could also diminish the prospect of foundation assets being so vulnerable to fraud and abuse.

ENDNOTES

1. Kristof's piece notes data limitations of Smith's data sources—foundation tax filings. Although the list of "potential Madoff exposure" is based on returns from 2006 and 2007, in some cases they are "imputed 'best guess' estimates" but they give a general sense of the exposure to Madoff's Ponzi scheme that the foundations might have had at the time that the returns were filed. However, he also notes that according to Smith, "the figures may understate the exposure, because they don't include sums channeled indirectly to Mr. Madoff through 'feeder funds.'"
2. Of the 16 foundations with five or more board members, nine had five trustees; six had six trustees, and one had seven.
3. Some notably homogeneous boards include: the Chais Family Foundation (100 percent possible Madoff exposure) with five trustees sharing the last name "Chais;" the Fishbein Interstitial Cystitis Foundation (93.4 percent possible Madoff exposure) with five of six trustees sharing the last name "Fishbein;" the Albert and Lillian Small Foundation (76.5 percent) had five trustees, all with the last name "Small." NCRP staff used 990-PF forms from individual foundations to ascertain the total number of board members and their names. Because of lack of uniformity in the way this information is reported on a foundation's tax filings, some listed no trustee names. Coupled with Smith's findings that direct exposure to Madoff was indeterminate, these foundations (18) are therefore not included in this analysis.
4. Association of Small Foundations, *2008-2009 Foundation Operations and Management Survey*, Washington, D.C.: Association of Small Foundations, 2008.
5. "'Trust Deficit' Erupts after Madoff Scandal," *The Chronicle of Philanthropy*, Conference Notebook, May 6, 2009 <http://philanthropy.com/news/conference/8133/trust-deficit-probed-in-wake-of-madoff-investment-scandal>; Kaberi Banerjee-Murthy, "Teachable Moments," Re: Philanthropy Blog, <http://www.cofinteract.org/rephilanthropy/?p=456#more-456>.
6. Jeffrey R. Solomon, "Letter from the Editor," 21/64 Newsletter, Vol. 11 2009, http://www.2164.net/PDF-newsletters/2164_newsletter_v11.pdf.
7. Vanity Fair describes "affinity theft" as a scheme in which "the con man preys on the idea that you can trust your own people." Mark Seal, "Madoff's World," *Vanity Fair*, March 2009, <http://www.vanityfair.com/politics/features/2009/04/madoff200904>.
8. In existence since April 2000, the JEHT Foundation's name is an acronym for justice, equality, human dignity, and tolerance, "[the core values that underlie the Foundation's mission](#)." In a statement released by Robert Crane, President and CEO of JEHT, on December 15, 2008, Crane noted that JEHT's board "deeply regrets that the important work that the Foundation has undertaken over the years is ending so abruptly. The issues the Foundation addressed [reforming the criminal and juvenile justice systems; ensuring U.S. compliance with international rule of law, and election protection, fair representation and voting transparency] received very limited philanthropic support and the loss of the foundation's funding and leadership will cause significant pain and disruption of the work for many dedicated people and organizations." <http://www.jehtfoundation.org/news/>.
9. The annual form filed by all non-grantmaking nonprofit charities and some grantmaking public charities such as community foundations to maintain their tax-exempt status.

TABLE 1. FOUNDATIONS WITH POSSIBLE EXPOSURE TO MADOFF OF 30% OR MORE BY NUMBER OF BOARD MEMBERS AND PERCENT OF ASSETS POSSIBLY EXPOSED

	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
1	Litwin Foundation	NY	\$99,793,440	\$67,713,670	67.85	7	Richard Cohen, Leonard Litwin, Ruth Litwin, Diane Miller, Carole Pittelman, Seymour D. Reich, Morton Sanders
2	Picower Foundation	FL	\$958,425,057	\$958,425,057	100.00	6	Norman B. Leventhal, Gerald C. McNamara, Barbara Picower, Jeffrey M. Picower, Martin R. Post, William D. Zabel
3	Phileona Foundation	MN	\$54,587,843	\$54,577,205	99.98	6	D. Miller, D.J. Miller, J. Miller, S.D. Miller, S.L. Miller, T. Sledd
4	Fishbein Interstitial Cystitis Foundation	NY	\$1,600,520	\$1,494,165	93.35	6	Jan Fishbein Bernstein, Elisabeth Fishbein, Kara Fishbein, Laurie Fishbein, Robert Fishbein, Steven Goldman
5	Hammerman and Fisch Foundation	NY	\$5,139,487	\$3,521,554	68.52	6	Caryn Fisch, Charles Hammerman, Eleanor Hammerman, Ira Hammerman, Michael Hammerman, Stephen Hammerman
6	Carl & Ruth Shapiro Foundation	MA	\$323,912,042	\$199,666,505	61.64	6	Ellen S. Jaffe, Carl J. Shapiro, Ruth G. Shapiro, Linda S. Waintrup, Jean S. Whitney, Rhonda S. Zinner
7	Aaron Foundation	MA	\$12,822,546	\$4,442,895	34.65	6	Hope R. Edison, Avram J. Goldberg, James R. Rabb, Jane M. Rabb, Betty R. Schafer
8	Chais Family Foundation	CA	\$178,009,106	\$178,009,106	100.00	5	Emily Chais, Mark Chais, Pamela Chais, Stanley Chais, William Chais
9	Max Zankel Foundation	MD	\$995,032	\$995,032	100.00	5	Jerome Gellman, Kenneth Gellman, Stephen Gellman, Barry A. Schwartz, Gerald Schwartz
10	Albert & Lillian Small Foundation	MD	\$11,093,380	\$8,490,866	76.54	5	Susan Small Savitsky, Albert H. Small, Albert H. Small, Jr., James H. Small, Shirley Small



TABLE 1. FOUNDATIONS WITH POSSIBLE EXPOSURE TO MADOFF OF 30% OR MORE BY NUMBER OF BOARD MEMBERS AND PERCENT OF ASSETS POSSIBLY EXPOSED (CONTINUED)

	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
11	Zenkel Foundation	NY	\$4,178,659	\$2,460,457	58.88	5	Lisa Z. Sheldon, Bruce Zenkel, Daniel R. Zenkel, Gary B. Zenkel, Lois Zenkel
12	Dayle & Michael Katz Foundation	NY	\$1,344,803	\$734,140	54.59	5	Dayle H. Katz, Gregory Katz, Howard Katz, Michael Katz, Todd Katz
13	Katzenberg Foundation	CA	\$22,057,386	\$10,534,582	47.76	5	Gerald Breslauer, David Geffen, Jeffrey Katzenberg, Marilyn Katzenberg, Michael Rutman
14	Marion & Robert Rosenthal Foundation	VA	\$12,442,327	\$5,626,706	45.22	5	Jane R. Cafritz, Brooke R. Peterson, Marion Rosenthal, Nancy Rosenthal, Robert M. Rosenthal
15	Kaufman Family Foundation	MI	\$3,730,316	\$1,428,704	38.30	5	Robert P. Aronson, Dorothy Benyas, Alan J. Kaufman, Steven D. Kaufman, Rober Naftaly
16	Joseph Persky Foundation	MA	\$8,638,775	\$3,190,987	36.94	5	David A. Persky, Marguerite Persky, Marlene Persky, Suzanne G. Persky, Warren E. Persky
17	Lifton Family Foundation	NY	\$2,115,280	\$2,115,280	100.00	4	Elinor Lifton, Judie B. Lifton, Martin Lifton, Steven J. Lifton
18	Lautenberg Foundation	NJ	\$15,000,792	\$14,945,462	99.63	4	Fred S. Lafer, Frank R Lautenberg, Lois Lautenberg, Eleanore Popeck
19	The Levin Family Foundation	NJ	\$6,016,343	\$5,844,361	97.14	4	Alan Levin, David Levin, Susan Levin, Vivian Levin
20	Charles I & Mary Kaplan Foundation	MD	\$30,188,436	\$29,184,803	96.68	4	Edward H. Kaplan, Irene Kaplan, Jerome Kaplan, Joan Gindes
21	Edward & Susan Blumenfeld Foundation	NY	\$2,653,025	\$2,539,993	95.74	4	Brad Blumenfeld, David Blumenfeld, Edward Blumenfeld, Susan Blumenfeld
22	Greenman Family Foundation	FL	\$2,504,879	\$2,330,976	93.06	4	Lester Greenman, Phyllis Greenman, Stanley Greenman, Judith Katz
23	Brad Blumenfeld Family Foundation	NY	\$249,947	\$221,666	88.69	4	Brad Blumenfeld, David Blumenfeld, Edward Blumenfeld, Harvey Cohen

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	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
24	Julian J. Leavitt Family Charitable Trust	TX	\$6,786,201	\$5,774,353	85.09	4	Clementine Leavitt, Peter M Leavitt, S. Robert Leavitt, Susan Leavitt
25	Braman Family Foundation	FL	\$38,882,271	\$32,331,637	83.15	4	Irma Braman, Norman Braman, Susan B. Lustgarten, Debra B. Wechsler
26	Lewis Schott Foundation	NY	\$3,930,930	\$3,048,832	77.56	4	Victoria De Rothschild, Lewis M. Schott, Nash W. Schott, Steven G. Schott
27	Lucy Pang Yoa Chang Foundation	CT	\$581,187	\$406,584	69.96	4	Diane Allison, Gladys Brazil, Charles Loy Hawley, Rosalind C. Whitehead
28	Judy & Fred Wilpon Family Foundation	NY	\$109,120	\$74,362	68.15	4	Fred Wilpon, Jeffrey Wilpon, Judith Wilpon, Robin Wilpon Wachtler
29	Sidney & Esther Rabb Foundation	MA	\$9,320,352	\$6,078,175	65.21	4	Avram J. Goldberg, Carol R. Goldberg, Deborah B. Goldberg, Joshua R. Goldberg
30	Siff Foundation	MA	\$2,285,927	\$1,224,137	53.55	4	Lawrence Siff, Robert M. Siff, Shirley S. Siff, Karen Siff-Exkorn
31	Sidney R. Rabb Charitable Trust	MA	\$20,121,326	\$10,733,539	53.34	4	Nancy L. Cannors, M. Gordon Erlich, Carol R. Goldberg, Arthur B. Page
32	Tepper Family Foundation	NY	\$669,075	\$322,234	48.16	4	Edward M. Tepper, Elise C. Tepper, Jacqueline G. Tepper, Marvin B. Tepper
33	Goldberg Family Foundation	MA	\$18,893,466	\$7,997,211	42.33	4	Avram J. Goldberg, Carol R. Goldberg, Deborah B. Goldberg, Joshua R. Goldberg
34	Allegro Foundation	NY	\$957,152	\$364,139	38.04	4	Alexander Dichter, Cipa Dichter, Gabriel Dichter, Misha Dichter
35	Dextra Baldwin McGonagle Foundation	NY	\$24,404,318	\$7,434,332	30.46	4	David Spanier, Helen G. Spanier, Jonathan Spanier, Maury Spanier
36	Richard & Deborah Felder Foundation	AZ	\$2,118,318	\$2,118,318	100.00	3	Deborah S. Felder, Jonathan E. Felder, Richard B. Felder
37	Betty and Norman F. Levy Foundation	NY	\$244,389,849	\$244,385,384	100.00	3	Hallie D. Cohen, Francis N. Levy, Jeanne Levy Church

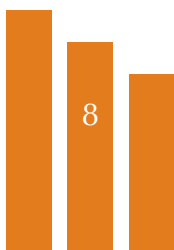


TABLE 1. FOUNDATIONS WITH POSSIBLE EXPOSURE TO MADOFF OF 30% OR MORE BY NUMBER OF BOARD MEMBERS AND PERCENT OF ASSETS POSSIBLY EXPOSED (CONTINUED)

	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
38	Miles & Shirley Fiterman Foundation	FL	\$60,720,344	\$60,597,192	99.80	3	Shirley Fiterman, Steven Fiterman, Valerie Herschmann
39	Yale Fishman Family Foundation	NY	\$2,452,243	\$2,437,008	99.38	3	Joseph Fishman, Yale Fishman, Rebecca Silverstein
40	Charles & Candice Nadler Foundation	MN	\$545,167	\$537,349	98.57	3	Candice Nadler, Charles Nadler, Alan Eidsness
41	Bennett & Gertrude Berman Foundation	NY	\$3,117,075	\$3,063,513	98.28	3	Jeffrey A. Berman, Helaine B. Fisher, Jeffrey Stavin
42	Robert A. Certilman Family Foundation	NY	\$1,528,828	\$1,499,220	98.06	3	Lee Certilman, Robert A. Certilman, Steven Certilman
43	Yetadel Foundation	AZ	\$1,610,327	\$1,573,026	97.68	3	Andrew Behar, Julie Behar, Adele Engel Behar
44	Katherine & Ronald Takvorian Foundation	MA	\$1,516,390	\$1,480,965	97.66	3	Katherine U. Takvorian, Ronald W. Takvorian, Samuel E. Upchurch
45	Samson & Halina Bitensky Foundation	NY	\$3,370,940	\$3,222,342	95.59	3	Susan Lerner, Beth Myers, Halina Bitensky
46	Besse & Louise Bleznak Foundation	FL	\$1,244,464	\$1,170,040	94.02	3	Alan D. Bleznak, Daniel M. Bleznak, Kathleen H. Bleznak
47	Zemsky Foundation c/o Taurus Partners	NY	\$4,299,247	\$4,040,322	93.98	3	Howard Zemsky, Sam Zemsky, Shirley Zemsky
48	Heller Brothers Foundation	FL	\$1,451,277	\$1,295,124	89.24	3	Barbara H. Freitag, Harvey Heller, Harry Heller Falk
49	Avery & Janet Fisher Foundation	NY	\$8,075,148	\$7,118,379	88.15	3	Charles A. Fisher, Janet C. Fisher, Nancy Fisher Kirschner
50	Lou & Harry Stern Family Foundation	NY	\$3,952,774	\$3,436,555	86.94	3	Lou Stern, Russell Stern, Theodore W. Tashlik
51	Nathan & Barbara Greenberg Trust	MA	\$1,264,169	\$1,079,714	85.41	3	Barbara Greenberg, Nathan Greenberg, Agnes Kull
52	Werner Foundation	MN	\$1,453,251	\$1,090,639	75.05	3	Wendy Brown, Jeffery Werner, Violet Werner
53	Max B. Cohn Foundation	NY	\$5,178,675	\$3,845,095	74.25	3	Marcia Cohn, Maurice J. Cohn, Milton Cohn
54	Jerome & Anne C Fisher Foundation	FL	\$18,283,920	\$11,402,514	62.36	3	Jodi Fisher, Joel Kozol, John Zampino
55	Potamkin Family Foundation	FL	\$8,362,573	\$4,910,110	58.72	3	Peter Paris, Alan Potamkin, Robert Potamkin

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	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
56	J. Gurwin Foundation	NY	\$27,777,119	\$15,691,124	56.49	3	Laura Flug, Eric Gurwin, Joseph Gurwin
57	H. Schaffer Foundation	FL	\$5,276,790	\$2,716,520	51.48	3	Andrea B. Shay, Jeffrey R. Stall, Sonya A. Stall
58	Joan S. Beren Foundation	KS	\$4,641,699	\$2,094,765	45.13	3	Adam E. Beren, Joan S. Beren, Nancy T. Beren
59	Burton P. & Judith R. Resnick Foundation	NY	\$13,464,572	\$5,006,216	37.18	3	Burton P. Resnick, Judith B. Resnick, Steven J. Rotter
60	Margaret & Richard Lipmanson Foundation	NY	\$26,822,479	\$9,401,427	35.05	3	Greg Jobin-Leeds, Gerard G. Leeds, Liselotte J. Leeds
61	David Gopen Foundation	MA	\$499,337	\$155,269	31.10	3	Allen Gopen, Robert Gopen, Stuart Gopen
62	Marden Family Foundation	NY	\$3,207,181	\$3,207,181	100.00	2	Iris Marden, James Marden
63	Steven C. & Susan L. Fiterman Foundation	MN	\$2,083,357	\$2,083,357	100.00	2	Steven C. Fiterman, Susan L. Fiterman
64	Schlichter Foundation	NY	\$1,626,925	\$1,625,769	99.93	2	Bernard Maddoff, Peter Madoff
65	Kozloff Family Charitable Trust	PA	\$1,872,824	\$1,871,087	99.91	2	Paul J. Kozloff, Lauren Kozloff Sinrod
66	Noel and Hariette Levine Foundation	NY	\$795,444	\$793,874	99.80	2	Hariette Levine, Noel Levine
67	Madoff Family Foundation	NY	\$19,125,499	\$19,060,372	99.66	2	Bernard Madoff, Ruth L. Madoff
68	Randi & Bruce Pergament Foundation	NY	\$850,679	\$847,725	99.65	2	Bruce Pergament, Randi Pergament
69	Morse Family Foundation	CA	\$1,432,931	\$1,426,282	99.54	2	Linda Morse, Sherry Morse
70	Gettinger Foundation	NY	\$5,235,159	\$5,207,002	99.46	2	Carol A. Edelson, Robert Gettinger
71	Westlake Foundation	NY	\$755,069	\$750,134	99.35	2	Judith Konigsberg, Paul J. Konigsberg
72	Rita & Harold Divine Foundation	CO	\$11,782,910	\$11,613,959	98.57	2	Amy J. Divine, Rita L. Divine
73	Schreier Foundation	NY	\$540,688	\$532,745	98.53	2	Deyva Schreier, Michael Schreier

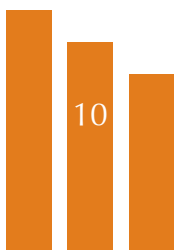


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	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
74	Watershed Foundation	CA	\$259,697	\$255,785	98.49	2	Gordon Bennett, Kathleen Carolan
75	Angel Family Foundation C/O The AYCO Co	NY	\$2,164,383	\$2,131,704	98.49	2	Albert D. Angel, Carole Angel
76	Phyllis & Thomas Osterman Foundation	NY	\$226,805	\$223,085	98.36	2	L. Thomas Osterman, Phyllis Osterman
77	Ruth & Arthur Friedman Foundation	NY	\$151,521	\$148,724	98.15	2	Arthur Friedman, Ruth Friedman
78	Patrice and Kevin Auld Foundation	WA	\$1,715,505	\$1,669,851	97.34	2	Kevin Auld, Patrice Auld
79	Moscoe Family Foundation	MN	\$713,480	\$693,198	97.16	2	Cathy Broms, Thomas Moscoe
80	Kingsley H. Murphy Family Foundation	MN	\$1,430,170	\$1,382,234	96.65	2	Katherine B. Murphy, Kingsley H. Murphy
81	Charles Salmanson Family Foundation	RI	\$1,849,148	\$1,779,192	96.22	2	Charles Salmanson, Donald Salmanson
82	C. Jean & Myles McDonough Foundation	MA	\$9,815,169	\$8,793,292	89.59	2	C. Jean McDonough, Myles McDonough
83	Andrea & Michael Leeds Foundation	NY	\$7,448,374	\$6,669,582	89.54	2	Andrea R. Leeds, Michael S. Leeds
84	Valerie & Jeffrey S. Wilpon Foundation	NY	\$463,757	\$394,924	85.16	2	Jeffrey S. Wilpon, Valerie Wilpon
85	Broms Family Foundation	MN	\$2,005,612	\$1,678,427	83.69	2	Evely Broms, Richard A. Broms
86	Debbie & Richard A. Wilpon Foundation	NY	\$72,025	\$49,575	68.83	2	Debbie Wilpon, Richard Wilpon
87	Donald Salmanson Foundation	RI	\$5,063,238	\$3,265,280	64.49	2	Charles Salmanson, Donald Salmanson
88	Adler Foundation	MD	\$5,037,563	\$3,208,757	63.70	2	Esthy Adler and James B. Adler
89	Lederman Family Foundation	NY	\$2,021,074	\$1,186,288	58.70	2	Carol Lederman, Mark Lederman
90	Enfranchisement Foundation	DC	\$16,186,475	\$9,208,005	56.89	2	Daniel H. Leeds, Sunita G. Leeds

TABLE 1. FOUNDATIONS WITH POSSIBLE EXPOSURE TO MADOFF OF 30% OR MORE BY NUMBER OF BOARD MEMBERS AND PERCENT OF ASSETS POSSIBLY EXPOSED (CONTINUED)

	Foundation Name	State	Total Assets	Madoff Possible Exposure	% Assets Possibly Exposed	# of Board Members	Board Member Names
91	Ivorybill Foundation C/O Ashford Advisors	NY	\$4,930,133	\$1,586,384	32.18	2	Alexis G. Sant, Christine D. Sant
92	Long Cove Foundation C/O Ashford Advisors	NY	\$4,934,955	\$1,586,384	32.15	2	Kristin W. Sant, Michael J. Sant
93	Code Blue Foundation C/O Ashford Advisors	NY	\$5,093,286	\$1,586,384	31.15	2	Daniel Lee Plummer, Shari Sant Plummer
94	Studio For Urban Projects C/O Ashford Advisors	NY	\$5,073,061	\$1,561,597	30.78	2	Richard R. Johnson, Alison E. Sant
95	Divine Family Foundation	CO	\$2,977,604	\$2,930,121	98.41	1	Amy J. Divine
96	DOS BFS Charitable Trust	NY	\$2,149,917	\$2,106,917	98.00	1	Bettie Stein
97	Robert I. Lappin Foundation	MA	\$7,121,068	\$6,175,271	86.72	1	Robert I. Lappin
98	Israel Henry Beren Charitable Trust	KS	\$2,866,800	\$2,458,700	85.76	1	Robert M. Beren
99	Aurthur I. & Sydelle F. Meyer Foundation	FL	\$3,235,430	\$2,726,599	84.27	1	Sydelle F. Meyer
100	Billig Foundation	NJ	\$5,160,291	\$1,859,920	36.04	1	Gail Billig
101	Horowitz and Libshutz Family Foundation	NY	\$785,648	\$683,435	86.99	-	Unable to determine
102	Michael & Ruth Slade Foundation	NY	\$3,211,432	\$2,776,172	86.45	-	Unable to determine
103	Linda & Richard Horowitz Foundation	NY	\$847,940	\$706,388	83.31	-	Unable to determine
104	Small-Alpert Family Foundation	MD	\$11,118,191	\$8,490,866	76.37	-	Unable to determine
105	George & Karen Levy Foundation	MA	\$2,419,129	\$1,433,400	59.25	-	Unable to determine

Note: The legally required minimum number of trustees varies from state to state but is generally 1-3. In some cases, the forms 990PF for a given foundation may or may not include a full list of trustees.



ABOUT THE AUTHORS

Niki Jagpal, NCRP's research and policy director, has a broad range of experience working in the nonprofit sector. Most recently, she worked in the Research Department at Media Matters for America, a web-based progressive research and information center. She has worked at the Center for Community Change, the Center for Juvenile Justice Reform at Georgetown University, and the Fannie Mae Foundation. Niki holds a bachelor's degree in history and cultural anthropology from Duke University and a master of public policy from Georgetown University.

Julia Craig is research assistant at NCRP and was a contributing author to *Criteria for Philanthropy at Its Best*. Previously, Julia served as an AmeriCorps VISTA at the Human Services Coalition, a nonprofit social service and advocacy organization in Miami, Florida. At HSC, she assisted with policy research and writing and coordinated the service learning program. Julia holds a degree in social relations from James Madison College at Michigan State University.

The National Committee for Responsive Philanthropy (NCRP) promotes philanthropy that serves the public good, is responsive to people and communities with the least wealth and opportunity, and is held accountable to the highest standards of integrity and openness.

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