



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Re: Who serves on foundation boards  
Da: Tuesday, June 29, 2004

According to media reports, the National Committee for Responsive Philanthropy today called for a law to bar people from serving as officers of private foundations if the SEC has barred them from serving on boards of publicly traded corporations. The report pointed to at least 13 people who have served on foundation boards even though they have been linked to the recent wave of business scandals. Sen. Chuck Grassley, chairman of the Committee on Finance, last week convened a hearing on charitable governance problems and released a 19-page, bipartisan staff discussion draft of proposed reforms, including prohibitions similar to what the National Committee for Responsive Philanthropy called for today. Grassley made the following comment on the issue.

“Publicly traded companies have a lot more scrutiny than tax-exempt groups. They have shareholders and the IRS watching them. Tax-exempt groups have a board of directors to govern them, and that’s about it. If certain board members got a corporation into hot water, they shouldn’t be trusted to run charities and foundations. And there are lots of qualified people who aren’t white collar criminals to serve on these boards.”