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Dear Attorney General Shapiro and Deputies:

As you are aware, nonprofits that are organized in Pennsylvania and/or do business and raise money in Pennsylvania are subject to the jurisdiction of the Attorney General of Pennsylvania. This includes the University of Pennsylvania.

We ask that you immediately open an investigation into the following matters, all concerning the charitable fundraising and use of funds by the University of Pennsylvania.

1). The excessive compensation -- almost \$4 million -- for the President of the University of Pennsylvania Amy Gutmann. Excessive executive compensation in nonprofits is a matter subject to investigation and potentially litigation by the state attorney general. Unlike a for profit corporation there are no shareholders to act as a check on self dealing. That is the job of the state Attorney General. Gutmann's salary is far in excess of that of other university presidents,

about twenty times the compensation of the Governor of Pennsylvania. There's such a thing as too much and this is way too much.

- 2). The University of Pennsylvania raised hundreds of millions of dollars in secret donations from China and Saudi Arabia as reported in the Philadelphia Inquirer. While raising money from abroad is not per se illegal for an American nonprofit, there are serious legal concerns when the money is secret and foreign governments may be involved. Who gave this money, where did it go, and what strings were attached? These are all matters properly within the scope of an investigation by your office. Any violations of federal law, including the Foreign Agents Registration Act of 1938 should be reported to the Department of Justice. Still, in the first instance it is the responsibility of your office to assure that foreign money flowing into Pennsylvania nonprofits is legal, and to the extent possible, fully disclosed.
- 3). \$911,000 in compensation was paid by the University of Pennsylvania in 2017-19 to former Vice President and presidential candidate, now President, Joseph Biden. Biden was appointed a "professor" although he never taught a class. If Biden did not perform services for the University worth \$911,000 this is a serious misapplication of nonprofit funds in violation of Pennsylvania law. If there was any quid pro quo arrangement -- for example a promise to Penn President Amy Gutmann of an appointment similar to the ambassadorship for which she has now been nominated -- that also would be a violation of Pennsylvania nonprofit law. Furthermore if Penn was used as a conduit for passing money from foreign donors to a presidential candidate, that also would be a matter of great concern. There are of course federal campaign finance law issues as well, and the findings of your investigation should be shared with the Federal Election Commission and other federal authorities depending upon what you find.

We note that the Attorney General of New York aggressively investigated the National Rifle Association for misuse of nonprofit funds, and we ask you to consider if there may be parallels between the use of funds by the University of Pennsylvania and those questioned by the New York Attorney General in the publicly posted statement requesting that non-profit be dissolved due to, "...illegal conduct because of their diversion of millions of dollars away from the charitable mission of the organization for personal use by senior leadership ... and appearing to dole out lucrative no-show contracts."

We expect that all nonprofits -- regardless of political ideology or political affiliation of their leaders -- will be held to account by the attorney general of the states where they are organized, where they do business and where they raise funds. The forgoing issues with respect to the University of Pennsylvania are more than sufficient to require your office to open an investigation.

John Pudner

Very truly yours,

Francis Johnson, Board Chair and President John Pudner, Executive Director