

September 13, 2016

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111 North Adams Street
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Tallahassee, FL 32301

Raymond Hulser
Chief, Public Integrity Section
United States Department of Justice
950 Pennsylvania Avenue, NW
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Re: Complaint Against Pam Bondi, Donald J. Trump, and The Donald J. Trump Foundation, Inc.

Dear Mr. Canova and Mr. Hulser:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests that the United States Attorney for the Northern District of Florida and Department of Justice (“DOJ”) investigate whether Florida Attorney General Pam Bondi solicited a bribe from Donald J. Trump and whether Mr. Trump and The Donald J. Trump Foundation, Inc. (“Trump Foundation”) paid a bribe to Attorney General Bondi, both violations of federal criminal law. CREW further requests an investigation into whether the Trump Foundation violated federal criminal law by making false representations on multiple tax returns. The Trump Foundation falsely asserted on its 2013 tax return that it engaged in no political activity that year, and inaccurately reported that the money actually contributed to Attorney General Bondi’s political organization was given to a Kansas tax-exempt group with a similar name. The Trump Foundation also appears to have made several additional false representations about who gave it contributions and to whom it gave grants.

Mr. Trump is the president of the Trump Foundation. He also owned or owns nearly all of Trump University LLC/Trump Entrepreneur Initiative LLC (“Trump University”), a company that ran real estate seminars promising to impart Mr. Trump’s business knowledge and secrets, and licensed a separate company to conduct real estate seminars under the name Trump Institute. In September 2013, Attorney General Bondi’s office had before it more than 20 complaints against Trump University, the Trump Institute, and related entities, and was considering whether Florida should join a New York lawsuit alleging that Trump University, Mr. Trump, and others engaged in fraudulent, illegal, and deceptive conduct.

Several weeks before a newspaper reported her office’s consideration of the New York lawsuit, Attorney General Bondi personally solicited a campaign contribution from Mr. Trump.

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Four days after the news report was published, the Trump Foundation made a \$25,000 contribution to a political committee established and run by Attorney General Bondi.

Details of subsequent decisions by Attorney General Bondi's office regarding the complaints and the lawsuit are not known, but a month after her committee received the contribution, the Florida Office of the Attorney General ("FL-OAG") effectively asserted it would not join the lawsuit or take similar legal action. FL-OAG also may have decided around this time not to investigate the complaints it received.

This timeline suggests Attorney General Bondi may have solicited the contribution, and the political committee may have accepted it, intending for Attorney General Bondi to be influenced in connection with the complaints and lawsuit. It further suggests Mr. Trump and the Trump Foundation may have made the contribution intending to influence Attorney General Bondi's decisions regarding the complaints and the lawsuit. Both sets of facts, if proven, would violate 18 U.S.C. § 666, the federal bribery statute that applies to state officials.

Mr. Trump's and the Trump Foundation's subsequent conduct further suggests an intent to reward Attorney General Bondi for her office's decisions not to pursue legal action. In March 2014, Attorney General Bondi held a fundraiser at Mar-a-Lago, Mr. Trump's private club in Florida. The \$4,855 charged to use the club, however, appears to have been well below the market rate, and may have been a reward for Attorney General Bondi. In addition, after CREW filed a complaint with the Internal Revenue Service ("IRS") in March 2016 alleging that the contribution violated the tax code's prohibition on private foundations engaging in political activity, Attorney General Bondi's representatives tried to return the contribution. The Trump Foundation, however, refused to take it back, and this refusal to accept the money may have separately been intended as a reward for Attorney General Bondi.

The Trump Foundation's actions also appear to confirm that it made false representations on its tax returns. The foundation's 2013 tax return asserted it did not engage in any political activity that year, and inaccurately reported that the money actually contributed to Attorney General Bondi's political organization was given to a Kansas tax-exempt group with a similar name. Immediately after CREW filed its March 2016 IRS complaint, the Trump Foundation admitted that the contribution was political and was given to Attorney General Bondi's political committee. In addition, the foundation refused to take the money back, apparently failed to correct those misrepresentations on its tax return, and either the foundation or Mr. Trump paid an excise tax penalty to the IRS for engaging in political activity, all of which seemingly demonstrate that it made false statements on its tax return.

In addition, according to a recent news report, the Trump Foundation reported on its tax returns receiving contributions from two companies that have denied giving it any money. The news report also uncovered four other grants that the foundation claimed it made on its tax returns, but that the named recipient organizations said they never received.

Factual Background

The Donald J. Trump Foundation, Inc., Trump University/Trump Institute, and Donald J. Trump

The Trump Foundation is a private foundation established in 1987, and Donald J. Trump is its president.¹

Mr. Trump also established Trump University LLC (“Trump University”) with two others in 2004,² and Mr. Trump owned 93 percent of the company.³ In 2010, after New York State repeatedly told Trump University to stop calling itself a “university” because it was not licensed, the company changed its name to Trump Entrepreneur Initiative LLC.⁴

Between 2005 and 2011, Trump University ran real estate seminars that promised to impart Mr. Trump’s business knowledge and secrets.⁵ Three-day seminars cost \$1,495, and employees were encouraged to use those sessions to sell participants more expensive packages that cost up to \$34,995 per year.⁶ In promotional advertisements, Mr. Trump claimed he was overseeing the curriculum and that the faculty was “the best of the best” and would be “hand-picked by me.”⁷ Former employees have since described Trump University as a “scam” and a “fraudulent scheme.”⁸

In addition, Mr. Trump licensed a separate company to run real estate seminars under the name Trump Institute, receiving a share of the profits.⁹ Materials from those seminars used the Trump University name and Mr. Trump appeared in an infomercial promoting them.¹⁰ As with the Trump University seminars, the Trump Institute promised the faculty was handpicked by Mr.

¹ New York State Department of State, Division of Corporations, Entity Information for The Donald J. Trump Foundation, Inc. (attached as Exhibit A); The Donald J. Trump Foundation, 2013 Form 990-PF, Part VIII, Line 1 (attached as Exhibit B).

² *People v. Trump Entrepreneur Initiative LLC d/b/a Trump University LLC, et al.*, Index No. 451463, Verified Petition, ¶ 15, Aug. 24, 2013 (N.Y. Sup. Ct. N.Y. County) (“New York Complaint”) (available at <http://online.wsj.com/public/resources/documents/trump.pdf>); see also New York State Department of State, Division of Corporations, Entity Information, Trump University LLC (attached as Exhibit C).

³ Michael Barbaro and Steve Eder, *Former Trump University Workers Call the School a ‘Lie’ and a ‘Scheme’ in Testimony*, *New York Times*, May 31, 2016 (attached as Exhibit D).

⁴ New York Complaint, ¶¶ 7, 16-25.

⁵ *Id.* ¶ 1; Julie Pace, Jill Colvin, and Jonathan Lemire, *Trump University: Sales Strategy Foreshadowed Campaign*, *Associated Press*, June 1, 2016 (attached as Exhibit E).

⁶ *Id.*; Tom Hamburger, Rosalind S. Helderman, and Dalton Bennett, *Donald Trump Said ‘University’ Was All About Education. Actually, It’s Goal Was: ‘Sell, Sell, Sell!’*, *Washington Post*, June 4, 2016 (attached as Exhibit F).

⁷ Tom Hamburger and Rosalind S. Helderman, *Trump Involved in Crafting Controversial Trump University Ads. Executive Testified*, *Washington Post*, May 31, 2016 (attached as Exhibit G).

⁸ *Id.*; Barbaro and Eder, *New York Times*, May 31, 2016.

⁹ Jeff Horwitz, Gary Fineout, and Michael Biesecker, *Florida AG Asked Trump for Donation Before Nixing Case*, *Associated Press*, June 6, 2016 (attached as Exhibit H); Jonathan Martin, *Trump Institute Offered Get-Rich Quick Schemes With Plagiarized Lessons*, *New York Times*, June 29, 2016 (attached as Exhibit I).

¹⁰ *Id.*

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Trump, and its seminars cost up to \$2,000.¹¹ Trump University considered Trump Institute a “historical partner” and provided discounts to students who had been through a Trump Institute seminar.¹²

Mr. Trump also owns the Mar-a-Lago Club, a private club in Palm Beach, Florida that is frequently rented out for fundraising events.¹³

Trump University/Trump Institute Complaints and the New York Lawsuit

Between February 2008 and May 2011, the Florida Office of the Attorney General received at least 22 complaints regarding Trump University, the Trump Institute, and related entities.¹⁴ Many of the complainants asserted they were deeply dissatisfied with the programs, for which they had paid thousands of dollars and then were unable to get refunds.¹⁵ For example, one complaint filed in May 2011 by “a student of Trump University” said the complainant had lost more than \$26,000 and had declared bankruptcy because of it.¹⁶ That complaint noted the New York Attorney General was investigating Mr. Trump and asked whether Florida would join to represent its residents if there was a lawsuit.¹⁷

On August 25, 2013, New York Attorney General Eric Schneiderman filed a civil lawsuit against Trump University and related entities, Trump University’s former president, and Mr. Trump.¹⁸ The lawsuit alleged that the defendants “engaged in persistent fraudulent, illegal and deceptive conduct in connection with the operation of Trump University,” misleading “consumers into paying for a series of expensive courses that did not deliver on their

¹¹ *Id.*

¹² Trump University, 2010 Playbook, at 3, 70, available at <http://static.politico.com/25/88/783a0dca43a0a898f3973da0086f/trump-university-playbook.pdf>.

¹³ Donald J. Trump, Personal Financial Disclosure Statement, Candidate Report, July 15, 2015 (excerpts attached as Exhibit J); Christopher Massie and Andrew Kaczynski, Charities Raise Millions at Trump’s Mar-A-Lago Club – But For a Steep Fee, *Buzzfeed News*, Aug. 24, 2016 (attached as Exhibit K).

¹⁴ In response to a CREW Public Records Act request, FL-OAG produced records regarding Trump University, the Trump Institute, the New York lawsuit, and related issues. The request and related records are available at <https://www.scribd.com/collections/16969968/CREW-Trump-University-Florida>, and the document containing FL-OAG records cited in this complaint is available at <https://www.scribd.com/document/317528146/PRR-CREW-CommPublic-Records-Act-Request-Trump-University-Trump-Foundation-Response-2>. That document is cited herein as “FL-OAG PRA Response.”

¹⁵ See, e.g., Complaint from Tom A. Harb, FL-OAG PRA Response at 150-60; Complaint from David Rolla, FL-OAG PRA Response at 121-22; Complaint from Susan Steinbrenner, FL-OAG PRA Response at 123-24.

¹⁶ Complaint from Charles Jacobson, FL-OAG PRA Response at 112-13, 1255.

¹⁷ *Id.*

¹⁸ Press Release, New York State Office of the Attorney General, A.G. Schneiderman Sues Donald Trump, Trump University & Michael Sexton For Defrauding Customers Out Of \$40 Million With Sham “University”, Aug. 25, 2013 (attached as Exhibit L).

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promises.”¹⁹ The lawsuit sought full restitution for the more than 5,000 consumers nationwide who had been defrauded out of more than \$40 million.²⁰

The Trump Foundation’s Contribution to Attorney General Bondi’s Political Organization

And Justice for All, a political organization associated with Attorney General Bondi, was established on August 7, 2013 under section 527 of the tax code.²¹ In a “Statement of Solicitation” filed with the Florida Division of Elections, Attorney General Bondi declared that she “established” and “maintain[ed]” the group.²²

At around the same time that New York Attorney General Schneiderman filed the lawsuit, Attorney General Bondi personally solicited a campaign contribution from Mr. Trump.²³ The exact date of the solicitation has not been made public, but a spokesman for Attorney General Bondi said she spoke to Mr. Trump “several weeks” before the contribution was received in mid-September 2013.²⁴

On September 13, 2013, the *Orlando Sentinel* published a story based on comments from FL-OAG reporting that “now Florida Attorney General Pam Bondi’s office is reviewing the New York lawsuit’s allegations, to determine whether Florida should join the multi-state case.”²⁵ Four days later, on September 17, the Trump Foundation made a \$25,000 contribution to And Justice for All, according to Florida campaign finance disclosures filed by the group.²⁶

The contribution was quickly linked to Attorney General Bondi’s review of the complaints and the New York lawsuit. The *Tampa Bay Times* published a news report on October 17, 2013 raising questions about whether they were connected, and Mr. Trump personally provided a statement for it.²⁷ While Mr. Trump did not comment on why he was contributing to a Florida attorney general race, he praised Attorney General Bondi “as a fabulous representative of the people” and attacked the New York lawsuit and New York Attorney

¹⁹ *Id.*

²⁰ *Id.*

²¹ And Justice for All, Form 8871, Political Organization Notice of Section 527 Status, Aug. 7, 2013 (attached as Exhibit M).

²² Pam Bondi, Statement of Solicitation for And Justice for All, Aug. 5, 2013 (attached as Exhibit N); Fla. Stat. § 106.0701(1).

²³ Horwitz, Fineout, and Biesecker, *Associated Press*, June 6, 2016; Drew Griffin and Tom LoBianco, *Pam Bondi Says She Won’t Be ‘Bullied’ By Hillary Clinton Over Trump Donation*, *CNN*, Sept. 7, 2016 (attached as Exhibit O).

²⁴ *Id.*; Tom LoBianco, Drew Griffin, and Scott Zamost, *Florida AG Sought Donation Before Nixing Trump University Fraud Case*, *CNN*, June 10, 2016 (attached as Exhibit P).

²⁵ Richard Burnett, *N.Y.’s Trump U Suit Draws Florida Officials’ Attention*, *Orlando Sentinel*, Sept. 13, 2013 (attached as Exhibit Q). See also FL-OAG PRA Response at 316-17, 661.

²⁶ And Justice for All contribution search, Florida Department of State, Division of Elections (attached as Exhibit R).

²⁷ Michael Van Sickler, *Trump Contribution to Pam Bondi’s Re-election Draws More Scrutiny to Her Fundraising*, *Tampa Bay Times*, Oct. 17, 2013 (attached as Exhibit S).

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General Schneiderman, saying “[t]he case in New York is pure politics brought by an incompetent attorney general, a political hack.”²⁸

Mr. Trump recently said he never spoke to Attorney General Bondi about Trump University.²⁹

Decisions by Attorney General Bondi’s Office Regarding the Complaints and the Lawsuit

Even though FL-OAG asserted in mid-September that it was reviewing the allegations in the New York complaint, a month later it effectively asserted it would not join the lawsuit or take similar legal action. The October 17 *Tampa Bay Times* story noted that “Florida hasn’t followed New York’s lead against Trump” and reported that Attorney General Bondi’s spokeswoman “suggested no action is necessary because the affected Florida consumers would be compensated if New York wins the case.”³⁰ As for the complaints, on October 15 FL-OAG told the *Orlando Sentinel* “there is no investigation at this time.”³¹

Over the next several years, however, FL-OAG insisted it had never said it was reviewing the allegations in the New York lawsuit to decide whether or not to join it, claiming instead that it determined the complaints against Trump University would be resolved by that lawsuit.³² FL-OAG also asserted that a staff member, not Attorney General Bondi, had made decisions about the complaints.³³

In recent months, FL-OAG, Attorney General Bondi, and her representatives have repeated these assertions and further claimed Attorney General Bondi was not aware of any complaints when she solicited the contribution from Mr. Trump and received it from the Trump Foundation. A spokesman for Attorney General Bondi, for example, told the *Associated Press* in early June 2016 she was unaware of any of the complaints FL-OAG received when she requested the donation,³⁴ and FL-OAG told *CNN* there was never an investigation and that staff had reviewed the complaints and New York lawsuit.³⁵

In the end, Attorney General Bondi and FL-OAG have asserted that FL-OAG did not investigate any of the Trump University/Trump Institute complaints, did not join New York Attorney General Schneiderman’s lawsuit, and did not take any other legal action related to the

²⁸ *Id.*

²⁹ Marc Caputo, Trump Campaign: No Contradiction With Bondi Over Trump University, *Politico*, Sept. 6, 2016 (attached as Exhibit T).

³⁰ *Id.*

³¹ FL-OAG PRA Response at 751.

³² FL-OAG PRA Response at 643, 1432, 1518, 1529.

³³ FL-OAG PRA Response at 1532.

³⁴ Horwitz, Fineout, and Biesecker, *Associated Press*, June 6, 2016.

³⁵ LoBianco, Griffin, and Zamost, *CNN*, June 10, 2016; *see also* Steve Bousquet, Pam Bondi Breaks Her Silence Over Donald Trump’s \$25,000 Campaign Contribution, *Tampa Bay Times*, June 7, 2016 (attached as Exhibit U).

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complaints or lawsuit. It remains unclear, however, when those decisions were made, who made them, and why they were made.

Attorney General Bondi's Fundraiser at Mr. Trump's Mar-a-Lago Club

Five months after FL-OAG effectively asserted it would not join the lawsuit or take similar legal action, Attorney General Bondi held a campaign fundraiser at Mr. Trump's Mar-a-Lago Club.³⁶ The invitation for the fundraiser showed a host committee of 24 individuals, companies, and organizations, and said the minimum contribution required to attend was \$3,000.³⁷ According to one attendee, the fundraiser was "very well-attended."³⁸ Mar-a-Lago frequently is rented out for fundraisers, often at a cost of hundreds of thousands of dollars, though smaller events reportedly can cost less than \$100,000.³⁹ The Republican Party of Florida paid for Attorney General Bondi's fundraiser, and was charged only \$4,855.65 by Mar-a-Lago.⁴⁰

The Trump Foundation and Mr. Trump's Actions After the Illegal Contribution Was Publicized

On March 21, 2016, CREW filed a complaint with the IRS alleging that the Trump Foundation's political contribution to And Justice for All violated the tax code's prohibition on private foundations engaging in political activity and that the foundation violated the tax code and federal law by filing a tax return that failed to disclose that the foundation made the contribution and engaged in political activity.⁴¹

Questioned about the complaint, the Trump Foundation quickly admitted it made the contribution to a political organization, a violation of the tax code, but claimed the contribution was the result of a series of mistakes.⁴² According to the foundation, when an accounts payable clerk for "the Trump Organization" received a request for payment to And Justice for All, he followed the organization's standard procedure to determine whether the check would come from the Trump Foundation or Mr. Trump's personal funds by consulting a "reference book" to ascertain if the recipient was a charity.⁴³ The book listed a group called And Justice for All, so the clerk cut a check to it from the Trump Foundation.⁴⁴ The listed group, however, is a charity

³⁶ Christina Wilke, Ben Walsh, Dana Liebelson, and Sam Stein, Trump Held Fundraiser For Pam Bondi At His Palm Beach Mansion After She Passed on Lawsuit, *Huffington Post*, Sept. 6, 2016 (attached as Exhibit V).

³⁷ *Id.*

³⁸ See <http://www.msnbc.com/am-joy/watch/the-bondi-and-trump-donation-saga-continues-762239555747>.

³⁹ *Id.*; Massie and Kaczynski, *Buzzfeed News*, Aug. 24, 2016.

⁴⁰ Republican Party of Florida payee search, Florida Department of State, Division of Elections (attached as Exhibit W); Wilke, Walsh, Liebelson, and Stein, *Huffington Post*, Sept. 6, 2016.

⁴¹ See <http://www.citizensforethics.org/legal-filling/crew-files-complaint-trump-foundation/>.

⁴² David A. Fahrenthold and Rosalind S. Helderman, Trump Camp Says \$25,000 Charity Contribution to Florida AG Was a Mistake, *Washington Post*, Mar. 22, 2016 (attached as Exhibit X); David A. Fahrenthold, Trump Pays IRS a Penalty for His Foundation Violating Rules With Gift to Aid Florida Attorney General, *Washington Post*, Sept. 1, 2016 (attached as Exhibit Y).

⁴³ *Id.*

⁴⁴ *Id.*

in Utah, not the political organization in Florida.⁴⁵ Strangely, the money was not sent to that group, but instead was sent to the political organization associated with Attorney General Bondi – a step the foundation’s treasurer could not explain.⁴⁶

The Trump Foundation also admitted it made another mistake in failing to report the contribution on its 2013 tax return. That tax return oddly did not name either the Florida political organization or the Utah charity as the recipient of the money.⁴⁷ Instead, it listed a Kansas charity called Justice for All that is not related to the Florida And Justice for All.⁴⁸ The foundation’s treasurer attributed this misrepresentation to a “typographical mistake.”⁴⁹

Soon after CREW filed its complaint in March, the treasurer of Attorney General Bondi’s political committee attempted to return the money to the Trump Foundation.⁵⁰ The committee’s treasurer said that when she became aware the Trump Foundation was a charity, the committee sent a check to the foundation refunding the contribution.⁵¹ The Trump Foundation, however, “rejected it and sent it back,”⁵² she said, saying they “had declined to accept the refund.”⁵³

Instead, Mr. Trump personally reimbursed the Trump Foundation for the \$25,000 contribution, writing a personal check covering the money.⁵⁴

Further confirming that its contribution was political and violated the tax code, the Trump Foundation or Mr. Trump himself paid a \$2,500 excise tax penalty to the IRS following CREW’s complaint and news reports about the contribution.⁵⁵

The Trump Foundation’s Representations to the IRS About Political Activity

As noted above, the Trump Foundation’s 2013 tax return, filed in October 2014, did not disclose the contribution to And Justice for All. The foundation also represented that it did not engage in any political activity or transfer any money to a section 527 political organization, and incorrectly reported that it made the \$25,000 contribution to Justice for All, the Kansas charity that is not related to the Florida And Justice for All.⁵⁶ The Trump Foundation has since admitted

⁴⁵ *Id.*

⁴⁶ Fahrenthold and Helderman, *Washington Post*, Mar. 22, 2016.

⁴⁷ *Id.*; Fahrenthold, *Washington Post*, Sept. 1, 2016.

⁴⁸ The Donald J. Trump Foundation, 2013 Form 990-PF, Part XV, Line 3.

⁴⁹ Fahrenthold and Helderman, *Washington Post*, Mar. 22, 2016.

⁵⁰ Gary Fineout, Florida Attorney General Bondi Tried to Return Trump Cash, *Associated Press*, June 7, 2016 (attached as Exhibit Z); Fahrenthold, *Washington Post*, Sept. 1, 2016.

⁵¹ Fineout, *Associated Press*, June 7, 2016.

⁵² *Id.*

⁵³ Fahrenthold, *Washington Post*, Sept. 1, 2016.

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ The Donald J. Trump Foundation, 2013 Form 990-PF, Part VII-A, Lines 1a and 1b, Part VII-B, Line 5a, Part XV, Line 3, Part XVII, Line 1.

it made a contribution to the And Justice for All associated with Attorney General Bondi and that the contribution was political and made to a section 527 organization. The foundation or Mr. Trump also paid an excise tax penalty for its conduct. However, the Trump Foundation apparently has not amended its tax return to correct its false statements. More than four months after the foundation admitted it made a contribution to a political organization that demonstrated its tax return was false, CREW requested the Trump Foundation's 2013 Form 990-PF tax return from the IRS.⁵⁷ The tax return the IRS provided to CREW on August 26, however, is the same one the foundation filed in October 2014.⁵⁸ The Trump Foundation also has not provided any indication that it intends to correct its tax return.

The Trump Foundation's Representations to the IRS About Contributions and Grants

The *Washington Post* recently reported that the Trump Foundation also apparently made false representations on multiple tax returns about who gave it money and the recipients of its grants.⁵⁹ According to the newspaper, two donors listed on the Trump Foundation's tax returns said they never gave money to the foundation. On its 2013 Form 990-PF tax return, for example, the Trump Foundation represented that the Clancy Law Firm PC, whose offices are located in building owned by Mr. Trump, gave the foundation \$100,000.⁶⁰ When asked by the *Washington Post* about making the contributions, however, the firm's founder said, "[t]hat's incorrect" and refused to answer further questions.⁶¹ Similarly, four organizations the Trump Foundation named as recipients of grants told the *Washington Post* they never received them.⁶² The foundation claimed on its tax returns that it gave \$10,000 to the Giving Back Fund in 2008, \$5,000 to the Children's Medical Center in 2010, \$10,000 to the Latino Commission on AIDS in 2012, and \$1,000 to Friends of Veterans in White River Junction, Vermont in 2013.⁶³ Representatives of all of these charities told the newspaper that they never received any money from the foundation.⁶⁴

⁵⁷ CREW, Form 4506-A Request for Public Inspection or Copy of Exempt or Political Organization IRS Form for The Donald J. Trump Foundation, filed Aug. 2, 2016 (attached as Exhibit AA).

⁵⁸ The Donald J. Trump Foundation, 2013 Form 990-PF, copy provided to CREW on Aug. 26, 2016 (cover letter and excerpts attached as Exhibit BB).

⁵⁹ David A. Fahrenthold, How Donald Trump Retooled His Charity to Spend Other People's Money, *Washington Post*, Sept. 10, 2016 (attached as Exhibit CC).

⁶⁰ *Id.*; The Donald J. Trump Foundation, 2013 Form 990-PF, Schedule B.

⁶¹ Fahrenthold, *Washington Post*, Sept. 10, 2016; David A. Fahrenthold, There Were Five Phantom Donations in the Files of Donald Trump's Foundation. Here's What We Know, *Washington Post*, Sept. 12, 2016 (attached as Exhibit DD).

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*

Potential Violations

18 U.S.C. § 666 – Theft or Bribery Concerning Programs Receiving Federal Funds

Federal criminal law prohibits state officials working at agencies that receive federal funds from soliciting or accepting a bribe, and relatedly prohibits anyone from bribing those state officials. Violations are punishable by up to ten years in prison.⁶⁵ Specifically, 18 U.S.C. § 666 bans any agent of a state government agency that receives more than \$10,000 in grants from the federal government from “corruptly solicit[ing] . . . for the benefit of any person, or accept[ing] or agree[ing] to accept[,] anything of value from any person,” if the state official intends “to be influenced or rewarded in connection with any business” of a state agency involving anything valued at more than \$5,000.⁶⁶ The same statute prohibits anyone from “corruptly giv[ing], offer[ing], or agree[ing] to give anything of value to any person, with intent to influence or reward an agent” of a state government agency “in connection with any business” of a state agency involving anything valued at more than \$5,000.⁶⁷ Things of value include campaign contributions.⁶⁸

Attorney General Bondi is covered by the statute. She is an agent of the Florida Office of the Attorney General, which received more than \$10,000 in grants from the federal government in 2013.⁶⁹ Attorney General Bondi solicited a campaign contribution from Mr. Trump for the benefit of herself and And Justice for All, and that political committee accepted Mr. Trump’s \$25,000 contribution. That amount is greater than \$5,000, as would be the value to Mr. Trump and his business interests of her office not investigating the complaints or not joining the New York litigation. As a result, if Attorney General Bondi solicited, or the political committee associated with her accepted, the contribution intending for her to be influenced in making decisions regarding the complaints and the lawsuit, she likely violated 18 U.S.C. § 666.

Relatedly, Mr. Trump agreed to give, and the Trump Foundation gave, the \$25,000 contribution to the political committee associated with Attorney General Bondi. She is an agent of a state agency that received more than \$10,000 in grants from the federal government in 2013 and both the amount of the contribution and the value of her office not pursuing legal action against Mr. Trump, Trump University, and the Trump Institute is greater than \$5,000. Accordingly, if Mr. Trump and the Trump Foundation agreed to give or gave the contribution intending to influence Attorney General Bondi’s decisions with regard to the complaints and the lawsuit, they also likely violated 18 U.S.C. § 666.

⁶⁵ 18 U.S.C. § 666(a).

⁶⁶ 18 U.S.C. § 666(a)(1)(B).

⁶⁷ 18 U.S.C. § 666(a)(2).

⁶⁸ *United States v. Siegelman*, 640 F.3d 1159, 1169-72 (11th Cir. 2011); *United States v. Beldini*, 443 Fed. Appx. 709, 719-20 (3d Cir. 2011).

⁶⁹ *See, e.g.*, Florida Department of Legal Affairs/Office of the Attorney General, 2013-14 Operating Budget, Victim Services, From Federal Grants Trust Fund (attached as Exhibit EE); Fla. Stat. 20.112.

Mr. Trump and the Trump Foundation further may have violated the statute when the foundation refused to take the contribution back, if this refusal was intended to convert the contribution into a reward to Attorney General Bondi for her decisions about the complaints and the New York lawsuit.

The apparent discount for using Mar-a-Lago for Attorney General Bondi's March 2014 fundraiser also may have violated 18 U.S.C. § 666. As the value of her office not pursuing legal action against Mr. Trump, Trump University, and the Trump Institute is greater than \$5,000, if Attorney General Bondi accepted or agreed to accept the discount intending it to be a reward for her decisions not to pursue legal action regarding the complaints and the lawsuit, she also likely violated the statute. Mr. Trump similarly would be in violation of the statute if he gave the discount with the intention that it be a reward for her decisions.

18 U.S.C. § 1001

Federal law prohibits anyone from “knowingly and willfully” making “any materially false, fictitious, or fraudulent statement or representation” in any matter within the jurisdiction of the executive, legislative, or judicial branch.⁷⁰ Violations are punishable by up to five years in prison.⁷¹ Information about spending on political campaign activities reported by a tax-exempt organization to the IRS on its tax return is material for several reasons, including: (1) the information can be used by the IRS to determine whether the organization is complying with its tax-exempt status; (2) the amount an organization expended on political activities and section 527 exempt activities in part determines the organization's excise, exempt function, and other taxes;⁷² and (3) accurate public disclosure of political activity conducted by tax-exempt organizations is critical to the objective of transparency that underlies the reporting required on Form 990.⁷³ The identities of donors and grant recipients, and the amounts of grants, also is material information. As donations to section 501(c)(3) are tax deductible, correct identification of contributors can be used by the IRS to determine if tax deductions are being taken properly. With regard to grants, private foundations must distribute at least five percent of their assets every year, and thus the identity of grant recipients and the amounts they received is material to determining if a foundation has satisfied its statutory duties.⁷⁴

The Trump Foundation's 2013 Form 990-PF tax return was signed under a written declaration that it was made under penalty of perjury.⁷⁵ The tax return, however, appears to be false and incorrect as to several material matters. By falsely stating on its 2013 Form 990-PF tax return that it did not transfer any money to a section 527 organization and did not participate or intervene in any political campaign, and by failing to report that it made a contribution to And

⁷⁰ 18 U.S.C. § 1001(a)(2).

⁷¹ *Id.*

⁷² 26 U.S.C. §§ 527(f)(1), 4945, 4955.

⁷³ IRS, Background Paper, Summary of Form 990 Redesign Process, August 19, 2008, at 1.

⁷⁴ 26 U.S.C. § 4942(a), (e).

⁷⁵ The Donald J. Trump Foundation, 2013 Form 990-PF, Page 13.

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Justice for All and falsely reporting a contribution to a different but similarly-named organization, the Trump Foundation appears to have violated 18 U.S.C. § 1001. The Trump Foundation has now admitted that the contribution was political and was given to Attorney General Bondi's political committee, and either it or Mr. Trump has paid an excise tax penalty for making a political expenditure, yet there is no indication it has corrected any of the misrepresentations. These actions seemingly confirm that that the Trump Foundation made false representations on its tax return.

The Trump Foundation further appears to have made false representations on its 2013 Form 990-PF tax return, and on tax returns for several other years, by misrepresenting who gave it contributions and to whom it gave grants. By naming at least two donors on its 2013 tax return who said they never gave the foundation money, the Trump Foundation appears to have violated 18 U.S.C. § 1001. The Trump Foundation also appears to have violated the statute by listing in 2008, 2010, 2012, and 2013 four organizations as grant recipients who said they did not receive any grants.

Conclusion

Federal criminal law protects the public against bribery of state officials. The law prohibits state officials such as Attorney General Bondi from soliciting, accepting, or agreeing to accept anything of value intending to be influenced or rewarded in making decisions such as those involving the complaints and lawsuit against Mr. Trump, Trump University, and related entities. The law similarly prohibits anyone from giving or agreeing to give anything of value intending to influence or reward a state official in making those decisions. Attorney General Bondi unquestionably solicited a campaign contribution – something of value – from Mr. Trump, and Mr. Trump and the Trump Foundation unquestionably made the contribution to a political organization associated with Attorney General Bondi. As a result, if Mr. Trump intended the contribution to influence Attorney General Bondi's decision-making, or if she intended her determinations to be influenced by the contribution, they likely violated 18 U.S.C. § 666. The statute also likely was violated if the discount Mr. Trump provided for Attorney General Bondi's fundraiser was given or accepted as a reward for her decisions.

Private foundations also must file accurate informational tax returns, a requirement the Trump Foundation appears to have violated by falsely representing that it did not engage in political activity, failing to report its contribution to And Justice for All, falsely reporting a contribution to a different but similarly-named organization, and misrepresenting who gave it contributions and to whom it gave grants.

Accordingly, CREW respectfully requests the United States Attorney for the Northern District of Florida and DOJ immediately commence an investigation into these matters.

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Thank you for your prompt attention to this matter.

Sincerely,



Noah Bookbinder
Executive Director
Citizens for Responsibility and Ethics in Washington

Encls.