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United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

October 27, 2025

VIA ELECTRONIC TRANSMISSION

Mr. Darren Walker
President
Ford Foundation

Dear Mr. Walker:

According to recent reports, the Ford Foundation, through grants and direct payments, have funded the Chinese Communist Party (CCP) and its allies.¹ I am writing today to ask you whether these reports are true or not and, if true, how your organization's conduct comports with 501(c)(3) requirements.

According to reports, between January 2020 and December 2024, the Ford Foundation provided nearly \$10 million to "arms of the Chinese government to assist the CCP in carrying [out the Belt and Road Initiative]."² The Ford Foundation provided Chinese government entities with funding to "advertise China's infrastructure program to stakeholders in the global south, create databases containing information about China's international investments, train people to lead the country's global investment projects, and conduct research relating to the efficiency and outcomes of the spending."³ The majority of the Ford Foundation's Chinese grant funding was reportedly provided to state-run, or CCP-run, universities that have strong ties with the People's Liberation Army.⁴

Section 501(c)(3) of the Internal Revenue Code (IRC) provides tax-exempt status for entities that are organized and operated exclusively for a charitable purpose.⁵ A 501(c)(3) organization may lose its tax-exempt status for failing to pursue the exempt purpose it described in its application to the Internal Revenue Service (IRS).⁶ With regard to activity in foreign countries, IRS guidance states that "direct grants to foreign governments do not serve IRC 501(c)(3) purposes."⁷ Thus, in order to maintain tax exempt status, an organization's activities must be charitable in nature and may not directly support or promote the interests of a

¹ Robert Schmad, *Gates Foundation spent millions supporting Chinese military collaborators and the CCP*, Wash. Examiner (Nov. 21, 2024), <https://www.washingtonexaminer.com/news/investigations/3235893/gates-foundation-millions-supporting-chinese-military-collaborators-ccp/>; Robert Schmad, *Ford Foundation paid CCP allies millions to aid China's global influence operations*, Wash. Examiner (Dec. 3, 2024), <https://www.washingtonexaminer.com/news/investigations/3247400/ford-foundation-paid-ccp-allies-millions-aid-china-global-influence-operations/>; Robert Schmad, *Rockefeller Brothers Fund spent past four years pumping cash into Chinese government-linked groups*, Wash. Examiner (Dec. 4, 2024), <https://www.washingtonexaminer.com/news/investigations/3248834/rockefeller-brothers-fund-cash-chinese-government-linked-groups/>; Joe Schoffstall & Yuichiro Kakutani, *Rockefellers Bankroll China-Based Nonprofits with Ties to Communist Government*, The Wash. Free Beacon (Jan. 15, 2021), <https://freebeacon.com/national-security/rockefellers-bankroll-china-based-nonprofits-with-ties-to-communist-government/>; Collin Anderson, *The Left's Largest Nonprofits Funneled \$39 Million to China in 2021, Filings Show*, The Wash. Free Beacon (Jan. 23, 2023), <https://freebeacon.com/latest-news/the-lefts-largest-nonprofits-funneled-39-million-to-china-in-2021-filings-show/>; *Gates Foundation to donate \$50m to partnership in China amid Microsoft co-founder's visit*, Global Times (June 15, 2023), [https://www.globaltimes.cn/page/202306/1292658.shtml#:~:text=The%20Bill%20%26%20Melinda%20Gates%20Foundation%20on%20Thursday%20announced%20that%20it,million%20for%20the%20joint%20endeavor](https://www.globaltimes.cn/page/202306/1292658.shtml#:~:text=The%20Bill%20%26%20Melinda%20Gates%20Foundation%20on%20Thursday%20announced%20that%20it,million%20for%20the%20joint%20endeavor;); Russell Flannery, *Gates Foundation to Donate \$50 Million, Partner with Beijing and Tsinghua to Fight Infectious Disease*, Forbes (June 15, 2023), <https://www.forbes.com/sites/russellflannery/2023/06/15/gates-foundation-to-donate-50-million-partner-with-beijing-and-tsinghua-to-fight-infectious-disease/>; Robert Schmad, *Bill Gates' Foundation Poured Millions into Chinese Government Orgs in 2022*, The Daily Caller (Jan. 7, 2024), <https://dailycaller.com/2024/01/07/bill-gates-foundation-poured-millions-into-chinese-government-orgs-in-2022/>; Robert Schmad, *Major Liberal Charities Funneling Millions in Arms of Chinese Government, Documents Show*, The Daily Caller (Jan. 22, 2024), <https://dailycaller.com/2024/01/22/chinese-government-charities-us-funding/>.

² Robert Schmad, *Ford Foundation paid CCP allies millions to aid China's global influence operations*, Wash. Examiner (Dec. 3, 2024), <https://www.washingtonexaminer.com/news/investigations/3247400/ford-foundation-paid-ccp-allies-millions-aid-china-global-influence-operations/>.

³ *Id.*

⁴ *Id.*

⁵ I.R.C. § 501(c)(3).

⁶ Internal Revenue Service, *How to Lose Your Tax Exempt Status Without Really Trying*, www.irs.gov/pub/irs-tege/How%20to%20Lose%20Your%20Tax%20Exempt%20Status.pdf.

⁷ Internal Revenue Service, *Domestic Organizations with Foreign Operations* (1983), <https://www.irs.gov/pub/irs-tege/eotopico83.pdf>.

foreign government.⁸ Further, according to IRS guidance, private foundations “can distribute funds to foreign organizations to conduct activities outside of the United States, but must follow special rules when dealing with foreign organizations to avoid the excise taxes under Section 4942 and Section 4945.”⁹

For Congress and the American public to better understand how the Ford Foundation is complying with tax laws governing nonprofit organizations, please provide answers to the following questions no later than November 10, 2025:

1. Are the reports that the Ford Foundation funded Chinese government projects and initiatives, including potentially Belt and Road Initiative (BRI) projects, accurate? Please explain.
2. How many foreign projects has the Ford Foundation funded in the last five years? Did any of these projects provide direct or indirect funding to foreign governments? Provide a list of projects and provide all records.¹⁰
3. When determining whether or not to fund projects and initiatives in a foreign country, what criteria does the Ford Foundation use to make that decision? Provide all records.
4. Did the foreign organizations the Ford Foundation has awarded grants to provide an IRS determination letter that it is a “recognized exempt organization” or did the Ford Foundation obtain an equivalency determination from a qualified tax practitioner? If so, provide the IRS determination letter or equivalency determination for each organization. If neither an IRS determination letter nor equivalency determination were provided, what procedures has the Ford Foundation put in place to exercise expenditure responsibility consistent with IRC 4945(h)? Provide all records.
5. Have any of the expenditures the Ford Foundation made to foreign organizations resulted in a tax under IRC 4945 or IRC 4942? Provide all records.

Thank you for your prompt review and response. If you have any questions, please contact Tucker Akin with my Committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley
Chairman
Committee on the Judiciary

⁸ *Id.*; Internal Revenue Service, *Foreign Activities of Domestic Charities and Foreign Charities* (1992), <https://www.irs.gov/pub/irs-tege/eotopick92.pdf>.

⁹ Internal Revenue Service, *Grants to foreign organizations by private foundations* (Feb. 26, 2025), <https://www.irs.gov/charities-non-profits/grants-to-foreign-organizations-by-private-foundations>; Internal Revenue Service, *Foreign Activities of Domestic Charities and Foreign Charities* (1992), <https://www.irs.gov/pub/irs-tege/eotopick92.pdf>, (“Grants to foreign governments and international organizations may also be excepted from the expenditure responsibility rules. Reg. 53.4945-5(a)(4)(iii) provides that a foreign government, any instrumentality or agency thereof, or an international organization designated by Executive Order under 22 U.S.C. 288 will be considered an IRC 509(a)(1) organization provided that the grant is made for exclusively charitable purposes as described in IRC 170(c)(2)(B). Effectively, this means that grants to foreign governments, to their instrumentalities, or to international organizations are treated in the same manner as grants to their United States counterparts -- the grant must be for exclusively charitable purposes and not for governmental ones.”).

¹⁰ “Records” include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (emails, email attachments, and any other electronically created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether they resulted in final documents).