

| RISK AREAS | LIKELIHOOD | SEVERITY | MITIGATION / AGGRAVATING | TRACKING / REPORTING |
|--|------------|----------|--------------------------|----------------------|
| LEGAL | | | | |
| lobbying by foundation (§4945) | | | | |
| self-dealing (§4941) | | | | |
| private benefit/inurement (§501(c)(3)) | | | | |
| political campaigning (§501(c)(3)) | | | | |
| foreign corrupt practices act (15 U.S.C. §§ 78dd-1, et seq.) | | | | |
| excess business holding (§4943) | | | | |
| grants to individuals outside approved proc (§4945) | | | | |
| minimum distribution requirement (§4942) | | | | |
| jeopardizing investment (§4944) | | | | |
| breach of fiduciary duty / conflict of interest (IL law) | | | | |
| Sarbanes (whistleblower/document retention) | | | | |
| | | | | |
| OPERATIONAL/FINANCIAL | | | | |
| improper tax returns | | | | |
| flow of funds | | | | |
| violation of anti-terrorist financing regs | | | | |
| fraud/theft (internal) | | | | |
| physical disaster / act of terrorism / war | | | | |
| unauthorized payments | | | | |
| foreign office compliance (tax/human resources) | | | | |
| environmental claims | | | | |
| financial statement misstatements | | | | |
| personal use of cell phone | | | | |
| document retention policy | | | | |
| credit card fraud | | | | |
| use of credit card by other person | | | | |
| employee v. contractor | | | | |
| pandemic | | | | |
| expense reimbursement (accountable plan) | | | | |
| reporting (federal/state)** | | | | |
| matching gift abuse/ fraud | | | | |

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| altered checks | | | | |
| consultant agreements | | | | |
| | | | | |
| INVESTMENT | | | | |
| failure to achieve return objective | | | | |
| fraud by insiders (loss/reputation) | | | | |
| market risk | | | | |
| breach of pship agree (confidentiality; cap call) | | | | |
| loss on investment | | | | |
| fraud by outsiders | | | | |
| liquidity risk | | | | |
| loss of key personnel | | | | |
| loss of key data | | | | |
| tax structure/foreign funds | | | | |
| valuation risk (external / internal) | | | | |
| excess trades beyond authority | | | | |
| violation of ethics policy | | | | |
| bad press b/c investment (contrary to mission / bad actors) | | | | |
| calculating/rept investment performance | | | | |
| counterparty risk | | | | |
| | | | | |
| HUMAN RESOURCES | | | | |
| employment claims (fed/state)* | | | | |
| ERISA claims (retiree/health plans) | | | | |
| leadership succession | | | | |
| HIPPA/Privacy claims | | | | |
| FLSA | | | | |
| improper time recording | | | | |
| defamation / libel | | | | |
| unauthorized payroll changes | | | | |
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| TECHNOLOGY | | | | |
| infiltration of system (virus/worms) | | | | |
| system crash | | | | |
| access to restricted data | | | | |
| loss of privacy/information | | | | |
| data errors | | | | |
| system down / system hacked | | | | |
| unauthorized network access | | | | |
| sharing of logins/passwords | | | | |
| | | | | |
| GRANT MATTERS | | | | |
| conduct inconsistent with grant (Fdn or grantee) | | | | |
| inaccurate press release re grant structure | | | | |
| lobbying by grantees | | | | |
| earmarking/pass through | | | | |
| third party liability (human subject) | | | | |
| violations of foreign law | | | | |
| failure to exercise ER | | | | |
| lack of impact of grants/strategy | | | | |
| individual grants (purpose not achieved) | | | | |
| controversial grantee positions | | | | |
| copyright infringement | | | | |
| grant v. admin expense | | | | |
| breach of grant agreement | | | | |
| misconduct by grantee | | | | |
| misuse of funds by grantee | | | | |
| regranting done ineffectively | | | | |
| tax reporting (1441) | | | | |
| grant approvals in excess of budget | | | | |
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| REPUTATIONAL | | | | |
| failure to abide by conflicts of interest policy | | | | |

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| controversial positions by foundation | | | | |
| inaccurate press release | | | | |
| tax avoidance strategies | | | | |
| use of foundation assets by individuals | | | | |
| conflicts of interest within policy parameters | | | | |
| board compensation | | | | |
| board/President expense | | | | |
| board travel | | | | |
| director outside affiliations | | | | |
| senior compensation | | | | |
| level of investment expense | | | | |
| mission-related investments | | | | |
| lack of diversity | | | | |
| misuse of social media | | | | |
| corporate apartments | | | | |
| | | | | |
| REGULATORY | | | | |
| limitation on activities | | | | |
| new taxes | | | | |
| new penalties | | | | |
| | | | | |
| OWNED PROPERTY | | | | |
| fire/catastrophe | | | | |
| union strikes | | | | |
| building permits / code violations | | | | |
| equipment failures (includes elevators) | | | | |
| contractor claims / mechanic's liens | | | | |
| employment claims | | | | |
| defaulting tenant | | | | |
| personal injury | | | | |
| tenant claims | | | | |