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Tracking Koch Money and Americans for Prosperity

Americans for Prosperity has become a lightning rod in recent months for critics of the billionaire Koch brothers.

Along with its sister organization, the AFP Foundation, it is often cited as the model that David and <u>Charles Koch</u> have in mind in their efforts to reshape the <u>Cato Institute</u>.

The Kochs were co-founders of the group that ultimately became the Americans for Prosperity Foundation. <u>David Koch</u> has served as chairman of the foundation and both brothers have family philanthropies that have contributed to its operations.

Together, the foundation and AFP raised \$39.6 million in 2010, according to tax returns.

How much of the funding comes from the Kochs is uncertain because neither group has to reveal its donors.

The Americans for Prosperity <u>web site</u> reports that more than 90,000 people have contributed to the two groups.

Koch Industries' web site says simply: "Among the hundreds of organizations that have received support from Koch companies and/or the Koch foundations are Americans for Prosperity and Americans for Prosperity Foundation." Public documents provide a more detailed, if still incomplete, financial picture.

According to tax returns, recent contributions by the Kochs include \$1 million from the David H. Koch Charitable Foundation in 2008 and \$67,556 from the Charles G. Koch Charitable Foundation in 2009.

A lesser-known Koch entity, the Knowledge and Progress Fund, could be considered an indirect supporter. The fund, chaired by Charles Koch, has given more than \$3.2 million in recent years to DonorsTrust, a philanthropic group that accepts donations and then distributes grants to "liberty-minded charities."

DonorsTrust gave nearly \$7.7 million to the Americans for Prosperity Foundation in 2010, according to its tax return.

A <u>2010 audit</u> of Americans for Prosperity, posted by the West Virginia Secretary of State, provides some additional insights.

The group spent \$11.2 million that year on communications and ad campaigns. Nearly 90 percent of that spending went toward national activities, rather than to state chapters.

Auditors reported that one (unnamed) donor gave \$4 million and the board gave a combined \$410,000.

Big contributors dominate the organizations' budgets, but the Kochs aren't the only big contributors.

The John William Pope Foundation, headed by North Carolina multimillionaire Art Pope, gave the Americans for Prosperity Foundation \$1.35 million in 2010.

Other individuals made five-figure donations. For instance, documents filed with the <u>Washington</u> State Public Disclosure Commission show \$5,000 and \$10,000 donations by several state residents.

Nevertheless, the Kochs operate as both figureheads and power players.

Their battle for control of Cato has sent shock waves through libertarian circles. Americans for Prosperity is having an impact in both state and national elections.

Opponents clearly view the brothers and the organizations they fund as a threat and an opportunity.

When Americans for Prosperity <u>spent millions</u> criticizing the president in January, the Obama campaign promptly purchased air time of its own.

Without naming names, the campaign's ad took aim at the "secretive oil billionaires attacking President Obama."

Last month, Obama campaign manager Jim Messina <u>criticized</u> Americans for Prosperity as "a front group founded and funded by the Koch brothers."

Messina went on: "Those are the same Koch brothers whose business model is to make millions by jacking up prices at the pump, and who bankrolled Tea Party extremism, and committed \$200 million to try to destroy President Obama before Election Day."

The Kochs, who have become increasingly outspoken as criticism has mounted, quickly responded through Philip Ellender of Koch Companies Public Sector.

"It is troubling," <u>Ellender wrote</u>, "to see a national political campaign apparently target individual citizens and private companies for some perceived political advantage."

The map below shows ties linking the Kochs, Americans for Prosperity and funding organizations. (An interactive version can be found on the <u>Muckety web site</u>.)

