

# Lawyers Question Wexner's Financial Arrangement With Jeffrey Epstein

By [ADORA NAMIGADDE](#) • AUG 8, 2019

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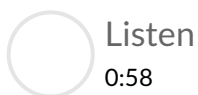
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*Federal prosecutors announced sex trafficking and conspiracy charges against wealthy financier Jeffrey Epstein on July 8, 2019 in New York.*

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Central Ohio billionaire Les Wexner says longtime financial adviser Jeffrey Epstein, who's now charged with sex trafficking, misappropriated his money.



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0:58

Epstein became Wexner's personal finance manager in the 1980s and was given power of attorney over Wexner's fortune. In a [letter](#) to members of the Wexner Foundation, the L Brands founder says a \$47 million donation Epstein made to the Wexner Foundation represents a portion of the money that Epstein "misappropriated."

"All of that money - every dollar of it - was originally Wexner family money," Wexner wrote.

Jeff Tenenbaum chairs the nonprofit organizations practice of his DC law firm, Lewis Baach Kaufmann Middlemiss PLLC.

"To me as a nonprofit attorney, there are some interesting issues," Tenenbaum says. "For instance, the allegation that Epstein was taking money from Wexner-backed entities, we don't know if that's the Wexner Foundation or other entities, but taking funds from there and shifting them into this charity that Epstein controlled."

Tenenbaum says he does not know the details of the Wexner-Epstein arrangement and cannot comment on it directly, but that there are measures nonprofits can take to avoid misappropriation.

"Here in this particular case involving Wexner and Epstein, it certainly seems like none of these steps were taken," Tenenbaum says. "Things like requiring double signatures, double authorization, back up documentation before funds can be paid or transferred, segregation of duties amongst employees, doing inventories of your fixed assets."

He also says Wexner could have set up electronic alerts so he knew every time a payment or transfer was made.

"Making sure that everyone in the finance and accounting department is required to take a certain length of vacation each year, at least two weeks, to see if that person is involved in a fraud," Tenenbaum adds. "Because if that person's gone and someone else is assuming his or her duties, it gives you a chance to spot what's going on."

The letter says Wexner cut ties with Epstein when he discovered the misappropriation in 2007. That same year, Epstein was accused of recruiting dozens of underage girls for sex. He struck a deal in which he pleaded guilty to lesser charges and registered as a sex offender

Epstein was arrested again this July, following an indictment that says the billionaire "enticed and recruited" girls as young as 14 to engage in sex acts with him. He pleaded not guilty and has been denied bail.

Wexner previously said he had no knowledge of Epstein's alleged acts.