Rewarding leadership and public service at home and supporting the growth of free political and free economic systems abroad

IANUARY 2014

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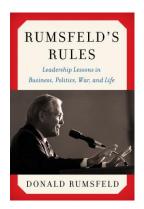
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2013 ANNUAL REPORT

Greetings,

Following is an update on our Foundation's activities in 2013. We continue to expand our programs and grant giving in support of our mission to reward leadership and public service at home and encourage the growth of free political and free economic systems abroad. We have had a number of rewarding developments this past year.



It has been yet another busy year with the publication of my new book, *Rumsfeld's Rules*, in May 2013. Since its publication, *Rumsfeld's Rules* was featured on *The New York Times* Best Seller list and I have participated in 45 events and given more than 100 interviews. In addition, throughout the many book signings and events, I have visited 9 states, 4 countries, and 8 military sites. It has been enjoyable having the opportunity to discuss the "Rules" I have collected over my lifetime with a broader

audience and I look forward to participating in future *Rumsfeld's Rules* events in 2014.

We benefit from the advice of our friends and fellow Board members, the Honorable Edward G. (Pete) Biester, Dr. Steve Cambone, and Mr. Larry Di Rita. While we have been fortunate to have the counsel of Pete Biester and Larry Di Rita as Directors for a number of years, we were pleased to have Steve Cambone join our Board in 2013.

In this update are highlights from the past year of each of the Foundation's four focus areas. For additional information, we encourage you to visit our new Facebook page where we post frequent updates, and our website: www.rumsfeldfoundation.org.

U.S. MILITARY AND VETERANS' CHARITIES

In 2013 the Rumsfeld Foundation was pleased to be able to donate over \$830,000 in grants to military charities that work to support active duty troops, veterans, the wounded, their families and the families of the fallen.

Grants this year were distributed among 50 organizations across our country that deliver critical support and services to troops, veterans and their families. These organizations' efforts vary from providing educational scholarships for children of the fallen and several forms of outdoor rehabilitative therapy, to mentorship and career counseling for veterans during their transition to civilian life, as well as financial assistance for the wounded and their caregivers. We are encouraged by the efforts of our partners and have been grateful to see the support they have provided for the military and their families in 2013.

THE RUMSFELD FOUNDATION HAS DONATED MORE THAN \$2.4 MILLION TO CHARITIES FOR OUR TROOPS, VETERANS, AND MILITARY FAMILIES SINCE 2007.



Don and Joyce Rumsfeld with Gary Sinise and Chef
Robert Irvine at the Invincible Spirit Festival

The Foundation also partnered with the Gary Sinise Foundation this year in support of their Invincible Spirit Festivals at Walter Reed National Military Medical Center and Ft. Belvoir. These Festivals are day-long celebrations at military installations around the country to honor wounded veterans, as well as their families and caregivers.



Below we have highlighted a handful of the organizations we partner with and provided brief descriptions of the support and programs they offer:

- WARRIORS AND QUIET WATERS provides fly fishing trips in Montana for traumatically injured service members.
- <u>Homes for Our Troops</u> raises funds and organizes building materials and professional labor to build new handicap accessible homes or adapt current homes for the most severely injured veterans from all services who have been wounded in combat since 9/11.
- <u>The Mission Continues</u> awards fellowships for wounded and disabled veterans to continue to serve in their communities.
- **FAMILIES OF THE WOUNDED FUND** provides resources to family members and caregivers of wounded service members while they are in treatment and rehabilitation.
- <u>THANKSUSA</u> provides college, technical and vocational school scholarships for the children and spouses of service members from all branches of the armed services including the Guard and Reserves and the wounded and fallen.
- The <u>Green Beret Foundation</u> seeks to provide unique support to the Special Forces community by providing unconventional resources to fulfill the special needs of wounded Special Operators.

Please visit our website to learn more about the other military charities we currently support. Our partners page provides a full listing of our grant recipients, as well as links to their websites. We hope you will take a moment to learn more about these fine organizations.

GRADUATE STUDENT FELLOWSHIPS

Presently in the fifth academic year of our Graduate Fellowship Program, we are delighted to announce several new developments from 2013. Since the fall of 2009, the Foundation has awarded a total of 70 fellowships to 53 graduate students. While the Fellowship supports students in a variety of disciplines, all of our grantees have expressed an interest in entering public service or relevant policy fields.

THE RUMSFELD FOUNDATION HAS PROVIDED MORE THAN \$1.2 MILLION

IN GRADUATE FELLOWSHIPS SINCE 2009.

It is to our nation's great benefit to have these bright, young scholars enter public service and we are pleased to support them in their pursuits by providing fellowship opportunities.

Our program would not be possible without the assistance of some of the country's most respected scholars in fields from economics to international relations who identify candidates of outstanding intellectual ability, integrity, moral character and leadership potential. We are pleased to have the support of these 18 professors located at 16 universities across the country as we begin the process of selecting our Graduate Fellows for the 2014-15 academic year.

The Foundation has awarded a total of 16 fellowships for the 2013-14 academic year. As in years past, fellowships may total a maximum of \$25,000, including up to a \$15,000 stipend and \$10,000 in tuition support for an academic year. Current recipients include students pursuing Master's degrees, Ph.D.'s and J.D.'s with concentrations from statecraft and national security affairs to political economy and government. We look forward to following their progress in the years ahead.

GRADUATE STUDIES THAT THE FELLOWSHIP HAS SUPPORTED INCLUDE:

Comparative Politics, Defense and Strategic Studies, East Asian Languages and Cultures, Economics, Foreign Service, Government, History, International Economics, International Relations, Middle East Studies, Philosophy, Political Economy, Political Ethics, Political Philosophy, Political Science, Public Management and Policy Analysis, Religious Ethics, Statecraft and National Security Affairs, and Theological Studies

"The support I received from the Rumsfeld Foundation has helped me get the most out of my doctoral education by enabling opportunities for me to learn, share my research, and connect with others in my field.

These experiences have enhanced both my commitment and ability to make positive contributions to my community and our larger society through research, teaching, and service throughout my professional life."

- Rachel Fyall, Ph.D. Candidate in Public Affairs Indiana University Rumsfeld Foundation Graduate Fellow 2011-2013

OUR FACULTY ADVISER'S UNIVERSITIES

Claremont Graduate University

George Washington University

Georgetown University

Harvard University

Hillsdale College

Indiana University

Institute of World Politics

Johns Hopkins University

Missouri State University

Princeton University

Stanford University

University of Notre Dame

University of Pennsylvania

University of Virginia

Villanova University

Yale University

In addition to the current Fellows, the growing numbers of alumni from our Graduate Fellowship Program form an outstanding group of young professionals serving in significant posts in important organizations helping to shape U.S. domestic and foreign policy. A number of our alumni have also represented our country overseas.

Along with other top universities, law firms, consulting firms, and research centers across the country, current and former employers of alumni of the Graduate Fellowship Program include:

Brookings Institution, Center for Strategic and International Studies, Department of Justice, Department of the Navy, Department of State, Federal Bureau of Investigation, Federal Reserve Board, Missile Defense Agency, Office of the Secretary of Defense, Office of the Secretary of Defense for Policy, Office of the Secretary of Energy, U.S. Air Force, U.S. Army, U.S. Courts of Appeals, U.S. District Courts, U.S. House of Representatives, U.S. Senate, Witherspoon Institute

This September, we hosted our first Graduate Fellowship Conference, bringing together our former and current Fellows from across the country, as well as many of our program's

Graduate Fellowship Conference Panel

Following a welcoming reception at our home, there was a panel and a day of discussion which focused on the conference theme, "American Leadership – Tradition and Today." Brit Hume, Senior Political Analyst at FOX News, spoke and responded to questions at the luncheon.

Advisers. The gathering was a success, with 37 of 53 former and current Fellows in attendance, as well as more than half of the program's Advisers. It was the first opportunity for many of these Fellows to connect with one another and have a chance to network with their impressive colleagues, often working or studying in similar fields.



Conference Keynote Speaker, Brit Hume, Senior Political Analyst at FOX News

Due to the success of the conference and the value of the connections made between the participants, we plan to bring these future leaders together again next fall.

GLOBAL MICROFINANCE

In September 2013, we were pleased to grant a total of \$390,000 to support microfinance programs operating throughout the world. These funds were distributed to four global microfinance organizations including \$150,000 to FINCA International, \$125,000 to Grameen Foundation, \$100,000 to Opportunity International, and \$15,000 to ACCION International.

Since 2007, the Rumsfeld Foundation has awarded over \$3 million in grants to develop microfinance efforts in more than 15 countries. Our grants in 2013 support the expansion of microfinance in countries such as Afghanistan, Bolivia, Colombia, India, Kyrgyzstan,

Pakistan, Peru and Tajikistan. Focuses of the grants vary, but initiatives include

THE RUMSFELD FOUNDATION HAS PROVIDED MORE THAN

\$3 MILLION

IN GRANTS FOR MICROFINANCE EFFORTS IN MORE THAN

15 COUNTRIES
SINCE 2007.



FINCA Afghanistan client, Nafisa, who now has a thriving clothing business with 20 students who learn from her. Nafisa says, "Without FINCA's loans my family, and especially my daughter, would not have the kind of life we have today. I am so grateful that we're looking at a brighter future."

implementing client outcome monitoring strategies, supporting educational programming, expanding rural microfinance projects, financial services and training for entrepreneurs.

One interesting new project that the foundation is supporting this year is Grameen Foundation's Pioneer Fund. The Fund was created to "fill a financing gap by going beyond traditional microfinance" to invest in entrepreneurs and companies that create sustainable financial opportunities for the poor in difficult to reach areas. By investing early-stage capital, the Fund supports "enterprises that are committed to a social mission with tangible economic impact at an individual or family level." We look forward to tracking the progress of the Pioneer Fund and the entrepreneurs it supports in 2014.

We have been interested to learn about the many opportunities created around the world by our microfinance partners over the past year. We continue to believe that by encouraging entrepreneurship and providing opportunities for individuals to be self-sufficient, microfinance bypasses governments and traditional aid systems and offers a more efficient and more effective model.

GREATER CENTRAL ASIA

In 2013 we welcomed our 10th and 11th groups of Fellows from Central Asia, the Caucasus, Afghanistan, and Mongolia since the program began in 2008. With the addition of these 20 Fellows in 2013, we now have a total of 92 alumni from the 10 Greater Central Asian countries. This coming April, we look forward to welcoming 10 new Fellows to participate in our spring 2014 program.

We appreciate our strong partnership with the Central Asia-Caucasus Institute at Johns Hopkins University. We are particularly grateful for the guidance of Dr. S. Frederick Starr, Chairman of the Central Asia-Caucasus Institute. Additionally, our Program Manager, Mr. David Soumbadze, is now focusing on our growing network of alumni while serving as the program's Network Coordinator.

"The program encouraged me to think outside of myself, my country and the region. I was constantly inspired by the outstanding people we met as well as the exceptional fellows that I shared all of these unique experiences with."

– Nargiz Nasrullayeva -Muduroglu Azerbaijan, Spring 2013 Fellow Our spring 2013 Fellows participated in a successful six week fellowship session, including meetings with a range of U.S. business leaders, government officials, journalists and academics. The group consisted of 10 Fellows from Afghanistan, Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, and Uzbekistan. Their professions ranged from the Head of the Industry Development Division at the Kazakhstan Ministry of Economy and a Deputy Director of the

Caucasus Institute in Armenia, to a CEO of a Kyrgyz fashion retail group and a Vice President of a Mongolian investment group.

Their meetings provided the Fellows with an opportunity to visit with individuals such as Zbigniew Brzezinski, former National Security Adviser; Dr. Ben Carson, former Director of Pediatric Neurosurgery at Johns Hopkins; Carlos Gutierrez, former Secretary of Commerce;

General Joe Ralston, former Vice Chairman of the Joint Chiefs; Thom Shanker, Pentagon correspondent at *The New York Times*; Supreme Court Justice Clarence Thomas; and many others. Over the course of the program, the Fellows attended over 60 group meetings, along with individual meetings many arranged in areas of their particular interests.



In October 2013, we welcomed 10 new Fellows for our fall session with participants from Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, and Uzbekistan. This group included impressive young leaders such as the Director of International Relations at the Ministry of Defense of Georgia, an Economist at a Kazakh oil and gas construction company and a CEO of a Kyrgyz energy company.

The fall 2013 group also had an intensive schedule of meetings with impressive individuals, including William Cohen, former Secretary of Defense; Mitch Daniels, President of Purdue University; Frank Finelli, Managing Director of The Carlyle Group; Ann Korologos, former Secretary of Labor; Edward Scott, entrepreneur and philanthropist; Iim Woolsev, former Director of the CIA; and many others.

This year we continued our important partnership with the Open World Leadership Center, which links our Fellows with host organizations in U.S. cities to enable them to learn more about local governments and communities while staying with host families. In the spring, half of the Fellows visited Charlotte, North Carolina, while others went to Kansas City, Missouri. At the conclusion of their Open World programs, the groups traveled to Atlanta, Georgia for a variety of meetings at Coca-Cola Headquarters. The fall Fellows also participated in Open World programs, traveling to Helena, Montana and Reno, Nevada, They then

"Each person has important milestones in life that predetermine his/her future and destiny, and without any doubts the Rumsfeld Fellowship became such a crucial milestone of my life. These six weeks were not only a great learning experience that forced me to think globally, but I was also able to crystalize my values."

> -Marat Djanbaev, Kyrgyz Republic Fall 2013 Fellow



USS Carl Vinson (CVN-70)

visited San Diego where they toured the aircraft carrier, USS Carl Vinson, at the North Island Naval Base in Coronado.

At the conclusion of their program, each group makes a public presentation at the Central Asia-Caucasus Institute where they discuss an issue of interest in their region. The topics for 2013 included "Investing in the Caucasus, Greater Central Asia and Mongolia: Challenges and Opportunities" and "Energy Prospects in the South Caucasus, Central Asia and Mongolia."

Along with our regular fellowship programming, we also held our second Alumni Conference at Lake Issyk Kul in the Kyrgyz Republic in June 2013. Over four days, the attendees discussed issues of importance to the region as well as ways to strengthen and improve their growing alumni network. Over 40 alumni of the fellowship program, with representatives from all 10 countries and all of our 10 fellowship classes, traveled to the Kyrgyz Republic to participate in the Conference. For more information on the Conference activities, we encourage you to read the 2013 Fellowship Conference Report.







After successful conferences in 2012 and 2013, we are fully convinced of the value of providing opportunities for the alumni network to convene and are now in the early stages of planning the next regional Conference for the summer of 2014.



We occasionally receive requests for information on making a charitable contribution to the Rumsfeld Foundation. We are grateful for the many who have donated through our website or by sending a check to our foundation office in Washington, D.C. Since the Foundation was established in 2007, we have received over \$150,000 in donations from supporters.

With our Foundation activities steadily expanding, we are thankful for our staff headquartered in Washington, D.C. who remain dedicated to advancing the Foundation's work. Sarah Conant continues as Executive Director, assisting in overseeing the Foundation's programs and grant giving, and Bridget Sedlacek provides valuable support to the Foundation's activities as Program Coordinator.

We are also appreciative of the staff members in my office who provide support to the Foundation: Linda Figura, Nancy Pardo, Remley Johnson, and our interns, Bianca Falcone and Nicholas Mikney.

If you have questions or suggestions, please call us at (202) 944-1304 or visit our website at www.rumsfeldfoundation.org. If you are interested in receiving more frequent updates on the Foundation, we encourage you to provide your email address on our website to sign up for our mailing list, or follow the Foundation on Facebook and Twitter.

We thank you for your interest in the Foundation's work and look forward to new developments in 2014. We wish you all the best for the New Year.

Warm regards,

Don and Joyce Rumsfeld

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