

1718 M Street NW, #366 Washington, D.C. 20036

BOARD OF DIRECTORS

PresidentDonald H. Rumsfeld

Vice President
Joyce P. Rumsfeld

Edward G. (Pete) Biester

Lawrence Di Rita

STAFF

Executive Director Sarah J. Conant

Program Coordinator Bridget Sedlacek

"We remain dedicated to our mission of supporting military charities, rewarding public service at home, and supporting the growth of free political and free economic systems abroad."

 Joyce and Don Rumsfeld



January 2013

2012 Annual Update

Dear Friends,

As we enter our seventh year, we are delighted to update you on our foundation's activities. We remain dedicated to our mission of rewarding public service at home, supporting military charities, and encouraging the growth of free political and free economic systems abroad. In 2012 we further expanded the foundation's work and are pleased to report some exciting developments over the past year.

Since the publication of my book, *Known and Unknown*, we have donated all of my proceeds, now totaling \$620,454, to military charities. All further proceeds I receive from the sale of *Known and Unknown* will continue to be donated to the fine military charities the Rumsfeld Foundation supports.

I am working on a new book based on "Rumsfeld's Rules," which in its original form consists of a number of quotes and sayings that I have collected. The book will elaborate on some of the "rules" I have found to be most important, with a particular focus on lessons in leadership. It has been an enjoyable process reviewing the many "rules" I have collected from my personal experiences over the years and being reminded of their importance. Currently, the Rumsfeld's Rules book is scheduled for release in mid- 2013.

With a good many activities underway, we are thankful for our small but mighty staff headquartered in Washington, D.C. who keep the foundation moving forward. Executive Director, Sarah Conant, continues to assist in overseeing the foundation's activities. We are also pleased Bridget Sedlacek, after over a year and a half of assisting in my office, as well as helping with foundation work, is now the Rumsfeld Foundation Program Coordinator. Additionally,

we continue to benefit from the advice of our friends and fellow Board members, Edward G. (Pete) Biester and Larry Di Rita.

In this update are highlights from the past year in each of the foundation's four focus areas. For more information, we encourage you to visit our foundation website at www.rumsfeldfoundation.org.

1. U.S. Military and Veterans' Charities

In 2012 the Rumsfeld Foundation was pleased to be able to contribute over \$640,000 in grant funding to military charities that work to support currently deployed troops, veterans, the wounded, their families and the families of the fallen.

This year funding was distributed among 36 organizations, all working to provide our troops, veterans, and their families with important support and services. The activities of these organizations range from fulfilling needs identified by troops on the ground and funding transportation for families to visit during a service member's hospitalization, to providing mentorship and career development counseling to veterans as well as funding educational grants for military children and spouses.



Paws for Patriots visiting the Rumsfeld Foundation in November 2012

Although we cannot include a full report on the numerous military charities our foundation currently supports, we would like to highlight a few of the organizations we work with and mention some of the services and programs they offer:

The National Organization on Disability's <u>Wounded Warriors Career Program</u> provides full-time career specialists to mentor and council severely injured veterans during their reentry into civilian life. <u>America's VetDogs</u> and <u>Paws for Patriots</u> breed and train assistance dogs for disabled veterans and military personnel. <u>Our Military Kids</u> provides grants to children of currently deployed service members and wounded warriors for activities such as sports, fine arts, and tutoring. <u>Special Operations Warrior Foundation</u> assists the families of special operations personnel killed in training or combat with immediate financial assistance and college scholarships.

For a full list of all the military organizations the Rumsfeld Foundation supports, please visit our foundation <u>website</u>. There we provide brief descriptions of all of our grant recipients as well as links to their websites, which offer more complete information. We hope you will find a few moments to learn about these organizations and the extraordinary work they do.

2. Graduate Student Fellowships

Currently in the fourth year of our graduate fellowship program, we are pleased to update you on a number of developments. Since the program was launched in 2009, the foundation has granted graduate fellowships to 44 students. While varying in their courses of study, each of our grantees shares a desire to put their graduate education to use in some form of public service during the course of their careers. It is for this reason—the importance of having talented young people enter government and policy related fields—that we are pleased to be able to continue to offer these fellowships.

"There is no way I would be where I am today without the Rumsfeld Foundation's support and I know that the fellowship will ultimately allow me to serve the public and enrich myself in ways that I could never have hoped for otherwise. I will always remain grateful."

 Rafael Frankel, Ph.D. Candidate in International Relations Georgetown University Graduate Fellow 2009-2013

Over the past few years we have found the critical component of our program's success to be the foundation's good fortune in having some of academia's finest policy oriented minds serve as nominators for our program. As we begin the process of selecting graduate



Visiting with 2012-13 graduate fellow, Stephanie Maloney. Stephanie is pursuing a J.D. at the University of Notre Dame.

fellows for the 2013-14 academic year, we are pleased to have added four new spotters to our program, bringing us to a total of 18 in universities around the country.

For the 2012-13 academic year, the foundation awarded a total of 13 fellowships. These fellows include students pursuing Master's degrees, Ph.D.'s, or Juris Doctorates with concentrations including comparative politics, defense and strategic studies, international economics, Middle East studies, philosophy, and public management. 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.

3. Global Microfinance

In August 2012, we were pleased to grant a total of \$355,000 supporting microfinance programs operating in 13 countries throughout the world. These funds were distributed to four global microfinance organizations including \$30,000 to <u>ACCION International</u>, \$75,000 to <u>Grameen Foundation</u>, \$100,000 to <u>Opportunity International</u>, and \$150,000 to <u>FINCA International</u>.

Our grants are supporting the expansion of microfinance in Afghanistan, Bolivia, Colombia, Dominican Republic, Ecuador, Georgia, Guatemala, India, Kyrgyzstan, Mexico, Nicaragua, Peru, and Tajikistan. The focus of the grants vary, but concentrations include expanding financial services and training for entrepreneurs, implementing client outcome monitoring strategies, supporting educational programming, and expanding rural microfinance projects.

This October, we were pleased to learn of the opening of Opportunity Colombia in Bogotá, a full-service bank for poor Colombians, which was one of the key Opportunity International projects our foundation supported in 2011. The bank assists those attempting to work their way out of poverty by providing access to a full range of financial products and services. Since 2007 we have been supporters of Opportunity International's work in Colombia, providing a total of \$375,000 in grants. In the coming year we will be watching the progress of this expansion with great interest.



Since 2007, the Rumsfeld Foundation has awarded over \$2.7 million in grants to develop microfinance efforts in more than 15 countries. It has been fascinating to follow the progress of our partner organizations as they continue to expand their services—from providing loans and financial education, to savings programs and microinsurance, and more recently to mobile banking. These microfinance programs not only provide opportunities for the financial advancement of their clients, they also work to promote free enterprise and personal responsibility at the local level. Delivering loans directly to those in need has the advantage of effectively circumventing corruption and other traditional obstacles to independence and entrepreneurship within their countries.

4. U.S. - Central Asia Relations

In 2012 we welcomed 20 new fellows from Central Asia, the Caucasus, Afghanistan, and Mongolia as members of our eighth and ninth groups since the program began in the fall of 2008. We now have 72 alumni from 10 countries, and are looking forward to inviting 10 new fellows to participate in our spring 2013 program beginning in April 2013.

We are pleased with the growth and progress of the program over the past year and continue to be grateful for our partnership with the <u>Central Asia-Caucasus Institute</u> at the <u>School of Advanced International Studies</u> at Johns Hopkins University, and the support and skillful guidance of Dr. S. Frederick Starr, Chairman of the Central-Asia Caucasus Institute, as well as the devoted efforts of our fellowship program manager, Mr. David Soumbadze.

"I believe that this program will affect the thinking and worldviews of future leaders of the region, and positively influence the political landscape of Eurasia in vears to come."

- Azamat Akeleev **Kyrgyzstan Spring 2012 Fellow**

Our spring 2012 fellows participated in another successful six week fellowship session including meetings with a wide range of U.S. business leaders, government officials, journalists and academics. This group consisted of 10 fellows from Georgia, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Turkmenistan and Uzbekistan. Their professions ranged from a Managing Director at the Kazakh National Mining Company and a Colonel in the Mongolian Army, to a diplomat at the Georgian Ministry of Foreign Affairs and a Chairman of an Uzbek investment group. Through their meetings they were able to visit with individuals such as Dr. Henry Kissinger, former Secretary of State; Senator

Joseph Lieberman (I-CT); General Richard B. Myers, former Chairman of the Joint Chiefs of

Staff; Supreme Court Justice Clarence Thomas; Bob Zoellick, President of the World Bank, and many others. Over the course of the six week program, the fellows attended over 60 group meetings, along with the individual meetings many arranged in areas of their particular interests.



Spring 2012 Central Asian Fellows with Dr. Henry Kissinger

In October 2012, we welcomed 10

new fellows for our fall session with participants from Afghanistan, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Mongolia, and Turkmenistan. This group included rising young leaders such as a businessman in the Kyrgyz technology sector, a Deputy Director of a Kazakh food and beverage company, a research fellow at an Azerbaijani think tank, and an international arbitration lawyer from Turkmenistan.



Fall 2012 Central Asian Fellows with Ted Leonsis

The fall 2012 group also had an intensive schedule of meetings with many individuals, including Dr. Charles Krauthammer, political commentator and columnist; Ted Leonsis, entrepreneur and owner of the Washington Capitals and Wizards; former Vice President Richard B. Cheney; Jim Woolsey, former Clinton Administration CIA Director; and Mortimer Zuckerman, Editor-in-chief of

U.S. News & World Report.

Both groups in 2012 benefited from our continuing partnership with the <u>Open World Leadership Center</u>, which pairs our fellows with host organizations in U.S. cities to enable them to learn more about local government and communities while staying with local

families. In the spring, one half of the fellows visited Miami, Florida, while the other went to Charlotte, North Carolina. At the conclusion of their Open World programs, the entire group traveled to Boston for meetings at Harvard University, the Romney for President Campaign, and the National Bureau of Economic Research. The fall fellows also participated in Open World programs with half of the group traveling to Tulsa, Oklahoma and the rest visiting Phoenix, Arizona. The entire group then traveled to Dallas, Texas where they had an opportunity to meet former President George W. Bush.



Fall 2012 Fellow Zarina Chekirbaeva of Kyrgyzstan with former President George W. Bush

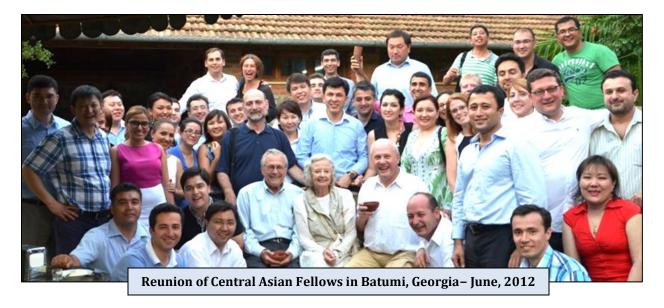
"Some meetings were eye opening in terms of how U.S. politics and policies are shaped, while other speakers were truly inspirational sharing their personal stories, pathways in life and recipes for success."

- Varya Meruzhanyan Armenia Fall 2012 Fellow At the conclusion of their fellowship program, each group makes a public presentation at the Central Asia-Caucasus Institute where they discuss an issue of interest to their region. The topics for 2012 included "Prospects for Collaboration in Trade and Transportation" and "Implications of U.S. Withdrawal from Afghanistan in 2014 on Central Asia, the Caucasus and Mongolia."

Along with our regular fellowship programming in 2012, we also held the first reunion of our Central Asian fellows in Batumi, Georgia in June 2012, which Joyce and I attended. Over four days, attendees networked and discussed the importance of the region, its challenges, and ways to increase regional

cooperation. Of the then 62 alumni of the fellowship program, 43 fellows, with representatives from all 10 countries, were able to participate. For more information on the conference activities, we encourage you to read the Rumsfeld Fellowship 2012 Reunion Report which is available on our website.

Our first reunion was such a remarkable event that, at the request of the fellows, we are in the early stage of planning the next regional conference for the summer of 2013.



From time to time, we receive requests for information on making a charitable contribution to the Rumsfeld Foundation. While we have not actively engaged in fundraising, we greatly appreciate the many who have donated through our <u>website</u> or by sending a check to our foundation office in Washington, D.C. Since the foundation was established in 2007, we have been fortunate to receive over \$148,000 in donations from generous supporters. We are encouraged by the progress the foundation has made over the years and remain grateful for the assistance of others in helping us support the foundation's initiatives.

We are also appreciative of the staff members in my Washington, D.C. office who provide support to the foundation: Linda Figura, Elizabeth Kuhn, Brice Long, Nancy Pardo, and our talented interns, Ellen Christiansen and Nicholas Miknev. Additionally, we appreciate the continued assistance of my former Chief of Staff, Keith Urbahn, who continues as an adviser to the Rumsfeld Foundation.

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 enter your email address on our website to sign up for our mailing list, or follow us on Facebook and Twitter.

Joyce and I thank you for your interest and support of the foundation's work. We look forward to 2013 and wish you all the best for the New Year.

Warm regards,

Don and Joyce Rumsfeld

Zell Rapid Jayes & Rumsfield