

## Questions for the Record

*Memorandum of Understanding (MoU) Between the William J. Clinton Foundation and the Obama Presidential Transition Foundation dated December 12, 2008; Letter Agreements with James H. Thessin Executed by Senator Hillary Rodham Clinton ("Clinton Letter Agreement") and David E. Kendall ("Kendall Letter Agreement") dated January 5, 2009*

1. What compensation, if any, does President Clinton personally derive from the William J. Clinton Foundation ("Foundation")?

**RESPONSE:** President Clinton receives no compensation from the Clinton Foundation, which is a 501(c)3 charitable foundation.

2. Are all of the contributions made to the Foundation used for purposes that fall within the Foundation's missions?

**RESPONSE:** Yes, contributions are used to further the Foundation's charitable mission, including management and administrative costs. The Foundation strives to keep its overhead costs low; for example in 2007, only 2.7% of the Foundation's expenses were used for management and administrative purposes.

3. Please explain the timing of the recent disclosure of contributions to the Foundation. Please confirm that this represents all contributions made to the Foundation to date.

**RESPONSE:** President Clinton and the Foundation are committed to ensuring that the Foundation's charitable work does not affect the work of the Secretary of State, should I be confirmed for that position. In that spirit, the Foundation sought its contributors' support in going above and beyond the requirements of the law and ethics rules by publishing their names. The Foundation published all contributions that were made prior to the date of publication.

4. Were you ever personally involved in soliciting contributions to the Foundation?

**RESPONSE:** While I have participated in events that celebrate the charitable foundation and raise funds such as the President's 60th Birthday Celebration, which raised funds for initiatives that provide medicine to those living with HIV/AIDS, combat the threat of global climate change, and address the barriers to sustainable economic development in America, Africa and Latin America, I have not personally solicited contributions for the Foundation.

5. What are the criteria the Foundation uses in making determinations as to the countries in which it will conduct its activities?

**RESPONSE:** The Clinton Foundation works with governments, non-governmental organizations, and other partners on some of the world's most intractable problems — HIV/AIDS, climate change, sustainable economic development. Its work is based on the

premise that these problems can be overcome through collaborative and systematic efforts, using business-oriented approaches. The Foundation seeks areas where its involvement can “add value” on projects that are scalable and sustainable. It works at the invitation of governments and in cooperation with them.

6. Will all future contributions to the Foundation be disclosed to the public? If so, when and how will these disclosures be made?

**RESPONSE:** As I understand from the MOU, should I be confirmed, the Foundation will publish annually the names of all contributors for that year.

7. Will all pledges for future contributions to the Foundation be publicly disclosed? If so, when and how? If not, please provide an explanation as to why such pledges for future contributions should not trigger the same disclosure process applied to current contributions.

**RESPONSE:** As I understand from the MOU, should I be confirmed, the Foundation will publish annually the names of all contributors for that year, but it will not publish mere promises to contribute as they are not realized unless and until they are paid.

8. Will pledges for future contributions to the Foundation be subject to the same review process as current contributions from foreign governments? If not, please provide an explanation as to why such pledges for future contributions would not raise the same issues, and should not trigger the same review process applied to current contributions under the MoU.

**RESPONSE:** Pledges from foreign governments are proposed contributions which under the MOU will be presented to the State Department for review.

9. What will formally trigger the review process contemplated under Section 2 of the MoU?

**RESPONSE:** The Clinton Foundation will provide the State Department’s designated agency ethics official with information about proposed contributions that are covered by the MOU.

10. Please describe the standard of review that will be applied by the State Department’s designated agency ethics official to contributions from foreign governments pursuant to Section 2 of the MoU. If concerns are raised in such a review, how will such concerns be conveyed to you and the Foundation?

**RESPONSE:** The State Department has determined that the appropriate standard when reviewing certain contributions to the Clinton HIV/AIDS Initiative, the Clinton Climate Initiative, the Clinton Giustra Sustainable Growth Initiative, and the Clinton Hunter Development Initiative of the William J. Clinton Foundation is the existing standard for impartiality in performing official duties, which is found in the section of the Standards of Ethical Conduct for Employees of the Executive Branch that encompasses the standards and procedures for consideration of appearances of conflicts of interest [5 CFR 2635.502].

In the event the State Department or White House has concerns about a proposed business relationship, speech, or contribution, those concerns will be conveyed to me and to President Clinton's office for appropriate action.

11. Under what circumstances will the State Department refer matters to the White House Counsel's office pursuant to Section 2 of the MoU? How will any concerns be conveyed to you and the Foundation?

**RESPONSE:** The State Department has determined that the appropriate standard when reviewing certain contributions to the Clinton HIV/AIDS Initiative, the Clinton Climate Initiative, the Clinton Giustra Sustainable Growth Initiative, and the Clinton Hunter Development Initiative of the William J. Clinton Foundation is the existing standard for impartiality in performing official duties, which is found in the section of the Standards of Ethical Conduct for Employees of the Executive Branch that encompasses the standards and procedures for consideration of appearances of conflicts of interest [5 CFR 2635.502].

The State Department's professional career ethics officials will determine when to consult the White House Counsel's office. In the event the State Department or White House has concerns about a proposed business relationship, speech, or contribution, those concerns will be conveyed to me and to President Clinton's office for appropriate action.

12. What do you anticipate could constitute the "appropriate action" contemplated in Section 2 of the MoU in response to these concerns? Would such "appropriate action" by you or the Foundation be voluntary or mandatory?

**RESPONSE:** Should I be confirmed, President Clinton and I are committed to ensuring that his work does not present a conflict of interest with the duties of Secretary of State. Appropriate action means that decisions will be made based on consideration of all the facts and guidance from the professional career ethics officials. In many, if not most cases, it is likely that the Foundation or President Clinton will not pursue an opportunity that presents a conflict. The State Department's professional career ethics officials, however, may recommend recusal, or taking other appropriate actions to mitigate any perceived conflict and I will be guided by such advice.

13. How would you respond to concerns that donations from individuals who may have ties to foreign governments or matters of possible relevance to your official duties could potentially raise similar questions as contributions from foreign governments?

**RESPONSE:** First, I think it is important to observe that the Office of Government Ethics (OGE) and the professional career ethics officials have advised that neither the law nor the ethics regulations require my husband or the Foundation to take the voluntary steps they have. The Foundation is a 501(c)3 – neither my husband nor I has any financial interest. The Presidential Transition Team and the Foundation determined that further steps were not necessary.

Ultimately, there is no conflict between the foreign policy of the United States and the efforts of the Clinton Foundation seeking to reduce human suffering and increase opportunity for people in need. That has been demonstrated quite clearly in President Clinton's and former President Bush's efforts to raise relief funds after Katrina and the Tsunami.

The Clinton Foundation has helped save and extend the lives of more than a million people, many of them children. It is combating climate change and childhood obesity. It is bringing economic opportunity to struggling people in America and around the world. Governments acting alone are not equipped to solve all the world's problems, and as I have said for years, we need NGO's to bridge the gap between what government can do and what is needed to be done.

The agreement that has been reached between the Clinton Foundation and the President-elect's transition team will allow the Foundation's charitable work to continue while providing for an unprecedented level of transparency and ethical review of its activities.

14. Please describe the differences, if any, between the review process under Section 2 of the MoU for foreign government contributions and the review process contemplated for President Clinton's speech and consulting income under the Kendall Letter Agreement.

**RESPONSE:** The State Department's professional career ethics officials will review both foreign government contributions under Section 2 of the MOU and speech and consulting incoming under the Kendall Letter Agreement. In many, if not most cases, it is likely that the Foundation or President Clinton will not pursue an opportunity that presents a conflict. The State Department's professional career ethics officials, however, may recommend recusal, or taking other appropriate actions to mitigate any perceived conflict. President Clinton and I will be guided by such advice.