

July __, 2016

The Honorable James Comey
Director
Federal Bureau of Investigation
935 Pennsylvania Avenue, NW
Washington, DC 20535-0001

The Honorable John Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224-0002

The Honorable Edith Ramirez
Chairwoman
Federal Trade Commission
600 Pennsylvania Ave. NW
Washington, DC 20580

Dear Director Comey, Commissioner Koskinen and Chairwoman Ramirez:

We write concerning the Bill, Hillary, and Chelsea Clinton Foundation (hereinafter “the Foundation”). Members of this body have previously expressed concerns about the Foundation’s activities in letters to the IRS in May 2015 and the FTC last April. Unresolved media reports raising significant issues of public corruption regarding Foundation activities, American foreign policy, and Secretary Clinton compel us to write again. These reports, along with recently discovered information about the Foundation’s initial tax exempt filings, portray a lawless “Pay to Play” enterprise that has been operating under a cloak of philanthropy for years and should be investigated.

First, the Foundation’s initial filings with the IRS for 501(c)(3) status appear to prohibit much of its current activity. The Foundation submitted its application to the IRS on December 23, 1997.¹ The description of its “activities and operational information” notes that it would construct a library, maintain a historical site with records, and engage in study and research.² No mention is made of conducting activities outside of the United States, which is one of the codes included in the IRS “Application for Recognition of Exemption” in effect at that time (see activity code 910).³ As a result, the Foundation’s global initiatives appear to be unlawful pursuant to IRS guidance.

Second, media reports indicate that President Clinton served as an honorary chancellor for Laureate International Universities for five years beginning on April 24, 2010. President Clinton was paid \$16.5 million as an honorary chancellor⁴ and Laureate “has been a seven-figure donor to the Clinton Foundation, giving between \$1 million and \$5 million,” and also made five commitments to the Clinton Global Initiative.⁵ In addition, the International Youth Foundation (IYF), an entity run by Laureate founder Douglas Becker, received over \$55 million of USAID grants from 2010 to 2012.⁶ USAID operates

¹

https://www.clintonfoundation.org/sites/default/files/clinton_foundation_form_1023_application_for_tax_exemption.pdf

²Id.

³ <http://www.unclefed.com/IRS-Forms/1996/K1023.PDF>

⁴ Richard Rubin and Jennifer Epstein, *Hillary and Bill Clinton Made \$139 Million in Eight Years*, Bloomberg Politics, July 31, 2015.

⁵ Maggie Haberman, *Bill Clinton Ends Role With Chain of For-Profit Colleges*, April 24, 2015.

⁶ Joshua Green and Jennifer Epstein, *Author Alleges Bill Clinton Just Quit Education Company Because of Clinton Cash*, Bloomberg Politics, April 25, 2015.

under substantial guidance from the Secretary of State which creates an appearance that millions of dollars in taxpayer money was channeled to IYF by Secretary Clinton's State Department as a kickback for her husband's generous contract as an honorary Laureate chancellor.⁷

Third, Uranium One is a Russian run company that has acquired "control of one-fifth of all uranium production capacity in the United States."⁸ Uranium One's chairman donated \$2.35 million to the Foundation through several donations, which the Foundation failed to report, as the Russian's gained control of Uranium One from 2009-2013.⁹ The New York Times reported that former President Clinton "received \$500,000 for a Moscow speech from a Russian investment bank....promoting Uranium One stock" after the Russians declared their intent to acquire control of Uranium One.¹⁰ Secretary Clinton was also one of several Administration officials who approved the sale of the uranium. The intersection of Foundation business, official action taken by Secretary Clinton, and a large payment to President Clinton from an interested party once again smacks of a "Pay to Play" pattern of dealing that personally enriched the Clinton's at the expense of American foreign policy.

The Foundation's activities cannot be ignored given the compelling public interest involved. Just last week the Justice Department indicted a Member of Congress for soliciting over \$800,000 for charitable causes which were used "as a personal slush fund".¹¹ The Clinton Foundation collected \$337,985,726.00 in contributions, grants, and other revenue in 2014 alone.¹² The Foundation has routinely gone behind its pledge to act in furtherance of charitable causes and beyond the scope of activities indicated in its initial filings with the IRS. The appearance of "Pay to Play" transactions involving Laureate and Uranium One also raise serious allegations of criminal conduct requiring further examination.

Public corruption undermines the integrity of representative government and institutions associated with elected or public officials. However, the failure of government agencies to independently assess and investigate the validity of such allegations can have an even more damaging affect. We ask that each of your agencies review these allegations pursuant to your jurisdictional charge. Thank you for your consideration of our views on these matters.

Sincerely,

⁷ USAID, Operational Policy (ADS), available at: <https://www.usaid.gov/who-we-are/agency-policy>.

⁸ Jo Becker and Mike McIntire, *Cash Flowed to Clinton Foundation Amid Russian Uranium Deal*, The New York Times, April 23, 2015.

⁹ Id.

¹⁰ Id.

¹¹ Associated Press, Rep. Corrine Brown indicted in fraud case over charity "slush fund", July 8, 2016, *available at*: <http://www.foxnews.com/politics/2016/07/08/us-rep-corrine-brown-indicted-after-fraud-investigation.html>

¹² Clinton Foundation, Consolidated Statement of Activities, Year Ended December 31, 2014, *available at*: https://www.clintonfoundation.org/sites/default/files/2015_ar_financials.pdf