FOIA Number: 2016-0970-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group:	Clinton Presidential Records
Subgroup/Office of Origin:	Staff Secretary
Series/Staff Member:	Sean Maloney
Subseries:	

OA/ID Number:	14866
FolderID:	

Folder Title:
Monday, August 23, 1999

Stack:	Row:	Section:	Shelf:	Position:
S	40	5	2	2

ID # 268661

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

- ☐ O - OUTGOING
- ☐ H - INTERNAL
- ☑ I - INCOMING

Date Correspondence Received (YY/MM/DD) 99/8/19

'99 AUG 23 AM 8:40

Name of Correspondent: The Hon. Lawrence Summers

☐ **MI Mail Report** **User Codes:** (A) ______ (B) ______ (C) ______

Subject: Encloses the Telecommunications Development Fund Audit Report

ROUTE TO: **ACTION** **DISPOSITION**

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
Tim Saunders	ORIGINATOR	99/8/19		C	99/8/19
Sean Maloney	Referral Note: A	99/8/20			/ /
	Referral Note:				/ /
	Referral Note:				/ /
	Referral Note:				/ /
	Referral Note:				

8/23/99

Send to NSC for appropriate action?

Yes ✓

No ____

C

ACTION CODES:
- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure
- I - Info Copy Only/...
- R - Direct Reply w/C...
- S - For Signature
- X - Interim Reply

...ompleted
...uspended

...E:
...gner
...oing

Comments: Not for President's transmittal to the Congress

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

'99 AUG 19 PM3:29

SECRETARY OF THE TREASURY

August 17, 1999

The Honorable William Jefferson Clinton
The President
The White House
Washington, D.C. 20500

Dear Mr. President:

Under section 714(j) of the Telecommunications Act of 1996 ("Act"), the Secretary of the Treasury is required to report annually to the President and to the Congress on the audit of the Telecommunications Development Fund.

Enclosed is the annual report prepared by the staff of the Telecommunications Development Fund, together with the audit report prepared by Grant Thornton, LLP, which contains the information required to be submitted under section 714(j) of the Act..

Sincerely,

Lawrence H. Summers

Enclosure

TELECOMMUNICATIONS DEVELOPMENT FUND

Financial Statements and Report of Independent Certified Public Accountants

December 31, 1998

Telecommunications Development Fund

Contents

Accountants and
Management Consultants
Grant Thornton LLP
The US Member Firm of
Grant Thornton International

Grant Thornton

Report of Independent Certified Public Accountants

Board of Directors
Telecommunications Development Fund

We have audited the accompanying statement of financial position of Telecommunications Development Fund as of December 31, 1998, and the related statements of activities and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Telecommunications Development Fund as of December 31, 1998, and its changes in net assets and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

Grant Thornton LLP

Vienna, Virginia
March 5, 1999

Suite 375
2070 Chain Bridge Road
Vienna, VA 22182-2536
Tel: 703 847-7500
Fax: 703 848-9580

Telecommunications Development Fund

Statement of Financial Position

December 31, 1998		
Assets		
Current Assets		
Cash and cash equivalents	$	25,145,053
Property and Equipment, net		120,864
Other Assets		27,305
Total Assets	$	25,293,222
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$	134,185
Accrued liabilities		33,685
Total Current Liabilities		167,870
Unrestricted Net Assets		25,125,352
Total Liabilities and Net Assets	$	25,293,222

The accompanying notes are an integral part of this statement.

Telecommunications Development Fund

Statement of Activities and Changes in Net Assets

Year ended December 31, 1998

Revenue		
Contributions	$	3,314,995
Interest income		1,047,361
Total Revenue		4,362,356
Expenses		
Payroll		324,540
Operating		296,065
Professional		270,465
Rent		49,342
Travel		29,446
Depreciation		4,942
Total Expenses		974,800
Change in Net Assets		3,387,556
Unrestricted Net Assets at Beginning of Year		21,737,796
Unrestricted Net Assets at End of Year	$	25,125,352

The accompanying notes are an integral part of this statement.

Telecommunications Development Fund

Statement of Cash Flows

Year ended December 31, 1998

Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Change in net assets	$	3,387,556
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization		4,942
Changes in assets and liabilities		
Increase in other assets		(27,305)
Increase in accounts payable		77,708
Increase in accrued liabilities		33,685
Net Cash Provided by Operating Activities		3,476,586
Cash Flows from Investing Activities		
Purchases of property and equipment		(125,806)
Net Increase in Cash and Cash Equivalents		3,350,780
Cash and Cash Equivalents at Beginning of Year		21,794,273
Cash and Cash Equivalents at End of Year	$	25,145,053

The accompanying notes are an integral part of this statement.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

On February 8, 1996, the Telecommunications Development Fund (the Fund) was created by Section 714, 47 U.S. Code 614, of the Telecommunications Development Act of 1996 (the Act), Public Law No. 104-104, 110 Statute 56. The Fund's objectives are to promote access to capital for small businesses; enhance competition in the telecommunications industry; stimulate new technological growth and development; and promote universal service to, and improve the delivery of telecommunications services to, rural and underserved areas.

Interest earned from up-front payments which businesses submit to spectrum auctions of the Federal Communication Commission is contributed to the Fund in accordance with provisions of the Act. The Fund's activities include making investments in eligible small communications businesses, earning a return from its investments, and providing management and technical assistance to small businesses. As of December 31, 1998, no investments have been made.

Revenue Recognition

Interest received on deposits held with the FCC for spectrum auctions is recorded as contributions when a notice is received from the FCC of the amount of available interest to transfer to the Fund's account and after the auction process and the appeal process are complete, in accordance with the Act.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Fund considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are carried at cost, net of accumulated depreciation. Depreciation is computed on equipment and furniture using the straight-line basis over estimated lives ranging from five to seven years.

Other Assets

Other assets consist of security deposits for the lease of office space, and prepaid office rent.

Income Taxes

The Fund is a nonprofit organization exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code and applicable sections of the District of Columbia Code.

NOTE A— SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES— Continued

Statement of Position 98-5

The Fund elected early adoption of Statement of Position 98-5, "Reporting on the Costs of Start-up Activities," effective for fiscal years beginning after December 15, 1998. The Statement requires start-up activities and organizational costs to be expensed as incurred. Start-up activities are broadly defined as those one-time activities related to opening a new facility, introducing a new product or service, conducting business in a new territory or with a new class of customer or beneficiary, initiating a new process in an existing facility, or commencing a new operation. Organizational costs are defined as those costs of preparing the entity charter, partnership agreement, bylaws, minutes of organizational meeting or terms of original stock certificates.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B— PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 1998:

Furniture and fixtures	$	74,367
Computer equipment		51,439
		125,806
Less accumulated depreciation		(4,942)
Property and equipment, net	$	120,864

NOTE C— COMMITMENTS

Leases

Approximate minimum rental payments payable under a long-term lease for premises (exclusive of certain operating costs determined annually), and for the lease of equipment at December 31, 1998, are as follows:

Year ending December 31,		
1999	$	155,495
2000		158,565
2001		161,530
2002		162,990
2003		166,247
2004		140,829
	$	945,656

Rent expense for the year ended December 31, 1998, totaled $54,165.

Employment Agreement

The Fund has entered into a separate employment agreement with the chief operating officer which is subject to certain termination rights by both the Fund and the officer. In additional to salary commitments by the Fund, the officer is eligible to receive all employee benefits, which may occasionally be awarded or made available. In addition to salary and benefits, the officer is entitled to a 2 percent carried interest, which includes those net profits of the Fund relating to a group of investments made by the Fund. The investments, which are to be agreed upon, will consist of a specific investment cycle, a specified dollar amount of investments or investments made over a specified time. The carried interest will vest in equal, annual installments on each anniversary of the date over a five-year period. As of December 31, 1998, no such investments have been made.

NOTE D— RETIREMENT PLAN

The Fund has a defined contribution plan under Section 401(k) of the Internal Revenue Code, into which eligible employees may invest a portion of their salaries. The Fund matches the employee's contribution up to 5 percent of the employee's compensation. Employer contributions for the year ended December 31, 1998, totaled $11,880.

'99 AUG 23 PM 12:46

HONORARY PARTICIPATION REQUEST

Please return to John Wertman, Room 97

Today's Date: August 19, 1999

Date of Request:	7/20/99
Request for:	POTUS
Type of Request:	Honorary President
Requestor Name:	Mr. Stephen Bull
Title:	Director of Government Relations
Organization:	United States Olympic Committee 1150 18th Street, N.W. Washington, D.C. 20036
Contact Tel. #:	
Event Date:	5/16/00
Event Description:	The 2000 Washington Olympic Dinner
Notes:	The biennial dinner recognizes America's great Olympic and Paralympic athletes. The event will also serve as a celebration of our participation in the 2000 Olympic Summer Games, to be held in Sydney, Australia, in September. The President has agreed to lend his name in 1994, 1996, and 1998. The USOC has 501(c)(3) status, and a NEXIS search revealed no reason why the President should not serve as Honorary Chairman. The President should ACCEPT.
Recommendation:	

SPM ________ 8-23-99
(Unless otherwise noted, a yes answer will automatically generate a message as well as acceptance of the honorary position).

Comments:

cc: Amy Comstock, 136

8/23
Sean -
This is pretty pro forma, but Anne Bovaird (the new Anne McGuire) is waiting on an answer.
Tx Dan

To: DAN Burkhardt

From: Anne Bovaird and Anne McGuire 6-2572

July 20, 1999

Stephen Bull
Director, Government Relations

The Honorable Anne McGuire
Special Assistant to the President
The White House
Washington, D.C. 20500

Dear Anne:

In 1994, 1996, and 1998 President Clinton and Vice President Gore, who serve as Honorary President and Vice President, respectively, of the United States Olympic Committee, consented to having their names listed as hosts of the biennial Washington Olympic Dinner. The manner in which their names were listed on the invitation and the stationery are reflected on the attached samples.

The next Olympic Dinner will be held on Tuesday, May 16th, 2000, at Union Station, and the honored guests will be more than fifty of America's greatest all-time Olympic and Paralympic athletes. This event will serve as the celebration of America's participation in the 2000 Olympic Games, to be held in Sydney, Australia, in September.

Although President and Mrs. Clinton and Vice President and Mrs. Gore will receive formal letters of invitation to the Dinner later this Summer, the purpose of this letter to you now is to request permission to list the names of the President and Vice President as hosts of the event. Unless otherwise directed, the format and identification will be virtually identical to that of the previous three Dinners, and there will be no representation of any involvement or endorsement of any USOC-related activity beyond this specific function.

Please advise if any additional information is required to consider this request.

Thank you.

Sincerely,

Steve

Stephen Bull

United States Olympic Committee
1150 18th Street, N.W.
Suite 300
Washington, DC 20036
Tel: 202-466-3399 Fax: 202-466-5068

USA

Vth OLYMPIC DINNER

April 29, 1998

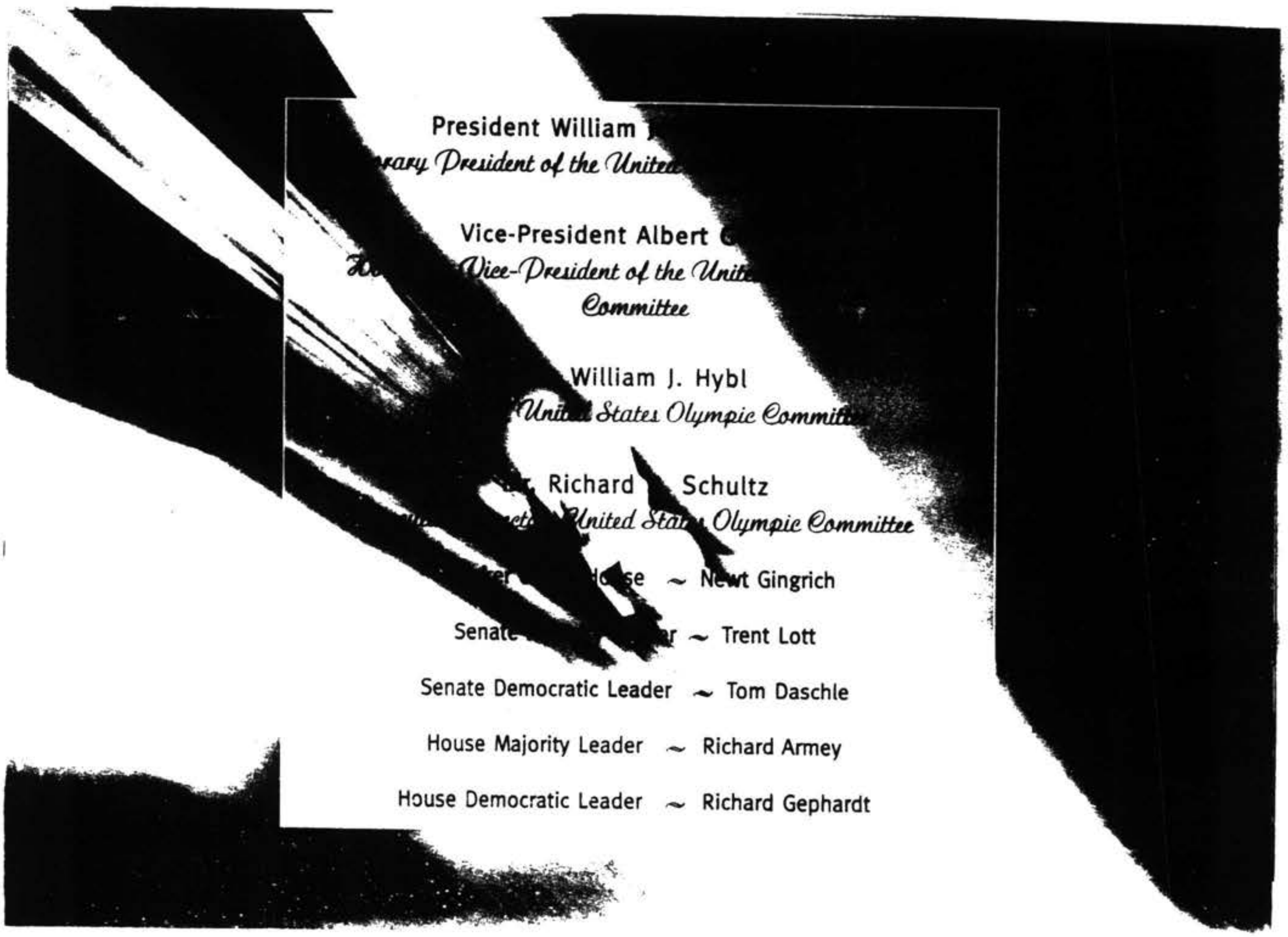
NAGANO 1998

Sydney 2000

FINANCE DIRECTOR, *Gretchen Fromknecht* • 1615 L St. NW, Suite 900, Washington, DC 20036 • (V) 202/778-1050 • (F) 202/466-6002

COPY OF INVITATION

1998 Olympic Dinner



President William J

rary President of the Unite

Vice-President Albert G

Ho Vice-President of the Unite

Committee

William J. Hybl

United States Olympic Committe

r. Richard Schultz

ector United States Olympic Committee

er House ~ Newt Gingrich

Senate r ~ Trent Lott

Senate Democratic Leader ~ Tom Daschle

House Majority Leader ~ Richard Armey

House Democratic Leader ~ Richard Gephardt