

## MEMORANDUM

**TO:** Aryeh Neier  
**FROM:** Ann Beeson, Bill Vandenberg and the Seize the Day Grantmaking Committee  
**DATE:** July 14, 2009  
**RE:** Request for additional funding for Seize the Day Fund for 2009-10

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Since launching the \$10 million Seize the Day Fund earlier this year, we have made 27 grants totaling \$6,365,000 to advance the four goals outlined in our February 2009 strategy memo:<sup>1</sup>

- **Advance the most challenging issues** – including mass incarceration, immigration, drug policy, and structural inequality – as part of the transformative national agenda;
- **Ensure transparency, accountability and equity** in the development and implementation of economic recovery plans;
- **Increase public participation in policy reform efforts** by those most impacted, including people of color, immigrant, and low-income communities; and
- **Integrate recent innovations in organizing and technology** into more organizations and movements.

These grants provided vital capacity to organizations to advance OSI's priorities during this critical period for transformational change at the federal level. No other foundation moved as quickly as OSI to get much-needed money into the field; the support was even more critical because organizations ready to act faced unforeseen budget constraints due to the economic crisis. Other foundations are now following our lead, particularly to assist in building capacity at the state level to build public will for federal policy reform. The following memo documents some of the successes of our Seize the Day strategies so far, and advocates for an additional \$8 million in Seize the Day funding through 2010. (If approved, we anticipate recommending approximately \$4.25 million in grants during 2009 and \$3.75 million in 2010.) As one of the only foundations with significant resources for advancing social justice that has not been impacted by the economic crisis, we believe that additional support for the Seize the Day Fund is critical to ensure that organizations can continue to push for much-needed reforms during this critical period.

### **I. Seize the Day Successes**

We have attached a full list of Seize of Day grants that have been approved to date. We offer a few examples below of the impact these grants have had in advancing our Seize

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<sup>1</sup> Of the remaining funds, we expect to recommend \$2 million for grants in 2009 to support state-based coalitions working on transparency and equity in the recovery, and will recommend another \$1.5 million for grants to support approximately 6-8 pending proposals working to advance a range of other Seize the Day goals.

the Day policy and field-building goals. A number of other successes have been highlighted in our weekly Seize the Day updates.

To advance criminal justice reform at the federal level, support from the Seize the Day Fund enabled the **Council of State Governments, Justice Center** to work closely with Congress, agency officials and partner organizations on a number of criminal justice priorities. Its work has helped to inspire eight hearings in the U.S. House Commerce, Justice, Science Appropriations Subcommittee on prisoner reentry and justice reinvestment; a briefing of staff on the prevalence of mental illness in jails; significant funding increases for FY2010; and interest in initiating a federal justice reinvestment effort. The funding for key criminal justice programs in the House-passed funding bill includes \$114 million for the Second Chance Act, \$12 million for the Mentally Ill Offender Treatment Act and \$10 million for Justice Reinvestment efforts nationwide among other important programs.

CSG also provided significant support for the field during the first round of grants under the Second Chance Act and assisted during implementation with both DOJ and the bill. The CSG Justice Center developed 6 publications for the FY 2009 Second Chance grant programs and conducted webinars to assist applicants, and responded to more than 350 inquiries and requests about the grant programs. These resources have generated a terrific response from the field.

To ensure transparency and equity in the recovery, the Seize the Day Fund supported **New America Media** (NAM) to develop an 'Economic Stimulus Package Newsbeat' to increase the ethnic media sector's capacity to inform ethnic minority and immigrant audiences about the impact of stimulus funding on their communities. NAM serves 3,000 ethnic media outlets, reaching more than 51 million people. Upon hearing their grant had been approved, but well before receiving it, NAM very quickly arranged a press briefing in Atlanta, inviting a top Georgia official handling stimulus dollars for the environment. They received a tremendous response from the media to the event, and the Atlanta Journal-Constitution ran a front-page story on the briefing, which also generated coverage in the city's black, Hispanic and Asian Indian media. More important, it put the topic on their radar. Shortly thereafter, NAM held a special editorial session at its national Expo, also in Atlanta, on covering stimulus spending, introducing expert sources from Washington DC to its national network.

NAM has begun reaching out to its ethnic media partners, beginning with Sacramento's African American paper, the Observer, which recently ran a front page story called "Where's Our Stimulus." NAM has partnered with Investigative Reporters and Editors (IRE) to conduct professional trainings for ethnic media partners on expanding coverage of the stimulus' impact, and is currently finalizing plans for trainings that start in August, in Los Angeles, San Francisco, New York, Denver, Boston, Washington DC, Detroit, and New Orleans. NAM has also earmarked Nov. 12-13 for a two-day training for ethnic media fellows in Washington DC.

To increase public participation in policy advocacy, the Seize the Day Fund supported the **National Training and Information Center (NTIC)**, an organization that continues to play a lead role in bringing thousands of low-income people across the U.S. into the fight for TARP accountability, fair lending, and financial regulatory reform. Working with the Federal Reserve and the PICO National Network, another large national organizing network that has received Seize the Day support, NTIC has begun to host 10 community forums nationwide that provide an opportunity for families in communities hardest hit by the mortgage meltdown to share their stories and call for stricter financial regulatory reform, including stronger standards for the Community Reinvestment Act and the Home Mortgage Disclosure Act. A recent forum drew several hundred people in hard hit Richmond, CA, a community with one of the nation's highest foreclosure rates.

To confront structural inequality and to expand innovations in organizing and advocacy, the Seize the Day Fund supported the **ColorOfChange**. ColorOfChange has emerged as a leader in innovative online advocacy efforts, particularly those that advance the interests of racial justice and the African-American community. It demonstrated what a successful online criminal justice organizing and advocacy effort can look like in the noted Jena 6 incident. Following racially biased trumped up charges - what ColorOfChange called "Jim Crow justice" - against six young African-American males by a rural Louisiana district attorney, ColorOfChange members mobilized to draw national attention to the case and advocate for judicial fairness for the young men. COC members generated over 300,000 online letters to the Louisiana governor and the Jena DA, inspired more than 10,000 people to attend a large rally in Jena that drew national attention, held 150 rallies and vigils across the U.S., made 6,000 calls to Louisiana elected officials, sent 4,000 complaints demanding an inquiry into the DA's actions, and raised \$275,000 online to provide the bulk of funds to support the legal team for the young men. After the initial trumped up and racially motivated charges of attempted murder against the young men, ColorOfChange worked with other groups to produce a result that was much different, with the young men pleading "no contest" to simple misdemeanor charges on June 26. They will spend no time in jail, serve seven days of probation, and pay fines and court fees and will be free to move forward with their lives.

## **II. Need for Additional Funding**

We request an additional \$8 million to build on our success so far and to address a few emerging issues. More specifically, we request additional funding: 1) to expand funding for state coalitions advocating for transparency and equity in the economic recovery; 2) to support advocacy to expand the social safety net; 3) to build public will for financial regulatory reform; and 4) to provide some additional grants to advance the other strategies outlined in the original Seize the Day memo.

We recommend an additional \$2.5 million to support state-based coalitions to ensure transparency, equity, and accountability in the economic recovery. The Seize the Day Fund developed an RFP, distributed this week, to support these state-based alliances in seven states: California, Maryland, Mississippi, New York, North Carolina, Texas, and Wisconsin. Each state is a priority for investment for USP due to funding history (e.g.

the Gulf Coast region), state impacts of our issues of interest (e.g. criminal justice in Texas or transparency in Wisconsin), or overall significance of the state nationally (e.g. California and New York). Expanded funding would allow us to support state-based coalitions in an additional six USP priority states: Colorado, Florida, Louisiana, Nevada, New Mexico, and Virginia. This funding would complement previously approved Seize the Day Fund grants to national coalitions that advance transparency, equity, and accountability in the recovery, including the Coalition for Accountable Recovery (CAR) and the State Alliance for an Accountable Recovery (STAR), PolicyLink's Equity Now network, and the Inter-Alliance Dialogue. Once established, these state-based coalitions will also be well-positioned to advance other Seize the Day priorities, including advocacy to expand the social safety net and to promote financial regulatory reform.

As the funding from the \$787 billion stimulus begins to reach states where OSI has the greatest interest in advancing open society policies, the importance of strong state advocacy communities to impact the prioritization of how funding is distributed and the transparency with which it is spent is essential. Many states lack such capacity and thus fights at the state level occur over whether stimulus dollars should go to services that benefit people and communities, as was intended, or is used by conservative governors and legislators for political grandstanding or to fill budget shortfalls while funding for programs that serve low-income residents is denied. We conducted significant outreach to other funders for input into our state strategy, and many funders have identified our model as one that could be replicated by other national foundations to build capacity at the state level.

We recommend an additional \$2.5 million to strengthen the tattered social safety net.<sup>2</sup> Fund advisors Deepak Bhargava and Bob Greenstein have provided helpful background information as a starting point for this possible new strand of advocacy funding. The country is experiencing the worst unemployment since the Great Depression, reaching 20% and up in people of color communities; according to some forecasts, the African-American child poverty rate will increase from 33% to 50%. The recent budget fight, and effective work by the Center on Budget and Policy Priorities and the Center for Community Change, among others, demonstrates that advocates can make some progress on poverty fighting policies.

There are two big overarching issues. First, the safety net is now being seriously weakened at the state level as a result of the massive budget problems that states are facing in the recession. California, with a budget deficit of \$26 billion and growing by \$25 million a day, is the most notable example. Second, at the federal level, hardly any major gains can be made in the safety net without offsets to pay for them, including fighting to end various tax loopholes that the Obama Administration has proposed to

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<sup>2</sup> We continue to partner closely with the Special Fund for Poverty Alleviation to ensure that our funding of advocacy to advance transparency and equity in the recovery and ensure a strong social safety net complements SFPA's funding of direct services to alleviate poverty.

close. A key factor in addressing these problems will be to identify ways to raise revenue – through tax and budget policies – in order to fund anti-poverty initiatives.

While USP staff is in the early stages of building field and policy knowledge on specific safety net programs, among the priority areas to consider may include:

- Reauthorization of TANF - The Temporary Aid to Needy Families welfare program enacted in 1996 is slated to come up for authorization in 2010 and will be a significant fight, especially in a downturn where coming up with funding for anything, let alone vulnerable communities, will be exceedingly tough.
- Reforming low-income housing programs: Major reforms are expected to be proposed by HUD Secretary Shaun Donovan and the strength of advocacy efforts could determine their success or failure in Congress.
- Making permanent the low-income tax credit improvements in this year's economic recovery legislation.
- Examining issues related to Social Security and SSI benefits for low-income immigrants with legal status.
- Improving unemployment insurance, including extending it for those who have it and improving it to provide access to many who do not due to current eligibility standards.
- Considering whether a Second Stimulus will be necessary to try to jumpstart the economy.
- Rebuilding a powerful low-income advocacy movement out of the ashes of what was the welfare rights movement that has crumbled in the wake of the passage of the Clinton era welfare "reform" legislation passage in 1996

U.S. Programs staff will continue to research organizations and promising advocacy efforts at the state and national levels that seek to strengthen the social safety net and will develop funding strategies based on that research.

In addition, we seek an additional \$1 million to support organizations advocating to build public will for financial regulatory reform. George Soros, who has been highly critical of the Obama Administration's failure to advance adequate financial regulatory reform, recently held a lunch meeting in which he encouraged Rob Johnson to coordinate with U.S. Programs to develop grant recommendations in this area.<sup>3</sup> Rob Johnson will serve as an informal advisor as we develop specific funding efforts, and we will seek George's

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<sup>3</sup> Funding for financial regulatory reform advocacy would complement OSI efforts underway to support the development of a new economic paradigm, spearheaded by Rob Johnson, Rob Duggar, John Shattuck of Central European University, Joe Stiglitz of Columbia University, experts at the London School of Economics, and others.

approval on the specific grants as he requested. These new funding efforts would complement past Seize the Day grants to OMBWatch for the BailOut Watch coalition, to the National Training and Information Center for its role in the Americans for Financial Reform Coalition, and to the Institute for Policy Studies for its efforts to build a more transformative economic recovery agenda in partnership with grassroots organizations.

Finally, we request another \$2 million to provide some additional grants to advance the other strategies outlined in the original Seize the Day memo (i.e., to advance federal criminal justice reform, to confront structural inequality, to increase public participation in policy reform by those most impacted, and to integrate recent innovations in organizing and technology into more organizations and movements). For example, we are considering a Seize the Day grant to the NAACP, which has identified criminal justice as one of its top priorities under Ben Jealous' leadership; and a grant to the National Legal Aid and Defender Association to take advantage of congressional and executive interest on addressing indigent defense issues and advocate for a range of activities that could help improve indigent defense nationally.

We look forward to discussing these recommendations.