

U.S. PROGRAMS, STRATEGIC OPPORTUNITIES FUND (SOF Program Code 21081)

Summary of Recommended Grants  
Docket Meeting - October 16, 2009

Staff	Organization	Requested	Recommended	Term
<b><u>Gulf Region/Place-Based</u></b>				
Erlin/Laleh	Center for Public Integrity (fiscal agent for New Orleans Lens, formerly New Orleans Record)**	\$ 155,000	<u>\$ 155,000</u>	1 year
Erlin/Laleh	Greater New Orleans Foundation≈	\$ 686,750	<u>\$ 700,000</u>	1 year
			<b>Recommended:</b>	<u><u>\$ 855,000</u></u>

(SOF) TOTAL RECOMMENDED \$ 855,000

  
Approval Signature

October 16, 2009  
Date

\*\* The total grant to Center for Public Integrity is to be split between the Strategic Opportunities Fund T1:21081 (\$140,000) and Transparency and Integrity Fund T1:21093 (\$15,000).

≈ The total grant to Greater New Orleans Foundation is to be split between the Strategic Opportunities Fund T1:21081 (\$625,000) and Transparency and Integrity Fund T1:21093 (\$75,000).

## MEMORANDUM

**TO:** Aryeh Neier  
**FROM:** Ann Beeson, Erlin Ibreck  
**Cc:** Laleh Ispahani  
**DATE:** October 14, 2009  
**RE:** Strategic Opportunities Fund – October 16, 2009 Docket  
Recommendations

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We look forward to meeting with you this Friday, October 16<sup>th</sup>, between 2:00 – 3:30, to discuss two grant recommendations from the Strategic Opportunities Fund, presented jointly with the Transparency and Integrity Fund. (This docket will follow the docket meeting for the Seize the Day Initiative.)

In addition to the two of us, the following staff will attend the meeting:

Laleh Ispahani  
Thomas Hilbink  
Lori McGlinchey

The Strategic Opportunities Fund (SOF) and the Transparency and Integrity Fund (TIF) are jointly recommending two grants to support a coalition of organizations in New Orleans that are working on transparency issues. Over the past 18 months, SOF and TIF have worked collaboratively and with advocates in New Orleans to develop this effort, combining SOF's deep experience working in New Orleans with TIF's issue expertise.

One grant is to the Greater New Orleans Foundation (GNOF) which is the conduit for the re-granting and oversight of a new coalition of local organizations working on transparency issues. The coalition - known as New Orleans Coalition for Open Governance (NOCOG) - is focused on three areas: building greater civic support for good governance; enhancing the oversight of revenues and expenditures; and developing additional transparency in information and media. SOF and TIF recommended a grant earlier this year to build on momentum that catalyzed around several meetings that were held between SOF and TIF staff on the one hand, and key local organizations working on transparency issues, as well as with GNOF staff, on the other. Subsequent meetings between local civic advocates led to the conclusion that they could only succeed at making New Orleans more transparent and accountable through sustained, coordinated, and collective action, and that it would be necessary to employ a variety of strategies, and to proceed simultaneously on multiple fronts. That resulted in the formation of NOCOG.

The second grant is to provide seed funding for the New Orleans Record (the Record), a new journalism initiative, for which the Center for Public Integrity will serve as fiscal agent. Although the Record will participate in NOCOG, it will not serve as its communications arm, and will retain complete editorial independence. The Record's participation in NOCOG comes second to its primary function as an outlet for high quality journalism on matters of public importance and in this role it will produce data-driven investigation and analysis on Gulf Coast issues including criminal justice, education, local government, the environment, the economy, land use, and politics.

**Name of Organization:** Center for Public Integrity

**Tax Status:** *e.g.*, 501(c)(3) public charity

**Purpose of Grant:** to support the New Orleans Record, a new nonprofit journalism initiative that will provide news, information, and access to data related to Gulf Coast issues of public interest.

**FPOS Grant Description:** The Center for Public Integrity will serve as the fiscal sponsor of the New Orleans Record, a new journalism initiative that will provide news, information, and access to data related to Gulf Coast issues including criminal justice, education, local government, the environment, the economy, land use, and politics. The New Orleans Record will also participate in the New Orleans Coalition on Open Governance, an initiative that brings together a range of nonprofit organizations that share a commitment to working collaboratively to build a more transparent and accountable city governance structure.

**Previous OSI Support:** \$3,462,554 to the Center for Public Integrity, \$0 *to the New Orleans Record*

**Organization Budget:** \$4,412,792 (Center for Public Integrity)

**Project Budget:** \$315,400

**Other Sources of Support:** For the New Orleans Record:

Zeitoun Foundation	\$5,000
Transforma Foundation	\$ 400
Knight Foundation (pending)	\$70,000

**Amount Requested:** \$155,000 over 1 year

**Amount Recommended:** \$155,000

**Term:** November 1, 2009 to October 31, 2010

**Description of Organization**

The Center for Public Integrity (CPI) is an award-winning non-profit investigative journalism organization. It was founded in 1989 and has produced over 400 investigative reports and 17 books since its inception. Located in Washington, D.C., CPI's executive director, William Buzenberg, is the former head of NPR News and Minnesota Public Radio News.

CPI's mission is to produce investigative journalism about significant public issues to make institutional power more transparent and accountable. Its reportage goes beyond the daily news cycle to uncover the complexities of topical stories, and broadcast those

findings in innovative ways. CPI's most recent investigation examines 350 million mortgages (raw data from the US Department of Housing and Urban Development) to expose which banks fueled the sub-prime meltdown but are now receiving "bailout" funds. It will also examine the connection between financial services industry lobbyists and legislators over the past decade. Each of the Center's investigative projects is produced in several formats to maximize impact, including print, web, audio, and video, and is distributed through multiple media outlets.

### **Description of Program for Which Funding Is Sought**

This grant would provide seed funding for the New Orleans Record (the Record), a new journalism initiative that will provide high-quality journalism and data-driven investigation and analysis on Gulf Coast issues including criminal justice, education, local government, the environment, the economy, land use, and politics.

In addition to regular "beat" coverage on issues of public interest, the Record will conduct several longer term investigations. For example, the Record will develop a multi-part investigative series on the New Orleans procurement process, a notoriously opaque, patronage-based system. The series will explore the impact of minority preference policies and the legacy of segregation still expressed in the contracting process. The series will also highlight examples of more transparent public contracting processes around the country.

The Record is exploring a partnership with OSI grantee Project on Government Oversight (POGO) on an investigative series on the impact of mineral royalties on Gulf Coast communities and the environment. The Record would report on oversight and enforcement problems that have cost local and state governments millions in royalties and would highlight the impact on communities and the environment in Louisiana, Alabama, and Mississippi.

The Record is also exploring a collaborative investigative project with CPI. The Record would provide analysis and investigative reporting on Louisiana's compliance with the state financial disclosure and ethics [laws](#) passed last year by the State Legislature. The Record would assess whether the reforms are leading to more accountable and transparent government. In addition to investigating state ethics reform, the Record would also cover ethics reform issues on a local level in New Orleans and other Gulf Coast cities, reporting on the effectiveness of current programs and new reform proposals.

The Record will participate in the New Orleans Coalition on Open Governance, a new initiative (also included in this docket) that brings together a range of nonprofit organizations that share a commitment to working collaboratively to build a more transparent and accountable city governance structure.

Jed Horne will serve as editor-in-chief of the Record. Horne is the author of *Breach of Faith: Hurricane Katrina and the Near Death of a Great American City*, published by Random House. Born and educated in Massachusetts, Horne began with the Boston Phoenix, and worked in New York in the 1970's and 1980's as a writer and editor, primarily with Time Inc. publications. He moved to New Orleans in the late 1980's to work as the Latin America foreign correspondent and metro editor for the Times

Picayune. Karen Gadbois will serve as a contributing writer for the Record. Gadbois' citizen journalism was primarily responsible for exposing widespread corruption and misuse of federal recovery funds.

CPI director Bill Buzenberg has agreed to provide organizational and editorial advice to the Record, and will provide access to CPI's computer assisted reporting expertise and resources. When appropriate, CPI will distribute stories from the Record through its more established network. The Record will also become a member of the Investigative News Network, which recently received seed funding from OSI.

### **Rationale for Recommendation**

The Strategic Opportunities Fund and the Transparency and Integrity Fund jointly recommend a grant of \$155,000 over one year. This grant would advance SOF's goal of collaborating with other U.S. Programs funds to articulate shared goals and strategies in the New Orleans/Gulf Coast Region. The grant would advance the Transparency & Integrity Fund's goal of identifying and supporting promising models to ensure equitable access to high quality journalism, with a special focus on original reporting on public affairs at the local and state levels. TIF has identified Louisiana as one of several states of interest to its emerging state-based grantmaking strategy, with a special focus on Louisiana, and New Orleans in particular.

As newsrooms, particularly at the city and state level, have reduced reporting staff, there is no longer a sufficient professional workforce to serve as the public's monitor of the behavior of state and local officials. On average, fewer than five reporters now cover state governments, with time-consuming deep-dive investigative work sacrificed almost entirely. Lost in the diminishing coverage are stories on conflicts-of-interest, financial irregularities, lobbying by corporate interests, ethical lapses, and criminal wrongdoing.

The consequence of diminished investigative reporting on issues of public interest is especially acute on the Gulf Coast, where communities are still struggling with the process of rebuilding, public policies are undergoing major reform, and billions in federal recovery money is being spent with little oversight or accountability.

The Record will report on local issues of national significance. The struggles of post-Katrina and Rita communities to rebuild despite corrupt contracting practices, decaying physical infrastructure, inadequate public education, and shortages in affordable housing are relevant to communities across the country. In addition to the national relevance of Public Record's content, its organizational structure would serve as a model for other regions seeking a forum for data-driven, analytic journalism at a time when overall access to information is expanding, but trusted outlets for high-quality, data driven journalism are shrinking.

Although the Record will participate in the New Orleans Coalition on Open Governance, it will not serve as the communications arm of the Coalition, and will retain complete editorial independence. The Record's participation in the Coalition comes second to its primary function as an outlet for high quality journalism on matters of public importance.

**Name of Organization:** Greater New Orleans Foundation

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to support the New Orleans Coalition for Open Governance

**FPOS Grant Description:** This project support grant will support the New Orleans Coalition for Open Governance, an initiative that brings together seven community-based organizations to build a more transparent and accountable city governance structure.

**Previous OSI Support:** \$89,489 from SOF (2009)

**Organization Budget:** \$2,784,220

**Project Budget:** \$710,750

**Other Sources of Support:** Individual Donor \$24,000 (in-kind)

**Amount Requested:** \$686,750 over one year

**Amount Recommended:** \$700,000 over one year

**Term:** November 1, 2009 – October 31, 2010

**Description of Organization**

The Greater New Orleans Foundation (GNOF) is a community foundation committed to creating a resilient, sustainable, vibrant community in which individuals and families flourish and in which the special character of the New Orleans region and its people is preserved, celebrated, and given the means to blossom. GNOF, based in New Orleans, plays the role of community leader and convener, a champion of civil society, and a supporter of effective nonprofit leaders and organizations. GNOF serves as a philanthropic partner to local, state, and national donors. In 2008, GNOF provided grants totaling \$20 million to more than 740 secular and faith-based nonprofits throughout the region.

**Description of Program for Which Funding Is Sought**

The Greater New Orleans Foundation would serve as the fiscal sponsor for pass-through grants to six of the seven organizations that make up the New Orleans Coalition on Open Governance (NOCOG), a set of community-based nonprofit organizations that share a commitment to working collaboratively to build more transparent and accountable city governance structures.<sup>1</sup>

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<sup>1</sup> NOCOG has specifically chosen to use the term “governance” rather than “government” to reflect the fact that New Orleans is not governed by a unitary city government, but by an overlapping set of governance institutions (including levee boards, community institutions, etc.).

NOCOG's long-term goals are:

- To support the creation of the structures and culture of openness and transparency, thereby transforming the relationship between governance entities and the public;
- To mobilize institutions, communities of place and interest, and individuals to advocate for decision-making, public policy, and legislation that is transparent and accountable;
- To make public information more widely accessible and provide analyses that support advocacy;
- To equip New Orleans to contribute to national initiatives to increase transparency and openness, and strengthen democracy.

The idea of NOCOG developed in the wake of Hurricane Katrina when New Orleans residents saw the costs of the city's long history of graft and opacity in local and state government. The Strategic Opportunities Fund (SOF), in its research and development capacity, retained native New Orleanian Linda Usdin as a consultant to survey local stakeholders about their views on corruption and the lack of transparency. This survey led to a series of roundtable discussions which brought together local civic advocates working on a wide range of issues to discuss shared concerns about transparency and accountability in city governance. With a subsequent grant from SOF to GNOF as fiscal agent, that group has been meeting since the start of 2009 to develop a common agenda and plans for future action.

The group has concluded that it can only succeed at making New Orleans more transparent and accountable through sustained, coordinated, and collective action, and by employing a variety of strategies and proceeding simultaneously on multiple fronts. The result was the formation of NOCOG. Since then, NOCOG has identified four program areas for focused effort:

1. Making data publicly accessible through collection, aggregation, analysis, and development of user-friendly information dissemination tools;
2. Developing policy and advocating for structural reform aimed at governance institutions that are more open and accessible to community input and oversight;
3. Building community capacity through training, education, and outreach to involve groups and individuals in public governance, particularly through traditional access points;
4. Creating a journalism initiative to inform and equip stakeholders and the public, providing timely information about the workings of the city's government.

In meeting these goals, each group in the coalition will receive funding to engage in a defined set of tasks. The Greater New Orleans Community Data Center and the Public Law Center of Tulane/Loyola Law Schools will work with city officials to release more data on city housing, permits, and other concerns. The Public Law Center and the Public Affairs Research Council will support NOCOG by assuring city compliance with open records and open meetings laws, issuing reports and providing legal assistance as necessary. Puentes New Orleans, the Committee for a Better New Orleans Citizen Participation Project, and the Neighborhoods Partnership Network will work with communities throughout the city to push for greater government transparency and public involvement in city policymaking processes (such as participatory budgeting). Finally, the *New Orleans Record* will engage in investigative and beat journalism to provide

timely information about the workings of city government and the impact of corrupt and opaque practices on the city's residents. (The *New Orleans Record* is being fiscally sponsored by the Center for Public Integrity, and is also recommended for funding in this docket.)

NOCOG has laid out a set of realistic objectives for its first year. Over the course of 2010, NOCOG will continue to develop the collaborations between existing members while also expanding its circle. Coalition members will engage in targeted outreach to civic leaders in the business, government, and advocacy communities, and seek to make open governance a major theme in the 2010 mayoral and city council elections. NOCOG members will undertake research to better understand the barriers to open government in terms of both city structure and public attitudes. Members will also begin training community organizations and advocates about open records and government transparency laws as well as more general educational efforts about the need for transparency reforms as a step in advancing a wide range of issues. Finally, the Coalition will identify and take on a pilot initiative to demonstrate the value and potential of transparency efforts, identifying a particular information/accountability need that will engage allies and members of the coalition in a campaign.

### **Rationale for Recommendation**

The Strategic Opportunities Fund (SOF) and the Transparency and Integrity Fund (TIF) jointly recommend a grant of \$700,000 over one year. This grant builds on SOF's research and development efforts in the Gulf Region to explore new opportunities for engagement that advance US Program's goals. The grant would advance TIF's goals of increasing state and local groups' capacity to advocate on transparency and accountability issues while encouraging communication and coordination between groups and across issue areas within target states and cities. In the past 18 months, SOF and TIF have collaborated with advocates in New Orleans to develop this effort, combining SOF's deep experience working in New Orleans with TIF's issue expertise.

New Orleans has a storied history of government waste, fraud and abuse, along with unresponsive, unaccountable governance – a situation long accepted as inevitable by local residents. Since Hurricane Katrina, however, the city has experienced a rebirth of civic concern and engagement, fueled by the sense that even persistent problems require attention if the city is to recover and thrive. Advocates on issues ranging from education to criminal justice to municipal contracting and budgeting have found that their separate efforts are hampered by a common problem: lack of government transparency. The development of NOCOG marks the first attempt in memory by a coalition to take on the shared agenda of unveiling the workings of city government.

The members of the coalition have overcome many hurdles to reach this point. These obstacles include overburdened non-profit advocacy organizations and an atmosphere of suspicion created by New Orleans' long and ugly racial history. Past and present racial politics lead many to understandably question the motives underlying transparency and anti-corruption reforms. The proposal recommended here lays out thoughtful plans for continuing tackling these significant concerns while NOCOG solidifies the ties that bind the existing coalition members, expands the coalition to include other organizations and individuals, and advances specific open government reforms. These plans also include creating a permanent governance structure for the coalition and conducting an open



search for a coalition coordinator should the groups decide they need one to facilitate their work going forward. In the meantime, Linda Usdin and Mary Rowe (who with the Blue Moon Fund helped create the New Orleans Institute for Resilience and Innovation), will continue to coordinate the coalition's activities.

The coalition's active members constitute a group of outstanding and dedicated local advocates, including David Marcello of the Tulane/Loyola Public Law Center, an experienced and respected public interest attorney (who has received SOF support in the past), and Timmolyn Sams, Executive Director of the Neighborhood Partnership Network, who was recently named one of the *Utne Reader's* "50 visionaries" for her neighborhood-based organizing work since the storm. NOCOG is also reaching out to national partners with experience in advocating for government transparency and accountability reform. In June, NOCOG invited TIF grantees the Center for Responsibility and Ethics in Washington, the Program on Government Oversight, Maplight.org and Demos, to New Orleans, to seek their input on the coalition's evolving goals and strategies. Such national-local partnerships will be key in assisting NOCOG with strategy questions while helping national organizations better understand the transparency-related needs and challenges of people and organizations at the local level. Already, POGO is working with NOCOG member The New Orleans Record on an investigation of oil and gas revenues in Louisiana (a project inspired by TIF and POGO's work with Revenue Watch).

NOCOG faces a challenging road ahead. Transparency work is understandably toughest in places like New Orleans where the needs are so great. But this is precisely why the NOCOG experiment is so full of promise (and why TIF and SOF staff will be dedicating so much time and energy to helping the project succeed). In less than a year, advocates in New Orleans have gone from expressing frustration with the barriers created by the lack of transparent and open government, to developing a thoughtful plan of action involving a diverse coalition of organizations. We expect that in a year's time, the effort will begin to see results.