

**Minutes of the Meeting of the U.S. Programs Board
of the Open Society Institute
February 13 and 14, 2012**

A meeting of the U.S. Programs (“USP”) Board (the “Board”) of the Open Society Institute (“OSI”) was held at the New York Academy of Medicine in New York, New York on February 13 and February 14, 2012. There were present Board members Yochai Benkler (on February 14), Deepak Bhargava, Leon Botstein, Geoffrey Canada, Steve Coll, Joan Dunlop, Sherrilyn Ifill, Aryeh Neier, George Soros, Andy Stern, Bryan Stevenson, and Ethan Zuckerman.

Attending portions of the meeting by invitation were Maria Archuleta, Monica Arteaga, Nancy Chang, Ricardo A. Castro, Caroline Chambers, Andrea Soros Colombel, Shawn Dove, Mort Halperin, Erlin Ibreck, Laleh Ispahani, Andy Ko, Raquiba LaBrie, Diana Morris, Kay Murray, Lenny Noisette, Stewart J. Paperin, Eli Pariser, Debra Rubino, Laura Silber, Chris Stone, Michael Vachon, Bill Vandenberg, and Amy Yenkin. Guests invited to present were Hishaam Aidi, Richard Cizik, Christine Grumm, Paul Romer, and Mark Steitz.

Board Chair Sherrilyn Ifill opened the meeting by welcoming Mr. Coll as a new Board member and advising that new Board member Mr. Benkler would be in attendance on February 14. Ms. Ifill thanked the Board for its work and involvement in the previous year and its continued engagement with staff to improve the operations of USP. She thanked Acting Executive Director Ms. Morris for her continued dedication and performance during a time of great transition.

A motion to approve the minutes of the meeting of the Board of October 5 and October 6, 2011 was duly made, seconded and unanimously approved.

Ms. Ifill reviewed matters discussed during the previous Board meeting, including the approval of the 2012 budget (with possible adjustments in the use of certain Board discretionary funds and in the National Security and Human Rights Campaign budget), and reminded the Board that the 2013 budget is to be developed from scratch based on a collaborative process among Board members and staff focusing on open society threats and opportunities. Ms. Ifill outlined five issues that the Board would be asked to consider: 1.) the need to enhance USP’s campaign capacity by hiring a campaign manager after the Executive Director position is filled; 2.) identifying grantees in collaboration with staff that are appropriate for core funding; 3.) improving strategic communications regarding USP’s core issues; 4.) moving the proposed city/state initiative forward; and 5.) improving collaboration among USP and the global network of foundations that comprise the Open Society Foundations.

She introduced Mr. Stevenson and Laura Silber, OSI’s Director of Public Affairs, to report on their work with a committee of Board and staff members to devise recommendations to improve strategic communications by USP and its grantees and others around open society issues of concern to USP, including: criminal justice, marginalized communities, accountable and transparent institutions, and idea generation.

Ms. Silber explained the need to utilize powerful media platforms to effectively articulate issues, while at the same time providing a human perspective that would reach audiences through elite, local, and social media. She provided examples of effective uses of such media to address issues such as wrongful convictions and the recent use by Planned Parenthood of a de-funding controversy to educate the public on its true nature as a provider of health care for women. Ms. Silber urged USP to take steps to increase its capacity to use opportunities for strategic messengering around planned

events such as upcoming Supreme Court decisions, as well as unplanned events. Mr. Stevenson expressed the committee's view of the strong need for USP to: integrate communications in every aspect of its programmatic work at all stages; increase capacity to take full advantage of opportunities to advance an open society narrative, particularly by building leadership voices among grantees and others in the relevant fields; and realize that the fields in which USP works do not present a "single voice" and that claiming credit is not the objective.

The Board discussed bringing together coalitions, which can serve as powerful tools in moving forward support and reform activities, and the need for USP to improve strategic communications coordination between USP and its grantees. Mr. Stevenson opined that a new staff member with expertise in this area and the development of a communications strategy were necessities.

Mr. Stern pointed out that hiring one person for such a large project is insufficient and that USP as a whole must be involved in the strategy of, opportunities for, and delivery of communications around specific areas. Mr. Stevenson advised that the committee recommends using consultants when necessary, especially for work in different regions. Ms. Silber added that her entire staff would work with USP and that some communications capacity building could be supported through grant making.

Mr. Botstein opined that the communications effort is not for the foundation's self-aggrandizement but rather to influence public opinion on policy issues. Mr. Stevenson clarified that the envisioned staff role would be to identify opportunities, to serve as a facilitator among grantees, and to help develop opinion pieces from an open society perspective when others are not doing so. Ms. Silber added that it is important to separate the communications strategy from the notion of trying to build a brand for the foundation.

The Board considered the strengths and weaknesses of the foundation as a "brand" in light of the public profile of Mr. Soros and the foundation's relative anonymity outside of its peer circle. Mr. Soros suggested this matter be considered in light of a discussion about what the foundation is about, the areas and issues in which it should have a higher profile, and how to address the fact that it is largely unknown among the general public, pointing out that the foundation "is all substance, no communication."

Mr. Neier explained that it is necessary for the foundation to remain largely anonymous and cautious regarding its grant-making to organizations in particularly sensitive regions outside the U.S. He said it is imperative to exercise caution in taking credit for work in such areas and to remain relatively unknown as a donor lest it prove damaging to grantees on the ground.

Mr. Soros suggested it would be useful to think about work in the U.S. separately, and the Board discussed the potential results of achieving more visibility and the need to work with grantees on communication strategies to ensure that each is ready for opportunities when they arise. Mr. Soros expressed concern about the media's attention on him and the lack of public focus on the foundation, expressing his belief that this disparity harms both. Ms. Ifill pointed out that OSI-Baltimore has a prominent, positive local profile and that the local community is aware of its work without necessarily knowing of its connection to Mr. Soros.

Mr. Steitz presented the results of opinion research about Mr. Soros, which had been privately commissioned. Mr. Soros and the Board discussed the findings about how Mr. Soros is publicly portrayed and perceived by various demographic groups and whether negative media commentary

affects USP's work. The research indicated that Mr. Soros' public image does not negatively impact how the foundation's issues and initiatives are publicly viewed, but the establishment of working relationships between the foundation and influential, high-profile individuals and organizations is in fact compromised thereby.

Mr. Soros suggested that OSI try to build its own "brand" through better communications efforts so that the imbalance between public perceptions of him and the foundation can be righted. Ms. Ifill and others opined that OSI's work is well-established and respected among its peers. Providing OSI-Baltimore's success as an example, Ms. Ifill described how it took steps to raise its public profile only after having established a reputation based on substance. Mr. Stevenson stressed that, although the foundation does not, unlike other foundations, spend millions to promote its image, it has an excellent reputation for its work on the issues it addresses.

The discussion moved to the hiring of a communications coordinator and the duties and milestones this new role would be responsible for undertaking and achieving, and several Board members expressed concern at high-level expertise the role will require in order to meet desired expectations. Ms. Morris explained that the staff member would be responsible for seeing that work carried out by grantees contains an effective communications component, and Mr. Stevenson stated that the person's primary role would be to advise the Board on concerns, prioritize and evaluate opportunities, enhance communications, and ensure that resources are in place. He added that program, communications and grants management staff should all endeavor to ensure that grantees understand USP's expectations regarding strategic communications around the issues.

Mr. Soros described recent advances made within the field of behavioral economics and advised the Board to consult experts in this field to help it make its strategic communications efforts more effective.

Ms. Ispahani presented a summary of various states' voter suppression efforts and explained which historically disenfranchised groups are most likely to be affected, and what action voting rights advocates are currently taking. The Board discussed USP's position on the issues, the merits of its specific policies, and actions it might take to address suppression efforts. Potential steps for moving the issue forward were suggested and related costs discussed. Mr. Soros suggested that funds from the existing 2012 budget be used to work with other groups on both messengering and voter engagement and protection in the most egregious states and that a person from OSI's communications staff be heavily involved in this collaboration.

Ms. Ifill explained that funds had been set aside for voter participation work at the previous Board meeting, and Ms. Morris added that \$2.75 million from the Board/Chair Discretionary Fund for such efforts had been approved. Mr. Stevenson advised that all funding details and strategy in this work would need to be decided by May. Mr. Neier expressed the view that other donors had already made contributions, and then the Board discussed the importance of developing both short- and long-term strategies for voter suppression work, the need to prioritize areas of focus, and the many advantages but various difficulties associated with conducting voter protection work on the ground.

The Board discussed its interest in addressing the Citizens United Supreme Court decision and the corrosive effects of money on the political process, as well as the impact it will have on democracy and transparency. It was pointed out that many Americans see the decision as a failure but that a reversal or overruling by the Court that wrote the opinion is unlikely. Mr. Stevenson opined that the decision creates big problems and that, on a local level, the public will likely determine that money in

politics results in corruption. Ms. Ifill said that supporting litigation to attempt to overturn or amend Citizens United is not a good idea, and that advocates might better address its effects through strategic communications, advocacy for public funding of elections, and making efforts toward disclosure of corporate and institutional donations to political and judicial campaigns. The Board endorsed conducting research documenting the connection between unlimited, anonymous political giving and corruption. Mr. Zuckerman expressed the view that OSF is in a good position to develop an overarching communications strategy around the upcoming election cycle on the national and local levels.

The Board discussed media coverage of the effects of Citizens United and the prediction that, if research indicates the corruptive effects of unlimited money in our system, with strategic messages around this topic, a consensus will arise that the Court's holding and its effects on the political process are unacceptable.

Mr. Cizik, Mr. Aidi, and Ms. Grumm were invited to present their views to the Board of the role of religion in public life. Ms. Ifill described USP's engagement with faith based groups as mutual efforts to promote open society values. Each speaker explained how faith-based organizations might integrate effectively in the secular space and successfully help increase efforts for change. Each acknowledged the existence of religious groups that, contrary to the philosophies of their faiths, promote intolerance and use religion to further partisan political agendas. Factoring in the role that social identity plays in underrepresented and historically marginalized communities, the Board and presenters discussed the tendency of members of these communities to turn to and be influenced by religious leaders, and how such leaders might therefore become agents of change. Mr. Zuckerman expressed the view that the message seemed to be that the foundation should work with religious leaders, communities, and women, and not to avoid focusing on faith to further the goal of mobilizing large numbers around open society values.

The Board then turned to the role and duties of the proposed core, issue-oriented Work Groups ("WG") comprised of staff, Board members and thought leaders in the various fields. Ms. Ifill reported that WG members were being formed with the expectation that they would have several meetings around the issues on which USP should focus its work going forward. The goal was for each WG to submit recommendations to the Board for issues on which to target USP's efforts by the next Board meeting, in May, in order to inform the creation of the 2013 budget, among other things. The Board indicated that it would analyze the recommendations by summer 2012, and that Ms. Ifill and Mr. Paperin would work to develop the timeline for creating the 2013 budget. Ms. Ifill indicated that the new Executive Director of U.S. Programs would be chosen by summer.

The Board then went into executive session for the remainder of the day for a presentation by and discussion with OSI General Counsel Ricardo A. Castro regarding governance matters, the delegated authority of the Board, and conflict of interest policies of the foundation, which apply to all members of all boards of the Open Society Foundations ("OSF") and staff.

The second day of the Board meeting began in executive session in which Amy Yenkin described to the Board the status of the search for the new Executive Director of U.S. Programs.

After the executive session, OSF president designate Chris Stone was introduced. Mr. Neier described for the benefit of all present the Open Society Foundations network and the four historical organizing principles of the network. He explained that the work and focus are organized: 1.) geographically, i.e., focused on particular countries or regions with reliance on local knowledge and

including national foundations; 2.) thematically, emphasizing areas such as public health, which usually involve conducting work internationally through OSF in Budapest, London and New York; 3.) by advocacy conducted by OSF in Washington, D.C., Brussels and in Africa, focusing on global and regional and governmental institutions; and 4.) as a grantor, working through relationships within a network of networks of grantees, affiliated and national foundations, and other partners. He recommended the Board review the Structure of the Network presentation provided in the Board materials and gave several examples of coordinated activities among the foundations and civil society organizations in effecting change through the years.

Mr. Soros described how OSF in its early days tended to respond to opportunities by becoming engaged in work and regions before deeply contemplating the implications of its actions. Because the problems civil society currently deals with are more complex and the stakes higher, he believes OSF should take steps to understand the issues and implications prior to acting. He established and supports Central European University, the Institute for New Economic Thinking and other institutions that can help OSF and others gain the benefit of deep thinking about public policy on a global basis. Mr. Soros believes OSF should use case studies and methodology to examine which interventions work and which do not.

Mr. Stone said he is excited about his involvement with OSF and confident that USP's priorities in the areas of race, justice, and cities comprise a good agenda. He indicated that he looks forward to drawing connections between the foundations' efforts in the United States and internationally in areas such as criminal justice. He agreed that objectively evaluating and seeking outside expertise and perspectives can be of some help in guiding OSF effectively to promote its objectives. The Board discussed the pros and cons of OSF's existing model and some of the methods by which it promotes thought leadership, such as the Open Society Fellowships, and the great difficulty in determining whether and when work in a given area should be stopped if progress is not seen for a prolonged period.

Mr. Soros repeated his view that more thinking must be done about the foundations' work and that OSF's early method of opportunistically acting in fields in which no other interveners were acting must be revisited, in part because many mistakes had been made. He opined that USP should eliminate some of its existing areas of focus in order to institute new ones that are more effective. Mr. Stone pointed out that flawed programs often lead to good results, for example, intervening in cities such as Johannesburg to promote specific issues such as curbing violence, by which the field had through trial and error learned what does and does not work over the course of years.

The Board discussed the limitations and risks of OSF's historic and ongoing work in certain countries and regions, such as Asia, the Middle East and North Africa, due to government restrictions or hostility and the necessity to carefully use intermediaries in certain areas.

After a presentation on the sociology of historic and contemporary cities by Professor Paul Romer, the Board segued to a discussion of a proposal prepared by a committee of Board and staff members to implement interventions by USP in certain cities (the "City/State Initiative"), with the objective of advancing USP's priority areas. Ms. Ifill and Ms. Morris described the work completed thus far to identify candidate cities and potential options, already used by some USP initiatives, other than opening dedicated field offices in them, as was done in Baltimore. These options and candidate cities appeared in the proposal distributed to the Board.

Drawing from the example of OSI-Baltimore and its success in achieving certain targeted goals, becoming a respected community institution, and maximizing resources, the Board discussed whether it makes sense to try to replicate that model. Much discussion ensued in which members expressed concern about how to determine which cities are chosen, whether and how USP could prioritize its goals in the face of competing or conflicting local issues, and how it could integrate effectively. Several members explained that there was no clear strategy involved in OSI-Baltimore's establishment but that senior management had been deeply involved from the beginning and that local leadership had been receptive to OSF and to the issues it sought to promote there.

Mr. Soros urged that the issues of criminalization of drug use, criminal justice, and challenges to black male achievement be a focus of any place-based investment. The Board discussed the advantages and disadvantages of having state and local governments that are receptive to working with civil society organizations. Mr. Stone expressed the view that OSF must be clear on what it wants its relationship with other funders to be, while seriously considering competing priorities in any place in which it intervenes, because there will be many.

The Board and staff agreed on the necessity of inviting locally-based thought leaders or advocates to contribute ideas and propose strategies; of securing partners and working with local NGOs; and of creating a local identity in order to enhance community acceptance and increase visibility. Mr. Benkler expressed the view that it is important to develop a selection criterion for cities in which to intervene that can be transferable from the general to the specific.

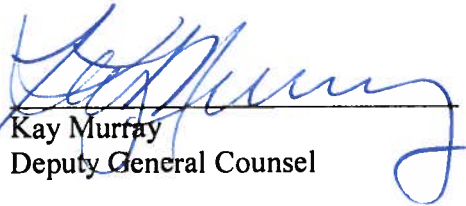
Mr. Stone suggested USP issue requests for proposals ("RFPs") to local actors in candidate cities that ask for a plan of intervention by OSF in their cities, and to use both the ideas provided for a plan and the demonstrated knowledge and abilities of those submitting proposals to help identify the interventions, the sites, and the potential leaders of such work. He suggested that persons chosen would need to be able to leverage social and political power and be responsible for building a coalition and specific strategy for the city. Mr. Bhargava suggested a two-phased approach, in which OSF awards fellowships to respondents in order to allow them to develop a compelling case for intervention in specific cities. The Board agreed with these recommendations and resolved to issue RFPs in 15 cities to seek leadership and plans, from which it could narrow its focus to a smaller number of places in which to award fellowships for deeper development of such plans, with the goal of actually intervening in two to three cities.

The discussion turned to an update on the Young Men's Initiative ("YMI") of New York City. Mr. Dove discussed the \$30 million pledge from USP to partner with Bloomberg Philanthropies in order to support YMI. He advised that finalizing a formal agreement that ensured the YMI would meet USP's and Mr. Soros's objectives in New York City on behalf of young men of color had taken several months of negotiations, as the priorities of USP and of the city are not substantially aligned. The Board discussed the difficulties, particularly in the area of education and mentoring, that USP has experienced working with organizations and parties involved in the YMI that have political agendas, and it commended staff and involved Board members, including Ms. Ifill, for remaining firm in insisting on USP's priorities.

Ms. Ifill announced Mr. Zuckerman's resignation from the Board as of the close of the meeting, and the Board thanked him enthusiastically for his significant contributions during his tenure.

There being no further business, a motion to adjourn was duly made, seconded and approved.

Dated as of May 7, 2012



Kay Murray
Deputy General Counsel