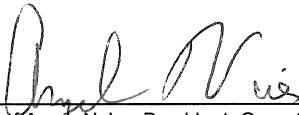


**U.S. PROGRAMS  
TRANSPARENCY AND INTEGRITY FUND  
Summary of Recommended Grants  
June 30, 2010 Docket**

**U.S. Programs, Transparency and Integrity Fund (T1: 21093)**

Organization	Requested	Recommended	Term
<b><i>Journalism for an Open Society</i></b>			
National Public Radio	\$1,800,000 / 1 year	\$1,800,000	1 year
New America Foundation	\$75,000 / 6 months	\$75,000	6 months
ProPublica	\$250,000 / 2 years	\$250,000	2 years
Trustees of Columbia University (Columbia Journalism Review)	\$200,000 / 2 years	\$200,000	2 years
Voice of San Diego	\$200,000 / 2 years	\$200,000	2 years
<b><i>Information Access, Design and Regulation</i></b>			
Center for Media Justice	\$250,000 / 2 years	\$250,000 <sup>1</sup>	2 years
Proteus Fund (Media Democracy Fund)	\$500,000 / 2 years	\$500,000	2 years
<b><i>Fair and Equal Access to the Ballot</i></b>			
Campaign Legal Center	\$200,000 / 2 years	\$125,000 <sup>2</sup>	1 year
Committee for Economic Development	\$450,000 / 2 years	\$300,000 <sup>3</sup>	18 months

**TOTAL RECOMMENDED: \$ 3,700,000.00**



Approval Signature of Aryeh Neier, President, Open Society Institute

*June 30, 2010*

Date

<sup>1</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$200,000), and the Equality and Opportunity Fund T1: 24023 (\$50,000).

<sup>2</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$25,000), and the JEHT Emergency Fund T1: 59995 (\$100,000).

<sup>3</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$100,000), and the Strategic Opportunities Fund T1: 21081 (\$200,000).

## MEMORANDUM

**To:** Aryeh Neier  
**From:** Ann Beeson, Laleh Ispahani and the Transparency and Integrity Fund  
**Date:** June 11, 2010  
**Re:** Transparency and Integrity Fund's June 30, 2010 Docket

We look forward to meeting with you on Wednesday, June 30, 2010, to discuss the second 2010 docket of the Transparency and Integrity Fund (TIF or the Fund). We respectfully seek approval of 8 grants in this docket.

As reflected in its three year strategic plan (completed mid-2009), TIF's grant making and program strategies seek to promote government transparency and accountability, the integrity of the judicial and electoral systems and public engagement, by supporting:

- Media and government 'watchdog' groups, and the development and use of emerging technology tools and practices that increase public involvement and access to information;
- Efforts to ensure broad and equal access to the ballot and the integrity of elections, as well as efforts to ensure a fair, impartial and diverse judiciary; and,
- Creative responses to the challenges and opportunities facing journalism.

The grants recommended in this docket, and described in more detail below, represent TIF's expanding efforts to address the crisis in journalism, and its continued efforts to redress the corrosive impact of special-interest money in politics and increase access to information that empowers citizens. Recommended grants include support for: two non-commercial journalism organizations new to TIF, ProPublica and Voice of San Diego, support for a new public media research project of the New America Foundation and a tie-off grant to the Columbia Journalism Review. They also include two current TIF grantees, the Media Democracy Fund and Center for Media Justice, groups working to enhance access to information for communities of particular interest to U.S. Programs. Finally, they include two current grantees, the Campaign Legal Center and the Committee for Economic Development, that are working to stem the likely effects of the Supreme Court's decision in *Citizens United* permitting corporations to spend unlimited general treasury funds on political activities

### ***Transparency & Integrity Fund Grants***

#### *Journalism*

This portfolio's goals are to strengthen accountability journalism on critical open society issues at the state and local level; revitalize, expand and bring greater diversity to the public media sector; and, increase and improve the production, distribution and reach of international reporting for U.S. audiences.

Pursuant to what was a rich discussion at the recent U.S. Programs Board Meeting, one supportive of this portfolio's goals, TIF is recommending four grants in this area. The first three recommendations further its goal of strengthening accountability journalism at the state and local level. A grant to **ProPublica** would support its distributed reporting unit, a critical aspect of ProPublica's pioneering work to increase public engagement with the news. The recommended grant to the **Voice of San Diego** would support the establishment of an innovative Engagement Editor position, intended to serve as a guide to San Diego news and public affairs using a variety of techniques, online and in person, to encourage people to become actively engaged in civic life. A recommended grant to the **New America Foundation** would address TIF's goal of a more robust public media sector by supporting a strategic planning process to define a pragmatic, politically viable campaign in support of reinvigorated public media in the U.S. Finally, the recommended grant to **Columbia Journalism Review** would support its Future of News project, which reports on and analyzes the successes and failures of business models, public policy, and ways of collecting and distributing news and information. OSI has provided major, general support for the Columbia Journalism Review since 2006. This grant would be a final grant to CJR.

### *Access to Information*

TIF supports groups working on the collection and dissemination of information that empowers citizens as well as watchdog groups that monitor the regulation of public information and government practices.

This docket includes recommendations to two organizations working on access to information for communities of particular interest to U.S. Programs. The **Media Democracy Fund** (MDF), since its launch in 2006, has distributed \$3.7 million in grants to support grassroots and national advocacy groups that engage in organizing, litigation and regulatory reform around communications policy. The recommended grant to MDF would support it in engaging new constituencies in technology and communications policy debates, such as youth, Native Americans, rural populations, immigrants, and communities of color. The second recommendation is for support to the **Center for Media Justice** (CMJ). CMJ is a key organization in the national communications policy movement and serves a critical role in connecting local grassroots media justice groups, national media policy groups and multi-issue social justice groups organizing on other issues, such as immigrants' rights, healthcare, civic engagement, and economic justice, to develop an open communications infrastructure that is oriented towards the public interest.

### *Fair & Equal Access to the Ballot*

This portfolio's goals are to tackle both systematic and structural problems bedeviling the nation's electoral system – problems that have been exacerbated recently by the Supreme Court's dramatic *Citizens United* decision. TIF has a strategy with both short- and long-term elements to continue to advance its priorities in this arena while responding directly to the likely effects of the decision. In the near-term, this includes: bolstering corporate

governance efforts, leveraging transparency and public opinion to demand accountability for corporate financing of election activities and continuing to advance merit selection for judges or judicial public financing. TIF is also supporting grantees working on longer-term, vital responses to the decision, including voter registration modernization and federal judicial nominations.

In this docket, TIF is recommending two grants for electoral reform work that represent a part of its response to Supreme Court's *Citizens United* ruling. The recommended grant to the **Campaign Legal Center** (CLC) would support an organization that works on a range of issues in alignment with TIF priorities in this area, including defending existing disclosure laws and campaign finance regulation, voter registration modernization and redistricting reform. CLC also works closely with all current TIF election reform grantees. (The bulk of this grant would be paid out of the JEHT Emergency Fund, although TIF is making a contribution to it, too, because it is considering bringing CLC into this portfolio in the longer term.) A recommended grant to the **Committee for Economic Development** would support a collaboration between it and TIF grantee the Center for Political Accountability in conducting a coordinated campaign to change corporate community attitudes and behaviors about political giving, and related public policies and opinions in the wake of the Supreme Court's decision in *Citizens United*.

**Name of Organization:** New America Foundation

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

**Purpose of Grant:** to support a short-term strategic and policy planning process for the purpose of defining a pragmatic, politically plausible campaign to strengthen U.S. public media.

**FPOS Grant Description:** To support a strategic and policy planning process for the purpose of defining a pragmatic, politically plausible campaign to strengthen public media in the 21<sup>st</sup> century. New America will conduct research and analysis toward policies that would generate new revenue for public media; foster better governance and protect public media from undue political and commercial influence; diversify public media's audience, content, and formats; and redefine public media to include an expanded range of noncommercial media creators.

**Previous OSI Support:** \$3,981,875  
 \$200,000 Transparency and Integrity Fund (2009)  
 \$575,000 from Chairman's Grants Overseas (2007-09)  
 \$500,000 from USP Democracy & Power Fund (2008)  
 \$1,431,875 from SOF (2004-2008)  
 \$575,000 from Progressive Infrastructure (2006)  
 \$150,000 from Governance and Public Policy (2002)  
 \$100,000 from U.S. General (2001)

**Organization Budget:** \$15,900,000

**Project Budget:** \$75,000

**Other Sources of Support:** *Organization*

James Irvine Foundation	\$1,000,000
Rockefeller Foundation	\$1,000,000
Wendy and Eric Schmidt	\$1,000,000

**Amount Requested:** \$75,000 over six months

**Amount Recommended:** \$75,000

**Term:** July 1, 2010 – December 31, 2010

**Description of Organization**

The New America Foundation (New America) is a nonpartisan public policy institute that invests in new thinkers and new ideas to address the next generation of challenges facing the United States. New America is led by [Steve Coll](#). It is located in Washington D.C. and also has a significant presence in California.

New America emphasizes work that is responsive to the changing conditions and problems of the 21st Century information-age economy – an era shaped by transformative innovation and wealth creation, but also by shortened job tenures, longer life spans, mobile capital, financial imbalances, and rising inequality.

With an emphasis on big ideas, impartial analysis, and pragmatic solutions, New America invests in outstanding individuals whose ability to communicate to wide and influential audiences can change the country's policy discourse in critical areas, bringing promising new ideas and debates to the fore.

The New America Foundation's media-related programs focus on formulating policy and regulatory reforms to foster the development of a healthy media that satisfies the needs of democracy in the 21st century. The New America Foundation's Knight Media Policy Fellows and staff research, analyze, and promote policies that are committed to maximizing the public interest potential of innovative media, supported by partnerships with communities, researchers, industry, and public interest groups. By studying the social and economic ramifications of policymaking – particularly on poor, rural, and other underserved constituencies – New America provides in-depth, objective research, analysis, and findings for policy decision-makers and the general public.

Earlier this year, the Federal Communications Commission launched a major new agency-wide "Future of Media" project to ensure that "citizens and communities end up with vibrant, diverse sources of news and information – information that enables them to enrich their lives, their communities and their democracy." In response, New America – in collaboration with TIF grantees Free Press and the Media Access Project – issued substantial comments that addressed the many questions raised in the inquiry, and proffered a set of solutions that would preserve the strengths of our legacy media, increase the potential of public media, and support the development of sustainable models that plug media gaps that have historically existed among poor and underserved communities in the future.

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

New America proposes to undertake a short-term strategic and policy planning process for the purpose of defining a pragmatic, politically plausible campaign to strengthen public media in the 21st century through winning substantial new revenues and broadening participation in media in the United States.

New America will conduct research and analysis toward policies that would generate new revenue for public media; foster better governance and protect public media from undue political and commercial influence; diversify public media's audience, content, and

formats; and redefine public media to include an expanded range of noncommercial media creators.

The goal of this planning process would be to produce, by the end of October 2010, a detailed campaign strategy supported by rigorous analysis and research. This proposed strategy and analysis could then be presented to a group of philanthropic institutions, think tanks, advocacy groups and public media institutions. Such an event would leave all participants with a well defined, empirically sound set of choices and strategies to consider, as well as a clear path forward.

Steve Coll will oversee this planning process. Coll is President of New America, and is also a [staff writer at The New Yorker magazine](#). He spent 20 years as a foreign correspondent and senior editor at *The Washington Post*, serving as the paper's managing editor from 1998 to 2004. He is the author of six books, including *The Deal of the Century: The Break Up of AT&T* (1986); *The Taking of Getty Oil* (1987); *Eagle on the Street*, based on the Pulitzer Prize-winning account of the SEC's battle with Wall Street (with David A. Vise, 1991); *On the Grand Trunk Road: A Journey into South Asia* (1994); *Ghost Wars: The Secret History of the CIA, Afghanistan and Bin Laden, from the Soviet Invasion to September 10, 2001* (2004); and *The Bin Ladens: An Arabian Family in the American Century* (2008).

### **Rationale for Recommendation**

This grant would support the Transparency and Integrity Fund's goal of reshaping public policy in service of a revitalized, expanded, and diverse public media sector.

Public broadcasting in the U.S. has historically played an important role in providing high-quality news and public affairs programming. However, insufficient funding, political interference, and a faulty governance structure have prevented traditional public broadcasters from fulfilling their mandate to serve the full public. Public broadcasting has been widely criticized for being insufficiently diverse in programming, audience, and staff. Most public radio stations have few if any local news reporting staff. Yet despite these shortcomings, public broadcasting is a highly trusted source of information.

Columbia Journalism School's 2009 report, *The Reconstruction of American Journalism*, included a series of recommendations to support independent news reporting across the country, one of which addresses the U.S. public broadcasting system: "Public radio and television should be substantially reoriented to provide significant local news reporting in every community served by public stations and their websites. This requires urgent action by and reform of the Corporation for Public Broadcasting, increased congressional funding and support for public media news reporting, and changes in mission and leadership for many public stations across the country."

This idea was also discussed at length at TIF's November 2009 journalism convening. Participants agreed that it would be desirable to identify strategies that might support a

politically viable campaign in support of reinvigorated public media.<sup>1</sup> Such a campaign might also include policy strategies in Congress, at the Federal Communications Commission, and at the state level. At all levels, the purpose of such a campaign would be to identify and promote pragmatic ideas to generate revenue for public media and to encourage innovation. To ensure press freedom from influence or pressure, any public support must be content and platform neutral.

The American public media system falls short when measured against its founding mission of 40 years ago or against its international peers. It has been largely ignored and underfunded by the government, and it has underperformed for decades. But if America is to continue to have the quality information, knowledge, and journalistic enterprise needed to remain a functioning democracy, then we must strengthen the public media system and reclaim the system's original vision and role.

The critical challenge will be to realize the ideas that are generated by this planning process. The problem is how to build a national constituency and elite support to move statehouses and Capitol Hill to make the right policy decisions in support of public service media in its many forms.

In response to this formidable challenge, a consortium of reputable think tanks and advocacy organizations from across the political spectrum is forming a working coalition to address these issues. This work requires formal shape and push to achieve its potential. The New America Foundation's six-month strategic planning effort would mark phase one of a coordinated, multi-year campaign including extensive research, coalition-building, public education, communications, and advocacy.

The policy objectives would have a profoundly positive impact on the U.S. media system, but it is certain that any efforts will face opposition. Efforts to identify, broaden, and mobilize a strong and diverse constituency in the United States in support of public media will require strong, pragmatic policy ideas; a sound political strategy; skilled allies; and sufficient resources. The primary purpose of this strategic planning process would be to determine whether it is possible to assemble those assets, and whether there is sufficient funder support to move forward. We also expect that this planning process may also help us identify other funding opportunities related to public media.

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<sup>1</sup> In this context, public media would include the traditional public broadcast incumbents PBS and NPR, as well as emerging and established credible, noncommercial news outlets, community radio, public access TV, independent print publications, and viewer-supported satellite and Internet TV.



**Name of Organization:** ProPublica, Inc.

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

**Purpose of Grant:** to support ProPublica’s Distributed Reporting Network

**FPOS Grant Description:** This grant would support ProPublica’s Distributed Reporting Network (the Network), which enables ProPublica’s journalists to take advantage of web-based collaborative reporting techniques to draw on the expertise and information of external institutions and individuals to produce better journalism. ProPublica’s creative use of collaborative reporting enables them to tell stories beyond the capacity of individual reporters; to build a stronger relationship with the public; to help ProPublica’s national reporters watchdog locally; and, increasingly, to support and organize local and state-level reporters so that important issues get necessary coverage.

**Previous OSI Support:** \$0

**Organization Budget:** \$10,038,000

**Project Budget:** \$475,000

**Other Sources of Support:**

Foundation grants	\$6,047,825
Individual contributions	\$307,154
Interest and other income	\$12,067

**Amount Requested:** \$250,000 over 2 years

**Amount Recommended:** \$250,000

**Term:** July 1, 2010 – June 30, 2012

**Description of Organization**

ProPublica was founded in late 2007 as an independent, noncommercial newsroom with a mission to produce investigative journalism in the public interest. ProPublica began publishing in June 2008 and is located in New York City. ProPublica’s goal is to stimulate positive change, uncovering unsavory practices and abuses of power in order to prod reform. ProPublica produces journalism that shines a light on exploitation of the weak by the strong, and on the failures of those with power to vindicate the trust placed in them.

Paul Steiger, the former managing editor of the *Wall Street Journal*, is ProPublica's Editor-in-Chief. Stephen Engelberg, a former managing editor of *The Oregonian* and former investigative editor of *The New York Times*, is Managing Editor. Richard Tofel, the former assistant publisher of *The Wall Street Journal* and former general counsel of the Rockefeller Foundation, serves as General Manager.

ProPublica has the largest investigative news staff in the nation, with 32 full-time reporters and editors. ProPublica has published more than 250 long-form stories with 50 leading publishing partners, including the *New York Times*, *Washington Post*, *Los Angeles Times*, *USA Today*, *60 Minutes*, *CNN*, *Newsweek*, *BusinessWeek*, *Politico*, and newspapers around the country.

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

This grant would support ProPublica's Distributed Reporting Network (the Network). Distributed reporting is an evolving area of web-based collaboration with people and institutions outside of one's own. It is frequently referred to as "crowdsourcing," in large part because the method enables broad collaboration at relatively low cost. The technique can be used to produce a story, analyze data, elicit information from the public, identify sources, or conduct research.

ProPublica established the Network in May 2009 and now has more than 5,000 members. ProPublica has several goals for the Network: to tell stories beyond the scope of an individual reporter; to build a stronger relationship with the public, and help it serve as local watchdog; and, increasingly, to support and organize local and state-level reporters so that important issues get necessary coverage. Like major metro dailies that often publish stories drawing from reporting by a half-dozen or so reporters and stringers around the country, distributed reporting allows ProPublica's professional journalists to manage assignments that draw on the insight and experiences of many, a significant percentage of them local and state-level reporters.

The Network is run by Amanda Michel, ProPublica's Editor of Distributed Reporting. She is widely regarded as the most talented pioneer and practitioner of distributed reporting. Michel works closely with ProPublica reporters to identify ways to integrate readers into their work. She has developed a methodology for recruiting and surveying large numbers of people on broad and discrete issues. She designs surveys and analyzes data; recruits members of the public to participate in projects; manages data about contributors to pair them with appropriate projects; and organizes readers to analyze data, file open records requests, and report on local events. Michel combines a commitment to high standards of journalistic integrity, with strong organizing skills that she honed on Howard Dean and John Kerry's Presidential campaigns.

ProPublica's coverage of the government's home loan modification program is a clear and representative example of its distributed reporting. In February 2009, the federal government introduced Making Home Affordable, a \$75 billion program aimed at reducing monthly mortgages of struggling homeowners. More than three million

mortgages are eligible for this program. ProPublica began recruiting readers who had applied for a loan modification to share their experiences with this federal program, and to help identify others going through the program. More than 1,000 homeowners from all parts of the country joined ProPublica's loan modification network.

Although ProPublica acknowledges that the network is not a statistically relevant sample, its size quickly highlighted some major some problems with the program. The stories and data collected from the loan modification reporting network showed the incredible delays and frustrations applicants typically faced: mortgage servicers repeatedly lost documents, misinformed homeowners, and denied modifications for reasons contrary to the program's guidelines. Many people provided examples and details of ways in which banks failed to follow federal regulation. These trends deeply influenced ProPublica's reporting, and gave the organization an advantage when covering the issue.

In a series of articles, ProPublica reporter Paul Kiel documented the poor performance and failures of banks, articles informed by the information gathered by the loan modification network. More recently, Kiel wrote an article on loans being accidentally lost, which was published both by ProPublica and partner *USA Today*. Many people had waited much longer than three months – the time a servicer has to decide whether or not to make a loan. Kiel identified a homeowner who was still waiting 10 months later. OSI's Neighborhood Stabilization Initiative has reviewed ProPublica's reporting on loan modifications and is very supportive of the work.

ProPublica creates accountability resources for the public and press alike. Some of the most active contributors to ProPublica's distributed reporting projects are local and state-level journalists. Knowing that there were too many important stories for its own reporters to cover, ProPublica asked homeowners who have contributed loan modification stories to speak with local journalists about their experiences. ProPublica then recruited and matched up local journalists with homeowners as part of its "Reporting Matchmaker" feature. More than 140 reporters from around the country signed up, including reporters from *CNN*, *the Atlanta Journal-Constitution*, *Baltimore Sun*, and *Des Moines Register*.

ProPublica also asks for public assistance when access to public documents is blocked. Several states, including Tennessee, Arkansas, and Virginia, have adopted laws that restrict freedom of information requests to their own citizens– even if federal money is involved. In response, ProPublica has established a group within its Network called the "Doc Squad." Currently several dozen members large, this group files public records requests on ProPublica's behalf.

### **Rationale for Recommendation**

We recommend a grant of \$250,000 over two years to ProPublica. The recommended grant would advance the Transparency and Integrity Fund's goals of strengthening accountability journalism on critical open society issues, and supporting efforts to develop creative, pragmatic, and productive ways of engaging the public in

newsgathering, not only as a way to improve the quality of reporting, but also as a way to increase public investment in and engagement with the issues.

In just two years, ProPublica has had major impact in a variety of areas, including California's lax system for licensing nurses, threats to water safety from natural gas drilling, police violence in New Orleans, and accountability in the U.S. stimulus program. ProPublica received the Pulitzer Prize for Investigative Reporting, as well as a slew of other prestigious awards.

The economic crisis in American journalism undermines the ability of a free press to call the powerful to account. Across the country, news budgets and newsrooms are shrinking. Meanwhile, the government has been forced to prop up Wall Street with a massive bailout that will cost the public billions, and is planning to invest billions more in infrastructure, green jobs, health care reform, sustainable energy, etc. In all this, there are many opportunities for critical collaborative-reporting projects that will engage thousands of people who want to make themselves useful to the press.

ProPublica is developing practical, replicable ways to involve the public in important reporting assignments. When a story outstrips the capacity of a single reporter, ProPublica can, and does, turn to its readers for help, organizing them around specific questions of public concern.

For example, last summer ProPublica asked participating readers to adopt a local stimulus-funded construction project and track the number of jobs it created. More than 600 people signed up. One goal was to check the administration's promise that every job created by the stimulus would and could be counted. Every volunteer was provided with detailed suggestions and guidance. Within days ProPublica learned from readers that accurate job counts were unavailable. Because most construction workers cycled from site to site, many had been double or triple-counted by the state departments of transportation. ProPublica was one of the first publications to report on these faulty job counting methods.

Later that summer, ProPublica created a sample of ten percent of stimulus-funded construction projects – approximately 600 – and asked readers to gauge the projects' status. Specifically, ProPublica reporters wanted to know whether funding had been approved, construction had started, and how many hours had been worked on each site. Their goal was to check the Administration's assertion that there would be a summer tidal wave of stimulus-funded jobs and work. Those who signed up examined their state's transportation agency web site, made frequent calls to state and local officials, and followed up with construction companies. With their help, ProPublica learned that by mid-summer, construction had begun on only 30 percent of projects. ProPublica's story was the first to authoritatively assess progress on so-called "shovel-ready" projects.

In a short time, ProPublica has built a newsroom that exemplifies the best practices of professional journalism, where talented editors and journalists, both established and new, hone their skills and build on an already impressive track record with impact. In addition,

ProPublica is constantly testing new ways to engage the public in newsgathering. At a time when more information is available to the public than ever before but it is not being aggregated in a meaningful way for citizens, ProPublica's efforts to enable professional journalists and editors to productively harness the skills and knowledge of an engaged public are critical.

**Name of Organization:** Trustees of Columbia University in the City of New York

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

**Purpose of Grant:** To support the Columbia Journalism Review's Online News Database

**FPOS Grant Description:** Columbia Journalism Review (CJR) plans to build an Online News Database for policymakers, journalists, entrepreneurs, investors, and the public, containing news and information on efforts to reinvent journalism in the digital age, at both new and legacy media, as part of a broader effort by the Columbia Graduate School of Journalism to become a clearinghouse for such information.

**Previous OSI Support:** \$7,550,491  
\$600,000 from Transparency and Integrity Fund (2008)  
\$3,659,697 from U.S. Programs (1997-2008)  
\$3,290,794 from various OSI sources (1997-2008)

**Organization Budget:** \$2,231,000 (*Columbia Journalism Review*)

**Project Budget:** \$800,000

**Other Sources of Support:** *Project*

Park Foundation	\$25,000
Anonymous	\$25,000

**Amount Requested:** \$200,000 over two years

**Amount Recommended:** \$200,000 over two years

**Term:** January 1, 2011 to December 31, 2012

**Description of Organization**

The Columbia Graduate School of Journalism (the Journalism School) is one of the leading academic institutions dedicated to educating new generations of journalists and upholding the standards of excellence of the profession as a whole. It was founded in 1912 and is located in New York City. The Columbia Journalism Review (CJR) was founded in 1961 and is housed at the Journalism School. It is a leading U.S. media monitor and a watchdog of the press in all its forms: newspapers, magazines, radio, television, cable and the internet. CJR examines day-to-day press coverage and the many forces – political, economic, technological, social, and legal – that affect how events are reported, and also takes on major long-term questions facing the profession. Its main constituency is working journalists.

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

CJR has developed a Future of Journalism Initiative, and this grant would support one aspect of that initiative: an Online News Database. CJR's goal for the overall Future of Journalism Initiative is to report and analyze deeply on both the danger and the promise that lie ahead for journalism in a world reshaped by the digital revolution. CJR aims to do this in a way that makes connections between journalists and non-journalists who are interested in the same set of issues about information flows. CJR's constituencies for this work include legacy and new media, mainstream and alternative, business managers and journalists, professional and citizen practitioners, policymakers, and entrepreneurs.

CJR's Online News Database (the Database) would serve as a directory of commercial and noncommercial digital news outlets, linked to CJR reporting on them. In addition to basic information, this Database would also include descriptions of the type of coverage (local news, foreign reporting, investigative journalism, etc.), editors and their background, staff size and composition, link to IRS form 990 (for nonprofits), business model, revenue stream by percentages (e.g. 30% advertising, 60% philanthropy, etc.), platform/back end (Drupal, Wordpress etc.), and information about audience.

CJR is planning to collaborate with other research institutions, such as the Pew Center and the Investigative Reporting Workshop at American University, to minimize duplicative efforts, and to share information and research. CJR's Database will allow news entrepreneurs to learn about existing efforts in any geographic or subject area, and the relative size and mission of those sites, and the kinds of business models being employed.

## **Rationale for Recommendation**

We recommend a grant of \$200,000 over two years to CJR. The recommended grant would advance priorities of the Transparency and Integrity Fund by creating a shared resource to help track the hundreds of journalism ventures across the United States and to collect data and lessons from the varied efforts to finance, gather, and distribute news and information.

Too often, journalists end up reinventing the wheel, rather than benefiting from the knowledge of others' successes and failures. CJR would help mitigate this by creating an online destination for policymakers, journalists, entrepreneurs, funders, and the public, containing news and information on efforts to reinvent journalism in the digital age, at both new and legacy media.

American journalism is at a crossroads. In the last two years major national and local newspapers have been reorganized, reshuffled, or diluted, and several thousand newspaper jobs have been eliminated as newsrooms have experienced round after round of buyouts and layoffs. Because of its reputation, mission, and focus, CJR can help guide the journalism community, and all those who care about the critical role of the press in a

democracy, through this upheaval. It provides a focal point and gathering place for those who want or need to make sense of the titanic shifts underway in the industry, and the implications for a free press and democracy, at a time when answers to these questions are vital to the long-term health of U.S. open society.

CJR and its related components have been growing in influence. Over the previous year print subscriptions, web subscriptions and web traffic have all increased substantially. Similarly, CJR's profile has been raised and even a partial listing of citations of its print and web articles include nearly all of the major networks, newspapers and blogs. According to CJR, web site statistics show that visitors to CJR.org include staff at the *New York Times*, *The Washington Post*, *The Wall Street Journal*, PBS, NPR, Fox News, and many others.

CJR's Chairman is Victor Navasky, Delacorte professor of journalism at the Graduate School and publisher emeritus of *The Nation*. The Dean of the Graduate School, under whose auspices CJR is published, is Nicholas Lemann, the Henry R. Luce professor of journalism.

In 2005, OSI made a 3-year (2006-2008), \$1.5 million commitment to CJR. This support enabled CJR to focus on future revenue-generating and editorial plans. In November 2008, the Transparency and Integrity Fund renewed the CJR grant at a reduced level of \$600,000 over two years (\$350k in 2008 and \$250k in 2009).

When we made the most recent grant in late 2008, we informed CJR that it might be the final grant to CJR from U.S. Programs. Although we remain enthusiastic about CJR's overall mission and quality, TIF's current journalism strategy does not closely align with most of CJR's work. However, we do see great value in having a centralized, up-to-date repository of information that tracks the evolving field of digital news start-ups, and we are confident that CJR will develop a valuable resource for the field.



**Name of Organization:** Voice of San Diego

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

**Purpose of Grant:** to support the creation of an new Engagement Editor position, to serve as a guide to San Diego news and public affairs and to develop a variety of techniques and tools to encourage people to become actively engaged in San Diego civic life.

**FPOS Grant Description:** The Voice of San Diego is nationally recognized as a pioneer in independent local news and investigative reporting on city and state government, economy, education, criminal justice, housing, and the environment. The Voice aims to increase broad public participation, and believes that in addition to having access to independent and reliable news and information, communities need sufficient context and assistance to make sense of that information and become engaged. This grant would facilitate continued innovation at the Voice by allowing it to create a new Engagement Editor position and to develop a variety of techniques to encourage people to become actively engaged in civic life.

**Previous OSI Support:** N/A

**Organization Budget:** 1,050,000

**Project Budget:** \$200,000

**Other Sources of Support:**

San Diego Foundation:	\$300,000
Syndication and Sponsorships	\$145,000
Membership	\$ 66,000

**Amount Requested:** \$200,000 over 2 years

**Amount Recommended:** \$200,000

**Term:** July 1, 2010 – June 30, 2012

**Description of Organization**

The Voice of San Diego (the Voice) is a noncommercial news organization that focuses on in-depth analytical and investigative reporting on local civic issues including city and state government, housing, education, criminal justice, the economy, and the environment.

The Voice was founded in 2005 by retired venture capitalist and entrepreneur Buzz Woolley and journalist Neil Morgan, a 50-year veteran of the San Diego Union-Tribune. The Voice is considered a pioneer in the growing field of noncommercial online news outlets and has earned a reputation for aggressive beat and investigative reporting, insightful commentary, and its experimental new media model. Rather than mimicking the comprehensive coverage of a daily newspaper, the Voice focuses on a limited number of issues and covers them in a deep and sustained manner.

The Voice currently has a paid staff of thirteen. It is run jointly by CEO Scott Lewis and Editor Andrew Donohue and employs seven full-time reporters, a photographer, a website manager, a membership manager, and a development manager. Six of the reporters are bi-lingual, as are the CEO and Editor. The Voice relies on a funding mix of foundation grants, individual donors, memberships, syndication fees, sponsorships, and advertising.

The Voice is a founding member of the OSI-supported Investigative News Network, a consortium of over two dozen noncommercial news organizations dedicated to in-depth public interest journalism. In order to distribute its content more broadly, the Voice partners with the local media outlets including the public radio station, a Spanish-language newspaper, and commercial radio stations. They have developed a partnership with Claremont McKenna College, which provides research support and data analysis. The Voice also works with a high school in a low-income community helping launch a school newspaper. Voice staff members serve as mentors to the students, and are also developing a plan to engage parents and teachers in newsgathering.

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

The Voice is recognized as a national leader in independent local news and investigative reporting. This grant would enable the Voice to create a new Engagement Editor position. This editor will serve as a guide to San Diego news and public affairs and develop a variety of techniques to encourage people to become actively engaged in civic life.

The primary goal of this project is to increase civic participation among San Diego residents. The Voice recognizes that members of the public require more than just access to independent and reliable news and information; they also need context to make sense of the information and a guide to help them understand how to engage productively in civic affairs.

The Voice has found that the most effective way to create demand for news is to explain the news and engage the audience in creative ways. In January 2010, the Voice launched a partnership with the local NBC television news affiliate. Once a week, during the evening news, the station airs a brief segment called “San Diego Explained,” which is produced in collaboration with Voice reporters and editors. Each segment focuses on one complex local issue and explains the basic concepts and context. Recent segments have explained the city budget, pension system, privatization of government services, barriers

to affordable fresh food in poor neighborhoods, the “strong mayor” form of government, medical marijuana, desalination plants, and campaign finance laws. After each segment airs, it is posted online on the websites of both news organizations.

The segments are increasingly popular, and serve to increase The Voice’s audience. Readership and public response to The Voice’s its coverage of the San Diego city pension crisis increased after it aired a segment that explained the fundamentals of the city’s pension system; the difference between a defined benefit pension and a defined contribution plan, and how city budget decisions affect pension benefits.

### **Rationale for Recommendation**

We recommend a grant of \$200,000 over two years to the *Voice of San Diego*. The recommended grant would advance the Transparency and Integrity Fund’s goal of strengthening accountability journalism on critical open society issues at the local level.

In the journalism memo submitted for discussion and approved at the May 2010 OSI Board meeting, TIF proposed to identify and support replicable models to produce and distribute reporting on state and city government, and beat reporting on critical open society issues. The strategy included support for efforts to develop creative, pragmatic, and productive ways of engaging the public in newsgathering, not only as a way to improve the quality of reporting, but also as a way to increase public investment in, and engagement with, the issues.

The Voice has received local and national recognition for its news coverage. A three-part [special report](#) on immigration and life in a local makeshift migrant camp won awards in 2006 and 2007 from the San Diego Press Club and the San Diego Society of Professional Journalists, beating out competition from the region's largest print organizations.

Nationally, the Society of Professional Journalists awarded Voice editor Andrew Donohue its 2007 Sigma Delta Chi award for online investigative reporting for his coverage of a local affordable housing agency. Investigative Reporters and Editors recognized the Voice in 2009 for its investigation uncovering a clandestine bonus system and widespread conflicts of interest at the city of San Diego's redevelopment agencies.

Though the Voice built its reputation and popularity on the quality of its investigative journalism, it also recognizes the imperative to experiment with a range of tools and methods to foster and sustain readership and public participation. The Voice believes that this will help with revenue generation and strengthen its value statement to community members and potential sponsors.

In addition to its commitment to high quality journalism and public engagement, The Voice is also focused on building a sustainable financial model, and recognizes the need to reduce its dependence on philanthropy. The Voice was selected by the Knight Foundation as one of eight entrepreneurial journalism organizations that have each developed noteworthy journalism and business practices. Knight has assembled a team of

consultants with expertise in the news business to help these groups experiment with and share information about various revenue and sustainability models. This project will generate information about needs and phases of growth of entrepreneurial ventures as they move from fledgling start-ups to sustainable organizations. Knight has invited OSI to participate in several meetings of these groups, and has offered to share the results of the project.

The Voice has already demonstrated its creativity and effectiveness in the area of public engagement. If successful, this experiment to focus on and strengthen civic participation will be a model for other news organizations around the country.

**Name of Organization:** Center for Media Justice

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

**Purpose of Grant:** to provide general support

**FPOS Grant Description:** The Center for Media Justice is developing the leadership of regional media justice organizers, strengthening the organizing capacity of the media justice sector in eight regions across the U.S., and advocating for policy changes to ensure affordable, universal access to an open Internet.

**Previous OSI Support:** \$535,000  
\$250,000 from Transparency and Integrity Fund (2008)  
\$200,000 from Progressive Infrastructure (2006)  
\$85,000 from Youth Media Program (2004-2005)

**Organization Budget:** \$1,050,300

**Project Budget:** Not applicable

**Other Sources of Support:**

Ford Foundation	\$250,000
Surdna Foundation	\$50,000
Evelyn & Walter Haas Jr.	\$50,000

**Amount Requested:** \$300,000 over two years

**Amount Recommended:** \$250,000 over two years  
\$200,000 from Transparency and Integrity Fund (T1: 21093)  
\$50,000 from Equality and Opportunity Fund (T1: 24023)

**Term:** July 1, 2010 – June 30, 2012

**Description of Organization**

The Center for Media Justice (the Center), formerly the Youth Media Council, was created in 2001 in response to biased media coverage of youth and communities of color in California. Located in Oakland, California, the Center is an organizing center for grassroots leaders and organizations based in historically disenfranchised communities. The Center has strengthened the communications and media activism capacity in many social justice groups and campaigns working for immigrants' rights, educational justice, juvenile justice, fair policing, and economic justice. The Center has trained thousands of emerging youth organizers across the country in strategic presswork, communications strategy and spokesperson skills. The Center builds the power of movements for racial justice, economic equity, and human rights to become more effective, collaborative, and strategic.

The Center's Mobile Justice Campaign is a special initiative to advance information and media policy that ensures access to open, affordable broadband and phone service in low-income communities. The Center is guided by a "media justice" framework, which bridges the social justice and information policy sectors. The Center's Media Justice Campaign is working towards four broad goals: expand the capacity, scope and impact of regional organizing towards fair media and information policy in several U.S. cities; build the leadership and skills of social justice organizers committed to media accountability; develop model media policies for racial and economic justice; and build and strengthen connections among grassroots media justice groups, national media policy groups, and social change organizations.

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

This grant is for general support.

### **Rationale for Recommendation**

The Transparency and Integrity Fund and the Equality and Opportunity Fund recommend a grant of \$250,000 over two years (\$200,000 from TIF and \$50,000 from EOF). This grant would advance the TIF's goal to strengthen the capacity of organizations that represent the public's interest in federal media and telecommunications policy. In addition, this grant furthers the Equality and Opportunity Fund's goal to build the capacity of emerging racial justice groups to develop innovative new strategies for advancing racial justice. This grant also furthers the Democracy and Power Fund's goal of supporting youth organizing.

Media and information policy impacts all of U.S. Programs' funding areas. As health and human services, education, commerce, employment resources, and journalism all move online, it is critical that all people are able to participate. The Center is one of a very few organizations effectively working to ensure universal, affordable high-speed access to the Internet, and to protect public-interest values in the online space itself. Success in this area would have far-reaching benefit; OSI and its grantees in every field depend on the existence of an open, democratic communications infrastructure for speech, economic opportunity, civic engagement, and knowledge exchange.

Over the past seven years, the Center has grown from a unique Bay Area-based youth organizing, leadership development and media capacity building intermediary into a key organization in the national media and information policy movement. The Center serves a critical role in connecting local grassroots media justice groups, national media policy groups and multi-issue social justice groups organizing on other issues, such as immigrants' rights, healthcare, civic engagement and economic justice. The Center is also building the leadership of people of color, women and youth, three constituencies largely absent from the pool of national media policy leadership.

The Center is led by Malkia Cyril, a respected leader in the media justice and youth organizing communities. For the past several years, Malkia has worked tirelessly behind the scenes on building relationships with the major national media policy groups, which are mainly based in D.C. The Center recognizes that transforming media content and policy depends on a coordinated and strengthened grassroots movement working in tandem with national policy groups.

Over the past 10 years, OSI has been one of a very few foundations that has supported the field of media and information policy, and had focused funding on national policy groups. Several years ago, OSI media policy grantees came to recognize that the field needed to diversify and expand the base of constituencies engaged in this field. However, the D.C.-based policy organizations did not have the credibility or expertise on their own to convince multi-issue social justice groups concerned with immigrants' rights, racial justice, healthcare and poverty to engage in media policy battles. Under Malkia Cyril's leadership, the Center has been working for several years to make the case that winning racial and economic justice requires an open and fair media system, and that media and communications policy is a critical secondary issue that will help achieve primary social justice goals. The Center provides the information, training, and expertise necessary to enable social justice organizations to include media and communications policy as part of their overall organizing agenda.

**Name of Organization:** Proteus Fund, Inc.

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

**Purpose of Grant:** To support the Media Democracy Fund

**FPOS Grant Description:** The Media Democracy Fund (MDF) is a funder collaborative that supports organizations advocating for a fair and open communications environment that empowers all people and enhances democratic values. MDF was created to meet the need for collaborative grantmaking by foundations already involved in media and communications policy issues, and to provide a reliable re-granting vehicle for foundations and individual donors wishing to enter the field. MDF grantmaking is rooted in the belief that freedom of expression and access to information are necessary elements of a civil society. These grantmaking efforts are closely tied to our support for journalism, since the Internet will play an increasingly important role in the future of news delivery.

**Previous OSI Support:** \$900,000  
\$700,000 from Transparency and Integrity Fund (2007-2009)  
\$200,000 from Strategic Opportunity Fund (2006)

**Organization Budget:** \$1,610,494

**Project Budget:** \$1,610,000

**Other Sources of Support:**

Ford Foundation	\$800,000
Quixote Foundation	\$200,000
Wallace Global Fund	\$100,000

**Amount Requested:** \$500,000 over 2 years

**Amount Recommended:** \$500,000

**Term:** July 1, 2010 – June 30, 2012

**Description of Organization**

The Proteus Fund, Inc. manages donor advised funds and serves as a vehicle to educate donors and increase progressive philanthropy. Proteus administers a number of funder collaboratives including the Civil Marriage Collaborative Fund, which supports marriage equality efforts at the state level; the Media Democracy Fund, which supports democratic media policy; the Piper Fund, which makes grants to state campaign finance reform



groups; and the Security and Rights Working Group, which funds organizations working on alternative national security policy. Proteus also staffs family foundations and provides consulting services to foundations and individual donors.

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

The Media Democracy Fund (MDF) is a funder collaborative that supports organizations advocating for a fair and open communications environment that empowers all people and enhances democratic values. MDF grantmaking is rooted in the belief that freedom of expression and access to information are necessary elements of a civil society.

MDF was created to meet the need for collaborative grantmaking by foundations already involved in media and communications policy issues, and to provide a reliable re-granting vehicle for foundations and individual donors wishing to enter the field. MDF helps foundation leaders quickly get up to speed on short-term and long-term technology and communications topics that affect their work. It connects them to other funders and public interest policy experts with whom they can pool resources and build relationships. It helps introduce and integrate technology and communications policy objectives into existing grantmaking portfolios, provides technical assistance, and conducts field analysis.

MDF is supported by grants from 11 private foundations and individuals, including the Ford Foundation, Arca Foundation, Nathan Cummings Foundation, Otto Haas Charitable Fund, Park Foundation, HKH Foundation, Town Creek Foundation, Wallace Global Foundation, Andy Warhol Foundation for the Visual Arts, and individual donors. OSI is a founding member of MDF.

Since its launch in late 2006, MDF has awarded \$3.7 million in grants to grassroots and national advocacy efforts that engage in organizing, litigation, legislative, and regulatory reform. MDF works to engage new constituencies in technology and communications policy debates, such as rural populations, youth, Native Americans, immigrants, and other communities of color.

MDF's 2009 docket of 24 grants represents a range of organizations doing critical work, especially at the state level. For example, the Texas Media Empowerment Project, the Center for Rural Strategies in Kentucky and the Main Street Project in Minnesota are organizing diverse rural constituencies who recognize that the lack of affordable access to high-speed Internet in rural areas limits opportunities for education, health care, civic engagement, and economic development. The National Hispanic Media Coalition and Native Public Media work to advance Latino and Native American participation in media policy at both the local and national level. The Media Action Grassroots Network is a network of regional organizations working to develop the skills and leadership of people of color, women, and youth, three constituencies largely absent in the pool of national media policy leaders.

Over the coming two years, MDF grantmaking will continue to focus on the following goals:

- Diversifying the base of those engaged in media and information policy to represent a broader cross section of society;
- Providing equitable high-speed Internet access in underserved rural and low-income urban areas and increasing of public ownership of infrastructure;
- Protecting the Internet as an open network where users can access the content and run the applications and devices of their choice (“net neutrality”);
- Increasing media ownership by minorities, women, and underrepresented groups; and
- Preserving non-commercial public broadcasting and community media.

MDF is directed by Helen Brunner, who brings over 15 years experience as a philanthropic advisor in communications and free expression policy. MDF is governed by a steering committee composed of the representatives from the foundations and donors supporting the fund.

### **Rationale for Recommendation**

We recommend a grant of \$500,000 over two years to the Media Democracy Fund. This Grant would advance the Transparency and Integrity Fund’s goals of supporting efforts to protect the public’s interest in media and communications policy, and to ensure that public policy reflects the needs of diverse communities.

OSI and our grantees in every field depend on the existence of an open, democratic communications infrastructure for speech, economic opportunity, civic engagement, and knowledge exchange. TIF has identified media and information policy reform as an ongoing priority – both to improve the communications environment in which public debate over open society issues takes place and to defend a free and open media system as a bedrock element of an open society.

The effects of media and information policy are felt by everyone, whether through television, radio, telephone, the Internet, or the print media. FCC rulemaking and other state and local media policies impact free speech and public debate; access to information; economic and educational opportunity; and the right to meaningful participation in the political process. MDF is providing critically needed resources for grantmakers and advocates working to promote and protect the public interest.

MDF effectively supports media policy work in the public interest by keeping abreast of the field and identifying funding opportunities. MDF is primarily concerned with diversifying the base of those engaged in media-related policy efforts to represent a broader cross section of society; responding to the need to keep the Internet open and accessible to all; and promoting investments in new technologies in a way that advances the public interest.

MDF is a particularly effective vehicle to support organizations engaged in public education and organizing at the state and local level, where significant media policy decisions are made and where there are often varied and important opportunities for public input. As a national funder, it can be difficult for OSI to identify which state or local media policy campaigns to support. These efforts help reinforce public interest media policy work at the federal level.

In addition, MDF plays a useful role in educating the philanthropic community regarding media and information policy issues and opportunities. Although the issues inherent to media policy often intersect with other program areas, such as civic participation, the environment, global trade, racial justice, civil liberties and international human rights, the field is technically oriented and there are few program officers with expertise in this area. MDF provides an important option for those foundations that see the importance of media and information policy but do not have the capacity to develop and administer a grantmaking program on their own. MDF's aggressive outreach and organizing in the philanthropic community has proven effective in raising the profile of these policy issues and is beginning to generate new interest in the issue among funders from different sectors. MDF helps experienced funders and those new to the field to navigate a complex and often highly technical policy landscape.

OSI's continued participation in MDF would provide OSI with both a forum for agenda-setting with media and information policy funding partners and a mechanism for supporting media policy reform efforts at the state and local level. MDF provides an efficient mechanism for collaboration and coordination among funders, as well as an effective vehicle for funder education and cultivation.

TIF's grantmaking efforts in the area of information and media policy are closely tied to its support for journalism, since the Internet will play an increasingly important role in the future of news delivery. MDF and other TIF grantees in this portfolio are working to ensure universal, affordable high-speed access to the Internet, and to protect public interest values in the online space itself.

**Name of Organization:** Campaign Legal Center

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

**Purpose of Grant:** To provide general support

**Previous OSI Support:** \$300,000  
\$150,000 from JEHT Emergency Fund (2009)  
\$150,000 from Strategic Opportunities Fund (2004)

**Organization Budget:** \$1,089,357

**Project Budget:** Not applicable

**Major Sources of Support:**

Stuart Family Foundation	\$150,000
Rockefeller Family Fund	\$150,000
Benton Foundation	\$125,000

**Amount Requested:** \$200,000 over one year

**Amount Recommended:** \$125,000 over one year  
\$25,000 from Transparency and Integrity (T1 21093)  
\$100,000 from JEHT Emergency Fund (T1 59995)

**Term:** July 1, 2010 – June 30, 2011

**Description of Organization**

The Campaign Legal Center (CLC or the Center), located in Washington D.C., is a nonpartisan, nonprofit organization that works on campaign finance and elections, rules governing electioneering communications and government ethics. It develops nonpartisan analyses of issues and represents the public interest in administrative, legislative and legal proceedings. The Center also participates in generating and shaping policy debate on money in politics, disclosure, political advertising, and enforcement issues before the Congress, the Federal Communications Commission (FCC), the Federal Election Commission (FEC) and the Internal Revenue Service (IRS).

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

This recommendation is for general support.

**Rationale for Recommendation**

The Campaign Legal Center has a growing agenda that advances priorities of OSI and its Transparency and Integrity Fund (TIF or the Fund) and is on a path towards financial stability, after a difficult financial period, in part due to the unanticipated closure of the

JEHT Foundation in 2009. The proposed grant to CLC from OSI's JEHT Emergency Fund would help CLC complete this transition to longer-term stability. TIF is contributing an additional \$25,000 to acknowledge CLC's centrality to the election administration reform field. Going forward, TIF plans to make room in its electoral reform portfolio budget for CLC in order to provide the Center with more stable funding from OSI.

A continued partnership with CLC is crucial at this time. Many electoral reform issues on which CLC has substantial experience - including disclosure policies, campaign finance regulation, voter registration modernization and redistricting reform - are current subjects of heated legal and policy debate. A breakthrough in any of these areas of election reform would have profound and positive systemic effects.

Over the better part of the last decade, reform opponents have organized a wave of litigation against disclosure and campaign finance laws seeking to reverse gains made at the national, state, and local levels. They have brought an unprecedented number of lawsuits to challenge these laws, several of which are working their way towards the Supreme Court. Challengers include national party committees, trade associations, ideological groups and 527 organizations. CLC is currently participating in a dozen of these lawsuits, representing the public interest. The suits significantly include *Republican National Committee v. Federal Election Commission*, in which the Republican Party is challenging the McCain-Feingold Act's ban on soft money. If the RNC is successful, it would dramatically undermine the established contribution limits and prohibitions that have safeguarded the public against corruption and undue influence on government decision-making.

Additionally, as the 2010 Census draws to a close, redistricting is back on the table again. TIF believes it is vital that there be greater transparency and accountability of this often contentious and partisan process. CLC can play a key role here, by among other things, serving as a legal resource for grassroots groups and citizens pressing for fair and legal redistricting plans. CLC would help draft and present proposed redistricting plans that meet federal and state legal requirements, and provide legal guidance and testimony to legislative bodies on the legality of plans proposed by citizen groups. CLC could also be a valuable resource to other U.S. Programs grantees working on redistricting. Its Executive Director and Director of Litigation, Gerald Hebert, was at the Department of Justice from 1973 to 1994, where his work included preparing and analyzing numerous statewide and local government redistricting plans.

TIF continues to fund efforts to transform the nation's voter registration system by modernizing it and CLC could be an increasingly valuable partner in doing so. The effort would add over 60 million people to the voter rolls. But because this reform, particularly its expansion of the electorate, is seen as benefitting the Democratic party most, it remains an uphill political battle. CLC is uniquely poised to advance this effort through Trevor Potter, its President and formerly General Counsel to the McCain campaigns, who now serves in a high-visibility role as co-chair of the bipartisan 'Committee to Modernize Voter Registration' (funded by the Rockefeller Family Fund with support from TIF).

Potter, and CLC more broadly, conduct stakeholder outreach on the issue, particularly to Republican members of Congress. Through op-eds and public conversations, Potter and the Committee have helped moved this issue to the center of discussions on electoral reform.

Since JEHT ceased operations, CLC actively sought and has succeeded in attracting new funders. They include the Rockefeller Brothers Fund, the Joyce Foundation and the Benton Foundation. In this time, CLC has also established meaningful partnerships with TIF grantees including with the Pew Center on the States and the Rockefeller Family Fund, working with them on voter registration modernization.

**Name of Organization:** Committee for Economic Development

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

**Purpose of Grant:** To support a joint effort of the Committee for Economic Development and the Center for Political Accountability seeking to promote positive business leadership on corporate governance as it relates to money and politics, company adoption of political transparency and accountability policies through engagement with corporate leaders.

**FPOS Grant Description:** This grant would support a joint project of the Committee for Economic Development and the Center for Political Accountability that involves outreach to corporate leaders with a view to reforming corporate political spending and decreasing corporate involvement in the political arena. The project would combine research, advocacy, and organizing targeted at executives in major corporations.

**Previous OSI Support:** \$1,135,000  
\$240,000 from Transparency & Integrity (2008)  
\$150,000 from Progressive Infrastructure (2007)  
\$450,000 from USJF (2004-2006)  
\$475,000 from Law and Society (2001-2003)

**Organization Budget:** \$5,247,730

**Project Budget:** \$1,201,988

**Other Sources of Support:** Carnegie Corporation \$250,000  
Rockefeller Brothers Fund \$50,000

**Amount Requested:** \$450,000 over two years

**Amount Recommended:** \$300,000 over 18 months  
\$100,000 from Transparency and Integrity Fund (T1: 21093)  
\$200,000 from Strategic Opportunities Fund (T1: 21081)

**Term:** July 1, 2010 to December 31, 2011

**Description of Organization**

The Committee for Economic Development (CED) is an independent, nonpartisan organization of business and university leaders dedicated to policy research and advocacy on major economic and social issues. Founded in 1942, CED played a key role in securing the American business community's support for the Marshall Plan and heavily

influenced the Bretton Woods Agreement. Unique among U.S. business organizations, CED offers a nonpolitical forum for exploring critical long-term issues and the opportunity to impact U.S. policy decisions. CED is located in Washington, D.C. and would manage the proposed project.

The Center for Political Accountability (CPA) works to bring transparency and accountability to corporate political spending. Founded in 2003 and also located in Washington, D.C., CPA's goal is to make political disclosure and oversight a basic corporate governance standard. CPA conducts investigations of corporate political spending and issues reports that make the case for these standards. CPA also works to persuade companies to voluntarily adopt transparency standards and files shareholder resolutions with partner organizations to encourage adoption of best corporate practices by companies resistant to governance reforms. CPA views these efforts as critical to curbing companies' political spending as well as the secrecy with which they often shroud their political activity.

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

CED and CPA seek support for a joint effort to change attitudes and build engagement and mobilize the corporate community to speak out against corporate practices related to political spending and spending-related public policies. The two organizations will work closely together to build momentum to change corporate practices in the political arena and stem the tide of corporate money in American politics.

CED's primary role in the partnership will be to convene and engage a core group of corporate leaders to serve as community advocates against corporate political spending. In order to pursue this goal, CED will revive its campaign finance reform subcommittee. This subcommittee will hold meetings with corporate CEOs in four cities (Washington, Chicago, New York, and Los Angeles) with the goal of raising CEO awareness of the impact of the *Citizens United* decision – which allows unlimited political spending by corporations - and engaging them in the debate over corporate governance standards related to political giving

CED will urge senior executives to urge their companies not to use corporate treasury monies to fund political activities. Using these meetings as an organizing tool, CED will identify 25 key executives to serve as public spokespeople on the issue of corporate political spending, establish key partnerships with lawmakers, and author op-eds supporting strict corporate governance practices and policy reforms. From this base of 25 leaders, CED will seek to recruit an additional 75 endorsements for a statement of principles on corporate involvement in politics. As a result of this activity, CED hopes to help create a strong corporate norm that shuns political spending.

CPA will work in tandem with CED to press corporate leaders to adopt better governance policies that discourage corporate involvement in politics. CPA will serve as advisor to the CED subcommittee on money in politics and present research and analysis on corporate political spending and governance to CED audiences while simultaneously



pursuing its ongoing work pressuring corporations to adopt voluntary disclosure standards on political spending. This fall CPA will publish the *Handbook on Corporate Political Activity*, a guide CED will use extensively in its advocacy with corporations. As part of this project, CPA will also develop and launch an index ranking companies on their corporate political disclosure rules and compliance. The index will serve as a tool to spotlight those companies who adopt best practices and pressure those who engage in non-transparent practices to improve their standards. CPA's goal is to have 90 companies (including 60 of the S&P100) adopt these standards by the end of 2011.

### **Rationale for Recommendation**

The Transparency & Integrity Fund (TIF) recommends a grant of \$300,000 over eighteen months. This grant would advance the Fund's goal of defending existing campaign finance requirements and investigating innovative and promising practices for further development.

The Supreme Court's recent decision in *Citizens United* has raised deep concerns about the future of our electoral democracy. Overturning 100 years of precedent, the Court held that corporations must be recognized as people with rights of free speech under the First Amendment. Having recognized these rights, the Court invalidated regulations barring corporations from spending money in support of legislative or judicial candidates for elected office. The ruling further strengthens the power of corporations in our democracy while diminishing the role citizens play. As a result, elected officials could become even more beholden to corporations - rather than to their constituents - than they are now.

This decision was wholly unexpected when TIF completed its strategic plan last year, and therefore we did not set aside funds for a response.<sup>2</sup> As a result, TIF applied to the Strategic Opportunity Fund for a rapid response grant to fund a substantial part of this project.

The breadth of the decision has left few avenues open for reform. One of the most effective and feasible efforts involves convincing corporations to voluntarily lessen their political spending – or create an atmosphere in which corporations fear negative repercussions from the public against their increased engagement in political activities. CED and CPA are the best organizations to accomplish these ends. With this project, CED and CPA would combine strengths work to change corporate political behavior and

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<sup>2</sup> The Court had heard the original *Citizens United* case which addressed this issue raised by the parties: is corporate funding of an "on-demand" film prohibited by law? The Court was expected to render a decision shortly thereafter. Since the issues raised by the parties in the original case were narrow ones, at that time, TIF – and everyone else in the field - expected only a limited ruling in *Citizens* that would not substantially alter the campaign finance reform landscape. About the same time as we completed our strategic plan, however, instead of issuing a ruling on the original case, the Supreme Court took the unusual step of asking the parties to *reargue* the case, and even more unusually, asked the parties, when they reargued the case, to address far broader issues than those the original case presented.<sup>2</sup> The parties argued that case in March 2009. And in January 2010, the Court ruled that, under the First Amendment, corporations could use any monies at their disposal to publicly communicate their support of or opposition to political candidates.

build a culture of non-engagement within corporate ranks. CED is a friendly face in the business world, encouraging those in business circles to see themselves as stewards of the nation's democracy and look beyond the corporate bottom line in determining corporate engagement in the electoral process. CPA, on the other hand, tries to make corporate political spending a risk rather than a reward, showing that exposure of political donations can create negative publicity and alienate customers. By working in tandem, CED and CPA are adopting something of a "good cop-bad cop" approach to corporate political engagement.

This partnership is especially promising because the two groups have already shown they can get results. CPA's small staff has already succeeded in convincing half the companies in the S&P 100 to adopt political spending transparency standards. And when CED pressed companies to withhold support for 527s after the passage of the Bipartisan Campaign Reform Act of 2002 (BCRA, better known as the McCain-Feingold Act), American corporations largely stayed out of the game. CED is a trusted name in the business world and can bring important players to the table. Both groups have also proven themselves to be valued collaborators in the Justice at Stake Campaign.

CPA is led by Bruce Freed, a former reporter for the *Wall Street Journal* and a tireless advocate for corporate political transparency. CED is led by Charlie Kolb, who was Deputy Assistant to the President for Domestic Policy at the White House under George H.W. Bush and is a well-respected voice in the corporate community. Mike Petro, CED's Vice President and Director of Business and Government Policy, at the Committee for Economic Development, serves on CPA's Board of Directors, underscoring the close ties between the two groups.