

## REVIEW OF 2015 U.S. OPPORTUNITIES FUND

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TO: USP Advisory Board  
FROM: Andrea Batista Schlesinger and Nathan McKee  
DATE: February 9, 2016

The U.S. Opportunities Fund allows U.S. Programs (USP) and the Open Society Policy Center (OSPC) to respond rapidly to unexpected developments that create an opportunity to advance OSF strategy or to protect open society against further threat. It also provides USP with a means to make bold investments in new ideas, seeds that can be planted at scale to move forward a new way of advancing our strategy. The USP Advisory Board plays an active role in the Opportunities Fund, offering suggestions for its use and responding to proposals prepared by staff. As such, we thought it was appropriate to report back to the Board on Opportunities Fund expenditures, with an emphasis on the activities that these dollars have supported<sup>1</sup> and offer our assessment of impact, and reflections on lessons learned that could help inform future activity. This is the first of what will become annual reviews.<sup>2</sup> In Part 1, we present basic data on what was funded. In Part 2, we provide mini case-studies that examine the impact of these dollars and lessons learned. In Part 3, we offer observations from the Advisory Board members interviewed for this project and identify further questions for the USP Board to consider. The review was informed by interviews with three USP Advisory Board members: Steve Coll, Jonathan Soros, and Andy Stern.

The Opportunities Fund is a relatively new effort, having begun in USP in 2013 and formalized in this incarnation in 2015, where the fund now sits outside the USP and OSPC budgets, but is accessible to both organizations for work taking place within the United States region. In 2014, reserve funds became institutionalized throughout the Open Society Foundations network. These funds emerged from one aspect of George Soros' view about how OSF should run and what makes us distinct as a philanthropy. Rather than be exclusively wedded to the advancement of pre-conceived and long-term strategies, we should have the capacity to respond to unexpected events as they unfold, including using OSF funds to leverage other dollars. And we can use these funds to seed new ideas or projects that are outside normal routes into the foundation. In doing so we can further the foundation's ability to be nimble, entrepreneurial, and risk-taking; key components of our organizational culture. To do this effectively, we must (1) identify an opportunity, (2) have an insight about how we can act upon it, and (3) have the capacity to do so.

On the whole, this review demonstrates that USP and OSPC were responsive through the Opportunities Fund to the issues that were gripping our country, where staff had particular insight and capacity. USP was on the front lines in Baltimore, provided safe spaces for the emerging black activist leadership with whom we were connected, and supported activities via the Opportunities Fund in partnership with OSPC as the debt crisis in Puerto Rico unfolded. Grants made via the Opportunities Fund allowed USP to support state legislatures to counter well-funded efforts to advance a constitutional crisis, organizations on the ground to maximize the Pope's visit to the United States to drive home the humanity of prisoners, immigrants and the poor, and inside strategies working to reduce the jail population in Rikers and other big cities. In retrospect, these issues feel like the right ones to have taken on in 2015 (although we welcome board feedback) even though questions remain about whether these initiatives have achieved the desired impact and outcomes, as

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<sup>1</sup> The Opportunities Fund can provide only budget authority to OSPC, not actual funds. No (c)3 funds are used to fund OSPC expenditures.

<sup>2</sup> In 2014, USP commissioned The Reinvestment Fund to conduct a formal review of the fund formerly known as the 2013 USP Reserve Fund which outlined recommendations related to the administration and internal operation. A short summary of the review is [available here](#).

explored in the case-studies of Part 2. It is possible to take the Opportunities Fund for granted, but the fact of the presence of USP and OSPC in the above work is unique and remarkable. Other funders may care about Puerto Rico, for example, but almost none domestically have yet made a significant grant to assist in organizing or advocacy around the debt crisis. Other foundations may bemoan (or admire) the effectiveness of ALEC, but only OSF actually funded a counter to them in the states of their campaign for a constitutional convention.

With that said, however, the following is a summary of further high-level takeaways (for more analysis, please see the Discussion section on page 16):

- Board members want to know more about the activities that these funds support and of the impact that they have had. That impact isn't always easy to measure or assess, partly because (a) in non-legislative matters some of the outcomes aren't always concrete, e.g. supporting an emerging movement like Black Lives Matter (b) some of the issues don't have finite time frames and thus the work is ongoing, such as in the response to the Baltimore uprising (c) it is always difficult to determine the particular role investments made, especially in fast-moving situations where it is about as far from a controlled experiment as can be, and it is unclear when the results were due to other factors than USP or OSPC involvement.
- An issue that emerges is whether secondary outcomes, some surprising, are ones we are comfortable with as a means of measuring impact of the Opportunities Fund. For example, we found in several cases that the growth and expanded capacity of USP and OSPC grantees that came about were not necessarily determinative in the situation funded but did or could have explicit value in a subsequent matter (e.g., Kids In Need of Defense in terms of in-country processing in Central America, or Opportunity Agenda/NAACP Legal Defense Fund in terms of public narrative around the Supreme Court). Similarly, there is a question about how we think about the growth in USP capacity and sophistication for future work as a valuable rationale (e.g. we know much more now about how we would or could support the movement for black lives in our work, or how we would replicate Talking Transition in Baltimore if we decided to do that). In our view, these aren't in themselves appropriate exclusive benchmarks but their presence or absence seemed notable.
- There is always a tension between responding to situations in the immediate and doing all that we normally would to maintain the high standards of our grant making. This is fairly obvious, but it's a tension that plays out each time we move a proposal forward in response to an unanticipated opportunity. One issue that we hope to better understand is how to handle the transition from intervening in a short-term opportunity to embedding this work, approach or set of grantees into longer-term programmatic work, e.g. child care. This is also especially the case when USP seeds a new idea or organization at scale, such as occurred with the National Domestic Workers Alliance and its Fair Care Labs (a successful launch that expands its reach and was only possible with the quick infusion at scale we were able to make in 2014).
- In addition to better communicating back to the Board on the progress of Opportunities Fund initiatives, the USP Advisory Board members interviewed want to ensure that we are maintaining or even increasing our discipline over uses of the Fund and take care not to create false narratives of urgency in order to access funds outside of our programmatic budget. They also encourage us to find additional ways of communicating with and engaging the Advisory Board in discussions about potential uses for the Opportunities Fund.

One important note about the language used in this memo to describe the various activities highlighted in the review. When the memo refers to a grant or collection of grants that is supported by c4 funds, the “we” or “our” is OSPC-enabled staff or OSPC itself.<sup>3</sup> Both USP and OSPC grants are included in this review to provide an accurate and comprehensive picture of OSF's work in the highlighted area, as USP's and OSPC's work is aligned and complementary, although pursued through different strategies and subject to individual grantmaking authority and approval processes.

## I. HOW WAS THE OPPORTUNITIES FUND USED IN 2015?

In this section, we analyze the 2015 Opportunities Fund<sup>4</sup> by overall spending, funding by strategic goal, approaches, new vs. existing OSF grantees, grant amount, and approval timeline. Where useful or illustrative, comparisons to 2014 are drawn, however, the primary focus of this review is on 2015. Per the table below, seventeen initiatives were supported in 2015 through a total of 46 grants (detailed tracking sheet [here](#)).

### OPPORTUNITIES FUND 2015 - \$20 MILLION

	C4 Funding	C3 Funding
Baltimore: Response to the Uprising		\$ 1,000,000
Bard Early College High School		\$ 250,000
Black Lives Matter		\$ 656,342
Child Care Workforce	\$ 887,250	\$ 112,750
Crime Survivors Engagement		\$ 375,000
Countering ALEC's push for a Constitutional Convention		\$ 500,000
Emma Lazarus II		\$ 7,500,000
Every Voice	\$ 700,000	
Fair Workweek	\$ 325,000	\$ 225,000
Home Care Rule	\$ 90,000	\$ 330,000
Reducing Jail Populations Through Pretrial Interventions		\$ 400,500
Mississippi Ballot Initiative	\$ 100,000	
My Brother's Keeper		\$ 200,000
Pope Francis Visit to U.S.		\$ 650,000
Puerto Rico Economy	\$ 125,000	\$ 850,000
San Francisco Blue Ribbon Panel on Law Enforcement		\$ 100,000
Three Strikes Federal Clemency Project		\$ 250,000
	<i>total</i> \$ 2,102,250	\$ 13,524,592
Remaining Spending Target		\$ 4,373,158

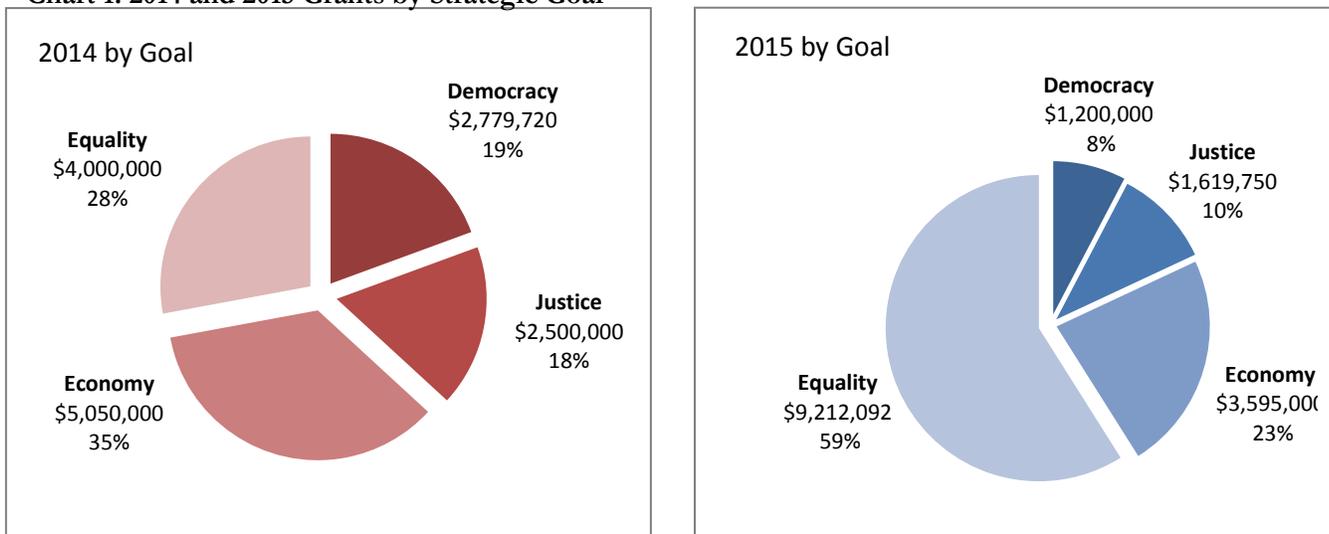
<sup>3</sup> The USP Advisory Board approves the overall c3 approach to uses of the Opportunities Fund Similarly, Jonathan Soros, in his capacity as a member of the Board of OSPC, approves the use of the Opportunities Fund for c4 purposes prior to any OSPC board review of each unique grant. Ken Zimmerman also fulfills a dual role of (i) Director of USP where he has authority to review all USP grant recommendations and approve USP grants up to \$1M and (ii) Co-Director for Domestic Policy Grant Making of OSPC where he has the authority to unilaterally approve OSPC grants for domestic policy grant making, primarily for state and local advocacy, up to and including \$250,000. Relatedly, any staff who work on c4 grants do so in their capacities as “enabled” staff members of OSPC and OSI is compensated accordingly by OSPC for this staff time.

As the above chart indicates, approximately \$15.6 million of the total \$20 million, or 78% of the fund’s spending target, was allocated in 2015. USP tapped these funds in the amount of \$13,636,842 and OSPC supported work through the 2015 Opportunities Fund in the amount of \$2,102,250. By comparison, in 2014 OSPC support totaled \$3,850,000 while USP support totaled \$10,480,000 and the total allocation of funds for the year was \$14,330,000 or roughly 72% of the fund’s spending target. As these totals indicate, the fund is typically underspent. There is a degree of intentionality to this, as we try to ensure there are sufficient funds remaining for any unanticipated events occurring late in the year, but also because we take seriously that these are funds to be accessed only for efforts that meet specific criteria and aren’t an extension of regular grantmaking budgets.

### Grants by Strategic Goals

As you know, US Programs has four strategic goals (see Updates by Strategic Goal in the February 2016 USP Board Book) which have been abbreviated below as Democracy, Economy, Equality, and Justice. A breakdown of the usage of the Opportunities Fund by goal is below. The charts indicate the responsive nature of the fund. For example, allocations for Equality were significantly higher in 2015 than 2014 because of the opportunity presented by President Obama’s immigration executive order and our subsequent creation of the Emma Lazarus II fund.

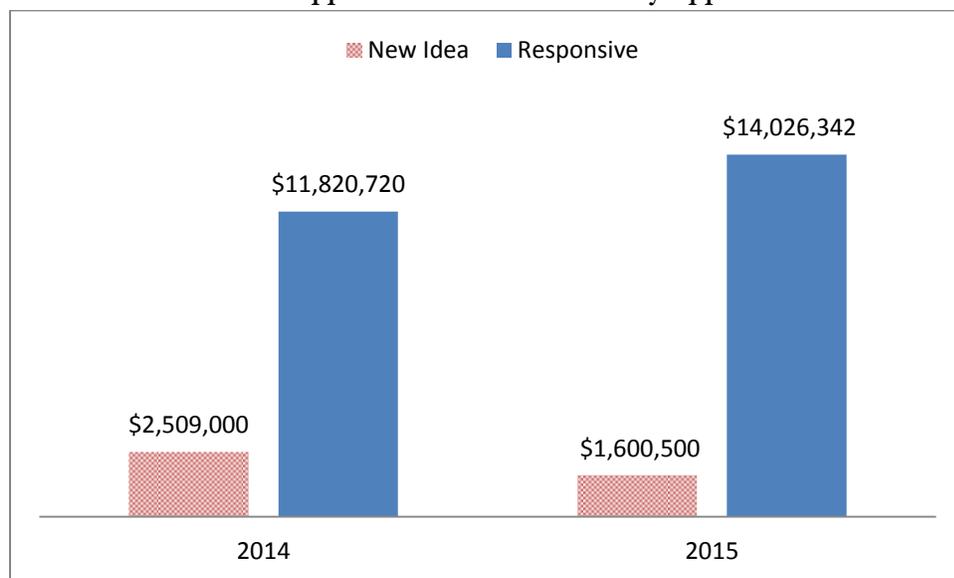
**Chart 1: 2014 and 2015 Grants by Strategic Goal**



### Grants by Approach

The Opportunities Fund supports initiatives that fall into two categories: responses to unexpected events (responsive) or grants to new ideas that emerge during the year that merit a bold seed investment that can subsequently be incorporated into USP’s or OSPC’s regular grant making. An example of the former is the response to the Baltimore uprising after the murder of Freddie Gray, and an example of the latter is a deep investment in Every Voice in 2015 by OSPC, or the USP support of Fair Care Labs in 2014. As the below chart indicates, support for the “responsive” approach greatly outweighs investments in “new ideas” in 2014 and 2015.

**Chart 2: 2014 and 2015 Opportunities Fund Grants by Approach**



As we will discuss in Part III, the Board members interviewed for the review believe that the fund functionally has another category: miscellaneous items that are extensions of regular grant making and that don't meet the criteria of the Opportunities Fund. While USP and OSPC staff make a serious attempt internally to avoid using the Fund in this way, more of your forward reflections on this are welcomed.

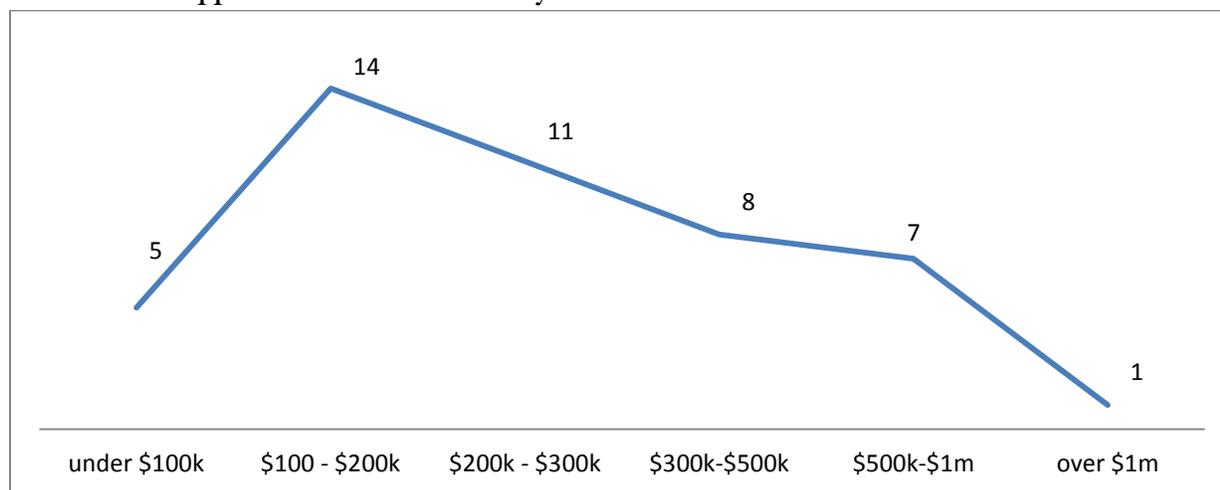
### **New vs. Existing Grantees**

In 2015, 70% of organizations receiving support via the Opportunities Fund had previously received support from OSF, while the remaining 30% were new grantees. Emma Lazarus II supported eight new organizations, the most of any initiative, and the majority of new grantees (85%) received support at or under the \$150k mark. Board members interviewed for this review were ambivalent about whether OSF should emphasize supporting new grantees through the Opportunities Fund, with some saying that it makes sense to turn to trusted partners in moments of immediate crisis or opportunities, and others believing such moments are precisely the time to take a risk on new organizations.

### **Grant Amount**

Grant amounts vary widely. The smallest grant was made to the No Boundaries Coalition as a component of the Response to the Baltimore Uprising request and was for \$25,000, while the largest was for \$1.5 million to the New York Community Trust to re-grant to twelve funding collaboratives in nine cities to advance the goals of Emma Lazarus II. Most unique grants (54%) that comprise the Opportunities Fund initiatives were for an amount between \$100k and \$300k, although frequently these were components of a larger overall investment, as mentioned in the above cases. OSI-Baltimore made six grants via the Fund in 2015 (with others to come pending rollover approval for the 2016 budget made by Chris Stone), which range in amount from the \$25,000 grant mentioned above to \$270,000 to grantee CASA de Maryland.

**Chart 3: 2015 Opportunities Fund Grants by Amount**



### **Approval Timeline**

Board members interviewed for this review asked about the length of time it takes to move money out the door via the Opportunities Fund. A thorough response to this must consider the many steps involved in the process, including ideation, drafting and revising proposals until they are ready for Board review, and then the formal review by the Board. Upon approval, another set of processes involving OSF Grants Management, Legal, and Finance launch. While these more formal steps have accurate timestamps, many of the initial discussions and drafts are more challenging to record. A rough analysis of the overall timeline for 2015, from the first recorded day that the idea was raised to the date that the grant was, ultimately, paid, indicates that 10% of grants were made in less than 100 days, while the majority (55%) required more than 250 days. Nearly \$1.6m was approved for support in 2015 that has not yet been paid, pending approval of requests for these funds to be rolled over into the 2016 budget, which will occur in March. Some grants move exceptionally quickly, such as CBPP’s work on the Constitutional Convention (detailed in a case-study below) which was made, roughly, in 48 days. Worth noting is that the quickest part of this multi-layered grantmaking process is the period between Ken’s request for Board-level review and the period in which the Board provides feedback or approval, which typically occurs within a several day timespan. While the Fund allows fairly extraordinary activity to happen over a comparatively faster timetable, our review of each of the 2015 Opportunities Fund initiatives indicate that we have not yet realized its potential as a rapid response tool.

Of course not all Opportunities Fund initiatives are designed to move quickly. A prime example of this is Emma Lazarus II, which was approved as a concept by George Soros and the USP Board in late 2014, subsequently receiving access to \$7.5m of support via the Opportunities Fund in January of 2015, but with grants being made strategically throughout the year, including, most recently, support to NY Community Trust (mentioned above) in December of 2015. The same will be true of our child care initiative, and even of the funds approved for uses to be determined to respond to the Puerto Rico debt crisis.

## **II. IMPACT: A REVIEW OF SELECT CASE STUDIES**

Board members interviewed for this review expressed a strong desire to know more about what activities the Opportunities Fund supported and what resulted from these investment. For that reason, we have taken a look in more depth at several initiatives approved by the Board in 2014 and 2015 in the below case studies. We provide a summary of each initiative and detail the work that was done, report on the impact (anticipated

or otherwise) that this work had, and reflect on lessons learned from these experiences. While the focus of this review is primarily on the activity of the 2015 fund, three initiatives from 2014 are also included as many grants made via the fund last year are still in stages too early to accurately reflect on actual outcomes. Please note that we didn't necessarily pick the initiatives that we think are most "successful," but those that we thought the Board was most curious to learn about and from which we ourselves believed we would benefit from examining more closely.

It is worth noting at the outset that these aren't formal evaluations or complete portfolio reviews but rather are the best assessments of staff at this moment in time. This review is an effort to get at questions around impact and outcomes of the initiatives supported via the fund, but overall is not meant to be placed alongside the more rigorous portfolio review process. There are real challenges to assessing impact in the short-term,<sup>5</sup> especially on more than successful achievement of process. Further, the question of how to assess results is one being asked throughout OSF, which, unlike an institution such as the Gates Foundation which focuses on data and metrics, relies mainly on the demonstrable ability of staff to reflect critically. For that reason, the assessments that follow may have erred on the side of being self-critical. We welcome thoughts from the Board about whether doing formal assessments of Opportunities Fund initiatives would be valuable to you. Appendix A on page 20 summarizes all other 2015 initiatives and their status.

#### **MINIMUM WAGE (OCTOBER 2014 - \$3,100,000 C4)**

OSPC support via the Opportunities Fund provided investment in organizations that were leading the research, advocacy, coalition building, and grassroots community engagement—voter and otherwise—to help minimum wage efforts pass in several states and cities. Specifically, this laid the groundwork in capturing post-Seattle momentum for the next round of "Fight for \$15" campaigns. This OSPC grant was awarded to The Advocacy Fund (the Tides fiscal sponsor for the project) via the Opportunities Fund after the idea was initially raised by Andy Stern during the summer of 2014. Funds supported Action for the Common Good (the Center for Popular Democracy's c4), National Employment Law Project (NELP) Action, and the Working Families Organization and their local affiliates in California (Los Angeles, Oakland, and San Francisco), Illinois, New York (city and state), Pennsylvania, and Wisconsin. More specifically, funds supported:

- Campaigns to educate and mobilize low-income people and communities of color, faith-based groups, small businesses, and youth in minimum wage advocacy fights in their states or cities.
- A communications campaign, building on the attention to the issue following Seattle's \$15 minimum wage win.
- Growing the national and state capacity of three important organizations that prioritize economic advancement in their work.
- Additional, "late" cash to support 2014 field canvasses in Chicago, Milwaukee, and Philadelphia for minimum wage field efforts to pressure Illinois's incoming new governor, Bruce Rauner, Wisconsin's Scott Walker, and Pennsylvania's conservative state legislature to make the minimum wage a legislative priority in their states.

#### **What impact did this support have?**

This initiative sought to advance minimum wage increases in five states to positively impact the quality of life for more than 1.1 million low-income people. Having multiple local initiatives and referenda in a big state

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<sup>5</sup> It's worth noting that all of the 2015 case studies in the following pages represent ongoing work and therefore represents the analysis of initiatives in their current phase, with the one exception being the Pope Francis Visit to the US initiative.

like California helped to build support to push a statewide ballot initiative. OSPC support assisted in the passage of several California municipal minimum wage efforts—including in Oakland where 48,000 low-wage workers won wage increases and paid sick days—and in Los Angeles, where the city’s minimum wage increase could benefit as many as 500,000 workers. This set up action from L.A. County, which raised the minimum wage for as many as 155,000 workers. In California, there are now two statewide ballot initiatives in the works for 2016—they are competing, unfortunately, via labor union turf rivalries—that would raise the minimum wage to \$15/hour.

Thanks in part to OSPC support, New York State has increased the minimum wage for some workers via a push from Mayor de Blasio (who does not have the power to raise the minimum wage in NYC) and executive orders from Gov. Cuomo for specific workforces (fast food, for example, which could benefit 180,000 workers, and state employees, another 38,000 workers), efforts where CPD, NELP Action, and the Working Families Organization have been leading actors for some time and were supported by OSPC. For Illinois, Pennsylvania, and Wisconsin, none of the three are ballot initiative states and the minimum wage state legislative advocacy that this initiative sought to push via strategically targeted field canvasses will likely not—at least in the near term—impact state legislative action. This was anticipated, given the challenging state political dynamics, although Pennsylvania’s new governor, a Democrat, could make this a priority to push with his conservative state legislature.

While the outcomes in California were anticipated (Oakland’s ballot initiative passed with 81% support), what distinguished support via the Opportunities Fund is that it featured: (a) c4 dollars, typically the hardest to raise for groups; (b) tight negotiation among the three groups, which worked very well together in both c3 and c4 capacities; and (c) support for three important organizations/networks to enhance their national to state/local capacity and political profiles, including CPD’s Illinois affiliate growing its profile significantly and WFO now having a strong and growing presence in IL, PA, and WI as part of its national expansion beyond “fusion” states. This effort also led to a funding partnership between the Wyss Foundation and OSF. OSPC’s \$3.1 million matched the \$3.1m in c3 funding that Wyss initially invested in this effort.

### **Lessons Learned?**

This was a rapid response endeavor and many would say OSPC funds occurred late in the 2014 election cycle. The grant was principally set up earlier in the year by the Wyss Foundation, in concert with the three organizations that led the work. Given the chance, this initiative would have included an expedited, but nonetheless more thorough, assessment of other work being done around minimum wage at the time. This could have led to investments via this grant to other networks, such as PICO, in order to support more wins in more places.

It would have also been beneficial for a research and assessment budget to be built into the proposal in order to learn more about the political and economic sustainability of wage levels and to identify the most effective factors in securing victories or building public will. OSPC-enabled staff reported an over-reliance on their part on the state political context knowledge that the lead groups had compiled, as they did not have intimate knowledge of Illinois, Pennsylvania, and Wisconsin state political dynamics. In hindsight, this initiative would have made a more effective investment and been clearer about expectations had enabled staff been able to anticipate the viability of the efforts in the states that lack the initiative process and also have conservative state legislatures. Last, but not least, the initiative could have recommended funding in a few of the more states less-likely to pass minimum wage increases on the ballot in 2014, such as Alaska, Arkansas, or South Dakota. This would have allowed for the testing of formulas for winning in states considered to be tougher battlefields for policymaking related to open society values.

## **TALKING TRANSITION DC (NOVEMBER 2014 - \$825,000 C3)**

Talking Transition was a community engagement initiative designed to transform the process between Election Day and Inauguration into an opportunity for broad civic discourse. It was first developed and deployed in New York City in 2013 following the election of Mayor de Blasio. The goals of the project were two-fold: to demonstrate the power of public engagement, and for citizen input to have a meaningful influence on the incoming administration. While the strategy for the project in Washington DC incorporated many of the same tools that proved effective in New York—including a field survey and a town hall meeting—Talking Transition DC was different in many ways. First, the operating budget was about one-fifth of the New York project. Second, it was much more grantee-led, with organizations based in DC and familiar with the political conditions on the ground responsible for executing on their strategies and coordinating together, rather than USP staff overseeing the entire operation centrally. Third, the DC effort did not have a central, physical presence like the tent in New York, which was an important (and expensive) component of the project because it played host to dozens of panels and events, and created a spectacle which fueled public interest. Last, a significant component of the Talking Transition DC effort was the engagement of Urban Institute, whose policy memos provided real data and policy analysis that we hoped would become the basis for actionable policy, which we believed to be a missing component of Talking Transition NY<sup>6</sup>.

More specifically, through Talking Transition DC:

- Over 8,500 Washingtonians responded to questions on housing, education, police-community relations, public transportation, and social services in a multi-language survey administered by DC Vote and DC Working Families Party resulting in a heat map by zip code of the most important issues to residents.
- 400 DC residents participated in a full-day town meeting organized by the National Institute for Civil Discourse (NICD) that resulted in a set of collective priorities for their city under the new administration.
- Recommendations to Mayor Bowser for policy reform on education, economic mobility, economic development, open data, inclusive housing, and public safety were produced by the Urban Institute, informed by community roundtable events.

### **What impact did this support have?**

As with Talking Transition New York, the project did demonstrate the hunger that urban residents have for more engagement in the affairs of their cities. Thousands of people participated in Talking Transition DC in some way; far more, per capita, than did in New York. And, as with New York, Talking Transition gave voice to a large number of city residents that actually did not participate in the election. In fact, *45 percent* of survey respondents indicated they hadn't voted in the city's recent elections. And 80% of participants said they would like more opportunity for civic engagement in their city. There was press coverage in the Washington Post, DCist, and the Washington Informer. Between the press coverage, the visibility of the organized canvas team in the trademark orange jackets and the significant community gatherings hosted by the Urban Institute, there was a sense that something was underfoot. With that said, translating the power of the engagement into influence continues to be difficult to do in any measurable way.

In addition to engaging residents and trying to reclaim a space for civic engagement in urban governance, we had hoped that this project would actually influence the incoming administration. We cannot say that this occurred with any confidence. When the grantees and OSF staff met with Mayor Bowser in March of 2015 to

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<sup>6</sup> For links to all the reports, policy memos, and press, please visit Talking Transition DC's website: <http://www.dcvote.org/talking-transition-dc>

present the final reports, we were welcomed and she was even joined by her Chief of Staff and Deputy Chief of Staff. We greatly overestimated, however, her interest in leveraging Talking Transition DC to advance her priorities. This could be our own naiveté, or perhaps, her own lack of sophistication or preparedness at that early point in her mayoralty. We offered to release our results with her, if she would make a sweeping call for citizen engagement in her administration; she did not. She did say, however, in her first “State of the District Address” on March 31 that she would “consult honestly with residents on development projects”, which parallels a specific concern raised in the town meeting report’s executive summary that the mayor put residents on “equal footing with developers.”<sup>7</sup>

Whether Talking Transition influenced the priorities of her administration is impossible to determine with confidence. The two priorities identified by DC residents in these reports were housing affordability and the poor quality of social services. During that same citywide address, Mayor Bowser announced her priorities for the year as addressing “chronic homelessness, a raging economic divide and rapidly disappearing affordable housing.” This outcome is similar to that of Talking Transition NY, in that we can’t say for sure that the data we presented had an impact in the way Mayor De Blasio was emboldened to focus on affordable housing, although we don’t believe it did.

One important outcome of the initiative, however, was the increase in grantee capacity that resulted from our more decentralized approach. Grantees—DC Vote, DC Working Families Party, NICD, and Urban Institute (with technical assistance from HR&A)—formed important relationships with each other and others in government and the civic sector. In a reflective session hosted by USP staff in July of 2015, these ongoing relationships were highlighted by grantees as the most important outcome of the project. Urban Institute reports that these relationships have spurred several additional conversations and events, and that their memos to the Mayor and the supporting research they conducted has equipped them to be more involved in the city in which they are headquartered, a new role for them and unique among big Washington think tanks. This was our aspiration by funding them. Grassroots grantees also greatly expanded their access to DC residents. As a relatively new organization, for example, DC Working Families Party grew their email list by several thousand members and broadened their footprint in the region as a result.

### **Lessons learned?**

Although there are several things that staff reported they would do differently, given the benefit of hindsight, the DC effort presents several lessons. The grantee-led approach to managing Talking Transition DC reinforced a belief that work in cities is best informed by organizations with specific knowledge of a region’s political climate and needs. If we were to do this again, however, we would invest in a coordinating capacity that included a communications arm. But one persistent obstacle throughout Talking Transition, both in NY and DC, was timing. A basic premise of this work is that mayors are most open to citizen input during a specific window of opportunity that exists between Election and Inauguration day, before they are inundated with the real work of the job. There are drawbacks to planning and operating within such strict timeframes, and without the necessary time to secure mayoral buy-in, tangible outcomes of this project are difficult, if not impossible, to accurately measure. Again, if we were to do this again, we would work more quickly to understand how best to connect with the incoming mayor as early as the primary in one-party cities and to present the data in ways that were useful, and to make more concrete asks regarding citizen engagement with the administration. This is true even if the public-facing events don’t take place until the official transition period. The central and highly visible tent of the New York initiative was a missing component of DC that, given the chance, would have received more attention since it generated so much attention and served as daily

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<sup>7</sup> [https://www.washingtonpost.com/local/dc-politics/dc-mayor-muriel-bowser-preparing-first-citywide-address/2015/03/31/94455b96-d730-11e4-ba28-f2a685dc7f89\\_story.html](https://www.washingtonpost.com/local/dc-politics/dc-mayor-muriel-bowser-preparing-first-citywide-address/2015/03/31/94455b96-d730-11e4-ba28-f2a685dc7f89_story.html)

physical reminder to the general public that the project was ongoing and open to their input. While we couldn't afford to actually construct a tent from whole cloth in another city, we could do more to repurpose an existing location to serve as Talking Transition headquarters. Last, an assessment tool should have been developed in the very early days of the project so that we would be forced to articulate the goals of the project and hold ourselves to account.

### **INFLUENCING PUBLIC NARRATIVE AND US SUPREME COURT RE: “DISPARATE IMPACT” (DECEMBER 2014 - \$500,000 C3)**

This grant made via the Opportunities Fund by USP supported NAACP LDF and the Opportunity Agenda in a communications and advocacy campaign related to *Inclusive Communities Project v. Texas Department of Housing*, a Supreme Court case which could have ended the use of disparate impact in housing and lending discrimination litigation under the Fair Housing Act (FHA). Disparate impact is a vital tool that allows plaintiffs to attack entrenched racial inequality by showing an unjustified adverse impact on protected groups rather than the “smoking gun” required to prove intentional discrimination. The primary goals of the campaign were to influence public opinion to affect how policymakers responded to the Supreme Court decision, and to organize the field’s litigation and policy advocacy in the event of an adverse decision. USP was interested in whether a campaign would have impact on the Justices, although remained skeptical that such outside efforts could meaningfully influence them (or, if there were such influence, whether we could track it). Through this support, LDF and the Opportunity Agenda were able to retain two outside communications firms: SKDKnickerbocker and Lake Research Partners, which worked closely with organizations in the field, principally organized by LDF and USP grantee the National Fair Housing Alliance, through the Leadership Conference on Civil and Human Rights to:

- Launch a media and advocacy strategy with messages highlighting the importance of disparate impact. These messages, tested through the use of focus groups, appeared in amicus briefs, articles, and op-eds (LA Times, Washington Post, Wall Street Journal, USA Today, and many more), and included voices from Republicans and Democrats, leading figures in the legal bar, labor leaders, like Richard Trumka of AFL-CIO, and former government officials. The media coverage also focused on the persistence of segregation and housing discrimination and disparate impact’s critical role in addressing these issues with a New York Times editorial at the time of oral arguments and many articles (including one from CNN) following the successful decision.
- Conduct several trainings after the decision to share best practices on tactics and messages with the field.

#### **What impact did this support have?**

This grant was made based on the strong consensus of legal scholars and staff that a majority of Supreme Court justices would invalidate the disparate impact standard.<sup>8</sup> The initial hope here was two-fold: that this grant could lead to a less bad opinion (since the way the Court invalidated the standard would be significant), and, that the case could be a vehicle to help the public narrative about ongoing racial discrimination (since the standard involves whether non-overt actions that have the consequence of harming racial minorities without any legitimate justification qualifies as racial discrimination). The outcomes achieved exceeded expectations in almost all respects. The Supreme Court upheld disparate impact in a strongly worded opinion that

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<sup>8</sup>While the Supreme Court normally only takes cases in which there is a split in the Circuit courts or an immediate and pending issue of great public importance, the Supreme Court reached out for this case and this issue. The disparate impact standard had been in use for over thirty years and all appellate courts (11 or the 13) that had reviewed it had adopted it. Several years ago, the Supreme Court accepted a case in which the issue had not been raised below but that case subsequently settled before the Court heard it, as did a second case involving a similar fact pattern.

highlighted the harmful impacts of segregation and unconscious bias on the country. Although, at this time, it is difficult to assess the impact the campaign had on any of the Justices, we do know that the narrative promoted by the communications campaign had a significant impact on the public conversation between the time the case was argued and the decision was issued. There were very few stories, and almost none in the mainstream press, that focused on the alleged benefits of getting rid of disparate impact. Instead, the overwhelming majority of stories focused on disparate impact as a critical tool for civil rights enforcement, for fighting segregation, and ensuring fairness in the financial markets. For example, grantee Opportunity Agenda appeared in a lead story in Politico. Also, immediately after the decision, Sherrilyn Ifill, President of the NAACP LDF, led a press conference with the pool reporters and then took several interviews on the steps of the Court, including with Andrea Mitchell and several NBC affiliates. Later in the night, she appeared on Chris Hayes and LDF's Special Counsel was on NPR's All Things Considered. Groups involved also organized several other press calls as well as a Congressional briefing, and fielded various requests from reporters. In all, there were more than 200 press statements (including Senator Tim Kaine and NY Attorney General Eric Schneiderman), articles (USA Today, Baltimore Sun, Sacramento Bee, etc.), editorials (including Dallas Morning News, Washington Post), op-eds (including Elizabeth Warren, Richard Trumka), television and radio appearances (including The Melissa Harris-Perry Show, NBC) and events (Capitol Hill briefing, press briefing). On twitter, there were 5,714 mentions of #KeepHousingFair with tweets posted by 3,228 users, garnering an estimated 24.8 million impressions. #KeepHousingFair was second most used hashtag around the decision, behind #SCOTUS.

### **Lessons Learned?**

Despite the success of the grant, we should have recognized the potential opportunity here and pursued support through the Opportunities Fund earlier. While the grant funds were disbursed in time to launch the public relations campaign before the case was argued in front of the court, the focus groups were not fully completed until almost the end of the campaign. As a result, the insight on what messages successfully move a majority of Americans to support efforts to fight housing discrimination were not available for most of the campaign. In addition, while the Opportunity Agenda will provide some training to the field on lessons-learned as a result of this grant, it plans to transition away from fair housing work, which somewhat diminishes the longer-term impact on improving the capacity of the field. Given that Opportunity Agenda (which is more heavily influenced than many grantees by where funding is available) expressed that it was likely to move away from this form of racial discrimination work after the grant, one question is the extent to which such Opportunities Fund initiatives should identify long-lasting benefit to the grantee or the field as a measure of success.

### **POPE FRANCIS VISIT TO U.S. (APRIL 2015 - \$650,000 c3)**

This USP initiative supported two faith-based organizations, PICO and Faith in Public Life (FPL), to build on the momentum of the Pope's September 2015 visit to the United States. The initiative's grantees sought to use this opportunity to mobilize their tens of thousands of members in local chapters in 11 states to build toward a set of concrete policy reforms to be advanced in 2016. For both organizations, support via the Opportunities Fund provided essential resources to undertake the following activities:

- Form partnerships with the AFL, SEIU, and 11 faith groups during the September events in order to mobilize 10,000 people to public action and train 3,500 others as messengers of Pope Francis' economic and racial justice agenda.
- Coordination of local PICO chapters to push for a range of state and local policy changes related to economic and racial justice.

- Buy-in of individual bishops to more publicly voice support of economic and racial justice messages in order to begin to create a critical mass of bishops who are aligned with the Pope.
- Development of an advanced media campaign featuring FPA's Catholic Director as a leading commentator in high-profile outlets, such as USA Today, Newsweek, CNN, NBC, NPR, the Boston Globe, the Washington Post, and the Guardian.

### **What impact did this support have?**

The boost to PICO and FPL's internal capacity to engage in organizing and messaging, as well as their capacity to effectively partner and coordinate, was even greater than anticipated. The impact of this work and the relationships it has fostered can be seen in the broad range of religious leaders hitting pointedly back at presidential candidates for their use of fearmongering. And the efficacy of the media campaign can be seen in the team's ability to react to and counter the anti-gay rhetoric following the Kim Davis story (the Kentucky county clerk who was jailed for defying a federal court order to issue marriage licenses to gay couples whom the Pope visited). PICO's local chapters are capitalizing on the momentum of the Pope's visit, as planned, to push for a range of state and local policy reforms, including in Minnesota, a state with a significant Catholic population in suburban and rural counties, where nineteen parishes in key swing legislative districts are now poised to support state legislative campaigns to win driver's licenses for immigrants, regulate payday lenders, and advance statewide paid family leave. PICO and FPL have been able to use their engagement in the opportunity of the Pope's visit to seed their position in the long-term project of shifting the priorities of the US Catholic church to focus on issues of injustice and oppression. The Pope has invited PICO to help plan the 3<sup>rd</sup> World Meeting of Popular Movements, a conference organized by the Vatican to partner with social movements and organizations, taking place in the US this year. Resistance to this inside the US Conference of Catholic Bishops has been stark, and grantees are engaged in a live fight with a faction of the church that seeks to curb the Pope's influence on social justice issues.

### **Lessons Learned?**

This grant offers important lessons about unanticipated opportunities and challenges. While grantees primarily focused on coordinating and supporting events happening near local membership chapters, they also supported events in Philadelphia, where the Pope spent an important weekend and drew much attention, but where grantees had minimal on-the-ground experience. In hindsight, the time and resources devoted to events in Philadelphia could likely have been better deployed in the home cities of PICO's members. Additionally, focus on expensive and logistically complicated in-person events resulted in a higher cost, and staff believe many of the same outcomes of these events could have been accomplished with less money. Overall, the biggest lesson of this Opportunities Fund grant is related to the effectiveness of USP grantees and their ability to nimbly and collaboratively find a demonstrable way to seize the moment of the Pope's visit. While not an explicit outcome as proposed, the ability to achieve many of USP's goals will be significantly stronger for years to come if PICO and FPL are able to use the capacities seeded under this grant to shift the US Catholic Church to be a voice on behalf of the poor and communities of color, and it's exciting to see this long-term process is now underway.

### **BLACK LIVES MATTER (JULY 2015 - \$656,000 C3)**

In response to the emerging activism that followed several high profile police killings of African-American men and boys, USP staff grappled with how best to respond through the Opportunities Fund and otherwise. Initially, USP staff considered going to the Board with a broad and very ambitious multi-million dollar proposal that would have covered multiple dimensions corresponding to the movement that Black Lives Matter represented. We undertook substantial engagement with staff and grantees that were in contact with Black Lives Matter leaders, and engaged the Board initially at our May 2015 meeting with Phil Goff, and again

in October 2015 by screening the video of movement leaders and hosting a follow-up discussion. Responding in real time, we ultimately decided to move quickly with \$656,000 via the Opportunities Fund in order to provide immediate support to the emerging movement in the summer and fall of 2015 by funding four convenings, with additional funds held in reserve for subsequent support. At the same time, in part out of recognition that the police reform effort required longer-term and more substantial and sustained approaches, we carved out our work in that area and developed a programmatic and much larger proposal as part of our programmatic work. (This is being provided to the board at the February 2016 meeting). The four events supported through the initial tranche of this Opportunities Fund request were:

- The #BlackLivesMatter Chapter Retreat in Detroit, MI on June 18 to 19, 2015, which brought together leaders from across the country to develop a national organizing blueprint. OSF funds supported strategic planning technical assistance for chapter leaders.
- The official Movement for Black Lives convening of youth activists, students, policy experts, lawyers, and academics in Cleveland, OH on July 24 to 26, 2015, which focused on strengthening networks within the movement.
- The Youth CORE National Convening, which was designed by the Funders Collaborative for Youth Organizing as a way to build stronger youth organizing and to more formally incorporate youth at the center of the 21st century racial justice movement. This convening took place November 13 to 15 in Durham, NC.
- The Law for Black Lives Conference, which was designed as an event for lawyers and law students interested in supporting the Movement for Black Lives. Current grantee, the Center for Constitutional Rights, sponsored the convening, which took place July 31 to August 1, 2015 in New York City. OSF funds allowed additional individuals to attend the gathering, participate in discussions, and take advantage of convening resources online.

The second phase of funding (in the overall amount of \$367,500) will provide much-needed technical assistance over 18 months to individual leaders and organizations who planned and attended the convenings. The shape of that assistance responds directly to the priorities identified by movement leaders and will include strategic communications, organizing training, and capacity building and infrastructure support.

### **What impact did this support have?**

Especially in a fluid and dynamic environment such as this, we are skeptical that impact can be easily assessed and welcome board reaction to our presumption that it is valuable and appropriate even in the absence of clear benchmarks to provide the kind of support we did in such a “movement moment.” We believe this support provided space for strategic planning, evaluation, and organizational development during a critical juncture in the movement’s growth. USP staff and movement leaders were increasingly concerned that limited organizational capacity would hamper the movement’s long-term impact, as many of the movement’s most effective leaders—such as Alicia Garza, Opal Tometi, Patrisse Colours, Deray McKesson, and Johnetta Elzie—were donating their time and services above and beyond their regular employment, without any formal or monetary recognition.

Through these Opportunities Fund-sponsored convenings, movement leaders acquired a space distinct from the activity of organized protest to reflect on the effectiveness of the movement to date, share best practices, and conduct candid conversations about the movement’s needs for sustainability. For example, one of the main outcomes from the Law for Black Lives convening was the creation of three legal defense committees, in Baltimore, Cleveland, and Ferguson, to advocate for an end to existing abuses and to promote an equitable justice system. The Cleveland convening produced the Movement for Black Lives Policy Table, a policy

collective which is building a shared agenda and advocacy structures. Collectively, these four convenings have led to a better integrated set of organizers, lawyers, academics, and social media experts who, as a result of these connections, are working more effectively to link local organizing to a national movement. Capacity gaps still remain, however, in particular with respect to the development of concrete policy recommendations.

We do note two dynamics that make it very difficult to assess our work here. First, it is abundantly clear that this is a deeply local and disaggregated movement. It has immense potential and important levels of authenticity and legitimacy, but is a complicated one to support since it shies away from formal institution-building and remains skeptical of traditional sources of authority and power, including philanthropy. Thus, the question of how to support it remains uncertain. Notably, some of the traditional tools that philanthropy deploy, such as convening leaders or making connections between established groups and new and emerging leaders are especially fraught. Second, it is complicated to know how much and when to expect more traditional assessments of impact to enter into these grant-making equations. These groups are not traditional policy advocates, and it would be (in our view) a mistake to conflate expectations we might have for these movement people with other types of organization. (This is part of what led us to carve out the police reform efforts.) At the same time, it is important to have some level of expectation and use to ensure we are disciplined in how we approach this work.

### **Lessons Learned?**

This initiative provided insight into the inner-workings of the movement for black lives and how to best to support it, even if some of our questions around engagement remain unanswered. These insights and struggles are very much part of our ongoing conversations and will inform our strategic refinement process moving forward. Among other observations, we recognize that elements of this movement have reinforced the tensions between established organizations and new and emerging ones, requiring us to remain observant about what is going on outside of our grantee community and reminds us that we should remain sensitive to the broader environment. Similarly, this work pushes us to clearly define our strategies for advancing change and how to best use our assets to support them.

The two dynamics outlined above will play out as both traditional and non-traditional funders work to more effectively assess and resource the movement. There is recognition that the limited organizational capacity of emerging groups endangers the movement's potential for concrete policy reform and long-term effectiveness. This work is also leading us to examine our grant selection criteria in order to ensure such policies don't unintentionally exclude leaders or emerging groups that are important contributors to advancing open society interests.

### **CENTER ON BUDGET'S CONSTITUTIONAL CONVENTION (AUGUST 2015 - \$500,000 C3)**

Through support via the Opportunities Fund, USP is funding the Center on Budget and Policy Priorities (CBPP), which has partnered with the American Constitution Society and Common Cause, to counter the American Legislative Exchange Council's aggressive 2015-2016 push for a Constitutional Convention ("ConCon") and federal Balanced Budget Amendment to the U.S. Constitution. Specifically, Opportunities Fund support has enabled CBPP to:

- Convene a national coalition of 100+ labor (i.e. AFSCME, AFL, NEA), state-based groups (i.e. State Innovation Exchange and State Priorities Partnership affiliates), and local organizations representing the civil and human rights, veteran, disability, and faith communities.
- Host a bi-weekly strategy call with select members of the national coalition, organized by a CBPP Project Coordinator, secured through support via the Opportunities Fund.

- Re-grant to groups in eight states – Nebraska, Oklahoma, Louisiana, West Virginia, Virginia, and Idaho – where there is the highest chance of a Constitutional Convention resolution passing, and Maryland and Delaware where groups are proactively calling on states to rescind active Constitutional Convention resolutions that occurred in the past.
- Form strategic alliances in these states that are coordinating local advocacy, communication, and coalition-building efforts to educate lawmakers, influence editorial boards of local news outlets, and identify messengers.

### **What impact did this support have?**

While the grant is currently underway and final outcomes are yet to be determined, this support has provided timely capacity to the field that would otherwise not take place. ALEC recently re-affirmed the Constitutional Convention as a top priority for 2016, and passed a resolution calling on all of their 2,000 state legislator and institutional members to devote energy to this. ALEC is ramping up efforts by sending staff to key states, identifying constitutional scholars to endorse the idea, and engaging presidential candidates, including Ted Cruz and Marco Rubio who have both voiced public support. Additionally, in January of 2016, Governor Abbott of Texas announced nine constitutional amendments that would require a Constitutional Convention if two-thirds of states concur. Beyond the Balanced Budget Amendment, Governor Abbott’s proposed amendments are heavily in a state’s rights vein, including overriding U.S. Supreme Court decisions with two-thirds of state agreeing and suing in federal court when federal officials “overstep their bounds,” among others. This Opportunities Fund initiative is providing a critical counterweight to ALEC’s efforts as no other lead funders have yet come to the table.

### **Lessons Learned?**

All of the activities done to date have fallen squarely in the c3 space; however, as the country approaches the 2016 state legislative sessions, activities countering a Constitutional Convention would have benefited from OSPC support for lobbying activity. CBPP, which does not have the capacity to receive c4 support, was the only organization really engaged in the early stages of this work , which was focused on a specific time period when funds were most needed to set the stage for future initiatives by engaging with editorial boards, and conducting informational meetings with state electeds. In other words, c4 funds wouldn’t have been useful at the time in which this grant was made, but that may change as this issue moves forward. Currently, the state re-granting partners plan to draw on the allotment of c4 activities legally permitted under their c3 status, which should be sufficient for the campaign but it’s too early to tell.

## **III. DISCUSSION**

The following section highlights observations made by the Board members interviewed about the Opportunities Fund. Reflections from the authors are offered as well, and this section closes with questions for the USP Advisory Board’s consideration.

### ***General observations about the 2015 Opportunities Fund:***

The insight, capacity and unique role of USP and OSPC were evidenced in the initiatives advanced through the Opportunities Fund in 2015. As the Board knows, OSF is one of few foundations that have the capacity to make c4 grants. In 2015, OSPC supported work through the Opportunities Fund in the amount of \$2,102,250 via six initiatives (see chart on page 3). By comparison, OSPC made grants totaling \$3,850,000 via the Fund in 2014. Certainly the on-the-ground relationships in Baltimore made it possible for USP staff to intervene in more meaningful ways than most other foundations could have. The ability to move money

relatively quickly in combination with deep relationships enabled USP to support the timely convenings of Black Lives Matter activists.

USP and OSPC used the Opportunities Fund to take advantage of unexpected but favorable decisions in DC to advance open society—for example, supporting domestic worker organizations to take advantage of the new rules promulgated by the Department of Labor and developing new capacity on the ground to capitalize on increased federal funding for the engagement of crime survivors. This reflects our growing institutional concern with the implementation of policy victories such that lives are actually improved.

The Opportunities Fund also enables OSF to leverage other funds. As the above case study into the minimum wage indicates, OSPC's grant making was matched by Wyss, which also helped cement a working relationship and partnership that is now being explored in other areas such as support for child care and the child care workforce.

USP continues to seize opportunities to inform the evolving economic advancement strategy via support from the Opportunities Fund. In 2015, per a challenge from the Board in May to respond to the growing attention paid to economic inequality by presidential candidates, USP and OSPC began an initiative around child care and the child care workforce. In response to another board member's interest in fair scheduling, USP has funded efforts to support national staffing and targeted field resources, while OSPC is working on legislative victories and lobbying activity to advance change in these inequitable labor practices.

In most of the areas where USP and OSPC made Opportunities Fund grants, staff are very familiar with the fields they're working in and have a great deal of connection to the grantees. This is why grants made through the Opportunities Fund relied on trusted partners, for the most part, though they did also send resources either directly or indirectly to new voices, actors, and partners. This raises an interesting tension. Since insight and capacity are critical to determining whether it makes sense to make an Opportunities Fund grant, it follows that OSF staff would work in the areas that they know. It also makes sense to follow this approach if the intention is to harness knowledge gained through these initiatives into regular USP or OSPC grant making—a goal that is not yet fully realized, as we observe that these initiatives sometimes still take on the quality of being self-contained. A question for board discussion, however, is whether the Fund should be used to make more intentional efforts to explore other areas of work. This has been done with economic advancement, presumably with the caveat that these explorations don't lead too far away from insight and capacity which was the difficulty with the investment in gun control post-Newton.

It is difficult to say at this point what impact the 2015 Opportunities Fund grants have had overall. Each project is different and complex, and operates on its own timetable. Also, in some cases, the actual funding has yet to land, pending approval of rollover of funds into the 2016 budget. The next step in the socialization of the Opportunities Fund as a tool for USP and OSPC will mean engaging in after-action reviews that review outcomes against expectations with a higher degree of rigor.

Although the purpose of the Opportunities Fund isn't always to move rapidly, in the cases where it was, the process still moves too slowly. Sometimes in 2015 this was because staff took time to respond to an unexpected opportunity and determine the right strategy going forward (e.g. Baltimore). USP and OSPC needs to continue honing the ability to articulate a compelling strategy that is grounded in potential accomplishments with Opportunities Fund grants rather than in the soundness of the cause or the depth of the crisis. In other occasions, the high visibility and engagement of the USP Board led to significant writing

and re-writing of proposals (child care, fair work week). This process will continue to be monitored to ensure the maximizing potential presented by the Opportunities Fund.

There were special instances in 2015 where funds were accessed to support longer-term work, such as the two-year initiatives around the child care workforce, the response to the Puerto Rico economic crisis, and the OSPC support for Every Voice's money-in-politics work. An open question remains about defining instances where support over a one-year period is recommended and necessary. It is worth noting that, in the instances where initiatives require more than one year of support, Opportunities Fund dollars were supplemented by funds from regular grant making budgets.

In 2015, the Opportunities Fund was accessed to support only a few grants for a "new big idea" such as when OSPC supported Every Voice; the year before USP accessed the Fund to support Fair Care Labs and Talking Transition DC. This is perhaps because the criteria for this approach remains vague to the board and staff, and is therefore worthy of further discussion.

Lastly, USP and OSPC staff continue to exercise discretion about the use of the Fund. While there is no goal around how much of the spending target is accessed, it's a serious consideration that these funds should be used for their express purpose, and not as a supplemental budget. The USP Advisory Board members interviewed (see below) believe that we still haven't gotten all the way there, and used some funds in 2015 to support projects that weren't really responsive, but that we are there in the main.

***Observations from the Advisory Board:***

The Board members interviewed perceived that the Opportunities Fund was fulfilling its function and expressed satisfaction with how staff is managing the fund at this time, with the following suggestions:

**High levels of Board engagement on front end not matched by reporting-out on the back end.** The view from the Board members interviewed was remarkably consistent: while there was meaningful input into the review of proposed uses of the fund in 2015, there was little reporting out of what happened with those investments and what impact they had in accomplishing the stated goals and/or advancing open society values.

**Discipline on uses of the fund.** The Advisory Board members felt that the overwhelming usage of the Opportunities Fund in 2015 met the stated criteria. There were still instances in which support for small one-offs was made that didn't quite meet the test. There was a caution that staff "not incentivize people to create a narrative of opportunity" (Coll) for projects that aren't really responding to unexpected shifts in dynamics or that don't truly represent bold new ideas. Ultimately, the Advisory Board wants staff to be able to answer the same question of each proposed idea: "will this surge funding allow organizations we trust to do work that they otherwise wouldn't have been able to do?" (Coll)

**More reflection on outcomes.** Upon reflection, what did these initiatives actually accomplish? What role did this grant making play? Or, as Andy Stern put it, "Did we win? Did we expect to win or lose? Was it worthwhile?" One of the values of this exercise, in our view, is to promote effective post-grantmaking reflection—either with the USP Board, or among USP and OSPC staff—about the expenditures made through the Opportunities Fund. USP and OSPC will continue the practice of this annual review, share out more regularly to the USP Advisory Board on the status of initiatives, as well as invite the Board to join us in reflective conversations once the work of an Opportunities Fund initiative has been completed. More

importantly, though, this can contribute to the continuing emphasis on outcomes within OSF grantmaking culture.

**Find new avenues of communication for the USP Advisory Board.** Board members noted the special role that they have with respect to the Opportunities Fund, and suggested that it's a means to "develop muscle for engagement in big initiatives" (Coll). The best mechanisms to do so are worth discussing.

**Questions for Board discussion:**

- Do you feel the Opportunities Fund met its stated goals in 2015?
- When you look at the expenditures through the Opportunities Fund compared with your perception of the most important unexpected events or shifts in dynamics in 2015, what didn't receive funding that could or should have?
- What's the right balance of supporting new ideas versus response to responding to unexpected events?

Thank you for the opportunity to submit this annual review of the Opportunities Fund, and we look forward to the discussion.

**Baltimore: Response to the Uprising (November 2015 - \$ 1,000,000 c3)**

Grants made from this request via USP's OSI-Baltimore have been used to engage residents in shaping and monitoring reform in response to the uprising in Baltimore, which has accelerated the dismantling of structural inequality generated and maintained by local law enforcement. This work has focused on actions that can be taken in the near term in order to take full advantage of upcoming and pivotal events in Baltimore: the appointment of a permanent police commissioner by the new mayor, the Department of Justice pattern-or-practice investigation of the police force, and the momentum of the mayoral elections to focus on key issue areas. Specifically, this support has underwritten the staffing and expert consultation of Baltimore United for Change, which has facilitated the training, mentoring and activities of youth activists; launched a Skills and Organization Bank to pair experienced volunteers with organizations needing staffing support; and provided training and legal support to protect protesters. In December of 2015, Behavioral Health System Baltimore (BHSB) in conjunction with several city agencies launched a new initiative modeled after Seattle's LEAD (Law Enforcement Assisted Diversion), which will divert individuals who would typically be arrested and prosecuted for low level drug offenses from the criminal justice system to Baltimore's behavioral health system, where they will receive treatment and other services. CASA has organized and trained a coalition of Latino and African American youth activists, while also working to leverage innovative economic investment in schools, youth job programs, housing, and job training, as well as the elimination of food deserts, to address root causes of inequity in the city. The No Boundaries Coalition (in partnership with NAACP and other local organizations) has used this support to document the pattern and practice of police misconduct in West Baltimore by collecting evidence regarding police misconduct over the past four years; holding public hearings to permit the sharing of these narratives ; preparing a written report to memorialize the findings of the Commission; sharing findings with advocacy groups and the public; and working with the Department of Justice to ensure that community contributions are incorporated into the investigation and consent decree to reform Baltimore City Police Department practices. This work is ongoing and other grantees are still being identified. Updates will be included in 2016 board meeting materials.

**Bard Early College High School (July 2015 - \$250,000 c3)**

This grant supported the start-up costs of opening a Bard Early College High School in Baltimore, Maryland in August of 2015. It is the first school in Baltimore's public school system to allow students to graduate in four years with both a high school diploma and a two-year college Associate's Degree. The school's first year enrollment includes 100 ninth and 50 eleventh grade students. The school plans to reach full enrollment, 500 students, in year four. At that point, the per-pupil funding from Baltimore City Public School System will cover the costs of operating the school. The school has the support of Baltimore City Public School CEO, Dr. Gregory Thornton, who, along with OSI-Baltimore staff, has called for a more ambitious vision for high school in Baltimore.

**Child Care Workforce (November 2015 - \$887,250 c4; \$112,750 c3)**

At the February 2015 USP Board meeting in Puerto Rico, Board members identified child care as an issue with special resonance given its potential emergence as the next front in the economic inequality debate and the disproportionately minority workforce who would be affected by any shifts. Based on this, USP staff

developed and received approval in November 2015 for a time-limited effort that would attempt to make a transformative shift in child care policy a campaign issue that could be implemented in 2017 and use the 2016 cycle to test approaches at the state and local level. To resource this, USP staff accessed \$112,750 from the 2015 Opportunities Fund and are combining it with \$250,000 in complementary funds from the USP budget in 2016. The focus for this work in this area will be to help develop and mature a field caught unprepared for its big political moment. USP will help local campaigns find their footing and gain local policy wins through early investments in local organizing capacity as well as national strategy, technical assistance, and coordination to ensure the movement is building momentum toward a federal solution. USP will also help advocates for children, working families, and childcare providers coordinate across silos to coalesce around national policy proposals and, eventually, national campaign strategies.

To begin this work, staff are working closely with experts whose thought partnership will be essential in seizing this opportunity. Netsy Firestein, a long-established and respected leader in the field of childcare policy, will be serving as a consultant providing strategic advice and guidance, and exploring potential models for a national campaign that brings together a broad and diverse group of organizations. Netsy will also coordinate outreach to other funders, which will be critical to the success and sustainability of the campaigns. Other funders have expressed interest in this issue, including non-foundation sources such as the Democracy Alliance's Inclusive Economy Fund, which has agreed to provide \$900,000 to the campaign; Peter Colavito, director of Government Relations for SEIU, has been a crucial partner, providing both resources to local campaigns as well as strategic guidance. Two influential scholars from the INET network, James Heckman, whose research has focused on the role of early childhood education in equality of educational and income outcomes, and Robert Dugger, who has focused on the business case for investments in early childhood development, will be contributing their expertise to the project. Sarah Klaus, director of the Open Society Early Childhood Program, will also contribute to this work and brings lessons from other nations in Western Europe to the table. Updates on this activity will be provided during ensuing 2016 USP Board meetings.

Working in partnership with USP, OSPC-enabled staff have requested and received initial approval from Jonathan Soros of \$887,250 for work related to lobbying activity around child care reform. This initiative is ongoing and no grants have yet been made.

### **Crime Survivors Engagement (October 2015 - \$375,000 c3)**

This grant to the Vera Institute of Justice for their Crime Survivor's Engagement project, capitalizes on significant increases in federal Victims of Crime Act (VOCA) funding for victims' services to expand access to services for crime survivors of color, particularly young men, and to lay the groundwork across the country for increased engagement of victims in advocacy to reduce incarceration. The Crime Survivors Engagement project builds on efforts in the field to shift the perception of who victims are and what they want from the criminal justice system. In addition to helping service providers that serve communities of color apply for and receive federal funding for victims' services, the Crime Survivors Engagement project will conduct a national survey of crime victims to help advocates across the country emphasize the need to shift funding priorities to better meet the needs of victims in communities of color. It will also be responsible for engaging mainstream victims' advocates to build support among them for expanding the scope of VOCA funds to include non-traditional service providers who are currently excluded. The VOCA application process is onerous, bureaucratic, and varies from state to state, and many of the potential grantees targeted by this project simply will not stand a chance at getting the funds without intensive support. The project launched in October with support from the Opportunities Fund, and in December, one of the first service providers the project technical support was awarded a \$150,000 grant from the New Jersey Attorney General's Office, which administers VOCA funding in the state and will support the Newark United Against Violence (NUAV) project, a street team based in Newark's highest crime areas and that responds to secondary homicide victims

as well as interrupts other cycles of violence. This project is still in its early stages and staff will provide updates during future board meetings as the work progresses.

**Emma Lazarus II (January 2015 - \$7,500,000 c3)**

USP established Emma Lazarus II to maximize the impact of President Obama's November 2014 executive actions on immigration. Specifically, the initiative was to focus on two signature programs that would provide legal status and work authorization for up to 5 million undocumented immigrants: an expansion of the 2012 Deferred Action for Childhood Arrivals (DACA), and the new Deferred Action for Parents of US Citizens and Lawful Permanent Residents (DAPA). Unfortunately, the programs have been delayed due to an injunction issued by a Texas federal district court. A high profile Supreme Court decision on the case (and the President's use of executive authority) is expected in June, 2016. Once the litigation delayed implementation of DAPA and DACA+ last year, we focused our funding primarily on building outreach and immigration legal services capacity in regions around the country with new and growing immigrant populations where services were severely lacking. This meant training and accrediting new individuals as immigration service providers, building local coalitions, preparing for movement building opportunities, and enticing new funders. At the national level we focused on strengthening the coordination between mission-aligned organizations, building up shared resources, raising public sector and center-right voices, and creating new models for providing immigration assistance at scale. In 2015, EL2 spent a total of \$8.6 of the \$25 million allotted. Funds came from a combination of the Chairman's and President's Fund and the USP Opportunities Fund. Later this year, USP will be conducting a full-scale portfolio review of the Emma Lazarus II fund, and we will keep you posted on this as it progresses.

**Every Voice (August 2015 - \$700,000 c4)**

This two-year OSPC initiative, made possible with \$700,000 in budget authority from the Opportunities Fund and \$200,000 from in budget authority from the Democracy Team, supports 501(c)(4) Every Voice for 2015-16 state and local money-in-politics ballot initiatives. With federal opportunities for money in politics reform at a standstill, this support funded Every Voice's work on two successful ballot initiatives (Seattle and Maine) that increased the availability of public financing, strengthened the transparency requirements for political donors, and built momentum for reform at the local, state, and, ultimately, federal levels. It has funded preliminary work (coalition building, polling, message testing) and will provide continued support for money-in-politics ballot initiatives in 2016, as well as implementation costs related to the 2015 victories. In addition to the benchmarks above, Every Voice includes strong legal review as a priority for its campaigns, providing some assurance that measures that pass will be defensible in the courts, and will not risk creation of further bad law—critical to improve federal campaign finance jurisprudence. Likely ballot measure locations in 2016 include Arizona, Arkansas and Idaho, with other locations under continuing consideration.

**Fair Workweek (November 2015 - \$325,000 c4; \$225,000 c3)**

Today 75 million people, or three in five Americans, are paid by the hour—and these workers have little to no input in their work hours and very few workplace protections, working schedules that vary wildly week-to-week and demand constant availability. These workers are disproportionately women and people of color this initiative responds to demands for a new policy regime and new bargaining strategies for workers. The Center for Popular Democracy (CPD) has begun early work to support national staffing and targeted field resources to build out the corporate accountability campaign strategy; advocate for highroad scheduling practices in the private sector; undertake public education to further the campaigns; and refine and push out more aggressive communications and digital strategies to leverage upcoming victories.

CPD's sister c4 organization, the Center for Popular Democracy Action, is using OSPC support via the fund to engage in lobbying activities in order to educate lawmakers and guard against efforts by opponents in

Congress to stop the passage of rules that will improve scheduling practices and improve the lives of low-wage workers. Approval of support for these initiatives came in late 2015 and payments to grantees will be made in the first quarter of 2016. Updates will be made as work progresses.

#### **Home Care Rule (June 2015 - \$90,000 c4; \$330,000 c3)**

This initiative supports the campaign for state-level implementation of the Department of Labor's new rule that will provide overtime protections for two million home care workers. Home care workers are a large and rapidly growing part of the workforce made up of mostly women of color and immigrants. Last year, the federal Court of Appeals issued a unanimous opinion affirming the validity of the Final Rule, which became effective in October of 2015. As of January 2016, the Department of Labor has continued to provide employers with technical assistance for coming into compliance with the rule, has the potential to translate into workers earning higher wages and overtime, as well as improved quality of care for the elderly and disabled. In order to properly implement the rule, states must make changes to their Medicaid plans and budgets. USP via the Opportunities Fund is supporting grantee the National Domestic Workers Alliance which has formed a coalition to run state-level campaigns in 16 states to help push states to develop plans that ensure workers receive the wages and overtime they are due without cuts to home care services for elderly and disabled consumers. Targets and strategies have varied by state, with activities ranging from short-term defensive fights to address temporary roadblocks to proactive efforts to achieve public commitment of state policymakers to providing meaningful opportunities for workers and consumers to provide input through testimony and meetings with representatives. Importantly the campaign does not expect to win in a large number of places, but to win in enough places to have examples of successful budgeting. Understanding that winning state budget battles is hard, the grantees intend to focus their resources in the places where, because of both strong inside and outside players, the states are already inclined to budget enough resources to implement the rule. The participation of the disability community in these campaigns more so than many other groups has helped to cultivate bi-partisan support.

OSPC provided support to the Domestic Worker Legacy Fund for targeted advocacy pressuring state officials to take the necessary steps to implement the rules and avoid harmful responses such as strict caps on workers' hours; organize and intervene to win state budget increases to pay for increased wage and overtime expenses; focus media and public attention on implementation successes; bolster supportive legal arguments in federal litigation challenging the rule; and remain active on the Hill to educate lawmakers and guard against efforts by opponents in Congress to stop the rule..

This initiative is in the early stage of development following the late 2015 decision to uphold the rule, as well as the recent support of the DOL to provide technical assistance to participating employers. Updates will be provided as this work continues.

#### **Jail Populations Reduction (August 2015 - \$ 400,500 c3)**

The Institute of State and Local Governance (ISLG) at CUNY is assisting New York City in reimagining pretrial and short-term detention by partnering with city agencies to develop a smaller, more humane system of incarceration. Through support of this grant, ISLG has consulted with Meg Eagan, former Assistant Secretary for Public Safety to Governor Cuomo, who is working closely with the Mayor's Office of Criminal Justice and the Executive Officers and Administrators of the New York State Unified Court System, among others, to identify and test new ideas for significantly reducing the New York City Department of Corrections population as well as exploring methods to improve conditions of confinement. ISLG is also working with system partners to develop an infrastructure of diversion and re-entry program options, including the use of electronic check-in systems as an alternative to detention and incarceration, especially as it relates to pretrial incarceration on Rikers Island. ISLG continues to work with the Mayor's Office of Criminal Justice to

explore the creation executive forums with the relevant partners in New York (with plans of expanding to Los Angeles and Chicago in 2016) to explore implementing these promising strategies.

#### **Mississippi Ballot Initiative Update (October 2015 - \$100,000 c4)**

This one-time project grant by OSPC to 42 for Better Schools provided support for the Mississippi ballot initiative to ensure adequate funding of the public schools in the state of Mississippi, which have been severely underfunded since at least 2009. '42 for Better Schools' launched and led the campaign for the Better Schools, Better Jobs Initiative # 42, which aimed to create a constitutional amendment to adequately fund the public schools and hold the state legislature accountable for doing so. The ballot initiative failed on Tuesday, November 3rd, by a narrow margin of 25,000 votes.

#### **My Brother's Keeper (January 2015 - \$200,000 c3)**

PolicyLink was engaged as a short-term Technical Assistance provider for the White House's challenge to cities to establish initiatives focusing on boys and young men of color. PolicyLink provided four-months of TA during the initial phase of the My Brother's Keeper Community Challenge in an effort to ensure the 186 cities, counties and tribes participating in the challenge would have access to the information and guidance needed for their initiatives to succeed.

#### **Puerto Rico Economy (October 2015 - \$125,000 c4; \$850,000 c3)**

To address the economic crisis in Puerto Rico, this initiative has supported the Center for a New Economy (CNE) to engage analysts and officials who will widen the public debate and encourage new approaches. Since October, CNE has developed a series called the Roundtable for a New Economy, and has engaged with Joseph Stiglitz at Columbia University and other economists at the Brookings Institute, Brown University, and the McKinsey Global Institute to develop a long-term industrial growth plan. USP's Open Places Initiative grantee, Espacios Abiertos, continues to play an important part in this initiative by planning a series of convenings they call "country dialogues" so that representatives from different sectors can comment on proposals, and help to build eventual support for the final recommendations on new approaches to addressing the economic crisis. USP has also retained Steven Abrecht, the former CFO and Deputy Chief of Staff at SEIU International, to develop a campaign plan to pressure creditors and bring them to the negotiating table. Engaging creditors will be a key strategy in the event Congress enacts only partial or no debt restructuring authority for Puerto Rico. This campaign will start by researching some of the top creditors who own the debt, engaging them in private conversations, and escalating pressure by engaging some of their clients. The campaign will organize press conferences and direct actions in targeted places where creditors and their clients are based—at times directly targeting creditors, at other times engaging some of their clients. This work is ongoing, and is taking place in partnership with OSPC (whose activities are detailed on page 16 of the Feb. Board Book) and updates will take place during subsequent USP Board meetings.

#### **San Francisco Blue Ribbon Panel on Law Enforcement (October 2015 - \$100,000 c3)**

This grant supports PolicyLink's coordination of the independent Blue Ribbon Panel on Transparency, Accountability, and Fairness in Law Enforcement, commissioned by San Francisco District Attorney George Gascón in May of this year, in light of the discovery of racist text message exchanges that implicated 14 SFPD officers. The Panel will culminate in PolicyLink's final report of findings and recommendations to mitigate racially biased policing in San Francisco. Eight law firms have agreed to give their time, pro bono, to aid in the panel's efforts. The panel held its first public meeting on the subject in December and their report is due in April 2016.

### **Three Strikes Federal Clemency Project (September 2015 - \$250,000 c3)**

This project supports reentry services to individuals recently granted clemency by President Obama in reaction to the overly harsh three strikes laws of the 1990s. Specifically, it supports the Stanford Three Strikes Project's work to provide reentry services to up to 100 individuals. Specifically, this project has expanded Ride Home, a reentry program that offers personalized support, including transportation from prison to residential reentry facilities and ongoing guidance and mentorship, to people being released from prison. Ride Home is staffed in part by formerly incarcerated people who have successfully reintegrated into their communities and been successful in employment and educational pursuits. Through this support, Three Strikes Project has also begun the work of identifying, recruiting, coordinating and training a network of reentry providers across the country to support the growing number of people released from federal custody. Success of this reentry effort has broader policy implications: not only does it have the potential to impact the public perception of offering second chances to people serving long sentences in prison, but could serve as an example to governors who also have the power to grant clemency to people incarcerated in state prisons. Furthermore, it serves as an opportunity to demonstrate to state policymakers that it is possible to release many of the people who populate their facilities without jeopardizing community safety. Support for this work also advances exploration of how USP can work together with the White House to best ensure a robust array of services and policy reforms to maximize successful reentry of those granted clemency and others eligible for release as a result of federal sentencing reforms. It also demonstrates an effective partnership with the Washington Advocacy Office, which successfully lobbied the Administration to create the clemency initiative.