



**OPEN WORLD**  
LEADERSHIP CENTER

# Budget Justification Request for the Committee on Appropriations

## Fiscal Year 2017

Respectfully submitted:  
**January 29, 2016**

## Opening Statement

When the United States Congress needs inter-parliamentary cooperation with strategically important countries, they can turn to Open World to bring the rising young leaders to the United States to show them how we addresses corruption in the judicial system or transparency in local governance.

When the United States Congress wants collaboration in its efforts to create global change for the good of the world, Open World can show emerging change makers how a local council decides on issues related to the community or how open elections create accountability.

Esteemed Members of the Appropriations Committee, it is you that show these civic leaders how the American constituent exercises his or her right to meet with their elected official.

These same young professionals can explain their own processes and how their American experience on the Open World program changed their attitudes, their understanding of accountability, and their hopes. You can hear them for yourself describe their efforts to effect change in their countries because of their experience in Des Moines or Roseburg or Jackson.

Listen to them say that meeting with a Member of the United States Congress was the first time they had ever met with any such government official anywhere. When you hear what they have to say, you cannot help but be changed.

Listen to them describe the life-changing impact that living with an American host family had upon them. These observations take place one handshake at a time in the home of an American family committed to the same goals of cooperation and collaboration. These are the mainstays of the many conversations that take place at the kitchen table. In this way, the Open World program is unique – the only one of its kind in any U.S. government agency.

The conversations that follow take place with anti-trafficking specialists from **Russia**; Maidan activists from **Ukraine**; public health officers from **Azerbaijan**; judges from **Estonia**; elections observers from **Georgia**; non-proliferation scientists from **Kazakhstan**; Members of the Parliaments of **Kosovo, Mongolia and Serbia**; environmentalists from **Kyrgyzstan**; mayors from **Moldova**; journalists from **Tajikistan**; and women entrepreneurs from **Turkmenistan**. They take place every day that an American family hosts a delegate from the Open World program.

That these conversations take place at all is due to the continuing support of the United States Congress and the Appropriations Committees on the Legislative Branch Subcommittee.

## Introduction

*So many things can be done through volunteering. Like nowhere else, American progress is based on volunteer work.*

—Moldovan delegation on a Huntsville, Alabama exchange

By the end of calendar year 2015, the Open World Leadership Center had brought over 24,000 rising leaders from nineteen former Soviet bloc and other qualifying countries<sup>1</sup> to engage with their American counterparts in professional exchanges. This growing network, where many continue their relationships both with each other and with their American counterparts, enables the impact of the Open World program to continue far beyond the ten-day program in the United States. With the continued support of the Congress, Open World host families and communities will once again open their homes to help sustain this successful congressional program that



*Members of the Parliament of Kosovo with Governor Terry Branstad in Des Moines, Iowa.*

focuses on countries of profound interest to American foreign policy.

Open World alumni continue to rise in leadership positions in their home countries, bringing about changes from the periphery in and the bottom up. To that end, continued Congressional support will build on the strong and vigorous groundwork already laid in the previous sixteen years. For example: In March 2015, Gulnara Abzalova, Chair of the International Affairs Committee of Opora (a Russian business lobbying group), traveled to Tampa, FL with women

entrepreneurs and was hosted by the Rotary Club there.

Since her participation she moved up to lead the Department on Development of Women Entrepreneurship in her region and also became a member of the Committee on Development of Women Entrepreneurship on the federal level.

She keeps in touch with the leaders of the organization Working Women of Tampa, whom she met during the program, and they are working to develop a professional exchange program for young business women. They plan to apply for a Peer to Peer grant in March 2016.

The connection made between these two groups is an important one – one that emphasizes community ties and mutual respect and then seeks to further cement the bonds of friendship and professionalism.

---

<sup>1</sup>Armenia, Azerbaijan, Belarus, Egypt, Estonia, Georgia, Kazakhstan, Kosovo, Kyrgyzstan, Lithuania, Moldova, Mongolia, Russia, Serbia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

Since its inception in 1999, Open World remains the only international exchange agency in the Legislative Branch dedicated to serving Members of Congress in both chambers. As a resource, the Center is available to all Members, their staff, and their constituents for information, consultation, and introduction to any Open World country. As a unique asset, it is positioned to assist the Congress in its foreign policy and oversight responsibilities. Finally, as an investment, the Center gives Congress and the American people a direct line to the future leaders of these countries.

Open World has served the Congress well, earning strong bipartisan and bicameral support. Funding **Open World's 2017 budget request of \$5.8 million** will allow this powerful global network to make an additional significant and positive mark on events in these strategically important countries.

*The most extraordinary episode that impressed all [the Ukrainian mayors] was the visit to the City Council where the Mayors had a chance to observe the City Council meeting. First of all, the delegates were impressed with the openness of the authorities and the fact that any person can come into the meeting room...and be present during the meeting.*

—Ukrainian delegation in Honolulu

---

The Center understands well that budget reductions happen and has responded to the reductions with increased efforts to find cost shares and interagency agreements that enable us to continue a robust program each year. While working with less has its challenges, it has taught us the value of creating priorities; of consolidating our efforts with our sister agencies; and finally of collaborating with USG agencies and non-governmental organizations across the board for broadening our reach. In these efforts the Center has been successful and will produce more results in 2017 at this funding level.

Open World programs work to invigorate some 30 sister city/sister Rotary club and other less formalized partnerships every year by providing them the opportunity to work on joint



*The mayor of Rostov Veliky, Russia meets with Stevens Point Mayor Mike Wiza*

project activity in person. Such programs cement these relationships and provide great incentive for continued project activity by sending targeted delegations from the overseas sister city. They also result in return visits focused on project promotion. For example, without Open World the sister city relationship between Cleveland, OH and Volgograd, Russia would have fallen apart. Now, it is a working and productive partnership between communities, in a Russia where such ongoing bonds are being broken regularly. In another example, Bishkek, Kyrgyzstan's sister city Colorado Springs, CO, recently hosted a delegation from Bishkek to provide their partners with first-hand experience with modern irrigation methods, crop production and water law issues.

## I. Budget Overview

### FY 2017 Budget Request: \$5.8 million

Open World continues to offer an extraordinary “bang for the buck,” serving as a model of efficiency, cost-effectiveness and value. The Center boasts an overhead rate of 7 to 8% with up to 93% of its annual expenditures going directly to program costs. The Center investigates every opportunity for savings and diligently manages its fiscal operations with a view to reducing costs while maintaining program quality.

The Center is committed to employing a series of best practices to develop the most cost-efficient and effective means to accomplish our mission. Internal controls are in place to ensure program quality, including pre- and post-program report follow-up, and weekly teleconferencing with our logistical contractor, grantees, and local hosts. A zero-based budget approach is applied to every contract, every grant budget, as well as the Center’s annual operating budget.

*In my country, everything is based on which tribe you belong to, and how you’re connected, and that’s what people rally around. But here, people gather around an idea—that’s the big difference.*

*-Delegate hosted in Kansas City for the Rumsfeld Foundation*

---



*Kyrgyzstan/ Denver: Discussing water cases with Judge Gregory Hobbs – Young Professionals on Energy Independence*

Department of Energy, for example, the Center was able to offer one of our most successful programs, the non-proliferation program, at half the cost.

The Center actively seeks cost-sharing partnerships with other government initiatives whose missions complement ours. The **U.S. Agency for International Development, the U.S. Department of Energy, the National Endowment for the Arts, and the U.S. Embassies in Armenia, Azerbaijan, Kosovo, Mongolia, Serbia, Tajikistan, and Turkmenistan** have all joined with the Open World Leadership Center in either directly hosting or funding of a number of our delegations. The Center also has a number of cooperative agreements that also enable us to keep costs down while providing high level programs. By using this approach with the

Open World’s rigorous efforts to maintain high program quality, to work with dedicated and well-run national and local hosting organizations, and to spend federal dollars wisely and responsibly have resulted in a highly competitive grant process. Interest in hosting an Open World delegation remains vibrant within the American hosting community. For the 2016 grant proposal cycle, demand for hosting Open World delegations was **four times the supply of available hosting slots.**

Open World strongly encourages grantees to cost share, making it part of our annual competitive proposal process. For example, in 2015, through home-hosting, significant volunteer time contributed to the program, and in-kind donations such as meals and tickets to various events provided by local host Rotary clubs, **Rotary International contributed more than 50 percent of OW hosting expenses** in 2015. The Center awarded a 2016 grant to Rotary International to host again in twenty different locations with an even greater cost share. The search for cost-sharing partners with common or overlapping goals creates an environment beneficial for all participants and allows Open World grant funds to go farther.

*There were so many times when the [Moldovan] delegates would debate or discuss intensively after a certain meeting/visit—these were the moments when they would discuss together how US examples would work in Moldova, [like] the responsibilities of a congressman and his offices in both Washington and [home] state, maintaining close communication with the citizens and support of their needs, etc.—and how would this work in Moldova.*

*—Moldovan participant on Greensboro/Winston-Salem election exchange (edited for clarity)*

The dedicated and enthusiastic American citizens who host program participants in their homes and communities provide major support to the Open World program. Private American citizens freely provide social events, community-wide activities, housing, and most meals for participants. Without this in-kind support, the cost of hosting Open World delegations would be substantially higher and the Center would have brought far fewer delegates on this important program. Equally important the Open World program has a profound effect on the way our delegates view America, with 95% returning home with a positive view of our country.

In 2014, the hosting of Open World participants in homes throughout the United States and a significant contribution from the Center’s logistical contractor saved the Center an estimated \$2.275 million. Statistics for 2015 will be available in April. To date, more than 7,500 American families in 2,200 communities in all fifty states have hosted Open World delegations. The appendices list the local host organizations, U.S. federal judges, and national host organizations (grantees) who have acted as hosts for an Open World delegation.



*Portland, ME hosts from the Archangel Committee attorney Neale Duffett (far left) and Ed Suslovic, a city councilor, (far right, holding sign) greet their sister city delegation.*

*“The visit was very well planned and organized. The delegates had the opportunity to meet government officials starting with Senator Roger Wicker down to municipality heads as well as active representatives of local communities and one of the biggest employers in the region – the port director. It gave a good overview of the processes at the Mississippi coast. The program was well-balanced and the local host coordinator was great.”*

*—Georgian delegation on Municipal Development and the Use of Public Space for Coastal Areas hosted in Gulfport, Mississippi*

---

Open World is a partnership with the American people, providing America’s constituents with the opportunity to bring the world into their homes, not experiencing world events through media, rather through face-to-face interaction. The fiscal year 2017 budget request will enable the Open World Leadership Center to continue to make major contributions to an understanding of democracy, civil society, and free enterprise in regions of vital importance to the Congress and the nation.



*Ukrainian educators meet with Oregon Senator Jeff Merkley*



*Georgian delegates meet with Mississippi Senator Roger Wicker*

## II. Budget Request Detail

*The horizontal way of bringing things into reality totally differs from vertical “top to bottom” decision-making scheme present in Ukraine ... this was one of the most crucial lessons learned for delegates’ understanding of how decisions are passed or how citizens’ initiatives may be heard.*

*—Facilitator for Ukrainian exchange to Birmingham (edited for clarity)*

---

In this lean fiscal environment, we are committed to keeping costs down while maintaining program quality. In most Open World countries, delegates are expected to cover their domestic costs in preparation for their travel to the United States. The Center now uses an interpreter coordinator who recruits State Department certified interpreters at competitive, indeed, often below-market rates.

Open World spends its appropriation in two categories: Direct Program Costs and Administration Costs. Direct Program Costs includes: a logistical coordinator contract; grants to host organizations across the United States; Memoranda of Agreements with most U. S. embassies in Open World countries; and the salary and benefits of the Center’s D.C. and Moscow staff.

Currently the Center has two Program Managers and one Program Assistant as well as a Foreign Service National in the U.S. Embassy in Moscow. This is the minimum program staff level required to manage 800-900 participants in a program year. Each Program Manager handles between four and seven grantees and between 400 and 450 participants. They coordinate all aspects of the delegation from initial nominations, selection and vetting; approving the program agenda in Washington, DC; and planning and monitoring activities in the host community. The staff member in the U.S. Embassy in Moscow is critical in coordinating nominations, vetting, and selections, program development, and relations municipal and officials, business leaders and NGO activists and advocates.

The Center works closely with its grantees to capture any possible reductions or savings in costs. For example, the Center works closely with grantees to find volunteer hosting organizations and requires cost-sharing in every grant proposal. We work closely with our logistical contractor to find the best airfares, to keep staff costs at a minimum, and to find savings wherever possible.

The Center’s fiscal year 2017 budget request breaks down as follows:

### **A. Direct Program — \$ 5,550,000**

1.	Logistical Contract	1,900,000
2.	Grants/Other Hosting Costs	2,300,000
3.	Embassy Agreements	875,000
4.	Salary/Benefits (Program staff)	475,000



The logistical services contract with a Washington-based NGO is the single largest expenditure at Open World. This contractor is responsible for coordinating the delegate nomination and vetting process and is tasked with obtaining visas and other travel documents; arranging and purchasing airfare; planning and executing the two-day D.C. orientation, and coordinating with grantees and placing delegates in American host cities, among a host of other duties.

Grants/Other Hosting Costs refer to national and local hosting organizations (such as Rotary Club, Friendship Force International, and community colleges) that plan and execute an 8-day local program for each delegation.

**B. Administration — \$ 388,000**

- |    |                                |         |
|----|--------------------------------|---------|
| 1. | Salary/Benefits (Admin Staff)  | 275,000 |
| 2. | Other Admin Operating Expenses | 113,000 |

The salaries/benefits of the Executive Director, the Deputy Executive Director, and the Outreach Officers are included in this category. It also includes an interagency agreement with the Library of Congress for infrastructure services, small contracts for professional services, postage, telephone, cell phones, and office supplies and materials. The Center benefits from lower administrative costs due to its physical location in the Library of Congress. Finally, agreements with other agencies for infrastructure services or for printing, webhosting, or graphic design are included here.

**TOTAL BUDGET: \$5,938,000<sup>2</sup>**

---

<sup>2</sup> The amount over \$5.8 million shown here will be covered by earned revenue, donations and other offsets.

### III. Conclusion

*I love the idea of world travel and meeting people from other countries...If you put your feet under my table at breakfast, it's unlikely we will go to war with each other.*

*-Open World host in from Monticello, Iowa with Azerbaijan delegation*

---

Because of the nature and focus of the Open World program, results are the product of both cultivation and patience. Some exceptional alumni examples from Ukraine and Georgia include:

- A professor in 2009 at the Kyiv-Mohyla Academy is today's **First Deputy Minister of Education and Science** in Ukraine. Thank you, Portland, Oregon.
- A journalist in 2006 leading an NGO supporting investigative journalists is today's **Deputy of the Ukraine Parliament, Head of the Lustration Committee**. Thank you, Atlanta.
- A managing director of a public consulting group in 2009 is today's **Deputy Minister of Defense of Georgia**. Thank you Maryville, Tennessee.
- The executive director of an NGO on Human Rights in 2012 is today's **Public Defender Ombudsman of Georgia**. Thank you, Granada Hills, California.
- A research director at Tbilisi State University in 2012 is today's **Deputy Chief of Mission at the Embassy of Georgia** in the United States. Thank you, San Antonio.

This is just a small selection of the results we receive weekly from our nominating partners on the ground in Ukraine and Georgia, but it illustrates Open World's excellent record on nominations of emerging leaders. This is due to the fine working relationship we have with our embassies in our countries as well as our nominators. We have a solid record of nominating and hosting future leaders of these strategically important countries.

This is also illustrative of how Open World goes beyond diplomacy, into the hard to reach places – the hearts and minds of citizens and leadership. In Russia, Open World provides a crucial counter-narrative to the information war funded by the leadership of the Russian Federation in former soviet bloc countries.

In Russia, a short list of the success stories is equally impressive:

- The Deputy Head of the Department of Tourism and International Cooperation under the Ministry of Sports, Tourism and Youth Policy of Russia in 2006 is currently serving as the first ever **Vice-Governor of Samara Oblast**. Thank you, St. Petersburg, Florida.
- A legal consultant in 2002 is now **the Deputy Chairman of the Federation Council Committee for Constitutional Legislation of the Federal Assembly of the Russian Federation**. Thank you, Washington, DC.

- A deputy of the Russian Duma in 2000 is now **head of the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad, and International Humanitarian Cooperation**. Thank you, Tucson, Arizona.

Our support for these strategically important countries offers a lifeline and a beacon for a better life to the young leaders who are committed to furthering democratic development, the rule of law, and free-market practices. They are fighting for freedom and against corruption in their societies. These are no small tasks, greatly magnified in the face of Russian pressure to revert to a system of more closed societies and its fomenting of fear of the West. Sustaining Open World is an endorsement of the enduring spirit of democracy, especially at this critical period.

As one of the last programs left standing in Russia, Open World and the United States Congress should not capitulate to the Kremlin's drive to obliterate America's efforts to reach the people of Russia and the countries of the former Soviet Union. We urge Congress to support the budget that is justified herein. The strategic importance of this agency's mission to Congress, along with the minimal funding needed for its highly effective programming, make Open World an agency that serves the American people and Congress well.

*“The Open World program is one of the most authentic people-to-people exchange programs that I have seen. Alumni of the Open World program are found in almost every corner of this large and diverse country and their experience in the United States can be transformative. Even more impressive are some of the projects and lasting partnerships that grow out of the program. If you look at the legal system, for example, many of the bright lights in the still-evolving judicial system are Open World alumni - part of approximately 250 judges who have participated in the program since 2004.”*

*-United States Ambassador for the Russian Federation John F. Tefft*

---

*“As I travel around Ukraine, I frequently meet Open World Alumni and have been impressed by the breadth of the program and its ability to build relationships with young professionals at the local level. I would also second your observation that many Open World alumni have been excellent partners to the Embassy in terms of receiving grants and implementing civic-minded initiatives in their communities.”*

*-United States Ambassador to Ukraine Geoffrey R. Pyatt*

---

*“Open World’s continued focus on building capacity within the government and our civil society partners is just what we need . . . Your program has truly had a powerful impact here in Georgia, and I want to see that impact continue.”*

*-United States Ambassador to Georgia Richard. G. Norland*

---