



**OPEN WORLD**  
LEADERSHIP CENTER



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*Annual Report*

2018



# *Board of Trustees*

*As of December 31, 2018*

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\* \* \*

Ms. Jane Sargus  
Executive Director, Open World Leadership Center



*Jane Sargus, Executive Director, Open World Leadership Center*

### ***Message from the Executive Director***

The Open World Leadership Center conducts a one-of-a-kind program in the U.S. legislative branch that has hosted more than 29,000 emerging leaders from Russia, Ukraine and other post-Soviet states since 1999. By 2020, Open World will have hosted its 20,000th Russian delegate. As one of the support agencies of Congress, Open World takes its role seriously and strives daily to be a model agency worthy of the Legislative Branch. To that end, we operate on a fully transparent, cost-effective, and efficient basis. We keep our overhead rate at around 7% and seek more cost sharing opportunities with our partners in Open World countries. Open World's young leaders stay in private homes in an American community equivalent to their own. They come to discuss topical issues of mutual interest and to experience firsthand the functioning of our democratic institutions and market economy. The Open World program nurtures civic and political environments where civil society develops not only from the top down, but also from the ground up and the periphery in. Each year, 10-15 new clubs from organizations such as Friendship Force, Rotary, Sister City or others join the Open World network. Because of this network, these future leaders form positive views of the United States and come to recognize the value of good relations. The Open World program promotes a knowledge-based democracy, one that educates the Open World participant and allows your constituents to engage personally in strengthening civil society. The Open World program continues to dig deeper and wider into American communities and to provide these communities with first-hand opportunities to showcase American values and best practices. Whether you are a delegate, alum, host family, or grantee, I encourage you to keep in touch with us via our website and social media. Thank you for supporting Open World.

Sincerely,

A handwritten signature in blue ink that reads "Jane Sargus". The signature is written in a cursive, flowing style.

Jane Sargus  
Executive Director

## *Program Objectives*

The Open World Leadership Center is committed to a strategy designed to strengthen our work in support of Congress and to cement our legislative identity. To that end, the Center adopted four goals that are both measurable and attainable.

### *Goals*

- Ensure that the Center is a resource, an asset, and an investment for Congress: Under this goal, the Center specifically addresses Congressional interests and requests. In addition, delegations of legislators at the national and local levels comprise a substantial portion of the total number of participants. Finally, Members of Congress and their staff receive first-hand actionable information of interest during face to face meetings with rising leaders from these countries.
- Enhance the reach of the Center to strategically important countries: Via enabling legislation and with the approval of the Board of Trustees, the Center is able to respond quickly to Congressional requests to engage emerging leaders of strategically important countries.
- Operate as a model, cost-effective, responsive agency: The Center is keenly aware of the importance of being an effective and efficient fiscal steward. In that capacity, interagency agreements, low overhead and responsible grant making are hallmarks of the Center's high impact, low cost operations.
- Intensify the Center's outreach to U.S. missions abroad, to grantees, and to other stakeholders: The Center has begun the implementation of a communications strategy as well as increased efforts to secure private funding for alumni programming.

## *Measures of Success*

Open World continues to focus its programming on a geographically and professionally broad cross-section of emerging leaders who might not otherwise have the opportunity to visit the United States:

- Delegates have come from every political region of Russia and Ukraine.
- More than 10,800 federal, regional, and local government officials have participated, including 391 members of parliament and 2,013 judges.
- In 2018 the average age of Open World delegates was 32.
- 92 percent of delegates are first-time visitors to the United States.
- 51 percent of delegates are women.
- Since 2012, approximately 40% of all Open World delegates are age 30 and under.
- The average cost per participant of the Open World program is \$8,800-9,200, depending on the country, compared to approximately \$19,000 per person for a similar executive branch program.

Interest in the Open World Program remains robust within American hosting communities. The demand for hosting Open World delegations is more than triple the supply of available slots due to funding limitations. Delegates are hosted by a large and dedicated group of American citizens who live in state capitals, other large cities, small towns, and rural communities throughout the United States.

## *Participating Countries*

Armenia

Azerbaijan

Belarus

Estonia

Georgia

Kazakhstan

Kosovo

Kyrgyzstan

Moldova

Mongolia

Peru

Russia

Serbia

Tajikistan

Turkmenistan

Ukraine

Uzbekistan

# *Staff*

*(as of November 30, 2019)*

## **Executive Director**

Jane Sargus

## **Deputy Executive Director**

Maura Shelden

## **Program Managers**

Lewis Madanick, Matt Tucker, Alexa King

## **Program Assistants**

John P. Johanson and Ryland Penta

## **Alumni Outreach Assistant**

Christina Filipovich

## **Office Manager**

Grace Barnhill

## **Country Director for the Russian Federation**

Alexander Khilkov



## *Calendar Year 2018 Highlights*

In 2018, the Open World Leadership Center hosted a total of **964** delegates from **18** countries in more than **118** American host communities in **48** states. In a climate of uncertainty in the international arena, Open World continues to serve as a resource of unvarnished information for Members of Congress and their constituencies throughout the United States. Our three signature 10-day exchanges – Members of Parliament, Judicial Rule of Law, and Civic Programs – have resulted in the creation of a vital network of more than 28,000 emerging leaders that have had first-hand, peer-to-peer exposure to the United States. With support from the Department of State/USAID, the Center hopes to bring nearly 1,000 emerging leaders to communities throughout the United States in 2019. Country highlights from 2018 follow the chart below.

### Participation by Country:

|                     | <b>All Years through 12/31/2018</b> | <b>2018 Completed</b> | <b>2019 Scheduled</b> | <b>Fiscal 2020 Projected</b> |
|---------------------|-------------------------------------|-----------------------|-----------------------|------------------------------|
| Armenia             | 133                                 | 26                    | 24                    | 6                            |
| Azerbaijan          | 310                                 | 26                    | 24                    | 12                           |
| Belarus             | 36                                  | 12                    | 18                    | 12                           |
| <i>Egypt</i>        | 12                                  | 0                     | 0                     | 0                            |
| Estonia             | 24                                  | 4                     | 6                     | 4                            |
| Georgia             | 692                                 | 57                    | 43                    | 24                           |
| Kazakhstan          | 504                                 | 33                    | 30                    | 18                           |
| Kosovo              | 146                                 | 12                    | 18                    | 12                           |
| Kyrgyzstan          | 502                                 | 21                    | 24                    | 18                           |
| <i>Lithuania</i>    | 104                                 | 0                     | 0                     | 0                            |
| Macedonia           | new                                 | 0                     | 12                    | 0                            |
| Moldova             | 469                                 | 27                    | 30                    | 6                            |
| Mongolia            | 102                                 | 15                    | 24                    | 12                           |
| Russia              | 19,793                              | 320                   | 312                   | 216                          |
| Serbia              | 484                                 | 28                    | 48                    | 24                           |
| Tajikistan          | 519                                 | 20                    | 18                    | 18                           |
| <i>Turkey</i>       | 97                                  | 0                     | 0                     | 0                            |
| <i>Turkmenistan</i> | 196                                 | 0                     | 0                     | 6                            |
| Ukraine             | 3,716                               | 322                   | 314                   | 306                          |
| Uzbekistan          | 159                                 | 31                    | 30                    | 6                            |
| Other programs      | 49                                  | 10                    | 24                    | 26                           |
|                     | 28,047                              | 964                   | 999                   | 726                          |

<sup>1</sup> Other programs include the Rumsfeld Foundation Fellows from most Open World countries; House Democracy Partnership delegations; and other special delegations formed as a result of significant costsharing.

<sup>2</sup> This number is the most that can be hosted with appropriated funds only (including recovered funds, revenue, and other offsets). The number will grow if USAID funds are transferred later this year.

\* Countries in *italics* are inactive.

## Highlights from Ukraine

From 2003 to 2018, Open World hosted 3,716 Ukrainian emerging leaders. Open World's objective in Ukraine is to further democratic and free-market processes by providing a new generation of Ukrainian leaders with the vision, skills, and tools needed to develop their country at this critical juncture in its history and while it faces Russian aggression in its South and East. The program is aimed at furthering anti-corruption efforts, assisting in the decentralization process, promoting the rule of law, improving transparency in the public and private sectors, and providing a secure safety net to a suffering population.

Over the past two years, Open World has hosted 20 leading Members of Ukraine's Verkhovna Rada for practical programs in Washington, D.C. and elsewhere. For example, a group of Members of Parliament who participated in July 2018 program in the Kansas City Metro Area and Washington, D.C. wrote a letter exclaiming that the program, "provided us with this outstanding opportunity to gain new professional and intercultural experience and establish connections with the members of the U.S. Congress." The delegation also stressed the importance of the Open World program in matters of building bridges and establishing peer-to-peer partnerships in different areas and strengthening the unity between the United States and Ukraine.

Open World's November 2018 Parliamentary delegation exemplified how useful these visits can be. Coming on the heels of the Azov Sea seizure by the Russian Navy of Ukrainian Navy vessels and the vote then taken on limited Martial Law, an Open World group of MPs found heightened interest among the Senators and House Members with whom they met. One participant noted that he "was impressed with the commitment and interest American politicians demonstrated to Ukraine. I personally consider the Open World program as one of the best programs I ever participated in."

Due to Ukraine's strategic significance, Open World regularly consults with House and Senate Ukraine Caucus members and works closely with the leadership of the U.S. Embassy in Kyiv to design programming that is responsive to the needs of that war-ravaged country. In 2019 Open World will focus on programming on Decentralization/Regional Government, Legislative Processes, Health System and Education Reforms, Rule of Law, Media/Investigative Journalism, Minority/IDP Issues, Anti-



Local Legislators from Ukraine enjoyed spending time with their host families in Little Rock, Arkansas. The group shared a piece of Ukraine with their American families by cooking them a traditional Ukrainian meal. (February 2018)

Corruption, Energy, and Social Safety Net Issues. All themes are aimed at strengthening democratic institutions and promoting good governance. Areas that Open World has had successful programming and that serve as strong topics for upcoming programs are: development strategies for the “forgotten” east (near the zones of conflict); IDP resettlement; significant reforms in health and education (in part, due to our strength in these ministries); media strategies to counter false information; support of partnerships; and decentralization issues. Open World also has a critical mass of leading Members of Parliament that will be able to discuss the ramifications of the 2019 Presidential/Verkhovna Rada (Parliamentary) and local elections’ cycle.

## Russia

From 1999 to 2018, Open World hosted 19,793 young Russian leaders. In calendar year 2018, the Center hosted 320 Russian participants in 53 exchanges. Delegates came from 53 of Russia's 83 regions, included a wide range of ethnic groups, and were hosted in 30 host communities in 24 U.S. states. Women made up 61% of the delegates.

Despite obstacles such as the current low point in U.S.-Russia relations and the drawdown of U.S. Mission staff in Russia, Open World has managed to maintain robust programming in Russia that covers a broad spectrum of themes and reaches into all regions of Russia. Open World alumni still show a willingness to meet their American counterparts in Russia, despite the risk that this may have for them. American diplomats often reach out to the Center for contacts in cities that they are visiting because they know that Open World alumni are willing to meet and to be objective and forward thinking.



Women Business Leaders from Russia in front of the South Carolina State House where they attended a Women Rights Empowerment Network (WREN) Media Conference and observed the working of the state legislature. (March 2018)

Open World is one of the few remaining U.S. exchange programs in Russia, and the only one operating with such engaged alumni and partners throughout the country. The Center's objectives are to have participants return to Russia with a more positive view of America, to add to their professional skills and contacts through direct interaction with their peers, and to counter the Russian information war by providing an objective view of the American people and our traditions and beliefs. Open World's work is critical to the U.S. Mission in Russia because we are apolitical and highly professional; we look for common ground, best practices and successful partnerships to build or foster; and the Mission is provided with a network of Russians throughout that enormous country who are receptive to the

American experience. Recently a Russian journalist, who works for a mainstream government-funded news organization, commented that, after visiting the U.S. Agency for Global Media (formerly the Broadcasting Board of Governors) and discussing programs such as Voice of America, his previous opinion had completely changed. This journalist viewed VOA as purely American government propaganda, but walked away with a much clearer understanding of the mission, its independence, and the journalism standards that VOA upholds.

Open World has worked as a driving force to cement many strong Russian-American partnerships through sister Rotary Clubs, formal sister city arrangements, less-formal sister city and sister state arrangements, and those based on shared goals (like those between burn treatment specialists, zoo professionals, nursing programs, and protection of forests). On an annual basis, Open World works to strengthen at least ten such Russian-American partnerships. Working closely with the International Department of the Perm City Administration and the City Duma (several being Open World alumni, including the former Mayor) we have brought strong groups in the past years to grow the sister city relationship with Louisville, Kentucky, focusing on journalism and governance in the past couple of years. It is such support among government leaders in Volgograd, several being Open World alumni, that we can report that the Volgograd-Cleveland partnership is also robust and expanding, when it was about to lapse just a couple of years ago. At this time, it is imperative that we maintain contact with Russian society and continue to fight disinformation and false narratives about American interests. In 2019 we will welcome our 20,000<sup>th</sup> Russian participant on the program, which gives us an enormous alumni network across all 83 regions of the Russian Federation. When the Ambassador or other mission officers travel to the regions, it is often Open World alumni in key local government and private sector positions that meet and discuss current issues and developments both locally and regionally.

## *2018 National Grantees*

The Archangel Committee (Portland, ME)

Council of International Programs USA (Chagrin Falls, OH)

FHI 360 (Durham, NC)

Friendship Force International (Atlanta, GA)

Georgia to Georgia Foundation (Atlanta, GA)

International Focus Inc. (Raleigh, NC)

Linkages of Rochester Inc. (Rochester, NY)

Maryland Sister State Committee of Sister States of Maryland Inc. (Annapolis, MD)

Rotary International (Evanston, IL)

Supporters of Civil Society in Russia (St. Louis, MO)

U.S.-Ukraine Foundation (Washington, DC)

## *2018 Local Host Organizations*

### **Alabama**

Birmingham Sister Cities Commission  
Global Ties Alabama

### **Alaska**

Homer-Kachemak Bay Rotary Club

### **Arizona**

Empower International  
Kingman Route 66 Rotary Club  
Lake Havasu Rotary Club  
People to People

### **Arkansas**

Global Ties Arkansas

### **California**

Concord Rotary Club  
International Visitors Council of Los Angeles  
Modesto Sister States  
Rotary Club of Santa Barbara North and Cinco  
de Mayo  
Santa Clara/Moscow Sister County Commission

### **Colorado**

Boulder-Dushanbe Sister Cities  
Friendship Force of Denver  
Pagosa Springs Rotary Club  
Parker Rotary Club

### **Connecticut**

Devon Rotary Club

### **Florida**

GlobalJax  
Friendship Force of Orlando  
Seminole County South Rotary Club

### **Georgia**

Friendship Force of Atlanta  
Georgia to Georgia Foundation

### **Idaho**

Boise Sunshine Rotary Club

### **Illinois**

Chicago Sister Cities International  
Council of International Programs Chicago  
Springfield Commission on International  
Visitors  
Supporters of Civil Society in Russia  
WorldChicago

### **Indiana**

Lafayette Rotary Club

### **Iowa**

Council Bluffs Sister Cities Association  
Friendship Force of Des Moines

### **Kansas**

West Wichita Rotary Club

**Kentucky**

World Affairs Council of Kentucky and  
Southern Indiana

**Louisiana**

Metairie Rotary Club

**Maine**

The Archangel Committee

**Maryland**

Maryland Leningrad Sister State Commission

**Michigan**

Colleagues International  
Global Ties Detroit

**Minnesota**

White Bear Lake Rotary Club

**Missouri**

Supporters of Civil Society in Russia  
World Affairs Council of St. Louis

**Montana**

WorldMontana

**Nebraska**

Friendship Force of Lincoln  
University of Nebraska Medical Center

**New Jersey**

Rider University

**New Mexico**

Global One to One  
Santa Fe Council on International Relations

**New York**

Grand Island Rotary Club  
International Center of the Capital Region  
International Institute of Buffalo  
Linkages of Rochester  
Mercy College  
Rochester Global Connections

**Nevada**

Elko Desert Sunrise Rotary Club  
Friendship Force of Reno-Tahoe  
Northern Nevada International Center

**North Carolina**

Friendship Force of Western North Carolina  
International Focus  
League of Women Voters of Henderson County  
North Carolina/Moldova Bilateral Partnership

**Ohio**

Council of International Programs USA  
Cincinnati-Kharkiv Sister City Partnership  
Global Ties Akron  
Friendship Force of Dayton  
International Visitors Center of Columbus

**Oklahoma**

Tulsa Global Alliance



**Oregon**

Grants Pass Sister City Committee  
Umpqua Community College

**Pennsylvania**

Citizen Diplomacy International  
GlobalPittsburgh  
Northampton Community College

**South Carolina**

The Palmetto Club

**South Dakota**

Dacotah Territory International Visitor  
Program

**Tennessee**

Friendship Force of Memphis  
Sister City Support Organization of Blount  
County

**Texas**

Friendship Force of Austin  
Friends of Ukraine  
Mid-Cities Pacesetters Rotary Club

**Vermont**

Vermont Council on World Affairs

**Virginia**

Norfolk Sister Cities Association  
Virginia Commonwealth University

**Washington**

Columbia Center Rotary Club  
Community College of Spokane  
World Affairs Council of Seattle

**West Virginia**

International Understanding

**Wisconsin**

American Association of University Women  
Friendship Force of Greater Milwaukee  
Fox Valley Technical College  
Oconomowoc Rotary Club  
Stevens Point-Rostov Veliky Sister City Project

**Wyoming**

Friendship Force of Cheyenne

## *Open World Financial Information*

In fiscal year 2018, the Open World Leadership Center received \$5.6 million in appropriated funds, \$1.9 million in interagency transfers and \$105 thousand in direct private donations. In calendar 2018, the accumulated value of cost-sharing with the Open World community of grantees, local host organizations, and individual local hosts totaled an estimated \$2.048 million. Open World Leadership Center submitted a complete set of financial statements for fiscal year 2018 to the independent public accounting firm of Kearney and Company for a full audit. Kearney and Company issued an unmodified (clean) audit opinion on the financial statements. With the 2018 audit, the Center has received twelve clean opinions since the first year of audits. The Financial Statements document (with notes) and Kearny and Company's Independent Auditor's Report are available in full on the Open World website at [www.openworld.gov](http://www.openworld.gov).

# Open World Financial Information

(Continued)

| BALANCE SHEETS - As of September 30, 2018 and 2017                        |  |           |                  |           |                  |
|---|--|-----------|------------------|-----------|------------------|
|   |  |           |                  |           |                  |
|   |  |           |                  |           |                  |
|   |  |           |                  |           |                  |
| ASSETS  |  |           |                  |           |                  |
| Entity Assets:  |  |           |                  |           |                  |
| Intragovernmental Assets  |  |           |                  |           |                  |
| Fund Balance with Treasury (Note 2)                                       |  | \$        | 244,613          | \$        | 107,376          |
| Investments (Note 3)  |  |           | 3,275,253        |           | 1,945,680        |
| Total Intragovernmental   |  |           | 3,519,866        |           | 2,053,056        |
| Prepayments (Note 4)  |  |           | 8,746            |           | 42,626           |
| Other Accounts Receivable, Net (Note 5)                                   |  |           | 0                |           | 149              |
| <b>Total Assets</b>   |  |           | <b>3,528,612</b> |           | <b>2,095,831</b> |
|   |  |           |                  |           |                  |
| LIABILITIES   |  |           |                  |           |                  |
| Intragovernmental Liabilities   |  |           |                  |           |                  |
| Accounts Payable and Accrued Payroll & Benefits                           |  |           | 6,924            |           | 8,070            |
| Total Intragovernmental   |  |           | 6,924            |           | 8,070            |
| Accounts Payable and Accrued Payroll & Benefits                           |  |           | 566,483          |           | 433,478          |
| Unfunded Annual and Compensatory Leave                                    |  |           | 53,139           |           | 63,849           |
| <b>Total Liabilities (Note 6)</b>   |  | <b>\$</b> | <b>626,546</b>   | <b>\$</b> | <b>505,397</b>   |
|   |  |           |                  |           |                  |
| NET POSITION  |  |           |                  |           |                  |
| Cumulative Results of Operations  |  | \$        | 2,902,066        | \$        | 1,590,434        |
| Total Net Position  |  |           | 2,902,066        |           | 1,590,434        |
| <b>Total Liabilities and Net Position</b>                                 |  | <b>\$</b> | <b>3,528,612</b> | <b>\$</b> | <b>2,095,831</b> |
|   |  |           |                  |           |                  |
| The accompanying notes are an integral part of these financial statements |  |           |                  |           |                  |

# Open World Financial Information

(Continued)

## Note 1 Investments, Nets

Funds that are not needed to finance current activities are invested in interest-bearing obligations of the United States. The Center has directed the Library to invest funds derived from contributions in Treasury securities. Due to the short-term nature of the investments, the cost of investments in conjunction with accrued interest approximates their fair market values. Investments outstanding were \$3,275,253 and \$1,945,680 for fiscal years 2018 and 2017. Average annual investment rates were 2.1% and 1.9% in fiscal years 2018 and 2017.

## Note 2 Prepayments

The Center awards grants to approximately 12-16 organizations with exchange-program expertise that are competitively selected for the purpose of hosting the foreign delegates. In fiscal years 2018 and 2017, \$8,746 and \$42,626 had been paid to but not yet used by these organizations to carry out their services.

## Note 5 Other Accounts Receivable

Other Accounts Receivable consisted of a payroll billing in the amount of \$149 for fiscal 2017. The receivable was collected and there were no outstanding receivables at the end of fiscal 2018.

## Note 6 - Liabilities Not Covered by Budgetary Resources

|                         | FY 2018             | FY 2017             |
|-------------------------|---------------------|---------------------|
| Face Value              | \$ 3,262,000        | \$ 1,936,000        |
| Interest Receivable     | 13,253              | 9,680               |
| <b>Investments, Net</b> | <b>\$ 3,275,253</b> | <b>\$ 1,945,680</b> |

Liabilities not covered by budgetary resources include accrued unfunded annual leave and benefits. Liabilities covered by budgetary resources include accounts payable and accrued funded payroll and benefits.

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