

Shadow Network

A leaked strategy memo reveals a powerful, and partisan, network of left-wing nonprofits

By Susan Myrick

Summary: Thanks to a leaked strategy memo, the inner workings of the Left have been revealed in North Carolina. Dozens of nonprofits have colluded to make personal assaults on their political foes and to subvert state voting laws.

The veil of secrecy that shrouds left-wing nonprofits in North Carolina was recently shredded with the public exposure of a shocking memo. Thanks to this leak, the public can see how these organizations collaborate and employ highly coordinated hardball tactics to achieve their goals, hoping to undermine elected officials and apparently defying the law. For once, we have proof of something long suspected: left-wing nonprofits wield an alarming amount of power in the media, state politics, and government.

Just a few weeks ago the [Charlotte Observer](#) broke the story of the leaked strategy memo that described the game plan that “progressive” groups should use to attack the Republican Governor and leaders in the Republican-majority House and Senate. The memo would not be so unusual, if it had been written by and for a political party.

But a political party didn’t write it. Instead, it was circulated by a nonprofit organiza-



Sean Kosofsky, Blueprint NC’s executive director

tion, Blueprint North Carolina, that acts as a coordinating group for the state’s Left. The strategy memo was presented to a group of left-wing nonprofits at a Blueprint North Carolina meeting, and to the best of our knowledge was developed and written by at least one of those nonprofits.

The strategy memo was notable for four reasons: (1) It clearly indicated that the Democratic Party was no longer in charge of “progressive” politics in North Carolina. (2) It showed coordination between left-

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wing advocacy groups and Democrats in the legislature. (3) It used overtly aggressive language to describe the tactics the Left would employ. (4) It took explicit aim at high-profile Republican targets.

Here are a few of the memo's recommendations:

- * "Crippling their leaders ([Gov.] McCrory, [House Speaker] Tillis, [Senate President Pro Tem] Berger etc.)."
- * "Eviscerate the leadership and weaken their ability to govern."
- * "Pressure McCrory at every public event."
- * "Private investigators and investigative reporting, especially in the executive branch...."
- * "Organizers focus on year round voter registration...."

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The leak of the strategy memo set off a media firestorm that gave the public another glimpse of the shadow organizations that have grown stronger and more influential within the state's Democratic Party. For the most part, the expansive network of nonprofits prefers to stay under the radar, especially the group that held the two-day long meeting where the strategy plan was circulated, Blueprint NC. Six days after the story broke, a different nonprofit finally took responsibility for the controversial memo: America Votes, a 501(c)(4) group. While America Votes is not an official partner of Blueprint NC, it does share the same office address in a building owned by Debnam Properties, a firm headed by Dean Debnam, the founder, president, and CEO of Public Policy Polling, a firm that invariably works for Democrats and which also shares the office space.

At first, Sean Kosofsky, Blueprint's executive director, did not claim his group had *not* written the memo. He told reporters the memo didn't cross the legal line that forbids 501(c)(3) groups like Blueprint from electing for or against political figures. "Office holders, not office seekers, are fair game," he explained. But when the Z. Smith Reynolds Foundation, which provides nearly half of Blueprint's budget, expressed disapproval of the memo and said it would speak to attorneys about the legalities involved, Kosofsky changed his tune.

He told reporters that he had "misunderstood" their questions and that Blueprint did not send out the memo. He even suggested it had been attached to other documents—whose Blueprint origin he did not deny—by someone who hoped to tarnish Blueprint. But he still conceded that the memo was distributed to a meeting of over 50 "progressive" groups that met for two days this December, after the state's Republican victories in November.

It then took a few more days for Kosofsky's friends and neighbors at the 501(c)(4) America Votes to announce they had produced the memo for the meeting. But don't worry, Kosofsky assured everyone, "only 501(c)(3)-compliant activities were discussed." Given how tightly these pressure groups are intertwined, no wonder they were confused about who authored the attack memo.

Blueprint for activism

Blueprint is just one of the left-wing nonprofit organizations in the vast network of more than 100 such groups in North Carolina. What sets Blueprint apart is the way it was created by the Z. Smith Reynolds Foundation in 2006 to help "progressive" advocacy groups coordinate activities and messaging. Blueprint does not seek publicity for itself, which explains its bare-bones website. The site simply states: "Blueprint North Carolina is a partnership of more than 50 different local organizations. Our goal is to influence NC state policy so

that people here benefit from more progressive policies such as better access to health care, higher wages, more affordable housing, a safer, cleaner environment, and freedom from discrimination.”

In other words, Blueprint is a hub where decisions are made in order to allocate resources to achieve the greatest impact. Z. Smith Reynolds has supplied \$1.7 million to Blueprint NC since 2009, according to public tax filings. The contributions were made either directly or through the NC Justice Center, yet another left-wing nonprofit.

While the media reported on the strategy memo and some of the groups involved, it left out important facts, including facts that would implicate the media themselves, especially WRAL, the flagship of the Raleigh-based Capitol Broadcasting Co. It took Francis De Luca, president of the Civitas Institute, to point out the relationship between WRAL and Blueprint in an article written after the scandal broke.

“The WRAL-TV reporter left out the very deep connections WRAL has with Blueprint NC through its owner, Jim Goodmon, donations and former employees,” the article said.

In 2010 alone, the A.J. Fletcher Foundation gave \$35,000 to Blueprint NC and \$380,000 to the NC Justice Center, which initially housed Blueprint NC when it was formed. (The Foundation’s 990 IRS reports are not current so there may be other donations.) The Goodmon family, which owns WRAL, has four family members on the board of the Fletcher Foundation, including Barbara, the President, and Jim, the chairman of the board. The Executive Director was formerly the head of the North Carolina Center for Voter Education, one of the original members of Blueprint NC. In addition, Chris

Fitzsimon, former WRAL-TV reporter, is head of the liberal NC Policy Watch, the original lead attack group in the Blueprint coalition. Fitzsimon is also provided free airtime on Goodmon-owned WRAL-FM, from which he launches daily attacks on political opponents.

De Luca added that the news department of supposedly neutral WRAL-TV is actually carrying out one of the major projects listed in the strategy memo. Under the heading “Relentless Earned Media Efforts,” the memo calls for “some kind of tracking site” that would keep track of McCrory “Campaign Promises” and then “slam him when he contradicts his promise.” WRAL appears to be cooperating. The “News” section of the WRAL-TV website has created a “Pat McCrory Promise Tracker” page, complete with skull and crossbones flags.

The tracker page was controversial even before the attack memo surfaced, and the WRAL-TV news team tried to head off criticism with an FAQ list on the page to respond to questions like, “Why didn’t WRAL track promises for previous governors, including Bev Perdue?” The answer: they didn’t have the resources before Pat McCrory was elected Governor. But given the tough times conventional media are having, one wonders how WRAL suddenly managed to find the resources for this project, which singles out one politician.

WRAL was kind enough to report on the North Carolina Republican Party’s complaints to the IRS and the State Board of Elections, alleging that Blueprint has violated restrictions on charitable organizations in section 501(c)(3) of the federal tax code, as well as state election laws: “Specifically, the [complaint to the IRS](#) says that Blueprint ‘engaged in impermissible partisan activity.’ The [complaint to elections officials](#) ties

remarks made by House Minority Leader Larry Hall to language found in the strategy document tied to Blueprint.” More precisely, as the *Charlotte Observer* put it, a paragraph from the material Blueprint admits sending “appeared verbatim in House Democratic Leader Larry Hall’s rebuttal to the governor’s State of the State address.”

WRAL adds that this kind of collusion “suggests Blueprint is providing services to the state Democratic Party.” That’s a tricky question. In order to argue that Blueprint has engaged in partisan activity, you may first need to prove a viable Democratic Party exists in North Carolina.

The party’s decline can be attributed to a list of failed politicians and a state party embroiled in controversy, including a sexual misconduct scandal, the forced resignation of the state party’s executive director, and the failed attempt to replace the state chairman for more than a year ahead of the 2012 election. As the party declined, North Carolina’s ultra-liberal groups gained in number and power.

Consider only some of the Democratic politicians and state leaders who have been investigated in recent years:

* Meg Scott Phipps, daughter of former Gov. Bob Scott, was elected Agricultural Commissioner in 2000. In 2003 she stepped down and pleaded guilty to perjury, obstruction of justice, fraud, and witness tampering. She was sentenced to four years in federal prison.

* Frank Ballance Jr. served as a Congressman from 2003-2004. In 2004 he pleaded guilty to conspiracy to commit mail fraud and money laundering and was sentenced to four years in prison.

* Jim Black, former Speaker of the North

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Carolina House, spent nearly four years in federal prison after being convicted on federal corruption charges in 2007.

* Mike Easley, two-term Democratic Governor and former State Attorney General, was convicted of a felonious campaign finance violation in 2010 by entering an Alford plea. (Under an Alford plea, the defendant does not admit guilt but admits that sufficient [evidence](#) exists that the charge will most likely be proven by the prosecution. The defendant is then convicted of the crime(s) of which he is accused.) The deal Easley made with federal prosecutors put an end to a state and federal investigation.

*Former Gov. Beverly Perdue, elected in 2008, quickly lost favor with the electorate and became the state's most unpopular governor. Her campaign was investigated for campaign finance violations similar to Easley's, and she left office after only one term. Three of her high-ranking campaign aides have been indicted; two of them have pleaded guilty to violating campaign finance laws relating to unreported airplane flights during the 2008 campaign. The third has entered a not guilty plea to charges of obstructing justice and causing the Perdue campaign to file a false report.

Time after time, the party that controlled North Carolina for over a century has abused its powers and failed to honor its promises. No wonder that in November 2010, Democrats lost control of both the State Senate and the State House for the first time since 1894.

Playing hardball

These political upheavals have taken place against a backdrop of harsh tactics. The Left often follows the advice of the pioneering radical Saul Alinsky, who urged activists to

isolate and demonize their opponents. North Carolina's nonprofits have learned this lesson well. Shortly after the 2010 election, the Left began a campaign against one man, whom they accused of stealing the election (even though Democrats outspent Republicans by millions in that election).

At the time, no one saw their strategy memo, but given the one recently leaked, we can safely assume the plan was to destroy Art Pope.

James Arthur "Art" Pope is a wealthy Raleigh businessman who contributes personally and through his family's foundation to Republicans and to conservative and libertarian causes (including the Civitas Institute where I work).

In the wake of the Left's 2010 defeats, the Institute for Southern Studies (ISS), a Blueprint partner, created the website "Art Pope Exposed" to ridicule him. Another Blueprint partner, Democracy NC, organized "teach-ins" and tours in concert with ISS and the AFL-CIO (also a Blueprint partner) to educate people on the "evils" of Art Pope. The state teachers' union tried to organize boycotts of Pope's chain of discount stores.

The full reach of this scheme becomes apparent when we recall an article Jane Mayer wrote about Pope in the [New Yorker](#). Many of Mayer's "sources" were Blueprint NC partners, including Democracy NC, Institute for Southern Studies, NC NAACP, League of Conservation Voters, and Common Cause. Of course, she also relied on Jim Goodmon, the president and CEO of Capitol Broadcasting Company and chairman of the A.J. Fletcher Foundation, a major funder to most of these Blueprint partners, as we've seen.

Mayer did her best to make readers believe Pope, his family, and foundation outspent

the Democratic Party and the Left. But the opposite is true.

As Scott Walter of the Capital Research Center [wrote in Philanthropy Daily](#) (March 1, 2013), "Though Mayer copiously catalogued donations by Pope and other conservatives, and the nonprofits they supported, she refused to explain that North Carolina's left-wing donors and activists outweigh their conservative counterparts in money, in number of groups, and especially in their nonprofits' willingness to 'advocate,' i.e., electioneer."

The Left took a risk in targeting Art Pope after the 2010 election; they had to know the risk of raising some of their shadowy groups' profiles. In the end, the strategy of 2011 failed. In 2012, North Carolina Republicans gained super-majorities in the State House and Senate and also gained a Governor and Lt. Governor. Art Pope remains a successful businessman and philanthropist, and was appointed Deputy Budget Director by new Republican Governor Pat McCrory.

Election scheming

North Carolina's vast and elaborate network of liberal organizations is astonishing even to political veterans. The coordination they employ almost ensures turnout at an impromptu rally or protest, and they serve as the de facto turnout machine for the Democratic Party on election days.

They coordinate messaging to a point that most media outlets just assume their opinion is consensus. And the Left doesn't stop with nonprofits. It is also entrenched in the state government apparatus. Activists have fostered relationships in every area of government with the help of governors, legislators, and appointed bureaucrats. In some cases, activists even usurp the roles of elected of-

ficials and defy the law. No better example of this exists than the North Carolina State Board of Elections (SBE).

The SBE really operates as two different organizations. To the public, it is the slate of the Governor's political appointees who represent the two major parties in North Carolina and serve on the official SBE board. More importantly, however, behind the scenes the SBE's bureaucratic staff dominates both the election machinery and, increasingly, the way campaigns are conducted in North Carolina.

The Civitas Institute used the public records law to request information that has let us piece together how decisions were made and which actions were taken by the staff of the SBE. As reported in [two articles](#) in [December 2012](#), we found a decision process that was heavily influenced, and in some cases directed, by one lobbyist for a left-wing special interest group.

Our public records request brought us more than 5,000 official emails. The majority of them were either to or from Bob Hall, director of the advocacy group Democracy NC (and an original Blueprint partner). The emails reveal that Hall is the behind-the-scenes force that drives the SBE—even to the point of mapping out partisan attacks on Republican legislators. It's hard to tell where the SBE staff ends and Democracy NC begins.

In 2012 Hall led an attack on Republican legislators over a budget issue. He demanded the legislature spend an extra \$660,000 so the state could receive federal Help America Vote Act funds to “expand early voting opportunities,” which is a favorite tactic of Democrats and their nonprofit allies to increase votes

for their candidates. The General Assembly stood firm and didn't allocate the funds. The November election went off without a hitch, and without the long lines predicted by the SBE and Democracy NC.

Thanks to the recently released official emails, we now know that as Hall planned his lobbying campaign on this issue, he coordinated with the State Board of Elections staff on tactics and information. Hall composed, with input from the SBE, [a strategy for attacking Republicans](#) in the media. As the Civitas report explains, Hall's memo for this attack contains two direct partisan mentions, one complimenting the 2008 Democratic-controlled legislature and the other critical of the Republican leaders in the current General Assembly. And to make it clear that staff had no doubt that this was a partisan effort, the memo itself contained strategy language at the bottom of the memo that includes the following partisan strategy items:

** Media/Editorials: ... exposes the selfish partisan agenda of Republicans; fits into the larger story of voter suppression, etc.*

** We win even if we lose: Even if we don't get the money, this fight hits the GOP where they are most vulnerable to voter anger over appearing to suppress voting; it will help with the ID fight.*

Hall and Democracy NC enjoy exceptional access to official state election data because of their cozy connections to the SBE staff. It appears Hall and his colleagues are not required to use the same channels to access data as the rest of the public and are not required to pay the standard \$25 fee per SBE report. According to public records Civitas has acquired, the SBE staff have worked long hours (at taxpayers' expense) to satisfy Hall's many data and campaign finance requests,

going so far as to alter existing SBE reports or create new and unique reports. Amazingly, SBE staff members also routinely edit Democracy NC's press releases and other documents the group sends them to check. For its part, the SBE staff enjoy the benefit of having a lobbyist, Hall, who is well connected to legislators, state agencies, and every other left-wing organization and who will gladly lend a hand to help SBE bureaucrats further their own interests.

Defying the law

Our research also shows that SBE bureaucrats don't always need a lobbyist to alter laws and push a partisan agenda. [A Civitas Institute investigation has revealed](#) that SBE staffers successfully subverted state election law to facilitate online voter registration by the 2012 Barack Obama campaign. In doing so, SBE staff coordinated with partisans behind closed doors, lied about whether the NC Attorney General's Office had concurred with them

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on the issue, and dodged oversight by their own board and the legislature. The end result was to add thousands of people to the North Carolina voter rolls illegally.

North Carolina law does not authorize any kind of online voter registration. State law clearly says a voter registration form “shall be valid only if signed by the applicant.” But records provided to Civitas show SBE staff approved voter registrations that occurred when people went online to an Obama-connected website, filled out a form, and scrawled their names with a finger or stylus on a smartphone or tablet computer. The website then recorded and transmitted that scrawl to auto pens that marked a paper registration form.

Don Wright, SBE general counsel, played word games when answering inquires about the Obama campaign’s own re-election site, GottaRegister.com, which utilized the technology that SBE staff approved. Wright repeatedly denied that the SBE allowed “online” voter registration, insisting that it was “web-based voter registration” instead, as if there could be a “web-based” process that wasn’t online.

He also defended the result as a “wet signature,” that is, one made in ink. But a “wet signature” occurs when a live person signs with ink on a piece of paper. To insert an auto pen at one point in a long computerized process is a far different thing. Even the Obama campaign called the process “online voter registration.”

Wright produced a legal opinion approving this kind of registration, which was provided by Allpoint Voter Services technology in North Carolina. His Sept. 16, 2011 opin-

ion claimed it was reviewed by the North Carolina Attorney’s General Office, which concurred in it. But that office says it did not officially concur.

The timeline for the online registration scheme reveals just how little confidence the SBE staff had in the propriety of their actions. In mid-August 2012, SBE conducted its Annual Training for Election Officials from across the state. It never told them about the new online registration. The following month, a county-level official stumbled upon GottaRegister.com, the Obama campaign’s site, and complained to SBE staff that this was illegal, adding, “I didn’t hear anything about electronic registrations in NC being allowed” at the Annual Training.

A few days later, the SBE received another county official’s complaint that he had received “a good number of registration forms” from the online provider and found all of the signatures “immediately suspect.” The very next day, September 18, the SBE blasted an email to all county election officials announcing they should expect this newfangled registration and accept it. More officials then voiced serious concerns, especially given the “similarity of all the signatures.”

When one official compared a signature against the voter’s DMV registration, it didn’t match.

Wright reassured Civitas on Sept. 26, “We were not contacted by any campaign, candidate, legislator, or political party” about online registration. In fact, the firm SBE allowed to conduct “web-based” registrations, Allpoint, brags on its website’s [front page](#) that its clients include “Presidential campaigns,” and its [clients page](#) lists “Obama for President Draft Committee.” Internal

emails we now have seen show the SBE staff believed that Allpoint was only used by the Obama campaign and the left-of-center group Rock the Vote.

The way SBE staff tried to keep all this from the public’s notice and even from county election boards until mere weeks before the election raises the disturbing question of whether those involved were aiding a last-minute registration surge planned by the Obama campaign. The bureaucrats at the SBE set in motion a scheme that in the last two months of the election resulted in more than 12,000 people being allowed to register online.

Civitas has calculated this number by a public records request to all 100 counties in North Carolina. Of the 84 counties that have complied with the request thus far, 68 percent of the registrations were from Democratic voters, 10 percent were Republican, and 21 percent were unaffiliated. That starkly differs from the state overall, which is 43 percent Democratic, 31 percent Republican, and 26 percent unaffiliated.

In other words, the SBE staff’s scheme registered voters in a way that suppressed their disfavored party’s representation by more than two-thirds and increased their preferred party’s representation by almost two-thirds. Worse, once all 100 counties’ records are counted, the total number of registrations and the extreme tilt toward Democrats are almost certain to be even more skewed, because four of North Carolina’s ten most populous counties have yet to respond to our records request. All four of those counties are majority Democratic; in three of the four, Democrats outnumber Republicans by two to one.

Tangled web

It took a combination of a failing Democratic Party and the 2010 election for the average person to begin to see the network of left-wing advocacy groups working together with their media counterparts and the government machine. This network was made possible by decades of one-party rule in North Carolina. Tens of millions of dollars are spent every election by these advocacy groups to identify, influence, and move voters to vote for Democratic candidates and accept progressive ideology.

The people of North Carolina may be even more surprised to find out that many of the funders of these liberal groups have familiar names and weren't initially created to bank-roll groups with hard-left goals.

Take the Z. Smith Reynolds Foundation. Created in 1936 as a memorial to the youngest son of the founder of the R.J. Reynolds Tobacco Company, the trust was intended to devote itself to "charitable works in the state of North Carolina." Up until the 1980s the foundation's most notable recipient of monies was Wake Forest University. But in the 1980s, the foundation took a decidedly left turn and began to "target the Foundation's dollars in order to achieve a greater impact." According to its [website](#), its current focus areas are community economic development, strengthening democracy, the environment, public education, and social justice and equity.

One thing is certain about North Carolina's political landscape—it is changing. The once "conservative" Democratic Party of North Carolina is a thing of the past. In its place is a very liberal party, often largely controlled by shadow groups on the left. Those

nonprofits have gained so much power that they are willing and able to bypass elected leaders and flout the law to achieve their ends. All this has been revealed because of one leaked memo and investigations from one think tank.

The more troubling thought: What about all the other schemes and power plays in North Carolina—and the other 49 states—that have not yet come to light?

Susan Myrick is the election policy analyst for the Civitas Institute in Raleigh, North Carolina. She has spent more than 25 years working in campaigns and elections in North Carolina. Myrick worked for the Wake County Board of Elections 2001 – 2009, where she was responsible for redistricting and jurisdictional assignments and supervising the voter registration team.

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Organizing for Access? Critics from left to right say President **Obama's** newly incorporated 501(c)(4) community organizing group, **Organizing for Action**, has been selling access to the president through the group, which accepts unlimited individual donations. The Daily Caller reports that access to the Obama White House can be purchased by donors for \$500,000. At a press briefing, White House press secretary **Jay Carney** declined to deny the report. The group grew out of **Organizing for America**, an unincorporated project of the **Democratic National Committee** that whipped up popular support for Obama's policies.

Finally! Weeks after left-wing activist **Melowese Richardson** boasted on television that she voted multiple times for president in November, authorities in Cincinnati, Ohio, charged her with voter fraud. The now-indicted 58-year-old veteran poll worker is facing eight counts of voter fraud in total, going all the way back to 2008. Richardson is a member of **Communities United for Action**, which is part of a larger **Saul Alinsky**-inspired organizing network called **National People's Action** (NPA) that makes no bones about its desire to overthrow what remains of America's free enterprise system.

Black conservative leaders warn that new gun control proposals threaten Americans' most fundamental civil rights. **Star Parker**, founder and president of the **Center for Urban Renewal and Education** (CURE), recalled the racist pedigree of gun control laws and the grave dangers they create, not just for blacks, but for all Americans. "I believe that it is our duty to stand together and challenge the proposals currently on the table in the Senate, which invoke painful memories of Jim Crow laws and black codes," said Parker. "Black history is rife with government demands for background checks in order to qualify for constitutional rights," she said at a Washington, D.C. press conference. "All Americans should be concerned."

The **National Immigration Forum** (NIF), a media-savvy political shop largely underwritten by **George Soros**, is attempting to dupe conservatives into supporting a massive immigration amnesty. A recent NIF leaflet distributed to conservatives attempted to link limited-immigration groups such as **Center for Immigration Studies** (CIS) to "the population-control movement—including pro-abortion and euthanasia advocates."

Anti-American, anti-war group **Code Pink** threw a posh party at Washington's fancy Hay-Adams Hotel to honor a convicted spy on his way to prison. The guest of honor, former CIA employee **John Kiria-kou**, was fêted by Code Pink and wealthy supporter **Naomi Pitcairn**, also an ardent backer of Army Private **Bradley Manning**, who is accused of leaking military secrets.

President **Obama** intends to nominate longtime **ACORN-SEIU** operative **Patrick Gaspard** as U.S. ambassador to South Africa, *Politico* reports. Now executive director of the Democratic National Committee, Gaspard is a former political director for SEIU 1199 and ACORN New York.