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Dear Gentlemen:

This office represents the World Leadership Program (WLP), a leadership program for emerging religious scholars funded by the Crown Prince of Abu Dhabi and supported by Sheikh Ahmed al-Tayyeb, the Grand Imam of al-Azhar in Cairo, the preeminent Sunni Islam institution. The program is focused on breaking down one of the most consequential divides of our time -- the divide between the U.S. and the Muslim Middle East -- and honors President Obama's desire for sustained engagement with the most important contingency in the Muslim world, its current and future religious leadership. The WLP involves, among other things, top students from al-Azhar University studying English in Cairo for three months and then living and studying at a university in the U.S., followed by a two-week intensive course of study with their American counterparts. (It is collaboration between the United Arab Emirates (UAE), al-Azhar and a host American university.) The goal of the program is to provide the al-Azhar students with a more nuanced approach to American culture and language and to give the American students a broader understanding of Arab Muslim culture.

The WLP, which began in January of 2010, has proven to be a great success. See Exhibit A. As you probably know, the University of Michigan was going to be the host American university. Unfortunately, for reasons that will be discussed below, the WLP had to be moved from the University of Michigan to Georgetown University. This letter is written to resolve questions concerning funds kept by the University of Michigan with regard to the WLP.

1. Ms. Cone, The Director of the World Leadership Program.

The director and founder of the WLP is Margaret Cone, a Michigan native, lawyer and Democrat Party activist in Washington, D.C. She is a graduate of the University of Michigan and has strong ties to the state of Michigan. Ms. Cone was an Executive Assistant to the Mayor of Detroit in the 1980's. In 1992 she joined the Clinton administration in the White House and since has worked in Washington, D.C. Most of Ms. Cone's work in Washington involves representing Hollywood entertainment guilds and recording artists. Over the last ten years, however, she also has been actively involved in Middle East issues as an advisor to the Custody of the Holy Land for the protection of holy sites. She also advises a delegation of the Holy See with regard to negotiations with the state of Israel. Ms. Cone has been active in Christian/Muslim relations since 2004.

2. The World Leadership Program.

Ms. Cone first met Sheikh Ahmed al-Tayyeb - then the President of al-Azhar University - at a conference she organized for religious leaders from the Middle East and the U.S. in New York City and at Harvard University in 2004. During that meeting, she outlined for Sheikh al-Tayyeb a program she envisioned where young future religious scholars from the Middle East and the U.S. could interact formally and informally in an environment structured to allow an open exchange of intellectual and cultural ideas. Over the next several years, Ms. Cone traveled to Cairo to discuss in greater detail the program and to secure the participation of al-Azhar University.

After she secured the commitment from al-Azhar, a truly groundbreaking achievement, she then turned her attention to finding an appropriate host university in the U.S. She was aware of the scholarly work and reputation of the Center for Middle Eastern and North African Studies and the newly founded Islamic Studies Program at the International Institute in the College of Literature, Science and the Arts (LS&A) at the University of Michigan. As an alumna of the University of Michigan and former resident of the state, Ms. Cone was proud of Ann Arbor's culturally diverse community. She also was aware that Dearborn Michigan, which is a half hour drive from Ann Arbor, has the largest Arab American community in North America. Ms. Cone was hopeful that the International Institute would house the program and thus begin collaboration between The University of Michigan and al-Azhar University.

3. The Initial Involvement of the University of Michigan.

Ms. Cone's initial discussions with the University of Michigan -- in 2008 -- were with Professor Sherman Jackson, a renowned Islamic studies professor. She informed Mr. Jackson of the sensitive nature of the program and she stressed to Professor Jackson that the program had to be completely apolitical. Professor Jackson understood the sensitive nature of the program and agreed with her concerns. Ms. Cone and Professor Jackson agreed that given those concerns, the International Institute would be a good place for the program. After several more meetings and telephone conversations throughout 2008, Professor Jackson agreed that the program would be a wonderful opportunity for the University of Michigan and offered his support. At that

point, she suggested a meeting with the Dean of LS&A to discuss obtaining a formal commitment by the University of Michigan. Professor Jackson stated that he preferred to discuss the idea with Professor Mark Tessler, who was the Director of the International Institute, and with whom Professor Jackson had a close working relationship. (Ms. Cone knew Professor Tessler from conversations with representatives of the International Institute in 2004 when she was looking for a host for the conference for religious scholars that ultimately was held at Harvard University.) Ms. Cone deferred to Professor Jackson.

At the direction of Professor Jackson, Ms. Cone emailed Professor Tessler a copy of the Interfaith Leadership Program (the initial name of the program) overview on August 18, 2008. See Exhibit B. A month later, after various discussions and exchanges of correspondence, Professor Jackson said he had spoken with Professor Tessler and that the University of Michigan would support the project. Professor Jackson emphasized that the University of Michigan would not be responsible for financing or staffing the project and he advised Ms. Cone to make that clear in any proposal she submitted. The University of Michigan also wanted Professor Jackson to be the "point person" for the University of Michigan. Lastly, Professor Jackson advised Ms. Cone that he was very busy as a professor and with other projects which meant that his involvement would be very limited. See Exhibit C.

In September of 2008, Gene Sperling spoke of the program at the Clinton Global Initiative. In February of 2009, Ms. Cone personally delivered a letter to Sheikh al-Tayyeb in Cairo to acknowledge that the program would go forward as a collaboration between al-Azhar University and the University of Michigan's International Institute, under the direction of Professor Jackson. See Exhibit D.

4. Ms. Cone Obtains In Excess of Two Million Dollars in Funding.

Throughout the fall of 2008 and 2009, Ms. Cone was busy drafting documents, preparing a budget and raising funds for the program. (Neither the University of Michigan nor al-Azhar was willing to provide any financial support for the program.) No one from the University of Michigan was involved in these efforts and she had little contact with Professor Jackson during this time. Basically, Ms. Cone was developing the program on her own and her only contact with Professor Jackson was when she needed him to sign-off on a letter or when she was traveling to Egypt.

Following President Obama's "A New Beginning" speech in Cairo in June of 2009 to the Muslim world and with the help of the United Arab Emirates (UAE) Ambassador to the U.S., Yousef al-Otaiba, Ms. Cone met in the UAE with the Crown Prince of Abu Dhabi, Mohamed Bin Zayed al Nahyan, to discuss the program. She also traveled to Saudi Arabia and met with several members of the royal court. (Ms. Cone is a member of King Abdullah's interreligious dialogue initiative founded in 2008.) While she was in the region, she also travelled to Cairo to arrange a meeting between Professor Jackson and Sheikh al-Tayyeb. (Professor Jackson was teaching at the American University of Cairo that summer and did not know Sheikh al-Tayyeb.) During the meeting, Professor Jackson and Ms. Cone discussed the program with Sheikh al-Tayyeb and gave him

materials on the International Institute and its Center for Middle Eastern and North African Studies and the Islamic Studies Program.

In August of 2009, Ms. Cone met with Ambassador Otaiba to discuss the program and give him a budget (which had been agreed to by Professor Jackson) for a two-year program. She requested Two Million Thirty-three Thousand Five Hundred Ninety Dollars (\$2,033,590.00) for the program. In the mid-September 2009, Ambassador Otaiba advised her that the UAE would fund the program with a grant in the amount she had requested.

Unfamiliar with the manner in which the University of Michigan handles grants, Ms. Cone asked Professor Jackson for direction. Professor Jackson told her that Ambassador Otaiba should send a letter to Professor Tessler at the International Institute memorializing the UAE's financial commitment. (Professor Jackson did not recommend that Ms. Cone notify anyone who handles grants for the University of Michigan, generally.) Professor Jackson stated that he was uncertain how these matters are conducted at the University of Michigan -- he had never raised money for the University of Michigan -- but Professor Tessler would know how to handle the funds. As directed, the Ambassador sent a letter in early November 2009 acknowledging the grant and setting the conditions of the grant. For example, (1) the grant "[was] contingent upon the money being spent in accordance with the budget" which had been submitted by Ms. Cone, and (2) Professor Jackson, in consultation with Ms. Cone, were to be responsible for directing disbursements of the funds. See Exhibit E.

In response to the Ambassador's letter, on December 1, 2009, Professors Jackson and Tessler sent a letter -- on International Institute letterhead -- thanking Ambassador Otaiba for his support and providing him instructions for transferring the funds. See Exhibit F. Then, on December 14, 2009, Professors Jackson and Tessler sent a letter -- again on International Institute letterhead -- to Sheikh al-Tayyeb confirming their commitment to the program. See Exhibit G. Professor Jackson was designated the Principal Investigator and Ms. Cone was designated co-Principal Investigator. At the request of Professor Tessler, he was also designated co-Principal Investigator, even though he had made it clear he would serve only in a limited role.

In mid-November 2009, Ms. Cone flew to Cairo to announce the gift from the UAE and discuss with Sheikh al-Tayyeb and other al-Azhar faculty the details of the program, e.g., the timetable for the program, selection of the students, the establishment of the English language course at al-Azhar, and the hiring of teachers. Notwithstanding the very short time frame, she and the representatives of al-Azhar agreed that the program should start in the early of 2010. When Ms. Cone told Professors Tessler and Jackson that arrangements for the program needed to begin, they stated that the University of Michigan could not pay any costs associated with the program until the funds had been transferred by the UAE. In order to avoid any delay in the implementation of the program, Ms. Cone agreed to advance the initial expenditures, approximately \$50,000.00, out of her personal savings. (Indeed, up to that point, all activities regarding the development of the program had been funded by Ms. Cone, personally.)

Ms. Cone continued to spend a lot of time in Cairo selecting the students at al-Azhar for the program, setting up the English language course, hiring teachers, purchasing books, and preparing the students to travel. She was in Cairo from December 5, 2009 until January 9, 2010, January 19, 2010 until February 13, 2010, and March 23, 2010 until April 12, 2010. Because of the time differences, she was dependent on people in Ann Arbor to manage the program in the U.S. Unfortunately, throughout those periods, Professors Tessler and Jackson were travelling extensively and generally not available. As it turned out, Ms. Cone had virtually no support from the University of Michigan.

5. "Problems" Develop at the University of Michigan.

In December 2009, while in Cairo, Ms. Cone learned that several "issues" had developed at the University of Michigan. First, Professor Jackson informed her that there were "problems" with the International Institute hosting the program, so it needed to be moved to the Political Science Department. She was stunned. Everyone had agreed that the program would be hosted by the International Institute; all the materials that had been provided to the UAE, al-Azhar University and the Clinton Global Initiative, had referred to the International Institute; discussions with al-Azhar had focused exclusively on the International Institute as the appropriate place for the program; and the University of Michigan had sent letters that month to the UAE Embassy and to al-Azhar University on International Institute letterhead. It was going to be very awkward explaining the move at such a late date when the only rationale provided by Professor Jackson was "there are problems". Second, Professor Jackson told Ms. Cone that the University of Michigan was demanding more than \$500,000 for "overhead". She was again stunned and told Professor Jackson that was an outlandish demand considering the limited nature of the University of Michigan's involvement in the program and the fact that the University of Michigan had played no part in developing the program or obtaining funds for the program. More importantly, the University of Michigan's request was contrary to the budget which Professor Jackson had approved and which had been submitted to and approved by Ambassador Otaiba.

In response to Ms. Cone's objections, Professor Jackson told her that the University of Michigan had extensive background and expertise in these kinds of programs and that the \$500,000 would cover "everything" -- staffing the program, administering the program, etc. According to Professor Jackson, with the University of Michigan involved, everything would be taken care of -- the participants just had to show up. Ms. Cone was a bit skeptical given that the University of Michigan had shown virtually no interest in the program up to that point. She also found it odd that after having made it clear from the beginning that it did not want to be responsible for administering or staffing the program, the University of Michigan now wanted to "do everything".

Ms. Cone expressed her skepticism to Professor Jackson and he suggested that she speak with Dave Howell, who would direct the program for the University of Michigan. When she questioned Professor Jackson about Mr. Howell's experience and abilities, Professor Jackson stated that he had just met Mr. Howell and had never worked with him. Ms. Cone found that worrisome. She and Professor Jackson had

discussed on many occasions the complexities and the time-consuming nature of the program and they had agreed about the importance of having an experienced team in place to handle the program. They also had discussed the need for someone fluent in Arabic. (Mr. Howell does not speak Arabic.) Now Professor Jackson was content to turn over directing the program to an unknown administrator from the University of Michigan. Unfortunately, Ms. Cone was busy with the program in Cairo and had to rely on Professor Jackson to ensure that the right people were in place at the University of Michigan.

Ms. Cone telephoned Mr. Howell in mid-January, 2010 to discuss the program and request information packets to give to the al-Azhar students in Cairo. She asked Mr. Howell to send her folders containing materials and information about the University of Michigan, Ann Arbor, and the English Language Institute. During the conversation, she also asked Mr. Howell a range of questions about securing student visas and the overall planning and logistics of the program. Mr. Howell seemed confused and told her he would get back to her.

When the packages from Mr. Howell arrived in Cairo, Ms. Cone was disappointed. There was neither a University of Michigan folder nor any material discussing the English Language Institute. Instead there was a Wikipedia article about the University of Michigan, copies of the CV's for Professors Jackson and Tessler, and a non-descript pamphlet about the University of Michigan. Knowing that the initial presentation was going to be very important, Ms. Cone could not use any of the materials. She contacted Mr. Howell about the package and he replied that he did the best he could on short notice. (She later learned that Mr. Howell had been travelling during this period.) Luckily, she was able to obtain suitable materials from colleagues in Ann Arbor. This experience did nothing to allay Ms. Cone's concerns about the University of Michigan staff working on the program and the amount of money the University of Michigan wanted. She emailed Professor Jackson that she would travel to Ann Arbor to discuss the needs of the program.

6. Ms. Cone Discovers That the Program Is To be Housed at The Center for Political Studies, a Wholly Inappropriate Home.

On February 12, 2010, Mr. Howell sent an email to Professor Jackson, Professor Tessler, and Ms. Cone announcing that the funds had been received by the University of Michigan. See Exhibit H. (On February 16, 2009, Professor Tessler received a fax addressed to the International Institute from the UAE Embassy announcing that the funds had been transferred to the University of Michigan. See Exhibit I.) When Ms. Cone received Mr. Howell's letter, she noticed that Mr. Howell was the "Assistant Director, Center for Political Studies, Director of Studies, and Comparative Study of Election Systems", a part of the Institute for Social Research, which is an entity removed and detached from the main teaching university and, which, according to its website, is "recognized around the world as a leading center for the quantitative study of politics". Its website also states that, "Scholars at the center investigate the interactions among institutions, political processes, and individuals - themes united by a concern for understanding democratic politics."

Ms. Cone was very concerned. None of the previous correspondence from Mr. Howell or anyone else involved in the program had indicated that the program was going to be housed anywhere other than at an academic department at LS&A or at one of the other academic schools or colleges of the University of Michigan. Given the absolute imperative that the program be completely apolitical, that was where Ms. Cone and Professor Jackson had agreed it belonged. Ms. Cone was very upset to learn that the Center for Political Studies -- a center that specializes in studying various political institutions and political processes -- was now the home of the program. She was especially troubled by the Center for Political Studies' focus on issues of democracy in the Middle East, an extremely charged topic. She also had concerns whether the Center for Political Studies, which employs scholars with expertise in developing research methodology, had the appropriate skills and background required for planning and administering an international, intercultural, and interreligious student exchange program.

From Cairo, Ms. Cone tried to call Professor Jackson, but was unable to reach him. The following day, February 13, 2010, she sent an email raising her concerns and also pointing out that all the work had fallen on her. The following day, Professor Jackson responded by email that he had just returned from New York and had not been available. Several days later, she finally reached Professor Jackson and explained her concerns. She believed that the Center for Political Studies was not an "apolitical" home for the program and she thought that it was unconscionable for the University of Michigan to take over \$500,000 from the program. She also did not think that Mr. Howell had demonstrated the appropriate experience or skills to manage the program. She said she would fly to Ann Arbor and they could resolve these matters.

On Thursday, February 18, 2010, around 6:00 pm, Professor Jackson emailed Ms. Cone a revised budget prepared by Mr. Howell. Professor Jackson said he wanted her to sign-off by "the end of the week" -- the next day -- before he gave Mr. Howell permission to submit the budget to the University of Michigan. Mr. Howell, who seemingly had no understanding of the program nor a background in developing international educational programs, presumptuously rewrote the budget which had been carefully prepared by her, agreed to by Professor Jackson, and relied upon by the UAE Ambassador. Mr. Howell's new budget gave the University of Michigan and its faculty over One Million Dollars and left less than One Million Dollars to run a two year international educational program and conference. See Exhibit J. Ms. Cone told Professor Jackson that the University of Michigan wanted too much money and that she did not have confidence in the ability of the University of Michigan's staff to handle the program.

7. Ms. Cone Attempted to Address Her Concerns.

Ms. Cone quickly handled her responsibilities in Washington -- she had been out of the country for over a month -- and flew to Michigan on February 22, 2010, to meet with Professor Tessler, Professor Jackson, and Mr. Howell. Her first meeting was with Mr. Howell, who spoke about his research in Qatar and shared with her that the Center for Political Studies was short on funds and appreciated getting the money from the UAE. With regard to his position with Center for Political Studies, Mr. Howell

