The lawsuit involves a program of the Clinton Global Initiative and funded by the UAE against University of Michigan faculty Mark Tessler, Sherman Jackson (now at USC), Nancy Barnes and a Center for Political Studies employee, Dave Howell with fraud, for accepting over $2 million by false promises and for the wrongful misappropriation of funds over their dealings with an international exchange program – the World Leadership Program - created to foster dialogue for the next generation religious leaders from the Middle East and the United States.

They destroyed a vital peace-building program that was highlighted by numerous senior U.S. officials and announced by the Clinton Global Initiative. They also damaged their own reputations and UM among key leaders in the Middle East and among U.S. Government officials tasked with developing such exchange programs.

The Defendants and the Center for Political Studies – Institute of Social Research and are at the center of the fraud and other misdeeds described in the Complaint. Even though Professors Mark Tessler and Sherman had represented that the WLP program would be affiliated with UM International Institute, Professors Tessler and Jackson moved the WLP program away from UM and to CPS-ISR in order take control of its funds without informing the head of the program or supplying UM with over $500,000.00 in overhead fees. The Defendants evidently viewed CPS-ISR as an easier spot from which to gain control of WLP-raised funds, to conceal advanced payments for services unperformed without drawing scrutiny associated with UM International Institute.

When the Plaintiff Defendant Jackson defaulted on his agreement to serve as faculty advisor two weeks before the al-Azhar students would arrive, the head of the program learned that no one from UM knew about of the program, and in fact, the WLP “was not a UM project”. Once the Defendants’ scheme was revealed to officials at UM, the Defendants stated that there were "no options” at UM for the WLP and recommended canceling the program. Even though only several months earlier, the Defendants had accepted over $2 million to administer the WLP, they refused to accept charges against the funds after May 15, 2010. After May 15, 2010, the financial responsibility for the program fell on the WLP program itself.

Distilled for the sake of brevity, the lawsuit charges that the faculty are:

* Engaged in fraud, misrepresentation, breach of contract and unjust enrichment for failing to fulfill its contract with World Leadership Program Institute.
* Accepted donations knowing that that it couldn’t or wouldn’t perform any work.
* Reneged on their agreement two weeks before the young Middle East scholars arrived, requiring the WLP to find a different university host.
* Notwithstanding their entire failure to perform, Defendants charged the program over $300,000 charges described as “UM faculty” and “indirect costs.”
* Defendants disregarded standard U of M policies and procedures governing research and sponsored projects and did not submit the WLP program for approval through U of M administrative officers who handle grants for the International Institute.
* Instead Defendants put the WLP funds under their control by using Center for Political Studies – Institute of Social Research’s (“CPS-ISR”) bank account, subject to only minimal accounting oversight from U of M, to conceal their actions and avoid accountability.