

September 25, 2009

Dear Mr. _____:

We write to express concern regarding the activities of the Association of Community Organizations for Reform Now (“ACORN”). To date, ACORN has received \$53 million of taxpayer money. Since the release of videotapes depicting ACORN employees engaging in inexcusable conduct, a number of states and localities have called for investigations into ACORN’s financial management – adding to the list of already existing indictments related to activities by ACORN employees and volunteers during last fall’s election.¹

We request a full and complete disclosure of funds provided by your corporation to the Association of Community Organizations for Reform Now (ACORN), and any of its subsidiaries and affiliates, including ACORN Housing Corporation.

As you know, ACORN has been implicated in numerous criminal and civil investigations over the past 10 years. ACORN employees have been indicted for voter registration fraud in a number of states including Washington State, Nevada, Pennsylvania and Florida. Furthermore, a recent series of videos revealing ACORN Housing Corporation employees in multiple cities providing housing counseling services to filmmakers posing as brothel owners has renewed calls for increased scrutiny of this organization.

In light of these activities and the ongoing investigation by the House Committee on Oversight and Government Reform, the U.S. Census Bureau ended its collaboration with ACORN on the upcoming census. This month, the Senate adopted amendments barring ACORN from accessing any funds made available in fiscal year 2010 for the Departments of Transportation, Housing and Urban Development, and Interior. In addition, the House of Representatives voted overwhelmingly to bar ACORN from access to any federal funds.

However, support for ACORN is not limited to the federal government. Corporations provide a significant source of ACORN’s operating budget. In addition to corporate contributions to ACORN, many companies have partnered with ACORN on numerous programmatic projects including Low-Income Housing Tax Credit transactions, affordable housing development and ACORN’s mortgage brokerage firm, Acorn Housing Affordable Loans, LLC.

In July, the minority staff of the U.S. House of Representatives, Committee on Oversight and Government Reform, issued an 88-page report detailing a long list of ACORN’s corruption: ranging from embezzlement, to commingling federal funds with personal funds, to filing fraudulent forms with several federal administrative agencies.

On September 17, 2009, the overwhelming majority of Congressional representatives, Democrats and Republicans, supported a Motion to Recommit for H.R. 3221 titled the “Defund ACORN Act” (H.R. 3571), thus denying all federal funding for ACORN.

In an effort to promote transparency, accountability and proper oversight by Congress, and in conjunction with the Oversight Committee’s ongoing investigation, we request that your corporation provide the Committee on Financial Services with a complete accounting, by October 15, 2009, of all financial arrangements that your company and its foundation have with ACORN and its subsidiaries and affiliates. Please

¹ Steve Friess, *Acorn Charged in Voter Registration Fraud Case in Nevada*, NEW YORK TIMES, May 5, 2009.

produce to the Committee an outline of best practices that are used to evaluate whether such arrangements are consistent with the brand and risk profile of your company.

Additionally, we ask that you clarify the following:

1. Has your company or its Foundation negotiated any settlements, whether pre or post-litigation, commercial agreements, or other forms of contracts with ACORN or any of its affiliates?
2. What is the total amount, including donations, lines of credit, cash, and other assets that the company or its Foundation has given to ACORN over the last 15 years?
3. Since October 28, 2008, has your company or its Foundation given any funds to ACORN originating from TARP funds? How do you justify this decision in light of the facts that these funds are taxpayer sponsored and that recent findings reveal ACORN as corrupt?
4. Identify those individuals from the Board of Directors or the corporate management of your company who make executive decisions regarding the management of the Foundation and the contributions your company or its directors makes to the Foundation?
5. Does your company or its Foundation plan to continue providing funds to ACORN or its affiliates?
6. Given the loans your company has received from the government through the American taxpayers, have salaries and bonuses of corporate officers and directors been reduced? Moreover, has the total operating budget of your Foundation been reduced? If not, please explain why not.

For purposes of your response, ACORN and its affiliates includes but are not limited to: ACORN, Project Vote/Voting for America, Inc., CCI, Citizens Services Inc. (“CSI”), ACORN Housing Corporation (“AHC”), ACORN Community Labor Organizing Center (“ACLOC”), American Institute for Social Justice (“AISJ”), SEIU Local 100, SEIU Local 880, ACORN Institute, ACORN Votes, and Communities Voting Together (“CVT”).

If you have any questions, please contact Cindy Chetti or Tallman Johnson on the Financial Services Committee staff at 202-225-7502 or Daniel Epstein on the Oversight and Government Reform Committee staff at 202-225-1240.

Sincerely,

SPENCER BACHUS
Ranking Member
Committee on Financial Services

DARRELL ISSA
Ranking Member
Committee on Oversight and
Government Reform

LAMAR SMITH
Ranking Member
Committee on Judiciary

