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Written Testimony of

**Bob Kettle, Executive Director
Connecticut Appleseed Center for Law and Justice, Inc.**

In Support of Senate Bill No. 780

An Act Concerning the Solicitation of Charitable Funds Act

**Respectfully Submitted to the General Law Committee
February 13, 2009**

I appreciate the opportunity to submit testimony to the General Law Committee in favor of Senate Bill 780, An Act Concerning the Solicitation of Charitable Funds Act. I do so on behalf of the Board of Directors of the Connecticut Appleseed Center for Law and Justice.

My name is Bob Kettle. I am the Executive Director of Connecticut Appleseed, which is a statewide, non-partisan 501(c)3 organization dedicated to building a more just society. Our mission is to develop solutions for the causes, rather than the symptoms, of our state's social problems. We deploy volunteer lawyers and other professionals to achieve systemic changes through legal and legislative advocacy, negotiation, education and other initiatives.

Rather than serving individual clients, we place our emphasis on developing practical and lasting solutions for injustices and disparities in health care, public education, immigration and child welfare. Connecticut Appleseed is the only statewide legal group devoted primarily to bringing about structural changes that can help large numbers of people at one time. By relying heavily on volunteer attorneys, we operate efficiently with a 2-person staff. We minimize overhead and conserve resources so that we can devote charitable donations to print educational materials, conduct research and present educational forums to the greatest degree possible.

Over the last few years our annual budget has hovered just above the current \$200,000 audit threshold. Connecticut Appleseed sought and received a waiver from the Department of Consumer Protection's audit requirement for 2007 because our total cash receipts in that year were roughly \$203,000.

We are advised by the Dept. of Consumer Protection's Public Charities Unit that a further such waiver cannot be granted to our organization. With total cash receipts of slightly more than \$250,000 in 2008, Connecticut Appleseed therefore faces a 2008 audit requirement whose incremental cost may be \$5,000 more than a review. Nor is this issue solely a financial matter; satisfying audit requirements consumes a great deal of non-profit staff time.

Economic conditions are stressing Connecticut's non-profit community to an extraordinary degree. Tough times mean that every dollar counts. Grantors, badly weakened by financial markets, are giving smaller grants and spreading their funds more thinly. Amid increasingly intense competition for funding, non-profits must work far harder simply to survive. When you're stretching every penny, a difference of \$5,000 can be factor in a non-profit's survival. But of greater concern to the General Assembly is that fundraising necessities are displacing staff time and diverting Board member attention that – more than ever - needs to be devoted to Mission.

By raising the state's audit threshold, SB 780 will permit small organizations like Connecticut Appleseed to better focus the use of our revenues for Mission-related purposes like reducing educational and health disparities. SB 780 will materially help Connecticut Appleseed better assist those in our state who suffer from gaps in public and private programs and services.

The unanimous stakeholder support for SB 780 assembled before you is unique in my own experience. It seems particularly noteworthy that the Connecticut Society of CPAs is willing to forego the income they will derive if the audit threshold is not raised. On behalf of Connecticut Appleseed's Board of Directors, I want also to express appreciation to the Attorney General for the leadership he has exerted on this issue.

Once again, thank you for the opportunity to express my support for SB 780, An Act Concerning the Solicitation of Charitable Funds Act. Please feel free to contact me at (203) 210-5356 or at bobkettle@ctappleseed.org.