

PENNSYLVANIA ASSOCIATION OF NONPROFIT ORGANIZATIONS

BUILDING TRUST, CONNECTIONS AND RELATIONSHIPS

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December 15, 2016

Romilda P. Crocama, Esquire
Chief County Solicitor
Luzerne County Office of Law
200 North River Street
Wilkes-Barre, PA 18711

Dear Madam Solicitor,

As the Executive Director of the Pennsylvania Association of Nonprofit Organizations (PANO) and Chair of PANO's Public Policy Committee, we are responding to your letter announcing Resolution 2016-57 that compels nonprofits to disclose certain information on their own websites or the Luzerne County's website. Agreeing with the resolution's apparent intent, PANO encourages nonprofits throughout Pennsylvania to embrace our Standards for Excellence Code, which promotes a high level of transparency and accountability.

However, the requirements put forth in Resolution 2016-17 far exceed the bounds of accepted best practices, not to mention those required by Pennsylvania's nonprofit corporate law or federal tax law, which requires far more disclosure from nonprofits than from private businesses. The resolution is overreaching and unduly burdensome for nonprofit organizations who partner with Luzerne County to ensure delivery of mandated services. It would significantly impair their ability to conduct their activities.

Nonprofit organizations already disclose much of the information required in this resolution on their Form 990, available to the public at www.guidestar.org or at any time upon request to the organization. Thus, we are unclear about why you are asking for this information again. Form 990 lists mission, accomplishments, salaries of officers and key employees, compensation for major independent contractors, names of board members, conflict of interests, a complete statement of income and expense and much more.

The requirement to disclose board minutes is a unique invasion of privacy, a level of disclosure not required by Pennsylvania nonprofit corporate law, the federal tax law or any other good governance standards of which we are aware. Most nonprofits are not subject to the Sunshine Law and as such discuss confidential issues during board meetings (e.g. upcoming capital campaigns, an upcoming merger) that could damage their future strategy if disclosed in an untimely manner.

If the county is intent on obtaining all this information in the manner described, the county should ask *all* contractors (both for-profit and nonprofit) to meet its requirements, to ensure equitable accountability for the use of public dollars.

About the Pennsylvania Association of Nonprofit Organizations (PANO)

PANO amplifies the impact of the community benefit sector through advocacy, collaboration, learning and support. PANO, a statewide membership organization serving over 885 nonprofits, walks alongside organizations and individuals working to improve the quality of life in communities throughout Pennsylvania. To learn more about PANO, please visit: www.pano.org.

PANO stands ready to partner with you as you partner with our members who provide government mandated services in Luzerne County. We would be happy to share with you the Standards for Excellence program and work with you to assist those who receive government funding to attain and maintain the highest standards required by best practices in nonprofit management. We have training and educational resources available for just this type of engagement

We look forward to working with you and the Luzerne County Council to ensuring that nonprofits in Luzerne to meet their missions in the most effective, efficient way possible.

Please don't hesitate to contact Anne directly at 717.839.6564 or at anne@pano.org.

Sincerely,

Anne L. Gingerich
Executive Director
PANO

Don Kramer
Public Policy Committee Chair
PANO

cc: Linda McClosky Houck, Luzerne County Council Chair
Tim McGinley, Luzerne County Council, Vice Chair
Edward A. Brominski, Luzerne County Council, Member
Kathy Dobash, Luzerne County Council, Member
Eugene Kelleher, Luzerne County Council, Member
Harry Haas, Luzerne County Council, Member
Robert Schnee, Luzerne County Council, Member
Eileen M. Sorokas, Luzerne County Council, Member
Stephen A. Urban, Luzerne County Council, Member
Jane Walsh Waitkus, Luzerne County Council, Member
Rick Williams, Luzerne County Council, Member