



AMERICANS
for the ARTS

SERVING COMMUNITIES. ENRICHING LIVES.

Steven D. Spiess
Chairman

August 5, 2004

Robert L. Lynch
President and CEO

The Hon. Charles Grassley
Chair, Committee on Finance
United States Senate
Washington, DC 20510

Dear Senator Grassley,

Thank you very much for your concern over America's charities. It is heartening to know that you realize that most charities, and most volunteers, are upright, honorable and law-abiding.

Americans for the Arts is the nation's leading nonprofit organization for advancing the arts. With more than 40 years of service and more than 5,000 organizations and individual members and stakeholders, we are dedicated to creating opportunities for every American to participate and appreciate all forms of the arts. We applaud you for focusing discussion on ways to improve the operation and accountability of the charitable sector, and we are optimistic that the process will result only in reforms that are truly necessary. We do have concerns, however, with one element of the Finance Committee's discussion draft involving governance of non-profit institutions.

Our fundamental position is that just as prospective donors should not be discouraged from giving, prospective board members should not be discouraged from serving. Many arts institutions in particular seek to engage a broad diversity of views, often representing various artistic, cultural, and ethnic traditions. Arts institutions also rely on board members both to donate and to raise funds. Limiting a board to 15 people, as proposed in the discussion draft, would bar many who would otherwise wish to serve and could therefore have a negative impact on programming and fundraising alike. Large institutions – those with a regional, national or even international scope – might be even more severely affected than small institutions. As the discussion draft did not explain what purpose would be served by the proposed limitation, it is difficult to respond fully. If the Committee could be clearer about its concerns, we might be able to engage in a more detailed discussion.

I would like to close by complimenting you and the staff of the Committee for running such a fair, open and transparently well-meaning process.

Sincerely,

Robert L. Lynch
President and CEO

cc: Dean Zerbe, Tax Counsel, Senate Finance Committee