



## **United Way of Illinois Statement on Transparency**

We share policy makers' commitment to improving openness in government. We seek to work together to ensure the public trust and establish a system of transparency, accountability and collaboration. Openness will strengthen our democracy and promote efficiency and effectiveness in government.

Transparency promotes accountability and provides information for citizens about what their government is doing. We support access to information in forms that the public can readily find and use. Executive departments and agencies should harness new technologies to put information about their operations and decisions online and readily available to the public.

Not for profit organizations that partner with the state through grants or contracts to deliver essential human services are federally and state regulated, tax exempt organizations. As a result they are required to file a number of reports on an annual basis with the Internal Revenue Service, the Illinois Attorney General and Illinois Secretary of State. These reports are in addition to the documents that are included in any government contract, grant proposal or audit.

Illinois has made great strides in the last several years to streamline its business processes, reduce redundancy and improve efficiencies in the reports and audits it conducts of its not for profit partners. The Management Improvement Initiative Committee (MIIC) was enacted in 2011 to implement recommendations across the five State human services agencies that are already resulting in greater efficiencies for both the State agencies as well as the community-based providers with whom they partner.

The reality is that the state's health and human service agencies are trying to accommodate a \$3 billion budget reduction over the past three years while maintaining program and service standards. This boosts the urgency for state and provider efficiency, with improved accountability through the removal of redundant work processes. Simplifying the relationship between the state and its providers, and improving how the state collects reports and audits can help enable the nonprofit sector, a sector that employs over half a million people in Illinois, accounting for \$24.3 billion in wages, and producing \$459 million in tax revenue for the state.

We urge our policy makers to consider these facts in the review of any legislative proposals that seek to increase transparency concerning the not for profit sector. Much of the information sought under these proposals is already available through reporting required at the state and federal level. In addition, a great deal of work has been done through MIIC to streamline the reporting process, including the creation of the Centralized Reporting Vault, which should be considered in the discussion of these proposals. We are prepared to work with the legislative sponsors and those departments charged with implementation of the proposals to make sure that these bills do not result in redundant or undue burden on providers.

Current bills coming under this topic include the following:

HB 2, HB 943, HB 1040, HB 2869, SB 1352, SB 2381