



## GAO Report: Govt Agencies Slow to Implement ACORN Funding Ban

In 2009, the U.S. Congress voted in favor of banning the federal funding of the leftwing group ACORN (Association of Community Organizations for Reform Now) after a series of controversies erupted regarding the group's activities. However, the Government Accountability Office has just released a report indicating that 11 out of 27 federal agencies had not been implementing the ACORN funding restrictions until the GAO began investigating in 2010.



According to the report, ACORN and its affiliates received \$48 million in federal grants and contracts from 2005 to 2009. Following the ban on funding in 2009, however, the report [notes](#):

Not all agencies had taken action to implement the funding restriction provisions prior to when we began our review in August 2010. Specifically, 11 agencies CNCS, DOD, DOS, DOT, HHS, NASA, NEH, NARA, NSF, the Small Business Administration (SBA), and Social Security Administration (SSA) indicated that they took action to implement the restriction, at least in part, as a result of our inquiries and subsequent conversations.

It also indicates that four federal agencies provided nine awards to ACORN-related groups in 2010, including the Tides Center. It adds, however, that some of those awards were retracted while other recipients attempted to shake their ACORN affiliations. The report explains:

For fiscal year 2010, four agencies initially made nine awards to organizations included in this reportspecifically, Tides Center (six awards), ACORN Albuquerque (also known as ACORN Associates) (one award), ACORN Community Land Association of Louisiana (one award), and New York Agency for Community Affairs (one award), but the awards to the latter three organizations were retracted, and we determined that after 2009, Tides Center no longer had any indicators of affiliation with ACORN. For the first two quarters of fiscal year 2011, one agency made two awards to ACORN Housing Corporation (New Orleans) currently Affordable Housing Centers of America (AHCOA). One of these awards was retracted, and in September 2010, we found that AHCOA did not have any indicators of affiliation with ACORN.

ACORN was forced to disband after a number of scandals, particularly those involving voter frauds in the 2008 presidential election and the organizations willingness to advise undercover investigators posing as a pimp and prostitute on how to launder money. Following the controversies, the U.S. House voted 345 to 75 to strip funding for ACORN through a student aid bill, and the Senate voted 85 to 11 to eliminate ACORNs funding from an Interior Department spending bill.

The prohibition of federal funds to the organization prompted the organization to dissolve, [reports](#)



Written by [Raven Clabough](#) on June 20, 2011

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ConsumerAffairs.com:

The group disbanded in March 2010. In December 2009, New York U.S. District Court Judge Nina Gershon ruled that Congress had violated the Constitution by singling out ACORN and banning it from receiving federal funds but the ruling was overturned by a federal appeals court, which found that federal funds amounted to only 10 percent of ACORN's funding and therefore Congress' action did not amount to punishment, even though it may have been unjustified.

Regardless of the punitive factor of the restrictions, or lack thereof, ACORN has managed to circumvent the federal funding ban by way of new incarnations. Fox News writes:

The report also revealed that some groups with past ties to ACORN may still be eligible for funding. For instance, the Department of Housing and Urban Development wrote a memo determining that Affordable Housing Centers of America, formerly known as ACORN Housing Corporation, was not an ACORN subsidiary, affiliate, or allied organization. Though ACORN Housing Corporation was formed in the 1980s by ACORN organizers and shared executives and addresses with ACORN itself, GAO reached a similar conclusion in September 2010.

In addition, GAO noted that in 2010, federal awards to three ACORN-affiliated organizations had to be revoked however, six awards to Tides Center were apparently allowed to stand. GAO noted that while an ACORN executive used to serve on the center's board, the executive left the Tides Center in 2009. No other awards were granted during fiscal 2010 and the beginning of 2011, according to the report.

The report also proves that the process of monitoring awards to ACORN by federal agencies has revealed little. ConsumerAffairs.com observes:

The GAO found that monitoring of awards to ACORN by government agencies generally consisted of reviewing progress reports and making site visits. Of 22 investigations of alleged election and voter registration fraud, most were closed without prosecution, the report found.

One of eight investigations of alleged voter registration fraud resulted in guilty pleas and seven were closed without action due to lack of evidence.

Despite the reports findings, the GAO makes no recommendations in its report.



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