CAMPAIGN FOR ACCOUNTABILITY

SUMMARY

On July 14, 2020, Campaign for Accountability ("CfA") filed a complaint against Real Alternatives ("RA"), the sole administrator of Pennsylvania's Alternative to Abortion Services Program ("AAS Program"), with the Governor of Pennsylvania, the Pennsylvania Attorney General, and the Pennsylvania Department of Human Services ("DHS"), asking that the state investigate Real Alternatives' use of taxpayer money and terminate their contract.

<u>Background</u>

RA is an anti-abortion nonprofit founded in 1995 to administer Pennsylvania's AAS Program. Since its inception, RA has received over \$100 million from Pennsylvania in taxpayer funds. RA administers the program via subcontractors—many of which are crisis pregnancy centers that counsel women not to have abortions—that provide services to Pennsylvania women and parents and that RA reimburses with taxpayer money.

Real Alternatives' Misuse of Pennsylvania Taxpayer Dollars

- RA inappropriately exploits its position as administrator of the AAS Program to ensure that all AAS Program service providers pay 3% of their public funding back to RA.
- RA has used at least \$30,000 of Pennsylvania taxpayer money to resist state Right-to-Know Law requests through litigation, inappropriately restricting access to information about administering a state function.

Real Alternatives' Inefficient Implementation of the AAS Program

- RA regularly leaves over half a million dollars earmarked for services unspent and reports to DHS that it spends more on service reimbursement than it actually pays its service providers.
- RA has not fulfilled its goal of decreasing the need for abortions in Pennsylvania, as Pennsylvania's abortion rate has declined far less than the national abortion rate.
- Pennsylvania annually pays hundreds of thousands of taxpayer dollars to RA executives, dwarfing the salaries of executives at significantly larger statewide organizations. Further, while certain of these RA executives only dedicate a portion of their time to the Pennsylvania AAS Program, the comparable executives at the other Pennsylvania programs dedicate their full time.
- RA's advertising costs have quintupled in the last five years, ballooning to over \$600,000, while the number of patients the AAS Program serves per year has fallen by over 1,000.
- RA spends thousands of taxpayer dollars annually to administer a referral hotline that receives an average of only 156 call per year.

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Violations of Pennsylvania Law

RA may be guilty of violating the following Pennsylvania laws:

- Theft by failure to make required disposition of funds received,
- Theft by extortion,
- Theft by deception,
- Tampering with public records, and
- Misapplication of property of government institutions.

Additionally, RA has likely made misrepresentations to its service providers and DHS to fraudulently enter into agreements favorable to the organization.

Conclusion

CfA calls on Pennsylvania to investigate RA's use of Pennsylvanians' taxpayer money and terminate RA's contract with the state.