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(Hartford, CT) –The Connecticut Congressional delegation today called on federal authorities to investigate complaints of potentially deceptive and misleading practices being used by an organization soliciting donations and claiming to help veterans in Connecticut.

“We are writing to urge the Federal Trade Commission (FTC) to investigate complaints and concerns about the ‘Veterans Support Organization’ (VSO) raised by the Veterans of Foreign Wars (VFW), as well as other constituents and veterans generally regarding alleged deceptive and misleading practices,” the Delegation wrote in a letter to FTC Chairman Jonathan Leibowitz . **“The VFW is also deeply troubled, as are we, by IRS 990 filings showing that that this organization has seemingly used only a small portion or percentage of millions of dollars in donations for charitable purposes such as grants and assistance programs to help veterans.”**

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“The VFW of Connecticut greatly appreciates the delegation’s quick reaction to our concerns about unscrupulous solicitation of charitable donations by individuals seeking money on behalf of veterans, when little to none of those funds are ever given to programs for veterans,” said John Hollis, Senior State Commander of the VFW.

VSO operates in 17 states, including Connecticut. IRS filings show that VSO received \$5.8 million in revenue in 2009, nearly all of it from donations, but distributed only \$379,000 for grants and assistance for veterans.

The full text of the letter is below:

The Honorable Jonathan Leibowitz

Chairman

Federal Trade Commission

600 Pennsylvania Avenue NW

Washington, DC 20580

Dear Chairman Leibowitz:

We are writing to urge the Federal Trade Commission (FTC) to investigate complaints and concerns about the “Veterans Support Organization” (VSO) raised by the Veterans of Foreign Wars (VFW), as well as other constituents and veterans generally regarding alleged deceptive and misleading practices.

Requests for such an investigation come from Connecticut VFW officials who are concerned that VSO is employing paid solicitors posing as volunteers to collect donations outside of shopping centers. These solicitors claim to be volunteers, but in fact are paid on commission according to the amount of money they collect.

The VFW is also deeply troubled, as are we, by IRS 990 filings showing that that this organization has seemingly used only a small portion or percentage of millions of dollars in donations for charitable purposes such as grants and assistance programs to help veterans.

IRS filings show that VSO received \$5.8 million in revenue in fiscal year 2009-2010, nearly all of it from donations. Yet VSO only distributed \$379,000 for grants and assistance for veterans. In contrast, VSO paid \$1.5 million in salaries and compensation, including \$256,000 for the organization’s CEO. Other large expenses include \$325,000 for transportation, \$241,000 for office expenses, and \$72,000 for uniforms.

If these allegations are accurate, the false claims of solicitors who purport to be volunteers but

are in fact paid employees, as well as the employees' false claims about the use of consumer donations, would seem to be deceptive practices under Section 5 of the Federal Trade Commission Act. Since the VSO operates in 17 states, FTC involvement is especially appropriate.

In the past, the FTC has pursued organizations that falsely claimed to help police, firefighters, and veterans but actually exploited and sullied their good name. We urge the FTC to continue to prosecute sham charities and protect the credibility and effectiveness of legitimate nonprofit organizations that really help America's heroes.

On behalf of the veterans of Connecticut and all their supporters, including ourselves, we thank you and look forward to your response.

Sincerely,

Senator Joseph Lieberman

Senator Richard Blumenthal

Congressman John Larson

Congresswoman Rosa DeLauro

Congressman Joseph D. Courtney

Congressman Jim Himes

Congressman Chris Murphy