



July 20, 2023

Dear Friends,

Clearwater is committed to transparency with our members, donors, and stakeholders. Over the past week we became aware of an unfortunate situation regarding Clearwater's filing of our fiscal year 2019 form 990, the annual IRS return for a nonprofit.

Thus, we are writing to let you know that on July 10, 2023 the IRS posted the revocation of Clearwater's 501(c)(3) status for the failure to timely file required annual documentation within a three-year period. Although Clearwater had filed a paper version, the revocation was caused by the failure to electronically file the return, a procedure required by the IRS. The IRS, however, could only accept an e-filed return if we had submitted it significantly earlier. Both our 990 and our audit for the 2019 year are posted on our website.

Clearwater anticipates our status will be restored to the date of revocation, April 15, 2023. Donations received during the period of revocation will be tax deductible following the retroactive reinstatement of 501(c)(3) status. To prevent future occurrences and to reinforce our commitment to compliance, Clearwater has implemented enhanced internal measures and streamlined processes. With these new controls in place, we have also filed our fiscal year 2020 return and we are near completion of our fiscal year 2021.

Despite this setback, Clearwater remains resolute in our dedication to providing vital programming for the Hudson River and its surrounding communities.

Clearwater continues to seek donations to bridge the funding gap we now face and ensure the continuance of operations during this critical time. Donations cannot yet be taken as tax deductions, but we are confident that status will be corrected retroactively in the future.

Clearwater unwaveringly upholds our core principles of transparency and accountability. The Board of Directors demonstrated our commitment to prioritizing responsible fiscal governance when we hired [David Toman](#) as Executive Director in 2022. **We are working diligently with our auditors, legal counsel, and our Congressional representative's office to seek expedient resolution and reinstatement.**

Thank you for your understanding and support as we navigate through this challenge.

Sincerely,

Stephen Stanne
President, Board of Directors