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April 6, 2018

SENT VIA EMAIL

Attorney General
Registry of Charitable Trusts
1300 I Street
Sacramento, CA 95814
Delinquency@doj.ca.gov

RECEIVED
Attorney General's Office

APR 06 2018

Registry of
Charitable Trusts

Re: The Mateel Community Center, Inc. (CT No. 040157)
Request for Authority to Conduct Activities

Dear Sir/Madam:

I am recently-engaged counsel to The Mateel Community Center, Inc. (the "Charity"). I am writing to confirm what items are outstanding and to request authority to conduct activities while the Charity completes its audit for the tax year ended 12/31/2016.

BACKGROUND

Starting in its tax year ended 12/31/2014, the Charity's gross annual revenue was \$2 million or more. However, the Charity was unaware of its obligation to conduct the audit required under Government Code Section 12586(e). Consequently, when filing its annual Form RRF-1, the Charity both reported that its income was greater than \$2 million, but also answered "no" to question 9 "Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?" The Charity is now fully aware of its obligations.

Since becoming aware of the requirement under Gov't Code Section 12586(e), the Charity has worked diligently to complete the missing audits and provide corrected Forms RRF-1. To date, the Charity has provided Form 990 for its years ended 12/31/2014, 2015, and 2016. In addition, the Charity has completed and provided audits for its years ended 12/31/ 2014, and 2015. The audit for its tax year ended 12/31/2016 is expected to be completed by April 30th. The Charity has filed an extension for its 12/31/2017 Form 990 and has engaged the auditor for that year as well. The Charity understands that the audit for 2017 must be completed by September 30, 2018 and that it must submit its RRF-1 and Form 990 together to your office when the Form 990 is filed with the IRS.

The Charity attempted to file an appeal on February 11, 2018 to a notice of intent to suspend, however understands that appeal was defective in so much as it was requesting an extension of time and not disputing any of the factual allegations.

NOTICE OF SUSPENSION

The Charity was notified by email on April 3, 2018 that its registration was suspended effective as of April 2, 2018. The Charity understands that it is prohibited from operating until the suspension is lifted.

ONGOING CHARITABLE PROGRAMS AND OBLIGATIONS

The Charity has a number of payment obligations, such as payroll, payment plans with the Board of Equalization and the IRS (for payroll taxes) and miscellaneous creditors. In addition, if unable to operate, the Charity is unable to deliver its charitable programs on which members of its community rely. The Charity is located more than 200 miles north of San Francisco and nearly 100 miles south of Arcata. The Charity serves as a social services, arts, cultural, and educational oasis for this rural community. For instance, the Charity is in conversations with CalFresh, a program of the California Department of Social Services, to serve lunch to low-income individuals three days per week. Similarly, the Charity hosts the Youth Alive! program, a coalition to support youth in Southern Humboldt and Northern Mendocino counties to connect young people to positive mentors and role models to support healthy outcomes for troubled youth. In addition to social services, the Charity hosts a number of arts and cultural programs, such as local high school productions. Without the Charity's programs, the community it serves lacks access to vital programs.

REQUEST FOR AUTHORITY TO OPERATE

As noted above, the remaining outstanding item is the audit for the 12/31/2016 year and that is expected to be completed by April 30th, 2018. I am therefore requesting that the Attorney General permit the Charity to continue to conduct its charitable programs to avoid an interruption in services and to pay its existing obligations until April 30th, 2018. The Charity understands that it will need to provide your office both with the completed audit no later than April 30, together with all late fees or other penalties that will have accrued by April 30th.

Given the urgency and time sensitive nature of this request, I will call your office today to discuss this matter and to confirm exactly what the Charity will need to provide to you by April 30th.

Very truly yours,



Brigit Kavanagh

cc: Members of the Board of Directors (via email)