



**California State Horsemen's Association, Incorporated**  
**PO BOX 1228, Clovis, Ca 93613-1228**  
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**March 2013**

**TO: Officers, Chairmen and Members:**  
**FROM: CSHA President, per Attorney consultation via Administrative Practices**

**RE: *California State Horsemen's Association, Incorporated (hereinafter referred to as CSHA)***  
**Guide for use of full and correct name of the corporation; Fundraising, Donation receipts and Raffles**

**Paperwork, Forms:** Use the full and correct corporation name for: letterhead, business cards, corporations forms, any report by the corporation, Board of Director meeting minutes, membership meeting minutes, any corporate accounts (banks, investment accounts, telephone, utilities, credit cards, etc.), any time in which an application asks for a "name" and the corporation supplies that name.

**Logos & Promotional items:** awards, jackets, promotional items, etc. are considered trademarks or service marks; those items are not the same issue as correcting paperwork. A short version (*CSHA*) can be used on those items.

**Fundraising:** anytime the corporation's name, address and/or phone number is listed, use the full name. Example: a flyer may state "*CSHA* Gymkhana Spring Event" on the Heading: however, at the bottom of the flyer you should use the full name once; **California State Horsemen's Association, Incorporated**, not the shortened version.

Wherever possible ADD to the full corporation name: "**a California Nonprofit Public Benefit Corporation**", this establishes the non-profit status. Also, include an address for further information and/or provide a sponsor's name/information

On any request for donations you can add "**a state and federal exempt corporation,**" or "**a tax exempt corporation under IRC 501 ( c ) (3) and R&TC 2370d,**" or similar language. The purpose is to have recognition of the type of corporation. ***These titles are the correct language to use.***

Do Not use language that states “donations are fully tax deductible” as a general use statement; per the IRS –*they are not fully deductible*. Example: A fundraiser dinner at \$20, with costs of \$13 per leaves “a fair market value” associated with that event of \$7; that is a deductible donation per the IRS. An FYI – the IRS also requires the corporation to report fundraising in this manner.

**Donations:** We, as a corporation, must step up efforts to report donations. There are NCR donation slips available from the office and the tally sheet (on-line) to submit with the donation receipts annually with the annual Financial Statement to the CFO. Those donation receipts should be accumulated by Region treasurers and State Program chairs. This is particularly true of any single donation of \$250 or more and includes exchange of goods (*quid pro quo –something for something*).

The corporation has had this requirement in place for many years but the IRS is going to scrutinize non-profits more vigilantly. Therefore, we must develop a better protocol for the collection of receipts and acknowledgement of said donations. This will also go to the bottom line of the “required ratio” of *outside support for the corporation to meet our overall funding base and be reflected in the annual financial reporting*.

**Raffles:** In conducting raffles, be very aware of the registration process, reporting and the 90% / 10% ratio of income/expenses for raffles. Raffles must earn the corporation 90% of the proceeds and use only 10% of the funds to cover all expenses.

CSHA registers, with the State California, as a corporation each year September 1 with an end-reporting date of 8-31 of the following fiscal reporting year. Only one registration fee is required and is submitted by the CSHA state office. However all raffles conducted in the corporation’s name must have a completed raffle form filed at the CSHA State Office PRIOR to conducting the raffle. There are instructions and forms on the CSHA website.

*This information will be covered more thoroughly at the Board of Directors April Quarterly Meeting. If you have any questions before that date you can contact me or the Administrative Practices Chair. Please distribute this information to all other officers, chairs, vice chairs and members at the State and Region levels that are principal to fundraising, designing flyers, publishing CSHA newsletters and bulletins, or ordering products and awards. We have worked very hard to change CSHA to the use of good business practices. I thank everyone who understands the importance of these changes, and follows through with the requirements.*

*Regards,  
Jim Hendrickson  
CSHA President*

*Cc: Board of Directors  
State Chairmen  
CSHA Office staff*