

## **CALIFORNIA CODE OF REGULATIONS**

### **TITLE 11. DIVISION 1. CHAPTER 4. REGULATIONS ADOPTED PURSUANT TO THE SUPERVISION OF TRUSTEES AND FUNDRAISERS FOR CHARITABLE PURPOSES ACT**

#### **§ 300. Initial Registration.**

(a) Every charitable corporation, unincorporated association, trustee or other person subject to the registration requirements of that act entitled the "Supervision of Trustees and Fundraisers for Charitable Purposes Act" (Article 7, Chapter 6, Part 2, Division 3, Title 2, of the Government Code commencing with Section 12580, hereafter "Act") shall file with the Attorney General a copy of the articles of incorporation and bylaws, trust agreement, decree of distribution or other instrument governing its operation, as provided below. Filing of the Initial Registration Form, the supporting documents required by that form, and the required registration fee of \$25 shall constitute the initial registration. Required information and supplemental documents identified in the Initial Registration Form that are not available at the time of filing of the form may be submitted within ninety (90) days of submittal of the form.

(b) An Initial Registration Form and supplemental documents identified in that form shall be submitted to the Registry of Charitable Trusts. The Initial Registration Form shall require the following:

(1) Name of the organization (the name must be the legal name as stated in the organization's organizing instrument);

(2) Official mailing address of the organization;

(3) Federal employer identification number from the Internal Revenue Service;

(4) Federal employer identification group exemption number from the Internal Revenue Service (if applicable);

(5) If the organization is a corporation, the corporate or organization number from the Secretary of State. If the organization is unincorporated, the organization number assigned by the Franchise Tax Board upon application for California tax exemption;

(6) Names, addresses, and positions of all trustees or directors and officers;

(7) Attach or provide a statement fully describing the primary activity of the organization. (A copy of the material submitted with the application for federal or state tax exemption will normally provide this information.);

(8) If the organization is based outside of California, comment fully on the extent of activities in California and how the California activities relate to total activities. In addition, list all funds, property, and other assets held or expected to be held in California. Indicate whether you are monitored in your home state and, if so, by whom;

(9) If assets (funds, property, etc.) have been received, enter the date first received;

(10) Annual accounting period adopted (Fiscal Year or Calendar Year, and if fiscal year, state the date that is the end of the year);

(11) Attach your founding documents as follows:

(A) Corporations - Furnish a copy of the articles of incorporation and all amendments and current bylaws. If incorporated outside of California, enter the date the corporation qualified through the California Secretary of State's Office to conduct activities in California;

(B) Associations - Furnish a copy of the instrument creating the organization (bylaws, constitution and/or articles of association);

(C) Trusts - Furnish a copy of the trust instrument or will and decree of final distribution;

(D) Trustees for charitable purposes - Furnish a statement describing your operations and charitable purpose.

(12) State whether or not the organization has applied for or been granted Internal Revenue Service (IRS) tax exempt status. If yes, state or provide the following:

(A) Date of application for tax exemption and date of exemption determination letter;

(B) Under which subdivision of Internal Revenue Code section 501(c) the organization has applied for, or received, tax exempt status;

(C) Whether contributions to the organization are tax-deductible (if known);

(D) Attach a copy of the federal exemption determination letter issued by the IRS, if available; and

(E) Attach a copy of IRS Form 1023, "Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code", if available;

(13) If your organization contracts with or otherwise engages the services of any commercial fundraiser for charitable purposes, fundraising counsel, or commercial co-venturer, provide the name, address, type of service provider, and telephone number of the provider(s);

(14) Signature of officer, director, or trustee executing the Initial Registration Form, signed under penalty of perjury;

(15) Title of person signing the Initial Registration Form;

(16) Date of signature;

(17) Organization's telephone number;

(18) Organization's e-mail address;

(19) Organization's fax number; and

(20) Organization's website (if the organization has a website).

*Note: Authority cited: Sections 12584, 12585, 12586 and 12587, Government Code. Reference: Sections 12581, 12583, 12585, 12586 and 12587, Government Code.*

### **§ 301. Periodic Written Reports.**

Except as otherwise provided in the Act, every charitable corporation, unincorporated association, trustee, or other person subject to the reporting requirements of the Act shall also file with the Attorney General periodic written reports, under oath, setting forth information as to the nature of the assets held for charitable purposes and the administration thereof by such corporation, unincorporated association, trustee, or other person. Except as otherwise provided in these regulations, these reports include the Annual Registration Renewal Fee Report, ("RRF-1" 3/05), hereby incorporated by reference, which must be filed with the Registry of Charitable Trusts annually by all registered charities, as well as the Internal Revenue Service Form 990, which must be filed on an annual basis with the Registry of Charitable Trusts, as well as with the Internal Revenue Service. At the time of the annual renewal of registration filing the RRF-1, the registrant must submit a fee, as set forth in section 311.

A tax-exempt charitable organization which is allowed to file form 990-PF or 990-EZ with the Internal Revenue Service, may file that form with the Registry of Charitable Trusts in lieu of Form 990.

A charitable organization that is not exempt from taxation under federal law shall use Internal Revenue Service Form 990 to comply with the reporting provisions of the Supervision of Trustees and Fundraisers for Charitable Purposes Act. The form shall include, at the top of the page, in 10-point type, all capital letters, "THIS ORGANIZATION IS NOT EXEMPT FROM TAXATION."

Registration requirements for commercial fundraisers for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurers are set forth in section 308.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12582, 12583, 12586, 12587, 12599, 12599.1 and 12599.2, Government Code.*

### **§ 302. Place of Filing.**

All instruments, reports or other data required to be filed pursuant to these regulations or pursuant to the provisions of the Act shall be filed with the Registry of Charitable Trusts in the office of the Attorney General, Sacramento, California.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12585, 12586, 12587, 12599, 12599.1 and 12599.2, Government Code.*

### **§ 303. Filing Forms.**

All periodic written reports required to be filed under the provisions of section 12586 of the Government Code and section 301 of these regulations shall be filed with the Registry of Charitable Trusts, and include: (1) the Annual Registration Renewal Fee Report ( "RRF-1" 3/05); and (2) Internal Revenue Service Form 990, 990-EZ or 990-PF, as applicable.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12583, 12586 and 12587, Government Code.*

### **§ 304. Time of Filing Reports.**

The first such periodic report shall be filed as required by paragraph (d) of section 12586 of the Government Code.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12583, 12586 and 12587, Government Code.*

### **§ 305. Annual Filing of Reports.**

After the first periodic report is filed as required by section 304 of these regulations, periodic written reports shall thereafter be filed on an annual basis unless specifically required or permitted to be filed on other than an annual basis as set forth in these regulations, or when filing has been suspended by the Attorney General pursuant to Government Code section 12586. The time for filing any periodic report subsequent to the first periodic report shall be not later than four (4) months and fifteen (15) days following the close of each calendar or fiscal year subsequent to the filing of the first report, but in no event less than once annually, unless for good cause extension of such annual filing has been granted by the Attorney General, or otherwise excused. If the Internal Revenue Service grants an extension to file the Form 990, 990-PF or 990-EZ that extension will be honored by the Registry of Charitable Trusts for purposes of filing the Form 990, 990-PF or 990-EZ and the Annual Registration Renewal Fee Report ( "RRF-1") with the Registry of Charitable Trusts. The RRF-1 and the Form 990, 990-PF or 990-EZ shall be filed simultaneously with the Registry of Charitable Trusts.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12582, 12583, 12586 and 12587, Government Code.*

### **§ 306. Contents of Reports.**

(a) Periodic reports shall be submitted under oath and shall set forth in detail all of the information required by the applicable forms set forth in these regulations. Incomplete or incorrect reports will not be accepted as meeting the requirements of the law.

(b) A copy of an account filed by a trustee in a court having jurisdiction of the trust shall not be accepted in lieu of a report on official forms unless such court accounting is identical in form and content with the official forms and is compatible without alteration with electronic data processing equipment in the same manner as reports on official forms.

(c) When requested by the Attorney General any periodic report shall be supplemented to include such additional information as the Attorney General deems necessary to enable the Attorney General to ascertain whether the corporation, trust or other relationship is being properly administered.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12581, 12586 and 12587, Government Code.*

### **§ 307. Extended Reporting Period.**

A charitable corporation, unincorporated association, trustee, or other person otherwise required to file a Form 990, 990-PF or 990-EZ pursuant to section 301 that has gross revenue under twenty-five thousand dollars (\$25,000) during any fiscal year and that has gross assets under \$25,000 at all times during such year shall file a Form 990, 990-PF or 990-EZ subsequent to the first report required by section 304, or its last report filed pursuant to section 305, or subsection (ii) of this section, upon the earlier of (i) the lapse of ten years after any such filing or (ii) the occurrence of any of the following:

(1) the total gross revenue or assets of the charitable corporation, unincorporated association, or trust during any fiscal year was \$25,000 or more;

(2) the corporation or unincorporated association was dissolved or merged, the trust was terminated or modified, all or substantially all of the assets of the corporation or trust were sold or transferred, or the corporate articles were amended to change the charitable purposes of the corporation;

(3) the charitable purposes of the corporation, unincorporated association, or trust were abandoned by the directors or trustees;

(4) there were any self-dealing transactions, as defined in California Corporations Code section 5233, or any transactions described in Probate Code section 16004, or any loans made by the corporation or trust to a director, officer or trustee.

The Form 990, 990-EZ or 990-PF report filed pursuant to this section, shall cover the most recent preceding fiscal year of the charitable registrant.

All organizations are required to file the RRF-1 report annually, whether or not the organization is eligible for extended reporting of the 990, 990-EZ or 990-PF.

It shall be the continuing responsibility of the directors or trustees to notify the Registry of Charitable Trusts in the office of the Attorney General, Sacramento, California, of any change of mailing address for the corporation, unincorporated association or trust.

All such charitable corporations, unincorporated associations and trusts having gross revenue or gross assets under \$25,000 shall be subject to audit by the Attorney General at any time, notwithstanding these extended reporting periods.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12586 and 12587, Government Code.*

### **§ 308. Registration and Notice Requirements for Commercial Fundraisers for Charitable Purposes, Fundraising Counsel for Charitable Purposes, and Commercial Coventurers.**

Every commercial fundraiser for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurer that is subject to the Act must register with the Attorney General prior to soliciting any funds in California, and annually on or before January 15 of each year. The registration requirements and fees are set forth in this section.

(a) A "commercial fundraiser for charitable purposes," as defined in Government Code section 12599, must submit the following at the time of initial registration and annual renewal:

(1) A completed and signed Commercial Fundraiser for Charitable Purposes Annual Registration Form ( "CT-1CF" 3/05) which is incorporated by reference.

(2) \$350 in the form of a certified or cashier's check.

(3) The original of a properly executed \$25,000 surety bond form in the registrant's name, together with a signed Registry of Charitable Trusts Surety Bond Form ( "CT-4CF" 3/05), which is incorporated herein by reference; or completion of the Deposit by Assignment in Lieu of Commercial Fundraiser for Charitable Purposes Surety Bond Form ( "CT-8CF" 3/05) and Receipt for Notice of Assignment in Lieu of Commercial Fundraiser for Charitable Purposes Surety Bond Form ( "CT-9CF" 3/05), incorporated herein by reference, together with the original passbook or certificate of deposit indicating \$25,000 is held in the Attorney General's name.

(4) An annual financial report as described in Government Code section 12599(d). The forms for the annual financial report include the Annual Financial Report/Commercial Fundraisers ( "CT-2CF" 3/05), which is incorporated by reference; the Annual Financial Report/Thrift Store Operations ( "CT-2TCF" 3/05), which is incorporated by reference; and the Annual Financial Report/Vehicle Donation Program (

"CT-2VCF" 3/05), which is incorporated by reference. The annual financial reports must be filed on or before January 30 of each year.

(b) A "fundraising counsel for charitable purposes," as defined in Government Code section 12599.1, must submit the following at the time of initial registration and annual renewal:

(1) A completed and signed Fundraising Counsel for Charitable Purposes Annual Registration Form ( "CT-3CF" 3/05), which is incorporated by reference.

(2) \$350 in certified or cashier's check.

(c) A "commercial coventurer," as defined in Government Code section 12599.2, unless exempted by Government Code section 12599.2(b), shall submit the following at the time of initial registration and annual renewal:

(1) A completed and signed Commercial Coventurer Annual Registration Form ("CT-5CF" 3/05), which is incorporated by reference.

(2) \$350 in certified or cashier's check.

(3) If required to register and report pursuant to Government Code section 12599.2(c), annual financial reports shall be filed on the Commercial Coventurer Annual Financial Report Form ( "CT-6CF" 3/05), which is incorporated by reference. The annual financial reports must be filed on or before January 30 of each year.

(d) Every commercial fundraiser for charitable purposes and every fundraising counsel for charitable purposes shall file a notice of intent to solicit for charitable purposes as required by Government Code sections 12599 and 12599.1. Commercial fundraisers shall file the Notice of Intent to Solicit for Charitable Purposes - Commercial Fundraiser for Charitable Purposes Form ( "CT-10CF" 3/05), which is incorporated by reference, and fundraising counsel shall file the Notice of Intent to Solicit for Charitable Purposes - Fundraising Counsel for Charitable Purposes Form ( "CT-11CF" 3/05), which is incorporated by reference. The forms shall be filed with the Registry of Charitable Trusts in the office of the Attorney General, Sacramento, California.

*Note: Authority cited: Sections 12586, 12587, 12599, 12599.1 and 12599.2, Government Code. Reference: Sections 12587, 12599, 12599.1, 12599.2 and 12599.5, Government Code.*

### **§ 309. No Activity Report. (Repealed, 1974)**

### **§ 310. Public Inspection of Charitable Trust Records.**

The register, copies of instruments and the reports filed with the Attorney General, except as provided in Government Code section 12590, shall be open to public inspection at the Registry of Charitable Trusts in the office of the Attorney General, Sacramento, California, at such reasonable times as the Attorney General may

determine. Such inspection shall at all times be subject to the control and supervision of an employee of the Office of the Attorney General.

*Note: Authority cited: Sections 12587 and 12590, Government Code. Reference: Section 12590, Government Code.*

### **§ 311. Annual Registration Fee.**

(a) No form or report from any charitable corporation, unincorporated association, trustee or other person required to register or file a periodic report shall be accepted for filing unless accompanied by the appropriate fee.

Filing and processing fees shall be paid by registrants at the time of filing as follows:

(1) a \$25 initial registration fee;

(2) an annual registration renewal fee, the amount of which shall be determined based on the registrant's gross annual revenue for the preceding fiscal year, as follows:

Gross Annual Revenue	Fee
Less than \$25,000	0
Between \$25,000 and \$100,000	\$25
Between \$100,001 and \$250,000	\$50
Between \$250,001 and \$1 million	\$75
Between \$1,000,001 and \$10 million	\$150
Between \$10,000,001 and \$50 million	\$225
Greater than \$50 million	\$300

(b) This section does not apply to commercial fundraisers for charitable purposes, as defined by Government Code section 12599, fundraising counsel for charitable purposes, as defined by Government Code section 12599.1, or commercial coventurers, as defined by Government Code section 12599.2.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12585, 12586, 12587, 12599, 12599.1 and 12599.2, Government Code.*

### **§ 312. Use of Annual Registration Fee.**

Annual registration fees paid pursuant to Government Code section 12587 and section 311 of this chapter, and registration or renewal fees paid pursuant to Government Code sections 12599, 12599.1 and 12599.2, shall be used solely to operate and maintain the Attorney General's Registry of Charitable Trusts and provide public access via the Internet to reports filed with the Registry of Charitable Trusts in the office of the Attorney General, Sacramento, California.

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Sections 12585, 12586, 12587, 12599, 12599.1 and 12599.2, Government Code.*



### **§ 312.1. Board or Trustee Review of Executive Compensation.**

The board of directors or an authorized committee of the board of a charitable corporation or unincorporated association and all trustees of a charitable trust shall review and approve the compensation, including benefits, of all of the following: every person, regardless of title, with powers, duties, or responsibilities comparable to the president, chief executive officer, treasurer, or chief financial officer. The review shall be conducted in accordance with Government Code section 12586(g).

*Note: Authority cited: Sections 12586 and 12587, Government Code. Reference: Section 12586, Government Code.*

### **§ 313. Address of Record.**

Every registrant and applicant is responsible for keeping the Registry of Charitable Trusts informed of the registrant's or applicant's current address. Any notice, order or document issued by the Attorney General shall be deemed properly served if mailed to the registrant's or applicant's address of record. The address of record is the address listed on the most recent registration or renewal form filed with the Registry unless the registrant or applicant has subsequently notified the Registry of a change of address in writing.

*Note: Authority cited: Sections 12584, 12585, 12586(a) and (b) and 12587, Government Code. Reference: Sections 12594, 12598(a), 12599, 12599.1 and 12599.2, Government Code.*

### **§ 314. Grounds for Issuance of Cease and Desist Order.**

(a) The grounds upon which a cease and desist order may be issued include, but are not limited to, the following:

- (1) Refusal or failure, after notice, to produce records of the organization or to disclose information required to be disclosed.
- (2) Making a material false statement in an application, statement or report required to be filed.
- (3) Failure to file a financial report, or filing an incomplete financial report.
- (4) Engaging in any act prohibited pursuant to Government Code section 12599.6.

(5) Engaging in any act that requires registration under Government Code section 12580 et seq, if unregistered, delinquent, suspended or revoked. Such acts include but are not limited to, solicitation for charitable purposes.

(b) Violation of a cease and desist order constitutes disobedience of or resistance to a lawful order pursuant to Government Code section 11455.10. The Attorney General may pursue a contempt sanction for violations pursuant to Government Code section 11455.20, in addition to any other remedy otherwise available to the Attorney General.

Note: Authority cited: Sections 12581, 12584, 12585, 12587 and 12598, Government Code. Reference: Sections 11400 et seq. and 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12599, 12599.1, 12599.2, 12599.6 and 12599.7, Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; Sections 5142, 5230, 5231, 5232, 5233, 5235, 5236, 5237, 5238, 5250, 6215, 6320, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

### **§ 315. Imposition of Penalty.**

(a) The Attorney General may assess a penalty pursuant to Government Code section 12591.1, not to exceed \$1,000 for each act or omission that constitutes a violation. To assess a penalty, the Attorney General shall serve a written notice by certified mail that states the basis of the violation and the amount of the penalty.

(1) For violations of Government Code section 12586.1, subdivisions (c), (d), (e) or (f), the notice must be mailed at least 30 days before the penalty becomes effective. The notice shall advise the recipient how to correct or appeal the violation. If the recipient provides documentation to the Attorney General within 30 days that the violation has been corrected the penalty will not be imposed.

(2) For other violations, the notice shall be mailed at least 5 days before the penalty becomes effective. When the violation occurs in connection with a solicitation for charitable purposes, each call, mailing or request constitutes a separate violation regardless of whether it results in a donation.

(3) If the act or omission that constitutes a violation is ongoing, the notice may include a statement that penalties shall continue to accrue at a rate of \$100 per day for each day until the violation is corrected. The notice shall advise the recipient how to correct the violation and how to inform the Attorney General that the violation has been corrected. When the Attorney General determines that the violation has been corrected, the Attorney General shall issue a written notice identifying the beginning and ending dates of the violation along with the total amount of the penalty.

(b) Appeals shall be made in accordance with California Code of Regulations, title 11, section 999.6, subdivision (c). Unless a timely appeal has been filed, all penalties

must be paid within 30 days of the issuance of the notice setting forth the amount of the penalty, unless the Attorney General has agreed to a later date in writing.

Note: Authority cited: Sections 12581, 12584, 12585, 12587 and 12598, Government Code. Reference: Sections 11400 et seq., and 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12599, 12599.1, 12599.2, 12599.6 and 12599.7, Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; Sections 5142, 5230, 51231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.

### **§ 316. Suspension of Registration.**

(a) If the Attorney General assesses penalties under section 315, the Attorney General may suspend the registration of that person or entity in accordance with the procedures set forth in section 999.6 et seq. of Title 11 of the California Code of Regulations.

(b) The registration of any person or entity that fails to timely pay a penalty shall be automatically suspended until the penalty is paid and no registration shall be renewed until the penalty is paid.

Note: Authority cited: Sections 12581, 12584, 12585, 12587, 12598, Government Code. Reference: Sections 11400 et seq., and 11500 et seq., 12581, 12581.2, 12584, 12585, 12586, 12588, 12591, 12591.1, 12595, 12596, 12597, 12599, 12599.1, 12599.2, 12599.6 and 12599.7, Government Code; Sections 17510, 17510.2, 17510.25, 17510.3, 17510.4, 17510.5, 17510.8, 17510.85 and 17510.9, Business and Professions Code; Sections 5142, 5230, 51231, 5232, 5233, 5235, 5236, 5237, 5238, 6215, 7231, 7233, 7236, 7237 and 7238, Corporations Code.