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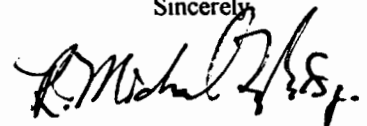
Randy King
Secretary, 14th Ohio Roundup
918 W. Exchange St.
Akron, OH 44302

Dear Randy,

As we discussed earlier, I learned that not all money donated to the Akron Roundup for additional scholarships went for additional scholarships. Specifically, I learned from Karen Kowalski donated money that she intended to go to help with additional scholarship costs (beyond those already committed to in the bidding process). Further, some delegates from Toledo indicated to me that the money that Toledo donated from one of its fundraisers was in fact intended for additional scholarships, although there seems to be some confusion concerning this particular donation.

Because the Akron Roundup used the State Steering committee's Internal Revenue Code 501(C)(3) tax-exempt status, I became concerned when money donated for a particular purpose did not end up being used for that purpose. After consulting with two other attorneys concerning the matter, I have been advised to inform the Roundup committee that the tax exempt status is at risk as donations specifically ear-marked for a particular purpose must be used for that purpose and that purpose alone. I know there has been unavoidable confusion with budgetary matters concerning the roundup due to the change in treasurers mid-stream. At this point I would suggest that the Roundup committee refund Karen Kowalski's donation, verify with members of the Toledo delegation whether the money donated was for scholarships or any other specific purpose, and refund their donation if necessary. I also suggest that every registration be re-examined for donations for scholarships. If any such donations were made, I again suggest that these donations be refunded before any money left over from the Roundup is turned over to the steering committee.

Sincerely,



R. Michael Fogle, Esq.
Chair-scholarship committee
Canton Delegate-State Steering Committee

cc: State Steering Committee
Personal file