



1300 I Street
P.O. Box 903447
Sacramento, CA 94203-4470
(916) 210-6400
Fax: (916) 444-3651
Complaints@doj.ca.gov

COMPLAINT TO THE CALIFORNIA ATTORNEY GENERAL REGARDING A CHARITY OR CHARITABLE SOLICITATION

Name of Organization: Carols By Candlelight

List any other names the organization uses: Carols by Candlelight now uses as a "fiscal agent San Diego County Prosperity Foundation"

Address of organization: None listed on web site, only states to contact stevevaus@cox.net

City, State, ZIP: Poway, Ca

Organization Telephone Number: none Organization Web address: www.carolsbycandlelight.com

Other identifying information for the corporation, if known:

Corporate # None State Charity Registration # None FEIN: None

Briefly summarize the main point of your complaint here (Attach additional pages for the details of your complaint, if necessary):

- 1) A 30 year old charity Carols By Candlelight, run by Steve Vaus, never registered with your office using that fictitious name as required.
- 2) Their is evidence that Steve Vaus, the Mayor of Poway CA, has accepted donations/ticket sales via his own business.
- 3) The non-profit linked to Carols By Candlelight from 2015-2018/9 was suspended. See cover letter for details with attachments enclosed.

Have charitable funds or other assets been lost, wasted or diverted from proper charitable purposes? Or, is there a danger that such loss will soon occur? Please explain, giving your best estimate of the amount lost or at risk, if you know:

Yes an unknown amount of funds have gone directly into Mr. Vaus's business.

See cover letter for details with attachments enclosed.

What action has already been taken, either within the organization or with other law enforcement agencies, to try to resolve this problem:

None regarding the charity, although as an elected official Steve Vaus is required to report "behest" payments he collected or solicited that exceed \$5,000 per the Political Reform Act. I have documented and filed complaints recently detailing this with both the Fair Political Practices Commission and the San Diego County District Attorney that detail \$45,000 known donations that were not properly reported.

See cover letter for details with attachments enclosed and FPPC complaint.

List the names, addresses and telephone numbers, if known, of all persons you believe may be responsible for this problem:

Steve Vaus 12827 Corte Dorotea Poway, CA 92064 858-674-4202

List the names, address and telephone number of any other persons who may have additional information concerning the complaint:

Chris Cruse Poway, CA cmcruse@cox.net see her blog site with copious details and documents regarding this bogus charity; <http://powayblog.blogspot.com/2018/11/are-those-carols-by-candlelight-hero.html> <http://powayblog.blogspot.com/2018/09/>

Your name, address and telephone number: Torrey Powers 858-829-1218 torreypowers@yahoo.com

12447 Buckskin Trail Poway, Ca 92064

Date: 9/30/20

Check here if you request that your identity be kept confidential.

Mail the completed form and any attachment to: Registry of Charitable Trusts, Office of Attorney General, P.O. Box 903447, Sacramento, CA 94203-4470.



Office of the Attorney General

Registry of Charitable Trusts

Privacy Notice

As Required by Civil Code § 1798.17

Collection and Use of Personal Information. The Attorney General's Registry of Charitable Trusts, a part of the Public Rights Division, collects the information requested on this form as authorized by the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code § 12580 et seq.) and regulations adopted pursuant to the Act (Cal. Code Regs., tit. 11, §§ 300-312.1). The Attorney General's Charitable Trusts Section uses the information in the administration and enforcement of the Act, including investigations, law enforcement actions, and making referrals to other law enforcement agencies. Any personal information collected by state agencies is subject to the limitations in the Information Practices Act and state policy. The Department of Justice's general privacy policy is available at <http://oag.ca.gov/privacy-policy>.

Providing Personal Information. Providing personal information requested in the form, including your name, address, and telephone number, is voluntary. If you do not provide this information, however, any investigation may be limited due to our inability to contact you.

Access to Your Information. Unless you consent or required by law, the Attorney General will not make available to the public your personal information. You may review the records maintained by the Attorney General that contain your personal information, as permitted by the Information Practices Act. See below for contact information.

Possible Disclosure of Personal Information. We may be required to share the information with other government or law enforcement agencies. The information you provide may also be disclosed in the following circumstances:

- With other persons or agencies where necessary to perform their legal duties, and their use of your information is compatible and complies with state law, such as for investigations or for licensing, certification, or regulatory purposes;
- To another government agency consistent with state or federal law.

Contact Information. For questions about this notice or access to your records, contact the Registrar of Charitable Trusts, 1300 I Street, Sacramento, CA 95814 at rct@doj.ca.gov or (916) 210-6400.

9/30/20

Torrey Powers
12447 Buckskin Trail
Poway, CA 92064
858-829-1218 torreypowers@yahoo.com

Registry of Charitable Trusts, Office of Attorney General
P.O. Box 903447
Sacramento, CA 94203-4470

RE: Carols By Candlelight

To whom it may concern,

As a resident of Poway California, I have been alarmed to discover recently that our Mayor Steve Vaus, has been operating an unregistered charity for 30 years while funneling funds directly to himself via his own business as the attached documents show. He has publicly touted that in 30 years he has raised over \$1.3 million dollars of which “net proceeds benefit Rady Children’s Hospital – San Diego,” according to the Carols By Candlelight website; <https://www.carolsbycandlelight.com/about-carols-by-candlelight/>. There is no phone number or address listed on the site, only stating regarding the Carols by Candlelight, Holiday Family Concert; “For more information and sponsorship opportunities, please click here to email Steve Vaus.”

In researching the requirements with your office, I was informed that any fictitious name used to raise funds must be registered with your office. Specifically your Registration Desk responded via email that; “Part I question 1 of the initial registration form [CT-1] asks the organization of all names the organization uses or has used along with DBAs.” In checking your online database I’ve confirmed that the fictitious name Carols By Candlelight has never been registered.

While setup in 1990 according to the above web link, the name Carols by Candlelight, was only registered with the County of San Diego as a fictitious name on 4/24/2015, wasn’t renewed and has now expired (see attached). It was registered by 4Community Solutions which is another fictitious name used by Rebuild RB, then an active 501(C)(3). They were then listed on the Carols By Candlelight website as being their “fiscal agent” for the last few years. The IRS site details they became active with using the name 4Community Solutions in 2007, and the paperwork was sent to Rebuild RB c/o Cindy Holstrom (dba RB United). The IRS site says that the legal name is Rebuild Rb for 4Community Solutions. The California Secretary of State shows a history through 2017 but now it’s listed as “FTB SUSPENDED” and the IRS web site details that their non-profit status was revoked on 5/15/2019.

<https://apps.irs.gov/app/eos/displayAll.do?dispatchMethod=displayAllInfo&Id=33148663&ein=261722021&country=US&deductibility=all&dispatchMethod=searchAll&isDescending=false&city=&ein1=26-1722021&postDateFrom=&exemptTypeCode=al&submitName=Search&sortColumn=orgName&totalResults=1&names=&resultsPerPage=25&indexOfFirstRow=0&postDateTo=&state=CA> The Carols By Candlelight website sometime in the last year (above link), was changed to list a new fiscal agent of: “San Diego County Prosperity Foundation – a 501(c)(3) Tax ID Number 46-1924716.” However while they are properly registered with your office, they don’t list an affiliation and or use of the name Carols By Candlelight either.

Sadly the money for the gift tickets for this annual event according to the attached 2018 emails, were received by Steve Vaus Productions, owned by Steve Vaus. I believe this is a sole proprietorship as I can’t find any corporate listing with the Secretary of State. Many of these details were ferreted out by

another Poway resident Chris Cruse. Her blog site has copious details and documents regarding this questionable charity; <http://powayblog.blogspot.com/2018/11/are-those-carols-by-candlelight-hero.html> and <http://powayblog.blogspot.com/2018/09/>. I have printed and attached a few of these here.

Other laws violated – California Political Reform Act – Complaints filed with the Fair Political Practices Commission and San Diego County District Attorney as detailed below:

Steve Vaus having held office since 2012, is required to file disclosures for financial activities per the CA Political Reform Act. For 30+ years he's run Carols By Candle- light (CBY), fundraising for an annual event for Rady Children's Hospital. But this Fictitious name wasn't even registered until 2015, by non-profit Rebuild RB INC dba 4Community Solutions working with Vaus. Their last corporate filing was in 2017, it's now FTB Suspended, the non-profit status revoked and the Fic statement expired Ex 1. But Vaus still uses the name stating on the CBY web site "...sponsorships are [now] handled by our fiscal agent: SD County Prosperity Foundation – a 501(c)(3)" Ex 2. Mr. Vaus filed form 803 Behest Payment Reports beginning in 2017, for \$30,000 and over \$100,000 in 2018. IRS filings for 2014-2015 show \$59K and \$48K in activity Ex 3. A SD Union Tribune story from 2015, details the 2014 event raising "nearly \$30,000 for Rady" (net) quoting Vaus; "This year, we expect to raise \$50,000 for Rady" Ex 4. However Vaus didn't file ANY 803's prior to 2017! We know of at least five donations from the CA Municipal Finance Authority, obtained from public records requests for 2012, 13, 14, 15 & 2017, that were not properly reported Ex 5. <https://www.carolsbycandlelight.com/about-carols-by-candlelight/>

There were at least five instances of failing to file 803 forms by Steve Vaus, for Behest donations from the CA Municipal Finance Authority; three totaling \$20,000 from 2012 to 2014, \$15,000 in 2015, and \$10,000 in 2017. As they each exceeded \$5,000 in the aggregate from a single source in a calendar year. However their maybe many more from when he took office in 2012, as he filed NOTHING prior to 2017, these like the two last ones above are potentially actionable within the 5 year statute of limitation.

In conclusion Steve Vaus, violated parts of the Political Reform Act, Government Code Sections 81000 through 91014. This as an office holder when he failed to file 803 Behest Payment Reports as required per Code Sections 81008, 82004.5 & 84224. Per section 80215(b)(2)(B), the specific amounts that were required to be disclosed are at least \$45,000 known. But this is only one entity with more potentially unknown based on Vaus's published statements and IRS filings. Lastly the non-profit processing donations from 2015-2019, was suspended by the CA Franchise Tax Board.

As detailed on Chris Cruse's blog site, "who wouldn't want to help sick children and veterans at the same time?"

Steve Vaus invites you to do just that by buying "hero tickets" to be distributed to veterans/ first responders for a performance of his annual shindig called "Carols by Candlelight". According to the Carols by Candlelight website, the proceeds from the 2-day event go to Rady Children's Hospital.

That sounds lovely and warm and heart melting, but Steve Vaus is the one who decides how much he and his production company and the other performers are paid before he cuts a check to Rady's. Does he pocket \$250,000? More? Less? Nobody knows. Steve Vaus Productions is a for-profit sole proprietorship, so there is no way to find out just what percent of donations for hero tickets or any other donations actually end up benefitting sick kids."

Clearly there are numerous problems with Mr. Vaus and his charity, please investigate this mater.

Sincerely,

A handwritten signature in black ink, appearing to read "Torrey Powers". The signature is written in a cursive style with a large initial "T" and a long horizontal stroke at the end.

Torrey Powers

Enc.

From Chris Cruse web blog:

Recently I received a copy of an email from someone who bought a "hero ticket" to be donated to a veteran. His receipt stated that his donation was not received by 4CS or a Carols by Candlelight account, but by Steve Vaus Productions. Steve Vaus Productions is a sole proprietorship, which means the money ended up in Steve Vaus' pocket. The man sent an email to Steve Vaus, asking for a tax deductible receipt:

From: name deleted
Date: November 9, 2018 at 3:56:34 PM PST
To: "stevevaus@cox.net" <stevevaus@cox.net>;
Subject: Receipt
Mr. Vaus,

Today I donated to Carols by Candlelight for the military. I noticed that the money went to Steve Vaus Productions. I didn't get a tax deductible receipt from Candles by Candlelight. For tax purposes, would you please provide the (tax-deductible) receipt from Candles by Candlelight either via email or by regular mail. I would appreciate it. To make it easier to find my donation, here is my purchase number 226562691837576.
Thank You,
name deleted

Steve Vaus quickly responded:

From: Steve Vaus <stevevaus@cox.net>;
Date: November 10, 2018 at 12:02:59 PM PST
To: name deleted
Subject: Re: Receipt

Our office is closed however I saw your email.
I apologize for any confusion that led you to believe gift tickets are a deductible donation. They are not and there is nothing on our website that indicates otherwise.
I have issued you a refund. If you have further questions I will be back in the office next Thursday.
SV
(PS - blame Siri or Spellcheck for any mistakes in this email.)

I checked the Carols by Candlelight website, and sure enough, this little notice is still posted:

Our fiscal agent, 4Community Solutions is a qualified 501(c)(3)
Taxpayer ID# 26-1722021
4Community Solutions – dba Carols by Candlelight
18402 W. Bernardo Drive, San Diego, CA 92127

Don't bother checking 4CS's website for information. Most of the website has been removed since I called them and asked for some information about their sponsorship of Carols by Candlelight. None of my questions have been answered.

Yesterday, someone forwarded another email to me that came from Carols by Candlelight/Steve Vaus. Vaus clarified (OK, maybe muddled is a more apt description) the tax exempt status of hero ticket purchases:

From: Carols by Candlelight [<mailto:stevevaus@cox.net>]
Sent: Friday, November 23, 2018 2:31 PM

HERO GIFT TICKETS

WE ARE ONLY HALF-WAY TO OUR GOAL OF 500 FREE TICKETS for active duty military families and local first responders. PLEASE HELP US brighten the holidays for our heroes by purchasing HERO GIFT TICKETS. They are available online at CarolsByCandlelight.com though if you would like to underwrite a large number (by check) and have your purchase be tax deductible please email me to make those arrangements. ***I urge you to give in a big way so we can share the spirit of the season with those who keep us safe.*** Hero gift tickets are \$25 each - if you're able, consider spending \$100 to allow an entire family to attend. ***HERO GIFT TICKETS AVAILABLE ONLINE HERE.***

PS - If you have already ordered your tickets from our website they will be in your hands early next week.

[BUY HERO GIFT TIX & VIP ORCH HERE »](#)

