



SANTA CLARA POLICE ACTIVITIES LEAGUE

Developing Youth in Our Community

July 08, 2022

Sent via Email: cbojorquez@santaclaraca.gov

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City Manager's Office
1500 Warburton Ave,
Santa Clara, CA 95050

Attn: Ms. Cynthia Bojorquez
Assistant City Manager

RE: Santa Clara PAL – BMX Track
Subj: Follow-up to the City of Santa Clara City Council Meeting

Dear Ms. Bojorquez:

This letter is being written in response to the City Council's request to questions presented at the recent City Council Meetings.

The following is the information contained in this package:

Exhibit No.	Description
1	Respond to questions posed by members of the council that were operational in nature and could not be answered by the Assistant City Manager.
2	Answer questions posed by council members after the public comment portion of the council meeting on 5/24/22
3	Update on the Status of the Forensic Accounting Audit
4	Update on SCPAL's attempt to gains access to the PayPal Accounts

Should you need any additional information, please contact the undersigned.

Sincerely,

SANTA CLARA POLICE ACTIVITIES LEAGUE

Mike Walke
Executive Board President

Enclosures

CC: Honorable Mayor Ms. Lisa Gillmor
Councilmember Ms. Kathy Watanabe
Councilmember Ms. Karen Hardy
Councilmember Mr. Suds Jain
Councilmember Mr. Raj Chahal
Councilmember Mr. Anthony Becker
Councilmember Mr. Kevin Park
City Manager Mr. Rajeev Batra
SC PAL Executive Board
BMX File

Exhibit 1

Respond to questions posed by members of the council that were operational in nature and could not be answered by the Assistant City Manager.

Q2: Is the track currently open? If not, when will it be open?

The track was opened on May 31, 2022 for a practice session. We hold practice 3 days a week: Tuesday, Friday, and Sundays. We are enjoying 40 to 50 riders every practice. Families are notified weekly when the track's operating hours are through SCPAL's Facebook page.

Q3: What are the implications of having no USA BMX sanctioned events at the track? Do the kids not get to advance to regional or international competitions?

As much as anyone else, we want USA BMX sanctioned events at the track. Not having events sanctioned by USA BMX at the track has the following implications for BMX racers:

- Provided that racers pay their membership fee to USA BMX they will still be able to participate and advance at all State, Gold Cup and National competitions organized by USA BMX and the BMX World Challenge to be held in Nantes, France in late July 2022. Where racers will feel the impact of their local track being unsanctioned is that they will not be able to get as much experience in competitive local racing. Any races that happen at our track are likely to be informal practice races and not as well attended as races held at a USA BMX sanctioned track. This will affect how good our local racers are and, in that way, impact their ability to compete and advance, but not their ability to participate.*
- When you race in USA BMX sanctioned races you use a number plate to identify yourself. Your number for any year is determined by the number of points you earn by racing the previous year. The more points the higher the number on your plate. So not earning points at our track means the riders will have a number plate that is lower than it might have been if we had a USA BMX sanctioned track.*
- The numbers of riders at our track will likely be significantly lower than it would have been if we are a USA BMX sanctioned track.*

*SCPAL has made every attempt possible to open the dialogue with USA BMX starting with USA BMX's Track Operations Director in an Email dated May 31, 2022 as a proposed alternative to open the facility as a sanctioned track. USA BMX countered in their Email dated May 31, 2022 with unrealistic business terms of paying \$2,000 / month for the use and operation of the track. This value was understated by over \$200,000 of the fees SCPAL received in 2021 from USA BMX. **(Attachment 1)***

*On June 9, 2022 with the City Manager's office as the facilitator, it was stated at this meeting that USA BMX was not interested in negotiating a sublease with SCPAL and only with the City of Santa Clara. The City Manager's office later issued an Email on June 20, 2022 stating that the City would not entertain negotiations for a sublease with USA BMX and was hopeful USA BMX and SCPAL would come to terms on a proposed partnership **(Attachment 2)**. On June 23, 2022 SCPAL issued a letter as a counterproposal to USA BMX's Emailed proposal of May 31, 2022 with no response to date. **(Attachment 3)***

Q4: How many days a week is PAL expecting to have the track open?

We hope to open the track 3 days a week. Exact schedules and times have not been determined yet and will be dependent on our ability to attract, retain and train enough volunteers to ensure that these practices can be run safely.

Q5: Is PAL expecting to raise the fees above \$10 per rider and is PAL going to charge more for non-residents of the City?

We have announced that for the month of June there will be no fee to anyone for attending the track. If/when we come to agreement with USA BMX regarding sanctioning the track, we have committed to not increasing these fees above \$10 per rider for "local" races. We have always charged the same fee to residents and non-residents and plan to continue that practice in the near future.

Q7: How will PAL collect fees if not using the USA BMX event management software?

The primary purpose of the event management software is to place riders into races with other riders of the same age and ability. It is not part of the process of collecting fees. From April 2021 through March 2022 we used the USA BMX website to register and collect fees for approximately 95% of racers; we will not be able to do that unless/until we come to an agreement with USA BMX. We are not charging any fees for the events we hold in June. We will use that time to update our processes and plan to allow riders to pay in person at the track with cash or credit card.

Q8: When do we expect to get the audit report from Mr. Richard Gordon of Withum Firm? Why are we making decisions before getting the report?

The audit is complete, and we have attached the report as an addendum to this letter. Bear in mind that while we believe that these estimates are reliable, we did not have access to the PayPal accounts used by the former volunteer group which would have provided additional insight.

We assume the decisions being referred to are the decisions to increase the number of people on the BMX board and to terminate the volunteer ship of the former volunteer group. We wanted to increase the number of people on the BMX board because doing so would allow greater participation in management of the track by other members of the public and increase financial transparency and accountability. We were concerned that PAL was exposed to misconduct after we discovered records indicating that coaches at the track had been paid for their coaching and we had not issued any 1099s. We also did not at that time know where the money had come from to pay them. Our decision to terminate and replace the former volunteer group came after they told us they were unwilling to share with us the transactions underlying various PayPal accounts they operated and by them telling us they did not wish to volunteer any more.

Q9: There are allegations that PAL didn't put any money into maintenance of the track, but PAL says otherwise. Has PAL submitted any documentation of how much money they have spent on maintenance?

On July 6, 2022 in a letter to USA BMX as a follow-up to the counterproposal of June 23rd, SCPAL issued the Withum forensic accounting report to document the discrepancy of \$129K estimated as missing from the generated income on the BMX track. The purpose of the information sent to USA BMX was based on the support of the prior track operators where USA BMX used the sanctioning of the track as leverage to reinstate the operators to manage all the track's operations and to emphasize the need to negotiate an agreement to have the sanctioning of track reinstated.

PAL has paid for all the maintenance of the track since it was built. In 2021 we spent \$123k in routine operating costs and maintenance of the track. The most recent significant expense we incurred in upgrading the track was to pay for the February 2022 track rebuild. We understand that in the past, seeing this information was not possible because it is not separately disclosed in our Form 990s which are filed with the IRS and publicly available on their website. Going forward we plan to publicly disclose the financial results of the BMX track operations (which does not include significant expenses we incur in administration of all of our programs) on a quarterly basis.

Q10: Will there be metrics for ridership/attendance to compare PAL performance versus previous track operator attendance?

In an action taken a day or two after the May 24, 2022, city council meeting USA BMX has removed from their website all information regarding track 1031 "Santa Clara PAL BMX" which will make it difficult to compare performance. Until we can come to agreement with USA BMX regarding sanctioning our track, we expect attendance to be significantly lower than in the past.

Q11: If it is expected to take 1950 hours for City Parks and Rec staff to oversee the track, how much staff time is PAL committing to cover the same tasks?

As City staff acknowledged it was difficult for them to come up with an estimate of the time it will take to oversee the track. Much of the time that they estimated included activities that in the past had been performed by the volunteers at the track. We do not

expect the necessity for these activities to go away. We plan to utilize volunteers to do most of this work and realize the necessity to pay for certain services, such as coaching. Payments will be made by check and as payments in kind by way of reduced race fees. We expect our expense in operating the track to increase.

Exhibit 2

Additional Questions Posed by Council Member Questions After the Public Comment Period of the 5/24/22 Meeting

We have reviewed the audio recording and a transcript of the 5/24/2022 council meeting and from that we have identified the following questions posed by members of the Council in the discussion which occurred after the public comment portion of the meeting:

Questions from Council Member Jain:

Q1. Why has the PayPal account not been made available?

This question is best answered by Nicholas Valencia (as leader of the former volunteer group), Marisa Sereni (as the primary money handler) and Joey Bixler (as former track operator).

*Since the 5/24/22 council meeting we have made another request by way of registered letter (**Attachment 4**) to each of these three principals requesting this information. We did not receive a response.*

Recently this year, SCPAL has sent an Email to the prior track operators dated April 6, 2022 for access to the PayPal account by April 21, 2022, as well as registered letters to the three prior operator's home addresses dated June 15, 2022 with a deadline for a response by June 22, 2022 all of which have expired with no responses to date.

Q2. I would like to know when we have a deadline for getting the answers to the council questions that were in the assistant city managers presentation.

Those answers in section 1 of this letter.

Q3. Can you put some sort of deadline for when a sanction could be achieved for this track?

As noted by the assistant city manager and members of the council it is the responsibility of PAL and USA BMX to come to an agreement regarding sanctioned racing at the track. To that end on June 23, 2022 we sent another offer to USA BMX indicating our willingness to come to an agreement with them and setting forth what we believe are reasonable terms for such an agreement. (See Attachment 3)

Question Council Member Becker:

Q4. A question directed at whoever is in charge of the PayPal payments. Why have they not been turned over?

Please refer to our response to question 1 above posed by Council member Jain.

Questions from Council Member Park:

Q5. In repeating a question from a member of the public Council Member Park asked why did PAL not accept USABMX's offer to run the track?

****** The financial terms provided by USA BMX in their Email of May 31, 2022 was not in the best interest for the City of Santa Clara nor for SCPAL. In 2021 the income generated from the BMX tract was in excess of \$200,000. If the funds that were not reported as outlined in the Withum report of \$129,000 were added to the \$200,000 of income to SCPAL, total revenue would have been approximately \$330,000 to total revenue to PAL which would have remained in the City of Santa Clara to help off-set the costs of the other sports programs and the maintenance of the BMX tract as noted earlier.

The offer made by USA BMX was unreasonable and not a responsible offer. In SCPAL's letter of June 23, 2022 address to USA BMX on the counterproposal to the May 31st business terms, PAL offered a 60/40 split. 60% off all gross proceeds generated from the tract would be issued to SCPAL and the balance to USA BMX.

Q6. In repeating a question from a member of the public Council Member Park asked why PAL are willing to allow people to get hurt under inexperienced operators?

We do not want anyone to get hurt while riding at the track and, to that end, our volunteers are going through background checks and first aid training of the kind typically performed by USA BMX for certified track operators and coaches.

We acknowledge that BMX riding, and particularly racing, is an inherently dangerous sport. It is unfortunate that we are currently only able to operate practice sessions but, in a way, because there is no competitive racing, it makes the likelihood of an accident while riding less likely.

Exhibit 3

Update on the Status of the Forensic Accounting Audit

The audit is complete and a copy of it is attached as **(Attachment 5)**. The audit attempted to understand what the difference was between expected receipts from race registration, camps and clinics and actual receipts and resulted in an unreconciled difference of approximately \$129,672. We were not able to provide Mr. Gordon with information regarding the transactions in the PayPal accounts used by the former volunteer group to solicit payments for race registration, camps and clinics which would have allowed him to reconcile the amounts more accurately. He notes that fact in his report.

Exhibit 4

Update on SCPAL's attempt to gains access to the PayPal Accounts

Based on a review of Facebook posts we believe that the former volunteer group have used PayPal accounts associated with a number of different email addresses as follows:

- Account name: Marisa Sereni
Account identifier: santaclarapalbm@gmail.com
Used from 2019 through approximately August 2020
- Account name Santa Clara PAL BMX
Account identifier: scpalbmxracing@gmail.com
Used from approximately August 2020 to April 2021
- Account name: Santa Clara PAL BMX
Account identifier bmxriderclinic@gmail.com
Used from approximately December 2021 to the current date

We believe that Marisa Sereni, who we employed during 2020 and 2021 to assist us in record keeping related to the BMX track, had day-to-day control over these accounts and shared that visibility with Nicholas Valencia and possibly other members of the former volunteer group

In March 2022 we made verbal requests to the members of the former volunteer group) for the login information related to the PayPal accounts they had been using to solicit payments for race registration, camps and clinics. This request was refused on the grounds it was private information.

On April 6, 2022 we made a request in writing via email to Nick Valencia and Joey Bixler requesting login credentials and information about transactions occurring in these PayPal accounts with a deadline to respond on April 21, 2022. We did not receive a response. On June 15, 2022, we sent registered letters to each of the home addresses of Nicholas Valencia (as leader of the group) Marisa Sereni (as the primary money handler) and Joey Bixler (as track operator) substantially in the form as shown in Addendum 2 requesting the same information and asking them to use their influence to convince other members of the former volunteer group to comply with our request. We requested they respond to us by June 22, 2022. Given their previous responses, or lack of them, we are not hopeful. The only other route to obtain this information would be as part of a criminal or civil action. We are considering whether taking a civil action to recover monies we believe are owed to us is something we should do.

Attachment 1

From: Cody Wilson <cody@usabmx.com>

To: MIKE WALKE <mmwalke@comcast.net>, Dan Racimo <danracimo@comcast.net>, Brian Allen <brianneilallen@yahoo.com>, MayorAndCouncil@santaclaraca.gov

Cc: "sfernandez@usabmx.com" <sfernandez@usabmx.com>, "justin@usabmx.com" <justin@usabmx.com>, "cbojorquez@santaclaraca.gov" <cbojorquez@santaclaraca.gov>, Catalina Rangel <crangel@santaclaraca.gov>, Rajeev Batra <RBatra@santaclaraca.gov>, Lisa Gillmor <LGillmor@santaclaraca.gov>, Sudhanshu Jain <SJain@santaclaraca.gov>, Anthony Becker <ABecker@santaclaraca.gov>, Karen Hardy <KHardy@santaclaraca.gov>, Raj Chahal <RChahal@santaclaraca.gov>, Kevin Park <KPark@santaclaraca.gov>, Kathy Watanabe <KWatanabe@santaclaraca.gov>

Date: 05/31/2022 2:15 PM

Subject: Re: Santa Clara PAL BMX Track

Mike,

In cooperation with the request by the city council I am offering you another option for review and consideration. Our common goal has been consistent since these discussions began in February. The goal is to keep kids riding bikes on that facility via organized youth activities and BMX Racing. We have thought in depth on how we can create a fair and equitable partnership that leaves the ridership with a high performing parent group providing youth activity to the city of Santa Clara.

We may not see eye-to-eye as a group on certain functions of a parent group but we certainly agree that providing BMX is the mission at hand. If the goal is to provide an operating BMX facility at the comparable performance level that has been created over the most recent years of operation we would like to make another official offer.

We would propose a direct business to business sublease fee of \$2,000 per month. This lease would be all inclusive of operating every event. This will include racing, practices, clinics, camps and anything that maintains all normal sanctioned activities. We would also propose that each state or regional level event provide an additional \$2,000 sublease payment.

The relationship for PAL would be strictly business-2-business with the income being a direct result of sublease. USA BMX would directly manage the facility and provide a bi-annual review of the attendance numbers and direct cost associated with the operation.

The method above is the favorable relationship that most tracks follow for their land use. Because the dynamic of the PAL program is very unique and not something that any track in the country has operated with, we feel this method would create an outcome that is consistent with BMX across the country.

Please let us know by Friday June 3rd at 12PM if we can facilitate an arrangement and agreement based on our proposal above. If that is the case we have some limited availability next week to have a discussion regarding this via an official meeting.

Thanks,

CODY WILSON

Director Of Track Operations

USA BMX / BMX Canada

USA BMX Freestyle

USA BMX Foundation

O: 480-961-1903 X145

cody@usabmx.com

Attachment 2

From: Cynthia Bojorquez <CBojorquez@SantaClaraCA.gov>
Sent: Monday, June 20, 2022 1:19 PM
To: Cody Wilson; sfernandez@usabmx.com; Mike Walke - SC PAL (mmwalke@comcast.net); john@usabmx.com; John Elwood; danracimo@comcast.net; justin@usabmx.com; brianneilallen@yahoo.com; Christine Jung; Lon Peterson
Cc: Rajeev Batra; Nadine Nader
Subject: Sublease
Importance: High
Good afternoon everyone,

Just wanted to close the loop on the issue of a sublease.

At this point, the City would not be open to a sublease; however, should PAL and USA BMX come to terms on a proposed partnership, the City would be willing to review a license agreement with the stipulation that the license agreement align to the provisions of the lease between the City of Santa Clara and PAL and that the terms of the license agreement demonstrate a benefit to the residents of the City of Santa Clara.

Our sincerest hope remains that the PAL and USA BMX will come to terms on an acceptable licensing arrangement to facilitate the restoration of sanctioned racing events in Santa Clara.

I look forward to hearing from you. Please do not hesitate to contact me if you have any questions or if I can be of help.

Attachment 3
SCPAL Counterproposal to USA BMX Letter Dated June 23, 2022



SANTA CLARA POLICE ACTIVITIES LEAGUE

Developing Youth in Our Community

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**Administrative
Assistant**
Catalina Rangel

Federal Tax ID
#23-7088136

June 23, 2022

Sent via Email and US Mail: sfernandez@usabmx.com

USA BMX
P.O. Box 718
Chandler, AZ 85244

Attn. Mr. Shane Fernandez
President & Chairman
USA BMX

RE: Santa Clara PAL – BMX Track
Subj: Santa Clara PAL's Counter Proposal to USA BMX

Dear Mr. Fernandez:

On behalf of Santa Clara Police Activities League (SCPAL) Executive Board of Directors, I would like to thank you for your time in reviewing Santa Clara PAL offer to you USA BMX.

Reference is made to USA BMX's proposal dated May 31, 2022 and subsequent meeting that took place on June 9, 2022 between USA BMX, Santa Clara PAL and the City of Santa Clara.

SC PAL is open and committed to make the right decision on behalf of our kids, their families and SC PAL the Santa Clara community for establishing a fair and reasonable outcome with USA BMX consistent with how we operate and manage all of our sports programs. We live by our commitment to be the conduit for kids and police officers and to help kids with the opportunity to learn leadership skills, gain confidence, learn teamwork and to engage our youth to become contributing members in our community.

The following are SC PAL's recommended deal points in establishing fair business and operating terms under a licensing agreement that we will defer to the City of Santa Clara to present to the two of us.

With this as our motivation, SC PAL is open to "Licensing Agreement" for the BMX track with USA BMX under the following terms:

1. Business Terms:

- a. The Business terms need to be adjusted to reflect a fair and equitable revenue that would benefit the City of Santa Clara's community. We understand the City has established standards for similar circumstances where the financial split was 60% for the Santa Clara entity and 40% for the outside suppliers. (for purposes of this proposal it will be referred to as the 60/40 rule). SC PAL will support this ratio for all revenue that is generated for all payments, subscriptions, cash transactions and any and all other revenue charged by USA BMX from all monetary transactions to the BMX riders, families, visitors and any other entity that would create any and all revenue for USA BMX.
- b. USA BMX to provide a financial proposal in order to establish the proper assurances that all transactions will be transparent to SC PAL. All transactions will be recorded with receipts and any other records meeting the generally accepted accounting principles (GAAP) and withstand the scrutiny of an audit as determined and approved by SC PAL.
- c. All sources used for the collection of any financial transactions will have access by SC PAL as needed for audits and the verification of any and all monetary exchanges either made by way of cash, credit cards and any and all other sources used for services provided, use of the facilities, parking, purchase of merchandise, lessons, clinics, summer camps including but not limited to USA BMX apparel and all other items sold by USA BMX shall be provided by USA BMX.
- d. All donations including but not limited to sponsorships, cash donations and contributions will be divided as outlined above under the 60/40 rule.
- e. Payments are to be made directly to SC PAL accompanied by supporting documentation outlined in USA BMX's proposal as required under 1.b., itemizing the breakdown for the revenue generated for the BMX track and all other revenue stream stated in 1.c above.

2. Operating Terms:

- a. In consideration of the Operating Terms of this agreement, SC PAL will not accept the prior Track Operators, specifically in reference to Nick Valencia, Joey Bixler and Marisa Sereni's involvement in the BMX track in any way for its operation, maintenance, management or any other position or capacity until such time they have been absolved for any questionable financial practices that are under investigation. This includes any unethical or any other anomalies in the exchange of moneys for services not authorized by SC PAL or its agents that may have been used for personal gain and not used for the betterment of the track and the BMX program.

- b. USA BMX will be responsible for all costs associated with the maintenance of the BMX track and all its utilities including but not limited to the track lights for night riding and all other functions related to the use of the track, so the track's condition is safe and in working order to prevent any unsafe conditions causing bodily harm to the users, volunteers, spectators or any other bystanders who are in or around the BMX track.
- c. USA BMX will hold harmless SC PAL, its Executive Board of Directors, its Executive Director and Office Administrator, the City of Santa Clara and all of its City agencies, departments including but not limited to the Santa Clara Police Department for any matters related to litigation for the use of the BMX track or its surrounding property including but not limited to the parking lot.
- d. The use of the BMX track will only be allowed for the express purpose of BMX business including but not limited to track racing, clinics, summer camps and other related BMX uses. Any deviation to the purpose as outlined will require the express written approval of SC PAL.
- e. SC PAL will establish a Management Oversight Committee for the purpose of meeting with the Track Operators and USA BMX to understand how the track is operating, discuss any challenges related to the operations of the track and any other issues that may need to be discussed openly and transparently.
- f. USA BMX will be bound to the Lease Agreement by and between the City of Santa Clara and SC PAL.
- g. USA BMX and its agents, management team and all other parties associated with USA BMX acknowledge and assure SC PAL that no reprisals, acts of vengeance or retaliation to those BMX riders, families or members of the community who are utilizing the track for the purpose of personal recreation or otherwise while under the operation of SC PAL until an agreement is established whereby USA BMX will take control on the track. SC PAL understands this threat is real to anyone who uses the track while under SC PAL's control and operation and any other circumstances related to the controversy that has developed with the prior operators.

Pursuant to the Ground Lease by and between the City of Santa Clara and SC PAL under Article 9.2, SC PAL understands the City of Santa Clara will be needed to approve the assignment or Licensing Agreement of the track to USA BMX. Please let me know if there are any questions, comments or concerns with this proposal as well as a new date for meeting with USA BMX to discuss.

Shane, please let me know your thoughts. I would be open to a telephone conversation or a Zoom meeting at your earliest convenience but not later than June 30, 2022, if at all possible. We are anxious in coming to an agreement with our focus on the kids and families that use the BMX Track. We continue to see this to be a profitable venture for USA BMX that will continue to support PAL's Mission and youth sports.

Thank you again Shane.

Sincerely,

SANTA CLARA POLICE ACTIVITIES LEAGUE

Mike Walke

Mike Walke

Executive Board President

CC: Honorable Mayor Ms. Lisa Gillmor
Councilmember Ms. Kathy Watanabe
City Manager Mr. Rajeev Batra
Assistant City Manager Ms. Cynthia Bojorquez
SC PAL Executive Board
BMX File

Attachment 4

Email to Track Operators Reference Access to PayPal Account dated April 6, 2022

From: Catalina Rangel

Sent: Wednesday, April 6, 2022 3:07 PM

To: dawgincnocal@aol.com <dawgincnocal@aol.com>; joey.bixler@yahoo.com <joey.bixler@yahoo.com>; cody@usabmx.com <cody@usabmx.com>; John@usabmx.com <John@usabmx.com>; justin@usabmx.com <justin@usabmx.com>; heath@usabmx.com <heath@usabmx.com>; sfernandez@usabmx.com <sfernandez@usabmx.com>; MIKE WALKE <mmwalke@comcast.net>; Mary Ellen Stewart <me24stewart@earthlink.net>; danracimo@comcast.net <danracimo@comcast.net>; wolfefamilysj@yahoo.com <wolfefamilysj@yahoo.com>; johne@kylli.com <johne@kylli.com>; echofoxx@pacbell.net <echofoxx@pacbell.net>; brianneilallen@yahoo.com <brianneilallen@yahoo.com>; lecalinda2001@yahoo.com <lecalinda2001@yahoo.com>; cheryl@seansk9s.org <cheryl@seansk9s.org>; CPellecchia@slattcon.com <CPellecchia@slattcon.com>; kevin@kmooreandmoore.com <kevin@kmooreandmoore.com>; deana.wynne@abbott.com <deana.wynne@abbott.com>; avsmith2014@gmail.com <avsmith2014@gmail.com>; Dan Meyberg <dmeyberg@outlook.com>

Cc: Cynthia Bojorquez <CBojorquez@SantaClaraCA.gov>; Wali Aminyar <WAMinyar@santaclaraca.gov>; Pat Nikolai <PNikolai@santaclaraca.gov>; lisagillmor@gmail.com <lisagillmor@gmail.com>; kathleenwatanabe@yahoo.com <kathleenwatanabe@yahoo.com>; MAYORANDCOUNCIL@SantaClaraCA.gov <MAYORANDCOUNCIL@SantaClaraCA.gov>

Subject: Santa Clara PAL- BMX

Nick and Joey

In order to resolve current operating issues/concerns; as well as moving forward, SCPAL requires you both to provide/complete the followings actions:

1. The BMX board shall be increased to a minimum of 7 persons, with regular monthly recorded meetings minutes, A SCPAL representative shall be present at all meetings
2. SCPAL requires audit access credentials to all PayPal accounts BMX has utilized over the past 5 years, this will start the financial audit process in support of a proper IRS reporting requirement under a 501 (c) 3 organization
3. SCAPL requires super administrator rights to all social media sites utilized by the track over the past 5 years
4. The "Track Operator" agreement with USA BMX shall be changed from Joey Bixler's name to Santa Clara Police Activities League (SCPAL)
5. SCPAL will require signed contracts and fingerprint/background checks for all BMX board members; any/all members selected shall be approved by SCPAL Executive Board and or their representative(s) SCPAL requires your response in writing to the 7 items outlined above via this email with all requested information No Later Than (NLT) Thursday, April 21, 2022.

Thank You in advance for working with SCPAL to make all of the above to happen.

Sincerely

Santa Clara Police Activities League Executive Board

Catalina Rangel | Administrative Assistant
601 El Camino Real
Santa Clara, CA 95050
(408)615-4879

Letter to Track Operators Reference Access to PayPal Account dated June 15, 2022



SANTA CLARA POLICE ACTIVITIES LEAGUE

Developing Youth in Our Community

June 15, 2022

SENT VIA REGISTERED LETTER

FOUNDER

Frank Saponi

Ms. Marisa Sereni
36753 Mulberry St.
Newark, CA 94560

CHIEF OF POLICE

Pat Nikolai

Mr. Nick Valencia
35428 Breton Dr.
Newark, CA 94560

PRESIDENT

K. Mike Walke

Mr. Joey Bixler
1085 Tasman Dr. spc 772
Sunnyvale, CA 94089

VICE PRESIDENT

Mary Ellen Stewart

SECRETARY

Larry Wolfe

RE: Santa Clara Police Activities League
Subj: Access to BMX Related PayPal Accounts

TREASURER

Dan Racimo

Dear Lady and Gentlemen:

BOARD OF DIRECTORS

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Tim Frazier
Linda Leca
Deana Wynne
Christian Pellecchia
Cheryl Walsh
Kevin Moore
Brian Allen
Ana Vargas-Smith
Dan Meyberg

Pursuant to the Email issued on April 6, 2022 (Copy attached), the Santa Clara Police Activities League (SCPAL) had formally requested that you provide access to the applicable PayPal accounts in order for SCPAL to reconcile the revenues more accurately, and verify the actual Program results we would need in generating registration reports from the responsible parties.

To that end, the request by email was made of the two principals previously involved in operating the track, that they provide the PayPal account access credentials by April 21, 2022 to which went ignored without a response.

HONORARY BOARD MEMBERS

Richard Rossi

It is our understanding that you are part of the team which solicited and received payments into the following PayPal accounts:

CITY COUNCIL MEMBER-LIAISON

Lisa Gillmor
Kathy Watanabe

Account No. 1

Account name: Marisa Sereni
Account identifier: santaclarapalbm@gmail.com

Account No. 2

Account name: Santa Clara PAL BMX
Account identifier: scpalbmrxracing@gmail.com

Account No. 3

Account name: Santa Clara PAL BMX
Account identifier: bmxriderclinic@gmail.com

In addition, SCPAL requests that you provide any other PayPal accounts that may have been used to solicit payments for activities at the BMX track.

Santa Clara Police Activities | 601 El Camino Real, Santa Clara, CA 95050 | P: (408) 615-4880 F: (408) 984-1407

We request that you respond to us no later **June 22, 2022** with the account access information. We understand that you may not have control over all or any of these accounts and that you may only be able to help us in influencing the person with control over these accounts to comply with our request. If that is the case please exert your influence and let us know of the situation and the remedies set forth.

In addition, at the City Council meeting held on Tuesday, May 24, 2022, the Council voted unanimously in favor that SCPAL complete our audit of the required PayPal accounts and that the account holder(s) turn over the PayPal access credentials.

You can reach me at my cell phone number should you have any questions, comments or challenges in meeting the requested deadline at: My Cell Phone Number **(408) 667-5499** or my Email at: mmwalke@comcast.net

If this request goes ignored without any contact, you will place SCPAL in an uncompromising position of having to exercise any legal means as necessary.

We trust you will take this request seriously and not delay any longer the requested access. ***An immediate response would be much appreciated as to the nature of your intentions to SCPAL's request upon receipt of this letter.*** Again, you can reach me **immediately** at my cell phone number or email address noted above.

Sincerely,
SANTA CLARA POLICE ACTIVITIES LEAGUE



Mike Walke
Executive Board President

Attachment:

- 1). Email Dated April 6, 2022 with SCPAL's Original Request.

CC: Mayor Ms. Lisa Gillmor
Councilmember Ms. Kathy Watanabe
City Manager Mr. Rajeev Batra
Assistant City Manager Ms. Cynthia Bojorquez
SCPAL Executive Board of Directors
File BMX Track

7021 2720 0000 5367 2530

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- Adult Signature Required \$0.00
- Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$7.38

Sent To **JOEY BIXLER**

Street and Apt. No., or PO Box No.
1055 TAGMAN DR. SPC 772

City, State, ZIP+4®
SUNNYVALE, CA 94089

PS Form 3800, April 2015 PSN 7502-02-000-0001 See Reverse for Instructions

RETURN RECEIPT REQUESTED

SANTA CLARA CA 95050 6 JUN 15 2022 06/15/2022 USPS

7021 2720 0000 5367 2547

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- Certified Mail Restricted Delivery \$0.00
- Adult Signature Required \$0.00
- Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$7.38

Sent To **NICK VALENCIA**

Street and Apt. No., or PO Box No.
39438 BAYTON DR.

City, State, ZIP+4®
NEWARK, CA 94560

PS Form 3800, April 2015 PSN 7502-02-000-0001 See Reverse for Instructions

RETURN RECEIPT REQUESTED

SANTA CLARA CA 95050 6 JUN 15 2022 06/15/2022 USPS

7021 2720 0000 5367 2523

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Certified Mail Fee \$3.75 0201 06

Extra Services & Fees (check box, add fee to postage)

- Return Receipt (hardcopy) \$0.00
- Return Receipt (electronic) \$0.00
- Certified Mail Restricted Delivery \$0.00
- Adult Signature Required \$0.00
- Adult Signature Restricted Delivery \$0.00

Postage \$0.58

Total Postage and Fees \$7.38

Sent To **MISSY SEBEN**

Street and Apt. No., or PO Box No.
39438 BAYTON DR.

City, State, ZIP+4®
NEWARK, CA 94560

PS Form 3800, April 2015 PSN 7502-02-000-0001 See Reverse for Instructions

RETURN RECEIPT REQUESTED

SANTA CLARA CA 95050 6 JUN 15 2022 06/15/2022 USPS

Attachment 5
Forensic Accounting Report



June 20, 2022

Sent via email: mmwalke@comcast.net

Mike Walke, President
Santa Clara Police Activities League, Inc.
Santa Clara Police Administration Building
601 El Camino Real
Santa Clara, CA 95050

Re: Santa Clara PAL BMX Program

Dear Mr. Walke:

Pursuant to our engagement, we performed a detailed analysis of the financial records of the Santa Clara Police Activities League ("SCPAL") BMX Program (the "Program") for the period January 1 through December 31, 2021 (the "Period"). Based on the documents reviewed, the analyses performed, and the assumptions presented throughout this report, it is our opinion that the Program has an unknown discrepancy of \$129,672 in its cash receipts compared to expected revenues for the Period. We understand this report will be relied upon by the SCPAL and the City of Santa Clara in evaluating the reasonableness of the reported revenues and integrity of the Program's accounting during the Period.

In performing our analysis, we relied upon documents provided to us by SCPAL. We have not confirmed the accuracy of all data presented within the documents and have relied upon the underlying data as complete and accurate. The information reviewed in this matter included, but were not limited to, the following SCPAL documents:

1. SCPAL detailed financial transactions as recorded in the Program's accounting software for the Period
2. Program bank statements for the Period
3. Historical Facebook pages from the Program's site supporting the assumptions made regarding events and registration activity and confirmation during the Period
4. PayPal records and activity received both from SCPAL and directly from a small sample of registrants of the Program during the Period
5. Racing event data obtained by SCPAL through information gathered on the USA BMX website

This analysis was prepared under the supervision and direction of Richard C. Gordon, CPA/ABV/CFF, CFE, CGMA. Mr. Gordon is a Certified Public Accountant ("CPA") and holds the Certified Fraud Examiner ("CFE") credential from the Association of Certified Fraud Examiners ("ACFE") as well as the Accredited in Business Valuation ("ABV"), Certified in Financial Forensics ("CFF") and Chartered Global Management Accountant ("CGMA") credentials from the American Institute of Certified Public Accountants ("AICPA"). Our compensation is not contingent upon the findings outlined herein.

Analysis and Assumptions

The Program was maintained, and revenues were collected and reported, by volunteer members of the community as authorized by SCPAL. These members maintained the Facebook pages, collected fees, registered attendees, oversaw maintenance of the BMX track, and were responsible for the overall monitoring and operations of the Program.

Based upon our analysis of accounting records, financial reporting, and bank statements, the SCPAL recorded and deposited \$217,201 during the Period for the Program.

We were limited in our ability to verify actual Program related registrations and attendee cash receipts during the Period, as it is our understanding that the members associated with collections and maintenance of the PayPal accounts (to which registration fees were submitted by attendees) did not provide or allow access to SCPAL Executive Committee for purposes of this engagement. For that reason, our projections of estimated revenues from Program activities for the Period are limited to information available as provided by the SCPAL.

Annual expected revenues and collection sources consist of the following major categories:

1. BMX Clinics
 2. BMX Camps
 3. BMX Racing Events
-
1. BMX Clinics were held weekly on Thursdays during the Period. During the Period, there were approximately forty-eight clinics (excluding rainouts) and four make-up clinics to accommodate registrants who were “waitlisted” for certain weeks due to the fact that most clinics consistently had registrants of between forty to fifty participants, usually at capacity level. In reviewing the provided Facebook pages and considering historical participation, we estimate that over the course of the Period projected revenues amounted to \$45,525. See **Exhibit 1.**
 2. BMX Camps were held in the months of June and July. Seven camps in total were held with an estimated two hundred twenty-seven attendees at a price of either \$199 or \$209 per person. In reviewing the provided Facebook pages and considering historical participation, we estimate that over the course of the Period projected revenues amounted to \$45,933. See **Exhibit 2.**
 3. BMX Racing Events were held on Tuesdays, Fridays, and Sundays of each week. In reviewing 2021 Race Data received from SCPAL through activity compiled from race data originating on the USABMX website, we estimate that over the course of the Period projected revenues amounted to \$255,415. See **Exhibit 3.**

Conclusion

Our engagement procedures and results indicate that a discrepancy exists between expected Program revenues and actual cash deposits during the Period, represented by the following reconciliation:

Program Source	Amounts	
BMX Clinics	\$45,525	Exhibit 1
BMX Camps	45,933	Exhibit 2
BMX Racing Events	<u>255,415</u>	Exhibit 3
Expected Revenues	\$346,873	
Cash/Revenue Reported	<u>217,201</u>	
Unreconciled Difference	(\$129,672)	

Accordingly, based on the documents reviewed, analyses performed, and assumptions presented throughout this report and schedules, it is our opinion that an unknown discrepancy exists in the amount of \$129,672 between cash deposited and expected Program revenues.

As addressed above, in order to reconcile the revenues more accurately, and verify the actual Program results for the Period, we would need access to the activity of the applicable PayPal accounts used and registration reports from the responsible parties. To that end on April 6, 2022, SCPAL made a request by email to two of the principals previously involved in operating the track, asking that they provide the PayPal account access credentials by April 21, 2022, to which no response was received (See **Exhibit 4**).

It was also represented to us that in a meeting between SCPAL and USA BMX on June 9, 2022, SCPAL requested that the representative from USA BMX present use their influence with the prior track operations team to gain access to the PayPal account, which request was denied. Finally, on June 15, 2022, SCPAL sent a registered letter to each of the three principals previously involved in operating the track requesting PayPal account login credentials and access to the transaction information in the PayPal accounts (See **Exhibit 5**). As of the date of this report, we understand that no response has been received by SCPAL.

We reserve the right to amend or supplement this report should such action be deemed appropriate or necessary.

We shall be pleased to discuss the enclosed report with you at your convenience.

Sincerely,



Richard C. Gordon, CPA/ABV/CFF, CFE, CGMA
Principal, Forensic and Valuation Services

SANTA CLARA POLICE ACTIVITIES LEAGUE, INC.
BMX CLINICS - 2021

Clinic Date	Estimated Attendees	Estimated Revenues	Status	Notes/Facebook Comments
1/7/21	45	\$ 1,125	Clinic on	"Clinic full" Approx 45 riders if FB comments are accurate
1/14/21	47	1,175	Clinic on	"Clinic full" Approx 47 riders if FB comments are accurate
1/21/21	40	1,000	Clinic on	"Clinic full" Approx 40 riders if FB comments are accurate
1/28/21	0	0	No clinic/Rainout	Rainout
2/4/21	47	1,175	Clinic on	"Clinic full" Approx 47 riders if FB comments are accurate
2/11/21	38	950	Clinic on	"Clinic full" Approx 38 riders if FB comments are accurate
2/18/21	45	1,125	Clinic on	"Clinic full" Approx 45 riders if FB comments are accurate
2/25/21	39	975	Clinic on	"Clinic full" Approx 39 riders if FB comments are accurate
3/4/21	48	1,200	Clinic on	"Clinic full" Approx 48 riders if FB comments are accurate
3/11/21	40	1,000	Clinic on	"Clinic full" Approx 40 riders if FB comments are accurate
3/18/21	0	0	No clinic/Rainout	Rainout
3/25/21	32	800	Clinic on	"Clinic full" Approx 32 riders if FB comments are accurate
4/1/21	42	1,050	Clinic on	"Clinic full" Approx 42 riders if FB comments are accurate
4/8/21	52	1,300	Clinic on	"Clinic full" Approx 52 riders if FB comments are accurate
4/15/21	0	0	No clinic	No clinic data noted
4/22/21	45	1,125	Clinic on	"The 1st 45 PayPals will be who are in. Rest will be waitlisted." (74 total respondents)
4/25/21	29	725	Makeup Clinic	This a makeup clinic for those on 4/22 waitlist. (74-45 = 29 attendees)
4/29/21	43	1,075	Clinic on	Approx 43 riders if FB comments are accurate
5/6/21	39	975	Clinic on	Approx 39 riders if FB comments are accurate
5/9/21	24	600	Makeup Clinic	Makeup clinic for those on 5/6 waitlist, which was 24 if comments are accurate.
5/13/21	39	975	Clinic on	Approx 39 riders if FB comments are accurate
5/16/21	30	750	Makeup Clinic	Makeup clinic for those on 5/13 waitlist, which was 30 if comments are accurate.
5/20/21	39	975	Clinic on	Approx 39 riders if FB comments are accurate
5/23/21	24	600	Makeup Clinic	Makeup clinic for those on 5/20 waitlist, which was 24 if comments are accurate.
5/27/21	44	1,100	Clinic on	Approx 44 riders if FB comments are accurate
6/2/21	45	1,125	Clinic on	"Gate Clinic tonight" (Wed.) "Cash only at the track. Get ready for Summer Nationals"
6/10/21	43	1,075	Clinic on	Approx 43 riders if FB comments are accurate
6/17/21	31	775	Clinic on	Approx 31 riders if FB comments are accurate
6/24/21	30	750	Clinic on	Approx 30 riders if FB comments are accurate
7/1/21	39	975	Clinic on	Approx 39 riders if FB comments are accurate
7/8/21	37	925	Clinic on	Approx 37 riders if FB comments are accurate
7/14/21	30	750	Clinic on	Approx 30 riders if FB comments are accurate. Held on Wednesday.
7/22/21	23	575	Clinic on	Approx 23 riders if FB comments are accurate
7/29/21	21	525	Clinic on	Approx 21 riders if FB comments are accurate
8/5/21	43	1,075	Clinic on	Approx 43 riders if FB comments are accurate
8/12/21	43	1,075	Clinic on	Approx 43 riders if FB comments are accurate
8/19/21	41	1,025	Clinic on	Approx 41 riders if FB comments are accurate
8/25/21	35	875	Clinic on	Approx 35 riders if FB comments are accurate. Held on Wednesday.
9/2/21	0	0	{1}	
9/9/21	0	0	{1}	
9/16/21	0	0	{1}	
9/23/21	41	1,025	Clinic on	Approx 41 riders if FB comments are accurate
9/30/21	37	925	Clinic on	Approx 37 riders if FB comments are accurate
10/7/21	33	825	Clinic on	Approx 33 riders if FB comments are accurate
10/13/21	37	925	Clinic on	Approx 37 riders if FB comments are accurate. Held on Wednesday.
10/20/21	33	825	Clinic on	Approx 33 riders if FB comments are accurate. Held on Wednesday.
10/28/21	37	925	Clinic on	Approx 37 riders if FB comments are accurate
11/4/21	38	950	Clinic on	Approx 38 riders if FB comments are accurate
11/11/21	41	1,025	Clinic on	Approx 41 riders if FB comments are accurate
11/18/21	47	1,175	Clinic on	Approx 47 riders if FB comments are accurate
11/25/21	0	0	{1}	
12/2/21	35	875	Clinic on	Approx 35 riders if FB comments are accurate
12/9/21	35	875	Clinic on	Approx 35 riders if FB comments are accurate
12/16/21	35	875	Clinic on	Approx 35 riders if FB comments are accurate
12/23/21	0	0	No clinic/Rainout	Rainout
12/30/21	40	1,000	Clinic on	Approx 40 riders if FB comments are accurate
Totals	1,821	\$ 45,525		

{1} There were no Facebook posts for clinics on 9/2/21, 9/9/21, 9/16/ 21 and 11/25/21. It is likely that clinics did occur on these dates, since the possibility of rain is usually low, and when it did rain there was usually a notification posted. It is more likely that clinics did occur on those dates and that the posts were deleted. We were able to confirm payments on 9/2/21 and 9/9/21 by reviewing Paypal transactions of some parents whose children attended, and who provided personal payment information directly to us. Nevertheless, for conservatism, calculations and estimates above assume these clinics did not occur. If attendees were between 35 and 45 for these 4 clinics the estimate of clinic receipts would be between \$3,500 and \$4,500 higher. If we were to obtain access to Paypal accounts and Facebook pages, we would be able to gain additional insight and a more accurate estimation of revenues for all clinics.

SANTA CLARA POLICE ACTIVITIES LEAGUE, INC.
BMX CAMPS - 2021

Date	Estimated Attendees	Estimated Revenues	Category	Notes
6/7/202	40	\$ 7,960	Camp	\$199 per attendee
6/12/21	32	6,368	Camp	\$199 per attendee
6/14/21	40	7,960	Camp	\$199 per attendee
6/28/21	39	7,761	Camp	\$199 per attendee
7/5/21	30	6,270	Camp	\$209 per attendee
7/19/21	18	3,762	Camp	\$209 per attendee
7/26/21	28	5,852	Camp	\$209 per attendee
Totals	227	\$ 45,933		

SANTA CLARA POLICE ACTIVITIES LEAGUE, INC.
BMX RACING EVENTS - 2021

Race Name/Data Source	Entrants	Fees
Triple Point State Race	661	\$ 28,230
https://www.usabmx.com/tracks/1031/events/464252	661	28,230
Earned Double	323	\$ 7,625
https://www.usabmx.com/tracks/1031/events/468469	323	7,625
Local Race Single	22,498	\$ 215,900
https://www.usabmx.com/tracks/1031/events/457553	170	1,645
https://www.usabmx.com/tracks/1031/events/457555	165	1,590
https://www.usabmx.com/tracks/1031/events/457558	244	2,235
https://www.usabmx.com/tracks/1031/events/457559	192	1,855
https://www.usabmx.com/tracks/1031/events/457566	199	1,915
https://www.usabmx.com/tracks/1031/events/457568	216	2,055
https://www.usabmx.com/tracks/1031/events/457570	182	1,770
https://www.usabmx.com/tracks/1031/events/457574	170	1,625
https://www.usabmx.com/tracks/1031/events/457577	227	2,190
https://www.usabmx.com/tracks/1031/events/457579	246	2,370
https://www.usabmx.com/tracks/1031/events/457581	234	2,265
https://www.usabmx.com/tracks/1031/events/457586	170	1,635
https://www.usabmx.com/tracks/1031/events/457588	141	1,335
https://www.usabmx.com/tracks/1031/events/457590	140	1,335
https://www.usabmx.com/tracks/1031/events/457592	169	1,620
https://www.usabmx.com/tracks/1031/events/457594	138	1,300
https://www.usabmx.com/tracks/1031/events/457596	205	1,990
https://www.usabmx.com/tracks/1031/events/457598	177	1,730
https://www.usabmx.com/tracks/1031/events/457600	141	1,340
https://www.usabmx.com/tracks/1031/events/457602	228	2,225
https://www.usabmx.com/tracks/1031/events/457603	202	1,935
https://www.usabmx.com/tracks/1031/events/457605	224	2,195
https://www.usabmx.com/tracks/1031/events/457607	212	2,090
https://www.usabmx.com/tracks/1031/events/457610	152	1,470
https://www.usabmx.com/tracks/1031/events/457614	91	875
https://www.usabmx.com/tracks/1031/events/457615	182	1,780
https://www.usabmx.com/tracks/1031/events/457616	202	1,960
https://www.usabmx.com/tracks/1031/events/457617	126	1,235
https://www.usabmx.com/tracks/1031/events/457619	164	1,605
https://www.usabmx.com/tracks/1031/events/457621	203	1,960
https://www.usabmx.com/tracks/1031/events/457622	210	2,055
https://www.usabmx.com/tracks/1031/events/457623	118	1,160
https://www.usabmx.com/tracks/1031/events/457627	183	1,775
https://www.usabmx.com/tracks/1031/events/457628	138	1,360
https://www.usabmx.com/tracks/1031/events/457629	87	835
https://www.usabmx.com/tracks/1031/events/457630	159	1,535
https://www.usabmx.com/tracks/1031/events/457631	159	1,505
https://www.usabmx.com/tracks/1031/events/457632	74	675
https://www.usabmx.com/tracks/1031/events/457633	156	1,495
https://www.usabmx.com/tracks/1031/events/457634	134	1,295
https://www.usabmx.com/tracks/1031/events/457636	172	1,650
https://www.usabmx.com/tracks/1031/events/457637	203	1,965
https://www.usabmx.com/tracks/1031/events/457638	128	1,220
https://www.usabmx.com/tracks/1031/events/457639	128	1,220
https://www.usabmx.com/tracks/1031/events/457640	150	1,445
https://www.usabmx.com/tracks/1031/events/457642	124	1,205
https://www.usabmx.com/tracks/1031/events/457646	187	1,835
https://www.usabmx.com/tracks/1031/events/457648	141	1,360
https://www.usabmx.com/tracks/1031/events/457650	128	1,225
https://www.usabmx.com/tracks/1031/events/457652	137	1,335

SANTA CLARA POLICE ACTIVITIES LEAGUE, INC.
BMX RACING EVENTS - 2021

Race Name/Data Source	Entrants	Fees
https://www.usabmx.com/tracks/1031/events/457654	150	1,440
https://www.usabmx.com/tracks/1031/events/457656	93	-
https://www.usabmx.com/tracks/1031/events/457658	125	1,215
https://www.usabmx.com/tracks/1031/events/457660	176	1,705
https://www.usabmx.com/tracks/1031/events/457662	137	1,335
https://www.usabmx.com/tracks/1031/events/457666	165	1,610
https://www.usabmx.com/tracks/1031/events/457670	200	1,980
https://www.usabmx.com/tracks/1031/events/457672	158	1,560
https://www.usabmx.com/tracks/1031/events/457674	160	1,570
https://www.usabmx.com/tracks/1031/events/457676	244	2,410
https://www.usabmx.com/tracks/1031/events/457679	195	1,925
https://www.usabmx.com/tracks/1031/events/457685	188	1,855
https://www.usabmx.com/tracks/1031/events/457687	186	1,835
https://www.usabmx.com/tracks/1031/events/457698	140	1,355
https://www.usabmx.com/tracks/1031/events/457699	171	1,665
https://www.usabmx.com/tracks/1031/events/457703	261	2,545
https://www.usabmx.com/tracks/1031/events/457707	200	1,930
https://www.usabmx.com/tracks/1031/events/457708	232	2,100
https://www.usabmx.com/tracks/1031/events/457709	211	2,010
https://www.usabmx.com/tracks/1031/events/457710	185	1,770
https://www.usabmx.com/tracks/1031/events/457711	232	2,120
https://www.usabmx.com/tracks/1031/events/457712	220	2,110
https://www.usabmx.com/tracks/1031/events/457714	241	2,215
https://www.usabmx.com/tracks/1031/events/457716	205	1,985
https://www.usabmx.com/tracks/1031/events/457718	194	1,860
https://www.usabmx.com/tracks/1031/events/457720	199	1,850
https://www.usabmx.com/tracks/1031/events/457722	202	1,950
https://www.usabmx.com/tracks/1031/events/457723	169	1,620
https://www.usabmx.com/tracks/1031/events/457725	223	2,170
https://www.usabmx.com/tracks/1031/events/457727	223	2,165
https://www.usabmx.com/tracks/1031/events/457734	142	1,375
https://www.usabmx.com/tracks/1031/events/457738	92	870
https://www.usabmx.com/tracks/1031/events/457740	183	1,760
https://www.usabmx.com/tracks/1031/events/457742	177	1,725
https://www.usabmx.com/tracks/1031/events/457744	131	1,260
https://www.usabmx.com/tracks/1031/events/457746	189	1,830
https://www.usabmx.com/tracks/1031/events/457748	184	1,790
https://www.usabmx.com/tracks/1031/events/457751	193	1,875
https://www.usabmx.com/tracks/1031/events/457753	160	1,535
https://www.usabmx.com/tracks/1031/events/457756	191	1,845
https://www.usabmx.com/tracks/1031/events/457758	144	1,385
https://www.usabmx.com/tracks/1031/events/457759	175	1,690
https://www.usabmx.com/tracks/1031/events/457760	140	1,355
https://www.usabmx.com/tracks/1031/events/457765	170	1,670
https://www.usabmx.com/tracks/1031/events/457771	181	1,765
https://www.usabmx.com/tracks/1031/events/457782	128	1,210
https://www.usabmx.com/tracks/1031/events/457788	140	1,315
https://www.usabmx.com/tracks/1031/events/457792	148	1,420
https://www.usabmx.com/tracks/1031/events/457794	170	1,650
https://www.usabmx.com/tracks/1031/events/457796	158	1,545
https://www.usabmx.com/tracks/1031/events/457798	157	1,510
https://www.usabmx.com/tracks/1031/events/457800	141	1,365
https://www.usabmx.com/tracks/1031/events/457802	162	1,580
https://www.usabmx.com/tracks/1031/events/457804	155	1,500
https://www.usabmx.com/tracks/1031/events/457808	167	1,645

SANTA CLARA POLICE ACTIVITIES LEAGUE, INC.
BMX RACING EVENTS - 2021

Race Name/Data Source	Entrants	Fees
https://www.usabmx.com/tracks/1031/events/457810	136	1,325
https://www.usabmx.com/tracks/1031/events/457814	163	1,615
https://www.usabmx.com/tracks/1031/events/457816	176	1,740
https://www.usabmx.com/tracks/1031/events/457818	223	2,170
https://www.usabmx.com/tracks/1031/events/457820	213	2,095
https://www.usabmx.com/tracks/1031/events/457822	146	1,435
https://www.usabmx.com/tracks/1031/events/457825	190	1,860
https://www.usabmx.com/tracks/1031/events/457831	157	1,525
https://www.usabmx.com/tracks/1031/events/457833	185	1,825
https://www.usabmx.com/tracks/1031/events/457835	265	2,625
https://www.usabmx.com/tracks/1031/events/457837	207	2,035
https://www.usabmx.com/tracks/1031/events/460459	190	1,865
https://www.usabmx.com/tracks/1031/events/460460	166	1,630
https://www.usabmx.com/tracks/1031/events/460461	152	1,485
https://www.usabmx.com/tracks/1031/events/460462	134	1,310
https://www.usabmx.com/tracks/1031/events/460843	206	2,025
https://www.usabmx.com/tracks/1031/events/460844	185	1,805
https://www.usabmx.com/tracks/1031/events/462652	127	1,255
https://www.usabmx.com/tracks/1031/events/462752	174	1,700
https://www.usabmx.com/tracks/1031/events/467377	290	2,775
https://www.usabmx.com/tracks/1031/events/467378	102	970
https://www.usabmx.com/tracks/1031/events/468743	210	2,035
https://www.usabmx.com/tracks/1031/events/468982	168	1,620
https://www.usabmx.com/tracks/1031/events/474116	89	860
https://www.usabmx.com/tracks/1031/events/478810	81	-
https://www.usabmx.com/tracks/1031/events/485542	72	705
State Race Double	632	\$ -
https://www.usabmx.com/tracks/1031/events/468470	632	-
Warnicke Double	372	\$ 3,660
https://www.usabmx.com/tracks/1031/events/478603	372	3,660
Grand Total	24,486	\$ 255,415

Santa Clara PAL- BMX

Catalina Rangel <crangel@Santaclaraca.gov>

Wed 4/6/2022 3:07 PM

To: dawgincnorcal@aol.com <dawgincnorcal@aol.com>; joey.bixler@yahoo.com <joey.bixler@yahoo.com>; cody@usabmx.com <cody@usabmx.com>; John@usabmx.com <John@usabmx.com>; justin@usabmx.com <justin@usabmx.com>; heath@usabmx.com <heath@usabmx.com>; sfernandez@usabmx.com <sfernandez@usabmx.com>; MIKE WALKER <mmwalke@comcast.net>; Mary Ellen Stewart <me24stewart@earthlink.net>; danracimo@comcast.net <danracimo@comcast.net>; wolfefamilysj@yahoo.com <wolfefamilysj@yahoo.com>; johne@kylli.com <johne@kylli.com>; echofoxx@pacbell.net <echofoxx@pacbell.net>; brianneilallen@yahoo.com <brianneilallen@yahoo.com>; lecalinda2001@yahoo.com <lecalinda2001@yahoo.com>; cheryl@seansk9s.org <cheryl@seansk9s.org>; CPellecchia@slattcon.com <CPellecchia@slattcon.com>; kevin@kmooreandmoore.com <kevin@kmooreandmoore.com>; deana.wynne@abbott.com <deana.wynne@abbott.com>; avsmith2014@gmail.com <avsmith2014@gmail.com>

Cc: Cynthia Bojorquez <CBojorquez@SantaClaraCA.gov>; Wali Aminyar <WAMinyar@santaclaraca.gov>; Pat Nikolai <PNikolai@santaclaraca.gov>; lisagillmor@gmail.com <lisagillmor@gmail.com>; kathleenwatanabe@yahoo.com <kathleenwatanabe@yahoo.com>; MAYORANDCOUNCIL@SantaClaraCA.gov <MAYORANDCOUNCIL@SantaClaraCA.gov>

Nick and Joey

In order to resolve current operating issues/concerns; as well as moving forward, SCPAL requires you both to provide/complete the followings actions:

1. The BMX board shall be increased to a minimum of 7 persons, with regular monthly recorded meetings minutes, A SCPAL representative shall be present at all meetings
2. SCPAL requires audit access credentials to all PayPal accounts BMX has utilized over the past 5 years, this will start the financial audit process in support of a proper IRS reporting requirement under a 501 (c) 3 organization
3. SCAPL requires super administrator rights to all social media sites utilized by the track over the past 5 years
4. The "Track Operator" agreement with USA BMX shall be changed from Joey Bixler's name to Santa Clara Police Activities League (SCPAL)
5. SCPAL will require signed contracts and fingerprint/background checks for all BMX board members; any/all members selected shall be approved by SCPAL Executive Board and or their representative(s)

SCPAL requires your response in writing to the 7 items outlined above via this email with all requested information No Later Than (NLT) **Thursday, April 21, 2022.**

Thank You in advance for working with SCPAL to make all of the above to happen.

Sincerely
Santa Clara Police Activities League Executive Board

Catalina Rangel | Administrative Assistant
601 El Camino Real
Santa Clara, CA 95050
(408)615-4879



SANTA CLARA POLICE ACTIVITIES LEAGUE

Developing Youth in Our Community

June 15, 2022

SENT VIA REGISTERED LETTER

FOUNDER

Frank Sapena

Ms. Marisa Sereni
36753 Mulberry St.
Newark, CA 94560

CHIEF OF POLICE

Pat Nikolai

Mr. Nick Valencia
35428 Breton Dr.
Newark, CA 94560

PRESIDENT

K. Mike Walke

Mr. Joey Bixler
1085 Tasman Dr. spc 772
Sunnyvale, CA 94089

VICE PRESIDENT

Mary Ellen Stewart

SECRETARY

Larry Wolfe

TREASURER

Dan Racimo

RE: Santa Clara Police Activities League
Subj: Access to BMX Related PayPal Accounts

BOARD OF DIRECTORS

John Elwood
Tim Frazier
Linda Leca
Deana Wynne
Christian Pellecchia
Cheryl Walsh
Kevin Moore
Brian Allen
Ana Vargas-Smith
Dan Meyberg

Dear Lady and Gentlemen:

Exhibit 4

Pursuant to the Email issued on April 6, 2022 (Copy attached) the Santa Clara Police Activities League (SCPAL) had formally requested that you provide access to the applicable PayPal accounts in order for SCPAL to reconcile the revenues more accurately, and verify the actual Program results we would need in generating registration reports from the responsible parties.

To that end, the request by email was made of the two principals previously involved in operating the track, that they provide the PayPal account access credentials by April 21, 2022 to which went ignored without a response.

It is our understanding that you are part of the team which solicited and received payments into the following PayPal accounts:

Account No. 1

Account name: Marisa Sereni
Account identifier: santaclarapalbm@gmail.com

Account No. 2

Account name Santa Clara PAL BMX
Account identifier: scpalbmrxracing@gmail.com

Account No. 3

Account name: Santa Clara PAL BMX
Account identifier bmxriderclinic@gmail.com

In addition, SCPAL requests that you provide any other PayPal accounts that may have been used to solicit payments for activities at the BMX track.

HONORARY BOARD MEMBERS

Richard Rossi

CITY COUNCIL MEMBER-LIAISON

Lisa Gillmor
Kathy Watanabe

Federal Tax ID
#23-7088136

We request that you respond to us no later **June 22, 2022** with the account access information. We understand that you may not have control over all or any of these accounts and that you may only be able to help us in influencing the person with control over these accounts to comply with our request. If that is the case please exert your influence and let us know of the situation and the remedies set forth.

In addition, at the City Council meeting held on Tuesday, May 24, 2022, the Council voted unanimously in favor that SCPAL complete our audit of the required PayPal accounts and that the account holder(s) turn over the PayPal access credentials.

You can reach me at my cell phone number should you have any questions, comments or challenges in meeting the requested deadline at: My Cell Phone Number **(408) 667-5499** or my Email at: mmwalke@comcast.net

If this request goes ignored without any contact, you will place SCPAL in an uncompromising position of having to exercise any legal means as necessary.

We trust you will take this request seriously and not delay any longer the requested access. ***An immediate response would be much appreciated as to the nature of your intentions to SCPAL's request upon receipt of this letter.*** Again, you can reach me **immediately** at my cell phone number or email address noted above.

Sincerely,
SANTA CLARA POLICE ACTIVITIES LEAGUE



Mike Walke
Executive Board President

Attachment:

1). Email Dated April 6, 2022 with SCPAL's Original Request.

CC: Mayor Ms. Lisa Gillmor
Councilmember Ms. Kathy Watanabe
City Manager Mr. Rajeev Batra
Assistant City Manager Ms. Cynthia Bojorquez
SCPAL Executive Board of Directors
File BMX Track