



**THE ATTORNEY GENERAL
OF TEXAS**

AUSTIN, TEXAS 78711

**JOHN L. HILL
ATTORNEY GENERAL**

January 10, 1974

The Honorable Anna Beth Merten
County Auditor
Waller County
P. O. Box 966
Hempstead, Texas 77445

Opinion No. H- 205

Re: Disposition of funds
raised by a non-profit
corporation in connection
with county centennial
celebration

Dear Ms. Merten:

Your request for our opinion involves funds derived from the sale of a book on the history of Waller County and a Waller County Centennial Cookbook. You advise that the Waller County Historical Survey Committee, created in accordance with Article 6145.1, V. T. C. S., has been inactive, in other than civic duties, until this year. Since 1973 was the Waller County Centennial Year, the Committee decided that it was an opportune time to write and have published the history of Waller County and also a Waller County Centennial Cookbook.

Waller County Historical Society, Inc., a non-profit corporation, was formed and it financed the history book and the cookbook for the Historical Survey Committee. After selling the books and paying expenses, a profit remained.

The question you have asked is: "Should the profit from the sale of the above mentioned books be deposited with the Waller County Treasurer to be disbursed by her and audited by the County Auditor, as other county funds?"

The Texas Non-Profit Corporation Act, Article 1396-1.01, et seq., V. T. C. S., authorizes the organization of such a corporation for any lawful purpose. (Art. 1396-2.01). Among its general powers, it is expressly authorized "To make donations for the public welfare or for charitable, scientific, or educational purposes. . . ." [Art. 1396-2.02, A(13)]. It is not prohibited from realizing a profit but may not pay any dividend to its members, directors

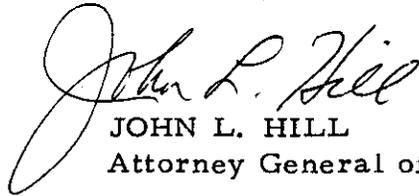
or officers. (Art. 1396-2. 24).

It is our opinion, therefore, that the funds of the Waller County Historical Society, Inc., may be used or disposed of by it for any purpose not forbidden by the Non-Profit Corporation Act. The corporation is not subject to the supervision of the County Auditor's office and may deposit its funds in any proper depository or none at all.

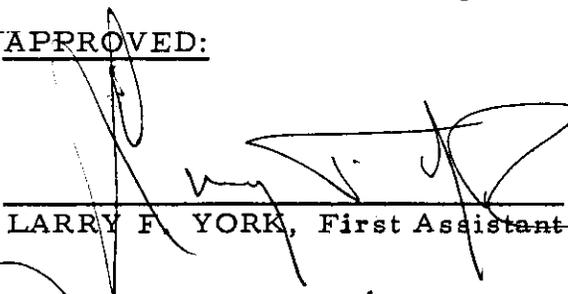
SUMMARY

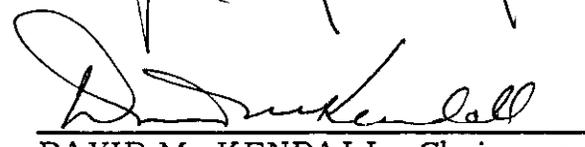
Neither the county treasurer nor the county auditor has any responsibility for funds of a legally organized non-profit corporation.

Very truly yours,


JOHN L. HILL
Attorney General of Texas

APPROVED:


LARRY F. YORK, First Assistant


DAVID M. KENDALL, Chairman
Opinion Committee