

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1564 Session of  
1993

INTRODUCED BY FLICK, GORDNER, WAUGH, M. N. WRIGHT, NYCE,  
HERSHEY, HASAY, MIHALICH, LAUB, ROONEY, FLEAGLE, HERMAN,  
RAYMOND, EGOLF, MILLER, FARGO, STABACK, HENNESSEY,  
HUTCHINSON, KING, LEH, PHILLIPS, E. Z. TAYLOR, GERLACH,  
DEMPSEY, PETRONE, GEIST, SCHULER, CAWLEY, CLARK, LAUGHLIN,  
BAKER, FARMER, GODSHALL, TRELLO, ZUG, HESS, SAURMAN, SATHER,  
PETTIT, REINARD, CORNELL, KASUNIC, CIVERA, KIRKLAND, WILLIAMS  
AND TOMLINSON, MAY 5, 1993

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MAY 5, 1993

AN ACT

1 Amending the act of December 19, 1990 (P.L.1200, No.202),  
2 entitled "An act providing for the registration and  
3 regulation of solicitations by charitable organizations,  
4 professional fundraisers and other solicitors; imposing  
5 additional powers on the Department of State and the Office  
6 of Attorney General; prescribing civil and criminal  
7 penalties; and making a repeal," further providing for  
8 reports by charitable organizations.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 5(f) and (h) of the act of December 19,  
12 1990 (P.L.1200, No.202), known as the Solicitation of Funds for  
13 Charitable Purposes Act, are amended to read:

14 Section 5. Registration of charitable organizations; financial  
15 reports; fees; failure to file.

16 \* \* \*

17 (f) Audit of certain financial reports.--The financial  
18 report of every charitable organization employing professional

1 solicitors or any other paid staff or officers which received  
2 contributions in excess of \$100,000 shall be audited by an  
3 independent public accountant. Except for the charitable  
4 organizations described in section 6(a)(3), the financial report  
5 of every charitable organization employing professional  
6 solicitors or any other paid staff or officers which receives  
7 contributions in excess of \$25,000, but less than \$100,000,  
8 shall be reviewed or audited by an independent public  
9 accountant. An audit or review is optional for any charitable  
10 organization which receives contributions less than \$25,000 or  
11 for any charitable organization described in section 6(a)(3)  
12 which receives contributions less than \$100,000. Audits shall be  
13 performed in accordance with the Statement on Auditing Standards  
14 of the American Institute of Certified Public Accountants and  
15 reviews shall be performed in accordance with the Statement on  
16 Standards for Accounting and Review Services of the American  
17 Institute of Certified Public Accountants.

18 \* \* \*

19 (h) Other acceptable reports.--

20 (1) The Department may accept a copy of a current  
21 financial report previously prepared by a charitable  
22 organization for a governmental agency in another  
23 jurisdiction in compliance with the laws of that  
24 jurisdiction, provided that the report filed with such other  
25 governmental agency shall be substantially similar in content  
26 to the report required by this section.

27 (2) Any charitable organization which does not employ  
28 professional solicitors or any other paid staff or officers  
29 may submit a copy of its most recent Internal Revenue Service  
30 990 Form submitted to the Internal Revenue Service in lieu of

1     an audit or review by an independent public accountant if all  
2     fundraising activities of the charitable organization are  
3     conducted by volunteers, members or an auxiliary or affiliate  
4     thereof, and those volunteers, members or affiliates receive  
5     no compensation, directly or indirectly, for the fundraising  
6     activities.

7     \* \* \*

8     Section 2. This act shall take effect in 60 days.