

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 570 Session of  
1995

INTRODUCED BY FLICK, CLYMER, CLARK, SAYLOR, GORDNER, WAUGH,  
M. N. WRIGHT, HERSHEY, ROONEY, HERMAN, RAYMOND, EGOLF,  
MILLER, FARGO, STABACK, HENNESSEY, HUTCHINSON, KING, LEH,  
E. Z. TAYLOR, DEMPSEY, PETRONE, GEIST, SCHULER, FARMER,  
GODSHALL, TRELLO, ZUG, HESS, SATHER, PETTIT, REINARD,  
CORNELL, CIVERA, KIRKLAND, DENT, MELIO, D. W. SNYDER, FEESE,  
ZIMMERMAN, DRUCE, HABAY, ARMSTRONG, TRUE, BIRMELIN, ROHRER,  
STAIRS, GRUPPO, STERN, CONTI, VANCE, TRICH, MANDERINO,  
YEWIC, ARGALL, PHILLIPS, FLEAGLE, CAWLEY AND BAKER,  
FEBRUARY 2, 1995

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 3, 1996

## 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) of the act of December 19, 1990  
12 (P.L.1200, No.202), known as the Solicitation of Funds for  
13 Charitable Purposes Act, is amended to read:

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

16 \* \* \*

1 (f) Audit of certain financial reports.--The financial  
2 report of every charitable organization which [received]  
3 receives annual contributions [in excess of \$100,000] of  
4 \$200,000 or more shall be audited by an independent certified  
5 public accountant or public accountant. Every charitable  
6 organization which receives annual contributions of at least  
7 \$100,000, but less than \$200,000, shall be required to have a  
8 review OR AUDIT of their financial statements performed by an <—  
9 independent certified public accountant or public accountant.  
10 Except for the charitable organizations described in section  
11 6(a)(3), [the financial report of] every charitable organization  
12 which receives annual contributions [in excess] of at least  
13 \$25,000, but less than \$100,000, shall be [reviewed or audited]  
14 required to have a compilation, REVIEW OR AUDIT of their <—  
15 financial statements performed by an independent certified  
16 public accountant or public accountant. An audit [or], review or  
17 compilation is optional for any charitable organization which  
18 receives annual contributions of less than \$25,000 or for any  
19 charitable organization described in section 6(a)(3) which  
20 receives annual contributions of less than \$100,000. Audits  
21 shall be performed in accordance with the [Statement] Statements  
22 on Auditing Standards of the American Institute of Certified  
23 Public Accountants [and], whereas reviews and compilations shall  
24 be performed in accordance with the [Statement] Statements on  
25 Standards for Accounting and Review Services of the American  
26 Institute of Certified Public Accountants.

27 \* \* \*

28 Section 2. The act is amended by adding a section to read:  
29 Section 22.1. Severability.

30 The provisions of this act are severable. If any provision of

1 this act or its application to any person or circumstance is  
2 held invalid, the invalidity shall not affect other provisions  
3 or applications of this act which can be given effect without  
4 the invalid provision or application.

5       Section 3. This act shall take effect in 60 days.