

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 774 Session of 2001

INTRODUCED BY HANNA, BASTIAN, BISHOP, CORRIGAN, COY, FLICK,
GEIST, GEORGE, GRUCELA, HARHAI, HENNESSEY, HERSHEY, HESS,
HORSEY, LAUGHLIN, LEH, McCALL, MELIO, PETRARCA, PIPPY,
READSHAW, SAINATO, SHANER, SOLOBAY, STABACK, STETLER, THOMAS,
TRELLO, WALKO, WOJNAROSKI AND YOUNGBLOOD, FEBRUARY 14, 2001

REFERRED TO COMMITTEE ON STATE GOVERNMENT, FEBRUARY 14, 2001

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 audit
8 of certain financial reports.

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 * * *

17 (f) Audit of certain financial reports.--

18 (1) The financial report of every charitable
19 organization which received contributions in excess of

1 \$100,000 shall be audited by an independent public
2 accountant.

3 (2) Except for the charitable organizations described in
4 section 6(a)(3), the financial report of every charitable
5 organization which receives contributions in excess of
6 \$25,000, but less than \$100,000, shall be reviewed or audited
7 by an independent public accountant.

8 (3) An audit or review is optional for any charitable
9 organization which receives contributions less than \$25,000
10 or for any charitable organization described in section
11 6(a)(3) which receives contributions less than \$100,000.

12 (4) For purposes of this subsection, the first \$25,000
13 in contributions collected by a professional fundraiser on
14 behalf of a charitable organization shall not be included in
15 calculating the amount of contributions received by the
16 charitable organization.

17 (5) Audits shall be performed in accordance with the
18 Statement on Auditing Standards of the American Institute of
19 Certified Public Accountants and reviews shall be performed
20 in accordance with the Statement on Standards for Accounting
21 and Review Services of the American Institute of Certified
22 Public Accountants.

23 * * *

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