
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1402 Session of
2015

INTRODUCED BY BROWNE, NOVEMBER 2, 2016

REFERRED TO STATE GOVERNMENT, NOVEMBER 2, 2016

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 registration of charitable organizations, financial reports,
9 fees and failure to file.

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

12 Section 1. Section 5(f) of the act of December 19, 1990
13 (P.L.1200, No.202), known as the Solicitation of Funds for
14 Charitable Purposes Act, amended October 27, 2006 (P.L.1180,
15 No.121), is amended to read:

16 Section 5. Registration of charitable organizations; financial
17 reports; fees; failure to file.

18 * * *

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

20 (1) The financial report of every charitable
21 organization which receives annual contributions of
22 [\$300,000] \$500,000 or more shall be audited by an

1 independent certified public accountant or public accountant.
2 Every charitable organization which receives annual
3 contributions of at least \$100,000, but less than [\$300,000]
4 \$500,000, shall be required to have a review or audit of
5 their financial statements performed by an independent
6 certified public accountant or public accountant. Every
7 charitable organization which receives annual contributions
8 of at least \$50,000, but less than \$100,000, shall be
9 required to have a compilation, review or audit of their
10 financial statements performed by an independent certified
11 public accountant or public accountant. A compilation, audit
12 or review is optional for any charitable organization which
13 receives annual contributions of less than \$50,000.

14 (2) Beginning January 1, 2020, and continuing every five
15 years thereafter on January 1, the department shall adjust
16 the base annual contribution threshold amounts triggering a
17 compilation, audit or review requirement in paragraph (1) by
18 applying the percentage change in the Consumer Price Index
19 for All Urban Consumers (CPI-U) for the Pennsylvania, New
20 Jersey, Delaware and Maryland area for the preceding five-
21 year period for which figures have been officially reported
22 by the United States Department of Labor, Bureau of Labor
23 Statistics, immediately prior to the date the adjustment is
24 to take effect, to the then current contribution threshold
25 amounts. The preliminary adjusted contribution threshold
26 amounts shall be rounded to the nearest \$5,000 to determine
27 the final adjusted contribution threshold amounts and
28 published as a notice in the Pennsylvania Bulletin within ten
29 days of the date the determination is made.

30 (3) Audits shall be performed in accordance with

1 generally accepted auditing standards, including the
2 Statements on Auditing Standards of the American Institute of
3 Certified Public Accountants, whereas reviews shall be
4 performed in accordance with the Statements on Standards for
5 Accounting and Review Services of the American Institute of
6 Certified Public Accountants.

7 * * *

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