
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1237 Session of
2015

INTRODUCED BY DEASY, MILLARD, D. COSTA, KORTZ, READSHAW AND
SCHEMEL, JUNE 5, 2015

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JUNE 5, 2015

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 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, amended October 27, 2006 (P.L.1180,
14 No.121), is amended to read:

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

17 * * *

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

19 (1) The financial report of every charitable
20 organization which receives annual contributions of
21 [\$300,000] \$400,000 or more shall be audited by an

1 independent certified public accountant or public accountant.
2 The department shall annually adjust the annual contribution
3 amount under this paragraph to reflect upward changes in the
4 Consumer Price Index for All Urban Consumers for the
5 Pennsylvania, New Jersey, Delaware and Maryland area for the
6 preceding 12 months. The department shall submit the adjusted
7 amounts to the Legislative Reference Bureau for publication
8 as a notice in the Pennsylvania Bulletin.

9 (2) Every charitable organization which receives annual
10 contributions of at least \$100,000, but less than [\$300,000]
11 \$400,000, shall be required to have a review or audit of
12 their financial statements performed by an independent
13 certified public accountant or public accountant. The
14 department shall annually adjust the maximum annual
15 contribution amount under this paragraph to reflect upward
16 changes in the Consumer Price Index for All Urban Consumers
17 for the Pennsylvania, New Jersey, Delaware and Maryland area
18 for the preceding 12 months. The department shall submit the
19 adjusted amounts to the Legislative Reference Bureau for
20 publication as a notice in the Pennsylvania Bulletin.

21 (3) Every charitable organization which receives annual
22 contributions of at least \$50,000, but less than \$100,000,
23 shall be required to have a compilation, review or audit of
24 their financial statements performed by an independent
25 certified public accountant or public accountant. A
26 compilation, audit or review is optional for any charitable
27 organization which receives annual contributions of less than
28 \$50,000.

29 (4) Audits shall be performed in accordance with
30 generally accepted auditing standards, including the

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

6 * * *

7 Section 2. The amendment of section 5(f) of the act shall
8 apply to fiscal years beginning on or after the effective date
9 of this section.

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