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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1286 Session of  
2014

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INTRODUCED BY STACK, WOZNIAK, COSTA, BRUBAKER AND ALLOWAY,  
MARCH 14, 2014

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REFERRED TO STATE GOVERNMENT, MARCH 14, 2014

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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, 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.--[The]

19 (1) Except as provided under paragraph (2), the  
20 financial report of every charitable organization which  
21 receives annual contributions of \$300,000 or more shall be

1 audited by an independent certified public accountant or  
2 public accountant. Every charitable organization which  
3 receives annual contributions of at least \$100,000, but less  
4 than \$300,000, 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. Audits  
14 shall be performed in accordance with generally accepted  
15 auditing standards, including the Statements on Auditing  
16 Standards of the American Institute of Certified Public  
17 Accountants, whereas reviews shall be performed in accordance  
18 with the Statements on Standards for Accounting and Review  
19 Services of the American Institute of Certified Public  
20 Accountants.

21 (2) Compilation, audit or review of a charitable  
22 organization's financial statements under paragraph (1) is  
23 optional for those organizations who do not have any full-  
24 time employees or part-time employees or independent  
25 contractors who are paid a salary or receive benefits for  
26 services provided to the charitable organization.

27 \* \* \*

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