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CIVIL COURT

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BEFORE THE SECRETARY OF THE COMMONWEALTH**

**Commonwealth of Pennsylvania,
Bureau of Charitable Organizations,**

vs.

**Firemen's Association of the
State of Pennsylvania**

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**Docket No. -98-05
File No. 05-98-02897**

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and the Firemen's Association of the State of Pennsylvania ("Respondent") stipulate as follows in settlement of the above-captioned case.

JURISDICTION

1. This matter is before the Secretary of the Commonwealth ("Secretary") pursuant to the Solicitation of Funds for Charitable Purposes Act, Act of December 19, 1990, P.L. 1200, No. 202, *as amended* ("Act"), 10 P.S. §§162.1-162.24.

2. Respondent is registered as a charitable organization in the Commonwealth of Pennsylvania, registration number 26650.

3. At all relevant and material times, Respondent was registered to solicit charitable contributions within the Commonwealth of Pennsylvania.

STIPULATED FACTS

4. Respondent admits that the following allegations are true:

a. Respondent's last known business address, as on file with the Bureau, is 100 State Street, Suite 500, Erie, PA 16507.

b. On or about July 29, 2002, Respondent and Civic Development

Group, LLC, a professional solicitor, 425 Raritan Center Parkway, Edison, NJ 08837, entered into an Agreement for solicitation services to be provided by Civic Development Group, LLC on behalf of Respondent.

c. The term of the contract for activities in Pennsylvania was for one year from the date of approval by the Bureau.

d. On October 21, 2002 the Bureau approved the contract between Respondent and Civic Development Group.

e. On November 13, 2003, the Bureau approved an addendum to the contract, extending the contract until September 29, 2004.

f. On September 29, 2004 the Bureau approved an addendum to the contract, extending the contract until September 29, 2005.

g. On March 31, 2003, Respondent submitted its registration materials and financial information for the fiscal year that ended December 31, 2002.

h. On its Internal Revenue Service (IRS) Form 990, Respondent reported \$45,313 in gross contributions for the fiscal year that ended December 31, 2002.

i. On its IRS Form 990, Respondent did not report any fundraising expenses for the fiscal year that ended December 31, 2002.

j. On its IRS Form 990, Respondent did not report that it used the services of a professional fundraiser during the fiscal year that ended December 31, 2002.

k. On Line 25 of its IRS Form 990, Respondent reported that it compensated officers but failed to identify the officers and their compensation as required on Part V of the IRS Form 990.

l. On April 6, 2004, Respondent submitted its registration materials and financial information for the fiscal year that ended December 31, 2003.

m. On its IRS Form 990, Respondent reported \$211,532 in gross contributions for the fiscal year that ended December 31, 2003.

n. On its IRS Form 990, Respondent did not report any fundraising expenses for the fiscal year that ended December 31, 2003.

o. On its IRS Form 990, Respondent did not report that it used the services of a professional fundraiser during the fiscal year that ended December 31, 2003.

p. On its IRS Form 990, Respondent listed that it compensated officers but failed to identify the officers and their compensation as required on Part V of the IRS Form 990.

q. In a letter dated September 24, 2004, the Bureau notified Respondent of several discrepancies and/or omissions in its registration documents.

r. On November 8, 2004, Respondent submitted amended IRS Form 990s for the fiscal years that ended December 31, 2002 and 2003.

s. For the fiscal year that ended December 31, 2002, Respondent amended its IRS Form 990 to report \$100,149 in contributions and \$55,016 in professional fundraising fees.

t. For the fiscal year that ended December 31, 2003, Respondent amended its IRS Form 990 to report \$1,939,188 in contributions and \$1,727,656 in professional fundraising fees.

u. For the fiscal years that ended December 31, 2002 and 2003, Respondent amended its IRS Form 990s to report compensation of its secretary, financial secretary, and treasurer.

AGREED VIOLATIONS

5. Respondent agrees that it committed multiple violations of the Act at 10 P.S. § 162.17(a)(3) by making a material false statements on the IRS Form 990s submitted to the Bureau for the fiscal years that ended December 31, 2002 and 2003.

PROPOSED ORDER

6. The participants consent to issuance of the following Order in settlement of this matter:

a. Respondent committed multiple violations of the Act at 10 P.S. § 162.17(a)(3).

ADMINISTRATIVE FINE

b. An **ADMINISTRATIVE FINE** of three thousand dollars (\$3,000.00) is levied upon Respondent. Respondent shall tender the full sum of three thousand dollars (\$3,000.00) with this executed Consent Agreement which shall be paid by **certified check, cashier's check, attorney's check, or U.S. Postal money order made payable to the "Commonwealth of Pennsylvania."**

CASE SETTLED AND DISCONTINUED

7. This case shall be deemed settled and discontinued upon the Secretary issuing an Order adopting this Consent Agreement and the Respondent's successful completion of any ordered discipline.

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

8. Respondent waives the filing and service of an Order to Show Cause in this matter. Respondent knowingly and voluntarily waives the right to an administrative hearing in this matter, and to the following rights related to that hearing: to be represented by counsel at the hearing; to present witnesses and testimony in defense or in mitigation of any sanction that may be imposed for a violation; to cross-examine witnesses and to challenge evidence presented by the Bureau; to present legal arguments by means of a brief; and to take an appeal from any final adverse decision.

AGREEMENT NOT BINDING ON OTHER PARTIES

9. This Consent Agreement is between the Bureau and Respondent only. It does not bind any other administrative entity of the Commonwealth of Pennsylvania, including any other bureau within the Department of State. Except as otherwise noted, this Agreement is to have no legal effect if *a)* the Office of General Counsel expresses an objection to the Agreement's form or legality and/or *b)* unless and until the Secretary issues the stipulated Order.

EFFECT OF SECRETARY'S REJECTION

10. Should the Secretary not approve this Consent Agreement, presentation to and consideration of this Consent Agreement and other documents and matters by the Secretary shall not prejudice the Secretary from further participation in the adjudication of this matter. This paragraph is binding on the participants even if the Secretary does not approve this Consent Agreement.

ENTIRE AGREEMENT

11. This Agreement contains the whole agreement between the parties; provided, however, that the captions printed in the various provisions of this agreement are for ease of reading only and are not to be interpreted as forming any part of this agreement. There are no other terms, obligations, covenants, representations, statements or conditions, or otherwise, of any kind whatsoever, concerning this Agreement.

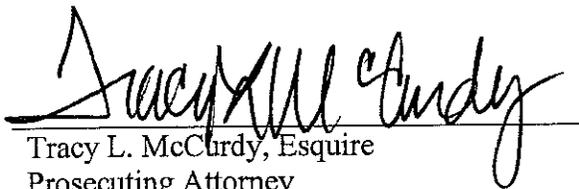
AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

12. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent and its officers, directors, agents, employees or independent contractors. Nothing in this Consent Agreement or the Order based upon this Consent Agreement shall preclude representatives of the Bureau from referring any information or data produced as a result of this matter to any federal, state, or local agency or governmental unit having jurisdiction over the activities of Respondent or any officer, director, agent, employee or independent contractor of the Respondent.

VERIFICATION OF FACTS AND STATEMENTS

13. Respondent verifies that the facts and statements set forth in this Agreement are true and correct to the best of Respondent's knowledge, information and belief. Respondent understands that statements in this Agreement are made subject to the criminal penalties of 18 Pa. C.S. §4904 relating to unsworn falsification to authorities.

FIREMEN'S ASSOCIATION OF THE
STATE OF PENNSYLVANIA


Tracy L. McCurdy, Esquire
Prosecuting Attorney
Department of State

By: 
Title: Treasurer
Respondent

DATED: 7-11-05

DATED: 6/30/2005



**IN THE MATTER OF
FIREMEN'S ASSOCIATION OF THE STATE OF PENNSYLVANIA
FILE NO. 05-98-02897**

ORDER

AND NOW, this 12th day of July, 2005, the terms of paragraph 6 of the foregoing Consent Agreement are hereby adopted and incorporated as the Order of the Secretary of the Commonwealth in resolution of this matter. This Order shall take effect immediately.

BY ORDER

Pedro A. Cortés
Pedro A. Cortés
Secretary of the Commonwealth