

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

PROTHONOTARY
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Department of State

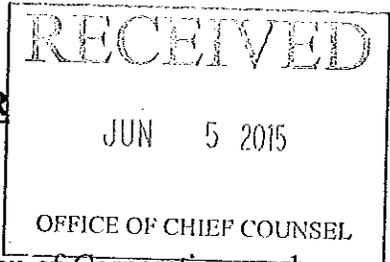
Commonwealth of Pennsylvania,
Bureau of Corporations and
Charitable Organizations

v.

Team Pittsburgh,
Respondent

:
:
:
: Docket No. 0009-98-15
:
: File No. 15-98-01428
:
:

CONSENT AGREEMENT AND ORDER



PARTIES

The Commonwealth of Pennsylvania, Department of State, Bureau of Corporations and Charitable Organizations (“Bureau”) and Team Pittsburgh (“Respondent”) stipulate as follows in settlement of the above-captioned matter:

JURISDICTION

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

LICENSE AND REGISTRATION STATUS

2. Respondent does not deny the truth of the following averments regarding its professional licensure:

- a. Respondent, Team Pittsburgh, is registered as a charitable organization with the Department of State, Bureau of Corporations and Charitable Organizations (Bureau), and holds certificate number 30822 issued by the Bureau.

- b. Respondent's registration is in accordance with the registration provisions of the Act.
- c. Respondent's registration certificate expires on November 15, 2015.
- d. The last known mailing address for the Respondent is 1240 Pemberton Street, Pittsburgh, PA 15212.

FACTUAL ALLEGATIONS

- 3. The Respondent admits that the following allegations are true:
 - a. Respondent held a valid registration to act as a charitable organization in the Commonwealth from 2003 until 2010.
 - b. On or about November 11, 2010, the certificate issued to Respondent, verifying its registration as a charitable organization in the Commonwealth, expired.
 - c. Subsequent to the expiration of Respondent's registration on November 11, 2010, Respondent continued to solicit charitable contributions in the Commonwealth
 - d. Respondent's registration remained in expired status until it renewed its registration on January 26, 2015.
 - e. On or about October 7, 2013, an Investigative Subpoena was issued against Respondent requesting documentation and information related to Respondent's fiscal records and solicitation activity in the Commonwealth from 2008 to the time of the subpoena.
 - f. A true and correct copy of the October 7, 2013 Investigative Subpoena is attached and incorporated as **EXHIBIT A**.
 - g. Respondent failed to fully comply with the Investigative Subpoena.

h. Respondent explained that the organization's record keeping had been poor and that there were no records for 2009, 2010, 2011, and 2012.

i. As a result, on or about August 28, 2014, the Secretary of the Commonwealth (Secretary) issued an Order directing Respondent to Cease and Desist from soliciting contributions in the Commonwealth until such time as the organization responds to the Bureau and becomes duly registered or provides information confirming that it is exempt or excluded from the registration requirements of the Act.

j. A true and correct copy of the August 28, 2014 Cease and Desist Order is attached and incorporated as **EXHIBIT B**.

k. On or about January 26, 2015, Respondent became properly registered with the Bureau.

l. On or about January 26, 2015, the Secretary of the Commonwealth issued an Order Lifting the Cease and Desist Order.

m. A true and correct copy of the Order Lifting the Cease and Desist Order is attached and incorporated as **EXHIBIT C**.

AGREED VIOLATIONS

4. The parties agree that by engaging in the foregoing activities, Respondent committed the following violations of the Act at:

a. Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through actions that were not in accordance with Section 5(a), 10 P.S. § 162.5(a), by soliciting contributions in the absence of an approved registration from 2011 until 2013;

b. Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 12 of the Act, 10 P.S. § 162.12, in that the organization failed

to make financial records available for inspection upon demand of the Department of State;

c. Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 12 of the Act, 10 P.S. § 162.12, in that the organization failed to keep true fiscal records as to its activities in the Commonwealth from 2009 until 2012.

TERMS OF BOARD ORDER

5. To address concerns raised by the Commonwealth and to resolve this matter on a compromise basis, the Commonwealth and the Respondent, intending to be legally bound, agree to the issuance by the Secretary of the following Order in settlement of this matter:

a. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through actions that were not in accordance with Section 5(a), 10 P.S. § 162.5(a), by soliciting contributions in the absence of an approved registration from 2011 until 2013;

b. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 12 of the Act, 10 P.S. § 162.12, in that the organization failed to make financial records available for inspection upon demand of the Department of State;

c. Respondent violated Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through the violation of Section 12 of the Act, 10 P.S. § 162.12, in that the organization failed to keep true fiscal records as to its activities in the Commonwealth from 2009 until 2012.

ADMINISTRATIVE FINE

d. An **ADMINISTRATIVE FINE** in the amount of **EIGHT-THOUSAND-DOLLARS (\$8,000.00)** is hereby levied upon Respondent.

(1) Respondent shall tender the full sum of the ADMINISTRATIVE FINE with the return of this executed Consent Agreement;

(2) Payment of the ADMINISTRATIVE FINE shall be by certified check, cashier's check, attorney's check, or money order issued by a usual, customary, and reputable issuer (e.g. U.S. Postal Money Order, Western Union Money Order, etc.).

(3) The instrument of payment shall be payable to the 'Commonwealth of Pennsylvania,' and shall be valid for a period of at least one hundred eighty (180) days.

(4) Respondent agrees that payment shall only be made by one of the methods indicated above and shall not be made by uncertified personal or corporate check.

CASE SETTLED AND DISCONTINUED

e. This case shall be deemed settled and discontinued upon the Secretary issuing an Order approving and adopting this Consent Agreement and upon the Respondent's successful completion of the requirements of this Order.

f. Nothing in this Consent Agreement and Order shall preclude the Prosecuting Attorney for the Bureau from filing charges, or the Secretary from imposing, disciplinary or corrective measures for violations or facts not contained in this Consent Agreement and Order.

ADMISSIBILITY OF CONSENT AGREEMENT IN FUTURE PROCEEDINGS

6. Respondent agrees that if Respondent is charged with a violation of an Act enforced by this Board in the future, this Consent Agreement and Order shall be admitted into evidence without objection in that proceeding.

ACKNOWLEDGMENT OF NOTICE AND WAIVER OF HEARING

7. Respondent waives the filing of an Order to Show Cause in this matter.

8. 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 Commonwealth; to present legal arguments by means of a brief; and to take an appeal from any final adverse decision.

ACKNOWLEDGMENT OF RIGHT TO ATTORNEY

9. Respondent acknowledges that it is aware that it has the right to consult with, and be represented by, private legal counsel of Respondent's choosing and at Respondent's expense when reviewing, considering and accepting the terms of this Consent Agreement.

10. To the extent that Respondent is not represented by legal counsel, Respondent has knowingly elected to proceed in this matter without the assistance of legal counsel.

WAIVER OF CLAIM OF COMMINGLING AND OTHER CONSTITUTIONAL CLAIMS

11. Respondent expressly waives any constitutional rights and issues, such as commingling of prosecutorial and adjudicative functions by the Secretary or his counsel, which may arise or have arisen during the negotiation, preparation and/or presentation of this Consent Agreement. This paragraph is binding on the participants even if the Secretary does not approve this Consent Agreement.

NO MODIFICATION OF ORDER

12. Respondent agrees, as a condition of entering into this Consent Agreement, not to seek modification at a later date of the Stipulated Order adopting and implementing this Consent Agreement without first obtaining the express written concurrence of the Prosecution Division.

AGREEMENT NOT BINDING ON OTHER PARTIES

13. This Consent Agreement is between the Bureau and Respondent only. It does not bind any other governmental or administrative entity of the Commonwealth of Pennsylvania, including any other bureau within the Department of State.

14. The Office of General Counsel has approved this Consent Agreement as to form and legality; however, this Consent Agreement shall have no legal effect unless and until the Secretary issues an Order approving and adopting this Consent Agreement.

EFFECT OF SECRETARY'S REJECTION OF CONSENT AGREEMENT

15. 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.

AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

16. 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.

ENTIRE AGREEMENT

17. This agreement contains the whole agreement between the participants; 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.

VERIFICATION OF FACTS AND STATEMENTS

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

Trese M. Evancho
T'rese M. Evancho
Prosecuting Attorney
Department of State

DATED: 4/14/2015

Alan Gregory
Team Pittsburgh
Respondent

DATED: 4/1/15



Commonwealth of Pennsylvania
Department of State
Bureau of Corporations and Charitable Organizations
P.O. Box 8723
Harrisburg, Pennsylvania 17105-2649
Telephone: (717) 787-0700

INVESTIGATIVE SUBPOENA

CERTIFIED MAIL 9171 9690 0935 0023 1693 85
FIRST CLASS MAIL

To: Don Gregory, President
Team Pittsburgh
1240 Pemberton Street
Pittsburgh, PA 15212

Re: Team Pittsburgh 2013-98-00134

GREETINGS:

In accordance with the Pennsylvania Solicitation of Funds for Charitable Purposes Act, 10 P.S. § 162.1 *et seq.*:

You are hereby commanded, setting aside all manner of business and excuses whatsoever, to produce and tender to Special Investigator Andrew D. McCole by **November 4, 2013**, the identified documents which are relevant to the above matter presently under investigation and undetermined before the Bureau of Corporations and Charitable Organizations:

1. Copies of the organization's by-laws, articles of incorporation or other organizational documents, and minutes of Board of Directors' meetings for 2008 to the present;
2. A copy of the organization's Internal Revenue Service (IRS) Form 1023, Application for Recognition of Exemption under Section 501 (c) (3) of the IRS Code as filed with the IRS;
3. Copies of the IRS Form 990s or 990Ts tax returns submitted by the organization for fiscal years 2008 to present;

EXHIBIT
A

4. A complete and accurate list of all officers, directors, trustees, and employees of the organization, including the full names, addresses, and titles held during each fiscal year 2008 to the present. For each year include a complete analysis of all compensation received by them including, but not limited to, benefits, reimbursements, and payments made on their behalf by the organization. Also, include copies of all IRS Form W-2s and/or 1099s and all related transmittals and payroll tax documents;
5. A complete list of all transactions, not including those already provided for in response to item #4 above, involving the organization and any trustee, director, officer, employee, or their family members, or any other related party, including the organization's donors. Include transactions involving any taxable organization with which any such person is related. Provide copies of all contracts and details of oral agreements between the organization and any of these parties during each fiscal year 2008 to the present;
6. Copies of all audited or reviewed financial statements for fiscal year 2008 to the present. If unavailable, please provide copies of all internal financial statements for this same time period;
7. A complete list of all fundraising events, including the dates, descriptions, amount of money raised and locations, sponsored by the organization during fiscal year 2008 to the present;
8. Identify all methods of soliciting contributions and provide copies of all solicitation materials including, but not limited to, advertisements, letters requesting contributions, and grant requests/applications made or received in 2008 to the present. If a method of soliciting was small games of chance, please provide the organization's small games of chance license for each year;
9. A complete list of all cash and non-cash contributions received by the organization during fiscal year 2008 to the present. For all contributions received from individuals, charitable

organizations, corporations, associations, trusts, foundations, or other entities, indicate the name, address, and telephone number of the contributor, and the amount or description and fair market value and date of the contribution. This includes small games of chance;

10. A detailed analysis of all other types of income received by the organization from sources other than those listed above;
11. A complete list of all cash and non-cash donations made by the organization during fiscal year 2008 to the present. For each donation include the name, address, and telephone number of the donee, the amount given or description and fair market value, and a statement indicating how the donation related to the organization's exempt purpose;
12. A complete listing of all programs sponsored by the organization. For each program, include an explanation of how the program fulfilled the organization's charitable purpose during each fiscal year 2008 to the present;
13. A detailed list, including the date, method of payment, amount and payee of all the organization's disbursements for fiscal year 2008 to the present. For each disbursement, include a copy of the supporting receipt or invoice and a brief explanation as to the purpose of the disbursement and an explanation as to how the disbursement furthered the charitable purpose of the organization;
14. A complete analysis of all compensation paid to independent contractors, including fundraisers, during fiscal year 2008 to the present. Include the name and address of each independent contractor, the compensation paid, date paid, and a complete description of the services performed. Also, include copies of all IRS Form 1099s and all related transmittals;
15. A complete list of all accounts with banks or other financial institutions for fiscal year 2008 to the present. For each account provide the name, address, telephone number for the institutions, date the accounts were opened and closed, the title of the accounts, and the account number;

16. Copies of all titles or other proofs of purchase for all real estate and fixed assets held during fiscal year 2008 to the present;
17. A detailed listing of all investments held during fiscal year 2008 to the present;
18. Copies of all company credit card statements and related receipts for purchases for fiscal year 2008 to the present. Do not include receipts already provided in response to item #13; and,
19. Copies of all loan agreements entered into by the organization.

And this you are not to omit under penalty which may ensue.

If your organization is unable to provide the information or documentation identified in this subpoena, please provide a written explanation as to why the organization is unable to provide the material.

Section 12 of the Solicitation of Funds for Charitable Purposes Act, 10 P.S. §162.12, requires charitable organizations, professional fundraising counsels and professional solicitors to maintain true fiscal records and to make those records available upon demand by the Bureau. Failure to comply with this subpoena may result in an order directing that you and/or your organization cease and desist specified fundraising activities in Pennsylvania, as well as referral of this matter to the Bureau's Prosecuting Attorney for appropriate legal action

WITNESS my hand and the official seal of the Secretary of the Commonwealth this 7th day of October 2013.



Shannon E. Rayn
Deputy Secretary

Math H. Brown
Counsel



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE

9171 9690 0935 0027 7874 55

CERTIFIED MAIL 9171 9690 0935 0027 7874 55
FIRST CLASS MAIL

IN THE MATTER OF: TEAM PITTSBURGH

ORDER

AND NOW, THIS 28TH DAY OF AUGUST 2014, THE SECRETARY OF THE COMMONWEALTH, HAVING FOUND THAT TEAM PITTSBURGH, 1240 PEMBERTON STREET, PITTSBURGH, PA 15212, IS NOT REGISTERED WITH THE DEPARTMENT'S BUREAU OF CHARITABLE ORGANIZATIONS, HAS FAILED TO RESPOND TO THE BUREAU'S REQUEST FOR REGISTRATION REQUIREMENTS AND HAS SOLICITED CONTRIBUTIONS IN PENNSYLVANIA WHILE IT WAS NOT REGISTERED; IN ACCORDANCE WITH THE PENNSYLVANIA SOLICITATION OF FUNDS FOR CHARITABLE PURPOSES ACT, 10 P.S. § 162.1 *ET SEQ.*, HEREBY ORDERS TEAM PITTSBURGH TO CEASE AND DESIST FROM SOLICITING CONTRIBUTIONS IN PENNSYLVANIA UNTIL SUCH TIME AS TEAM PITTSBURGH HAS DULY REGISTERED WITH THE BUREAU OR PROVIDED INFORMATION THAT IT IS EXCLUDED OR EXEMPT FROM REGISTRATION. THIS ORDER SHALL TAKE EFFECT IMMEDIATELY. ADDITIONALLY, TEAM PITTSBURGH MAY BE SUBJECT TO ADMINISTRATIVE FINES OF UP TO \$1,000 PER VIOLATION AND \$100 FOR EACH DAY THE VIOLATION CONTINUES. THIS ORDER SHALL TAKE EFFECT IMMEDIATELY.

BY ORDER:
DEPARTMENT OF STATE

Carol Aichele
SECRETARY OF THE COMMONWEALTH

THIS ORDER MAY BE APPEALED BY REQUESTING A HEARING, IN WRITING, WITHIN TEN DAYS OF THE DATE OF THIS ORDER IN ACCORDANCE WITH 2PA. C. S. § 501, *ET SEQ.* THE REQUEST MUST BE SENT TO: THE BUREAU OF CHARITABLE ORGANIZATIONS, 212 NORTH OFFICE BUILDING, HARRISBURG, PA 17120-0103, AND THE PROTHONOTARY'S OFFICE, PO BOX 2649, HARRISBURG, PA 17105-2649.

**EXHIBIT
B**

SECRETARY OF THE COMMONWEALTH



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE

IN THE MATTER OF: TEAM PITTSBURGH

ORDER LIFTING CEASE AND DESIST ORDER

THE CEASE AND DESIST ORDER ISSUED BY THE SECRETARY OF THE COMMONWEALTH AGAINST TEAM PITTSBURGH ON AUGUST 28, 2014 IS HEREBY LIFTED. THIS ORDER IS EFFECTIVE AS OF JANUARY 26, 2015.

BY ORDER:
DEPARTMENT OF STATE
BUREAU OF CHARITABLE ORGANIZATIONS

Pedro A. Cortés

Pedro A. Cortés

ACTING SECRETARY OF THE COMMONWEALTH

**EXHIBIT
C**

SECRETARY OF THE COMMONWEALTH



TEAM PITTSBURGH

DOCKET NO. -98-15
FILE NO. 15-98-01428

ORDER

AND NOW, this 27TH day of May, 2015, the foregoing Consent Agreement is approved and the terms set forth in paragraph 5 are hereby adopted and incorporated herein as the Order of the Secretary of the Commonwealth issued in resolution of this matter.

THIS ORDER shall take effect immediately.

BY ORDER

Pedro A. Cortés

Pedro A. Cortés
Acting Secretary of the Commonwealth

For the Commonwealth:

Trrese M. Evancho, Esquire
2601 North Third Street
P. O. Box 2649
Harrisburg, PA 17105-2649

For Respondent:

Team Pittsburgh
1240 Pemberton Street
Pittsburgh, PA 15212

Date of mailing:

JUNE 04, 2015