

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

PROSECRETARY

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Department of State

Commonwealth of Pennsylvania, :
Bureau of Charitable Organizations :
 : Docket No. ~~1080~~ 98-11
 :
 vs. : File No. 10-98-09766
 :
 Humane Society of Harrisburg :
 Area, Inc., :
 Respondent :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations (“Bureau”), and Humane Society of Harrisburg Area, Inc. (“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 *et. seq.*

2. At all relevant and material times, Respondent conducted business in Pennsylvania as a charitable organization, as defined by the Act.

3. At all relevant and material times, Respondent was registered as a charitable organization with the Bureau, under registration number 961.

STIPULATED FACTS

4. Respondent admits that the following allegations are true:

- a. Respondent's last known address on file with the Bureau is 7790 Grayson Road, Harrisburg, PA 17111.
- b. On or about November 16, 2009, the Bureau received Respondent's registration materials for fiscal year ending December 31, 2008.
- c. Respondent registration information included an independent auditor's report on Respondent's financial statements for fiscal year ending December 31, 2008. The audit report was received by Respondent on or about November 12, 2009.
- d. The independent auditor's report submitted by the Respondent indicated that Respondent failed to record certain donated goods (such as pet food, toys, treats, used linens, and cat litter) that should have been recorded in Respondent's December 31, 2008 financial statements and omitted the disclosure of expenses by their functional classifications in its statement of activities or the notes to the financial statements.
- e. On or about September 9, 2010, the Bureau received an independent auditor's report on Respondent's financial statements for fiscal year ending December 31, 2009.
- f. The independent auditor's report for fiscal year ending December 31, 2009, indicated that Respondent did not record certain donated goods in Respondent's December 31, 2009 financial statements, and omitted the disclosure of expenses by their functional classifications in its statement of activities or the notes to the financial statements.
- g. On or about September 29, 2010, the Bureau sent a letter via certified mail, return receipt requested, requesting information regarding donated goods.
- h. On or about October 24, 2010, Respondent responded to the Bureau's September 29, 2010 letter, indicating that Respondent was unable to go back and quantify

the amount of perishable donated good for fiscal years ending December 31, 2008 and December 31, 2009.

i. Respondent's October 24, 2010 response indicated that Respondent has implemented a donation logging system to accurately record items (such as pet food, toys, treats, used linens, and cat litter) and identifies expenses by their functional classifications for fiscal year ending December 31, 2010.

j. The independent auditor's report for the fiscal year ending December 31, 2010 removed the qualifications noted above in paragraphs 4(d) and 4(f), concerning recording certain donated goods.

AGREED VIOLATIONS

5. Respondent admits and agrees that by engaging in the aforementioned activities:

a. Respondent violated the Act at 10 P.S. §162.15(a)(1), by and through 10 P.S. § 162.12 by failing to keep true and accurate records for fiscal years ending December 31, 2008 and December 31, 2009, as required by the Act.

PROPOSED ORDER

6. The participants, intending to be legally bound, consent to issuance of the following Order in settlement of this matter:

a. Respondent violated the Act at 10 P.S. § 162.15(a)(1), by and through, 10 P.S. § 162.12.

ADMINISTRATIVE FINE

b. An **ADMINISTRATIVE FINE** of two thousand dollars (\$2,000) is levied upon Respondent. Respondent shall tender the full sum of two thousand dollars (\$2,000), with this executed Consent Agreement which shall be paid by **certified check, cashiers**

check, attorney's check, or U.S. Postal money order made payable to the
"Commonwealth of Pennsylvania." Respondent shall also pay any and all currently
outstanding Administrative Fines levied by the Bureau's registration unit.

MAINTAINING RECORDS

c. Respondent acknowledges its requirement to true and accurate records of its
fiscal activities in accordance with Section 162.12 of the Act. Should Respondent fail to
keep true and accurate records of its fiscal activities, Respondent shall pay an
administrative fine of \$1,000.00, and an additional penalty of \$100.00 for each day during
which such violation continues. No registration, should the Respondent be required to
register under the Act, shall be renewed until the fine is paid.

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 the
requirements of this Order. However, 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.

ACKNOWLEDGEMENT OF NOTICE AND WAIVER OF HEARING

8. Respondent waives the filing 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 the 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 or governmental 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.

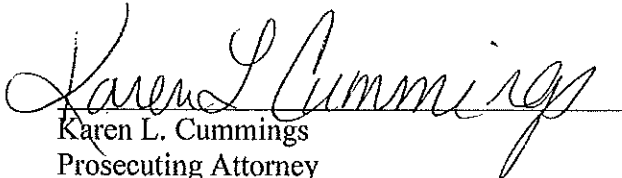
AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

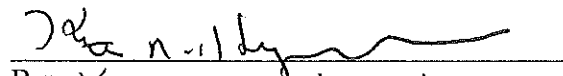
12. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent and its officers, directors, agents, employees or independent contractors. Nothing in this Consent Agreement or the Order based upon this Consent 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.

Humane Society of Harrisburg Area, Inc.


Karen L. Cummings
Prosecuting Attorney
Department of State


By: Kenneth N. Huzendobler
Title: President, Board of Directors
Respondent

DATED: 7/18/11

DATED: JULY 30 2011



**IN THE MATTER OF
THE HUMANE SOCIETY OF HARRISBURG AREA, INC.
FILE NO. 10-98-09766**

ORDER

AND NOW, to wit, on this 1st day of August 2011, 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:

A handwritten signature in cursive script that reads "Carol Aichele".

Carol Aichele
Secretary of the Commonwealth