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

Department of State

Commonwealth of Pennsylvania,  
Bureau of Corporations and  
Charitable Organizations

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Docket No.: 0006-98-18

v.

File No.: 16-98-08804

Poverty Resolutions, Inc.  
Respondent

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, Bureau of Corporations and Charitable Organizations ("Bureau"), by and through its undersigned prosecuting attorney, Michael J. Gennett and Poverty Resolutions, Inc., ("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, 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 acted as a charitable organization as defined by the Act.

**STIPULATED FACTS**

3. Respondent admits that the following statements are true:

a. At all times relevant hereto, Respondent was a Pennsylvania nonprofit corporation formed on February 22, 2010, with a principal place of business located at 3488

York Road, Furlong, Pennsylvania, 18925, and was a charitable organization as defined by the Internal Revenue Code of 1986, Section 501(c)(3) (the "Code").

b. At all times relevant hereto, Respondent was organized and existing for the purpose of bringing awareness to and providing solutions for the systemic and widespread poverty experienced by the people of Haiti and remains committed to improving the lives of Haitians living in extreme poverty.

c. At all times relevant hereto, Respondent sought to combat the cultural, economic and familial poverty of this region by providing hope, raising awareness and inspiring others to act. Respondent's charitable endeavors are supported through both solicited and unsolicited contributions and grants.

d. Pursuant to the Act, Respondent was issued a Certificate of Registration, number 40478, for the years 2011 and 2012, at which time Respondent received contributions, gifts and grants totaling \$64,264.00 and \$201,127.00, respectively.

e. Respondent filed a BCO-10 Renewal Statement for the fiscal tax year ending December 31, 2013, and was notified on October 30, 2014 that the registration could not be approved due to several errors/deficiencies in the submitted BCO-10 Application and/or Respondent's failure to submit the proper registration fee. Relying on the advice of a licensed accounting professional, Respondent submitted the requested fees and attempted to cure the noted deficiencies. Per the advice of the aforementioned licensed accounting professional, Respondent did not submit the audited financial statements. Respondent believed it had adequately complied with the October 30, 2014 letter and that it was properly registered with the Commonwealth for the tax period ending December 31, 2013.

f. On or about December 16, 2015, Respondent received a notice that its registration for December 31, 2014 could not be approved. In an effort to comply with the December 16, 2015 letter and properly renew its Registration, Respondent submitted the requested registration fee and assessed late fees/penalties. Additionally, Respondent retained a new professional accounting service to prepare an audit for the 2014, 2015 and 2016 tax years and provided same to the Bureau of Corporations and Charitable Organizations in letters dated February 8 and February 25, 2016

g. Due to the inaccurate and/or erroneous advice of its former accountant, and a mistaken belief that it had cured the deficiencies in its BCO-10 Applications for 2013 and 2014, Respondent continued to operate and solicit funds in furtherance of its exempt purposes. At all times relevant thereto, Respondent was unaware that its registration had lapsed and/or had not been approved for the period of November 12, 2014 through June 23, 2016. Registration materials submitted for the Respondent's 2015 fiscal year were approved on June 23, 2016.

h. Respondent currently operates under a Certificate of Registration, number 40478 valid through November 15, 2018

i. At all times relevant hereto, Respondent acted in good faith and did not willfully or knowingly violate any provision of the Act with an intent to deceive or defraud the Commonwealth or any individual contributing to the Respondent. Rather, as a relatively new organization growing at a rapid pace, Respondent relied on the advice of professionals it believed had experience and knowledge as to the law regarding charitable registration. Any errors and/or omissions on the part of Respondent were the result of this mistaken reliance and were administrative in nature.

j. Respondent acknowledges it was not exempt from registration under 10 P.S. § 162.6(a)(8) and accordingly enters into this agreement to redress these administrative errors and omissions.

#### **AGREED VIOLATIONS**

4. Respondent admits and agrees that failing to hold a valid Certificate of Registration from November 12, 2014 through June 23, 2016, Respondent committed violations of the Act as follows:

a. Violating Section 15(a)(1) of the Act, 10 P.S. § 162.15(a)(1), by and through 10 P.S. § 162.5(a), by soliciting contributions without the approved registration filed with the Bureau.

#### **PROPOSED ORDER**

5. The participants, intending to be legally bound, consent to issuance 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 10 P.S. § 162.5(a), by soliciting contributions without the approved registration filed with the Bureau.

#### **ADMINISTRATIVE PENALTIES**

6. 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.

a. Payment shall be by **certified check, cashier's check, attorney's check, or U.S. Postal money order.**

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

c. Respondent agrees that payment will be made by one of the methods indicated in subparagraph (a) above and that payment by uncertified personal check, corporate check or cash will not be accepted.

#### **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 any future violations.

#### **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.

  
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Michael J. Gennett, Esquire  
Prosecuting Attorney  
Department of State

  
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Poverty Resolutions, Inc.  
Respondent  
By: Matthew Jones  
Title: *Managing Director*

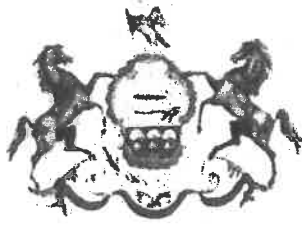
  
\_\_\_\_\_  
Morgen Cheshire, Esquire  
Cheshire Law Group  
Attorney for Respondent  
Poverty Resolutions, Inc.

DATED:

17 JAN 2018

DATED:

1/12/18



**IN THE MATTER OF  
Poverty Resolutions, Inc.  
File No.: 16-98-08804  
Docket No.: 0006-98-18**

**ORDER**

AND NOW, this 24<sup>th</sup> day of January 2018, the foregoing Consent Agreement is hereby approved and the terms set forth therein are hereby adopted and incorporated herein as the Order of the Secretary of the Commonwealth, now issued in resolution of this matter. **THIS ORDER shall take effect immediately.**

**BY ORDER:**

A handwritten signature in cursive script that reads "Robert Torres".

**Robert Torres  
Acting Secretary of the Commonwealth**

For the Commonwealth:

Michael J. Gennett, Esquire  
306 North Office Building  
401 North Street  
Harrisburg, PA 17120

For Respondent:

Poverty Resolutions, Inc.  
3488 York Road  
Furlong, PA 18925