

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

Commonwealth of Pennsylvania, :
Bureau of Charitable Organizations, :
 : Docket No.
vs. : File No. 08-98-03060
 :
Shenandoah Quarterback Club, Inc., :
Respondent :

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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and the Shenandoah Quarterback Club, 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. §§162.1-162.24.

2. Respondent is currently registered with the Bureau as a charitable organization, registration No. 33002.

STIPULATED FACTS

3. Respondent admits that the following allegations are true:

a. Respondent's last known business address is 586 California Avenue, Shenandoah, PA 17976.

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b. Respondent received contributions in excess of \$25,000 during fiscal year ending December 31, 2004.

c. Respondent was not registered to solicit contributions in the Commonwealth during Respondent's fiscal year 2004.

d. Respondent was not required to be registered with the Bureau in fiscal year 2005, but was nevertheless required to keep true and accurate financial records.

e. In October 2006, Respondent submitted requested financial documents to the Bureau.

f. Upon review of the documents provided, it was learned that certain totals and revenue categories could not be verified due to lack of supporting documentation.

g. For fiscal year 2005, Respondents financial statements were overstated by \$402.00. Due to the failure to keep accurate financial statements, this overstatement could not be explained.

h. In the documents supplied to the Bureau for Fiscal year 2004, Respondent failed to include: (1) a deposit of \$8,512.81 into a building fund on its financial statements; and (2) a January 6, 2004 deposit of \$4,285.00 on its income statement.

i. For fiscal year 2004, Respondents financial statements were understated by \$74.50. Due to the failure to keep accurate financial statements, this understatement could not be explained.

AGREED VIOLATIONS

4. Respondent agrees that by engaging in the foregoing activities it violated the Act at 10 P.S. §162.15(a)(1) by and through violations of 10 P.S. §162.12 in that Respondent solicited charitable contributions in the Commonwealth of Pennsylvania and failed to keep true and accurate fiscal records of those solicitation activities.

5. Respondent agrees that by engaging in the aforementioned activities, Respondent violated the Act by soliciting charitable contributions without being registered with the Bureau in violation of 10 P.S. § 162.15 (a)(1), by and through § 162.5(a).

6. Respondent agrees that by engaging in the aforementioned activities, Respondent made false statements in an application, statement or report required to be filed under the Act, in violation of 10 P.S. § 162.17(a)(3).

PROPOSED ORDER

7. The participants 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 §162.12; by and through § 162.5(a); and § 162.17(a)(3).

b. An **ADMINISTRATIVE FINE** of one thousand dollars (\$1,000.00) is levied upon Respondent. Respondent shall tender the full sum of one thousand dollars (\$1,000.00) 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."**

c. Respondent acknowledges its requirement to keep true and accurate financial records, and understands that the Bureau may audit the records of Respondent at anytime.

d. Respondent shall hire a licensed CPA to assist in creating the necessary accounting records and establishing internal control procedures sufficient enough to allow the financial statements of the organization to be audited under Generally Accepted Auditing Standards.

e. Respondent shall provide to the Bureau, within 15 days of its availability, a copy of the engagement letter or other written documentation of the services to be provided by the CPA and the timeframe in which they will be completed.

f. Respondent shall, upon completion of the services performed by the CPA, provide a notarized affidavit detailing the actions taken to meet these requirements. Additionally, both the organization and the CPA must make available to the Bureau, upon request, any and all documents related to the work performed.

VIOLATION OF THE SECRETARY'S ORDER

8. 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

9. 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 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

10. 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

11. 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

12. 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.

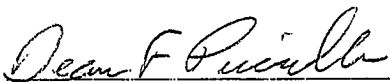
AGREEMENT DOES NOT PREVENT REFERRAL TO OTHER AGENCIES

13. 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.

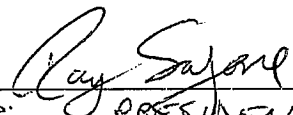
VERIFICATION OF FACTS AND STATEMENTS

14. 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.

Shenandoah Quarterback Club, Inc.



Dean F. Picarella, Esquire
Prosecuting Attorney
Department of State

By: 

Title: PRESIDENT
Respondent

DATED: 05/09/2008

DATED: 4-30-08



**IN THE MATTER OF
SHENENDOAH QUARTERBACK CLUB, INC.
FILE NO. 08-98-03060**

ORDER

AND NOW, this 16th day of May, 2008, the terms of paragraph 7 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