

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

Department of State

Commonwealth of Pennsylvania  
Bureau of Charitable  
Organizations

vs.

Rachel's Vineyard Ministries,  
Respondent

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: Docket No. 0025 -98-13  
: File No. 12-98-04963  
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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, Bureau of Charitable Organizations ("Bureau") and the Rachel's Vineyard Ministries, ("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 ("the 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. Respondent's registration as a charitable organization with the Bureau, registration number 35363, expired on December 18, 2007 and was not renewed until March 22, 2012.

## STIPULATED FACTS

4. The Commonwealth and the Respondent agree to the following facts:

a. Respondent's principal place of business is located at 808 Henderson Road, 2nd Floor, King of Prussia, PA 19406.

b. Respondent primarily receives charitable contributions in Pennsylvania through the collection of registration fees from participants in retreats which provide counseling to persons who have undergone abortions; from additional contributions made in excess of the standard registration fee to attend retreats from attendees; and from prior attendees of its retreats who receive its periodic newsletter via direct mail and/or the internet.

c. Respondent's IRS Form 990 for fiscal year ending December 31, 2007 indicates that Respondent received \$450,942 in general contributions.

d. During fiscal year ending December 31, 2007, Respondent received \$8,882 from Pennsylvania residents.

e. Respondent's IRS Form 990 for fiscal year ending December 31, 2008, indicates that Respondent received \$362,057 in general contributions.

f. During fiscal year ending December 31, 2008, Respondent received \$8,677 from Pennsylvania residents.

g. Respondent's IRS Form 990 for fiscal year ending December 31, 2009 indicates that Respondent received \$479,198 in general contributions.

h. During fiscal year ending December 31, 2009, Respondent received \$9,916 from Pennsylvania residents.

i. Respondent's IRS Form 990 for fiscal year ending December 31, 2010 indicates that Respondent received \$600,072 in general contributions.

j. During fiscal year ending December 31, 2010, Respondent received \$10,279 from Pennsylvania residents.

k. During the fiscal year ending December 31, 2011, Respondent received \$28,562 from Pennsylvania residents.

5. If this matter should proceed to a hearing the Respondent avers but the Commonwealth neither admits nor denies the following:

a. Upon being notified by the Bureau on January 9, 2012, that it would be subject to a Cease and Desist Order if it solicited donations in the Commonwealth without renewing its registration, Respondent promptly submitted an application to renew its registration accompanied by information indicating that it did not collect more than \$25,000 in donations from residents of the Commonwealth in any period prior to 2011.

b. Respondent's received notification from the Bureau that its registration as a charitable organization was renewed on March 22, 2012.

c. Between December 18, 2007 and March 22, 2012, Respondent alleges that it was exempt from registration pursuant to 10 P.S. § 162.6(a)(8) because Respondent received contributions of \$25,000 or less annually from donors within the Commonwealth and did not compensate any person outside of the organization to conduct solicitations.

d. During fiscal years 2008 through 2010, Respondents collected more than \$25,000 from donors not located within the Commonwealth who in most cases attended retreats conducted by the Respondent at locations outside of the Commonwealth.

e. Respondent contends that the question of whether contributions received from persons outside the Commonwealth are to be taken into consideration in the interpretation of § 162.6(a)(8) is an issue that has not yet been addressed by regulation, judicial opinion, or Bureau adjudication.

f. Respondent does not contest the Bureau's claim that by engaging in the foregoing activities it was in violation of the Act at, 10 P.S. §162.15(a)(1), by and through 10 P.S. §162.5 by soliciting charitable contributions in Pennsylvania without renewing its registration.

g. The Respondent has elected to enter into this Consent Agreement while expressly preserving the right to claim in the future that the exemption provided by 10 P.S. § 162.6(a)(8) is applicable to its activities in the Commonwealth.

#### **AGREED VIOLATIONS**

6. Respondent, by engaging in the foregoing activities, violated the Act at, 10 P.S. §162.15(a)(1), by and through 10 P.S. §162.5.

#### **PROPOSED ORDER**

7. The parties, intending to be legally bound, agree to the 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. §162.5.

#### **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."

#### FILING OF REGISTRATION DOCUMENTS

c. Respondent shall file its registration documents no later than April 1, 2013.<sup>1</sup>

d. Accordingly, Respondent agrees not to solicit charitable contributions in the Commonwealth of Pennsylvania without first being properly registered with the Bureau in accordance with Section 162.5 of the Act or until such time that Respondent meets the requisite criteria for exemption under the Act as determined by the Bureau or a Court of Competent Jurisdiction.

e. Respondent acknowledges that failure to register with the Bureau when required to do so, may result in an administrative fine of \$1,000.00, and an additional penalty of \$100.00 for each day the violations continue.

f. Respondent acknowledges that failing to register with the Bureau when required to do so may result in a subsequent registrations being automatically suspended until the fine is paid or until the normal expiration date of the registration in accordance with Section 162.17 of the Act.

g. Respondent acknowledges that no subsequent registration shall be

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<sup>1</sup> Although the deadline for renewal of its 2011 registration was November 11, 2012, because Respondent conducts administrative operations from an office location in Staten Island, NY which was located in the evacuation zone for Hurricane Sandy which made landfall on October 29, 2012, and was unable to resume full operations until late November 2012, the Internal Revenue Service granted Respondent an extension of deadline to submit its Form 990 until April 1, 2013. Given the extenuating circumstances surrounding the devastation caused by Hurricane Sandy, the Bureau in this matter will honor Respondent's request and agrees to allow the filing of registration documents in accordance with the IRS deadline.

renewed until the fine is paid.

**CASE SETTLED AND DISCONTINUED**

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 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**

9. 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 governmental or 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**

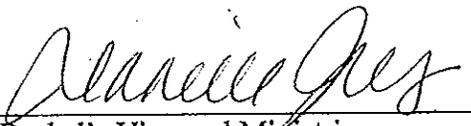
13. The parties acknowledge that other federal, state, and/or local agencies may have jurisdiction over the activities of, or representations made by, Respondent and its officers, directors, agents, employees or independent contractors. Nothing in this Consent Agreement or the Order based upon this Consent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

  
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Leonard Cowitch, Jr. Esquire.  
Prosecuting Attorney  
Department of State

DATED: 4-4-13

  
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Rachel's Vineyard Ministries  
Name: DANIELLE JONES  
Title: FINANCE DIRECTOR  
Respondent

DATED: 3/28/13



**IN THE MATTER OF  
RACHEL'S VINEYARD MINISTRIES  
FILE NO. 12-98-04963**

**ORDER**

AND NOW, this <sup>23<sup>rd</sup></sup> day of April 2013, 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

A handwritten signature in cursive script, appearing to read "Carol Aichele".

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Carol Aichele  
Secretary of the Commonwealth