



3. Respondents agree not to take any action or to make or permit to be made any public statements creating the impression that this Consent Order is without basis.

4. Respondents stipulate and agree with the Secretary that should any facts herein prove to be false, the Secretary reserves the right to pursue any and all legal or administrative remedies at its disposal.

5. Respondents, through the execution of this Consent Order, voluntarily waive their rights to a formal hearing on this matter and to judicial review of this Consent Order.

6. Respondents enter into this Consent Order voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Secretary or any member, officer, employee, agent, or representative of the Secretary to induce Respondents to enter into this Consent Order.

7. Exhibit A is hereby incorporated into this order and represents the full agreement of the parties.

#### **FINDINGS OF FACT**

8. The Hope Box is a domestic nonprofit corporation with its principal office located at 3330 Cobb Parkway Suite 324-180, Acworth, Georgia 30101 and its physical address located at 77 Windsor Way, Dallas, Georgia 30132. According to its pending application for registration as a charitable organization in Georgia, the Form C-100, The Hope Box's general purpose is, "[t]o provide services to infants and mothers in crisis. To provide safe haven training and services to safe haven providers within the State of Georgia." The Hope Box is registered as a 501(c)(3) tax exempt organization with the IRS as a public charity.

9. The Hope Box registered with the Georgia Corporations Division in May 2015 as a domestic nonprofit corporation. Respondent Sarah Koeppen is listed as the Registered Agent, Chief Operating Officer, Chief Financial Officer, and Secretary.

10. In February 2022, the Division received information that Respondents were operating a charity organization without an active registration with the Division in violation of O.C.G.A. § 43-17-5 and were misappropriating charitable funds. The Division issued a Request for Information ("RFI") inquiring about the Hope Box's unregistered status as a charitable organization.

11. In March 2022, after the deadline to respond to the RFI passed, Respondents submitted a registration packet for the Division's consideration. The Division issued a Deficiency

letter to Respondents indicating which aspects of the application were incomplete and deficient. Respondents did not respond to the Deficiency letter or make any attempt to remedy the deficient application.

12. In May 2022, the Division reissued the Deficiency letter to Respondents as a courtesy to The Hope Box. The reissued Deficiency letter included the deficiencies from the initial deficiency letter. Respondents submitted an amended application in June 2022.

13. Upon reviewing the documents submitted by Respondents in June 2022, the Division noticed inconsistencies in the application that prompted the Division to open an investigation and gather additional information.

14. While the application remained in “pending” status and was under review, Respondents continued to actively solicit donations despite being aware of their pending status.

15. In its initial review, the Division staff noted that the Respondents disclosed on the application that their books and records were located at an address that is a post office box. Further, the Hope Box’s website listed numerous board members for the charity who were not listed on Part IV of the 2020990-EZ filed with the IRS. In that IRS filing Respondent Koeppen was listed as the only Board Member and/or Trusted Employee. Additionally, representations were made to donors on the Hope Box website that it operated with a full and diverse Board and with active employees. However, Koeppen is the only official employee and Board member.

16. Respondents made representations on the Form C-100 that the charity began operations in March 2016. Division staff reviewed the Hope Box website, which states that it began operations in 2014. Respondents made no attempt to register the Hope Box as a charitable organization to solicit funds from Georgia donors until the Division contacted them in 2022.

17. The Hope Box made representations on the application that it was registered in the State of Georgia as a charitable organization to solicit donations. However, Respondents are not and have never been registered as a charitable organization with the Division.

#### Misappropriation of Donor Funds and Misrepresentation to Donors

18. The Division issued subpoenas to Respondents as well as their banking institutions. Under subpoena, Respondents provided several receipts related to charitable expenses and operational expenses. The Division compared these receipts to the bank records received from the banking institutions and discovered multiple instances of misappropriation of donor funds and inaccurate reporting of solicited donations.

19. Respondents solicited donations both in and out of Georgia through various mechanisms including but not limited to direct solicitation, paid solicitors, on-line solicitation, and radio and podcast interviews.

20. Respondents solicited donations through various social media platforms but under subpoena Respondents reported inaccurate and misleading numbers associated with the amounts raised on these platforms.

21. In 2018, according to subpoenaed bank records, Respondents received over \$5,000.00 on social media platforms but under subpoena Respondents claimed they raised \$2,115.00.

22. In 2019, according to subpoenaed bank records, Respondents received over \$3,000.00 on social media platforms but under subpoena Respondents claimed they received zero (0) dollars.

23. In 2020, Respondents claimed to have received \$905.00 in donations solicited on social media platforms, however subpoenaed bank records showed they received \$11,727.00.

24. In 2021, Respondents claimed to have received \$1,436.00 in donations solicited on social media platforms, however subpoenaed bank records revealed they received \$5,982.00.

25. Between 2018 and 2021, Respondents reported soliciting \$4,456.00 in social media donations, however subpoenaed bank records revealed Respondents received over \$26,000.00.

26. Subpoenaed bank records revealed Respondent Koeppen misappropriated donor funds to pay for personal goods, personal expenses and personal services.

27. In April 2018, Respondent Koeppen used donor funds to pay for services at a hair salon in California.

28. In June 2018, Respondent Koeppen used donor funds to pay for aesthetic dental work.

29. Throughout 2020, Respondent Koeppen used donor funds to shop at shoe, clothing, and beauty supply boutiques for personal use merchandise.

30. In June 2020, Respondent Koeppen used donor funds to pay for her daughter's birthday dinner.

31. In July 2020, Respondent Koeppen used donor funds to purchase a plane ticket to Colorado for a personal family reunion trip.

32. In February 2021, Respondent Koeppen used donor funds to pay for nail and

cosmetic services.

33. In 2021, Respondent Koeppen spent over \$800.00 of donor funds to pay for Koeppen's son's wedding which included spending those donor funds on flowers and wedding photographers.

34. In June 2021, Respondent Koeppen used donor funds to pay for a family vacation to Florida.

35. In September 2021, Respondent Koeppen used donor funds to pay for an out of state birthday dinner party for Koeppen's sister. In September 2021, Respondent Koeppen also spent donor funds at a pet supply company.

36. From January 2018 through April 2022, Respondent Koeppen spent approximately \$36,385.87 on restaurants, coffee, fast food, brew houses, and liquor stores for personal use.

37. In July 2022, Respondent Koeppen used donor funds in Savannah, Georgia to pay for her son's birthday dinner.

38. From January 2018 through the execution of this Order, Respondent Koeppen transferred thousands of dollars in donor funds from the charity's business bank account to Koeppen's husband's personal checking account. Koeppen's husband is not an employee, and, under subpoena, Respondents did not provide any contracts for services related to the funds transferred to the husband's bank account.

39. In August 2022, Respondent Koeppen transferred over \$2,000.00 of donor funds into Sarah and Joel Koeppen's personal banking accounts, separate and apart from payroll and employee compensation.

40. In August 2022, Respondent Koeppen spent over \$2,000.00 of donor funds on personal groceries, restaurants, and dining.

41. In August 2022, Respondent Koeppen spent \$339.18 of donor funds on a personal shopping spree at a local boutique clothing store.

42. While not having an active registration as a charitable organization to solicitate donations within the state of Georgia, Respondents have solicited hundreds of thousands of dollars from Georgia donors through direct solicitations and events such as golf tournaments and galas. Throughout this time Respondents have represented to donors that they are operating in compliance with state and federal charitable solicitation laws.

43. Respondents failed to disclose to donors that their donations were used for personal

expenses, personal meals, personal travel, cosmetic services, and wedding expenses.

### CONCLUSIONS OF LAW

44. Paragraphs 1 through 43 are incorporated by reference as though full set forth herein.

45. The Secretary has jurisdiction over this matter pursuant to the Act. See O.C.G.A. §§ 43-17-10 and 43-17-11.

46. Pursuant to O.C.G.A. §§ 43-17-11 and 43-17-13, the Secretary is authorized to institute this investigation and issue this order.

47. Pursuant to 43-17-13(a)(1)(A)(i), “whenever it may appear to the Secretary of State, either upon complaint or otherwise, that any person engaged in or is engaging in or is about to engage in any act, practice, or transaction which is prohibited by this chapter or by any rule, regulation, or order of the Secretary of State promulgated or issued pursuant to any Code section of this chapter or which is declared to be unlawful under this chapter, the Secretary of State may, at his discretion . . . issue a cease and desist order against any person.”

48. Pursuant to O.C.G.A. § 43-17-13(a)(1)(A)(v), the Secretary may, “[r]egarding any willful act, practice, or transaction, issue an order imposing a civil penalty up to a maximum of \$250.00 against any person for a single violation or \$500.00 for multiple violations in a single proceeding or series of related proceedings.”

49. O.C.G.A. § 43-17-2(2) defines a charitable organization as “any benevolent, philanthropic, patriotic, or eleemosynary (or relating to, or supported by charity or alms) person, as that term is defined in this code section, who solicits or obtains contributions solicited from the general public, any part of which contributions is used for charitable purposes.”

50. O.C.G.A. § 43-17-2(15) defines solicitation as the “request or acceptance directly or indirectly of money, credit, property, financial assistance, or any other thing of value to be used for any such charitable purpose.”

51. Pursuant to O.C.G.A. § 43-17-5, it is unlawful for charitable organizations and individuals to solicit contributions from the public for charitable purposes unless said charitable organizations are registered with the Secretary or are otherwise exempt from registration.

52. Respondents acted as a charitable organization from 2016 to the execution of this Order when it solicited donations or contributions for use in carrying out its purported charitable

operations. Respondents are not registered within the state of Georgia to solicit charitable donations or contributions. Respondents were made aware of their deficient and pending registration status but Respondents continued to solicit donations in Georgia.

53. Pursuant to O.C.G.A. § 43-17-12(b), “[i]t shall be unlawful for any person . . . knowingly to make or cause to be made to the Secretary of State or anyone acting on his or her behalf any written or oral statement or statements which the person knows to contain any untrue statement of material fact or to omit to state a material fact that is necessary in order to make any statement or statements made, in light of the circumstances under which they were made, not misleading.”

54. Respondents knowingly made written or oral statements to the Secretary of State that were untrue, misleading, or omitted a material fact when they reported inaccurate donations, revenue, expenses, and contributions on their registration application. Respondents reported on the application that the books and records were kept at a post office box and available for inspection. In fact, the books and records were not kept at a post office box address but Koeppen’s private residence. On the application, Respondents indicated that The Hope Box was already registered with the Division. However, The Hope Box was not and has never been registered with the Division as a charitable organization to solicit donations from Georgians.

55. Respondents represented to the Division that The Hope Box began operating in Georgia in 2016, however the website make representations to perspective donors that The Hope Box began operating in 2014.

56. False or misleading statements on the application constitute a violation of O.C.G.A. § 43-17-12(b).

57. Respondents used funds received through charitable solicitations for personal expenses and commingled charitable funds with Koeppen’s personal funds. Charitable donations were used by Koeppen to withdraw cash, travel across the country, and pay for personal expenses. Donors were never made aware of these personal expenses.

58. The use of charitable funds for personal expenses and the comingling of charitable funds with personal funds constitutes a misappropriation of charitable funds, in violation of O.C.G.A. § 43-17-12(d)(4).

59. Pursuant to Rule 590-9-5-.01(3), “no person shall, in connection with the planning, conduct, or execution of any charitable solicitation or charitable sales promotion, directly or

indirectly make an untrue statement of material fact or omit a statement of material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.”

60. Respondents represented to donors that the Board consists of multiple individuals and that the Board meets on a quarterly basis. Respondent Koeppen represented to the Division that she is the only Board member. As such, Respondents are in violation of O.C.G.A. § 43-17-12(d) and Rule 590-9-5-.01.

61. Respondents represented to donors that they have attorneys on staff who will help perspective adoptive parents go through the adoption process from start to finish. Respondents are not and have never been a licensed adoption agency.

62. As a result of the facts set forth herein, The Hope Box, Inc. and Sarah Koeppen are in violation of O.C.G.A. §§ 43-17-12(b), 43-17-12(c)(1), § 43-17-12(c)(7) and are subject to penalty under O.C.G.A. § 43-17-13(a)(1)(A)(i).

### CONSENT ORDER

**WHEREFORE**, it is hereby agreed that:

1. **The Hope Box, Inc. and Sarah Koeppen** enter into this order without admitting or denying the allegations set forth.
2. **The Hope Box, Inc. and Sarah Koeppen** will **CEASE AND DESIST** from all violations of the Georgia Charitable Solicitations Act of 1988, as amended.
3. **The Hope Box, Inc. and Sarah Koeppen** consent and shall be bound by the terms set forth in Exhibit “A” upon execution of this Consent Order.
4. **The Hope Box’s Inc.’s** application for registration is hereby **DENIED**.
5. **SARAH KOEPPEN** is hereby **BARRED** from serving in the capacity as an officer, director, principal, or control person with any charitable organization operating in Georgia.
6. In the event of a breach of the Consent Order, including but not limited to Exhibit “A”, by Respondents, the Secretary may pursue all rights and remedies under the laws of the State of Georgia to compel Respondents’ compliance. Further, breach of the Consent Order, including but not limited to Exhibit “A” may prompt the Secretary to pursue collection of a civil penalty, cost of investigation, and/or may take additional administrative disciplinary action.


The entry of this Consent Order is deemed to be in the public interest. If at any time it



appears to the Secretary that Respondents have failed to comply with this Consent Order or has made any other material misrepresentations or omissions in regards to this matter, the Commissioner may take further action.

SO ORDERED this 27<sup>th</sup> day of June, 2023.

**SECRETARY OF STATE  
BRAD RAFFENSPERGER**

By: 

Noula Zaharis  
Assistant Commissioner of Securities  
Director, Securities and Charities Division

**BY SIGNING BELOW, I ACKNOWLEDGE THAT I HAVE READ AND AGREE TO ALL TERMS IN THE ABOVE ORDER AND THAT I AM AUTHORIZED TO SIGN THIS DOCUMENT**

**The Hope Box, Inc.**

**Sarah Koeppen**

*Sarah Koeppen*

*Sarah Koeppen*

BY: Sarah Koeppen

BY: Sarah Koeppen

TITLE: CEO

TITLE: Individual

DATE: 06/20/2023

DATE: 06/20/2023

Represented by:

Represented By:

Jonathan McCants  
Konstantin Oshchepkov  
BIRD LOECHL MCCANTS & HOLLIDAY  
Attorneys for The Hope Box, Inc.

Randall Ivey  
SPEIGHTS LAW, PC  
Attorney for Sarah Koeppen

**CONSENT TO ENTRY OF CONSENT ORDER BY THE HOPE BOX, INC. AND  
SARAH KOEPPEN**

The Hope Box, Inc. (“The Hope Box”) and Sarah Koeppen (“Koeppen”) (collectively “Respondents”) hereby acknowledge that they have been served with a copy of this Consent Order, have read the foregoing Consent Order, are aware of their rights to a hearing and appeal in this matter, and have waived the same.

Respondents admit the jurisdiction of the Secretary of State for the State of Georgia and consent to entry of this Consent Order as settlement of the issues contained in this Consent Order.

Respondents agree that they shall not claim, assert, or apply for a tax deduction or tax credit with regard to any state, federal, or local tax for any administrative monetary penalty that Respondents shall pay pursuant to this Consent Order.

Respondents state that no promise of any kind or nature whatsoever was made to them to induce them to enter into this Consent Order and that they have entered in this Consent Order voluntarily.

Koeppen represents that she is an officer of The Hope Box and that, as such, has been authorized by The Hope Box to enter into this Consent Order for and on behalf of The Hope Box.

Dated this 20 day of June, 2023

**The Hope Box, Inc.**

*Sarah Koeppen*

BY: Sarah Koeppen

TITLE: CEO

**Sarah Koeppen**

*Sarah Koeppen*

BY: Sarah Koeppen

TITLE: Individual

## EXHIBIT "A"

This Consent Order ("Order") sets forth the agreement between the Secretary, The Hope Box, and Koeppen regarding The Hope Box's registration with the Division and its continued operations as a charitable organization. The Secretary, The Hope Box, and Koeppen consent and agree to the following conditions:

1. Contemporaneous with entry of this Order, The Hope Box will file all appropriate documents with the Georgia Secretary of State Corporations Division ("Corporations Division") to dissolve the corporation.
2. As of the date of this Order, The Hope Box will solicit no donations of any kind or nature within and from the State of Georgia.
3. Within 48 hours of the Corporations Division generating proof that The Hope Box has been dissolved, such proof shall be submitted by The Hope Box to the Division.
4. No later than fourteen (14) days after corporate dissolution, The Hope Box will provide the Division with documentation demonstrating that it has ceased its affairs together with a balance sheet showing its final financial condition.
5. No later than fourteen (14) days of corporate dissolution, The Hope Box will provide proof that The Hope Box has closed all bank, checking, savings, investment, or any other financial deposit accounts on which it is an account holder. Additionally, The Hope Box shall provide the Division with proof that any remaining charitable funds were distributed according to all applicable state and federal laws relating to the distribution of assets of insolvent, defunct, or dissolved charitable institutions.
6. As part of the showing referred to in Paragraph 5 above, The Hope Box will provide proof that any vehicles, including the Kia automobile owned by The Hope Box or the proceeds from the sale of such Kia, were distributed according to all applicable state and federal laws relating to the distribution of assets of insolvent, defunct, or dissolved charitable institutions.
7. The Hope Box will provide proof that all other assets of whatever kind or description assets owned by The Hope Box or purchased with donor funds shall be distributed according to all state and federal laws relating to the distribution of assets of insolvent, defunct, or dissolved charitable institutions.
8. The Hope Box will provide proof that it has informed all groups and organizations that received training or services from The Hope Box (including but not limited to law enforcement, fire and rescue groups, first responders, and hospitals such as Wellstar) that the Hope Box has been dissolved and ceased its business operations.

9. The Hope Box shall provide proof that it has withdrawn its 501(c)(3) status with the Internal Revenue Service.
10. Upon finding that The Hope Box is insolvent, defunct, and dissolved, the Division will waive and withdraw the civil penalty imposed in the original proposed Order to Cease and Desist.
11. If any individuals, including but not limited to Koeppen, assert that assets owned by The Hope Box shall be retained for private purposes, The Hope Box will provide proof that the donor funds used to acquire such assets were repaid to the donors. Such assets include, but are not limited to, office supplies and equipment (such as the desk and two chairs purchased in 2020 and microphones purchased in 2020 and 2021), copies of any books such as *Called to Hope* paid for by The Hope Box, any and all vehicles (including the Kia), Apple MacBook Pro, Apple iPhone SE, the Apple Watch purchased in 2021, the skateboard purchased in 2022, and clothing.
12. Koeppen individually is permanently barred from serving in the capacity of officer, director, principal, and/or control person with any charitable organization. Koeppen may be employed by or act as a volunteer for a charitable organization. Koeppen agrees to such bar without admitting or denying the substantive allegations of the original proposed Order to Cease and Desist and this Consent Order.

To the extent that The Hope Box believes it has previously satisfied one or more of the foregoing conditions prior to the date of this Order, The Hope Box shall submit documentation to the Division demonstrating the satisfaction of said condition. Said documentation shall be certified under oath by The Hope Box's control person as true and accurate.

This Order serves as a settlement between the Secretary, The Hope Box, and Koeppen. Failure to comply fully with the terms and conditions set forth in this Order will result in disciplinary action. The Respondents were all represented by counsel and acknowledge that they had a full opportunity to consult with and receive advice of such counsel in the negotiation and execution of this Order.