

IN THE COURT OF COMMON PLEAS, FRANKLIN COUNTY, OHIO
CIVIL DIVISION

IN RE: :
: MISCELLANEOUS CASE
A DOLLAR TO CARE :
CARI JOHNSON :
: FILE NO. _____
:

MATTER: *Charitable solicitations and activities conducted by A Dollar to Care and Cari Johnson*

ASSURANCE OF DISCONTINUANCE

Pursuant to the authority granted in the Ohio Charitable Organizations Act, R.C. § 1716.01 *et seq.*, specifically, R.C. § 1716.16(C), and the Ohio Charitable Trust Act, R.C. § 109.23 *et seq.*, specifically, R.C. § 109.24(E), Ohio Attorney General Mike DeWine (hereinafter “Attorney General”) accepts this Assurance of Discontinuance (hereinafter “Assurance”) from Cari Johnson. The Attorney General and Cari Johnson, in their personal and individual capacities, as parties to this agreement, acknowledge and agree that it is in their best interest and consistent with the best interests of the people of the State of Ohio to resolve the issues between them in the manner set forth herein. As part of this Assurance, the Attorney General and Cari Johnson stipulate as follows:

JURISDICTION AND VENUE

- A. This Court has jurisdiction over the subject matter of this action pursuant to R.C. Chapter 1716, R.C. § 109.23 *et seq.*, the rules adopted thereunder, and the Attorney General’s common law authority to enforce charitable trusts. This Court has jurisdiction over the parties. Venue is proper in this Court.

FACTS

- B. A Dollar to Care filed its Articles of Incorporation as a nonprofit corporation with the Ohio Secretary of State on or about January 3, 2011.
- C. A Dollar to Care is a non-profit organization created to financially assist families whose soldiers are incarcerated for crimes allegedly committed during combat. Per the organization's stated charitable mission, the financial assistance was not to go toward the legal fees of these individuals, but rather towards household expenses and other monthly bills.
- D. Cari Johnson is the President of A Dollar to Care.
- E. Cari Johnson currently resides at 3561 Valencia Street, Riverside, Ohio 45404.
- F. A Dollar to Care solicited for donations for the above stated charitable purpose.
- G. A Dollar to Care solicited for charitable donations from the public while falsely presenting the organization as having 501(c)(3) pending status, when, in fact, the application for 501(c)(3) tax exempt status had never been submitted to the Internal Revenue Service.
- H. A Dollar to Care has not registered with the Ohio Attorney General's Office as a charitable trust pursuant to R.C. 109.24.
- I. A Dollar to Care has not registered with the Ohio Attorney General's Office as an organization which intends to solicit for contributions using a charitable appeal as required by R.C. 1716.02.
- J. Cari Johnson made numerous cash withdrawals from A Dollar to Care's bank accounts and PayPal account.
- K. Cari Johnson used the debit card associated with A Dollar to Care's bank accounts and PayPal account to make purchases for personal purposes.
- L. Cari Johnson used A Dollar to Care's assets to pay for her own personal expenses.
- M. A Dollar to Care has not paid any monthly bills or household expenses for any family whose soldier is incarcerated for crimes allegedly committed during combat.
- N. To the extent A Dollar to Care provided any support to either a family whose soldier was incarcerated or the incarcerated soldier himself, that support came primarily in the form of a turkey drive at Thanksgiving, small Christmas gifts for the children, and phone cards to the inmates.

- O. A Dollar to Care sent out Thank You notes to donors which indicated that the funds would be used to provide (1) emergency relief funds – housing or vehicle repairs, unexpected medical expenses, (2) assistance with monthly bills – electricity, food, children’s clothing, etc., and (3) communication costs – money is needed to both the soldier and his family as calls average \$12 per call and each must pay for postage and stationary supplies. In fact, no emergency relief funds were paid. Further, with the exception of the meals and gifts during the holiday season, no assistance with monthly bills was provided.
- P. A Dollar to Care posted a list of soldiers that the charity claimed to “support” on its website. However, the “support” was not financial, this simply referred to the soldiers whom A Dollar to Care believed were unjustly incarcerated. The majority of those listed soldiers did not receive financial benefits from A Dollar to Care.
- Q. On December 18, 2012, the Ohio Attorney General’s Office sent Cari Johnson, as President of A Dollar to Care, a Request for Records and Information. As of the signing of this Assurance of Discontinuance, Cari Johnson still has not fully responded to the Request for Records and Information despite receiving several extensions.

CONCLUSIONS OF THE ATTORNEY GENERAL

- R. The charitable trust and solicitation activities in Ohio of Cari Johnson and A Dollar to Care, are the subject of this Agreement. Such activities are described in and regulated by the Ohio Charitable Organizations Act, R.C. § 1716.01 *et seq.*, the Ohio Charitable Trust Act, R.C. § 109.23 *et seq.*, and the Attorney General’s common law authority to enforce charitable trusts.
- S. The Attorney General is the party charged with enforcing the Ohio Charitable Organizations Act and the Ohio Charitable Trust Act and has caused an investigation to be conducted by the Charitable Law Section of the charitable trust and solicitation activities of A Dollar to Care.
- T. As a result of its investigation, the Attorney General believes that A Dollar to Care and Cari Johnson, are in violation of the Ohio Charitable Organizations Act, the Ohio Charitable Trust Act, and the common law by violating the following:

1. R.C. § 1716.14(A)(1): Cari Johnson and A Dollar to Care committed deceptive acts while soliciting for a charitable organization and/or for a charitable purpose by knowingly misrepresenting material facts to potential donors by telling them that their donation would be going to a charitable organization and/or to a charitable purpose and inducing such donors to contribute to the charitable organization and/or charitable purpose when A Dollar to Care failed to provide the stated charitable services;
2. R.C. § 1716.14(A)(2): Cari Johnson and A Dollar to Care misled potential donors as to material facts concerning the solicitation of contributions for a charitable organization and/or a charitable purpose by representing to potential donors that their donation would be going to a charitable organization and/or a charitable purpose when A Dollar to Care did not use the donations for such purposes;
3. R.C. § 1716.14(A)(2): Cari Johnson and A Dollar to Care misled potential donors as to material facts concerning the solicitation of contributions for a charitable organization and/or a charitable purpose by representing to potential donors that A Dollar to Care's tax exempt status was pending with the Internal Revenue Service when, in fact, the application was never filed with the Internal Revenue Service;
4. R.C. § 1716.14(A)(2): Cari Johnson and A Dollar to Care misled potential donors as to material facts concerning the solicitation of contributions for a charitable organization and/or a charitable purpose by representing to potential donors a list of incarcerated soldiers as being individuals that A Dollar to Care supports, when that "support" was through the use of charitable assets, but instead was merely soldiers whom A Dollar to Care's governing body believed were wrongly incarcerated;
5. R.C. § 1716.14(A)(5): Cari Johnson and A Dollar to Care mislead potential donors by making representations that the proceeds of a solicitation would be used to fulfill A Dollar to Care's stated charitable purpose when such was not the case;
6. R.C. § 1716.14(A)(9): Cari Johnson and A Dollar to Care filed false or misleading information in a documents required to be filed with the attorney general under Ohio Revised Code Chapter 1716 when they submitted a copy of the Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal

Revenue Code, claiming that it had been submitted to the Internal Revenue Service when it had not actually been so submitted;

7. R.C. § 1716.14(A)(12): Cari Johnson and A Dollar to Care operated in violation of, or failed to comply with, the requirements of Ohio Revised Code Chapter 1716 as stated above in Paragraphs (T)(1) – (6) of this Assurance of Discontinuance;
8. R.C. § 1716.14(B) - Nuisance: By soliciting for contributions in violation of Ohio Revised Code Chapter 1716, Cari Johnson and A Dollar to Care's have constituted a nuisance;
9. R.C. § 1716.15(E): Cari Johnson and A Dollar to Care have failed to comply with a Request for Records and Information properly served upon them by the Ohio Attorney General's Office pursuant to R.C. § 1716.15(A);
10. R.C. § 1716.17 and R.C. § 109.23(A): Cari Johnson has breached fiduciary duties of care, loyalty, to properly manage accounts, to comply with the law, to not waste charitable assets, and to act in the best interest of the charities, resulting in loss and other damages to the charitable beneficiaries of A Dollar to Care;
11. Conversion: Cari Johnson benefitted at the expense of the charitable beneficiaries by taking proceeds collected for charitable purposes and using that money for non-charitable purposes;
12. Unjust Enrichment: Cari Johnson benefitted at the expense of the charitable beneficiaries by taking proceeds collected for charitable purposes and using the funds for other non-charitable purposes;
13. The Attorney General's findings, as outlined above, are the basis upon which this Agreement has been negotiated. However, this Agreement is the culmination of disputed claims and does not constitute an admission of any wrongdoing by Cari Johnson and A Dollar to Care.

ASSURANCE

- U. A Dollar to Care will cease operating as a charitable organization and will file the appropriate forms with the Ohio Secretary of State to cancel its existence. Additionally, all solicitations on behalf of A Dollar to Care will cease and all websites, including

Facebook, Twitter and any other form of social media, which are operated on behalf of A Dollar to Care will be shut down immediately. Any assets remaining, after the payment of outstanding debts to third parties only, will be donated to a 501(c)(3) charitable organization which supports veterans. Such an organization must be approved by the Ohio Attorney General, Charitable Law Section.

- V. Cari Johnson agrees to pay a total of twenty thousand dollars and no cents (\$20,000.00) to the Ohio Attorney General's Office. \$10,000 of this amount shall be redistributed to charity at the sole discretion of the Attorney General. The remaining \$10,000 shall represent civil penalties and reimbursement for attorney fees and investigative costs and will be payable to the Charitable Law Section of the Ohio Attorney General's Office. Cari Johnson shall pay this amount in sixty (60) equal installments, with the first such payment due thirty days following the execution of this Assurance of Discontinuance. There will be no penalty for early payment of the settlement funds. Each payment shall be made to the Attorney General's Office by way of cashier's check payable to "Treasurer, State of Ohio." All payments to the Attorney General's Office shall be sent to:

Ohio Attorney General's Office
Charitable Law Section
Attn: Meghan K. Fowler
150 East Gay Street, 23rd Floor
Columbus, Ohio 43215

- W. Cari Johnson, in her personal and individual capacities, each agree that she will not hold any position as a volunteer, officer, trustee, employee, representative, or agent of any charitable organization in the State of Ohio following the date this Agreement is signed.
- X. Cari Johnson, in her personal capacities, each agree will not participate in solicitations in the State of Ohio for any charitable purpose or on behalf of any charitable organization following the date this Agreement is signed. This exclusion includes solicitations conducted as a volunteer, officer, trustee, employee, representative, or agent of an organization.
- Y. Cari Johnson and A Dollar to Care understand that this Agreement is made in lieu of prosecution of a civil action based upon the findings set forth herein.

Z. Cari Johnson and A Dollar to Care agree that any evidence of a violation of this Agreement shall be *prima facie* evidence of a violation of Chapter 1716 of the Ohio Revised Code and any rule adopted thereunder in any subsequent action or proceeding brought by the Attorney General, as provided in R.C. §1716.16(C).

AA. In the event that A Dollar to Care and/or Cari Johnson, fail to comply with any requirement contained in this Agreement, they will be liable for and shall pay stipulated penalties for each failure to comply: A minimum of fifty thousand dollars (\$50,000.00), or true damages; whichever the Ohio Attorney General chooses in its discretion.

BB. A Dollar to Care and Cari Johnson agree that this Agreement shall not be construed to limit the Ohio Attorney General's authority to seek additional relief pursuant to R.C. Chapter 109 or R.C. Chapter 1716, or to otherwise seek judicial enforcement of this Agreement.

CC. A Dollar to Care and Cari Johnson agree that any matter closed by the acceptance of this Agreement may be reopened at any time by the Attorney General for further proceedings in the public interest based upon any violation of the terms of this Agreement or upon the discovery of evidence not known or anticipated by the parties at the time of signing.

RETENTION OF JURISDICTION

DD. This Court shall retain jurisdiction of this action for the purpose of enforcing this Assurance.

AUTHORITY TO ENTER INTO THE ASSURANCE

EE. Each signatory for A Dollar to Care represents and warrants that he/she has been duly authorized to sign this document and so bind A Dollar to Care to all terms and conditions thereof.

FF. Cari Johnson warrants to sign in their individual and personal capacities.

ACKNOWLEDGEMENTS

GG. A Dollar to Care and Cari Johnson acknowledge that they have been given ample opportunity to be advised by legal counsel as to the meaning and effect of each provision of this Agreement and it has freely and willfully elected to enter into this Agreement.

HH. The Attorney General, A Dollar to Care and Cari Johnson hereby agree that this Agreement is binding upon the successors and assignees of all parties hereto and that this Agreement constitutes the entire agreement and understanding of the parties.

CERTIFICATION

Each individual signing below represents that he or she is authorized and directed to sign this Assurance of Discontinuance on behalf of the party represented and further represents that he or she has the requisite authority to bind the party on behalf of whom they are signing.

WHEREFORE, the undersigned have executed this Assurance of Discontinuance this _____ day of _____, 2013.

CARI JOHNSON

A DOLLAR TO CARE

Cari Johnson

Cari Johnson

MIKE DEWINE
ATTORNEY GENERAL OF OHIO

BY:

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