



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

June 15, 2020

Shannon Ruff  
6106 Ferris Rd  
Eaton Rapids, MI 48827

RE: Application #: AM330393788  
**Sunny Rest**  
**3308 Maloney St**  
**Lansing, MI 48911**

Dear Ms. Ruff:

Attached is the Original Licensing Study Report for the above referenced facility. The study has determined substantial violations of applicable licensing statutes and administrative rules. Therefore, denial of issuance of a license is recommended. You will be notified in writing of the Agency's intention and your options for resolution of this matter.

Please review the enclosed documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (517) 284-9730.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Gonzalez".

Stephanie Gonzalez, Licensing Consultant  
Bureau of Community and Health Systems  
611 W. Ottawa Street  
P.O. Box 30664  
Lansing, MI 48909  
(517) 243-6063

enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
BUREAU OF COMMUNITY AND HEALTH SYSTEMS  
LICENSING STUDY REPORT**

**I. IDENTIFYING INFORMATION**

<b>License #:</b>	AM330393788
<b>Licensee Name:</b>	Shannon Ruff
<b>Licensee Address:</b>	6106 Ferris Rd Eaton Rapids, MI 48827
<b>Licensee Telephone #:</b>	(517) 275-0706
<b>Administrator/Licensee Designee:</b>	Shannon Ruff
<b>Name of Facility:</b>	Sunny Rest
<b>Facility Address:</b>	3308 Maloney St Lansing, MI 48911
<b>Facility Telephone #:</b>	(517) 483-4000 04/25/2018
<b>Application Date:</b>	
<b>Capacity:</b>	9
<b>Program Type:</b>	MENTALLY ILL AGED

## II. METHODOLOGY

10/30/2017	Inspection Completed-Fire Safety: A See AM330008455
04/25/2018	On-Line Enrollment
04/26/2018	Contact - Document Sent Rule & Act booklets
06/28/2018	Contact - Document Received App; rec cl & RI-030 for Shannon (applicant & admin)
07/16/2018	Application Incomplete Letter Sent Spoke to Shannon Ruff. Sent application incomplete letter via email.
11/02/2018	Contact - Document Received Email received from Ms. Ruff. Ms. Ruff attached several documents listed on the application incomplete letter.
11/28/2018	Contact - Telephone call made Spoke to Mrs. Ruff regarding need for additional documents as part of application incomplete letter and also need for modification of documents sent.
12/05/2018	Contact - Document Received Documents received via email from applicant
12/12/2018	Application Incomplete Letter Sent Sent confirming letter of documents received but also noted numerous documents still needed per the Application Incomplete Letter. Resent App Incomplete Letter.
01/04/2019	Contact - Telephone call made Spoke to applicant regarding application incomplete letter, answered questions and provided additional TA on documents still needed.
02/06/2019	Contact - Document Sent Fire Safety String per consultant
03/18/2019	Application Complete/On-site Needed
03/27/2019	Inspection Completed On-site
03/27/2019	Inspection Completed-BCAL Sub. Non-Compliance
04/03/2019	Application Incomplete Letter Sent

### III. DESCRIPTION OF FINDINGS & CONCLUSIONS

#### A. Physical Description of Facility

The facility is a two-story home with a basement, located on the southwest side of the city of Lansing, Michigan. The facility has a living room, dining room, kitchen and two double-resident occupancy bedrooms with private bathrooms in each bedroom on the first floor. The second floor has three single occupancy resident bedrooms, one double occupancy resident bedroom and one full bathroom. The basement is used has a laundry room and storage space and is not used as livable space. The facility is not wheelchair accessible. The facility utilizes a public water supply and sewage disposal system.

The facility utilizes a gas water heater and furnace, which are located in the basement and is equipped with a 1-3/4-inch solid core door with an automatic self-closing device and positive latching hardware.

The facility is equipped with an interconnected, hardwired smoke detection system with battery back-up which was installed by a licensed electrician and is fully operational detectors have been installed near sleeping areas, on each occupied floor of the home, in the basement and near all flame or heat-producing equipment and is fully sprinkled. The facility has been determined by the Bureau of Fire Services to be in compliance with the applicable fire safety administrative rules.

Resident bedrooms were measured during the on-site inspection and have the following dimensions:

Bedroom #	Room Dimensions	Total Square Footage	Total Resident Beds
1	12 x 11	132	2
2	18 x 17	306	2
3	12 x 8	96	1
4	15 x 9	135	1
5	10 x 10	100	1
6	10 x 10	162	2

The indoor living and dining areas measure a total of 593 square feet of living space. This meets/exceeds the minimum of 35 square feet per occupant requirement.

Based on the above information, this facility can accommodate nine residents. It is the licensee's responsibility not to exceed the facility's licensed capacity.

## **B. Program Description**

The applicant intends to provide 24-hour supervision, protection and personal care to nine male and/or female residents who are aged or mentally ill. The program will include social interaction; training to develop personal hygiene, personal adjustment, public safety and independent living skills; opportunity for involvement in educational or day programs or employment and transportation. The applicant intends to accept referrals from Ingham County DHS, Ingham County CMH, Veterans Administration or residents with private sources for payment.

If needed by residents, behavior interventions and specialized interventions will be identified in the assessment plans. These interventions shall be implemented only by staff trained in the intervention techniques.

In addition to the above program elements, it is the intent of the applicant to utilize local community resources for recreational activities including local community resources and events such as the public schools and library, local museums, shopping centers, churches, etc. These resources provide an environment to enhance the quality of life and increase the independence, if applicable, of residents.

## **C. Applicant and Administrator Qualifications**

The applicant has sufficient financial resources to provide for the adequate care of the residents as evidenced by the projected income from caring for AFC residents.

Criminal history background checks of the applicant and administrator were completed and they were determined to be of good moral character to provide licensed adult foster care. The applicant and administrator submitted statements from a physician documenting their good health and current negative tuberculosis test results.

The applicant and administrator have provided documentation to satisfy the qualifications and training requirements identified in the group home administrative rules. Mrs. Ruff has been working in adult foster care as a direct care staff since 2008. Mrs. Ruff has worked as a home manager since 2012. During this time, Mrs. Ruff has provided direct care to residents, including medication management, housekeeping, meal preparation, personal care needs, supervision, safety, protection and transportation. Throughout her time as a direct care staff and home manager for adult foster care facilities, Mrs. Ruff has completed ongoing training in nutrition, first aid and CPR, safety and fire prevention, financial and administrative management, resident rights and resident daily care needs.

The staffing pattern for the original license of this nine-bed facility is adequate and includes a minimum of one staff for nine residents per shift. The applicant acknowledged that the staff to resident ratio may need to be decreased in order to provide the level of supervision or personal care required by the residents due to

changes in their behavioral, physical, or medical needs. The applicant has indicated that direct care staff will not be awake during sleeping hours.

The applicant acknowledged an understanding of the qualifications, suitability, and training requirements for direct care staff prior to each person working in the facility in that capacity or being considered as part of the staff to resident ratio.

The applicant acknowledged an understanding of the responsibility to assess the good moral character of employees. The applicant acknowledges the requirement for obtaining criminal record checks of employees and contractors who have regular, ongoing “direct access” to residents or resident information or both utilizing the Michigan Long Term Care Partnership website ([www.miltcpartnership.org](http://www.miltcpartnership.org)) and the related documents required to demonstrate compliance.

The applicant acknowledged an understanding of the administrative rules regarding medication procedures and assured that only those direct care staff that have received medication training and have been determined competent by the licensee will administer medication to residents. In addition, the applicant has indicated that resident medication will be stored in a locked cabinet and that daily medication logs will be maintained on each resident receiving medication.

The applicant acknowledged the responsibility to obtain all required good moral character, medical, and training documentation and signatures that are to be completed prior to each direct care staff or volunteer working directly with residents. In addition, the applicant acknowledged the responsibility to maintain all required documentation in each employee’s record for each licensee or licensee designee, administrator, and direct care staff or volunteer and follow the retention schedule for those documents contained within each employee’s record.

The applicant acknowledged an understanding of the administrative rules regarding the admission criteria and procedural requirements for accepting a resident into the adult foster care home.

The applicant acknowledge the responsibility to obtain the required written assessment plan, resident care agreement, and health care appraisal forms and signatures that are to be completed prior to, or at the time of, each resident’s admission to the home as well as updating and completing those forms and obtaining new signatures for each resident on an annual basis.

The applicant acknowledged the responsibility to maintain a current resident record on file in the home for each resident and follow the retention schedule for all of the documents that are required to be maintained within each resident’s file.

The applicant acknowledged an understanding of the administrative rules regarding the handling of resident funds and valuables and intends to comply. The applicant acknowledged that a separate *Resident Funds Part II BCAL-2319* form will be created

for each resident in order to document the date and amount of the adult foster care service fee paid each month and all of the resident's personal money transactions that have been agreed to be managed by the applicant.

The applicant acknowledged an understanding of the administrative rules requiring that each resident be informed of their resident rights and provided with a copy of those rights. The applicant indicated the intent to respect and safeguard these resident rights.

The applicant acknowledged an understanding of the administrative rules regarding the requirements for written and verbal reporting of incidents and accidents and the responsibility to conduct an immediate investigation of the cause.

The applicant acknowledged the responsibility to provide a written discharge notice to the appropriate parties when a 30-day or less than 30-day discharge is requested.

The applicant acknowledged that residents with mobility impairments may only reside on the main floor of the facility.

#### **D. Rule/Statutory Violations**

On 12/11/2019, a complaint was received, alleging that applicant Shannon Ruff has been financial exploiting Resident A for several years. The complaint stated that Mrs. Ruff has been using Resident A's checkbook to write checks to herself, her husband and third-party vendors. The complaint stated that Mrs. Ruff has been writing checks for amounts that exceed Resident A's monthly room and board agreement amount.

On 12/13/2019, I spoke to Complainant, who confirmed the information in the complaint is accurate. During the months of December 2019 and January 2020, Complainant provided this writer with multiple bank statements and cleared checks.

I reviewed Resident A's record. The *Face Sheet* stated that Resident A was admitted to the facility on 4/29/2016 and does not have a legal guardian. The *Health Care Appraisal* listed Resident A's medical diagnoses as Schizophrenia. The *Assessment Plan for AFC Residents* stated that Resident A was able to move independently in the community, manages his own money and independently completes all self-care tasks. Resident A's *Resident Care Agreement*, which stated that the monthly room and board fee is \$950.00.

The *Resident Funds Part II* document listed the following adult foster care payments however did not contain Resident A's signature for written approval or any other method of approval for the transaction:

- 4/1/2017 – 12/31/2017: No documentation found.
- 1/2018 – 3/2019: Monthly room and board amount of \$1065.00 was paid to the facility.
- 4/19: Monthly Room and board amount of \$671.00 was paid to the facility.

- 5/2019 – 7/2019: Monthly Room and board of \$950.00 paid to the facility.
- 8/2019: Monthly room and board of \$750.00 paid to the facility.
- 9/2019 – 12/2019: Monthly room and board of \$950.00 paid to the facility.

The *Resident Funds Part II* document listed the following cash transactions:

- **February 2019:** \$100.00 deposit and withdrawal on same day for spending
- **March 2019:** \$400.00 deposit and withdrawal on same day for spending
- **April 2019:** Blank
- **May 2019:** Blank
- **June 2019:** \$400.00 deposit and withdrawal on same day for spending
- **July 2019:** \$150.00 deposit and withdrawal on same day for spending
- **August 2019:** 8/19/2019- \$80.00 deposit and withdrawal on same day for spending; 8/30/2019- \$200.00 deposit and withdrawal on same day for spending
- **September 2019:** Blank
- **October 2019:** \$50.00 deposit; no withdrawal documented
- **November 2019:** \$400.00 deposit and \$200.00 deposit; no withdrawal documented
- **December 2019:** Blank

I was unable to locate a *Resident Funds Part II* document for cash transactions for the timeframes of April 2017 to January 2019.

I reviewed Resident A's bank statements, which documented the following cleared checks during the time that Resident A resided at the facility:

- **April 2017:** 4/1/2017 - Check #1003 for \$950.00 written to Sunny Rest; 4/26/2017- Check 1004 for \$400.00 written to Shannon Ruff; Total of \$1,350.00.
- **May 2017:** 5/3/2017- Check #1005 for \$950.00 written to Sunny Rest; 5/15/2017- Check #1006 for \$300.00 written to Shannon Ruff; Total of \$1,250.00.
- **June 2017:** 6/2/2017- Check #1007 for \$950.00 written to Sunny Rest; 6/16/2017- Check #1008 for \$300.00 written to Shannon Ruff; Total of \$1,250.00.
- **July 2017:** 7/3/2017- Check #1010 for \$525.00 written to Sunny Rest; Total of \$525.00.
- **August 2017:** 8/4/2017- Check #1012 for \$950.00 written to Sunny Rest; Total of \$950.00.
- **September 2017:** 9/1/2017- Check #1013 for \$950.00 written to Sunny Rest; 9/27/2017- Check #1014 for \$101.00 written to Shannon Ruff; Total of \$1,051.00.
- **October 2017:** 10/3/2017- Check #1017 for \$950.00 written to Sunny Rest; 10/30/2017- Check #1019 for \$101.00 written to Sunny Rest; Total of \$1051.00
- **November 2017:** 11/2/2017- Check #1021 for \$1200.00 written to Sunny Rest; 11/17/2017- Check #1023 for \$105.00 written to Hager Fox; Total \$1305.00.
- **December 2017:** 12/1/2017- Check #1024 for \$950.00 written to Sunny Rest; Total of \$950.00.



- **January 2018:** 1/4/2018- Check #1106 for \$950.00 written to Sunny Rest; 1/28/2018- Check #1111 for \$130.00 written to Shannon Ruff; Total of \$1,080.00.
- **February 2018:** 2/2/2018- Check #1112 for \$950.00 written to Sunny Rest; 2/22/2018- Check #1117 for \$130.00 written to Shannon Ruff; Total of \$1,080.00.
- **March 2018:** 3/2/2018- Check #1115 for \$950.00 written to Sunny Rest; Total of \$950.00.
- **April 2018:** 4/3/2018- Check #1025 for \$950.00 written to Shannon Ruff; 4/24/2018- Check #1122 for \$75.00 written to Shannon Ruff; Total of \$1025.00.
- **May 2018:** 5/3/2018- Check #1123 for \$950.00 written to Sunny Rest; 5/15/2018- Check #1124 for \$230.00 written to Shannon Ruff; 5/31/2018- Check #1125 for \$950.00 written to Sunny Rest; Total of \$2,130.00.
- **June 2018:** 6/20/2018- Check #1027 for \$101.00 written to Shannon Ruff; Total of \$101.00.
- **July 2018:** 7/3/2018- Check #1051 for \$1,100.00 written to Sunny Rest; Total of \$1,100.00.
- **August 2018:** 8/2/2018- Check #1053 for \$1000.00 written to Sunny Rest; 8/15/2018- Check #1055 for \$90.00 written to Donald Gibson; 8/31/2018- Check #1056 for \$1,190.00 written to Sunny Rest; Total of \$2,280.00.
- **October 2018:** 10/2/2018- Check #1057 for \$800.00 written to Sunny Rest; 10/30/2018- Check #1058 for \$60.00 written to Donald Gibson; Total of \$860.00.
- **November 2018:** 11/2/2018- Check #1060 for \$950.00 written to Sunny Rest; 11/21/2018: Check #1061 for \$120.00 written to Donald Gibson; Total of \$1,070.00.
- **December 2018:** 12/4/2018- Check #1062 for \$850.00 written to Sunny Rest; 12/21/2018- Check #1064 for \$200.00 written to Donald Gibson; Total of \$1,050.00
- **January 2019:** 1/2/2019- Check #1065 for \$850.00 written to Sunny Rest; Total of \$850.00.
- **February 2019:** 2/1/2019- Check #1066 for \$950.00 written to Shannon Ruff; Total of \$950.00.
- **March 2019:** 3/19/2018- Check #1119 for \$110.00 written to Donald Gibson; 3/1/2019- Check #1069 for \$950.00 written to Sunny Rest; 3/15/2019- Check #1074 for \$279.00 written to Stanley Steemer; 3/17/2019: Check #1073 for \$400.00 written to Donald Gibson; Total of \$1,739.00.
- **April 2019:** 4/13/2019- Check #1076 for \$671.00 written to Sunny Rest; Total of \$671.00.
- **May 2019:** 5/5/2019- Check #1077 for \$950.00 written to Sunny Rest; Total of \$950.00.
- **June 2019:** 6/4/2019- Check #1078 for \$950.00 written to Sunny Rest; 6/18/2019- Check #1079 for \$400.00 written to Sunny Rest; Total of \$1,350.00.
- **July 2019:** 7/5/2019: Check #1080 for \$1,100.00 written to Sunny Rest; Total of \$1,100.00.
- **August 2019:** 8/5/2019- Check #1082 for \$950.00 written to Sunny Rest; 8/19/2019- Check #1083 for \$80.00 written to Donald Gibson; 8/30/2019- Check #1084 for \$200.00 written to Donald Gibson; Total of \$1,230.00.

- **September 2019:** 9/1/2019- Check #1085 for \$750.00 written to Donald Gibson; Total of \$750.00.
- **October 2019:** 10/3/2019- Check #1086 for \$950.00 written to Sunny Rest; Total of \$950.00.
- **November 2019:** 11/4/2019- Check #1087 for \$1350.00 written to Sunny Rest; 11/20/2019- Check #1088 for \$200.00 written to Shannon Ruff; 11/28/2019- Check #1089 for \$600.00 written to Sunny Rest; Total of \$2,150.00.
- **December 2019:** 12/1/2019- Check #1090 for \$350.00 written to Sunny Rest; Total of \$350.00

I interviewed Timothy Forman, general manager for Stanley Steemer. Mr. Forman reported that Stanley Steemer provided a carpet cleaning of the Sunny Rest facility on 4/5/2019. Mr. Forman reported that this service was requested by Shannon Gibson and the service provided was a carpet cleaning of the facility's living room, dining room, hallway and four bedrooms. Mr. Forman reported that the service cost was \$279.00 and was paid for by a check provided by Mrs. Gibson. Mr. Forman confirmed that the check provided to Stanley Steemer was check #1074.

I interviewed Debbie Smith, account manager for Hager Fox Heating and Air. Mrs. Smith reported that Hager Fox Heating and Air provided a service call on 11/17/2017 for diagnostic testing of the heating and cooling units at the facility. Mrs. Smith reported that the contact person listed on this service account is Shannon Ruff. Mrs. Smith reported that the total cost for the service was \$105.00 and was paid for by Mrs. Ruff via check #1023.

On 1/6/2020, I interviewed Resident A, who is currently residing at a sub-acute rehabilitation center. Resident A reported that during the time that he resided at the facility, he allowed Mrs. Ruff to borrow money from him and write checks on his behalf. Resident A reported, "She {Mrs. Ruff} asked to borrowed money from me to pay for an air conditioner and other things." Resident A reported that he gave Mrs. Ruff permission to write checks on his behalf for the monthly rental amount of \$950.00. Resident A reported that he never gave Mrs. Ruff permission to write checks for more than \$950.00 per month. Resident A stated, "I asked Shannon {Mrs. Ruff} for some extra money for Christmas once but she never gave me any money. She has never given me any spending money or brought any money to me while I have been in the hospital and here {rehabilitation center}." Resident A stated that he never gave Mrs. Ruff permission to use his checkbook to pay for a carpet cleaning nor heating and cooling maintenance of the facility. Resident A reported that he has never been given spending money or cash from Mrs. Ruff during the time that he has resided at the facility. I reviewed the *Daily Visitor Log* and confirmed that Mrs. Ruff has not signed in to visit Resident A during the time that he has resided at the rehabilitation center.

I interviewed Jackie VanDerske, medical records manager for Resident A's current placement. Mrs. VanDerske stated that Resident A resided at the rehabilitation center from 10/17/2019 to 11/13/2019; placed in a hospital setting from 11/13/2019 to 12/4/2019; readmitted to the rehabilitation center 12/24/2019 to 12/26/2019; placed in

hospital from 12/26/2019 to 12/30/2019; readmitted to the rehabilitation center on 12/30/2019 to present. Mrs. Vanderske reported that from 10/17/2019 to present, Resident A has not had any cash on his person nor has anyone come to the facility and added money to his personal account.

I interviewed Mrs. Ruff, who reported that she is married to Donald Gibson. Mrs. Ruff reported that she has been the home manager for the facility since 2012. Mrs. Ruff reported that Resident A has bad penmanship and therefore she writes checks on his behalf. Mrs. Ruff stated that Resident A does not have a debit card, therefore he is unable to access cash via an ATM machine. Mrs. Ruff stated that whenever Resident A wanted cash, she would write a check to herself or her husband (his bank was closer proximity to their home), give Resident A cash on site and then deposit the check into their bank account. Mrs. Ruff acknowledged that there have been multiple checks written that exceed the agreed room and board amount of \$950.00, however Mrs. Ruff reported that she wrote the additional amounts at the request of Resident A. Mrs. Ruff reported that Resident A often requested spending money on the same day that his rent was due, therefore she would combine the totals into one check amount. Mrs. Ruff stated that she does not have documentation to confirm that she gave Resident A spending money during the time frames of April 2017 through February 2019. Mrs. Ruff stated that she visited Resident A at the hospital and rehabilitation center during the month of October 2019 and gave Resident A \$50.00; during the month of November 2019, gave Resident A \$600.00. Mrs. Ruff was asked if she ever borrowed money from Resident A, to which she stated, "No, I have never borrowed money from {Resident A}. It's not for lack of {Resident A} offering but I never took money from him." Mrs. Ruff further stated, "I have never used {Resident A's} checkbook to write checks to companies or businesses or to anyone other than me and my husband." When confronted regarding the checks written to Stanley Steemer and Hager Fox, Mrs. Ruff stated, "I used {Resident A's} checkbook to pay for the carpet cleaning, but I don't remember why. I think I was out of town at that time and that's why {Resident's A} checkbook was used. I deducted it from his rent." Mrs. Ruff stated, "I don't remember why I used {Resident's A's} checkbook for Hager Fox. It is too far back. I can't remember that long ago."

**R 400.14305      Resident protection.**

**(1) A resident shall be assured privacy and protection from moral, social, and financial exploitation.**

Resident A is an older adult, residing in an adult foster care facility due to a medical diagnosis of Schizophrenia and need for assistance with safety, protection, personal care, supervision and room and board.

A review of Resident A's bank statements confirmed the following amounts exceeded the room and board amount, and were withdrawn by Mrs. Ruff during the time that Resident A resided at the facility:

- **April 2017:** Check #1004 for \$400.00 written to Shannon Ruff; Total of \$400.00
- **May 2017:** Check #1006 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **June 2017:** Check #1008 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **September 2017:** Check #1014 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **October 2017:** Check #1019 for \$101.00 written to Sunny Rest; Total of \$101.00
- **November 2017:** Check #1021 for \$250.00 (\$1200.00 total check amount minus room and board cost) written to Sunny Rest; Check #1023 for \$105.00 written to Hager Fox; Total of \$355.00
- **April 2017:** Check #1004 for \$400.00 written to Shannon Ruff; Total of \$400.00
- **May 2017:** Check #1006 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **June 2017:** Check #1008 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **September 2017:** Check #1014 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **October 2017:** Check #1019 for \$101.00 written to Sunny Rest; Total of \$101.00
- **November 2017:** Check #1021 for \$250.00 (\$1200.00 total check amount minus room and board cost) written to Sunny Rest; Check #1023 for \$105.00 written to Hager Fox; Total of \$355.00
- **January 2018:** Check #1111 for \$130.00 written to Shannon Ruff; Total of \$130.00
- **February 2018:** Check #1117 for \$130.00 written to Shannon Ruff; Total of \$130.00
- **April 2018:** Check #1122 for \$75.00 written to Shannon Ruff; Total of \$75.00
- **May 2018:** Check #1124 for \$230.00 written to Shannon Ruff; Total of \$230.00
- **June 2018:** 6/20/2018- Check #1027 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **July 2018:** Check #1051 for \$150.00 (\$1,100.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$150.00
- **August 2018:** Check #1053 for \$50.00 (\$1,000.00 total check amount minus room and board cost) written to Sunny Rest; Check #1055 for \$90.00 written to Donald Gibson; 8/31/2018- Check #1056 for \$240.00 (\$1,190.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$380.00
- **December 2018:** Check #1064 for \$100.00 (\$200.00 total check amount minus room and board cost) written to Donald Gibson; Total of \$100.00

- **March 2019:** Check #1119 for \$110.00 written to Donald Gibson; Check #1074 for \$279.00 written to Stanley Steemer; Check #1073 for \$400.00 written to Donald Gibson; Total of \$789.00
- **June 2019:** Check #1079 for \$400.00 written to Sunny Rest; Total of \$400.00
- **July 2019:** 7/5/2019: Check #1080 for \$150.00 (\$1,100.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$150.00
- **August 2019:** Check #1083 for \$80.00 written to Donald Gibson; 8/30/2019- Check #1084 for \$200.00 written to Donald Gibson; Total of \$280.00
- **November 2019:** 11/4/2019- Check #1087 for \$400.00 (\$1350.00 total check amount minus room and board cost) written to Sunny Rest; Check #1088 for \$200.00 written to Shannon Ruff; Total of \$600.00

Resident A reported that he gave Mrs. Ruff permission to write checks on his behalf for the agreed upon room and board amount of \$950.00 per month. Resident A stated that he did not give Mrs. Ruff permission to withdrawal additional money from his bank account. Resident A stated that he asked Mrs. Ruff on one occasion for cash/spending money but stated she never gave him any money. Resident A stated that he has never been given cash by Mrs. Ruff.

Mrs. Vanderske reported that from 10/17/2019 to present, Resident A has not had any cash on his person nor has anyone come to the rehabilitation center and added money to his personal account.

Mrs. Ruff admitted that she wrote checks on Resident A's behalf, to both herself and her husband. Donald Gibson. Mrs. Ruff that she wrote checks in her husband's name because his bank was closer in proximity to the facility then her personal bank. Mrs. Ruff reported that she withdrew additional funds from Resident A's bank account per his request for spending money. However, Mrs. Ruff acknowledges that she does not have documentation to confirm that she provided Resident A with money during the time frames of April 2017 through February 2019.

During the time that Resident A resided at the facility, it is estimated that Mrs. Ruff withdrew approximately \$3,419.00 from Resident A's bank account unrelated to room and board costs.

Based on the information above, Mrs. Ruff has financially exploited Resident A.

### **VIOLATION ESTABLISHED**

**R 400.14315**

**Handling of resident funds and valuables.**

(8) All resident fund transactions shall require the signature of the resident or the resident's designated representative and the licensee or prior written approval from the resident or the resident's designated representative.

(10) A licensee, administrator, direct care staff, other employees, volunteers under the direction of the licensee, and members of their families shall not accept, take, or borrow money or valuables from a resident, even with the consent of the resident.

(11) A licensee shall obtain prior written approval from a resident and his or her designated representative before charges are made to a resident's account.

The *Resident Funds Part II* document listed the following adult foster care payments and did not contain Resident A's signature for written approval:

- 4/1/2017 – 12/31/2017: No documentation found.
- 1/2018 – 3/2019: Monthly room and board amount of \$1065.00 was paid to the facility.
- 4/19: Monthly Room and board amount of \$671.00 was paid to the facility.
- 5/2019 – 7/2019: Monthly Room and board of \$950.00 paid to the facility.
- 8/2019: Monthly room and board of \$750.00 paid to the facility.
- 9/2019 – 12/2019: Monthly room and board of \$950.00 paid to the facility.

I was unable to locate a *Resident Funds Part II* document, or written approval from Resident A, for cash transactions for the timeframes of April 2017 to January 2019.

A review of Resident A's bank statements confirmed the following amounts exceeded the room and board amount, and were withdrawn by Mrs. Ruff during the time that Resident A resided at the facility:

- **April 2017:** Check #1004 for \$400.00 written to Shannon Ruff; Total of \$400.00
- **May 2017:** Check #1006 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **June 2017:** Check #1008 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **September 2017:** Check #1014 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **October 2017:** Check #1019 for \$101.00 written to Sunny Rest; Total of \$101.00
- **November 2017:** Check #1021 for \$250.00 (\$1200.00 total check amount minus room and board cost) written to Sunny Rest; Check #1023 for \$105.00 written to Hager Fox; Total of \$355.00
- **April 2017:** Check #1004 for \$400.00 written to Shannon Ruff; Total of \$400.00
- **May 2017:** Check #1006 for \$300.00 written to Shannon Ruff; Total of \$300.00

- **June 2017:** Check #1008 for \$300.00 written to Shannon Ruff; Total of \$300.00
- **September 2017:** Check #1014 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **October 2017:** Check #1019 for \$101.00 written to Sunny Rest; Total of \$101.00
- **November 2017:** Check #1021 for \$250.00 (\$1200.00 total check amount minus room and board cost) written to Sunny Rest; Check #1023 for \$105.00 written to Hager Fox; Total of \$355.00
- **January 2018:** Check #1111 for \$130.00 written to Shannon Ruff; Total of \$130.00
- **February 2018:** Check #1117 for \$130.00 written to Shannon Ruff; Total of \$130.00
- **April 2018:** Check #1122 for \$75.00 written to Shannon Ruff; Total of \$75.00
- **May 2018:** Check #1124 for \$230.00 written to Shannon Ruff; Total of \$230.00
- **June 2018:** 6/20/2018- Check #1027 for \$101.00 written to Shannon Ruff; Total of \$101.00
- **July 2018:** Check #1051 for \$150.00 (\$1,100.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$150.00
- **August 2018:** Check #1053 for \$50.00 (\$1,000.00 total check amount minus room and board cost) written to Sunny Rest; Check #1055 for \$90.00 written to Donald Gibson; 8/31/2018- Check #1056 for \$240.00 (\$1,190.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$380.00
- **December 2018:** Check #1064 for \$100.00 (\$200.00 total check amount minus room and board cost) written to Donald Gibson; Total of \$100.00
- **March 2019:** Check #1119 for \$110.00 written to Donald Gibson; Check #1074 for \$279.00 written to Stanley Steemer; Check #1073 for \$400.00 written to Donald Gibson; Total of \$789.00
- **June 2019:** Check #1079 for \$400.00 written to Sunny Rest; Total of \$400.00
- **July 2019:** 7/5/2019: Check #1080 for \$150.00 (\$1,100.00 total check amount minus room and board cost) written to Sunny Rest; Total of \$150.00
- **August 2019:** Check #1083 for \$80.00 written to Donald Gibson; 8/30/2019- Check #1084 for \$200.00 written to Donald Gibson; Total of \$280.00
- **November 2019:** 11/4/2019- Check #1087 for \$400.00 (\$1350.00 total check amount minus room and board cost) written to Sunny Rest; Check #1088 for \$200.00 written to Shannon Ruff; Total of \$600.00

Resident A reported that he gave Mrs. Ruff permission to write checks on his behalf for the agreed upon room and board amount of \$950.00 per month. Resident A stated that Mrs. Ruff asked to borrow money from him on at least one occasion, related to air conditioning services and he did borrow her money. Resident A stated that Resident A stated that he did not give Mrs. Ruff permission to withdrawal an additional money from his bank account. Resident A stated that he asked Mrs. Ruff

on one occasion for cash/spending money but stated she never gave him any money. Resident A stated that he has never been given cash/spending money by Mrs. Ruff.

Mrs. Vanderske reported that from 10/17/2019 to present, Resident A has not had any cash on his person nor has anyone come to the rehabilitation center and added money to his personal account.

Mrs. Ruff reported that she withdrew additional funds from Resident A's bank account per his request for spending money. However, Mrs. Ruff acknowledges that she has not documentation to confirm that she provided Resident A with money during the time frames of April 2017 through February 2019. Mrs. Ruff admitted that she used Resident A's checkbook to pay for services provided by Stanley Steemer and Hager Fox. However, Mrs. Ruff reported that she cannot remember why she used Resident A's checkbook and stated, "I think I was out of town at that time and that's why {Resident's A} checkbook was used. I deducted it from his rent." Mrs. Ruff stated, "I don't remember why I used {Resident's A's} checkbook for Hager Fox. It is too far back. I can't remember that long ago."

During the time that Resident A resided at the facility, it is estimated that Mrs. Ruff withdrew approximately \$3,419.00 from Resident A's bank account unrelated to room and board costs.

Based on the information above, Mrs. Ruff has borrowed money from Resident A and completed fund transaction withdrawals from Resident A's bank account without obtaining his written approval and signature.

### **VIOLATION ESTABLISHED**

On 2/26/2020, I spoke to Shannon Ruff via telephone to inform her of the recommendation to deny issuance of licensure. Mrs. Ruff reported admitted that she wrote checks on Resident A's behalf and withdrew money from Resident A's bank account that exceeded the monthly room and board amount. However, Mrs. Ruff denied she financially exploited Resident A. Mrs. Ruff is not in agreement with the recommendation of denial of license issuance.

## **IV. RECOMMENDATION**



Based on the information above, denial of issuance of an adult foster care license is recommended.



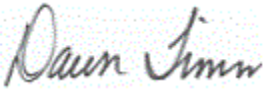
3/26/2020

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Stephanie Gonzalez  
Licensing Consultant

Date

Approved By:



04/27/2020

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Dawn N. Timm  
Area Manager

Date