



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

Joyce Divis
Spectrum Community Services
Suite 700
185 E. Main St
Benton Harbor, MI 49022

January 20, 2022

RE: License #: AM110091925
Investigation #: 2023A0579010
Eau Claire Residence

Dear Joyce Divis:

Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- How compliance with each rule will be achieved.
- Who is directly responsible for implementing the corrective action for each violation.
- Specific time frames for each violation as to when the correction will be completed or implemented.
- How continuing compliance will be maintained once compliance is achieved.
- The signature of the responsible party and a date.

If you desire technical assistance in addressing these issues, please feel free to contact me. In any event, the corrective action plan is due within 15 days. Failure to submit an acceptable corrective action plan will result in disciplinary action.

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 (616) 356-0183.

Sincerely,

Cassandra Duursma, Licensing Consultant
Bureau of Community and Health Systems
Unit 13, 7th Floor
350 Ottawa, N.W.
Grand Rapids, MI 49503
(269) 615-5050
enclosure

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

I. IDENTIFYING INFORMATION

License #:	AM110091925
Investigation #:	2023A0579010
Complaint Receipt Date:	11/21/2022
Investigation Initiation Date:	11/21/2022
Report Due Date:	01/20/2023
Licensee Name:	Spectrum Community Services
Licensee Address:	Suite 700, 185 E. Main St, Benton Harbor, MI 49022
Licensee Telephone #:	(734) 458-8729
Administrator:	Joyce Divis
Licensee Designee:	Joyce Divis
Name of Facility:	Eau Claire Residence
Facility Address:	2860 M-140, Eau Claire, MI 49111
Facility Telephone #:	(269) 944-1927
Original Issuance Date:	05/19/2000
License Status:	REGULAR
Effective Date:	06/12/2021
Expiration Date:	06/11/2023
Capacity:	12
Program Type:	MENTALLY ILL

II. ALLEGATION(S)

	Violation Established?
Resident A missing \$2700.	Yes
Additional finding	Yes

III. METHODOLOGY

11/21/2022	Special Investigation Intake 2023A0579010
11/21/2022	Special Investigation Initiated - Letter Joyce Divis, License Designee
11/21/2022	Contact - Document Received <i>Incident Accident Report</i>
12/05/2022	Contact - Document Sent Joyce Divis, License Designee
12/27/2022	Contact - Document Sent Joyce Divis, License Designee
12/29/2022	Contact - Document Sent Joyce Divis, License Designee
12/29/2022	Contact - Document Sent Joyce Divis, License Designee
01/09/2023	Contact - Document Sent Joyce Divis, License Designee
01/09/2023	Contact - Document Received Joyce Divis, License Designee
01/11/2023	Exit Conference Joyce Divis, Licensee Designee
01/12/2023	Contact- Document Received Stacy Kingman, Direct Care Worker
01/19/2023	Contact- Face to Face Joyce Divis (Licensee Designee), Barbara Fowkes (Agency Director), and Direct Care Worker 1 (Direct Care Worker)

01/19/2023	Contact- Face to Face Resident A, Resident F, DCW 3 (Direct Care Worker), and DCW 4 (Direct Care Worker)
01/19/2023	Contact- Document sent Tasha Stewart, ORR Anne Simpson, ORR
01/20/2023	APS referral
01/20/2023	Contact- Telephone call made Jamie Velthouse, Guardian

ALLEGATION:

Resident A is missing \$2700.

INVESTIGATION:

On 11/21/22, I entered this referral into the Bureau Information Tracking System after I was notified by licensee designee, Joyce Divis, that auditing of resident funds determined Resident A was missing \$2700. Ms. Divis reported she had referred the matter to law enforcement and was notifying responsible parties regarding these concerns. She reported she was going to continue to audit the funds of all residents. She stated home manager, Direct Care Worker (DCW) 1, was placed on leave since she was responsible for managing the funds in the home during the entire period within which this occurred.

On 12/5/22, I asked Ms. Divis for a status update regarding Resident A's funds. Ms. Divis responded that "a very in-depth audit looking for receipts" had been done and it was found that the unaccounted cash and missing receipts total over \$3000. She stated she is continuing to audit the rest of the residents' funds, looking into 2020 funds sheets, but DCW 1's paperwork "while once very tidy" had "gone downhill" since 2019. She stated she continues to work with Trooper Baulite from Michigan State Police regarding missing resident funds. She stated she is looking in storage units for paperwork as it was not maintained appropriately and is not clear. I agreed to follow up again in a few weeks.

On 12/27/22 and 12/29/22, I asked Ms. Divis for a status update regarding the investigation of resident funds. Ms. Divis responded she would have her written report completed the following week.

On 1/9/23, I inquired about the finalized report regarding resident funds at the home. Ms. Divis agreed to provide them immediately.

On 1/9/23, I received a documented titled "Investigative Memorandum" completed by Director of Quality and Compliance for Spectrum Community Services David Schnoor. It was reported an investigation was completed by Mr. Schnoor, Ms. Divis, and program administrator Stacy Kingman.

In summary Mr. Schnoor discovered several *Resident Funds Part II* forms were not up to date and not showing how much "cash on hand" should be available. In addition, the memorandum described unorganized accounting and lack of receipt retention.

Ms. Divis and Ms. Kingman calculated the total amount of funds, including missing receipts, discrepancies in documentation, and items reported as purchased that could not be accounted for. The totals are:

- Resident A: \$7288.81
- Resident B: \$525.47
- Resident C: \$3502.39
- Resident D: \$229.00
- Resident E: \$2289.80
- Resident F: \$479.12
- Resident G: \$1192.23
- Resident H: \$1355.50
- Resident I: \$1527.97
- Resident J: \$430.00 (at the time of report completion, not finalized)

The memorandum read resident financial exploitation by DCW 1 was substantiated by the team and that while it was not possible to prove with certainty DCW 1 stole or misused resident funds, her varying accounts of what occurred combined with missing documentation, indicated she was being deceptive.

On 1/12/23, Ms. Divis reported Trooper Baulite is continuing his investigation and met with her on 1/11/23 to obtain documentation and releases.

On 1/12/23, I reviewed the *Resident Funds Part II* forms for Resident A, B, C, D, E, F, G, H, I, and J that were sent to me. The funds forms appeared complete, with documentation of deposits, withdrawals, and even resident or staff signatures. The corresponding receipts were not provided, and I did not review the available cash on hand. During the investigation completed by Ms. Divis, Ms. Kingman, and Mr. Schnoor, the unaccounted-for withdrawals were highlighted on each form. If looking at the forms without the highlighted areas and corresponding receipts, they would appear to be appropriately completed. However, from the "Investigative Memorandum" it is known that DCW 1 may have intentionally falsified the documents.

On 1/19/23, I completed an interview with DCW 1 at Spectrum Community Services main office. Prior to the interview with DCW 1, I spoke with Ms. Divis and agency director, Ms. Barbara Fowkes. Ms. Divis and Ms. Fowkes reported they had not made payment arrangements with payees and guardians because they were waiting to see if DCW 1 had additional receipts or returned funds at today's meeting with them. They stated once they were aware of additional receipts or replaced funds, they would finalize a plan for reimbursement of the funds with guardians and payees either, immediately returning the funds or setting up a savings account and making regular payments back, depending upon what the guardian/payee agreed to. A motive for DCW 1 being intentionally deceitful and misusing the funds after numerous years of successfully managing the home was discussed. Ms. Divis reported DCW 1 had emails from Four Winds Casino, noting significant deposits, coming into her work email.

I interviewed DCW 1 privately. DCW 1 denied locating additional receipts or finding misplaced funds since she was interviewed by Ms. Divis in November 2022. She stated she has an explanation for the missing funds. She stated on the day she was notified there were concerns for discrepancies with Resident A's funds and documentation, she had felt ill and rushed to the bathroom, leaving Resident A's money in the staff office unattended. She stated she told staff to stay out of the office as she ran to the bathroom. She stated when she returned from the bathroom, staff person DCW 2 was standing in the office. She confronted DCW 2 about how she had advised staff to stay out of the office and why DCW 2 was in the office. She stated she did not count the funds after returning from the restroom and did not notice they were gone. She stated DCW 2 had regularly discussed on the phone that she had financial hardship and could not purchase the PS5 gaming system her child wanted prior to the incident. She stated later, after the funds went missing, DCW 2 came to work stating she had purchased the system for her child. She stated DCW 2 also then took vacation time and then left the position. She stated days later she realized the \$2770 of Resident A's unaccounted-for funds were missing, after previously being in the home on the day the discrepancies were brought to her attention, she and staff searched the home, including the garbage, for the envelope with Resident A's funds. She stated the envelope was found in the garbage bin outside of the home. She stated the envelope was found in a bag full of items DCW 1 had put in her trash can, that had been put in a black bag or "double bagged." She denied putting her trash bag into a black bag and stated she believes DCW 2 threw the envelope that held Resident A's fund in her trash after DCW 2 took the funds and double bagged it to conceal the envelope in Ms. Brigg's trash, as double bagging the trash was not typical. She stated there was no money found in the envelope.

DCW 1 also stated Resident A gets a significant amount of money, so he purchases expensive clothing, shoes, and items. She explained \$1100 of the unaccounted-for funds, she brought to her home to purchase Resident A an arcade game, but the order was cancelled by Best Buy after several weeks. She reported she returned that money though, so it was accounted for. She also stated that often Resident A will no longer like items purchased for him, even though they are expensive, and throw them away without telling staff. She stated that is also why items may be unaccounted-for.

I inquired why it was noted in the "Investigative Memorandum" completed by Mr. Schnoor that she initially accused Resident E of taking the funds. She denied this. She stated she would never accuse a resident of taking the funds because "if a resident had taken the funds, it could easily be proven by searching their room for either money or items they had purchased."

I then discussed the total of missing funds for all residents, not just Resident A, to which DCW 1 stated she had "no idea" and was "shocked." As we discussed each resident individually, she would list items that had been purchased, such as clothing, bedding, or cigarettes but reported she was certain there were receipts for those items. She stated guardians or payees typically made large purchases or donations to charities, which could explain large amounts of missing money. She later acknowledged that she and Spectrum Community Services would not have received the money that guardians used for donations or large purchases so those would not explain the large amount of unaccounted-for funds that she was responsible for in the home. She stated some residents purchased furniture for themselves, but all those purchases had receipts and were appropriately documented. She stated she believes some of the unaccounted-for funds could be verified by her Walmart.com account but she does not have access to it because she has not been allowed in the home.

DCW 1 explained that she was aware, and in her role as home manager, trained staff that resident funds must be documented and signed for on the *Resident Funds Part II* form, funds may only be used to purchase items for the resident and not used by staff or for staff, and change must be returned and signed back into the book. She stated she ensured staff followed these rules and she was aware and present every time funds were given to staff. She stated she was also the only person who cashed resident checks when they arrived at the home, and she was the one responsible for filling out the *Resident Funds Part II*, aside from obtaining necessary signatures. She acknowledged she did not always enter resident funds on to *Resident Funds Part II* and would hold checks for residents herself, at times forgetting to record or cash them and they would expire. She stated she is certain the only possible time staff may have ever had unsupervised access to funds, in the approximately 14 years she worked in the home, was the alleged incident with DCW 2.

DCW 1 stated she was the only person who knew the code for the safe where resident funds were held. She stated she was the only person who purchased items on-line for residents, other staff did not have access. She stated it was not possible any staff, aside from the alleged incident with DCW 2, could have ever taken funds without her knowledge or involvement. She stated residents do not spend their money independently because they cannot go into the community independently. She stated at times she would sign up to \$125 out to residents to spend with their family, but she obtained signatures when doing that so that would be accounted for, and she was not responsible for how residents spent their money with their family. She stated she has no idea how unaccounted-for funds for each resident came to be and could not explain it.

She stated she is struggling with her cognitive wellbeing at times and has considered retiring which could explain why she cannot explain what happened with these funds.

I inquired how, having previously been made aware of the \$2770 unaccounted-for funds, she initially accused Resident E and then later accused staff DCW 2, but she now, when asked about unaccounted funds she was not previously aware had been discovered, could provide no explanation. She stated she truly did not know where the funds went. She stated she believes the funds are just from missing receipts and that she has questions about what happened when Ms. Divis, Mr. Schnoor, and Ms. Kingman took the books to this office because she is certain the receipts to explain these funds were there. She stated I may want to investigate Ms. Divis, Mr. Schnoor, and Ms. Kingman. I inquired why Ms. Divis would want to take receipts that would cause a rule violation that Ms. Divis would be accountable for and would have to correct. DCW 1 did not have an explanation.

DCW 1 stated although she does not know where the unaccounted-for funds are, she feels Ms. Divis, Mr. Schnoor, and Ms. Kingman are responsible because “why did they not catch it sooner.” She stated it is their job to ensure that funds were not misused and if they had caught this sooner, she may have an explanation, or such a large amount may not be unaccounted-for but now she cannot explain where that significant amount of money went, nor does she have the means to find it and return it.

DCW 1 and I discussed that addictions may cause someone to have behaviors they would not typically have. I inquired if any resident or staff person struggled with concerns for addiction, including substance use or gambling, that she was aware of. She denied this. I inquired about the deposits for Four Winds casino noted in her work email. She denied that she ever gambles. She stated she set the Four Winds Casino account up through her work email for her husband. She stated he is disabled and because of his cognitive impairments, he struggles with gambling addiction. I inquired if he ever had access to resident funds. She stated she has brought resident funds, at times over one thousand dollars, home on multiple occasions, including one time she brought \$800 worth of funds to give to her sister to purchase a bed for a resident. She stated she is certain every time she brought resident funds to her home, the funds were returned and not misused by her or any of her relatives. DCW 1 confirmed she was facing eviction at the time she spoke to Ms. Divis in November 2022 but “that was taken care of.” She would not explain how but reported she has a wealthy son who she could ask for money, so she did not need to steal from residents. She denied ever stealing resident funds, using the funds for her own financial gain, or being able to provide any explanation for funds missing, outside of Resident A’s and the alleged incident with DCW 2.

DCW 1 at one point stated, “Well great, now I’m going to be arrested and lose my job.” I inquired why she thought she would be arrested, especially since she insists that she did nothing wrong. She stated she was not sure, but she was sure she would be arrested following these investigations. DCW 1 also at one point stated she “re-did” *Resident Funds Part II* sheets when Mr. Schnoor requested them in November 2022,

admitting the sheets were not completed at the time the transactions occurred, rather she completed them when requested by Mr. Schnoor.

Following the interview with DCW 1, I spoke with Ms. Divis. Ms. Divis confirmed DCW 1 did initially accuse Resident E of taking the funds and only days later reported the alleged incident with DCW 2. She stated Resident E's room was cleaned to look for the missing funds and Resident E was taken on an outing where staff attempted to see if she had any additional funds in her purse because DCW 1 suggested Resident E took the funds. She stated she was the person who mentioned that if a resident took the funds, they would be easy to locate, not DCW 1. She stated DCW 2 left her position at the home prior to the allegations being discussed with her but she does not believe that DCW 2 took the funds, rather DCW 1 was falsely accusing someone who no longer works at the home to take the blame off herself after she realized she could not blame a resident because that was easy to investigate. She stated she has requested DCW 1 work with her to access the Walmart.com account to find the online charges that are unaccounted for. She stated DCW 1 will not, and she feels that these charges would implicate DCW 1 in misusing funds, which is why DCW 1 will not cooperate. She stated items such as bedding, furniture, or clothing that DCW 1 said there were receipts for, were mostly confirmed by receipts so those items and use of funds were accounted for and the total of unaccounted for funds does not include those items.

I advised Ms. Divis I was going to stop at the home to interview residents and staff. She stated, and comments DCW 1 made also implied, DCW 1 has been communicating with staff at the home, telling them what to say, and that staff are "very loyal" to her. Ms. Divis warned that staff will defend DCW 1 and speak confidently regarding what DCW 1 has told them, although it may not be true, or they do not have direct knowledge of what has occurred outside of what DCW 1 has told them. She stated she has witnessed this when talking to staff herself.

On 1/19/23, I completed an on-site investigation at Eau Claire home. Interviews were completed with Resident A, Resident F, DCW 3, and DCW 4. I requested to interview Resident E regarding accusations she took Resident A's money, but it was reported she was on an outing.

Resident A denied knowledge of his funds. He denied that anyone had spoken to him about his funds. He denied that he regularly threw items purchased for him away.

Resident F reported she keeps her funds in her room and staff know this, but no one knows where they are. She stated her funds come in a greeting card from her brother. She denied that staff have access to her funds, or anyone misused her funds.

I inquired if DCW 3 knew why I was at the home. She stated she aware there was approximately \$2000 of Resident A's funds unaccounted for. She stated she loves DCW 1 and is certain DCW 1 did not take the funds. She explained that she heard the account of what allegedly happened with DCW 2 but did not directly witness the interaction. She stated she believes DCW 2 took the money based on what she has

been told. I advised it was learned that it was a significant amount more missing than just Resident A's approximately \$2000 funds, over a longer period, involving most residents and inquired if she could explain that. She stated she had heard that as well and had no explanation. She stated, on multiple occasions during the interview, that DCW 1 was the only person who knew the code to the safe and aside from the one alleged incident with DCW 2, there was never a time when DCW 1 allowed staff to be around resident funds without her present "in all the years she worked here." She stated DCW 1 was the only person who would complete online purchases for residents. She stated DCW 1 held staff extremely accountable to ensure funds were returned and receipts were brought back after staff took residents shopping. She stated one time, she lost a receipt in the wind, and DCW 1 had her return to the store and request a duplicate receipt, which the store provided. She stated she is certain DCW 1 trained all staff on proper procedures and held every staff accountable. She stated DCW 1 was the only person to maintain the *Resident Funds Part II* forms as well.

DCW 3 stated while some residents do have behaviors for taking items, she does not believe there was ever a time where DCW 1 would have allowed residents to have access to resident funds, nor did she ever see funds in resident rooms, aside from Resident F and Resident E who may get small amounts (\$10-\$20) of money given to them from their funds or mailed to them as gifts. She stated DCW 1 allowed them to keep those small amounts in their room. DCW 3 and I discussed resident behaviors. I inquired if any residents had any addictions such as substance use or gambling. She denied that residents struggled with addictions and reported the same for staff. DCW 3 denied ever taking or misusing resident funds herself.

While interviewing DCW 4, I inquired if she was aware why I was at the home or if she had heard the allegations I was discussing with DCW 3, as she was in the living room and I interviewed DCW 3 in the kitchen, which is an open area directly down the hall from where DCW 4 was, with only a small wall blocking the direct sight from the living room to the kitchen. DCW 4 reported she could not hear our discussion from where she was.

DCW 4 stated she was aware of concerns for approximately \$2500 of Resident A's funds missing. She stated she loves DCW 1 and is certain DCW 1 did not take it. She stated she was working on the day DCW 1 was made aware that there were discrepancies with Resident A's funds. She stated that was a Tuesday and that day DCW 1 started preparing receipts and writing funds sheets for Mr. Schnoor. She stated DCW 1 got sick that day and ran to the bathroom, when she returned, she found direct care worker DCW 2 in the staff office. She stated two days later, on Thursday, Mr. Schnoor requested DCW 1 bring the funds to his office and that is when DCW 1 told her that approximately \$2500 was missing and she believed DCW 2 took it when DCW 1 had gotten sick two days prior.

As she discussed the alleged incident with DCW 2, she repeated words identical to words DCW 1 used when she gave the account of what occurred in that alleged incident. I inquired where DCW 4 was in the home when she overheard this interaction

so clearly to report it identically as DCW 1 had. She reported she was in the living room. I had concern for the integrity of her statement, given she reported she could not hear me speaking to DCW 3, which was in a more direct and open space from the living room, than the staff office which was an enclosed space. I have concern she was falsely confirming what DCW 1 reported, nearly word for word. She insisted she could hear the interaction from the living room though and was being honest.

DCW 4 stated DCW 1 “would hound” staff about returning receipts to her. She stated on occasion, she had to return to a store if she lost or forgot to get a receipt, because DCW 1 demanded all staff sign out the cash they were taking to take a resident shopping, only spend the funds on the resident, and return the change, which DCW 1 would then sign back into the funds sheet herself. She stated aside from the alleged incident with DCW 2, DCW 1 never allowed staff in the office when she was working with resident funds and staff were not allowed to assist her with counting the funds or anything relating to resident finances. She stated DCW 1 typically did not allow new staff to take residents shopping but if she did, she thoroughly trained them on how to appropriately use the funds, how to sign them out, and that they must get receipts for every transaction.

I inquired how an amount significantly over \$2500, involving most residents, could go unaccounted for over time. She stated she has no explanation, but she is certain DCW 1 did not misuse the funds. She denied that residents could have taken the funds. She stated DCW 1 allowed some residents to keep small amounts of money in their rooms at times, but this was no more than \$40 at a time and occurred with only one or two residents a month on average. She stated if she found a resident with hundreds or thousands of dollars in their room, she would report it to Ms. Divis because that would not be appropriate. She stated residents have no way to spend money without staff supervising them, because none of the residents in the home go into the community unsupervised.

I inquired if any of the residents struggled with addictions, such as substance use or gambling. She denied that. I inquired if any staff had any addictions that she was aware of either. She stated DCW 1 and DCW 5 “were always gambling on their phones” during the workday. She denied that DCW 5 had unsupervised access to resident funds. She stated although DCW 1 was regularly gambling, she does not feel it was a problem because DCW 1 “always wins.” She stated DCW 1 would not need to take resident funds to gamble, because “she’d win \$5000 here, \$7000 there” and she “never lost.” She stated DCW 1 loved the residents, especially Resident A, so there is no way she would have taken money from them. DCW 4 denied it was possible anyone else, aside from the one alleged incident with DCW 2, would have been capable of taking resident funds without DCW 1 knowledge or involvement. DCW 4 denied taking or misusing resident funds herself.

On 1/19/23, I exchanged emails with Anne Simpson and Tasha Stewart from Riverwood Office of Recipient Rights. Ms. Stewart confirmed she and Ms. Simpson were made aware of the concerns regarding resident finances and Ms. Simpson was investigating

the allegations. Ms. Simpson stated she has the Michigan State Police report and has reviewed it. She stated she has not directly spoke to any payees or guardians, but she will be ensuring guardians are aware and sending her report to them once it is complete.

On 1/20/23, I completed a referral to Adult Protective Services.

On 1/20/23, I attempted a telephone interview with Jamie Velthouse who was reported as a guardian of at least one resident involved in this incident. A voicemail message was left.

APPLICABLE RULE	
R 400.14315	Handling of resident funds and valuables.
	(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.

<p>ANALYSIS:</p>	<p>The home timely reported this event to licensing and the Michigan State Police. Ms. Divis provided a document for my review outlining cooperation with the police and the internal investigation completed by the home. The “Investigative Memorandum” detailed Ms. Divis, Mr. Schnoor, and Ms. Kingman investigated Resident A, B, C, D, E, F, G, H, I, and J’s funds. Missing resident funds totaled approximately \$18,820.29.</p> <p>While my review of <i>Resident Funds Part II’s</i> revealed compliance, the findings of the team revealed outdated forms, unorganized record keeping, and a lack of receipts maintained by the responsible staff person, DCW 1.</p> <p>DCW 1, DCW 3, and DCW 4 reported DCW 1 did not allow staff or residents to have access to funds without her present and aside from one alleged incident, unaccounted-for funds could not have been accessed without DCW 1’s involvement.</p> <p>Interviews determined DCW 1 had motive in that she was noted to regularly gamble, including receiving emails relating to gambling at her work email address. DCW 1, DCW 3, DCW 4. Ms. Divis, and the “Investigative Memorandum” confirmed DCW 1 had opportunity and was likely the only person who had opportunity outside of one alleged incident, to take and misuse resident funds as she was the only person with the code to the safe. DCW 1 also had means in that she was the sole person responsible for cashing checks and documenting funds. Based on my experience as an investigator, DCW 1 gave responses (such as deflecting to Ms. Divis, Mr. Schnoor, and Ms. Kingman and asking, “Why didn’t they catch it sooner”) consistent with deception and guilt. Although DCW 3 and DCW 4 denied that DCW 1 would misuse the funds, it appears they were repeating what DCW 1 told them when interviewed.</p> <p>Based on the interviews with Ms. Divis, DCW 1, DCW 3, and DCW 4, as well as, documentation reviewed, there is sufficient evidence to support allegations that DCW 1 was responsible for missing resident funds and that the home was not compliant with this rule.</p>
<p>CONCLUSION:</p>	<p>VIOLATION ESTABLISHED</p>

ADDITIONAL FINDING

Investigation:

On 1/9/23, I reviewed the "Investigative Memorandum" which noted Resident A had \$3317.12 "on hand" at one point. On 11/3/22, DCW 1 was able sign out \$500 cash. DCW 1 later returned the \$500, leaving Resident A's total "cash on hand" at \$547.12. In the 'Recommendations' section of the "Investigative Memorandum", Mr. Schnoor acknowledged that per licensing rules residents cannot have more than \$200 of cash available in the home. The recommendation states:

It is recommended that the Southwest Region revamp the system by which consumer funds are handled. The amount of personal allowance received by some of the residents is significant and causes them to well exceed the \$200 maximum cash on hand requirement of AFC Licensing. Several residents who receive a more typical amount of monthly allowance also have more than \$200 cash on hand. This system should be set up to ensure no more than \$200 is on hand in the home for each resident.

On 1/19/23, DCW 1 stated she was aware and had made Ms. Divis and Mr. Schnoor aware that residents had funds significantly beyond \$200 being kept in the home and that it concerned her.

APPLICABLE RULE	
R 400.14315	Handling of resident funds and valuables.
	(6) Except for bank accounts, a licensee shall not accept resident funds of more than \$200.00 for any resident of the home after receiving payment of charges owed.

ANALYSIS:	<p>It was documented that at one point Resident A had \$3317.12 “on hand” in the home. DCW 1 was able to take \$500 on 11/3/22. DCW 1 returned \$500 at one point leaving Resident A with \$547.12 cash “on hand.” Mr. Schnoor acknowledges in the “Investigative Memorandum” that residents are not allowed to have more than \$200 cash available in the home and recommends compliance with that moving forward. DCW 1 confirmed she was aware there were excess funds in the home and reported she made Ms. Divis and Mr. Schnoor aware.</p> <p>Based on the documentation observed, there is sufficient evidence to support allegations that more than \$200 cash was accepted into the home for Resident A.</p>
CONCLUSION:	VIOLATION ESTABLISHED

On 1/11/23, I completed an exit conference with Ms. Divis who did not dispute my findings or recommendations. I told her I appreciated her transparency and her, Ms. Kingman, and Mr. Schnoor’s thorough investigation into the matter. I told her it would be noted in my report that she took this matter extremely seriously and worked to clear up records that may have either been falsified, intentionally misplaced, or made complicated to assist DCW 1 with being deceptive.

IV. RECOMMENDATION

Contingent upon receipt of an acceptable plan of corrective action, I recommend the status of the license remain the same.

Cassandra Duursma

1/12/23

Cassandra Duursma
Licensing Consultant

Date

Approved By:

Russell Misiak

1/17/23

Russell B. Misiak
Area Manager

Date