



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
DIRECTOR

October 16, 2025

Elizabeth Gaye and George Cole  
1464 Millbrook St SE  
Grand Rapids, MI 49508

RE: License #: AF410415717  
Investigation # 2025A0357049  
Cole's AFC Family Home Services

Dear Ms. Gaye and Mr. Cole.:

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 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) 356-0100.

Sincerely,

*Arlene B. Smith*

Arlene B. Smith, MSW, Licensing Consultant  
Bureau of Community and Health Systems  
Unit 13, 7th Floor  
350 Ottawa, N.W.  
Grand Rapids, MI 49503  
(616) 916-4213

enclosure

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

**I. IDENTIFYING INFORMATION**

<b>License #:</b>	AF410415717
<b>Investigation #:</b>	2025A0357049
<b>Complaint Receipt Date:</b>	07/31/2025
<b>Investigation Initiation Date:</b>	07/31/2025
<b>Report Due Date:</b>	08/30/2025
<b>Licensee Name:</b>	Elizabeth Gaye and George Cole
<b>LicenseeAddress:</b>	1464 Millbrook St SE Grand Rapids, MI 49508
<b>Licensee Telephone #:</b>	Unknown
<b>Administrator:</b>	N/A
<b>Licensee Designee:</b>	N/A
<b>Name of Facility:</b>	Cole's AFC Family Home Services
<b>Facility Address:</b>	1464 Millbrook St. SE Grand Rapids, MI 49508
<b>Facility Telephone #:</b>	(616) 349-0322
<b>Original Issuance Date:</b>	05/09/2023
<b>License Status:</b>	REGULAR
<b>Effective Date:</b>	11/09/2023
<b>Expiration Date:</b>	11/08/2025
<b>Capacity:</b>	5
<b>Program Type:</b>	DEVELOPMENTALLY DISABLED MENTALLY ILL

**II. ALLEGATION(S)**

	<b>Violation Established?</b>
Resident A’s guardian/mother made repeated requests for Resident A’s record of his personal spending, including the receipts, but they were never provided.	Yes
Additional Findings	Yes

**III. METHODOLOGY**

07/31/2025	Special Investigation Intake 2025A0357049
07/31/2025	Contact - Document Sent To Recipient Rights, network 180.
07/31/2025	Contact - Telephone call made To Legal Guardian.
07/31/2025	Special Investigation Initiated - Telephone
08/19/2025	Contact - Telephone call made Telephone to Guardian of Resident A.
09/30/2025	Contact - Telephone call made With Resident A's guardian/mother.
10/03/2025	Inspection Completed On-site Met with both Licensee's discussed the complaint. They provided a copy of Resident A's Resident Funds Part II form.
10/15/2025	Telephone exit conference with Co-Licensee Ms. Gayle.

**ALLEGATION:** Resident A’s guardian/mother made repeated request for Resident A’s record of his personal spending, including the receipts, but they were never provided.

**INVESTIGATION:** On 09/30/2025. I conducted a telephone interview with Resident A’s guardian (Guardian 1). She reported that Resident A was admitted to Cole's AFC Family Home Services on 09/15/2024. She explained that she had requested many times to see Resident A’s spending receipts. She reported that she had told the licensees that she would be willing to provide more money for his personal spending if she could see how his monies were being spent. Guardian 1 stated that they had a meeting on June 26, 2025, to discuss her concerns and the licensees had stated that they had to spend their own money for Resident A because Guardian 1 had not

provided Resident A's spending money. She reported that Mr. Cole stated that the last time she had provided spending money for Resident A was in February, yet she reported that she had sent \$25.00 on April 29, 2025. She stated she would send me a copy of her check by text message. Guardian 1 stated that they were taking Resident A to Pizza Ranch, and she asked them to not take him there because Resident A had trouble with the acid in tomato sauce and the carbohydrates were very high. She also explained that Resident A had trouble regulating himself at a buffet and he would overeat. She believed the licensees took him anyway. She went on to say just recently the licensees had sent her a Resident Funds Part II form and asked her to sign and date it. She reported there were Pizza Ranch receipts for various dates, and some amounts signed by Resident A withdrawals of cash of \$20.00. She said there were copies of four of her checks she had written to Cole's family Home. She said she signed their document on 09/10/2025 and sent it back to them. She stated that the licensees had given Resident A 30-day notice of discharge in April and she said she finally found a new home for him. She stated that Resident A was moving to a new home today.

On Tuesday October 7, 2025, Guardian 1 sent me a copy of the check dated 04/29/2025 for \$25.00 and it read "personal account." Also in the text message was a text message that read "Still waiting for itemized copy of (Resident A's) spending account."

On 10/03/2025, I made an unannounced inspection of the home. I met with both licensees Elizabeth Gayle and licensee George Cole. I explained the complaint to them. They provided a copy of the Resident Funds Part II form with Guardian 1's signature and date of 09/10/2025. They had many things to say about Resident A, especially that he had three different roommates and no one could get along with him. I asked if they had taken Resident A to Pizza Ranch and Ms. Gayle responded yes and that they used to go twice a month, but they had cut it down to once a month. She said they had taken all of the residents to Pizza Ranch. I explained that Guardian 1 had stated that she had asked for an accounting of Resident A's funds with receipts. Ms. Gayle stated, "She never asked for the receipts. She never requested them. We used our own money for him." I explained the rule to them and what they were responsible for in providing quarterly, a complete accounting and they acknowledged that they did not provide a quarterly accounting of Resident A's money to his guardian. They said they sent Guardian 1 the Resident Funds Part II in the beginning of September, and she signed and sent it back. I said I would review Resident A's Resident Funds Part II form. They said Guardian 1 owed them \$5.64 which they showed on the Resident Funds Part II form. They said she did not pay them.

On 10/03/2025 I reviewed Resident A's Funds Part II form and the receipts attached along with the copies of the checks from Guardian 1. The information written on the form recorded deposits on 11/25/24 of \$50.00, on 01/30/2025 of \$49.00, on 02/28/2025 of \$25.00, and on 04/29/2025 of \$.25.00. This totals \$149.00. The checks from Guardian 1 showed the same.

I reviewed the "Withdrawal Amounts" on the Funds Part II for "Outing" for \$19.07 as a withdrawal. The Pizza Ranch receipt had a hand-written date of 02/10/2025 and the receipt read "2 Adult." The amount could not be read in the receipt.

The next withdrawal was dated 02/14/2025, which was written for, "Lunch" for \$20.00. There was a handwritten withdrawal for \$20.00 with Resident A's signature.

The next withdrawal was 03/07/2025, written as an "Outing" with the amount written of \$19.07. The receipt was from Pizza Ranch with the amount of the withdrawal of \$19.07, with change of .93.

The next withdrawal was dated 04/13/2025, recorded as "Lunch," and \$20.00 was withdrawn. There was no receipt but a handwritten note for "Cash" of \$20.00 with Resident A's signature.

The next withdrawal was dated 04/15/2025, (two days later) for "Outing," was recorded for \$19.07. The receipt was from Pizza Ranch, with the amount of \$17.99 with Tax \$1.08 for a total of \$19.07.

The next withdrawal was dated 05//212025, for "Outing," and the amount was for \$19.07. The receipt was \$17.99 plus tax of \$1.08 for a total of \$19.07.

The next one was dated for 06/13/2025, for "Outing," with the amount of \$19.07. The Receipt was for Pizza Ranch, for \$17.99 plus tax \$1.08, total for \$19.07.

Upon adding these amounts up it came to \$135.35. Guardian 1 put \$149.00 in Resident A's account, and the receipts show \$135.35 with a difference of \$13.65 to be owned to Guardian 1.

Attached to Resident A's Resident Funds Part A form was a handwritten note that recorded Resident A's name with a date of "06/01/2025, \$20.00, MVT." There was no matching receipt for this amount. The Funds form did not list a withdrawal for \$20.00 on 06/01/2025.

On 10/15/2025, I conducted a telephone exit with Co-Licensee's Ms. Gayle, and she said they were not aware of the rule, so they had not given an account. She agreed with my findings.

<b>APPLICABLE RULE</b>	
<b>R 400.1421</b>	<b>Handling of resident funds and valuables.</b>
	<b>(11) A Licensee shall provide a complete accounting of all resident funds and valuables held for safekeeping and in trust fund accounts or paid to the home to the resident or to his or her designated representative on a quarterly basis.</b>

	<p><b>A receipt for resident expenditures shall be maintained by the licensee and shall be provided to the resident or designated representative upon request. The accounting of resident's funds and valuables held for safekeeping or paid to the home shall also be provided, upon the resident's or designated representer's request, no later than 5 banking days following the request and at the time of the resident's discharge from the home.</b></p>
<p><b>ANALYSIS:</b></p>	<p>It was alleged that Resident A's guardian had made repeated requests for Resident A's record of his personal spending, including the receipts, but they were never provided.</p> <p>Resident A's guardian said she never received an accounting of Resident A's personal accounting until 09/10/2025, and Resident A had lived in the home since 09/15/2024. She had requested it several times. She provided a text message on 10/07/2025 to Ms. Gayle, requesting an itemized account of Resident A's spending.</p> <p>The Licensee Ms. Gayle stated that Guardian 1 never requested an accounting.</p> <p>Both Licensee's Elizabeth Gayle and George Cole acknowledged that they did not provide a complete accounting for all of Resident A's funds and valuables, quarterly, as required.</p> <p>During this investigation I found evidence that Resident A's guardian had not received the required quarterly accounting of Resident A's funds. Therefore, there is a violation to the rule.</p>
<p><b>CONCLUSION:</b></p>	<p><b>VIOLATION ESTABLISHED</b></p>

**ADDITIONAL FINDINGS:**

**INVESTIGATION:** On 10/03/2025, I reviewed Resident A's file. I did not find the Resident Funds Part I form. I asked Mr. Cole if he had it and he showed me the form that was blank and had not been completed. He said he did not know they had to complete one.

Mr. Cole, provided me with a copy of Resident Funds Part II form. The first line was recorded as \$1801, which was dated 11/15/2024. He said that was the first payment. There were no entries for payment on the rest of the form. He acknowledged that he had received payment for Resident A's care, but stated he

had not recorded the amount and the dates they were received. He said he did not know it was required.

On 10/15/2025, I conducted a telephone exit conference with Co-license, Ms. Gayle, she said they were unaware that Resident Funds Part 1 form had to be completed. She agreed with my findings.

<b>APPLICABLE RULE</b>	
<b>R 400. 1421</b>	<b>Handling of resident funds and valuables.</b>
	<b>(3) A licensee shall have a resident's funds and valuables transaction form completed and on file for each resident. A department form shall be used unless prior authorization for a substitute form has been granted in writing by the department.</b>
<b>ANALYSIS:</b>	<p>The Co-Licensee, Mr. Cole, acknowledged that he had received payment for Resident A's care, but he had not recorded the payment by Guardian 1 on the date of payment or for the amount.</p> <p>During this investigation I found the Resident Funds Part I form had not been completed for Resident A. The Licensee had not recorded the payment by Guardian 1 for Resident A's care. Therefore, there is a violation of this rule.</p>
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED</b>

**INVESTIGATION:** During my review of Resident A's file I noted the Resident Funds Part II form had the signature of the co- licensee George Cole, for Resident A's spending money, but there were no signatures of Resident A's guardian on the form. It is printed on the form "Signature of Resident or Designated Representative."

<b>APPLICABLE RULE</b>	
<b>R 400. 1421</b>	<b>Handling of resident funds and valuables.</b>
	<b>(6) All trust fund account 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 resident's designated representative.</b>

<b>ANALYSIS:</b>	<p>Resident A's Funds Part II form was signed by the co-licensee, George Cole, but the form was not signed by Resident A's guardian for any of the personal spending amounts. Mr. Cole did not know the signature of the guardian was required.</p> <p>During this investigation I found evidence that the Resident A's Funds Part II form was not signed by Resident A's guardian for his personal spending money. Therefore, there is a violation of the rule.</p>
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED.</b>

A telephone exit conference was conducted on 10/15/2025, with Co-licensee Ms. Gayle and she agreed to my findings.

**IV. RECOMMENDATION**

I recommend the Licensee's provide an acceptable plan of correction and the licensee remain the same.

*Arlene B. Smith*

10/15/2025

Arlene B. Smith  
Licensing Consultant

Date

Approved By:

*Jerry Hendrick*

10/16/2025

Jerry Hendrick  
Area Manager

Date