



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
ACTING DIRECTOR

December 11, 2023

Kehinde Ogundipe  
Eden Prairie Residential Care, LLC  
G 15 B  
405 W Greenlawn  
Lansing, MI 48910

RE: License #: AS330408820  
Investigation #: 2024A1033005  
Bell Oaks At Moore River

Dear Mr. Ogundipe:

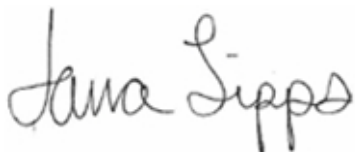
Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- 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 (517) 284-9730.

Sincerely,

A handwritten signature in cursive script that reads "Jana Lipps". The signature is written in dark ink on a light-colored background.

Jana Lipps, Licensing Consultant  
Bureau of Community and Health Systems  
611 W. Ottawa Street  
P.O. Box 30664  
Lansing, MI 48909

enclosure

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

**I. IDENTIFYING INFORMATION**

<b>License #:</b>	AS330408820
<b>Investigation #:</b>	2024A1033005
<b>Complaint Receipt Date:</b>	10/17/2023
<b>Investigation Initiation Date:</b>	10/17/2023
<b>Report Due Date:</b>	12/16/2023
<b>Licensee Name:</b>	Eden Prairie Residential Care, LLC
<b>Licensee Address:</b>	G 15 B 405 W Greenlawn Lansing, MI 48910
<b>Licensee Telephone #:</b>	(214) 250-6576
<b>Administrator:</b>	Kehinde Ogundipe
<b>Licensee Designee:</b>	Kehinde Ogundipe
<b>Name of Facility:</b>	Bell Oaks At Moore River
<b>Facility Address:</b>	119 Moores River Dr Lansing, MI 48910
<b>Facility Telephone #:</b>	(214) 250-6576
<b>Original Issuance Date:</b>	11/17/2021
<b>License Status:</b>	REGULAR
<b>Effective Date:</b>	04/15/2022
<b>Expiration Date:</b>	04/14/2024
<b>Capacity:</b>	6
<b>Program Type:</b>	PHYSICALLY HANDICAPPED DEVELOPMENTALLY DISABLED

	MENTALLY ILL AGED TRAUMATICALLY BRAIN INJURED
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## II. ALLEGATION(S)

	Violation Established?
Licensee designee lacks financial capability to operate the home and provide the level of care and program stipulated in the application.	Yes

## III. METHODOLOGY

10/17/2023	Special Investigation Intake 2024A1033005
10/17/2023	Special Investigation Initiated - Letter Email correspondence with Adult Foster Care Licensing, Area Manager, Dawn Timm.
10/23/2023	Contact – Telephone call made Video Conference conducted via Microsoft Teams with Eden Prairie Chief Financial Officer, Bede Obasi, and Eden Prairie attorney, Kennedy Shannon.
10/25/2023	Inspection Completed On-site Interviews conducted with direct care staff, Myrun Chandler, Orlando Ford, Dianna Bingham, Resident A, and direct care staff/Home Manager, Lakeisha Baldwin. Completed facility walkthrough.
12/01/2023	Contact - Telephone call made Video conference conducted via Microsoft Teams with licensee designee, Kehinde Ogundipe, Eden Prairie Executive Vice President & Corporate Council, Kennedy Shannon, & Adult Foster Care Licensing Consultants, Johnnie Daniels, Julie Elkins, Jennifer Browning, Jana Lipps.
12/01/2023	APS Referral No suspected abuse/neglect currently.
12/01/2023	Inspection Completed-BCAL Sub. Compliance
12/12/2023	Exit Conference Conducted via telephone with licensee designee, Kehinde Ogundipe.

**ALLEGATION: Licensee designee lacks financial capability to operate the home and provide the level of care and program stipulated in the application.**

**INVESTIGATION:**

On 10/17/23 I received a complaint regarding the Bell Oaks at Moore River adult foster care facility (the facility). The complaint alleged that the licensee designee, Kehinde Ogundipe is not financially capable of operating the facility due to a current federal investigation involving the Department of Labor (DOL). The allegation reported that Mr. Ogundipe has been fined by the DOL \$1.8 million for back wages owed to direct care staff members who were paid a salary instead of hourly wages and overtime wages. It is alleged that direct care staff members personal payroll checks have not been supported with proper funding, resulting in banks refusing to process these checks, due to non-sufficient funds in the Eden Prairie Residential Care LLC corporate payroll account.

On 10/23/23 a video conference was conducted, via Microsoft Teams, with the Eden Prairie Residential Care LLC Chief Financial Officer, Bede Obasi, and Eden Prairie Residential Care LLC attorney, Kennedy Shannon. Mr. Obasi reported that he has been hired as the accountant for the Eden Prairie Residential Care LLC organization. He reported that Eden Prairie Residential Care LLC has six bank accounts that he has been given access to in terms of viewing transactions and transferring money between these accounts. He reported that he does not have any access to make payments from these accounts. Mr. Obasi reported that the checking and savings accounts under number "442" are controlled by Kehinde Ogundipe, and the checking and savings accounts under the number "078" are controlled by Mr. Ogundipe's brother, Dayo Ogundipe. Mr. Obasi reported that in June of 2023 it was identified that Kehinde Ogundipe and Dayo Ogundipe were overspending the amount of money that was being deposited into these business accounts, which was resulting in bounced payroll checks for employees due to non-sufficient funds. He reported that he advised that they needed to open separate subaccounts in both "442" and "078" that were designated as payroll accounts where they could ensure the correct amount of money was available to pay the employees without having payroll checks declined by banks. Mr. Obasi confirmed that Kehinde Ogundipe and Dayo Ogundipe were previously writing payroll checks before they had sufficient funds available in the accounts for the checks to clear. Mr. Obasi reported that as recently as two weeks prior to 10/23/23 there was an issue with payroll checks being "held" due to lack of funding available in the payroll subaccounts. Mr. Obasi reported that he does not have knowledge of all Eden Prairie business transactions and has only been given access to these six accounts. He reported that recently he was informed that there were additional bank accounts open for the Eden Prairie business through a Lake Trust Credit Union. He reports he had no knowledge of these accounts or their holdings. Mr. Obasi reported, "Ken (Kehinde Ogundipe) runs business in silos." He reported that it is difficult to assist with managing the finances when Kehinde Ogundipe is not always honest about

how the money is being managed/spent. Mr. Obasi reported that to maintain adequate funds in the payroll subaccounts he would watch the accounts “like a hawk” and quickly transfer deposits made into the other accounts, into the payroll accounts before Kehinde Ogundipe could spend the money. Mr. Obasi reported that having adequate funding in payroll accounts was a continuous problem and he encouraged Kehinde Ogundipe to open a line of credit to use in the payroll accounts as backup to prevent payroll checks from bouncing in the future. Mr. Obasi reported that Kehinde Ogundipe did open a line of credit and instead used the money to acquire additional properties to open more adult foster care facilities. He reported that this money received from the line of credit was never deposited into the payroll accounts. Mr. Obasi reported that he has advised Kehinde Ogundipe that he is “growing too fast” in terms of the Eden Prairie Residential Care LLC business and wanting to open more adult foster care homes. He reported that he has advised Kehinde Ogundipe to stop acquiring properties and focus on the ones he currently has licensed for a while. Mr. Obasi reported that Kehinde Ogundipe does not listen to this advice and instead makes his own decisions and continues to acquire properties with the plan of opening more adult foster care facilities. Mr. Obasi was asked about whether the currently licensed facilities have had any issues with their utility bills being paid each month. Mr. Obasi had no knowledge of any licensed facilities that were in danger of utilities not being paid or had received shut off notices. He reported to his knowledge this has not occurred. Mr. Obasi reported that Kehinde Ogundipe has an “irrational impulse for growth” despite advice from himself and Ms. Shannon. Mr. Obasi confirmed that Eden Prairie Residential Care LLC has been fined by the Federal Department of Labor and is expected to pay \$1.8 million to settle this issue. It was reported that Kehinde Ogundipe was paying all employees a salary and he should have been paying them hourly wages and overtime wages. Mr. Obasi reported that they are trying to work out a payment arrangement with the DOL and they hope this settlement will be reached within the next two weeks.

During Microsoft Teams meeting on 10/23/23, Ms. Shannon reported that she is the attorney for the Eden Prairie Residential Care LLC organization. She reported that Kehinde Ogundipe has been investigated by the Federal Department of Labor for inappropriately classifying hourly employees as salaried employees. She reported that he has been fined and currently has been issued a fine of \$1.8 million to pay to the federal government. Ms. Shannon reported that Kehinde Ogundipe was not paying a minimum wage or overtime wages to his direct care staff as he had improperly classified them as salaried staff. She reported that they are currently trying to arrange a payment plan with the federal government. Ms. Shannon reported that many of the Community Mental Health contracts Kehinde Ogundipe has in place are pulling their residents from his adult foster care facilities due to increasing number of special investigations from Licensing & Regulatory Affairs (LARA), Adult Protective Services (APS), and Office of Recipient Rights (ORR). Ms. Shannon advised that at this time the DOL wants Kehinde Ogundipe to pay 25% of the \$1.8 million and the rest within six months. She reported that there is a 3.5% interest rate tacked on for each month the full payment is not made. Ms. Shannon reported that she has advised Kehinde Ogundipe to stop acquiring new properties as this is not

advisable considering the current fine he owes. Ms. Shannon reported that Kehinde Ogundipe is not following her advice and continues to work toward purchasing new properties. She reported, "I personally do not see Eden Prairie surviving another six months." Ms. Shannon reported that to her knowledge the vehicles used at the current licensed properties, for resident transport, are registered and insured with the State of Michigan. She further reported that she has experienced her own issues with payroll checks from Eden Prairie either bouncing or being held by the bank due to non-sufficient funds to process the payroll checks.

On 10/25/23 I completed an unannounced, on-site investigation at the facility. I interviewed direct care staff, Myrun Chandler. Mr. Chandler reported that he has worked at the facility since April 2023. Mr. Chandler reported that the payroll checks he has received from Eden Prairie Residential Care LLC have been inconsistent. He reported that sometimes he expects a paycheck on a certain day and it will be delayed for one reason or another. He noted that this recently occurred on 10/20/23. He reported that some direct care staff were paid on this date and some had their checks held and did not receive payment. He reported that the Eden Prairie Residential Care LLC organization just started using a new payroll system, Automatic Data Processing (ADP), and there have been some issues with this new system. Mr. Myrun reported that, in the past there have been periods where his paycheck was held by his bank for 7-10 days due to non-sufficient funds to process the check. Mr. Myrun reported direct care staff have struggled to have adequate food in the facility for resident use. He reported that there is not enough meat or protein sources purchased for the current residents. Mr. Myrun reported that he does not feel there are adequate towels at the facility for resident use as the number of towels is limited and each resident cannot shower daily due to not enough towels to go around and needing to wash the towels frequently due to a lack of towels. He reported being unaware of any potential utility shut off notices for this facility.

During on-site investigation on 10/25/23 I interviewed direct care staff, Orlando Ford. Mr. Ford reported that he has worked at this facility for about three months. Mr. Ford reported that his last paycheck, from 10/20/23, was shorted by \$200. He further reported that his manager, Lakeisha Baldwin, also reported that her paycheck was shorted on 10/20/23 as well. Mr. Ford reported that he previously worked at another adult foster care facility owned by Eden Prairie Residential Care LLC and had his paycheck bounce in June of 2023. He reported that his bank charged him a fee and his manager at the time, Ashanti Wright gave him the money to cover the fee the bank charged him for this bounced paycheck. Mr. Ford reported that he has also had a payroll check from Eden Prairie Residential Care LLC held at his bank for up to 7 days so the bank could ensure the funding before the money was released into Mr. Ford's account. Mr. Ford reported that there are issues with receiving adequate supplies at the facility. He reported that the grocery shopping is done about every two weeks and there are not enough supplies bought to feed the residents for a two week period. He further reported that there are not adequate cleaning supplies purchased for the home on a regular basis. Mr. Ford reported direct care staff members have used their own personal money to purchase supplies necessary for

the facility. Mr. Ford reported, “half the time there’s not breakfast food” available. Mr. Ford reported that the most recent grocery order was delivered to the facility by Kehinde Ogundipe’s spouse, Martha Ogundipe, about three weeks prior. Mr. Ford reported that the management has recently instituted a new menu and he does not feel the food being purchased is adequate for the residents in the home. He reported that the residents eat large portions due to the fact that they are young men and he feels the menu is designed around the needs of older adults. Mr. Ford reported that there is not adequate amounts of meat/protein ordered to prepare for the residents. Mr. Ford reported that he feels there are adequate towels available for the residents to all shower daily. He reported being unaware of any potential utility shut off notices for this facility.

During on-site investigation on 10/25/23 I interviewed direct care staff, Dianna Bingham. Ms. Bingham reported that she has worked at this facility for about four months. Ms. Bingham reported that her paycheck was less than she anticipated on 10/20/23. She reported that she made a complaint about this and was told it was due to the fact that she was not in compliance with her training requirements. Ms. Bingham reported that it is understood that if a direct care staff member is not in compliance with their required trainings then their pay drops from \$15 to \$10.10 per hour. Ms. Bingham reported that she has experienced a situation where her bank has held a payroll check from Eden Prairie to ensure there was funding available for the check to clear. She reported that she cannot recall the date of this occurrence. Ms. Bingham reported that she feels the facility is not supplied with adequate protein/meat to feed the current residents. Ms. Bingham reported that they are caring for all young, healthy men, who eat larger portions. She reported that the groceries being supplied are not adequate to feed these residents. Ms. Bingham reported that she feels there are adequate towels and face clothes for each resident to shower daily. She reported being unaware of any potential utility shut offs for this facility.

On 10/25/23, during on-site investigation, I interviewed direct care staff/home manager, Lakeisha Baldwin. Ms. Baldwin reported that in March 2023 she had been informed by her financial institution that three of her payroll checks from Eden Prairie Residential Care LLC had not cleared due to non-sufficient funds. She further reported that she was charged \$35 per check for two of these instances. Ms. Baldwin reported that she never received compensation from Eden Prairie Residential Care LLC for the non-sufficient funds fee charged by her bank. Ms. Baldwin reported that her next payroll check, after these three were declined by the bank, was held by the financial institution for a period of 15 days. She reported that after this instance her bank informed her that they would no longer cash any checks from Eden Prairie Residential Care LLC. Ms. Baldwin reported that she had to open a new bank account with a new financial institution. Ms. Baldwin reported that the issues she had in March 2023 seemed to be corrected and she was being paid regularly and on time until Eden Prairie Residential Care LLC organization switched their payroll company to ADP. Ms. Baldwin reported that on the last payday, 10/20/23, there were numerous issues with payroll. She reported that many people



did not receive their pay, some only received partial pay, and some had their paychecks delayed. She reported that as of the date of this interview there were many who had still not received their paychecks from Eden Prairie. Ms. Baldwin reported that there have been some changes made within the organization, including payroll and how the groceries and supplies are purchased. Ms. Baldwin reported that she was buying the groceries and supplies for the home prior to September 2023. She reported that this has switched to Martha Ogundipe providing the supplies. She reported that she does not feel the budget for food and supplies is adequate as she had to use her own money to purchase towels and other linens for resident use. Ms. Baldwin reported that recently Ms. Ogundipe did purchase new bedding for each resident so that there is extra bedding available as this was previously not the case. Ms. Baldwin reported that to her knowledge there has never been a utility shut off at this facility.

During on-site investigation on 10/25/23 I interviewed Resident A. Resident A reported, "our food situation is terrible". He further reported that the food was previously better, but now that the Ms. Baldwin is no longer in charge of the grocery shopping there is not adequate food delivered to the facility. Resident A reported that he does not feel he gets enough to eat, especially protein/meat. He reported that direct care staff members are bringing food from their own homes to provide to the residents.

During the on-site investigation I conducted a walkthrough of the facility. I observed the food available in the facility during this investigation. There were adequate canned goods in the cupboards, the refrigerator was determined to be stocked with adequate dairy products, eggs, fresh fruits and vegetables. The freezer was stocked with prepackaged frozen side dishes, with minimal options for fresh meats/protein choices. I observed a cabinet in the living room where linens were kept. This cabinet had a minimal amount of clean towels and face clothes available for resident use.

On 12/1/23 a video conference was conducted via Microsoft Teams with Kehinde Ogundipe, Eden Prairie Residential Care LLC Executive Vice President & Corporate Council, Kennedy Shannon, & Adult Foster Care Licensing Consultants, Johnnie Daniels, Julie Elkins, Jennifer Browning and Jana Lipps. Kehinde Ogundipe reported that he would like to defer any questions regarding the DOL investigation to Ms. Shannon. Kehinde Ogundipe reported that there is a meeting scheduled to speak with the DOL regarding a payment plan arrangement for the \$1.8 million he was fined by the DOL for improperly coding direct care staff as salaried workers. He confirmed that he has been fined this amount and will be talking with DOL on 12/4/23 to discuss final payment arrangements. Kehinde Ogundipe reported that he feels comfortable and confident that he will be able to make the payments and continue to run the Eden Prairie Residential Care LLC organization with no disruptions to the care of the current residents at the facility. Kehinde Ogundipe reported that this facility is not in danger of losing funding or being closed at this time. Kehinde Ogundipe reported that the utility bills at the facility have been paid and will continue to be paid through automatic withdrawals from the Eden Prairie

Residential Care LLC business account. Kehinde Ogundipe did not share the terms of the settlement agreement between Eden Prairie Residential Care LLC organization and DOL on this date.

During video conference on 12/1/23 Ms. Shannon reported that she and Kehinde Ogundipe have a planned meeting on 12/4/23 with the DOL to discuss and finalize a payment plan for the \$1.8 million fine that Eden Prairie Residential Care LLC organization has been issued. Ms. Shannon reported that she would be able to produce a written document to Ms. Elkins by 12/5/23 which will address the finalized payment plan with DOL. Ms. Shannon reported that she believes the payment plan will be over a period of three years, with monthly installments being made. She reported that there will be a considerable down payment required. Ms. Shannon confirmed that the \$1.8 million fine was company wide and includes every adult foster care facility that falls under the Eden Prairie Residential Care LLC name, which would include this AFC facility. Ms. Shannon also reported that Eden Prairie Residential Care LLC has switched to a new payroll system, ADP, and she feels confident in this system resolving their previous payroll issues. She reported that they have not experienced any recent difficulties with direct care staff payroll checks being held for non-sufficient funds. Ms. Shannon reported that the previous payroll issues occurred about six months ago and impacted about 20 – 25% of the direct care staff Eden Prairie Residential Care LLC employed at the time. Ms. Shannon reported that any current issues direct care staff have experienced with their payroll checks have been determined to be user error due to the new ADP payroll system that was initiated recently. Ms. Shannon reported that these issues are being resolved with individual direct care staff members as they occur.

On 12/6/23 Ms. Elkins received email correspondence from Ms. Shannon regarding the settlement agreement with the DOL for Eden Prairie Residential Care LLC organization. Ms. Shannon reported through this email the settlement agreement as follows:

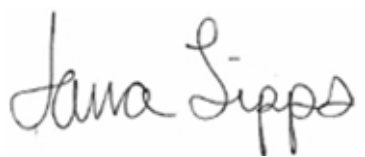
- “Initial Payment Commitment: We have agreed to an initial down payment of approximately \$277,000.00, which is scheduled for April 1, 2024.
- Structured Monthly Payments: Subsequent to the initial payment, we will fulfill our obligation through monthly installments of around \$45,000.00, spanning over three years. Starting June 1, 2024.”

Ms. Shannon further reported in this email correspondence that she feels this settlement agreement will not impede Eden Prairie Residential Care LLC’s “operational capacity.”

<b>APPLICABLE RULE</b>	
<b>R 400.14201</b>	<b>Qualifications of administrator, direct care staff, licensee, and members of the household; provision of names of employee, volunteer, or member of the household on parole or probation or convicted of felony; food service staff.</b>
	<b>(2) A licensee shall have the financial and administrative capability to operate a home to provide the level of care and program stipulated in the application.</b>
<b>ANALYSIS:</b>	Based upon the interviews conducted with Kehinde Ogundipe, Ms. Shannon, Mr. Obasi, Mr. Chandler, Mr. Ford, Ms. Bingham, Ms. Baldwin, & Resident A, it can be determined that licensee designee Kehinde Ogundipe has, in fact, been fined \$1.8 million from the Federal Department of Labor due to improper classification of direct care staff members as salaried workers, and not paying appropriate hourly and overtime wages. Licensee designee Kehinde Ogundipe has reached a settlement agreement with the DOL that requires a monthly payment of \$45,000 for the next three years. Direct care staff members reported having experienced difficulties with receiving payroll checks due to non-sufficient funds within the past six months, as well as issues with having adequate food sources and supplies in the home for resident care, such as linens and cleaning products. As a result of these findings, it can be determined licensee designee Kehinde Ogundipe has demonstrated that he lacked the financial and administrative capability to operate the Eden Prairie organization which includes the operation and management of this facility.
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED</b>

#### IV. RECOMMENDATION

Contingent upon the receipt of an approved corrective action plan, no change to the status of the license is recommended at this time.




12/07/23

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Jana Lipps  
Licensing Consultant

Date

Approved By:



12/11/2023

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Dawn N. Timm  
Area Manager

Date