

MALTREATMENT INVESTIGATION MEMORANDUM
Office of Inspector General, Licensing Division
Public Information

Minnesota Statutes, section 626.557, subdivision 1 states, "The legislature declares that the public policy of this state is to protect adults who, because of physical or mental disability or dependency on institutional services, are particularly vulnerable to maltreatment."

Report Number: 202504810

Date Issued: November 20, 2025

Name and Address of Facility Investigated:

Disposition: Inconclusive

REM Central Lakes, Inc.-Fifth Street
103 5th Street North
Hoffman, MN 56339

REM Central Lakes, Inc.
6600 France Avenue South, Suite 350
Edina, MN 55435

License Number and Program Type:

1071707-H_CRS (Home and Community-Based Services-Community Residential Setting)
1071691-HCBS (Home and Community-Based Services)

Investigator(s):

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Suspected Maltreatment Reported:

It was reported that a staff person (SP) reimbursed him/herself in excess when helping a vulnerable adult (VA) pay his/her cellphone bill. During the investigation, it was reported that the SP misused the VA's money for purchases that did not benefit the VA, including purchases for Xbox gift cards, lottery tickets, and cigarettes.

Date of Incident(s): Ongoing between approximately February 2023 and April 2025

Nature of Alleged Maltreatment Pursuant to Minnesota Statutes, section 626.557, subdivision 9c, paragraph (b), and Minnesota Statutes, section 626.5572, subdivision 15, and subdivision 9, paragraph (b), clause (1):

In the absence of legal authority a person willfully uses, withholds, or disposes of funds or property of a vulnerable adult.

Summary of Findings:

Pertinent information for this investigation was obtained remotely, including documentation from the facility; and through six interviews conducted with the VA, the VA's guardian (G) who was also the VA's family member, a staff person (SP), and supervisory staff persons (P1-P3). Attempts were made by telephone and mail to contact and interview another supervisory staff person (P4), but P4 did not respond by the completion of this investigation.

The VA's support plans stated the following:

- In 2020, the VA moved into the facility seeking support and services relating to his/her diagnoses, which included intellectual disabilities. The facility provided at least one staff person 24-hours a day to help with the VA's healthcare, meal preparation, transportation, and daily living skills. The VA enjoyed going on outings, playing games, and reading books.
- The VA's *Risk Assessment Plans* for October-2022 and -2023, and April-2025 each stated, "[The VA] is not independent with [his/her] finances" and susceptible to financial exploitation by others. Staff helped with budgeting (unspecified), encouraging good financial choices, and reporting concerns on the VA's behalf.
- The VA's *Financial Transactions Consent Forms* for October-2022 and May-2023 each stated, "[The VA] does not require assistance" with his/her finances. The facility did not assist with the VA's personal spending funds.
- The VA's *Annual Support Plan Addendum* for October-2024 stated that the VA required (unspecified) assistance managing his/her cash and savings account. Staff contacted the G for purchases greater than \$200 and maintained receipts.

The facility was a single-family home where the VA lived with housemates. [Note: There was no information of discrepancies or concerns with the housemates' finances, and they were not part of this investigation.]

The facility's *Financial Policies* stated that individuals were encouraged to retain the use of and manage their funds unless restrictions were justified and documented. The individuals' financial transactions and funds were managed in accordance with their *Financial Transactions Consent Form*. Staff were prohibited from borrowing from, loaning to, purchasing personal items from, or selling any items or personal services to the individuals.

The VA, the G, P1-P3, the SP, and various documentation provided the following information:

- The G, P1-P3, and the SP provided consistent information that the VA had a savings account, and each month withdrew about \$100 cash for personal spending. The VA was responsible for handling his/her own cash. The G did not request the facility or the VA to keep receipts for the VA's cash spending. The VA did not have a debit or credit card. The VA was susceptible to influence by others and might not recognize if someone took advantage of him/her financially. Staff monitored the VA's transactions when

able and ensured proper change. However, the VA had unsupervised time in the community and might withdraw or spend money during those times without staff presence.

- Between February 2023-April 2024, the SP worked as a supervisory staff person at the facility. At that point, the SP took on a different role at the facility and P4 worked as a supervisory staff person until July 2024. Between July 2024 and March 2025, the facility did not have a supervisory staff person.

Regarding the VA's cellphone payments:

- P1 said that in March/April 2025, the SP trained him/her to work as a supervisory staff person at the facility. The SP told P1 that the facility was not responsible for managing or handling the VA's finances. However, the VA had a prepaid cellphone and, every four to six weeks, the VA asked the SP for help purchasing extra minutes, which was done via an electronic purchase on the cellphone app. However, the VA did not have a debit- or credit-card, and so the SP used the SP's debit card to buy the VA's cellphone minutes, which was \$40. The SP then reimbursed him/herself by taking \$40 cash from the VA.
- The VA said that about once a month, the SP helped add minutes to the VA's cellphone. The SP used the SP's credit card and then the VA reimbursed the SP using the VA's cash, which was about \$40 each time.
- P1 said that s/he was not comfortable doing this and instead, setup a prepaid credit card for the VA with the G's approval. On May 5, 2025, P1 helped the VA refill his/her cellphone minutes using the app and the VA's prepaid credit card. P1 did not have the login credentials, which the SP had been using, and so P1 created a new account to add minutes to the VA's cellphone. P1 had previously been told by the SP and the VA that the VA used the "bare minimum" cellphone plan, which was \$40. However, P1 discovered the "bare minimum" plan was \$35; there was not an option for a \$40 plan. P1 went to pay for the \$35 plan and in doing so, received several automated discounts, which lowered the cost to \$33.26. P1 initially did not think anything about this and assumed the VA might have received additional discounts due to the newly created account. However, then in June 2025, P1 again added minutes to the VA's cellphone, purchasing the "bare minimum" plan, and this time after discounts, it was \$27.87. P1 told P2 and P3 that the SP had been reimbursing him/herself \$40 of the VA's cash for each purchase of minutes.
- P1-P3 each said that staff were not allowed to reimburse themselves using a housemate's money.
- P1-P3 each said that as part of the investigation, they discovered the SP had created envelopes with the VA's name in the staff office with the other housemates' financial envelopes. P1-P3 did not know why the SP did this; the facility was not supposed to be managing or handling the VA's finances. The VA's envelope held some receipts (discussed later in this report) and had numbers and words written on the outside of the envelope, including 13 undated notations for "\$40 Phone" or "\$40 Straight Talk." [Note: Straight Talk wireless was the prepaid service the VA used for his/her cellphone.]
- As of May 2025, the SP no longer worked at the facility. The VA, the G, and P1-P3 did not have access to the VA's payment history for his/her cellphone prior to May 2025, when P1 took over the payments. [The DHS investigator requested the VA's payment history from the cellphone carrier, but it was not provided.] P1 provided screenshots of the cellphone payments that s/he had helped with since May 2025. This included the May cost of \$33.26 and the June cost of \$27.87. The July cost for the "bare minimum" plan was \$38.65. P1 said that the cost each time varied.

- The G said that the VA “greatly enjoys” his/her cellphone and if someone said that s/he “needed to pay more or X amount of money” for his/her cellphone, the VA would do so.
- The SP said that s/he stored the VA’s receipts in an envelope “to be accountable for [his/her] money,” but also said that the facility was not responsible for tracking the VA’s finances. “Nobody” ever looked in or audited the VA’s envelopes, which “just kept getting bigger.”
- The SP said that “the whole time” s/he worked with the VA, the VA’s cellphone plan cost about \$39.75-\$39.95 each month. The SP used his/her debit card to pay for the plan and then reimbursed him/herself using the VA’s cash. The SP recorded these transactions by jotting them down on the outside of the VA’s envelopes. The facility “might frown” on this conduct but the SP did not know how else to pay for the VA’s cellphone plan without the VA having a debit- or credit-card.
- The SP said that s/he might have reimbursed him/herself in excess by \$0.25 each month but not \$10. The SP would not risk his/her job to make \$10 a month off the VA’s cellphone plan. The SP said that s/he did not reimburse him/herself more than what was needed to cover the VA’s cellphone plan. “Ask [the VA]. [S/he] was there every time we did the phone.” The cellphone plans were purchased “under [the VA’s] direction.”

Regarding the purchases for Xbox gift cards:

- The VA’s financial envelope contained eight gas station receipts, dated between September 2023 and December 2024, showing cash purchases for Xbox gift cards totaling approximately \$800. The SP’s first and last name were printed on each receipt as being the recipient of the gas station’s rewards points.
- The VA, the G, and P1-P3 each said that the VA played games on his/her Xbox.
- Initially P1-P3 each said that they were not aware of the VA buying or using Xbox gift cards and the facility’s *Internal Investigation* dated August 2025 stated that the VA told an administrator s/he did not buy or use Xbox gift cards. However, after his/her initial interview, P3 contacted the DHS investigator stating that on September 15, 2025, the VA asked P1 for help buying an Xbox gift card. At that time, the VA told P1, “[The SP] used to take out \$200 from the bank when [the VA] used to get [Xbox gift cards].”
- The SP said that the VA liked to buy Xbox gift cards. The SP did not buy them for his/her personal use. The SP talked to the VA about making good financial choices, but the VA wanted to buy the gift cards and did so.
- The facility’s shift notes included entries by the SP on September 15, 2023, and January 4, 2024, which noted the VA buying “game cards” or “cards for [his/her] Xbox” at the gas station.
- The SP added that s/he initially was entering his/her phone number for the gas station rewards points whenever the VA purchased something. The SP did not consider this to be inappropriate until someone from the facility told him/her that the conduct was “wrong.” “We were not supposed to use our rewards when buying [the VA’s] cards because I was benefiting. I admitted I was doing it. I stopped doing it. I never even thought about it ... It made total sense why they didn’t want us to do it.” [Note: According to www.caseys.com/rewards, shoppers earn points through purchases and can use the points to receive

Caseys in-store cash and fuel discounts.] The SP said, "I definitely got a benefit off of the points," including soda or cookies. The SP did not state how many points s/he earned from the VA's purchases.

Regarding the purchase for lottery tickets and cigarettes:

- The VA's financial envelope contained one gas station receipt dated January 12, 2024, showing purchases for eight lottery tickets and one pack of cigarettes. The SP's first and last name was printed on the receipt as being the recipient of the gas station's rewards points. The receipt also included other snacks and totaled \$74.67. The buyer paid for the items with a \$65 winning scratch-off and \$9.67 in cash.
- The VA and P1-P3 each said that the VA did not gamble or smoke.
- The SP said that the VA did not gamble or smoke so if there was a receipt in the VA's envelope for lottery tickets and cigarettes, it was the SP's receipt, not the VA's. "I must have stuck it in [the VA's envelope] on accident." The SP used his/her own money to purchase the items. "I did not buy cigs and lottery tickets and jerky for my dogs with [the VA's] money."

Regarding the purchase for an electronic tablet:

- The VA's financial envelope contained one TikTok store receipt for October 11, 2023, showing a purchase for a \$33.74 Android tablet with the shipping address listed as the SP's home address.
- P1-P3 provided consistent information that the VA did not have a tablet. During this investigation, a tablet was found in the staff office with the VA's name attached on a sticky note. P1 showed the tablet to the VA and the VA said that s/he had never seen it before. Staff were not aware of there being any other tablets at the facility.
- The TikTok receipt had specific dimensions for the tablet. The tablet in the staff office was not the same size as the one purchased on TikTok.
- The SP said that the TikTok store had deals on tablets and when s/he told the VA about it, the VA wanted to buy one. The SP used the SP's account but forgot to change the shipping address. The SP paid with his/her debit card and reimbursed him/herself with the VA's cash. When the tablet arrived, the SP brought it to the facility for the VA but the VA "never liked it" and so switched it with another housemate's tablet. The tablets "should be in" the housemates' bedrooms.
- The facility's shift notes included an entry by the SP on May 10, 2023, stating, "... [the VA] went back to [his/her] rom [SIC] and played with [his/her] tablet until supper and then ate well for supper...."

Regarding the VA's savings account withdrawals:

- The VA's financial envelope contained ten bank withdrawal receipts from the VA's savings account between February 2023 and December 2024, totaling \$2,050. There was no documentation what the money was used for.

- The G and P1-P3 each said that the VA was not required to keep receipts and had unsupervised time in the community. The G said that a couple times a year, s/he looked at the VA's savings account and never noticed concerning transactions.
- The SP said that the VA accessed the community unsupervised and sometimes brought home cash withdrawal receipts, which the SP put in the VA's envelope. The SP said s/he never used the VA's money.

Facility documentation stated that the SP and P1-P3 received training on the VA's support plans, including *Risk Assessment Plans*; the facility's *Financial Training*; and the Reporting of Maltreatment of Vulnerable Adults Act.

Conclusion:

Regarding the VA's cellphone payments:

Although information was provided that the SP took extra cash (\$40) from the VA to reimburse him/herself for the VA's \$30 cellphone plan, the SP and the VA each said that the cost was \$40 and the SP said that s/he did not reimburse him/herself more than what was needed to cover the VA's cellphone plan, which was \$40 "the whole time." When P1 helped pay for the cellphone plan, the cost varied including one time being \$38.65. Attempts were made to obtain the VA's payment history from the cellphone carrier, but it was not provided. Therefore, without more information about the VA's payment history with the cellphone carrier, there was not a preponderance of the evidence whether the SP reimbursed him/herself with more than was needed to cover the cost of the VA's cellphone plan.

Regarding the purchases for Xbox gift cards:

Although the SP received gas station rewards points when paying for the VA's items with the VA's money, the SP said that s/he stopped when s/he learned this was not allowed and there was no information contradicting the SP's account. There was also no information to know the number of points or value of the points earned by the SP during these transactions.

In addition, although information was provided that there were multiple Xbox gift cards purchased using the VA's cash, the SP said that the VA bought them; the SP and P1-P3 each said that the VA liked playing Xbox; and on September 15, 2025, the VA asked P1 for help buying an Xbox gift card for which the SP had previously helped the VA do. Therefore, there was not a preponderance of the evidence whether the VA's cash was used to buy Xbox gift cards, which were not for the VA.

Regarding the purchase for lottery tickets and cigarettes:

Although there was a receipt for lottery tickets and cigarettes in the VA's financial envelope, the SP said that this was a mistake and that this was the SP's receipt using the SP's money, which s/he must have mistakenly put in the VA's envelope. The purchase was paid for with a winning scratch-off ticket and since the VA did not gamble and would most likely not have a winning scratch-off ticket, the SP's account was reasonable and there was no information to contradict the SP's account. Therefore, there was not a preponderance of the evidence whether the SP used the VA's money to purchase lottery tickets and cigarettes.

Regarding the purchase of an electronic tablet:

Although there was information the SP used the VA's cash to purchase an electronic tablet, the SP said that s/he gave it to the VA and that the VA okayed the purchase and there was at least one shift note, which mentioned the VA using a tablet. Without additional information to contradict the SP's account, there was not a preponderance of the evidence whether the VA's cash was used to buy a tablet, which was not for the VA.

Regarding the VA's savings account withdrawals:

Although there were several withdrawals for cash and no receipts or explanation, staff were not required to keep receipts or account for the VA's cash. The VA was allowed unsupervised time in the community when s/he might withdraw or spend money without staff knowledge. Therefore, there was not a preponderance of the evidence whether all the VA's cash withdrawals were used by or for the VA.

It was not determined whether financial exploitation occurred (in the absence of legal authority a person willfully uses, withholds, or disposes of funds or property of a vulnerable adult).

Action Taken by Facility:

The facility completed an internal review and determined that policies and procedures were adequate but not followed. The facility provided additional training to staff on managing funds and finances. The facility reimbursed the VA for his/her misused funds and the SP no longer worked for the facility.

Action Taken by Department of Human Services, Office of Inspector General:

No further action taken.