

STATE OF FLORIDA  
DEPARTMENT OF CHILDREN AND FAMILIES

EXHIBIT A

IN THE MATTER OF  
The Revocation Of  
License As A Child  
Placing Agency In  
The State Of Florida  
Tedi Bear Adoptions, Inc.  
1415 Atlantic Blvd.  
Neptune Beach, FL 32266

Certified Mail  
Return receipt requested

**AMENDED ADMINISTRATIVE COMPLAINT**

YOU ARE HEREBY NOTIFIED that the State of Florida, Department of Children and Families, (hereinafter "Department") intends to revoke your license as a child-placing agency. As grounds for the revocation, the Department states as follows:

1. The Department has authority to take this action pursuant to section 409.175(8)(b)(2), Florida Statutes.
2. The Respondent, Tedi Bear Adoptions, Inc., (hereinafter "Respondent" or "TBA") is a Florida non-profit corporation, whose registered agent is Tedi Hedstrom.
3. The Respondent is licensed as a child-placing agency under Chapter 409.175, Florida Statutes, and Rules 65C-15, Florida Administrative Code.
4. On October 2 and 3, 2002, after receipt and investigation of multiple complaints from current and former clients and former employees, and pursuant to Rule 65C-15.004, Florida Administrative Code, an unannounced on-site visit was made to this Respondent by Licensing Specialist Taffy Compain and Operational Review Specialist Carol Hutcheson. As a result of this visit the following violations of Florida Statutes and the Florida Administrative Code were discovered.

**A. Compain Review**

5. As of the dates of our complaint investigation, TBA did not have the required audits for the years ended June 30, 2001 or June 30, 2002. This is a violation of Rule 65C-15.010(3), Florida Administrative Code.
6. Program Directors working for this Respondent have been located residing in other states. Program Directors for this Respondent perform casework functions such as: recruiting adoptive clients; providing the client with all paperwork (other than the homestudy) for INS approval; assisting clients with all paperwork needed to complete the dossier to submit to the country; answering all country-specific questions; and communicating with the facilitators regarding referrals, travel dates and foreign country adoption processes. These individuals also maintain the original confidential client files in their homes until the family is back in the United States with their adopted child, at which time, they reportedly return these records to TBA.

Rule 65C-15.003(4), Florida Administrative Code, states that:

"a licensed agency may operate a branch or satellite offices without separate licenses for those offices. However, each branch or satellite office must be disclosed in the application for license by submitting a copy of HRS Form 5135 for each office. If the agency opens a branch or satellite office during the licensed term, the agency shall file HRS Form 5135 not less than 10 days prior to the opening of the new office."

The out-of-state program directors were conducting TBA business out of their homes. Such operations constitute a branch or satellite office for TBA. TBA's application for licensure did not report it had these satellite offices as required. As such, this is a violation of Rule 65C-15.003(4), Florida Administrative Code.

7. Educational verification was not available in any of the Program Directors' personnel files reviewed. This is a violation of Rule 65C-15.016(1), Florida Administrative Code, which requires that "the agency shall have available on site the educational qualifications of employees to verify that they meet the standards set forth in 65C-15.017."

8. College degrees were not in the personnel files of former employees Amy Bleich, Wendy Landess or Deidra Dudley. This is a violation of Rule 65C-15.016(2), Florida Administrative Code, which requires "the agency to have a personnel file with a copy of a diploma or degree for each employee."

9. Rule 65C-15.016(2), Florida Administrative Code, requires:

"the agency to have a personnel file for each employee which would include the following: application for employment; verification of screening requirements being met; employees' starting and termination dates and reasons for termination; annual performance evaluations and any disciplinary actions taken; copy of diploma or degree; and training record and conferences attended."

Five of the personnel files reviewed did not contain required verification of screening requirements and six of the personnel files reviewed did not contain adequate verification that employees were meeting training requirements.

- Regarding verification of screening requirements:

As part of the re-licensure process, Tedi Hedstrom executed a Background Screening Affidavit affirming that all personnel of this agency "have been fingerprinted and are in compliance with the background screening requirements of section 409.175, F.S."

Section 435.01, Florida Statutes provides that "[w]henver a background screening for employment or a background security check is required by law for

employment, unless otherwise provided by law, the provisions of this chapter shall apply."

Kelly Frasier – No proof of fingerprint check in employee file. This is a violation of Rule 65C-15.016(2), Florida Administrative Code, and is contrary to the Background Screening Affidavit contained in the licensure file.

Shannon Storie – No proof of fingerprint check in the employee file. This is a violation of Rule 65C-15.016(2), Florida Administrative Code, and is contrary to the Background Screening Affidavit contained in the licensure file.

Wendy Landess – Affidavit of Good Moral Character not signed by employee.

Vickie Brown (Boyd) – The FPSS check verification was not in employee's file. This is a violation of Rule 65C-15.016(2), Florida Administrative Code, and is contrary to the Background Screening Affidavit contained in the licensure file.

- Regarding verification of training and conferences requirements (Rule 65C-15.018(2), Florida Administrative Code, requires 15 hours of in-service training annually):

Tedi Hedstrom admitted to fabricating certificates of attendance for TBA employees. According to a former employee, TBA would create training certificates for employees who did not actually attend the training, and the certificates were then included in the employee's file just prior to its annual licensure renewal audit, to make appear that TBA was in compliance. This is a violation of Rule 65C-15.018, Florida Administrative Code. Also, knowingly providing false information constitutes a violation of Section 63.212 (2)(a)1., Florida Statutes, and is a criminal and administrative offense.

Other violations are as follows:

- Donnie Hedstrom – Signed as supervisor on his own training log on April 27 and 29, 2002. There was also an entry for a February 19, 2002 "TBA In-Service"- with no description of the content of the training that was provided. Documentation for training has not been recorded this year. This is a violation of Rules 65C-15.016(2) and 65C15.018(2), Florida Administrative Code.
- Vickie Brown, Director of Social Work - Only had a total of 9 training hours logged, none of which could be verified and which is less than the required 15 hours and is a violation Rule 65C-15.018(2), Florida Administrative Code.
- Amy Bleich - Her performance evaluation completed by Tedi Hedstrom, listed her position as "Client Support/Program Director." She had a total of 59 hours of training per her training log. However, there was no documentation to support the log entries. This is a violation of Rule 65C-

15.016(2), Florida Administrative Code, and a violation of Rule 65C-15.018(2), Florida Administrative Code.

- Trish McCrary – There was an entry dated for only one day, August 21, 2001, which shows "In-Service, 48 hours". There are no documents or training materials to verify the length of training, what topics the employee was trained on or that this training occurred. This is a violation of Rules 65C-15.016(2) and 65C-15.018(2), Florida Administrative Code.
- Deidra Dudley –
  - TBA's employee file for Ms. Dudley contained no employee application. This is a violation of Rule 65C-15.016(2), Florida Administrative Code.
  - Without documentation of employment of Ms. Dudley by TBA, an agency relationship cannot be established that would authorize Ms. Dudley to have possession of these confidential records. This is a violation of section 63.162(2), Florida Statutes and Rule 65C-15.013, Florida Administrative Code.
  - There are no training documents in this employee's file. This is a violation of Rules 65C-15.016(2) and 65C-15.018(2), Florida Administrative Code.
  - There were no records of background checks performed. This is a violation of section 435.05, Florida Statutes, and Rule 65C-15.016(2), Florida Administrative Code, and is contrary to the Background Screening Affidavit contained in the licensure file.

10. Confidential adoption records are maintained out of state by Program Directors, and TBA maintains not even a copy of these records. Only after the family returns to the United States with the adopted child are the original files mailed to TBA from the out-of-state directors. Failing to maintain files on site is a violation of Rules 65C-15.031, 65C-15.032 and 65C-15.034, Florida Administrative Code.

11. As of October 15, 2002, TBA's website located on the Internet at <http://www.tedibearadoptions.org/> did not include the Respondent's Florida License number of the agency, which is a violation of Section 63.212(1)(g), Florida Statutes and Rule 65C-15.002(9), Florida Administrative Code.

12. Specific authority for Rule 65C-15.017(1), Florida Administrative Code, is contained in Chapters 63 and 409, Florida Statutes. This Rule requires that "the agency director shall have a master's degree in social work or a related area of study from an accredited college or university and at least two years' experience in human services or child welfare programs. A bachelor's degree in social work or a related area of study from an accredited college or university and four years of experience in human services or child welfare programs may be substituted. A doctorate degree in social work or a related area of study may be substituted for one year of the required experience."

Ms. Hedstrom, Executive Director of TBA, falsified her employment application by indicating she has a BA/BS degree with a major in Social Work/Education. However, her resume shows she has a BA with a major in Education from the University of North Florida, 1987 and a minor in Social Work from Florida State University. When questioned about her application showing a major in social work and her resume showing a minor in it, she admitted that she does not have a degree in social work and that though she attended classes, she did not graduate from Florida State University. The reviewer verified that Tedi Hedstrom's Bachelor's degree is in Education only. Knowingly providing false information constitutes a violation of Section 63.212 (2)(a)1., which is a criminal and administrative offense.

According to Pam Graham, MSW, the Assistant Dean of the FSU School of Social Work, teaching experience is not considered equal to social work experience. Ms. Hedstrom does not possess the educational credentials for being an executive director of a child-placing agency. This violates Rule 65C-15.017(1), Florida Administrative Code.

13. The Director of Social Work, Vickie Brown, has a Master's degree in Education (Special Ed.) from the University of North Florida, 1984. Her prior work experience was as a teacher for the Duval County School System, 1997-2000 and she also worked for the Okeechobee School Board from 1991 till 1997. According to Pam Graham, MSW, the Assistant Dean of the FSU School of Social Work, teaching experience is not considered equal to social work experience. As such, Ms. Brown does not have the required credentials to hold the position of Director of Social Work. This is a violation of Rule 65C-15.017(2), Florida Administrative Code.

14. Donnie Hedstrom is a former adoption caseworker for TBA. Mr. Hedstrom admits he has conducted adoption home studies and post-placement visits/reports. However, Mr. Hedstrom possesses a Bachelor degree in Government. He has no social work experience either in schooling or previous employment. His previous employment history was as an owner of a car dealership in Jacksonville from 1986 until he began working for TBA. Mr. Hedstrom is not qualified to perform home studies and post-placement supervision visits as a social worker. This is a violation of Rule 65C-15.017(3), Florida Administrative Code.

15. Requirements of the adoptive home study done by Donnie Hedstrom on RS were absent and/or inadequate. Deficiencies included no documentation of discussing child care plans with the applicant, who was a single-parent who works outside the home; no documentation of discussing attitudes and feelings of the applicant's family, the extended members or significant others, toward adoptive children; no documentation of addressing the applicant's plan for discussing the adoption with the child; the adoptive child's attitude toward the birth parents was not addressed; there was no assessment of the adoptive parents' capacities to give and/or receive affection; and there was no assessment of the adoptive parents' child caring skills. Further, there was inadequate detail or examples of the applicant's ability to cope with problems. The overall quality of the home study reviewed was poor and did not

substantially comply with the requirements of Rule 65C-15.028, Florida Administrative Code.

16. Patti McGlaughlin – Had no college degree and served as program director for China and Hong Kong. This violates Rule 65C-15.017(3), Florida Administrative Code.

17. Cherya Bor – Had no college degree and served as Program Director for Kazakhstan and Russia. This violates Rule 65C-15.017(3), Florida Administrative Code.

18. A requirement for TBA's relicensure was providing a corrective action plan for deficiencies noted during the June 6, 2002 relicensure monitoring. (See June 11, 2002 correspondence from Linda Rosenthal to Tedi Hedstrom attached as Exhibit "A", requesting a performance improvement plan). The attached corrective action plan submitted by TBA on June 21, 2002 (attached as Exhibit "B" indicated that the deficiencies had been resolved. However, the deficiencies alleged in paragraphs four through sixteen of this Administrative Complaint, demonstrate that TBA has failed to substantially comply with its corrective action plan. Additionally, a corrective action plan was required for relicensing in 1999 and in 2000, (attached as Exhibit "C" and "D" respectively) and many of the deficiencies noted at those times are still continuing to occur.

#### **B. Hutcheson Review**

19. In addition to reviewing employee files and other agency documentation in order to determine if licensing requirements were being met, also reviewed were 11 files of families involved with TBA for international adoption and two files of families participating in domestic adoptions. The following details various other violations of Florida Statutes and the Florida Administrative Code discovered in these reviews. Due to confidentiality and exemption requirements, initials shall refer to the adoption applicants and adoptive parents. **A list with corresponding names shall be served on the Respondent along with this Administrative Complaint.**

#### **The A's File**

The A's allege TBA failed to protect their confidentiality. Releasing an adoptive parent's identity without their written consent is a violation of section 63.162(4), Florida Statutes, and Rule 65C-013, Florida Administrative Code.

### The L's File

This file indicated that the adoptive family arrived back in the United States with children from Moldova in January 2001. There were no post placement reports in the file. Failing to conduct post placement reviews for these adoptions is a violation of section 63.125(5), Florida Statutes, and Rule 65C-16.010(4), Florida Administrative Code.

### The S's File

After reviewing this file it was impossible to determine who actually placed the child in the home. This is a violation of 65C-15.030(1)(d), Florida Administrative Code.

### The R's File

This file contains a letter dated November 15, 2001 from Tedi Bear Adoptions stating the requirements for post placement visits. However, the record contained no post placement reports. This is a violation of Section 63.125(5), Florida Statutes, and Rule 65C-16.010(4), Florida Administrative Code.

### The B's File

This file indicated that post placement reports were due in April, June and September. However, the September report was not in the file. This is a violation of Section 63.125(5), Florida Statutes, and Rule 65C-16.010(4), Florida Administrative Code.

### The B's File

This file did not contain any post placement reports. When questioned, the Executive Director for TBA telephoned the adoptive mother to ask who had done the post placement work. The adoptive mother reported that Donald Hedstrom conducted the visits. The Executive Director for TBA was only able to locate one of the three required reports. However, this report was completed five months after the established due date. This is a violation of Section 63.125(5), Florida Statutes, and Rule 65C-16.010(4), Florida Administrative Code.

### The K and H Files

Upon arrival at the agency the Executive Director for TBA was given a list of client files that needed to be reviewed. The K and H files were both requested at that time. the Executive Director for TBA stated that neither the K's nor the H's were clients of TBA. I asked her to describe TBA's relationship to the families. She stated that she had no relationship with these families, and explained that they were clients of a different agency, New Arrivals. She stated that TBA and New Arrivals shared the same facilitator in Vietnam, and she sometimes received mail for these families by mistake. She stated that her only involvement was to forward this mail to New Arrivals adoption agency. I specifically asked her if she had any client files or had received any money from either family. She stated that the answer to both questions was "no."

On the second day of the review a staff member approached the reviewers and asked for the H file, indicating that she had some information to add to the file. The reviewers stated that the Executive Director for TBA informed us that there was no file for this family. The reviewers also stated that, if this was incorrect,

the file should be produced for review. A file was subsequently produced for both families. Thus, contrary to what the reviewers had previously been informed, files were being maintained on these families, for reasons that could not fully be explained by TBA.

The information in these files consisted of copies of information from the New Arrivals agency. If TBA is not the child-placing agencies for these families, it should not be in possession of their confidential adoption records. Having information regarding these non-client families is a violation of 63.162(4), Florida Statutes, and 65C.013, Florida Administrative Code.

Tedi Hedstrom could not explain what the relationship is between TBA and these families. However, when questioned about this relationship, the Executive Director for TBA indicated that she did collect a \$2000 networking fee from these families. Section 63.097, Florida Statutes outline the fees which an adoption entity may assess against an adoptive parent. There is no provision in this statute that allows the assessment of a "networking" fee. Accordingly, assessment of such a fee is a violation of section 63.097, Florida Statutes, and Rule 65C-15.010, Florida Administrative Code.

### **C. Complaints by Adoptive Parents, Current and Former Clients and Former Employees**

20. JM is an adoptive parent who alleges that TBA offered her adopted Vietnamese daughter to another person for adoption. This is a violation of section 63.212(2)(a)1., Florida Statutes.

21. JM alleges that a website owned by TBA known as "Project Faith," was used to solicit donations using fabricated stories about children being abused or sick. This is a violation of 63.212(2)(a)1., Florida Statutes, and Rule 65C-15.013, Florida Administrative Code.

22. SG and LG, are former TBA clients who allege that TBA referred a child for them to adopt, who had already been referred to another couple, and was no longer available to be adopted. This is a violation of section 63.212(2)(a)1., Florida Statutes.

23. TA and DA are TBA clients who allege that TBA referred to them six severely developmentally disabled children who, when they had indicated a willingness to adopt a child with mild behavior problems. This is a violation of section 63.212(2)(a)1., Florida Statutes.

24. The A's further allege that TBA advised them there was a healthy child available for adoption and that for \$7000, the child would be held for them. However, after paying the additional money, TBA allowed the child to be adopted by another couple. This is a violation of section 63.212(2)(a)1., Florida Statutes.

25. The A's further allege TBA has violated their rights to privacy in violation of section 63.162(4), Florida Statutes, and Rule 65C.013, Florida Administrative Code.

26. KK alleges that Ms. Hedstrom openly discussed confidential information regarding SG and LG during a telephone conversation she had with Ms. Hedstrom. This is a violation of section 63.162(4), Florida Statutes, and Rule 65C.013, Florida Administrative Code.

27. DP and KP allege that Ms. Hedstrom presented Donnie Hedstrom to them as a licensed social worker, that Mr. Hedstrom was unable to answer any questions that a licensed social worker should be able to answer, and that TBA did nothing for the \$3,500.00 paid to it by the couple. This is a violation of section 63.212(2)(a)1., Florida Statutes.

28. DP and KP allege that TBA, as of this date, has not provided them with a Final Order Terminating Parental Rights and that as a result, they fear disruption of adoption. This is a violation of section 63.039(1), Florida Statutes.

29. DP and KP allege that Tedi Hedstrom signed papers notarized in the adoption, as a witness. Notarizing a document where a witness has a financial interest in the underlying transaction is a violation section 117.05(5)(b)1.e., Florida Statutes, a violation of section 63.039(1), Florida Statutes, and is a violation of TBA's own written policy and procedure.

30. BH family alleges that, up until arriving in Vietnam for a first visit, they were guaranteed by TBA staff that the three children they had been referred were 100% available and that, prior to the couple traveling, TBA knew this was not true with regard to two of the three children. Knowing this information, TBA continued to accept full fees, to assure the couple of the availability of these children, told us that all three children were healthy and encouraged our family to travel to Vietnam. This is a violation of section 63.212(2)(a)1., Florida Statutes.

31. BHs alleges that, as part of the adoption fee, they were forced to pay TBA an additional \$500 per child, claiming the fee was a "humanitarian fee" to be used to build an orphanage. This is a violation of section 63.097(2), Florida Statutes.

32. SH family alleges that TBA informed them they had two children available for referral and that they needed to send in approximately \$9000 to hold the child. Immediately after sending TBA the money, they were informed that one of the children was no longer available, because the child had been moved from one province to another. The SHs allege that it is illegal in Vietnam for an orphaned child to be moved from one province to another and that TBA misrepresented the availability of the child for adoption. This is a violation of section 63.212(2)(a)1., Florida Statutes.

33. SH alleges they informed TBA they did not want to be involved in a "direct" adoption because they believed it encouraged the selling of babies. TBA ensured them the children they were going to adopt would be children who had been in foster care whose parent's had their parental rights terminated. However, it was learned at the G&R ceremony, after having received the child, that the child they adopted had never been in foster care and was a "direct" adopted child. Had the SH's known the child was a "direct" adopt, they would