



State of Utah

Department of Human Services

LISA-MICHELE CHURCH  
Executive Director

Office of Licensing

KENNETH D. STETTLER  
Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

October 25, 2005

James Bailey, CEO  
Cottonwood Youth Academy  
1144 West 3300 South  
Salt Lake City, Utah 84119

RE: NOTICE OF AGENCY ACTION  
License on Conditional Sanction  
Agency File No: License #10590

Dear Mr. Bailey,

This letter is your notice that the Office of Licensing of the Utah Department of Human Services intends to issue a 120-day conditional sanction on the license to provide Residential Treatment that was previously granted to Cottonwood Youth Academy. You are permitted to continue to operate your program while on conditional status, and you are expected to correct the noted deficiencies and comply with all other applicable laws and regulations.

This action is taken pursuant to the Department of Human Services' legal authority and jurisdiction, and in accordance with the Utah Administrative Procedures Act (Utah Code Ann. § 63-46b-1 et. seq.), the Licensure of Programs and Facilities Act (Utah Code Ann. § 62A-2-101, et. seq.), and Utah Department of Human Services Administrative Rules (Title 501). This licensing action will be effective ten working days after your receipt of this notice, unless you request an adjudicative proceeding as described below.

The noted licensing violations and deficiencies are as follows:

**1. Criminal Background Screening Rules**

The Office of Licensing notes the violation of Administrative Rule 501-14-3.A and B.1, which require:

*"All proposed licensees and persons associated with the licensee who are licensed to provide services for children, shall submit a Consent and Release of Liability and Request for Background Screening form to the DHS OL for criminal background screening..."*

*"A licensee shall submit the identifying information to DHS for criminal background screening prior to hiring a new employee. ...The licensee is also responsible for directly supervising individuals hired before receiving the required background screening approval..."*

The Office of Licensing notes the violation of Administrative Rule 501-2-2.G, which requires:

*"All programs which serve minors or vulnerable adults shall submit identifying information for background screening of all adult persons associated with the licensee and board members who have access to children and vulnerable adults in accordance with R501-14 and R501-18."*