



## TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

COMMISSIONER  
Anne Heiligenstein

June 11, 2010

### VIA EMAIL AND CERTIFIED MAIL

C. M. Salls  
Executive Director  
Daystar Residential, Inc.  
3926 Bahler  
Manvel, TX 77578

RE: Suspension of Placements, Contract Number 200295

Dear Mr. Salls:

This letter serves as written notice that the Texas Department of Family and Protective Services (Department or DFPS) is, effective immediately, suspending all new placements of DFPS children into Daystar Residential, Inc. (Contractor), located at 3926 Bahler, Manvel, Texas. This suspension shall remain effective until such time that DFPS provides written notice of further action to the Contractor. A DFPS authorized Service Monitor(s) will be placed at Daystar Residential, Inc. as quickly as DFPS is able to arrange for the service in order to ensure the health, safety and welfare of children placed in Daystar Residential, Inc.

This action is authorized under the Residential Child Care Contract (Contract) between DFPS and the Contractor, Section 54, subsection D), regarding the Department's right to "suspend and/or limit any further placements of children, and place conditions on any such suspensions and/or limitations of placements."

This suspension is based on the serious concerns of DFPS after considering recent Residential Child Care Licensing investigations and for the safety and well-being of children placed with Daystar Residential, Inc.

Please note that the Department expects the Contractor to quickly comply with all requests for information or access to facility records, staff and DFPS children. By taking this action, the Department does not waive and expressly reserves all of its other rights and remedies under the Contract, and applicable laws and rules, related to past and future performance by the Contractor. The Contractor continues to be obligated to properly fulfill and comply with all of its duties and obligations owed to DFPS under this Contract.

Pursuant to Section 55 H), of the Contract, the Contractor has the right to dispute this action and seek to resolve any such dispute by following the procedures required by Chapter 2260 of the Texas Government Code. If the Contractor wishes to dispute this action, the Contractor must provide to DFPS a written notice that includes details of: (1) the nature of the alleged breach; (2) the amount the Contractor seeks to recover; and, (3) the Contractor's legal theory of recovery. All written notices required under this Section must be sent to:

Texas Department of Family and Protective Services  
Attn: David Whiteside  
Mail Code: E-541  
701 W. 51<sup>st</sup> Street  
Austin, Texas 78751

Please communicate in writing any questions or concerns you have related to this matter to DFPS pertaining to DFPS's placement suspension to Melanie Cleveland, Division Administrator for Placement Services at [melanie.cleveland@dfps.state.tx.us](mailto:melanie.cleveland@dfps.state.tx.us), (512) 438-2612. Any questions regarding your Contract should be addressed in writing to Melanie Trevino, Residential Contract Manager at [melanie.trevino@dfps.state.tx.us](mailto:melanie.trevino@dfps.state.tx.us), (713) 767-2667. If you have or obtain any additional information that has not already been provided to DFPS related to this matter or other issues involving your operation, please provide any such materials to DFPS as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Shiels". The signature is fluid and cursive, with a long horizontal stroke at the end.

Heather Shiels, MS, LPC, MBA  
Director of Residential Contracts

cc: Monette Grafke, Daystar Residential, Inc. Board President  
Melanie Trevino, Texas Department of Family and Protective Services  
Melanie Cleveland, Texas Department of Family and Protective Services