

JOSH STEIN  
ATTORNEY GENERAL



REPLY TO:  
SONDRA C. PANICO  
ASSISTANT ATTORNEY GENERAL  
(919) 716-6792

March 19, 2019

VIA CERTIFIED MAIL

Karen Loftis, LPC  
187 Main Street  
Spindale, NC 28160

RE: *North Carolina Board of Licensed Professional Counselors, Case No. 1749*

Dear Ms. Loftis:

I am the Investigator for the North Carolina Board of Licensed Professional Counselors (the Board). On February 15, 2019, the Ethics Review Committee of the Board (the Committee) reviewed the information pertinent to the above referenced matter, including the investigation that I completed. I write on behalf of the Committee.

The Committee found probable cause to believe that you had violated provisions of the North Carolina Licensed Professional Counselors Act and the American Counseling Association Code of Ethics (2014).

Specifically, the Committee alleges the following:

On or about December 11, 2017, you provided counseling services as a Licensed Professional Counselor to a 14 year old minor client, Client X. During the counseling session, Client X disclosed to you possible physical abuse. You failed to properly assess this possible abuse disclosure and to report it to the appropriate authorities. Furthermore, although you also documented the disclosure of possible abuse of Client X on or about March 13, 2018 and April 13, 2018, you failed to assess Client X and report this possible abuse following each of these counseling sessions.

On or about June 5, 2018, during a board meeting for a local agency, the Executive Director of the agency reported on the nature of the above-referenced disclosure. The Director also informed the board members that pictures had been taken of bruises found on Client X, and the photographs were kept in Client X's confidential records. Following this meeting, another board

member contacted the Department of Social Services (DSS) to report the incident. On or about June 6, 2018, a DSS investigator contacted you and asked you to identify Client X. You withheld the identity of Client X from the DSS investigator. As a result, the DSS investigator obtained an order from a judge for you to appear in court on or about June 8, 2018, for obstructing a DSS investigation.

In addition, you failed to create and maintain appropriate clinical records for Client X. The records which you provided did not include all of your progress notes and termination of treatment information for Client X.

If true, the above-referenced conduct constitutes violations of Sections A.1.a., A.1.b., A.2.d., A 4.a., B.1.c., B.2.a., B.2.e., B.3.c., B.6.a., and G.5.a. of the American Counseling Association Code of Ethics (2014) and violations of N.C. Gen. Stat. §§ 90-340 (a)(9), (a)(10), and (a)(15) of the North Carolina Licensed Professional Counselors Act. In addition, your conduct during the investigation constitutes a possible violation of Section C.2.g. of the American Counseling Association Code of Ethics (2014).

The aforementioned allegations relate to your conduct as a Licensed Professional Counselor, and if proven, could provide cause for sanctions to be taken against your license. The information which the Board has received does not in itself provide sufficient evidence that these alleged acts have occurred. Consequently, the Board does not consider that any determination regarding possible sanctions against your license can be made without first providing you the opportunity to exercise your due process rights.

If you would prefer to resolve this matter through a consent order, please contact the Board's counsel, Alesia M. Balshakova, at [abalshakova@ncdoj.gov](mailto:abalshakova@ncdoj.gov). You may decline to do so and request a hearing before the Board regarding these allegations. You are entitled to request a hearing on these allegations by responding in writing within thirty (30) days of the receipt of this letter and requesting a formal hearing. If the Board does not receive a written response requesting a hearing within thirty (30) days of the receipt of this letter, the Board will hold a hearing, whether you are present or not. In either case, you will receive Notice of Hearing no later than fifteen (15) days prior to the date of the hearing notifying you of the specific time, date, and location of the hearing. You are entitled, with or without requesting a formal hearing, to present any additional statements or materials you may wish.

The above proceeding is a quasi-judicial evidentiary hearing conducted by the Board pursuant to Chapter 150B of the General Statutes of North Carolina as required by G.S. § 90-340(e). You are entitled to present witnesses and introduce evidence on your own behalf and to cross-examine witnesses and examine evidence introduced on behalf of the Board. At the hearing, the Board will hear evidence regarding the charges set forth in this letter and will determine what, if any, disciplinary action should be taken against your license to practice counseling. You are entitled to be represented by an attorney of your choosing and at your expense, or you may represent yourself. The Board will be represented by counsel at such a hearing. Following the hearing, the Board will issue a final decision, pursuant to G.S. § 150B-42.

Should you have any questions about the procedure in such matters, or if you wish to discuss informal resolution of this matter, you may direct them to the Board's counsel, Alesia M. Balshakova at [abalshakova@ncdoj.gov](mailto:abalshakova@ncdoj.gov).

Sincerely,



A handwritten signature in black ink, appearing to read "Nick DeJesus", followed by a long horizontal line extending to the right.

**Nick DeJesus, LPC, NCC**  
LPC Ethics Consultant/Investigator  
Services to State Agencies Section

cc: Board Administrator