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**SEXUAL EXPLOITATION OF CHILDREN OVER THE INTERNET:
FOLLOW-UP ISSUES TO THE MASHA ALLEN ADOPTION**

HEARING BEFORE THE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
OF THE COMMITTEE ON ENERGY AND COMMERCE

HOUSE OF REPRESENTATIVES
ONE HUNDRED NINTH CONGRESS
SECOND SESSION

SEPTEMBER 27, 2006

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SEXUAL EXPLOITATION OF
CHILDREN OVER THE INTERNET:
FOLLOW-UP ISSUES TO THE
MASHA ALLEN ADOPTION

WEDNESDAY, SEPTEMBER 27, 2006

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:02 p.m., in Room 2123 of the Rayburn House Office Building, Hon. Ed Whitfield (Chairman) presiding.

Members present: Representatives Whitfield, Walden, Ferguson, Burgess, Blackburn, Barton (ex officio), Stupak and Inslee.

Staff present: Mark Paoletta, Chief Counsel for Oversight and Investigations; Alan Slobodin, Deputy Chief Counsel for Oversight and Investigations; Kelli Andrews, Counsel, Karen Christian, Counsel; John Halliwell, Policy Coordinator; Ryan Ambrose, Legislative Clerk; Edith Holleman, Minority Counsel; and Elizabeth Ertel, Minority Senior Staff Assistant.

MR. WHITFIELD. I would like to call this hearing to order. This afternoon we are going to explore some issues on the behalf of the committee relating to a young girl from Russia whose name today is Masha Allen. Unfortunately she never had an opportunity to defend, to protect herself, or have questions answered into the process that led to her being adopted by a pedophile named Matthew Mancuso when she was 5 years old. And we are here today to find out if there were any red flags in the adoption of Masha that could have and maybe should have been picked up by one of the various agencies and people involved in this adoption. What we have learned in the course of this investigation is extremely troubling on many fronts.

First, the evidence shows that Jeannene Smith, the founder of an adoption agency called Reaching Out Thru International Adoption, was the placement agency for Mancuso's adoption of Masha. Mrs. Smith attempted to mislead committee staff about her role in Masha's adoption and withheld documents in an attempt to minimize her role. I believe the reason she sought to minimize her role is because with that role came certain responsibilities. Ms. Smith did not live up to those responsibilities and as a result, Masha was left in the hands of a pedophile for many years. The primary responsibility that I am referring to is one that Masha rhetorically asked the committee in her testimony when she was here and she said, "Why didn't anyone ever come to check on me?"

No one came to check on Masha because Ms. Smith's agency, the agency responsible for the placement of the child, never told the home study agency that Mancuso had a child placed in his home, so the home study agency never followed up. Mrs. Smith also, in my view, shirked her responsibility to obtain three post-placement reports required by the Russian government, from Mancuso. These reports required exactly what Masha asked about; a licensed social worker to come see her at Mancuso's home; to see how she was doing and progressing; and to talk to her.

Instead of, at a minimum, calling a licensed post-placement agency in Pennsylvania, which is where Mancuso and Masha were living, and asking them to contact Mancuso and set up a meeting, she went ahead and had one of her social workers call Mancuso and write a report based on a phone call. This report was then sent to the Russian authorities as an official post-placement report. Notably, nowhere in the report does it say it was based on a phone call. It is my understanding that a telephonic post-placement report is almost worthless and more importantly, a social worker can only do a post-placement report in the State in which they were licensed.

Jeannene Smith and her social worker were not licensed in Pennsylvania. I would like to know why they did not take their responsibility seriously and in the fact of documentation to the contrary, why she has repeatedly tried to mislead committee staff into believing she had a minor role and that her agency did not have contact with Mancuso after Masha was brought to the United States.

It is clear, from all the documents we have reviewed, that from the start of Mancuso's adoption in August of 1997, all the way to the last contact with him, the infamous telephonic post-placement report in November of 2000, Ms. Smith and her employees were the only people Mancuso was contacting about his adoption of Masha. While certain official forms that Mancuso submitted may have had her former employee's company's name on it, an agency called Families Thru International Adoption, at all times Mancuso was a client of Ms. Smith.

I will certainly have some questions about why Families Thru International Adoption was not more stringent in their overview of these adoption applications that Ms. Smith was handling, but that doesn't take away from her central role in Mancuso's adoption of Masha. And we expect to get some answers here today. One of the things that is also disturbing about this international adoption process is the lack of and absence of any Federal guidelines or Federal regulations. And so it appears to me this is an area that certainly this committee and the Energy and Commerce Committee, as a whole, needs to look at very closely.

This whole episode is particularly disturbing to me and I know it is to other members of the committee, and we were looking forward to this, to the testimony of all members of the panel today. We hope to get to some answers and we want to make sure that we have minimized the opportunity of this kind of thing to ever happen in the future. And at this time, I call on Mr. Stupak for his opening statement.

[The prepared statement of Hon. Ed Whitfield follows:]

PREPARED STATEMENT OF THE HON. ED WHITFIELD, CHAIRMAN, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

GOOD AFTERNOON. TODAY'S HEARING FOLLOWS-UP ON ISSUES RAISED AT THE SUBCOMMITTEE'S MAY 3 HEARING INVOLVING THE ADOPTION OF A LITTLE GIRL FROM RUSSIA-NAMED MASHA-- BY A PEDOPHILE, LIVING IN THE UNITED STATES.

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ON MAY 3RD, WE HEARD TESTIMONY FROM MASHA ABOUT THE HORRORS OF SEXUAL ABUSE SHE FACED DAY AFTER DAY, BEGINNING WHEN SHE WAS 5 YEARS OLD- BY A PEDOPHILE WHO ADOPTED HER, NAMED MATTHEW MANCUSO. IT WOULD SEEM MANCUSO MUST HAVE SHARED MANY OF THE TRAITS IDENTIFIED BY OUR PANEL OF EXPERTS ON PEDOPHILES THAT WE HEARD FROM YESTERDAY- TRAITS THAT ALL SUCCESSFUL PEDOPHILES MUST HAVE LIKABILITY, TRUSTWORTHINESS, FRIENDLINESS AND INTELLIGENCE. BECAUSE, HOW ELSE COULD ALL OF THESE VARIOUS ADOPTION AGENCIES THAT HAD SOME SORT OF ROLE IN MANCUSO'S ADOPTION OF MASHA BEEN FOOLED BY HIM ABOUT HIS ACTUAL INTENTIONS? PERHAPS IT WAS BECAUSE IN THE ADOPTION PROCESS IT IS NOT UNUSUAL FOR THE AGENCIES INVOLVED TO NEVER MEET THE PROSPECTIVE ADOPTIVE PARENT. PERHAPS HE WAS JUST 'TOO SMART' TO BE DETECTED DURING THE ADOPTION PROCESS. OR PERHAPS IT WAS BECAUSE PEOPLE DID NOT LOOK CLOSELY ENOUGH AT THE PAPERWORK DURING VARIOUS STAGES OF THE PROCESS AND RAISED THE QUESTIONS WE WILL BE RAISING HERE TODAY.

THE LOOMING QUESTIONS I HAD AFTER HEARING MASHA'S TESTIMONY WERE-HOW COULD THIS ADOPTION HAVE HAPPENED AND WHO IS ULTIMATELY RESPONSIBLE? WE ARE HERE TODAY TO FIND OUT IF THERE WERE ANY RED FLAGS IN THE ADOPTION OF MASHA THAT COULD HAVE-AND MAYBE SHOULD HAVE-BEEN PICKED UP BY ONE OF THE VARIOUS AGENCIES AND PEOPLE INVOLVED IN THIS ADOPTION. WHAT WE HAVE LEARNED IN THE COURSE OF THIS INVESTIGATION IS EXTREMELY TROUBLING ON MANY FRONTS. FIRST, THE EVIDENCE SHOWS THAT JEANNENE SMITH, THE FOUNDER OF AN ADOPTION AGENCY CALLED "REACHING OUT THROUGH INTERNATIONAL ADOPTION," WAS THE PLACEMENT AGENCY FOR MANCUSO'S ADOPTION OF MASHA. MS. SMITH ATTEMPTED TO MISLEAD COMMITTEE STAFF ABOUT HER ROLE IN MASHA'S ADOPTION AND WITHHELD DOCUMENTS IN AN ATTEMPT TO MINIMIZE HER ROLE. I BELIEVE THE REASON SHE SOUGHT TO MINIMIZE HER ROLE IS BECAUSE WITH THAT ROLE, CAME CERTAIN RESPONSIBILITIES. MS. SMITH DID NOT LIVE UP TO THOSE RESPONSIBILITIES AND AS A RESULT, MASHA WAS LEFT IN THE HANDS OF A MONSTER FOR SEVERAL YEARS. THE PRIMARY RESPONSIBILITY THAT I'M REFERRING TO IS ONE THAT MASHA RHETORICALLY ASKED THE COMMITTEE IN HER TESTIMONY: WHY DIDN'T ANYONE EVER COME TO CHECK ON ME?

NO ONE CAME TO CHECK ON MASHA BECAUSE MS. SMITH'S AGENCY-THE AGENCY RESPONSIBLE FOR THE PLACEMENT OF THE CHILD-- NEVER TOLD THE HOME STUDY AGENCY THAT MANCUSO HAD A CHILD PLACED IN HIS HOME. SO THE HOME STUDY AGENCY NEVER FOLLOWED UP. MS. SMITH ALSO SHIRKED HER RESPONSIBILITY TO OBTAIN 3 POST-PLACEMENT REPORTS, REPORTS REQUIRED BY THE RUSSIAN GOVERNMENT, FROM MANCUSO. THESE REPORTS REQUIRED EXACTLY WHAT MASHA ASKED ABOUT: A LICENSED SOCIAL WORKER TO COME SEE HER AT MANCUSO'S HOME, TO SEE HOW SHE WAS DOING AND PROGRESSING AND TO TALK TO HER. INSTEAD OF, AT A MINIMUM, CALLING A LICENSED POST-PLACEMENT AGENCY IN PENNSYLVANIA-WHICH IS WHERE MANCUSO AND MASHA WERE LIVING-- AND ASKING THEM TO CONTACT MANCUSO AND SET UP A MEETING-- SHE WENT AHEAD AND HAD ONE OF HER SOCIAL WORKERS CALL MANCUSO AND

WRITE A REPORT BASED ON A PHONE CALL. THIS REPORT WAS THEN SENT TO THE RUSSIAN AUTHORITIES AS AN OFFICIAL POST-PLACEMENT REPORT. NOTABLY, NOWHERE IN THE REPORT DOES IT SAY IT WAS BASED ON A PHONE CALL. IT IS MY UNDERSTANDING THAT A TELEPHONIC POST-PLACEMENT REPORT IS WORTHLESS AND MORE IMPORTANTLY, A SOCIAL WORKER CAN ONLY DO A POST-PLACEMENT REPORT IN THE STATE IN WHICH THEY WERE LICENSED. JEANNENE SMITH AND HER SOCIAL WORKER WERE NOT LICENSED IN PENNSYLVANIA. I WANT TO KNOW WHY JEANNENE SMITH DID NOT TAKE HER RESPONSIBILITY SERIOUSLY AND--IN THE FACE OF DOCUMENTATION TO THE CONTRARY--WHY SHE HAS REPEATEDLY TRIED TO MISLEAD COMMITTEE STAFF INTO BELIEVING SHE HAD A MINOR ROLE AND THAT HER AGENCY DID NOT HAVE CONTACT WITH MANCUSO AFTER MASHA WAS BROUGHT TO THE UNITED STATES.

IT IS CLEAR FROM ALL THE DOCUMENTS WE HAVE REVIEWED THAT FROM THE START OF MANCUSO'S ADOPTION IN AUGUST 1997 ALL THE WAY TO THE LAST CONTACT WITH HIM--THE INFAMOUS TELEPHONIC POST-PLACEMENT REPORT IN NOVEMBER OF 2000--MS. SMITH AND HER EMPLOYEES WERE THE ONLY PEOPLE MANCUSO WAS CONTACTING ABOUT HIS ADOPTION OF MASHA. WHILE CERTAIN "OFFICIAL FORMS" THAT MANCUSO SUBMITTED MAY HAVE HAD HER FORMER EMPLOYER'S COMPANY NAME ON IT--AN AGENCY CALLED "FAMILIES THROUGH INTERNATIONAL ADOPTION"--AT ALL TIMES MANCUSO WAS A CLIENT OF MS. SMITH. I CERTAINLY HAVE SOME QUESTIONS ABOUT WHY "FAMILIES THROUGH INTERNATIONAL ADOPTION" WAS NOT MORE STRINGENT IN THEIR OVERVIEW OF THESE ADOPTION APPLICATIONS THAT MS. SMITH WAS HANDLING, BUT THAT DOESN'T TAKE AWAY FROM HER CENTRAL ROLE IN MANCUSO'S ADOPTION OF MASHA. I EXPECT TO GET ANSWERS TODAY.

PERHAPS THE OTHER OVERARCHING PROBLEM THAT I BELIEVE IS EXEMPLIFIED BY MASHA'S ADOPTION IS THE PIECEMEAL NATURE OF THE INFORMATION FLOW--EACH AGENCY INVOLVED, WHETHER IT'S THE HOME STUDY AGENCY, OR THE PLACING AGENCY OR THE POST-PLACEMENT REPORTING AGENCY--IS RELYING, IT SEEMS, ON THE "OTHER" ONE TO LOOK MORE CLOSELY. FOR EXAMPLE, IT IS OBVIOUS FROM LOOKING AT DOCUMENTS IN MANCUSO'S FILE THAT THERE ARE FORGED NOTARY SIGNATURES. WHY DIDN'T ANYONE QUESTION THIS? MANCUSO SUBMITTED 6 REFERENCE LETTERS IN SUPPORT OF HIS ADOPTION--AND YET NO ONE EVER CALLED ANY OF THE REFERENCES TO FIND OUT IF THEY ARE REAL. WHY? TYPICALLY A PROSPECTIVE EMPLOYER CALLS REFERENCES PRIOR TO HIRING A NEW EMPLOYEE--WHY WOULD THE PROCESS BE LESS DILIGENT WHEN A CHILD FROM A FOREIGN COUNTRY IS BEING PLACED IN A HOME? WE ALSO NOW KNOW THAT HIS BIOLOGICAL DAUGHTER--WHO WAS 20 YEARS OLD AT THE TIME OF MASHA'S ADOPTION AND ESTRANGED FROM HIM--WAS ALSO SEXUALLY ABUSED BY HIM FOR YEARS. YET, NO ONE CONTACTED HER TO FIND OUT WHAT KIND OF PARENT HE WAS. AGAIN I ASK WHY?

I DON'T EXPECT AN ADOPTION AGENCY TO ACT AS A POLICE AGENCY--HOWEVER, I DO EXPECT THAT WHEN YOU ARE BRINGING A CHILD INTO A NEW COUNTRY, WHERE THEY DON'T SPEAK THE LANGUAGE AND HAVE NO SUPPORT SYSTEM AROUND THEM WHATSOEVER, THAT YOU PERFORM DUE DILIGENCE. CALLING

REFERENCES, ENSURING THERE ARE IN-PERSON FOLLOW UP VISITS WITH THE CHILD, AND SPEAKING TO THE CHILDREN OF THE PROSPECTIVE ADOPTIVE PARENT RISE TO THE LEVEL OF MINIMAL DILIGENCE IN MY BOOK. I POSE THIS LAST QUESTION TO ILLUSTRATE HOW THE LACK OF FOLLOW-UP WITH MANCUSO WAS SO CRITICAL: HAD JEANNENE SMITH'S AGENCY ACTUALLY READ THE 1ST POST PLACEMENT REPORT FOR MASHA, SUPPOSEDLY DONE BY A COMPANY CALLED "SOCIAL SERVICES OF WESTERN PENNSYLVANIA," AND BOTHERED TO CALL THE PHONE NUMBER LISTED ON THE AGENCY'S LETTERHEAD-THEY PROBABLY WOULD'VE DISCOVERED PRETTY QUICKLY THAT THE AGENCY DIDN'T EXIST, THE ADDRESS DIDN'T EXIST, AND THE PHONE NUMBER WAS DISCONNECTED. PERHAPS THAT WOULD HAVE TIPPED OFF MS. SMITH THAT SOMETHING WAS NOT RIGHT HERE. THAT REPORT WAS DONE IN MARCH 1999--- IMAGINE HOW MANY YEARS OF TORTURE AND ABUSE MASHA WOULD HAVE BEEN SAVED FROM?

I THANK ALL THE WITNESSES THAT ARE HERE TODAY TO SHED LIGHT ON THIS SITUATION. I BELIEVE THE WITNESSES ON OUR 2ND PANEL CAN GIVE US SOME INSIGHT INTO OVERALL INDUSTRY PRACTICES AND STANDARDS THAT SHOULD BE FOLLOWED IN INTERNATIONAL ADOPTIONS AND I LOOK FORWARD TO THEIR TESTIMONY AS WELL.
THANK YOU.

MR. STUPAK. Thank you, Mr. Chairman, and thank you for holding this hearing. In May we heard the horrifying story from Masha, herself, about her adoption, as a 5-year-old Russian girl, by Matthew Mancuso, a pedophile now in jail for what will likely be for a very, very long time. Masha lived through 5 years of abuse before she was rescued. A police officer in Illinois, talking to Mr. Mancuso on the Internet, thought something was wrong and alerted two agents of the FBI, who went to her home and found this abused child. After that hearing, several of us asked how could this adoption have happened? Whose fault was it? Could it have been prevented?

Today we have before us many individuals who were responsible for placing Masha in this abusive situation with a sexual predator. We will hear from representatives of two adoption agencies who worked with Mr. Mancuso; the Russian facilitator for the adoption; the home study agency, which deemed him to be an acceptable adoptive parent; and representatives of organizations who can explain what the Federal and State rules for international adoptions were at the time, how they have changed, and whether they have changed enough.

What we will hear is that international adoption is a very loosely controlled international business based on the premise that poor children from poor countries are better off in the United States with adoptive families than they are growing up in poverty or bleak institutions or on the streets of their own countries. The people who work for adoption agencies believe that they are saving these thousands of children. To be fair, most of the time they are bringing them to a better and safer life in America. However, we will also hear today that there are very few safeguards in place to stop people like Mr. Mancuso, who appeared acceptable, but who planned to adopt a child to exploit for his sexual use and on the Internet by other pedophiles.

In Masha's specific case, there were two agencies involved. Neither one of them ever laid hands on Mr. Mancuso before he left for Russia. There were pre-adoption questions that weren't asked, a lack of pre-adoption education classes that might have eliminated Mr. Mancuso as an adoptive parent and follow-up reports on Mr. Mancuso's home that weren't done. The agency called Reaching Out Thru International Adoption, which actually completed the adoption, never told the original home study agency that Mr. Mancuso had adopted a child and needed to have post-adoption reports under the requirements set by the Russian government.

Mr. Mancuso was never told by the agency that he was required to re-adopt Masha in Pennsylvania, which would have then allowed the State access to Masha and could have put in place court-required post-adoption visits and reports. The agency improperly and perhaps illegally, did a follow-up report by telephone, claiming that Masha was in a warm and loving home. In fact, the social worker who filed this report had never actually met Masha or Mr. Mancuso or been in their home. Would these steps have changed the outcome? Would they have shortened the time of abuse or allowed Masha to be rescued earlier? We don't know. We do know, however, that these agencies never gave Masha the opportunity to live in a safe and truly loving home. Despite the fact that these adoptions by pedophiles are rare, one is too many.

When Americans take children from other countries, we promise them a better and safer life and we must do everything we can to fulfill that promise. With that, Mr. Chairman, I will yield back and look forward to hearing from our witnesses.

MR. WHITFIELD. Thank you. At this time I recognize the Chairman of the full Energy and Commerce Committee, Mr. Barton, for his opening statement.

CHAIRMAN BARTON. Thank you, Mr. Chairman. Thank you, Mr. Stupak. Last May this subcommittee heard testimony from a very brave young girl, Masha Allen. Masha was adopted from Russia by a man from the Pittsburgh area, one Matthew Mancuso. She was only 5 years old. Once Mr. Mancuso brought Masha home to Pennsylvania, he began raping and molesting her and placing images of those actions on the Internet. At that hearing, Masha and her attorney raised serious and troubling questions about the circumstances surrounding her adoption.

Like all the members of this subcommittee, I was deeply troubled by the pain and the suffering that she had endured. I was also troubled by the possibility that the adoption procedures supposedly intended to protect her actually failed her. The purpose of the hearing today is to bring some much needed resolution and transparency to the questions that were first raised by members of this subcommittee 4 months ago. Specifically, it was unclear, at that hearing, which adoption agency had worked with Masha's adoptive father to place Masha with him. There were also questions about the home study of Mancuso.

Mancuso was a divorced man who admitted, at the time of the adoption proceedings, that he had little or no relationship with his adult daughter from a previous marriage. He also specifically requested a 4 or 5 year old in his adoption application. Members of the subcommittee questions whether some of those facts should have warranted additional review and possibly rejection of Mr. Mancuso's adoption application. Finally, after Masha

arrived in the United States, no one visited her or Mr. Mancuso's home to conduct the follow-up post-placement reports that were required by Russian law in order to learn whether Masha was adjusting to her new home and family. As Masha, herself, put it in our hearing, she could not understand why no one came to check on her to make sure that she was okay.

Before this subcommittee, as witnesses this afternoon, are the individuals who were involved in Masha's adoption from start to finish; the adoption agencies, the home study agency, the social workers, and the facilitator who assisted in conducting the adoption proceeding in Russia. I look forward to hearing their full story about their involvement in Masha's adoption. Answers to the questions first posed at our hearing in May are long overdue. We want to know which agency was responsible for placing her with Mr. Mancuso. We want to know why the post-placement reports were not conducted after Mancuso brought Masha from Russia to his home. We want to know if something could have been done to prevent her adoption by a man who seemed to have no interest in being a father, but only a sexual exploiter.

This committee is entitled to answers to these questions, but more importantly, so is Masha. I want to thank you, Mr. Whitfield and Mr. Stupak, for holding this hearing. With that, I yield back my time.

[The prepared statement of Hon. Joe Barton follows:]

PREPARED STATEMENT OF THE HON. JOE BARTON, CHAIRMAN, COMMITTEE ON ENERGY AND COMMERCE

Thank you, Chairman Whitfield, for convening this hearing.

Last May, this Subcommittee heard testimony from a very brave young girl, Masha Allen. Masha was adopted from Russia by a man from the Pittsburgh area, Matthew Mancuso, when she was only five years old. Once Mancuso brought Masha home to Pennsylvania, he began raping and molesting her and placing images of that abuse on the Internet.

At that hearing, Masha, and her attorney raised serious and troubling questions about the circumstances surrounding Masha's adoption. Like all the members of the Subcommittee on Oversight and Investigations, I was deeply troubled by the pain and suffering that Masha has endured, but I was also troubled by the possibility that the adoption procedures that were intended to protect her, ultimately failed her.

The purpose of today's hearing is to bring some much needed resolution to the questions raised four months ago at our hearing. Specifically, it was unclear at that hearing which adoption agency had worked with Masha's adoptive father, Matthew Mancuso, to place Masha with him. There were also questions raised about the home study of Mancuso. Mancuso was a divorced man who admitted at the time of the adoption proceedings that he had little or no relationship with his adult daughter from a previous marriage. He also specifically requested a four or five year old girl in his adoption application. Members of the Subcommittee questioned whether some of these facts should have warranted additional review or possibly rejection of Mancuso's adoption application by the adoption or home study agency. Finally, after Masha arrived in the United States, no one visited her or Mr.

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Mancuso's home to conduct the follow-up post-placement reports that were required by Russian law in order to learn whether Masha was adjusting to her new home and family. As Masha herself put it at our hearing, she could not understand why no one came to check on her to make sure that she was okay.

Before this Subcommittee as witnesses this afternoon are the individuals who were involved in Masha's adoption from start to finish: the adoption agencies, the home study agency, the social workers, and the facilitator who assisted in conducting the adoption proceedings in Russia. I am looking forward to hearing the full story from each of you about your involvement in Masha's adoption. Answers to the questions posed at our May hearing are long past overdue. We want to know which agency was responsible for placing her with Mr. Mancuso. We want to know why the post-placement reports were not conducted after Mancuso brought Masha from Russia to his home. And we want to know if something could have been done to prevent her adoption by a man who seemed to have no interest in being a father, but only in sexually exploiting her. This Committee is entitled to answers to these questions, but more importantly, so is Masha.

I thank you, Chairman Whitfield, for holding this important hearing and I yield back the balance of my time.

MR. WHITFIELD. Thank you, Mr. Chairman. At this time I recognize the gentlelady from Tennessee, Mrs. Blackburn, for her opening statement.

MRS. BLACKBURN. Thank you, Mr. Chairman. I do want to thank you and your staff for the work on this issue and I want to thank you and our committee Chairman for allowing this hearing today. To the witnesses that will be before us, I thank all of you for your time. As my colleagues have said, this is a hearing that is one in a continuing process for us as we review the vulnerabilities that exist that affect our children, that affect the environment in which they live every day and trying to do our best to be certain that that environment is safe and secure for them.

As illustrated in the adoption of Masha, there are significant deficiencies in the process of international adoption. In February, the State Department began an important step with reviewing many of these deficiencies and working through the implementation process, implementing the Hague Adoption Convention process. As yet, I believe that there still can be further improvement in international adoption and we need to be very thoughtful in this process.

Recently, I had the opportunity to visit with some Guatemalan leaders and to talk with them about the issue of child trafficking and adoption, and one of the things that continued to come up with them was the reliability of information that was provided by the adoption agencies to the United States. We must ensure that these are in place, that there are proper safeguards that are in place that will not allow some of these practices that have taken place in the past to continue to take place. But we must work towards standards that streamline adoptions for American citizens who want to genuinely adopt foreign-born children.

Mr. Chairman, when these children go through the final phase of that adoption process, they do become United States citizens with all of the rights guaranteed to them by the Constitution. It is our responsibility to protect them from those such as Mr. Mancuso, who

would seek to do them harm. So I thank our witnesses. I again thank our Chairman and the staff for their continuing work on this issue and I yield back.

MR. WHITFIELD. Thank you, Mrs. Blackburn. At this time, I recognize the gentleman from New Jersey, Mr. Ferguson, for 5 minutes.

MR. FERGUSON. Thank you, Mr. Chairman, to you and Mr. Stupak for your continued leadership on this issue. As we all know, this is the second part of our eighth hearing on the Sexual Exploitation of Children over the Internet. Today's hearing is particularly disconcerting for me, because of the role that my home State of New Jersey played in the case of Masha Allen. In May, our committee heard the heart wrenching story of 12-year-old little Masha, who was adopted by Matthew Mancuso, who abused her in his home in Pennsylvania for 5 years. Thankfully, Mr. Mancuso was apprehended and is now serving a lengthy prison sentence.

However, this is an adoption that never should have taken place. In our previous hearing, we learned that Mr. Mancuso did not have a child's bedroom set up in his home, forcing a 5-year-old girl to share a bed with him and that he had an ex-wife and a daughter with whom he had no relationship. Later we learned that his biological daughter had also suffered abuse at his hands. What is most disturbing to me, personally, however, is the fact that much of the adoption process took place in New Jersey and one of the key players in this adoption is still practicing. I am anxious to learn what, if any, role the New Jersey Department of Youth and Family Services had in this adoption and what can be done to correct the obvious flaws in this system.

I am glad that Chairman Whitfield and Mr. Stupak have decided to follow up on this investigation. The first time we heard about this, when Masha was here, was absolutely heartbreaking. When children are put up for adoption, especially those coming to the United States from other countries, they expect to be put in loving and caring homes. Some of these children want nothing more than a peaceful and loving family and a warm bed to sleep in. In Masha's case, this didn't happen.

What is even more frightening, however, is the number of times that her situation was overlooked. Numerous reports were filed after her adoption, yet it is my understanding that not a single person paid a visit to the home. No one called to speak to her, no one made sure she was getting along with her new father, no one seemed to really care if she was being taken care of, at all. Surely, this is not the example that we want to send to parents here or overseas, who give their children up for adoption with the hope that they will have a better life and a stable home.

Luckily, we have a number of individuals who can help us to answer these questions that have arisen from this investigation of the Masha Allen situation. I am particularly looking forward to hearing from our witnesses today from New Jersey. I hope that they can enlighten us not only to the flaws of the system in our State, but what can be done to correct these problems across the country.

Again, thank you, Chairman Whitfield and Mr. Stupak, for giving us the opportunity to learn more about this horrible, horrible situation and how we can address this issue in the future. I yield back.

MR. WHITFIELD. Thank you very much, Mr. Ferguson. And now I would like to call the witnesses on the first panel. **We have with us this afternoon, Mr. Keith Wallace, who is the Chief Executive Officer of Families Thru International Adoption, Evansville, Indiana. We have Ms. Jeannene Smith, Founder, Reaching Out Thru International Adoption from Somerdale, New Jersey. We have Mr. Richard Baird, President and Chief Executive Officer of Adiago Health, Pittsburgh, Pennsylvania. We have Ms. Carol Eiferman, who is the Social Worker Supervisor for Reaching Out Thru International Adoption in Mount Laurel, New Jersey. We have Mr. Serguei Dymtchenko, who is from New Jersey. We have Ms. Marlene Seamans-Conn, who is a former Executive Director of Reaching Out Thru International Adoption, from Sewell, New Jersey, and we have Ms. Hannah Druger, Social Worker, Reaching Out Thru International Adoption, from Medford, New Jersey.**

I want to thank all of you for joining us this afternoon as we delve into this disturbing episode regarding Masha Allen and we look forward to your testimony. As you know, this is an Oversight and Investigations Subcommittee of the Energy and Commerce Committee and we do take our testimony under oath and I would ask each of you, do any of you have any difficulty of testifying under oath today? Do any of you want to be represented by legal counsel today? Okay, then if you would please stand and raise your right hand.

[Witnesses sworn.]

MR. WHITFIELD. Thank you. Okay, all of you are under oath at this time and I am going to recognize each of you for 5 minutes and we have seven of you there, so this is going to take about 35 minutes or so. But anyway, I will note that when you speak, if you would be sure and press the microphone button so that we can hear you so that your microphone is on, and when your time is expired, a little red light will appear in the front there, so I hope that you can keep it within that timeframe. But your testimony is very important and we do want to hear what you have to say.

So Mr. Wallace, you are recognized for 5 minutes.

TESTIMONY OF **KEITH WALLACE**, ESQUIRE, CHIEF EXECUTIVE OFFICER, FAMILIES THRU INTERNATIONAL ADOPTION; SERGUEI DYMTCHENKO; RICHARD BAIRD, JR., PRESIDENT AND CHIEF EXECUTIVE OFFICER, ADIAGO HEALTH, INC.; JEANNENE SMITH, FOUNDER, REACHING OUT THRU INTERNATIONAL ADOPTION; CAROL EIFERMAN, SOCIAL WORK SUPERVISOR, REACHING OUT THRU INTERNATIONAL ADOPTION;

MR. WALLACE. Chairman Whitfield and Ranking Member Stupak, members of the House Subcommittee on Oversight and Investigations, thank you for providing me with an opportunity to share my experience in the field of child welfare. I am pleased to be here

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today and hopeful that the subcommittee will continue their good work against exploitation of children.

My name is Keith Wallace. I reside in Evansville, Indiana and I have the privilege of directing Families Thru International Adoption. I attended Valparaiso University School of Law and became a member of the Indiana Bar in 1983. I am admitted to practice before both State and Federal courts, including the United States Supreme Court. I practiced law for many years before establishing or creating Families Thru International Adoption, FTIA. After starting FTIA, I continued to actively practice law for several years before pulling back from the practice of law and becoming Of Counsel with the law firm of Bowers Harrison. I also taught law as a foreign expert at Peking University in Beijing, China in the International Law Department in 1990.

When FTIA joined the Joint Council on International Children's Services, JCICS or Joint Council, I began urging Joint Council to adopt a system to enforce the Joint Council Standards of Practice more stringently. While my plan was originally rejected, I argued that without an enforcement system, the standards were meaningless. I am pleased to say that I am now serving on the Board of Directors of Joint Council and Joint Council has an enforcement system for its Standards of Practice. I am hopeful these Standards of Practice will one day be the highest criteria for ethical and inter-country adoption practice, although they could always be stronger. The creation of enforcement system and disciplinary policy is a first step.

My father, who is the man I admire most on Earth, taught me many things. One of the many things he taught me was that if you are going to do anything, do it right, and that means with honesty, integrity, and commitment to perfection. As I spent more time directing FTIA and working with adoption professionals in several States, I have been disheartened to learn that the social service field has no similar professional standards nor enforcement system like the bar associations.

I understand that I was invited here today to provide the committee with all the information I have about the adoption of Mr. Mancuso. Since FTIA did not complete Mr. Mancuso's adoption, I don't have much information, but I am here to share what I do know. I was contacted by Ms. Jeannene Smith in the second half of 1996. Ms. Smith asked if she could work with FTIA. I contracted with Ms. Smith to work as a northeast regional coordinator for FTIA. Her main responsibilities were to hold informational seminars for prospective adoptive parents, provide education about adoption, and network with other professionals to get out the word about services available from FTIA.

Initially, I agreed to let Ms. Smith receive some original paperwork for adopting parents in New Jersey and directly forward them to certain overseas representatives, but after discussions with Anna Montez, the New Jersey State licensing authority, I withdrew that permission and that would have been very early on in our relationship. Ms. Montez explained that if Ms. Smith was to have responsibility with foreign representative or process paperwork in New Jersey, FTIA would need a New Jersey license and we had no intention at that time of obtaining a New Jersey license.

Through 1997, FTIA encountered many difficulties working with Ms. Smith. The main problems in Ms. Smith's performance were promising time frames to prospective adopting families that were not realistic, not following the procedures FTIA had established for her, and misrepresenting her relationship with FTIA. For these reasons and others, I personally provided Ms. Smith verbal notice that I was going to terminate her contract with FTIA. As a courtesy, I advised her about a month before I actually terminated her contract so she could either find another agency to work with or establish her own agency.

Ms. Smith was sent formal notice of her termination by letter of February 13, 1998. Ms. Smith then founded Reaching Out Thru International Adoption. Because Ms. Smith continued to misrepresent her relationship with FTIA, FTIA sued Ms. Smith in Federal court in December 1998 and the law suit was settled in June 1999. Ms. Smith recruited Mr. Mancuso to adopt while she was an independent contractor for FTIA. FTIA does not know how, when, or where Ms. Smith first had contact with Mr. Mancuso. FTIA did receive an application from Mrs. Smith, excuse me, Ms. Smith for Mr. Mancuso in 1997. The application had FTIA's name, a New Jersey name and address which were Ms. Smith's.

FTIA later received a copy of Mr. Mancuso's dossier or paperwork and a check in 1998. The copy of the dossier and the check were sent to FTIA by Ms. Smith. However, FTIA never received an original dossier from Mr. Mancuso. When Mr. Mancuso submitted his dossier to Ms. Smith in January of 1998, I believe I had already advised her that her contract was going to be terminated with FTIA. All files of adoptive families that complete their adoption through FTIA have several contact notes, copies of referral information on a child, copies of travel letters, travel itineraries, and other documents. None of this is in Mr. Mancuso's file because he did not complete the adoption through FTIA.

Soon after FTIA terminated its contract with Ms. Smith, FTIA sent a notice to the families that Ms. Smith had originally recruited. FTIA advised the families that wanted to continue with FTIA, all subsequent contact would need to be with FTIA, meaning in Evansville, Indiana. Applicants in the process of adopting that did not respond to the letter or perhaps a phone call in addition, had their files closed. Mr. Mancuso was such a client, with no record of any direct contact with Evansville or the Evansville coordinator. Although we had received an application and a copy of the dossier from Ms. Smith, our records had no direct contact. I concluded that he and others that did not respond to the letter from FTIA, advising Ms. Smith's termination, had completed their adoption with Ms. Smith's new agency. These applicants' files were closed, including Mr. Mancuso.

FTIA is currently licensed or accredited in Russia by the Ministry of Education. FTIA has a 100 percent record of submitting post-placement reports to Russia. As far as I can recollect, I do not know one that has not been submitted and that is in 10 years. I have worked very hard to make certain all post-placements were submitted. Most families cooperate, but I have had to threaten legal action against some families to secure their cooperation because I have to remind them of a document they signed at the beginning of the process.

I do not know for certain what adoption agency completed Mr. Mancuso's adoption other than the assumption it was Ms. Smith, based on her correspondence to me dated April 21, 1998, which has been submitted to this subcommittee. I don't know for certain, from my perspective, if anything was done wrong in the procedure allowing the adoption; however,

from what I have seen and heard, something went very wrong with the required post-placements. To hear her story is heartbreaking beyond words. I offer my full support to this committee's efforts to prevent another child from having to endure what Masha endured. Thank you.

[The prepared statement of Keith Wallace follows:]

PREPARED STATEMENT OF KEITH WALLACE, CHIEF EXECUTIVE OFFICER, FAMILIES THRU INTERNATIONAL ADOPTION

My name is Keith Wallace. I reside in Evansville, Indiana and I have the privilege of directing Families Thru International Adoption, Inc. ("FTIA"). I attended Valparaiso University School of Law and became a member of the Indiana Bar in 1983. I am admitted to practice before both state and federal courts including the U.S. Supreme Court. I practiced law for several years before creating FTIA in 1995. After starting FTIA, I continued to actively practice law for several years before pulling back from the practice of law and becoming Of Counsel to the law firm of Bowers Harrison Llp. I also taught law as a foreign expert at Peking University in Beijing, China in the International Law department in 1990.

FTIA is a member of Joint Council on International Children's Services ("JCICS"). When FTIA joined JCICS, I began urging JCICS to adopt a system to enforce the JCICS Standards of Practice. While my plan was originally rejected, I argued that without an enforcement system the standards were meaningless. I am pleased to say I am now serving on the JCICS Board of Directors and JCICS has an enforcement system for its Standards of Practice. It is not what I hope it will become but it is a first step.

I have been honored by Senators Lugar and Bayh who nominated me as an "Angel in Adoption" with the Congressional Coalition on Adoption Institute. Prior to that I was honored by the late Governor O'Bannon in Indiana as a Sagamore of the Wabash. I have also received an award from the local Habitat for Humanity in my community. I have worked in the learning center of my church for several years and I have served on the board of an inner city ministry for more than 10 years.

I am currently a member of the Indiana Bar Association, Kentucky Bar Association, American Academy of Adoption Attorneys, American Immigration Lawyers Association, the Christian Legal Society, and the American Inns of Court.

When first incorporated in March of 1995, the name of the non-profit corporation was Children of China because when I started in international adoptions, I was only thinking about helping some children of China find a family. In 1996, the name was changed to Families Thru International Adoption because I decided to consider working in additional countries. FTIA has placed children from China, Russia, Vietnam, India, Brazil, Guatemala and Kazakhstan. Currently, we work in all of those countries except Kazakhstan.

I have directed FTIA according to the same code of professional standards that govern attorneys. FTIA was one of the first exclusively international adoption agencies to receive accreditation from the Council of Accreditation for Child and Family Services (the "COA") in 2000. The COA is, I believe, the only national accrediting body of social services

organizations. COA requires the agencies it accredits to comply with best practices, something FTIA has always committed to. To become accredited, there is an extensive self-study. Also, the agency must have independent financial audits, comprehensive policies, and demonstrate that it adheres to the polices through a site visit.

My father, who is the man I admire most on this earth, taught me many things. One of the many lessons he taught me is that if you are going to do anything, do it right - and that means with honesty, integrity and commitment to perfection. As I spent more time directing FTIA and working with adoption professionals in several states, I have been sad to learn that the social service field has no similar professional standards nor policing like the state bar associations.

I understand that I was invited here today to provide this committee with all information that I have about an adoption by Mr. Mancuso that was completed in Russia. I have already provided this committee with documents from FTIA that concern his adoption. Since FTIA did not complete Mr. Mancuso's adoption, I have little information. I am here to share what I do know.

When I first started with Children of China, I learned of another agency in St. Louis also working with Chinese adoptions. At the invitation of this agency, I agreed to cooperate and partner with this agency. As I said earlier, I was practicing law full time and was not in it for glory. I thought cooperating with other agencies would be a good idea. After maybe six (6) months, I terminated the cooperation with this agency for several reasons having to do with what my father taught me. During my brief time working with the St. Louis agency, I met several other individuals also working with the St. Louis agency.

I was the first to terminate my relationship with the St. Louis agency and later several other individuals and agencies stopped working with this group. One such person was Ms. Jeannene Smith. FTIA's working relationship with Ms. Smith was interesting, to say the least. Ms. Smith is very industrious and very intelligent. It was partially through her urging that FTIA developed some of its foreign adoption programs. Even if I had done research in starting a new program, Ms. Smith would always have additional and helpful information. I even traveled with Ms. Smith several times when starting a new program.

I was contacted by Ms. Smith in the second half of 1996. Ms. Smith asked if she could work with FTIA. I contracted with Ms. Smith to work as a northeast regional coordinator for FTIA. Her main responsibilities were to hold informational seminars for prospective adoptive parents, provide education about adoption, and network with other professionals to get the word out about FTIA and the services we provide.

Initially I had agreed to let Ms. Smith receive some original dossiers from adopting parents and forward paperwork directly to our foreign representative for either Guatemala or Russia. But, after discussions with Anna Montez of the New Jersey state licensing agency, I withdrew that permission - that would have been very early on, most likely in late 1996. Ms. Montez explained if Ms. Smith was to have responsibility with a foreign representative or process paperwork (dossiers) in New Jersey, FTIA would need to obtain a New Jersey license. At that time FTIA had no interest in a New Jersey license.

The problems of FTIA's working relationship with Ms. Smith were several. At the very beginning of her work in August of 1996, I submitted a short agreement for her to sign. She would suggest a change. I would make the change and resubmit the agreement to her only for her to come up with an additional change.

Through 1997, FTIA encountered many difficulties with Ms. Smith. The main problems in Ms. Smith's performance were promising time frames to prospective adopting families that were not realistic, not following the procedures FTIA had established for her, and misrepresenting her relationship with FTIA. For these reasons and other reasons, I personally provided Ms. Smith verbal notice that I was going to terminate her contract with FTIA. As a courtesy, I advised her about a month before I actually terminated her so she could either find another agency to work with or she could get her own license. Ms. Smith was sent formal notice of her termination by letter dated February 13, 1998. Ms. Smith then founded an agency Reaching Out through International Adoption (Reaching Out). Because Ms. Smith continued to misrepresent her relationship with FTIA - after she created Reaching Out - FTIA sued Ms. Smith in federal court in December 1998. The lawsuit was settled in June, 1999.

After terminating her relationship, then we actually signed some agreements. We signed more than one agreement to settle our outstanding issues because after an agreement was signed, all the sudden there were new issues according to Ms. Smith or issues I thought had been settled but Ms. Smith did not understand it that way. During this period, I even wrote a letter of recommendation to the New Jersey licensing authority on her behalf. I had concluded that she could not work for FTIA, but I knew she was smart so I thought maybe she can run her own agency.

It was not until later that I finally said enough is enough and filed suit against Ms. Smith.

Ms. Smith recruited Mr. Mancuso to adopt while she was an independent contractor for FTIA. FTIA does not know how, when, or where Ms. Smith first had contact with Mr. Mancuso. FTIA did receive an application from Ms. Smith for Mr. Mancuso in 1997. The application had FTIA's name, but Ms. Smith's email address and physical address. FTIA received a copy of Mr. Mancuso's dossier and a check in January 1998, which represented the second of three (3) payments for the FTIA agency fee. Again, the copy of the dossier and the check were sent to FTIA by Ms. Smith. However, FTIA never received an original dossier from Mr. Mancuso. When Mr. Mancuso submitted his dossier to Ms. Smith in January of 1998, I believe I had already verbally advised Ms. Smith that her contract with FTIA would soon be terminated.

The way FTIA has always processed applications is: after receiving an application it would be reviewed to determine if it was complete and the applicant(s) appeared to be qualified candidates for international adoption based on the information in the application. If approved, a coordinator is assigned to assist the family from start to finish with their adoption. The assigned coordinator would typically call the new applicant to introduce his/herself and to explain he/she was available to answer questions as they worked on INS (now CIS) approval and their dossier. Ms. Smith, as a regional coordinator, would provide some support and guidance during the dossier preparation, however, once the dossier was submitted all subsequent contact was to be with the FTIA coordinator in Evansville. This would include

sending the referral information of a child to the family, arranging travel to the foreign country, providing travel letters and instructions and follow-up with all required post placement reports.

All files of adoptive families that complete their adoption through FTIA have several contact notes, copies of referral information on a child, copies of travel letters, and travel itineraries, etc. None of this is in Mr. Mancuso's file because FTIA did not complete his adoption.

Soon after FTIA terminated its contract with Ms. Smith, FTIA sent a notice to the families that Ms. Smith had recruited. FTIA advised that if the family wanted to continue with FTIA all subsequent contact would need to be with FTIA. Applicants in the process of adopting that did not respond to this letter had their files closed.

Mr. Mancuso was such a client with no record of any direct contact with an Evansville coordinator. Although we had received an application and a copy of the dossier from Ms. Smith, our records indicate no contact directly with Mr. Mancuso. I concluded that he and others that did not respond to the letter from FTIA advising of Ms. Smith's termination had completed their adoptions with Ms. Smith's new agency. These applicants' files were closed.

Thus, in Mr. Mancuso's case, even though he completed an FTIA application (with a New Jersey address) and FTIA appears on some of his dossier documents, FTIA did not complete his adoption. Of particular note about Mr. Mancuso's file - the home study prepared by Family Health Council, Inc. dba Family Adoption Center of Pennsylvania identifies FTIA as a New Jersey licensed agency. Mr. Mancuso submitted his original dossier to Ms. Smith, but FTIA never received his original dossier. If Evansville had received an original dossier, we would have record of (1) receiving it, (2) reviewing it, (3) sending it to one of the Russian coordinators/facilitators we worked with at the time. In addition, we would have record of receiving the last payment of his FTIA agency fee as well as a copy of the international fees. There are no such records and FTIA still has possession of all records from the inception of FTIA in 1995. Our policy was and is to keep a copy of all checks received at FTIA in the adoptive parent's file.

FTIA is currently licensed/accredited in Russia by the Ministry of Education. Russia has long required four post placement reports after an international adoption is completed. Prior to the rule of four post placement reports, I believe Russia required three post placement reports. FTIA has a 100% record of submitting post placement reports to Russia as far as I can recollect. I have had to work very hard to make certain all post placement reports are submitted. In fact, I had to threaten legal action against a few families to secure their post placement reports. I have always had families sign documents agreeing to submit all required post placement reports and that if FTIA had to go to court to force compliance, FTIA would also be entitled to attorney fees. Most families willingly submit post placement reports. But a few families are not cooperative with the post placement report for a number of reasons.

I do not know for certain what adoption agency completed Mr. Mancuso's adoption. I do know it was not FTIA, and I assume it was Ms. Smith based upon her April 21, 1998 communication to me when we were trying to settle outstanding issues of her termination. I do not know if anything was done wrong in the procedure allowing Mr. Mancuso to adopt.

However, from what I have seen and heard something went very wrong with the required post placements.

September 25, 2006

MR. WHITFIELD. Thank you, Mr. Wallace. And Mr. Dymtchenko, you are recognized for 5 minutes for your opening statement.

MR. DYMTCHENKO. My name is **Serguei Dymtchenko**. I was born in Russia in 1957. I am married and I have a daughter.

MR. WHITFIELD. Would you move the microphone up closer and make sure it is turned on?

MR. DYMTCHENKO. I have a Bachelor's degree in architecture. I came to the United States for the first time in 1989 and after that, I returned several times for business purposes. Me and my family immigrated as permanent residents in 1992, so in 2002 I became a United States citizen. Initially, I became involved in international adoption when I helped a friend who was interested in adopting a child from Russia in 1995-1996. I believe that she is the person that provided me with the contact information for Jeannene Smith, who was very interested in opening an adoption program in Russia.

At a later date, Jeannene Smith introduced me to Keith Wallace and that meeting took place in her home office in Cherry Hill, New Jersey and I started working with FTIA. Please note that I was not involved with the actual placement of the children. My responsibilities were to ensure that all of the documents submitted by the prospective parents were up to date and in compliance with Russian laws and regulations.

These responsibilities included managing and providing the following services: Arrange for the translation and notarization of all documents in Russia; ensure all the necessary documents were submitted to the Russian authorities; receive the invitation for the prospective parents to travel to Russia from the Russian authorities; arrange for the prospective parents to be met upon their arrival at the airport in Moscow; provide airport transfers; purchase domestic plane tickets from Moscow to the region; arrange for the prospective parents to be met upon their arrival at the regional airport; provide transportation, translation services, lodging accommodations, meals, et cetera; ensure that the prospective families had telephone, fax and Internet so they could contact their doctor in the U.S. for the medical evaluation of the child; ensure that the case was submitted to the court house for the proper filing; arrange for the preparation of all necessary documents for the court hearing; provide a translator for the court session. After the adoption was granted by the judge, arrange for the obtainment of the certificate of adoption, the child's new birth certificate and the child's passport for the adoptive parents; arrange for the translation of all documents into English; arrange for the purchase of domestic plane tickets from the region to Moscow for the adoptive parents and their child; make the interview appointment at the United States embassy in Moscow; arrange for the registration of the adopted child with the Ministry of Foreign Affairs of the Russian Federation; arrange for the translation and submission of four post-placement reports to the Russian authorities for the first 3 years after the adoption.

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Jeannene Smith formed her own adoption agency by the name of Reaching Out Thru International Adoption and I continued to fulfill my obligations to her and her clients until the year 2000. Unfortunately, I was involved in Mr. Mancuso's adoption case because he was one Jeannene Smith's clients. I never had any direct communication with him throughout his entire application process, since all communications with prospective parents had to be through Jeannene Smith.

I had not had any contact with Mancuso prior to greeting him at the regional airport in Russia. It was just a coincidence that I was in Russia at the time of his arrival. I was there for a business trip and since I was available, I provided the translation services myself, including at the visits to the regional administration, the orphanage, and to court session and after.

Regrettably, no one found anything suspicious about his paperwork or in his behavior or in his demeanor. Mr. Mancuso was able to deceive everyone, including me, my staff, the officials at the administration, the director of the orphanage, the judge, and the prosecutor, into believing that he was a good person and a loving father whose daughter was grown, and so he wanted nothing more than to provide a loving home for a Russian orphan. I wish that there was some way that I could have known what this man was truly like so that I could have prevented any of this from happening. Sadly, the only people who knew the truth, Mancuso's wife and daughter, chose to keep silent.

That is it. Thank you.

[The prepared statement of Serguei Dymtchenko follows:]

PREPARED STATEMENT OF SERGUEI DYMTCHENKO

My name is Serguei Dymtchenko. I was born in Russia in 1957; I am married and I have a daughter. I have a Bachelor's degree in architecture. I came to the United States for the first time in 1989, and after that I had returned several times for business purposes. Then, in 1991-1992, I, along with a partner, established two New Jersey based companies, and my family and I immigrated here as permanent residents. In 2002, I proudly became a U.S. citizen.

Initially, I became involved in international adoption when I helped a friend who was interested in adopting a child from Russia in 1995-1996, and I believe that she is the person that provided me with the contact information for Jeannine Smith, who was very interested in opening an adoption program in Russia. At a later date, Jeannine Smith introduced me to Keith Wallace, and that meeting took place in her home/office in Cherry Hill, New Jersey and I started working with FTIA.

Please note that I was not involved with the actual placement of the children; my responsibilities were to ensure that all of the documents submitted by the prospective parents were up-to-date and in compliance with Russian laws and regulations. These responsibilities included managing and providing the following services:

<bullet> Arrange for the translation and notarization of all documents in Russia

- <bullet> Ensure that all necessary documents were submitted to the Russian authorities*
- <bullet> Receive the invitation for the prospective parents to travel to Russia from the Russian authorities*
- <bullet> Arrange for the prospective parents to be met upon their arrival at the airport in Moscow; provide airport transfers; purchase domestic plane tickets from Moscow to the region*
- <bullet> Arrange for the prospective parents to be met upon their arrival at the regional airport; provide transportation, translator services, lodging accommodations, meals, etc.*
- <bullet> Ensure that the prospective families had telephone, fax and the Internet so they could contact their doctor in the U.S. for a medical evaluation of the child*
- <bullet> Ensure that the case was submitted to the court house for proper filing; arrange for the preparation of all necessary documents for the court hearing*
- <bullet> Provide a translator for the court session*
- <bullet> After the adoption was granted by the Judge: Arrange for the obtainment of the Certificate of Adoption, the child's new Birth Certificate and the child's Passport for the adoptive parents*
- <bullet> Arrange for the translation of all documents into English*
- <bullet> Arrange for the purchase of domestic plane tickets from the region to Moscow for the adoptive parents and their child*
- <bullet> Make the interview appointment at the U.S. Embassy in Moscow*
- <bullet> Arrange for the Registration of the adopted child with the Ministry of Foreign Affairs of the Russian Federation.*
- <bullet> Arrange for the translation and submission of four Post Placement Reports to the Russian authorities for the first three years after the adoption.*

Jeannine Smith formed her own adoption agency by the name of Reaching Out Through International Adoption. I continued to fulfill my obligations to her and her clients until 2000.

Unfortunately, I was involved with Mr. Mancuso's adoption case because he was one of Jeannine Smith's clients. I never had any direct communication with him throughout his entire application process, since all communication with prospective parents had to be through Jeannine Smith. I had not had any contact with Mr. Mancuso prior to greeting him at the regional airport in Russia. It was just a coincidence that I was in Russia at the time of his arrival - I was there for a business trip - and since I was available, I provided the translation services myself, including at the visits to the regional Administration and to the orphanage, the Court Session and after.

Regrettably, no one found anything suspicious in his paperwork, or in his behavior or in his demeanor. Mr. Mancuso was able to deceive everyone, including me, my staff, the officials at the Administration, the Director of the Orphanage, the Judge and the Prosecutor, into believing that he was a good person and a loving father whose daughter was grown, and so he wanted nothing more than to provide a loving home for a Russian orphan. I wish that there was some way that I could have known what this man was truly like, so that I could have prevented any of this from happening. Sadly, the only people who knew the truth - Mr. Mancuso's wife and daughter chose to keep silent.

MR. WHITFIELD. Thank you. Mr. Baird, you are recognized for 5 minutes.

MR. BAIRD. Good afternoon, Mr. Chairman and members of the subcommittee. My name is **Richard Baird**. I am the president and CEO of Adiago Health in Pittsburgh. Adiago Health is a non-profit organization providing services in 23 counties in western Pennsylvania. We promote the reproductive health and overall well-being of women of all ages, their families, and their communities. Our programs include gynecology, pre-natal care, cancer screening, nutrition, preventive health education, adoption, and applied research. We serve over 100,000 clients a year, many of whom have limited resources.

Our adoption program, called Family Adoption Center, has been placing infants with adoptive families since 1983. Our adoption program is the Pennsylvania statewide training subcontractor under the Infant Adoption Awareness Program. Through this program, we train healthcare and social service workers to better explain adoption to their pregnant clients. Over the past 24 years, we have placed 276 infants with adoptive parents enrolled in our program. For these direct agency placements, Pennsylvania law requires that Family Adoption Center's process included pre-placement home studies and post-placement supervisory visits, and requires that they be conducted by a licensed social worker.

A home study is a written assessment of prospective adoptive parents to determine their capacity to be adoptive parents. The post-placement supervisory visit entails a visit to the adoptive home to assess the child's well-being and adjustment. In addition to those 276 direct agency placements for which we have conducted home studies, we have also conducted another 37 home studies for prospective adoptive parents who are not seeking an adoptive placement through us, but who are planning to adopt domestically or internationally through private attorneys or other agencies.

We have always followed Pennsylvania laws and regulations concerning adoption. Our adoption program has been licensed by the Pennsylvania Department of Public Welfare since 1983. For each of the past 24 years, the Department of Public Welfare has renewed our license following their annual on-site audit of our program. These audits include a review of the home studies conducted both for direct agency placements and for placements through attorneys and other agencies. The requirements for home studies for international adoption are virtually the same as required by Pennsylvania law.

Our role in the Matthew Mancuso adoption was limited to conducting the home study. We did not determine that Mancuso was eligible to adopt. We did not place a child with him for adoption. We were never notified that he had adopted and we were never contacted to provide post-placement supervisory visits. In 1997 Mancuso contacted us because he needed a home study to be conducted by a Pennsylvania licensed adoption agency. On September 29 he submitted a completed application to us with all the required information. His application stated that he was working with Families Thru International Adoption, a New Jersey agency, to adopt a child from Russia.

Our social worker contacted that agency and received confirmation that Mancuso was their client and that he was eligible to adopt. Our social worker also obtained that agency's home study requirements. She had an interview session with Mancuso in our office in Pittsburgh

on October 9th and a second session at his house on October 22nd. It is important to note that Pennsylvania regulations governing home studies consider interviews of prospective adoptive parents conducted by a licensed social worker to be the primary source of information for the home study.

Our social worker also received Mancuso's child abuse and criminal clearances and letters of reference. Based upon her interviews and the information that she received, our social worker gave Mancuso a favorable recommendation for adoption and stated that Family Adoption Center agreed to provide post-placement reports for a period of 3 years. By letter dated November 24, 1997, our social worker forwarded the completed home study to Mancuso. That ended our involvement in this matter. We were neither contacted to prepare post-placement reports or even advised that Mancuso had adopted a child.

It was incumbent upon the placing agency which had first-hand ongoing contact with Mancuso to initiate the proper post-placement supervisory process either by contacting us directly or by having him contact us. I want to reiterate that Family Adoption Center's role in Mancuso's adoption process was limited. We did not facilitate the adoption or have any other involvement with Mancuso other than what I have outlined here.

In conclusion, please note that Adiago Health deplores what occurred here. We want to make sure that this kind of tragedy will never happen again. We fully support the committee's investigation and will assist in any way that we can. The system is undoubtedly complicated due to the different countries and States involved, but nonetheless, every effort should be made to ensure that every adopted child is placed in a safe and loving home. Thank you for your time.

[The prepared statement of Richard Baird, Jr. follows:]

PREPARED STATEMENT OF RICHARD BAIRD, JR., PRESIDENT AND CHIEF EXECUTIVE OFFICER, ADIAGO HEALTH, INC.

In 1997, Matthew Mancuso contacted our adoption program, Family Adoption Center. He explained that he was working with a New Jersey agency to adopt a child from Russia and that he needed a home study. In late September Mancuso submitted a completed application to us.

Our Social Worker then contacted the New Jersey agency, Families through International Adoption, to verify that he could adopt as a single man and to obtain its home study requirements. She reviewed the materials submitted, including criminal and child abuse clearances and letters of reference and conducted two interviews with him, one in our offices and one in his home. At that time, our Social Worker had conducted 193 home studies over the previous 14 years. Based on the information she received and her interviews and home visit, she provided him with a favorable home study and recommendation. As required for Russian adoptions, the recommendation included our agreement to provide three years of post placement supervisory visits.

After our Social Worker provided the home study to Mancuso in November 1997 we had no further involvement. Neither Mancuso nor the New Jersey placement agency ever contacted

us to initiate post placement supervisory visits as would be expected. We had no knowledge that he had adopted until the criminal investigation began in 2003.

Introduction and Background of Company

My name is Richard Baird, and I am the President and CEO of Adagio Health. I have been with Adagio Health since 1978. I was Director of Finance until 1994 and Executive Vice President from 1994 until 2003, when I began my current position. My educational background includes a bachelor's degree in sociology and an MBA.

Adagio Health is a 501(c)(3) charitable organization, incorporated in 1971. Our mission is to promote the reproductive health and overall well-being of women of all ages, their families, and their communities by providing health care services and educational programs that are responsive and creative. We provide health and educational services for women and families in a 23 county area of Western Pennsylvania.

Over the years we have developed a number of programs and services to more fully meet the needs of the communities we serve. We serve over 100,000 clients annually in our programs, which include:

- 1. complete gynecological care;*
- 2. comprehensive pregnancy care from the initial prenatal visit through delivery;*
- 3. cancer screening, including breast and cervical cancer screening through mammograms and Pap tests, clinical breast exams, education on breast self-exam, and diagnostic testing;*
- 4. community education on health-related topics, including diabetes and tobacco use prevention and cessation, and adolescent pregnancy prevention;*
- 5. nutrition services, including WIC in five counties, and comprehensive nutrition counseling to individuals and groups with health care needs such as diabetes, weight management, and cardiovascular disease;*
- 6. domestic and international adoption services including special needs adoptions, through our Family Adoption Center program;*
- 7. transitional housing for pregnant women and mothers who are homeless or at risk for becoming homeless; and,*
- 8. applied health research in the areas of reproductive health, tobacco cessation, states of behavior change, obesity, and domestic violence.*

Many of the programs we provide are targeted to low income women and families who would not receive these vital health services without our assistance.

Over the past 35 years, we have changed our name four times in order to better position our organization for community and client recognition. Since 1971, we have operated under the following names:

<bullet> Family Planning Council of Southwestern Pennsylvania, Inc. (1971-1974)

<bullet> Family Planning Council of Western Pennsylvania, Inc. (1974-1985)

<bullet> Family Health Council of Western Pennsylvania, Inc. (1985-1988)

<bullet> Family Health Council, Inc. (1988-2005)

<bullet> Adagio Health Inc. (2005 - present)

Our most recent name change was made in October 2005. Following a visioning session and a restatement of our mission, vision, and values in 2003 and 2004, our board of directors and staff determined that "Family Health Council, Inc." was difficult to distinguish from several other non-profit Pittsburgh area non-profits with "family" in their name, and that this caused confusion regarding our services. We decided to create a unique and easily recognizable name. After an eight month effort in 2005, we selected our new name. We are currently in the process of branding our new name for client and community recognition.

Family Adoption Center

In the early 1980's, we established an adoption program to assist our clients experiencing infertility. Family Adoption Center has been licensed to provide adoption services by the Pennsylvania Department of Public Welfare since 1983. Our adoption program assists prospective adoptive parents in creating families while addressing the needs of women experiencing unintended pregnancies by offering them information and counseling on adoption. Adagio Health also provides infant adoption educational training as a subcontractor in Pennsylvania for the Infant Adoption Awareness Training Program. This training is provided to family planning, community health center, and hospital staff throughout Pennsylvania to enable them to understand and positively present the option of adoption to a woman experiencing an unintended pregnancy.

Family Adoption Center has placed 276 infants in adoptive homes during the 24 years it has operated, and has conducted 37 home studies for parents pursuing domestic or international adoption through other agencies or private attorneys. The Pennsylvania Adoption Code and the Pennsylvania Department of Public Welfare ("DPW") require that its adoption placements include home studies and post placement supervisory visits.

*I will discuss the home study process in greater detail later. However, a brief summary of the process is warranted now. A home study is a written study of prospective adoptive parents "for the purpose of determining their capacity for adoptive parenthood." 55 Pa. Code ¹ 3350.12(a). The Pennsylvania regulations governing home studies states that an adoption agency conducting a home study shall use "interviews between an agency representative and the prospective parents as the primary source of information." *Id.* In keeping with this mandate, our social workers extensively interview prospective adoptive parents and require them to submit lengthy autobiographies. Pennsylvania regulations also require that the home study include a description of the visit to the home and community. 55 Pa. Code ¹ 3350.12(a)(3). In accordance with this requirement, our social workers visit the adoptive parents' homes as part of the home study process.*

With regard to post-placement visits, when our agency is the placing agency, we are required to make at least three supervisory visits with the child and the adoptive parents over a six

month period. 55 Pa. Code ⁺ 335013(i). Our home studies and post-placement visits are conducted by licensed social workers who adhere to the requirements of applicable law and follow industry standards.

In addition to our infant adoption program, Family Adoption Center's social worker conducts home studies for non-Family Adoption Center adoption placements. Over the last twenty-four years, we have prepared thirty-seven pre-placement home studies for adoptive parents pursuing private adoption or adoption through other agencies. In 20, or more than half, of those cases, Family Adoption Center was contacted to do post-placement supervisory visits and conducted those visits.

Background on Masha Allen's Case

As Committee members are aware from previous Congressional hearings, I am here to discuss Family Adoption Center's involvement in a particular case - the case of Masha Allen. The Committee has heard testimony on this before, and I hope to lend some further insight as to how something this horrible and tragic could have happened to a child and how we can work together to prevent it from occurring again.

For those of you who don't know the background, Masha Allen was adopted from a Russian orphanage when she was five years old by a man who horribly abused her. His name is Matthew Mancuso, and he is now in prison. Ms. Allen has been re-adopted and now resides with her new adoptive mother. She has shown tremendous courage in providing testimony and acting to assure that no other child is subjected to what she had to endure.

Family Adoption Center's Role in Masha Allen's Adoption

Family Adoption Center played a limited role in Ms. Allen's adoption. We prepared the home study that Matthew Mancuso was required to have as part of his adoption. However, we did not determine that Mancuso was eligible to adopt as a single man, and we did not place a child with him for adoption.

We became involved in this matter in late summer or early fall, 1997 when Mancuso contacted us and requested that we perform a home study on his behalf. He lived in the Pittsburgh area and needed a local agency to conduct the home study. At that time, our Social Worker had been conducting home studies for over 14 years and had performed at least 193 home studies. She was a member of the Three Rivers Adoption Council, the National Council for Adoption and the North American Conference on Adoptable Children and regularly attended conferences of these organizations. She was experienced and respected in the adoption field.

Upon Mancuso's inquiry, our Social Worker sent him an application package. On September 29, 1997, we received his completed application package which included the following completed documents:

- <bullet> Background Information Form: Family Study Application
- <bullet> Medical Certificate for Prospective Adoptive Parent
- <bullet> Pennsylvania Child Abuse and Criminal History Clearances

- <bullet> Medical History Form*
- <bullet> Financial Form*
- <bullet> his 1996 federal tax return*
- <bullet> an employment verification letter*
- <bullet> three letters of reference from non-relatives*
- <bullet> a letter of reference from his mother*
- <bullet> a lengthy autobiography*

Mancuso's home study application stated that he was working with Families Through International Adoption in Cherry Hill, New Jersey, to adopt a child from Russia. On October 2, 1997, our Social Worker contacted Families Through International Adoption and confirmed that he was a client of that agency and that he could adopt as a single parent. She also obtained from Families Through International Adoption a list of that agency's requirements for a home study. Our Social Worker had an interview session with Mancuso in our office in Pittsburgh on October 9, 1997, and a second session at his house on October 22, 1997, as part of the home study process. Following her review of the material submitted to her and upon completion of her interviews, our Social Worker gave Mancuso a favorable recommendation for adoption. She also stated that Family Adoption Center agreed to provide post-placement reports for a period of three years.

By letter dated November 24, 1997, our Social Worker forwarded the completed home study to Mancuso. We were neither contacted to prepare post-placement reports nor even advised that Mancuso had adopted a child. In fact, we had no further involvement in this matter until June, 2003, when the FBI contacted us to request a copy of our Mancuso file. Family Adoption Center did not facilitate the adoption or have any other involvement with Mancuso other than what I have outlined here.

Relevant Laws Applicable to Adoption Home Studies

As I have already explained, Family Adoption Center typically provides home studies for clients adopting through our domestic infant adoption program. We have also performed 37 home studies for adoption placements handled by other adoption agencies or private attorneys for both domestic and international adoptions.

The home studies Family Adoption Center performs for international adoptions are governed by Pennsylvania law, regulations from the United States Bureau of Citizenship and Immigration Services in the Department of Homeland Security (BCIS or USCIS), the foreign country in which the child resides, and sometimes the state of residence of the adoptive parent.

Organizations performing home studies must be licensed by the state to do so and must follow general requirements. As a general matter, requirements for a home study in an international adoption under Pennsylvania law and federal regulation include the following:

- <bullet> interviews with adoptive parents;*
- <bullet> a written autobiographical statement;*
- <bullet> letters of reference which come from persons who have observed the applicant in situations that may indicate his or her capacity for parenthood;*
- <bullet> a criminal and child abuse background search;*

- <bullet> interviews with other adult occupants of the household;*
- <bullet> evidence of financial ability to support a child;*
- <bullet> statement by a physician discussing medical history and status as evidence that the applicant is in good physical and mental health and able to undertake the responsibilities of parenthood; and*
- <bullet> a home visit*

Many of these requirements are set forth in Pa. Code ^L 3350.12 To the best of my knowledge, these requirements were in effect in 1997 and have not changed since that time. Also, as noted above, our Social Worker obtained from Families Through International Adoption its requirements for a home study, which include those set forth above. Furthermore, DPW conducts annual on-site audits of our adoption files. As part of its review, the DPW representative conducting the audit actually reads many, if not all of the home studies prepared during the previous year and informs our Social Worker of any omissions from or deficiencies in the home studies reviewed. The annual audit is required for renewal of Family Adoption Center's license. Following the audit, DPW may place conditions upon license renewal if it discerns deviations from state requirements. Family Adoption Center's license has always been renewed unconditionally. To the best of our knowledge, the Mancuso home study was made available to DPW during its annual audit, and DPW did not make any comment regarding the home study

Description of Our Home Study Process

As I have discussed above, all of Family Adoption Center's adoption placements require home studies and post-placement visits. On occasion, we also conduct home studies and post-placement supervisory visits in adoption placements not made through our agency as was the case in Ms. Allen's adoption. For example, in international and interstate adoptions, adoptive parents are required to have home studies and submit to post-placement visits. Also, some courts require home studies in private, independent adoptions that do not involve adoption agencies.

Typically, parents looking to adopt a child will contact our agency after they have started the adoption process to request that we prepare the home study. At times the parents are referred by their adoption agency, other times parents find us on their own, and on occasion, the attorney for the adoptive parents contacts us. After a prospective adoptive parent requests a home study, an adoption caseworker performs the study. These individuals are social workers licensed by the state. The case worker will conduct the interview and fulfill all of the requirements listed above, as provided by law, and then will make a recommendation. Proof of completion of a home study and the attendant recommendation are required in every interstate and in most international adoptions before an adoption can proceed.

Family Adoption Center charges a fee to prepare the home study and conduct post-placement visits. Adoptive parents pay our fee when they submit their application for the home study, and the payment is made before the home study is completed. Thus, payment of the fee is not contingent upon a favorable recommendation.

Specifics of Mancuso Home Study

In the case of Matthew Mancuso, the procedure outlined above was followed. To the best of our knowledge, the requirements regarding home studies were the same then as they are now. As I stated, Mancuso contacted Family Adoption Center and requested that we perform a home study. We could not turn him down because he was a single man; as I will discuss shortly, Pennsylvania law provides that any individual may be an adoptive parent.

Our Social Worker sent Mancuso an application, which he completed. He stated in his application that he had extensively researched adoption through internet web-sites and news groups and had talked with friends who adopted. He explained in his application that he collected information from different agencies. Mancuso completed the application, provided a lengthy autobiography, provided financial information evidencing his ability to support a child, provided criminal and child abuse clearances showing that he had no criminal charges or convictions, and gave us credible letters of reference.

As I have stated, after our Social Worker received his application, she called Families Through International Adoption and received confirmation that he was a client of that agency and that he could adopt as a single parent through them. Our Social Worker then conducted two intensive interviews with Mancuso, one at our offices and the other at his home. She saw that he had a bedroom that he designated for a child, and was not concerned that it was not furnished for the child. Experienced adoption professionals will tell you that adoptive parents frequently do not get a room ready until an adoption placement is about to occur. It can be extremely painful for an adoptive parent to have a vacant room furnished with children's furniture awaiting an adoption placement that may or may not transpire. Most importantly, Mancuso had a bedroom available for the child and stated that it would be furnished with appropriate furnishings for a young girl.

Now let's address the fact that Mancuso, a single man, wanted to adopt a young girl. It should be noted that we did not make the determination that he was eligible to do so; that was made by the agency that placed Masha Allen with him for adoption. Nonetheless, we recommended him for an adoption knowing that he wanted to adopt a girl. Why did we do so? His almost six page, single spaced autobiography gives compelling reasons for his desire to adopt a girl. Mancuso explained that he had a daughter, from whom he grew distant through his divorce and as she grew up and wanted to spend more time with her friends. He described a close, but not abnormally close, relationship with his daughter prior to and even after the divorce, until she was in high school and chose to spend more time with her friends. Mancuso discussed the void that he felt in not maintaining a close relationship with his daughter. It seemed as though he wanted a second chance at parenting a daughter, and from all outward appearances, he was well suited to do so. Additionally, the Pennsylvania Adoption Code states that "any individual may become an adopting parent." 23 Pa.C.S.A. \pm 2312. Thus, the Pennsylvania law that regulates our agency placed no restriction on Mancuso's ability to adopt a girl.

You may ask why we did not contact his daughter and ex-wife. It is not our practice to contact ex-spouses and adult children not residing with the adoptive parent, and the Pennsylvania adoption agencies with whom we are familiar do not do so either. In fact, such contacts would violate our obligations of confidentiality to prospective adoptive parents. Many divorced people adopt after their divorces have occurred. Many of them have children from prior marriages or relationships. If those children reside with the prospective adoptive parents, they become part of the home study process. If they are adults residing with the

prospective adoptive parents, they must provide criminal and child abuse clearances. If adoption agencies conducting home studies are to contact ex-spouses and adult children, this requirement should be clearly stated, since it is a substantial change from existing practices.

Additionally, we had three letters of reference from non-relatives of Mancuso, one from a married couple and two from individuals, attesting to his ability to parent a child. Those references appeared to be legitimate. We recently verified that the individuals who signed these letters do exist. We did not contact them when we received the letters of reference for several reasons. First, it was neither our practice, nor common practice in the adoption field, at least in Western Pennsylvania, where we are located, to contact authors letters of reference unless the letters themselves indicated concerns. Second, there was no requirement that we contact references. Third, DPW, our licensing agency, was on notice that we did not contact references, and never told us that we were remiss in not doing so. Finally, the letter of reference requirement was a requirement of Families Through International Adoption, Mancuso's adoption agency. In other international adoptions for which we have performed home studies, we have been advised that the placing agency contacted the authors of letters of reference to confirm their contents.

Now we know that Matthew Mancuso had ulterior motives in his adoption. He used our agency to accomplish his malevolent objectives. We feel terrible that we aided him, albeit unwittingly, in any way. However, we firmly believe that our home study was conducted in accordance with all applicable requirements and standards and that there were no red flags to indicate this man's true intentions.

Post-Placement Visits

Normally, when Family Adoption Center prepares a home study for an adoption placement from another agency or in an independent adoption, after the adoption placement has been made, we perform post-placement supervisory visits and prepare post-placement reports. In fact, we agreed to do so for Mancuso's adoption. However, what triggers our obligation to perform these visits is some communication from either the adoptive parents or the placing agency to inform us of the placement. Without that communication, we have no way of knowing whether an adoption placement has occurred. In this case, neither Mancuso nor Families Through International Adoption contacted us to apprise us of the placement or request that we perform post-placement visits.

I want to emphasize that it is extremely unusual for us not to be notified of an adoption placement by either the placing agency or the adoptive parents. We are aware that Russian law requires post-placement supervisory reports to be completed at 6, 12, 24, and 36 months after the adoptive parent returns home with the child. Families Through International Adoption's web-site states that these reports are to be prepared "by the home study agency that prepared the original home study." Since no one informed us of the adoption placement, we could not fulfill our commitment to perform these visits and prepare the required reports.

You may ask why we did not periodically call Mancuso and inquire as to the status of his adoption plans. I am not aware of any adoption agency that does so. In fact, given how upsetting the waiting period can be for adoptive parents, the fact that international adoptions can take one to two years before a placement occurs, and that not all prospective adoptive

parents actually go through with an adoption, agencies do not routinely check up on the progress of adoptive parents for whom they have performed home studies. It is unlikely that Mancuso, given his deceptions, would have been honest with us anyway, but we expect when we complete a home study and commit to performing post-placement reports that the placing agency and/or adoptive parents will contact us as they are required to do so that we can complete our piece of the adoption.

If we had conducted post-placement visits, we certainly would have expected to see a bedroom furnished for a young girl. A child of five or six years of age would be asked to show the social worker where he or she slept. Whether in this case we would have received honest answers again is speculative.

I want to note that in January, 1998, the Social Worker who performed the Mancuso home study was let go. The reason for her discharge did not relate to her job performance in conducting home studies and post-placement visits. Rather, we had conducted an assessment of changes that we believed were warranted in our adoption program and made a business decision to find new leadership.

This evaluation occurred because, in the late 1990's Family Adoption Center had experienced a significant decline in its infant placements. In its early years, we were the only agency in the Pittsburgh area offering direct infant placement to adoptive parents without using foster care. By the mid-1990's, most local agencies offered this option. Our program attempted various outreach efforts to improve our recruitment processes, without success. In the first thirteen years of operations, through the fiscal year ending June 30, 1995, we placed an average of twelve infants per year. In the next two fiscal years, ending June 1996 and June 1997, our placements dropped to 5 and 3, and in the six months ending December 31, 1997 we only had 2 placements. We had serious concerns about our program's marketing and recruitment efforts, and made the difficult decision to make a staffing change. We did not have concerns about our Social Worker's proficiency and quality of work in her social worker role, but we were concerned with our low number of placements, and our program's inability to accommodate the needs of birthmothers whose infants were not a potential match for the preferences of our clients wishing to adopt.

However, we had a new social worker in place immediately in January, 1998. Our program did not miss a beat. That new social worker took over the files of the previous social worker. If Family Adoption Center had been notified of Ms. Allen's adoption by Mancuso, she would have been ready, willing and able to conduct the post-placement visits.

Conclusion

In conclusion, please know that Adagio Health deplores what occurred here. We want to make sure that this kind of tragedy will never happen again. We fully support the Committee's investigation and will assist in any way that we can. The system is undoubtedly complicated due to the different countries and states involved, but nonetheless, every effort should be made to ensure that every adopted child is placed in a safe and loving home. Thank you so much for your time, and I welcome any questions you may have.

MR. WHITFIELD. Thank you. Ms. Smith, you are recognized for 5 minutes.

MS. SMITH. Thank you. Good afternoon, Chairman Whitfield, Ranking Member Stupak, and distinguished members of the subcommittee. My name is **Jeannene Smith** and I am the founder of Reaching Out Thru International Adoption. I appreciate this opportunity to share what I understand to have occurred in the adoption of Masha Allen and discuss what I know about international adoption, both as it was then and how it has changed since.

My personal experience as an adoptive parent and the joy that it has brought to our family instilled my desire to improve the future for other children who, like them, have found love and security in a permanent family. As an international adoption advocate, it is my goal to help orphaned children find permanent loving families who can nurture these children and help them achieve their potential. The adoption of Masha Allen by someone who has been proven to be a pedophile represents the most unimaginable breach of social conscience. More disheartening is that his admittedly criminal enterprise continued for over 6 years.

The fact that he was able to perpetrate this fraud upon all sectors of our society demonstrates the need for additional safeguards for the most vulnerable members of our society. It is also true that since Masha's case, many changes in procedures have occurred which address these issues. However, it is legally difficult, if not impossible, to gain compliance for post-adoption supervision from an adoptive family after they return home with a full and final adoption order from a foreign country. Current laws do not exist that require and provide enforcement mechanisms for post-adoption supervision for inter-country adoption.

While I cannot unequivocally state that post-placement supervision would have detected the nature of abuse in this case, while every other professional in this child's life did not, not her doctors, dentists, teachers, and others; I continue to believe that the lack of post-adoption reporting tools are a critical gap in the process and leaves the children placed through inter-country adoption with no protection upon placement. It is the smallest voices that deserve every protection we can offer them.

On a final note, I want to add that the adoption process is a human process and that those human judgments, even by professionals, will always be a necessary part of the process. I continue to believe in the mission and purpose of international adoption and in laws that give children opportunities to achieve their personal potential as human beings. Thank you.

[The prepared statement of Jeannene Smith follows:]

PREPARED STATEMENT OF JEANNENE SMITH, FOUNDER, REACHING OUT THRU INTERNATIONAL ADOPTION

<GRAPHICS NOT AVAILABLE IN TIFF FORMAT>

MR. WHITFIELD. Ms. Eiferman, you are recognized for 5 minutes.

MS. EIFERMAN. Chairman Whitfield, Ranking Member Stupak, and distinguished members of the subcommittee, good afternoon. My name is **Carol M. Eiferman**. I received both my bachelor's degree and master's degree in social work from Rutgers University. I received my BSW in 1983 and my MSW in 1989. I became a licensed clinical social worker in 1991. I am licensed to practice only in the State of New Jersey.

Prior to receiving my graduate degree, I worked in the field of alcohol and drug abuse, counseling both youth and adults between 1978 and 1981. From 1983 to 2000, I worked in three different medical systems. I held a number of positions, including medical social worker, director of a social services department and social worker in a specialized psychiatric and addictions unit of a hospital.

My involvement in the field of international adoption grew out of the fact that my husband and I were fortunate enough to internationally adopt both of our children in 1994 and 1997. As part of that process, I was a co-founder of a parent support group for international adoption. In the spring of 1999, I began practicing social work as an independent contractor with Reaching Out Thru International Adoption, Inc. My duties were to perform international home studies for residents of New Jersey who wished to adopt. In early November 2000, I became an employee of Reaching Out. My job title was casework supervisor. I remain in this position today.

I would be happy to answer any questions the subcommittee may have.

[Testimony of Carol Eiferman follows:]

PREPARED STATEMENT OF CAROL EIFERMAN, SOCIAL WORK SUPERVISOR,
REACHING OUT THRU INTERNATIONAL ADOPTION

<GRAPHICS NOT AVAILABLE IN TIFF FORMAT>

MR. WHITFIELD. Ms. Seamans-Conn, you are recognized for 5 minutes.

MS. SEAMANS-CONN. Good afternoon. My name is **Marlene Seamans-Conn**. I was employed as the Executive Director of Reaching Out Thru International Adoption from July 1999 through of 2001. In that position, I didn't have any contact with Mr. Mancuso. I was not aware of his adoption as part of my position there. I was aware that there was a post-placement report completed and I actually believe I saw that report and possibly even filed that in his adoption. I never had contact with Mr. Mancuso. I would be happy to answer any questions that the committee has.

MR. WHITFIELD. Mrs. Druger, you are recognized for 5 minutes.

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MS. DRUGER. My name is **Hannah Druger**. I just wanted to make one correction. When I worked for the agency, I was not a social worker. I have a background in human services, but I was not a social worker. Currently, I am a certified social worker, so in light of the situation, I do want to make that clear. I initially worked with Jeannene when she was still--I don't know what relationship she had with FTIA exactly, but I walked into that situation and I assisted her.

I started out as a volunteer and then I started part-time and mostly in a clerical capacity. What we are going to hear today is extremely, extremely important. I, myself, would like to hear all the facts. I didn't have enough time to really prepare a long statement because I was only issued this request a couple of days ago, but if there are any questions, I am more than happy to answer anything I can.

MR. WHITFIELD. Okay, thank you very much. We appreciate your testimony. Mr. Wallace, in your testimony, one of the things you mentioned was that Ms. Smith was an independent contractor for you for a period of time and then I believe that you sent her a letter of termination in 1998, maybe February of 1998, is that correct?

MR. WALLACE. Yes, sir.

MR. WHITFIELD. Okay. Now, Ms. Smith, you received a letter of termination from Mr. Wallace in February 1998?

MS. SMITH. I received a letter from Mr. Wallace. I am unsure of the exact date.

MR. WHITFIELD. Okay. But you understood that you were terminated from being a contractor for him?

MS. SMITH. I received a letter saying he was closing the office.

MR. WHITFIELD. Okay. Now, are you a licensed social worker?

MS. SMITH. No.

MR. WHITFIELD. Okay. Is it required that you be a licensed social worker in the State of New Jersey to have an adoption agency or to operate an adoption agency?

MS. SMITH. No.

MR. WHITFIELD. What is the legal requirements in the State of New Jersey to operate an adoption agency?

MS. SMITH. You must have a licensed social worker on staff.

MR. WHITFIELD. Yes.

MS. SMITH. And an executive director with certain credentials, as well.

MR. WHITFIELD. Yes. And when did you receive your license to operate as an adoption agency?

MS. SMITH. The physical paper license came in June. We received notification that we were approved somewhere the end of April or May.

MR. WHITFIELD. Of what year?

MS. SMITH. I am sorry, 1998. 1998, yes.

MR. WHITFIELD. All right. So you were licensed in April or May of 1998?

MS. SMITH. We received verbal that everything was approved and we would be receiving our paper license shortly.

MR. WHITFIELD. And when did you--

MS. SMITH. We got that in June.

MR. WHITFIELD. You got that in June.

MS. SMITH. Yes.

MR. WHITFIELD. And you were terminated in February.

MS. SMITH. Yes.

MR. WHITFIELD. So for a period of time there you were operating without a license?

MS. SMITH. We submitted our documentation for licensure in February, as well.

MR. WHITFIELD. How did you meet Mr. Mancuso?

MS. SMITH. I don't believe I have ever met him.

MR. WHITFIELD. Well, all of the paperwork was submitted through your office initially and then I think it went to Mr. Wallace's company. How did you ever come in contact with him?

MS. SMITH. The file indicated that he contacted our office when we were a branch of FTIA and that he had heard about this through the Internet on AOL.

MR. WHITFIELD. So did he contact you or did he contact the Evansville office?

MS. SMITH. No, he contacted the Cherry Hill office and requested information.

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MR. WHITFIELD. He contacted you?

MS. SMITH. Yes. My office, yes.

MR. WHITFIELD. How many people worked in the office?

MS. SMITH. At the time it was just myself and Hannah.

MR. WHITFIELD. All right, so he contacted your office, so he must have talked to you.

MS. SMITH. I don't know that. I would assume that.

MR. WHITFIELD. Now, I understood you to say that you were the only person working in the Cherrydale office, is that correct?

MS. SMITH. No, myself and Hannah were working there at the time.

MR. WHITFIELD. Ms. Druger, you worked there with her. Did you talk to Mr. Mancuso?

MS. DRUGER. Generally, I think the way it happened was a list came out as to people that were requesting information packets and we would mail information packets to those interested parties. I don't remember speaking to him in person.

MR. WHITFIELD. Well, where did the list come from?

MS. DRUGER. I think we were posted on Rainbow Kids. I think there were a couple of Internet sites that the agency was listed under.

MR. WHITFIELD. That your agency was listed under?

MS. DRUGER. I believe. I am not sure.

MR. WHITFIELD. So are you saying that--

MS. DRUGER. I don't know the relationship between FTIA and Jeannene's office.

MR. WHITFIELD. Did the information ever come to you directly from Mr. Mancuso?

MR. WALLACE. No, sir. Part of the controversy I spoke of was it was not until we had worked together quite a while that I found out that FTIA was listed on several adoption websites with the New Jersey address. That goes to the misrepresentation of the relationship. People did not know FTIA was an Indiana-licensed agency.

MR. WHITFIELD. You were not licensed to do business in New Jersey?

MR. WALLACE. No, nor had I authorized Ms. Smith to go on sites and post our name and a New Jersey address.

MR. WHITFIELD. And did Ms. Smith do that?

MR. WALLACE. Yes.

MR. WHITFIELD. Is that correct, Ms. Smith? Did you do that?

MS. SMITH. It is correct that I did that, but everything that was done was with Mr. Wallace's authorization. Every bit of literature, every bit of information that was disseminated.

MR. WHITFIELD. Let me ask you a question. Briefly, just explain the process. I specifically want to get to these post-placement home studies and when a child is placed, and you were the only one involved when the child was placed. I mean, Mr. Wallace, at that point, was out of it. The \$2,500 or so, I think, was paid to you by Mr. Mancuso, the final payment. Well, there is a payment of \$400, a payment of \$2,500 and then a payment of \$1,800 that was paid to you. Did you notify any appropriate authorities in Pennsylvania that the child had been placed with Mr. Mancuso?

MS. SMITH. I don't have direct knowledge of that.

MR. WHITFIELD. Was there anyone that works for you or was working for you at the time that has a knowledge of that? You don't have any knowledge of it, so I am taking it to mean you did not notify anyone. Did any of the others that worked for her notify anyone, that the child had been placed?

MS. SEAMANS-CONN. I wasn't employed at the time.

MR. WHITFIELD. Okay.

MS. DRUGER. I don't remember notifying anybody.

MR. WHITFIELD. Okay. Now, isn't it a legal responsibility to notify appropriate agencies when a child has been placed?

MS. SMITH. That is our standard of practice.

MR. WHITFIELD. So you violated your standard of practice?

MS. SMITH. Again, I was not the caseworker on this, so I--

MR. WHITFIELD. Well, you owned the company, didn't you? Didn't you own the company?

MS. SMITH. I am the founder of Reaching Out.

MR. WHITFIELD. And the check was paid to you? \$1,800?

MS. SMITH. That is correct.

MR. WHITFIELD. And so basically, what you are saying is you don't know or you don't recall, and I am taking that to mean that you all did not do it?

MS. SMITH. I don't know that it was done.

MR. WHITFIELD. Did you have an obligation to--well, Mr. Baird, you have testified that you were not notified, didn't you?

MR. BAIRD. That is correct. We were not notified.

MR. WHITFIELD. So you did the initial home study and you were never notified that the child was placed there.

MR. BAIRD. That is correct.

MR. WHITFIELD. Now, if you had been notified, what is the significance of that? What would that mean, from your perspective?

MR. BAIRD. Had we been notified, we would have scheduled to do the post-placement visits, supervisor visits for--

MR. WHITFIELD. And under Pennsylvania law, how many visits would that have been?

MR. BAIRD. Well, under Pennsylvania--well, this would be the part under Russian law.

MR. WHITFIELD. Okay.

MR. BAIRD. I think it is--

MR. WHITFIELD. Three?

MR. BAIRD. It is 3 years of visits and I think there are four visits. Three months, 6 months, 1 year, and 2 years.

MR. WHITFIELD. Okay, so you didn't do any of that?

MR. BAIRD. That is correct.

MR. WHITFIELD. Because you didn't know about it.

MR. BAIRD. That is correct.

MR. WHITFIELD. Okay. Now, it is my understanding that Social Services of Western Pennsylvania, on March 23rd, 1999 prepared a post-placement report on Masha and sent it to Families Thru International Adoption in Cherry Hill, New Jersey and from what we have been able to find out, this is totally fake. There is no Social Services of Western Pennsylvania. The phone number didn't work. It has never been in existence and so can

anyone tell me, does anyone know Frances White? Ms. Smith, have you ever seen this document?

MS. SMITH. I have seen the document.

MR. WHITFIELD. How did you get it, the document?

MS. SMITH. It was something that was submitted. It was sent to our office.

MR. WHITFIELD. And who sent it to you?

MS. SMITH. I don't know.

MR. WHITFIELD. You don't know who sent it to you?

MS. SMITH. I don't, no. I have seen the document.

MR. WHITFIELD. Did you understand that under Russian law there were three post-placement studies that were supposed to be conducted?

MS. SMITH. Yes.

MR. WHITFIELD. And did you conduct any or did you notify anyone to conduct any of these studies?

MS. SMITH. I have seen documents in the file that notified Mr. Mancuso of the schedule of post-placement that was due. At that time, it is typically standard that a copy of that goes to the home study agency, as well. Again, I can't answer as to exactly what occurred. I was not the case worker.

MR. WHITFIELD. So Mr. Dymtchenko, you were involved in this and I think Mr. Mancuso paid you over \$4,000 for his expenses related to the Russian government adoption process. Did you receive any post-placement reports from Ms. Smith on Masha Allen?

MR. DYMTCHENKO. Yes, I did.

MR. WHITFIELD. How many?

MR. DYMTCHENKO. Two.

MR. WHITFIELD. And do you have copies?

MR. DYMTCHENKO. One that you just showed and the other one was on the letterhead of Reaching Out Thru International Adoption.

MR. WHITFIELD. Now--okay, let me just--

MR. DYMTCHENKO. Translate them both and submitted to Russian authorities.

MR. WHITFIELD. Okay. Now, my time is running out, but Mrs. Seamans-Conn, I understand that you have some knowledge of this post-placement report from Reaching Out and that this was conducted by telephone, is that correct?

MS. SEAMANS-CONN. Yes, I was employed at the time that that post-placement was conducted and I recall that that was conducted by telephone by Ms. Eiferman.

MR. WHITFIELD. And that is not the way these are supposed to be conducted, is it?

MS. SEAMANS-CONN. Traditionally, that is not the way that it--

MR. WHITFIELD. You are supposed to have an in-home site visit, is that correct?

MS. SEAMANS-CONN. Usually it is the same agency that conducts the home study, but not always, but it should be a licensed--

MR. WHITFIELD. But who did this telephone report?

MS. SEAMANS-CONN. I believe that was Carol Eiferman.

MR. WHITFIELD. Ms. Eiferman, is that true? Did you do this by phone?

MS. EIFERMAN. I conducted a follow-up telephone call to Mr. Mancuso at the direction of Ms. Seamans-Conn, who was our Executive Director at that time.

MR. WHITFIELD. So according to your testimony and the testimony of others who are involved in international adoptions, it is the accepted practice that it is an in-home visit, not a telephone call? Do you recognize that?

MS. EIFERMAN. At the time, of course, best practice is to see children in the home. It was considered acceptable practice. If you needed to conduct a telephone interview to glean the information, if families were reluctant.

MR. WHITFIELD. Yes.

MS. EIFERMAN. There are even very rare cases of agencies using self reports. A form is mailed to the family, the family--

MR. WHITFIELD. Mr. Wallace, do you agree with that?

MR. WALLACE. I would not think it would be acceptable best practices to complete what we call a post-placement over the phone.

MR. WHITFIELD. What about you, Mr. Baird?

MR. BAIRD. I don't agree with that. Pennsylvania regulations require that post-placement supervisory visits be conducted by a social worker in the home.

MR. WHITFIELD. Okay. Mr. Stupak, you are recognized for 10 minutes.

MR. STUPAK. Thank you, Mr. Chairman. Mr. Baird, you indicated in your statement that your agency determined that Mr. Mancuso was eligible to adopt?

MR. BAIRD. Yes.

MR. STUPAK. What did that mean?

MR. BAIRD. Our social worker contacted--well, would you repeat the question?

MR. STUPAK. Sure. What does eligible to adopt mean?

MR. BAIRD. Are you talking about the conclusion of the home study or the call that she placed to the New Jersey agency?

MR. STUPAK. Well, let me--your agency made the determination, so what went in to make that determination initially to adopt?

MR. BAIRD. Right. He contacted us and said he was working with a New Jersey agency. After he submitted his application package to us, our social worker contacted the New Jersey agency and spoke to Jeannene Smith and got her verification that he was eligible to adopt through them.

MR. STUPAK. Okay, to be eligible, is it just merely filling out some paperwork or do you do--

MR. BAIRD. The question she presented to the New Jersey agency was is he eligible, as a single man, to adopt and she got the answer back, yes, he was.

MR. STUPAK. Okay. Now, that--

MR. BAIRD. Of course then we went and did the home study and came up with a favorable recommendation after reviewing all the information.

MR. STUPAK. So you did do a home study in this case?

MR. BAIRD. Yes, we did.

MR. STUPAK. Did anyone ever contact the ex-wife or the daughter?

MR. BAIRD. No.

MR. STUPAK. Is it common that single--did your agency, at any time, look into or probe into why a 41-year old man, divorced man, would want to--who already had a biological daughter and you know, by looks of things, had some income and was capable of having more children with a second wife, but chose just, instead, to adopt a child, a 5-year-old child?

MR. BAIRD. Well, I think the home study addressed that. He provided an autobiography that gave several reasons why he wanted to adopt. He missed having a child. He had been divorced for 11 years. He enjoyed parenting.

MR. STUPAK. Well, autobiography, that is his own words, isn't it?

MR. BAIRD. Well, she interviewed him, also, and verified and probed and verified that that seemed to be his coherent story of why he wanted to adopt.

MR. STUPAK. And you don't think that is unusual?

MR. BAIRD. I can't comment on that. All I know is that there are currently over two million single men parenting children in the United States. I don't know how many are adoptive parents, but it is not unusual for a single man to be a parent.

MR. STUPAK. Well, but in reading this report that your agency submitted, if a person who wants to adopt, prospective adoptive father tells you he is not able to maintain a meaningful relationship with his teenage daughter who lived nearby, doesn't that sort of make you wonder?

MR. BAIRD. Not necessarily. He did provide reasons that she had become more active with her friends and she was very busy in her own life and that their visits had become less frequent and that he did not have an ongoing relationship with her, but he made it sound like it was a normal developmental thing. He did not say he was estranged from her or vice-versa. Nothing in his write-up about it or his responses, that I can tell, became a red flag.

MR. STUPAK. If that is normal, won't that same thing happen then after he adopted, once that child became a teenager, won't that child want to spend more time with friends and not necessarily with Mr. Mancuso?

MR. BAIRD. Well, he had gone through a divorce and it is possible that he, the estrangement from his wife had factored in.

MR. STUPAK. But he never really said that, did he?

MR. BAIRD. No, he didn't.

MR. STUPAK. So I guess I am really wondering why you didn't talk to the wife and the--

MR. BAIRD. He did say he and his wife had moved apart. They parted their ways.

MR. STUPAK. Oh, sure. Those are his self-serving statements, but no one ever checked in with the ex-wife or the child, that was all. I just thought it was strange, that is all. Let me go to Ms. Smith. You have a book, I believe, there in front of you, there? Now, there is a document book there. I want you to look at this document that we have. One minute, here. I have it here, but I don't have it in the book. Number 2, please. Now, this is a form that Mr. Wallace's had or was this your form, your agency's form?

MS. SMITH. That was a form we used in our office in Cherry Hill.

MR. STUPAK. Okay. It is 1997, so this would be Mr. Wallace's form?

MS. SMITH. I am sorry?

MR. STUPAK. It says on top 8/4/1997. Would this be Mr. Wallace's form?

MS. SMITH. No, that was a form we used in Cherry Hill.

MR. STUPAK. Okay. While you were an employee of Mr. Wallace?

MS. SMITH. Yes.

MR. STUPAK. Okay. Whose handwriting at the top here, where it says family name, whose handwriting is that?

MS. SMITH. That would be mine.

MR. STUPAK. Okay. So how did you interview Mr. Mancuso? By phone or in person?

MS. SMITH. Under the source, it is listed as AOL, so it appears that this was an information request that came in through the Internet.

MR. STUPAK. Okay. Where it says notes here, prefer female, 4 to 5 years old. Whose handwriting is that?

MS. SMITH. That is mine.

MR. STUPAK. Okay. Underneath that, 12/23/97, received dossier. Whose is that?

MS. SMITH. Hannah Druger.

MS. DRUGER. Mine.

MR. STUPAK. Ms. Druger? Okay. And then you called him to let him know that he had to do certain things, right?

MS. DRUGER. These things were not included.

MR. STUPAK. I am sorry, what?

MS. DRUGER. Not included. Power of attorneys--

MR. STUPAK. Right.

MS. DRUGER. We need a separate agency licensed--

MR. STUPAK. Okay. And then there is a 12/24/97. Whose handwriting would that be? Would that be yours again, Ms. Druger?

MS. DRUGER. Yes.

MR. STUPAK. Okay. And then, if we go on the next page, second page here, in the lower right-hand corner, never cashed, signature torn off, per Mr. Mancuso request. He then reissued check to FTIA coordinator. Whose writing is that?

MS. DRUGER. That is mine.

MR. STUPAK. That is yours. How about the agency fees in the upper right-hand corner, page two. Whose writing is that?

MS. DRUGER. On the upper right-hand corner is mine.

MR. STUPAK. Where it says agency fees? Okay. So agency fees here now, just so I make sure I have this right, this would be your agency, right, Ms. Smith?

MS. SMITH. At the time, they were fees that were received through Families Thru International Adoption. The top fees and that form was initiated at the time as FTIA.

MR. STUPAK. Okay. So when did he become your agent? I am sorry, your client?

MS. SMITH. I don't really know.

MR. STUPAK. Well, you agree you were terminated in February of 1998 with Mr. Wallace's company?

MS. SMITH. Yes, that is correct.

MR. STUPAK. So anything after February of 1998, he would be your client then, right?

MS. SMITH. No. When families switch to our agency, they signed a form indicating they wished to switch and they would fill out Reaching Out contracts.

MR. STUPAK. Okay. How about going to Exhibit Number 8 for me, then?

MS. SMITH. I am sorry?

MR. STUPAK. Exhibit Number 8, please.

MS. SMITH. Eight.

MR. STUPAK. Eight. Okay, did you have a chance to review that? And that is dated April 21st, 1998 and in there specifically, you talk about Mr. Mancuso to Mr. Wallace and you say therefore, the entire fee, which was remitted to your office in the amount of \$2,050 is due at this time. Mr. Mancuso has received his referral and will be traveling soon. And Mancuso

has decided to remain with our office and Russia program. And that is on the letterhead of Reaching Out Thru International Adoption, so April 21st, 1998, as far as you were concerned, he was your client, right? Mr. Mancuso.

MS. SMITH. I am looking at this document, but I don't recall this.

MR. STUPAK. Mr. Wallace, could you take a look at that document? It is in Tab Number 8. It would be in the white books there. There are a couple of them there.

MR. WALLACE. Yes.

MR. STUPAK. Okay. Do you remember receiving that at all? That document, Number 8?

MR. WALLACE. I don't recall the day I received it.

MR. STUPAK. What is your understanding of that document?

MR. WALLACE. I keep that in my file.

MR. STUPAK. It came out of your file?

MR. WALLACE. Yes.

MR. STUPAK. Okay.

MR. WALLACE. And I have the copy that was sent with the fax confirmation on it that prints out with the fax.

MR. STUPAK. Okay.

MR. WALLACE. So it has the date and so forth.

MR. STUPAK. So is it fair to say that after April 21st, 1998 Mr. Mancuso was no longer your client?

MR. WALLACE. Yes, and I would actually say before that, but yes, by that time, without question, it is black and white that she is saying that he is completing his adoption through her.

MR. STUPAK. Okay. Ms. Smith, how about Tab Number 9? Would you take a look at that, please? It is on Reaching Out Thru International Adoption, Inc. stationery.

MS. SMITH. Yes.

MR. STUPAK. And it says acknowledgement and agreement?

MS. SMITH. Yes.

MR. STUPAK. Now, is that from Mr. Mancuso with your agency?

MS. SMITH. Yes.

MR. STUPAK. And he has paid you a fee in the amount of \$1,800?

MS. SMITH. Yes.

MR. STUPAK. And parent's signature, would that Mr. Mancuso?

MS. SMITH. I have no way of knowing that.

MR. STUPAK. Okay. Do you have any reason to dispute the day of May 1st, 1998?

MS. SMITH. No, not that I would have a reason to.

MR. STUPAK. Okay. Mr. Chairman, hopefully we will be having another round of questions.

MR. WHITFIELD. We will.

MR. STUPAK. Thank you.

MR. WHITFIELD. And at this time I recognize Mr. Ferguson of New Jersey.

MR. FERGUSON. Thank you, Mr. Chairman. I actually want to pick right up where Mr. Stupak left off. Ms. Smith, let me ask you a simple question first. This is an easy yes or no. Were you and your agency the adoption agency responsible for the adoption of Masha? Yes or no? It is real easy.

MS. SMITH. I think we all were.

MR. FERGUSON. That is a remarkable answer. I think that would probably catch a lot of people by surprise. I think perhaps some of us in this room were more responsible than others. Is the answer to that-- legally, were you the responsible adoption agency for this adoption? Did you place her with Mr. Mancuso?

MS. SMITH. I think we had a role in it, yes. I don't know who, ultimately.

MR. FERGUSON. Okay, well then let us get into that, then. We have--you know, we had Tab 8, which Mr. Stupak just had us looking at, talking about you requesting the money for it. We have Tab 9 that Mr. Stupak just had us looking at on your letterhead with his signature, as further documentation. Also in Tab 9, we have an announcement with a picture of little Masha. "Reaching Out Thru International Adoption, Inc. is happy to present to Matthew A. Mancuso," picture underneath. Masha. And you told Mr. Wallace's organization that you had the referral in the document. Does that refresh your memory? Were you legally the adoption agency responsible for Masha's adoption, for her placement?

MS. SMITH. I don't know, but I would like to explain that.

MR. FERGUSON. This is a real easy question.

MS. SMITH. It is not an easy question.

MR. FERGUSON. Well, I realize it is not an easy question for you, but it has either, there is an answer that it is either yes or no, and the preponderance of evidence here seems to suggest that you, at every turn, and your organization, were responsible for placing her. At this point, you still will not acknowledge that?

MS. SMITH. No, I think that we definitely had a part in that and--

MR. FERGUSON. Then the answer is yes, is it not?

MS. SMITH. Yes.

MR. FERGUSON. Thank you.

MS. SMITH. But I would like to clarify that further, if I can.

MR. FERGUSON. Go ahead.

MS. SMITH. We were a part of FTIA. We had no knowledge that office was going to be shut down and there were a lot of families that were caught in that. When they were caught in that, families turned to us for help and continued to turn to us for help for many months after that. We did the best that we could to get the families through that.

MR. FERGUSON. Why did you ask for your money back from Mr. Wallace?

MS. SMITH. Did Mr. Wallace ever give that?

MR. FERGUSON. That is not the question I asked you. I have asked you a question. Why did you ask for the money back?

MS. SMITH. I don't know. I don't recall--

MR. FERGUSON. We are getting a lot of "I don't knows" and "I don't remembers" and "I don't recall" and "I'm not sure" and "we are all responsible" and we are not getting a lot of straight answers here. Now, you have known you were going to testify here.

MS. SMITH. I understand--

MR. FERGUSON. You have got a lot of documentation. You don't know why you requested the money back?

MS. SMITH. This is the first I have ever seen that document in this whole investigation.

MR. FERGUSON. Your document? This is a document on your letterhead.

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MS. SMITH. Yes.

MR. FERGUSON. But you have no knowledge of it? You have no idea?

MS. SMITH. Not of that document.

MR. FERGUSON. That is a pretty remarkable thing. That is it. That is just--it is tough to believe. It is tough to believe. Let me go on. Ms. Smith, your organization, is this true, never notified any home study agency that Mr. Mancuso had a child placed with him, is that true?

MS. SMITH. I don't know the answer to that.

MR. FERGUSON. Why don't you know the answer to that?

MS. SMITH. Because, as I said, our standard practice, when a client comes home, a letter is sent that indicates the post-placement schedule and the home study agency is typically notified at that time. I am not the case worker on that file. I don't know what occurred.

MR. FERGUSON. That is a very lame answer. To say I am not the case worker, someone who runs an organization saying well, I am not responsible for the things whether my employees do their job or not. You are absolutely responsible.

MS. SMITH. There is a letter in the file that indicates the post-placement schedule and that letter did go out to Mr. Mancuso. I do not know if the home study agency was copied. There is not a specific note to that. Again, I didn't perform the service.

MR. FERGUSON. Were you licensed in April and May of 1998 when you said that Mancuso was your client?

MS. SMITH. No.

MR. FERGUSON. How do you explain that? Why did you say he was your client when you were not licensed to be doing what you were doing?

MS. SMITH. We received notification that we were approved and everything was in order. We received our paper license in June.

MR. FERGUSON. That looks pretty bad at this point, doesn't it, after a child's been abused and a man is in jail? That is a pretty flimsy explanation to say well, we had verbal approval, but we actually--I mean, technically you weren't licensed. You weren't licensed. You were collecting money. You were representing to another organization that this person was your client. You said that you take responsibility for placing this girl in this man's home and today we are hearing a lot of "I don't remembers," "I am not sure," "Aren't we all really responsible for this?"

What is your understanding of what a post-placement report is?

MS. SMITH. Post-adoption supervision.

MR. FERGUSON. Yes.

MS. SMITH. Typically, when a social worker goes into the home and meets with the adoptive family and verifies the child's placement and the well-being of the child.

MR. FERGUSON. Did that happen here? Did that happen here?

MS. SMITH. Not to my knowledge.

MR. FERGUSON. And you are the responsible placement agency, so why didn't it happen?

MS. SMITH. Apparently, Mr. Mancuso did not comply.

MR. FERGUSON. Why not?

MS. SMITH. I don't know. The file indicates that there were requests made. The file indicates that there were attempts--

MR. FERGUSON. Mr. Wallace, what would happen if you were trying to do a post-placement report and someone didn't comply? You referenced it in your opening statement.

MR. WALLACE. We send out several notices. The person responsible for the file, if they do not get the post-placement, brings it to my attention. I start calling, contacting, and take all appropriate action to ensure that it is turned in and it sometimes takes a lot of time, but every time I do it.

MR. FERGUSON. Ms. Smith, who is the case worker? You said several times I am not responsible, I don't know, I wasn't the case worker on this particular case. Who was the case worker? Ms. Smith?

MS. SMITH. It looks like Hannah.

MR. FERGUSON. Hannah was the case worker?

MS. SMITH. Most of the case notes were signed by Hannah.

MR. FERGUSON. Okay. Let us ask your employees, then. Who ran the show here? Go ahead, you take a turn.

MS. EIFERMAN. Were you directing that at--

MR. FERGUSON. All three of you, each of you.

MS. EIFERMAN. In my experience as Executive Director, Jeannene Smith really ran the agency on a day-to-day basis and on every level, every function.

MR. FERGUSON. Hannah?

MS. DRUGER. I agree.

MR. FERGUSON. I am sorry?

MS. DRUGER. I agree. I was involved when the agency became licensed as an agency when she went through the licensing process with Anna Montez, so you know, I guess you would say I was there.

MR. FERGUSON. Can you answer the question that I asked?

MS. DRUGER. About post-placements?

MR. FERGUSON. Yes.

MS. DRUGER. We definitely had definite guidelines for when those were to take place, no question about that. I don't recall about sending a copy to the agency. I don't remember that part, but there was a time table for the adoptive parents to follow. I don't think there was anything formal about non-compliance that I know of, that I am aware of. Nothing formal.

MR. FERGUSON. So you had guidelines that just simply weren't followed?

MS. DRUGER. That may happen, especially during a certain period of time when things were in limbo because of some things, some issues between FTIA and Reaching Out.

MR. FERGUSON. Last question. Last question, Mr. Chairman. I appreciate the indulgence. Ms. Druger, was Ms. Smith familiar and knowledgeable about these different cases?

MS. DRUGER. Every case.

MR. FERGUSON. Every case, every situation? The details of the situations, the details of the cases?

MS. DRUGER. Absolutely.

MR. FERGUSON. That is remarkably tragic.

MR. WHITFIELD. Thank you, Mr. Ferguson. At this time, I recognize Dr. Burgess for 10 minutes.

MR. BURGESS. Thank you, Mr. Chairman. Mr. Wallace, do you have one of these evidence binders in front of you? Or can you get one?

MR. WALLACE. No, sir, I don't, but I will.

MR. BURGESS. Can I ask you to open that up to Tab 6 and this starts off with a fax cover page.

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MR. WALLACE. Yes, sir.

MR. BURGESS. Now, that is your organization, correct? The Families Thru International Adoption?

MR. WALLACE. The name of our organization is Families Thru International Adoption, yes.

MR. BURGESS. And was Ms. Druger working for you at that time?

MR. WALLACE. Ms. Druger never worked for FTIA.

MR. BURGESS. Why is this like this? Is this just an error? Oh, this was addressed to Serguei. But through your company.

MR. WALLACE. As was explained earlier, FTIA had retained Ms. Smith as an independent contractor, a northeast regional coordinator, to contact families about international adoption, network with other professionals, and that relationship went on for about 16 months. It was somewhat turbulent. She was given far advanced warning that this has got to change; it didn't and she was terminated. During the time she worked with us, she would have access-- well, she also changed--we had an application that we had prepared and submit for her to use and she would change it and then send it out.

MR. BURGESS. All right, I think I understand the gist, but Ms. Druger, you did not actually work for Families Thru International Adoption?

MS. DRUGER. No.

MR. BURGESS. Mr. Dymtchenko, if I have pronounced that correctly, you made the statement, in your opening statement, that you wish that Mr. Mancuso's wife and daughter had been more forthcoming with information. Under this same tab, we actually have a letter from Mr. Mancuso's daughter that looks pretty benign. Have you become aware of evidence from Mr. Mancuso's older daughter or ex-wife that would have led you to believe that he was an unsuitable candidate for parenthood?

MR. DYMTCHENKO. The only letter that I saw, it was a letter of his daughter that he included as a reference in his adoption file, which was translated and also presented to the Russian court and Russian judge asking Mr. Mancuso, along with the prosecutor, a lot of questions about his relationship with his biological daughter.

MR. BURGESS. But you referenced, in your opening statement, that you wish that Mr. Mancuso's ex-wife and adult daughter had been more forthcoming with information and we got information from--

MR. DYMTCHENKO. I believe that would be helpful.

MR. BURGESS. Yes. Well, we got information from his daughter that, again, looks pretty benign. What about--are you aware of any information from Mr. Mancuso's ex-wife?

MR. DYMTCHENKO. No, I saw their interview on television.

MR. BURGESS. I am a little bit troubled that this tab--why don't we pass that all the way down to the end of the table, if he has just got one book there? It shows some pictures of some family outings, some pictures of the house. I guess it was a three bedroom house. One of the bedrooms was converted to an office. One of the things, the most troubling things that we heard during Masha's testimony was that from day one she didn't have her own room. She slept in Mr. Mancuso's bed from day one.

I mean, someone somewhere along the line had to know about that, that this little girl wasn't being provided her own bedroom. Wouldn't that be just one of the--I mean, I will admit. I have never heard of a single man adopting a 5 or 6-year-old child. Maybe it does happen and I am just not aware of it, but boy, it would seem to me to just be so basic. Does this child have her own bedroom? We have got three world-class social workers at the end of the table. Is that an unreasonable question to ask? Ms. Eiferman, let me just ask you. Is that an unreasonable question to ask?

MS. EIFERMAN. When I conduct in-home post-placement interviews with my New Jersey families, we certainly review the whole home and we look at the child's bedroom. Usually, the child will take me to their bedroom and perhaps proudly show me their new things, so it is intricately part of an in-home post-placement visit.

MR. BURGESS. Now, in this case, the in-home post-placement visits that we have, at least the ones we have to look at for the purposes of this hearing, are Tab 13 and Tab 15, is that--do you have that?

MS. EIFERMAN. Hang on a second.

MR. BURGESS. Do you have that available?

MS. EIFERMAN. Yes, here it is.

MR. BURGESS. Okay, Tab 13, Social Services of Western Pennsylvania.

MS. EIFERMAN. Yes.

MR. BURGESS. You are pretty familiar with these people, you work with them all the time? A good group? Straightforward?

MS. EIFERMAN. First of all, I was not employed in the office. I was not an employee of Reaching Out when this was done in March of 1999.

MR. BURGESS. Okay, fair enough.

MS. EIFERMAN. Since my--if you are asking since my employment there? Since November of 2000, this is not an entity that I have heard of before.

MR. BURGESS. Okay. Well, Frances White, who is a licensed social worker, is she someone, he or she someone who is known to you?

MS. EIFERMAN. I would have to say the same; same reply.

MR. BURGESS. Ms. Smith, you were working at the company March 23rd of 1999, is that correct?

MS. SMITH. Yes.

MR. BURGESS. Okay. Social Services of Western Pennsylvania, are they a stand-up group? They do a lot of work for you?

MS. SMITH. I do not handle any home studies or post-placement reports whatsoever.

MR. BURGESS. Who does?

MS. SMITH. All of that goes to our social work supervisor.

MR. BURGESS. Who is that?

MS. SMITH. Right now, it is Carol Eiferman.

MR. BURGESS. Who would that have been March 23rd of 1999?

MS. SMITH. That, most likely, would have been Leslie Breslau.

MR. BURGESS. And she is not with us today?

MS. SMITH. No.

MR. BURGESS. Okay. Are you familiar with Frances White, licensed social worker?

MS. SMITH. No.

MR. BURGESS. Why--I mean, this is so sad. Here is where it could have been stopped, right here, and no one really takes ownership of the report and no one knows the social worker. Whose responsibility is it when arranging an adoption and whose responsibility is it to receive these types of reports? I mean, is Serguei's group over there in Russia, is he going to be happy to send you more cases if this is the caliber of report that comes in? Nobody knows who the company is, nobody knows who the social worker is. Mr. Chairman, I would ask that we subpoena Frances.

MR. WHITFIELD. We have tried to find her and we don't think she exists.

MR. BURGESS. Well, then that calls into question just the whole validity of this report. Ms. Eiferman, let us look at the other report that we have available, which is under Tab 15, and this was done--I want to be sure I have got it during your time of employment.

MS. EIFERMAN. Right.

MR. BURGESS. This was done July 7 of 1998. Would that be under your jurisdiction or is that someone else, also? You signed it, so I presume that this is your report.

MS. EIFERMAN. I am looking under Tab 15. There is a report dated November 15, 2000.

MR. BURGESS. Yes.

MS. EIFERMAN. Which--you mentioned a July date. I am confused.

MR. BURGESS. I beg your pardon. It is the date the child was received, July 7, 1998.

MS. EIFERMAN. Okay.

MR. BURGESS. So you made this report yourself in November of 2000.

MS. EIFERMAN. This report was generated when Marlene, who was our Executive Director and also worked with families adopting from Russia as our in-office country caseworker, came to me and said this is an urgent matter. The Russian courts, and the Russian officials are requesting information about this child, Masha. Could you finish up on a report a predecessor of mine started? And at first I said, well, I am a bit uncomfortable with this, because I am licensed in New Jersey and I really practice in New Jersey. I was given the understanding and given the information that best practice is, of course, in-home; that at the time it was acceptable practice if families could not meet with the agency for some reason, that telephone interviews could be conducted. So I went and I found the initial scratch notes done by a predecessor and I did indeed then telephone Mr. Mancuso to verify information, to get a little more detail, and then I did prepare the report that you have here.

MR. BURGESS. From testimony that we received from Russia, as I recall, and anyone feel free to correct me, as I recall, the abuse started basically the night she arrived in Mr. Mancuso's home, so around July of 1998. So we are 2 and a half years later, November 2000, but I don't think the abuse was actually discovered for another several years. So here is a point at which had someone gone to the home and had an opportunity to interact with the child, it might have been a red flag to someone, that the little girl didn't say come and see my room, come and see my stuff--

MS. EIFERMAN. Yes.

MR. BURGESS. --come and see my things. And a logical question might have been, can you show me where you sleep.

MS. EIFERMAN. Yes.

MR. BURGESS. And that might have uncovered a lot of this stuff. You know, it is so frustrating for us up here, because we have had to sit and listen to hours and hours of testimony from the child herself.

MS. EIFERMAN. Yes.

MR. BURGESS. And I mean, almost all of us here are parents and it was extremely--it was a bad, bad day. Let us just leave it at that. Ms. Druger, I would like to ask you one other question and we will go back to Tab 6, the very last page of that, after all of the photographs showing things that just reek of normalcy, you penned a note there, or Mr. Mancuso, I beg your pardon, has penned a note back to you and says, I hope this helps explain my position and plan on the feminine needs question. Now, I am not trying to embarrass anyone, but for the life of me, I don't see where--number one, I guess I really don't know what was asked, but I suspect that I know. I mean, I am a physician, I am an Ob-gyn physician. I suspect that I know what the question is addressing, but for the life of me, I don't see how it was addressed in any of these photos. Can you elaborate on that at all?

MS. DRUGER. Are you talking to me?

MR. BURGESS. Yes. The note was addressed to you.

MS. DRUGER. Right, right.

MR. BURGESS. I assume that you are the woman the note was addressed to was you.

MS. DRUGER. Right. No, I have absolutely no idea what it meant, but I assumed that maybe it had something to do with when, during the home study process, when certain questions are asked regarding how he would address issues with her, at some point that is what I took as feminine needs, that is the way I interpreted it.

MR. BURGESS. Right. Boy, if we could have followed that up in February of 1998--

MS. DRUGER. Yes.

MR. BURGESS. --we would have stopped this problem a lot sooner.

MR. WHITFIELD. The gentleman's time has expired. I recognize--

MR. BURGESS. Thank you, Mr. Chairman.

MR. WHITFIELD. --Mr. Walden for 10 minutes.

MR. WALDEN. Thank you very much, Mr. Chairman. I have been listening to this panel and our colleagues here questioning the panel of witnesses and it is most disturbing. I am unfortunately engaged in a couple of other meetings at the same time and so I would like to yield, however, to my colleague. Mr. Ferguson from New Jersey has been very much involved in trying to get to the bottom of this and Mr. Chairman, with your permission, I would yield the balance of my time to Mr. Ferguson.

MR. FERGUSON. I thank the gentleman for yielding. I actually want to continue on what Dr. Burgess was talking about. Mr. Baird, as part of the home study, Mr. Mancuso submitted

reference letters, three reference letters. All of them were from coworkers of his. They are attached to the home study in Tab 5. I don't if you can pass the binder around. If you could take a look at the binder and Tab 5. I am pretty sure it is Tab 5. Is it 5 or 6? Okay, we will find them. I think they may be in Tab 5. They may be near Tab 5. These recommendation letters are short. Two of them are about half a page in length. Did anyone talk--from your agency talk to these references to delve a little deeper and learn more about their opinion of him, as he might be an adoptive parent?

MR. BAIRD. Not from what I can tell from the file.

MR. FERGUSON. Okay. Any idea why?

MR. BAIRD. No. Typically, we did not check references. We did not verify letters of reference.

MR. FERGUSON. So these could have been from anybody. He could have written them himself.

MR. BAIRD. I suppose so, but that is right. It is not part of the requirements, the regulations, to verify letters of reference. So we don't typically do it unless there is some inconsistency that we see.

MR. FERGUSON. Ms. Smith, do you verify letters of recommendation?

MS. SMITH. Carol, can you address that?

MR. FERGUSON. Wait, wait, wait. Ms. Smith, do you know if you do it or not?

MS. SMITH. I don't handle the social work, no.

MR. FERGUSON. So you don't know if you verify letters of recommendation or not?

MS. SMITH. I don't know that, but can I ask my social work--

MR. FERGUSON. Sure.

MS. SMITH. --supervisor to address that?

MR. FERGUSON. Okay, I just wanted to establish that you don't know that. You do know that?

MS. EIFERMAN. At the present time we do. Whether that was a policy of the agency when this adoption took place, I can't speak to that.

MR. FERGUSON. Okay. That strikes me as unsettling, that nobody seems to--didn't, anyway, seem to even check letters of recommendation. Okay, back to Mr. Baird. So even though neither the State nor the adoption agency required you to follow up on the references,

your agency attached them to the report. Why would your agency want to include information on the report if it wasn't actually verified?

MR. BAIRD. It was required by the page that we received from Reaching Out Thru International Adoption on what they needed to have accompany the home study.

MR. FERGUSON. So you submitted information that--did you tell them it wasn't verified? It just seems--

MR. BAIRD. I don't know, from the files, whether we did. We sent them as part of a package.

MR. FERGUSON. So you got these letters. By even any kind of objective observation, they were sort of skimpy looking. A couple of them are a half a page, all from coworkers, no verification whatsoever, but you just submitted them with the report, as if you believed they were completely bona fide.

MR. BAIRD. That is right.

MR. FERGUSON. You said in your testimony that it was your agency's experience that the planning agency in international adoptions contacted an applicant's references. Did you verify that Jeannene Smith or her agency checked his references?

MR. BAIRD. No.

MR. FERGUSON. Mr. Mancuso's references.

MR. BAIRD. No.

MR. FERGUSON. Why?

MR. BAIRD. We don't typically verify references ourselves, so there is no information in the file that we asked them to verify if they had checked the references.

MS. EIFERMAN. Mr. Ferguson, may I add something here? I mean, this was not a home--under the New Jersey standards which we operate for home study. It is not a standard of the State of New Jersey that when families submit--in New Jersey it is for letters of reference. The standards of practice for adoption agencies do not indicate that then the agency must contact each person that wrote those letters and submitted them. So it is not a State standard in New Jersey and perhaps not in Pennsylvania. So that is an issue for an agency--

MR. FERGUSON. Sure.

MS. EIFERMAN. --to decide.

MR. FERGUSON. And I wouldn't argue with you if we are going to agree that that is a problem. That is a serious flaw in the law.

MS. EIFERMAN. Yes. Okay.

MR. FERGUSON. But I am just trying to get to like a mindset here, sort of in good conscience.

MS. EIFERMAN. Yes.

MR. FERGUSON. What would someone--

MS. EIFERMAN. I understand.

MR. FERGUSON. What if it was your child?

MS. EIFERMAN. Right.

MR. FERGUSON. You know, why wouldn't--I mean, and particularly if you are getting letters of recommendation from someone. You have no idea who they are and that is why you asked for letters of recommendation. You get three from three coworkers and there is no verification that they were even done by them.

MS. EIFERMAN. Yes.

MR. FERGUSON. No follow-up, no conversation. I mean, it is skimpy to begin with. No nothing. Hannah, yes, that is--Hannah, I am sorry.

MS. DRUGER. Right.

MR. FERGUSON. Ms. Druger, you, in a letter--we have a letter from Mr. Mancuso. This is Tab 6, I think, still. Yes. You had actually asked for additional letters of recommendation. Based on his response, our assumption is that you had asked for additional letters of recommendation.

MS. DRUGER. Where are you?

MR. FERGUSON. This is Tab 6, page 2. The first page of Tab 6 is a fax cover page. The second page is a letter from--Dear Hannah, enclosed are some other references letter that you asked for, along with another statement from me concerning my reasons for adoption. I hope this what you were looking for. Matthew Mancuso. Why did you ask for additional letters of recommendation?

MS. DRUGER. I am wondering if I was asked by the social work supervisor to cover a category such as a neighbor, someone, maybe a person that knew him better. I don't remember, but I don't know if--I really don't remember specifically, but usually I would think that the reference letter would have to incorporate a certain familiarity, not just coworkers. So I don't know.

MR. FERGUSON. Who was working at the company at the time, at the agency?

MS. DRUGER. I was. I was there with Jeannene and we had a social work supervisor as well. Every agency has to have an executive director and a social work supervisor. She is not here.

MR. FERGUSON. And you weren't licensed, so you didn't necessarily have a social worker there.

MS. DRUGER. At this time, I think she was licensed May 1998. I don't know.

MR. FERGUSON. This is February.

MS. SMITH. At the time of that letter, it is before Mr. Wallace states he delivered the letter to us.

MR. FERGUSON. Okay.

MS. DRUGER. FTIA.

MR. FERGUSON. The point is, this isn't a big bureaucracy. There aren't thousands of people and it kind of got lost in a shuffle. There is three people in an office. No one knows why there was a request for additional letters of recommendation. This is the mystery. It is another mystery. What was the problem?

MS. DRUGER. There is nothing--

MR. FERGUSON. Someone wanted more letters of recommendation. A red flag went off. Somebody's conscience said there could be a problem here. I want to know who thought of that, what the red flag was, and why these additional letters of recommendation were requested. Ms. Druger, can you answer that question?

MS. DRUGER. I am sorry, I can't.

MR. FERGUSON. Ms. Smith, can you answer that question? Do you agree that this is an important question to have an answer for?

MS. SMITH. Yes, I do.

MR. FERGUSON. Serguei, can you tell me why?

MR. DYMTCHENKO. Unfortunately I cannot, but I can tell you that the letters of recommendations were not required by Russia, so they are not recognized as official documents. It could be prepared by anyone, so it is not official document. I don't know why they asked for it.

MR. FERGUSON. If the post-placement reports are not done, what does the Russian government do to that agency?

MR. DYMTCHENKO. Then it was a different procedure, but I personally send some of the request letters from the Russian minister--

MR. FERGUSON. Okay, let me rephrase. I am sorry to interrupt you. I am very short on time. How did the Russian government feel about this particular situation, where the post-placement report was not done?

MR. DYMTCHENKO. Usually, we used to--in writing post-placement reports and some of those letters I send personally to Jeannene Smith--

MR. FERGUSON. Were they--

MR. DYMTCHENKO. --because she was not complying with some other cases as well.

MR. FERGUSON. Were they pleased with what was going on here or displeased?

MR. DYMTCHENKO. Of course displeased.

MR. FERGUSON. Displeased.

MR. DYMTCHENKO. The post-placement report is the most important tool in supervision of the living of the child after adoption in a new family.

MR. FERGUSON. For very obvious reasons, yes.

MR. DYMTCHENKO. Yes, of course.

MR. WHITFIELD. The gentleman's time has expired.

MR. FERGUSON. Thank you, Mr. Chairman.

MR. WHITFIELD. Mr. Dymtchenko, the Russian government is aware that Mr. Mancuso was convicted of child molestation and is in prison today, is that correct?

MR. DYMTCHENKO. I personally was investigated by general prosecution office of Russian Federation twice on this case.

MR. WHITFIELD. So they are aware.

MR. DYMTCHENKO. And not just me, every single person who was involved the case in Russia.

MR. WHITFIELD. Okay.

MR. DYMTCHENKO. The judge, the prosecution, the Minister of Education, every single one.

MR. WHITFIELD. Now, I would assume that if these post-placement reports were not conducted, that the government of Russia may be less interested in using that agency for adoption purposes. Would that be accurate or not accurate?

MR. DYMTCHENKO. Oh, I believe so.

MR. WHITFIELD. So I mean--

MR. DYMTCHENKO. But--

MR. WHITFIELD. --everything seems so hodge-podge here and without any strict regulations and everything being very nebulous and arbitrary, it almost appears that the only reason that any of these adoption agencies would even ask for a post-placement report is they want to make sure they get additional adoptions opportunities from the Russian government.

MR. DYMTCHENKO. But since 2001, Russia requires the agencies operating in Russia be accredited by the Russian government.

MR. WHITFIELD. Yes, yes.

MR. DYMTCHENKO. The procedure has changed.

MR. WHITFIELD. Well, you seem to be further along than we are in this country. I mean, if there ever was an area that needs to be regulated by the Federal government, this is the area. And I would just ask Ms. Smith, what is your gross income per year at your agency?

MS. SMITH. Me personally?

MR. WHITFIELD. Your agency. What is the gross revenue?

MS. SMITH. I have no idea.

MR. WHITFIELD. You don't know? Mr. Wallace, what about you?

MR. WALLACE. Mr. Chairman--

MR. WHITFIELD. You don't know how much your gross revenues are with your fees? I mean, I can't believe you can sit there and say that you own this agency, you are licensed, and you don't know what your income is.

MS. SMITH. I have an accountant that does that and we file, but I don't--

MR. WHITFIELD. I am not asking you to--

MS. SMITH. Put a range.

MR. WHITFIELD. I am asking you just a range of your gross revenue.

MS. SMITH. I honestly don't know the answer to that question.

MR. WHITFIELD. Mr. Wallace, what about you?

MR. WALLACE. Which year?

MR. WHITFIELD. Any year. I guess the most recent.

MR. WALLACE. Well, we started out with probably \$50,000 in gross revenues and we have been blessed to do well and at this point, calendar year 2006, we will probably have about two and a half million dollars in revenue.

MR. WHITFIELD. Okay. Well, I would hope that the other members of the subcommittee, even though Oversight and Investigations is not a legislative subcommittee, we do make recommendations on legislation, and I hope that all of us maybe could agree that this is an area that we need to explore some Federal legislation on this area. I yield to Mr. Stupak.

MR. STUPAK. Thank you, Mr. Chairman. Mr. Wallace, are you aware of any adoption agencies being shut down by State officials?

MR. WALLACE. I am sorry. Am I aware of any adoption agency being shut down?

MR. STUPAK. Sure. You are in Indiana, right?

MR. WALLACE. I am in Indiana.

MR. STUPAK. Do you know of any Indiana?

MR. WALLACE. I cannot--there is one in Florida that I am aware of, because I read adoption news.

MR. STUPAK. Yes, one in Florida.

MR. WALLACE. And there was one in a lot of trouble that I think was on probation maybe a year ago in Indiana. Unfortunately, I don't know of more.

MR. STUPAK. Well, it sounds like there is no standards and there is no enforcement in the world of adoption, is that right?

MR. WALLACE. I think it is very, very, very poorly regulated on a State by State basis. Some States have a little better oversight and regulation; many States have poor regulation. When there are problems, the agency usually has reasons why and promises not to do it again and--

MR. STUPAK. And that is about it.

MR. WALLACE. -there are very few consequences.

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MR. STUPAK. I find it amazing that no one checks references. But before you hire someone, do you check their references?

MR. WALLACE. Yes.

MR. STUPAK. So you check references for hiring but not for adoptions?

MR. WALLACE. I am sorry?

MR. STUPAK. So you check references for hiring someone but not for references to place someone in a home?

MR. WALLACE. I would say it is absolutely not a common practice for adoption agencies to verify letters of reference. As I sit here today, it certainly--hindsight seems like it would be a great idea, but I do see a couple of issues. First of all, adoptive parents do have to jump through many hoops. There are sex abuse checks, child abuse checks, criminal checks.

MR. STUPAK. Well, then why did all of those fail here?

MR. WALLACE. The system isn't perfect. I am not here to defend it-

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MR. STUPAK. Right.

MR. WALLACE. --but I am just saying adoptive parents have to work very hard to become adoptive parents. Thankfully, I hope and pray that Mr. Mancuso's case is one isolated incident. It may not be. And we do need a good standard and as I said--

MR. STUPAK. Well, let me ask you this question. Would you agree with Mr. Dymtchenko that the most important thing is the post-adoptive report?

MR. WALLACE. Yes. I mean, I think making sure the person--

MR. STUPAK. Sure.

MR. WALLACE. --as a qualified candidate, according to current standards, and there is a Federal FBI fingerprint check and everything, but yes, after that child is placed in the home, the most important thing is the post-placement.

MR. STUPAK. So even the most important thing in this case was never done, right?

MR. WALLACE. It was--from what I have heard and listened to--

MR. STUPAK. Right.

MR. WALLACE. --and so forth, no.

MR. STUPAK. Well, Ms. Smith, can you tell us why it was never done, the post-adoption report?

MS. SMITH. It seems evident that there were--

MR. STUPAK. Pardon?

MS. SMITH. It seems evident that there were attempts to have it done.

MR. STUPAK. What attempts were they?

MS. SMITH. There was notification sent. There were reports submitted that we have since found are probably fraudulent reports. We need tools and we need laws that will enforce this.

MR. STUPAK. Well, let me go to--go to Tab 12 for me, would you? Go to Tab 12. Do you have it there, a two-page report?

MS. SMITH. Yes.

MR. STUPAK. Okay, go to the second page. You sent Matthew a welcome home letter and the post-placement schedule and the dates are on there, 11/98, 3/99, and 7/99.

MS. SMITH. Yes.

MR. STUPAK. Who wrote that out there?

MS. SMITH. I don't know.

MS. DRUGER. I did.

MR. STUPAK. Ms. Druger?

MS. SMITH. That is her handwriting, yes.

MS. DRUGER. Yes.

MR. STUPAK. Okay. And then how about the next one, 9/25/98, received letter and photos from Matt. Sent to--

MS. DRUGER. That is mine, too.

MR. STUPAK. Okay. Now, was that a post-adoption report, then? You received a letter and photos?

MS. SMITH. I think it was referring to that note that came with the--that handwritten note that he wrote to me.

MR. STUPAK. Okay, but that is not a post-placement report, right?

MS. SMITH. No.

MR. STUPAK. Correct? This note from him is not a post-placement report?

MS. SMITH. No, it is not.

MR. STUPAK. Okay. 2/24/99, the next entry. Left a message requesting a post-placement report. Who is L.B.? Whose handwriting would that be?

MS. SMITH. That is Leslie Breslau, the social work supervisor.

MR. STUPAK. Okay. So how about 3/30/99, filed copy of post-placement and gave to Leslie to mail to Serguei? Filed copy in chart.

MS. DRUGER. That is mine.

MR. STUPAK. That is yours again, Ms. Druger?

MS. DRUGER. Yes.

MR. STUPAK. Okay. Then how about this one, 11/16/2000, sent PP? That is post-placement report, I take it, Number 4, to Matt Mancuso. The next is dated 7/2/01, correct?

MS. DRUGER. That is my handwriting.

MR. STUPAK. Okay. What does that mean?

MS. DRUGER. That means that the report that I generated with him, I sent him a copy as well.

MR. STUPAK. Okay, the report you generated with him, is this the one you did by phone?

MS. DRUGER. Correct.

MR. STUPAK. Why would you call it PP Number 4?

MS. DRUGER. That was a way to keep in chronological order.

MR. STUPAK. Okay, but--

MS. DRUGER. Also, I believe in--

MR. STUPAK. Well, are you telling me there is four post-placement reports on this case?

MS. DRUGER. No, that is my way of keeping in chronological order. The one that I--

MR. STUPAK. Okay. What does Number 4 mean then?

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MS. DRUGER. The one that I was involved with would have been the fourth post-placement report requested.

MR. STUPAK. Okay. So you have a person with four requests for a post-placement and as far as we know, he only filed one, correct?

MS. DRUGER. When I last saw the file, there was only one there.

MR. STUPAK. Well, did you follow up on it then, when you only saw one there?

MS. DRUGER. The follow-up I did was the report.

MR. STUPAK. Was the telephone call?

MS. DRUGER. Yes, it was the report in 2000.

MR. STUPAK. What about the one that was due in July of 2001, did anyone follow up on that?

MS. DRUGER. When I completed the report, then I gave it to our Executive Director, Marlene.

MR. STUPAK. Okay.

MS. DRUGER. And my best recollection is, I said to her, I am really not comfortable with doing these. I don't want to do another one.

MR. STUPAK. Not comfortable doing what, these reports?

MS. DRUGER. A telephone post-placement with someone who was living out of State.

MR. STUPAK. So why didn't you have someone go visit the home then, if you are not comfortable with it?

MS. DRUGER. Well, the reports are voluntary. He could have perhaps let someone. At the time--

MR. STUPAK. Well, how can a report be voluntary when it is the critical aspect? The post-placement report, that is the critical part, the most important document that we have in adoption. How can that be voluntary? You said the reports are voluntary.

MS. DRUGER. The reports are voluntary. The State statutes do not speak to completed adoption post-placement supervision. The requirement--

MR. STUPAK. But does a Russian law?

MS. DRUGER. The Russian law does, but the State laws do not.

MR. STUPAK. So when you are sitting in your office when you are doing an adoption with a Russian child, what laws do you give credence to, the State of New Jersey or Russian?

MS. DRUGER. I give the New Jersey laws credence.

MR. STUPAK. How about Russian?

MS. DRUGER. And I tell the families that this is a requirement of the country you are adopting from, whichever it may be.

MR. STUPAK. Okay.

MS. DRUGER. And that these are--it is now in the agency contract.

MR. STUPAK. So the bottom line is now--

MS. DRUGER. That is something we are going to require of you. But if you look carefully at the New Jersey adoption standards, even to this day, finalized adoption reporting--

MR. STUPAK. Well, you are talking about--

MS. DRUGER. --are silent on.

MR. STUPAK. You are talking about the--

MS. DRUGER. To put this technically, yes.

MR. STUPAK. When you talk about this New Jersey adoption, did you have any policy in your office on how you are supposed to do this stuff? You talk about these standards.

MS. DRUGER. To do the reports?

MR. STUPAK. Or the adoption or your aspects. Did you have any written policy? In this office of Reaching Out Thru International Adoption, Incorporated, did you have written policies in that office?

MS. DRUGER. Of course.

MR. STUPAK. You did. Did they require you to do a post-placement report?

MS. DRUGER. They require us to make every single attempt that we can to get the information. When I was requested--

MR. STUPAK. Then what did--

MS. DRUGER. --to do the one report I did, and I did let the director know at that time I was not going to be doing another one.

MR. STUPAK. And then what did you do after July 21, I am sorry, July 2001, to get one from Mr. Mancuso?

MS. DRUGER. The subject never came up again.

MR. STUPAK. It never came up again until--

MS. DRUGER. No.

MR. STUPAK. --today?

MS. DRUGER. No, not until today, but I mean, it never came up between us at that time.

MR. STUPAK. Okay. But has your--

MS. DRUGER. My understanding was that perhaps other avenues were handling this.

MR. STUPAK. Who told you other avenues were handling this?

MS. DRUGER. No one told me that, but I--

MR. STUPAK. So you just assumed?

MS. DRUGER. I made it clear that that was not something I was going to do. I am licensed in the State of New Jersey to work with New Jersey families. I felt that if anyone should be doing that report, it should be someone in Pennsylvania.

MR. STUPAK. So did you contact anyone in Pennsylvania?

MS. DRUGER. No, I let the director know I wasn't going to do it and it never came--

MR. STUPAK. And the director--

MS. DRUGER. It was never discussed again as, okay, we have to get X, Y, and Z completed, done, finished. I never heard from--to the best of my recollection, I never heard from any other entity regarding this case.

MR. STUPAK. How would any other entity know about if you didn't tell them? So why would some other entity notify you about this case if you never notified them?

MS. DRUGER. The entities I refer to are the foreign officials.

MR. STUPAK. The foreign officials?

MS. DRUGER. Yes. There were no further requests ever made.

MR. STUPAK. Well, did your agency ever tell Pennsylvania that this child you helped to pursue the adoption with was now in Pennsylvania? Is that one of your requirements?

MS. DRUGER. If you are speaking at the time of the child's homecoming, that I--

MR. STUPAK. I am talking about Masha Allen.

MS. DRUGER. No, I understand.

MR. STUPAK. When you know she is going to Pennsylvania, aren't you supposed to notify Pennsylvania? Isn't that one of your requirements of your license?

MS. DRUGER. I was not in the employ of Reaching Out at the time of the child's homecoming, so I can't speak to that standard or that practice, what they did at that time. It is clear that there is a letter here from the previous casework supervisor outlining what was necessary to the adoptive parent.

MR. STUPAK. But wasn't Reaching Out Thru International Adoption required to contact Pennsylvania officials to tell them that this person has moved to their State? So the State adoption laws, as Mr. Baird testified, that would have been critical there.

MS. DRUGER. I am not versed in the Pennsylvania adoption laws.

MR. WHITFIELD. The gentleman's time has expired.

MR. STUPAK. Thank you, Mr. Chairman. It is a panel of see no evil and hear no evil and speak no evil.

MR. WHITFIELD. Yes, yes. Mr. Ferguson, Mr. Walden yielding you his time and we were going to recognize you again for 5 minutes, then we will go to Dr. Burgess, and then I still think we will have time to go to the floor for a vote and then after your questions, we can dismiss this panel.

MR. FERGUSON. Mr. Wallace, how many kids--how many children have you all placed for adoption over the years?

MR. WALLACE. About 3,000.

MR. FERGUSON. Three thousand. Do you still talk to any of them?

MR. WALLACE. Many?

MR. FERGUSON. Yes?

MR. WALLACE. We have a reunion every year. We had about 2,000 people this year. We have an East Coast picnic. We get cards and letters. We let people know we are available if they need resources. We have had families call us and say, I think this other family has an issue or a problem, and we will take it and run with it.

MR. FERGUSON. Ms. Smith, how many children have you and your organization placed for adoption over the years?

MS. SMITH. A few hundred.

MR. FERGUSON. A few hundred. Do you have activities like that or do you ever see them? Do you ever talk to them?

MS. SMITH. Yes.

MR. FERGUSON. In what circumstances?

MS. SMITH. We have had reunions and gatherings.

MR. FERGUSON. Would you just pull the microphone closer? Sorry.

MS. SMITH. We have had some reunions, gatherings. We are much smaller. But yes, we see the families and the kids and that is a very big part of what we do.

MR. FERGUSON. Rewarding, isn't it?

MS. SMITH. Yes.

MR. FERGUSON. In the case of Masha, as far as we can tell, once she was placed in Mr. Mancuso's home, am I wrong about this, did anybody talk to her or Mr. Mancuso at all since that day? Has anyone? Ms. Smith, have you?

MS. SMITH. The file indicated that two of our social work supervisors spoke with Mr. Mancuso.

MR. FERGUSON. Okay.

MS. SMITH. And again, there was a post-placement report in the file. We did not know it was fraudulent at the time.

MR. FERGUSON. Ms. Eiferman, was it you who--did you speak to him?

MS. EIFERMAN. I had perhaps a 30-minute conversation with him once.

MR. FERGUSON. Post-placement?

MS. EIFERMAN. Correct. Post-adoption, correct.

MR. FERGUSON. Did you talk to her?

MS. EIFERMAN. This was conducted during work hours or work/school hours, so I spoke only with the father.

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MR. FERGUSON. Did anyone else, either of you? You didn't speak to him. Did you ever wonder how she was doing, Ms. Smith?

MS. SMITH. We always wonder how the kids are doing.

MR. FERGUSON. How frequent is it that you have an adoptive parent who will not communicate, will not have someone come to the home, essentially nonresponsive, other than a phone conversation? Is that very frequent?

MS. SMITH. The problem has been pervasive in the industry. We have taken--

MR. FERGUSON. No, I am just talking about you. Is it common at your agency to deal with adoptive parents where you have placed a child--

MS. SMITH. It has happened.

MR. FERGUSON. Is it common?

MS. SMITH. It is less now, because we have taken steps to try and make it forcible. We make them prepay in advance now and we put it in a contract.

MR. FERGUSON. No, no, that is good, that is good. Good. If you have a parent who sort of wants nothing to do with you after placement of the child, how does that make you feel? Do you wonder about what is going on?

MS. SMITH. We do, but there is nothing we have been able to do about it. We have had cases like that.

MR. FERGUSON. Does it bother you?

MS. SMITH. It does. We have tried contacting DYFS, State agencies, and they want nothing to do with it. You are left helpless.

MR. FERGUSON. You were left helpless?

MS. SMITH. Yes.

MR. FERGUSON. That is quite a statement to make after we know what happened to Masha, isn't it?

MS. SMITH. It is.

MR. FERGUSON. There was definitely somebody left helpless here. I yield back.

MR. WHITFIELD. Thank you, Mr. Ferguson. Dr. Burgess, you are recognized for 5 minutes.

MR. BURGESS. Thank you, Mr. Chairman. Mr. Wallace, this is a bad case, isn't it?

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MR. WALLACE. I am sorry?

MR. BURGESS. I said this is a bad case, isn't it?

MR. WALLACE. Yes.

MR. BURGESS. Mr. Baird, and I appreciate the very thorough report that you have given us. You would agree, too, this is a bad case?

MR. BAIRD. Yes.

MR. BURGESS. And bad cases make bad law, but you know, we are left with a situation here that we just can't help but react to. You said that it is not unusual to have a single man adopt a female child, is that correct, or that does occur? Was that your testimony where I heard that comment made?

MR. BAIRD. I said it is allowed in Pennsylvania. I mean, I should have said it is allowed in Pennsylvania. Anybody can adopt in Pennsylvania. There is no--

MR. BURGESS. Will you give me an idea of how many?

MR. BAIRD. How many?

MR. BURGESS. What kind of numbers we are talking about.

MR. BAIRD. I have no idea how many single men have adopted. I know there are over two million single fathers who are parents in the United States.

MR. BURGESS. But I don't mean to cast any aspirations on that group, but we heard testimony yesterday from a psychologist that 20 percent of men fantasize about a pedophilic relationship and 10 percent act on it. The numbers actually may be more toward the 20 percent with the advent of the Internet. I would submit that it may be something that whoever keeps these records and keeps tabs on these children, really may want to pay some attention to. We have no idea. I don't. Does anyone on the panel have an opinion as to whether or not this just such an outlier that we don't really need to worry about it, or is happening tonight? Does anyone have an opinion on that? Mr. Wallace, what do you think?

MR. WALLACE. I think that there is about 20,000 kids adopted every year internationally and that is the past several years. It has gone up and down over the years. And my hope and pray is that--in the opening statement by the Chairman, he said about bringing kids to the United States. To me, adoption is not about bringing kids to the United States. Adoption is about bringing kids into a loving permanent safe home. There are kids that leave this country that are adopted overseas into hopefully loving safe homes. My comment is I am not a big fan of regulation, but I have often said I wish no one could bring a child into their home, biological or adoption, without a home study, because nine times out of ten a home study is a good tool. It helps people prepare for parenting and it does catch some folks that aren't prepared. People are rejected. That being said--

MR. BURGESS. Well, it is the practice of your company to do a home study and these post-placement events would have occurred had the adoptions stayed through your agency.

MR. WALLACE. Absolutely.

MR. BURGESS. Well, should an agency that gets a post-placement report from any agency that they don't know, should you require that they produce a license or some type of documentation or verification that they are, in fact, an agency of record?

MR. WALLACE. We would require with a post-placement a copy of the agency's license.

MR. BURGESS. Ms. Smith, what do you think about that? Do you think if your firm contracts with an agency for a post-placement review, that you don't know that firm, they are new to you, should you require any additional documentation, a license, something to show that they are bona fide firm?

MS. SMITH. I would like to ask my social work supervisor on that.

MR. BURGESS. But I am really interested in your response because you are the owner of the company. I mean, I have owned a company and I know, the buck stops here. Are you going to accept this or should you get further documentation that this is indeed a reputable company? Because it looks like you had two post-placement checks on this child, one was fraudulent and one was phoned in, and the third wasn't done. And it was the worse of possible circumstances that you left this baby in.

MS. SMITH. It is my understanding that we get copies of licenses. Again, I can ask Carol to verify that, when we get post-placement.

MR. BURGESS. Yes, but Carol didn't work for you then, when we got this fraudulent one from whoever it was. Now I have forgotten which tab it was. We have been through this so much. Tab 13, Social Services of Western Pennsylvania, March 23, 1999. Carol, you didn't work there then, did you?

MS. EIFERMAN. No, I did not, but I can speak only to the current practice.

MR. BURGESS. All right, the current practice.

MS. EIFERMAN. I can't speak to the practice at that time.

MR. BURGESS. But the current practice is?

MS. EIFERMAN. Well, the current practice is that when--it is traditionally done, that the agency that home studies a client is also the agency that will return for post-placement visits. And we do give the family--

MR. BURGESS. But that didn't happen in this case.

MS. EIFERMAN. Okay.

MR. BURGESS. Southwest Services of Western Pennsylvania, apparently it is a company nobody has ever laid eyes on.

MS. EIFERMAN. There is occasionally--in the current practice, occasionally we will have a family that, for whatever personal reason, will leave their home study agency and have a different person or agency do their post-placement reporting. We have built into our system at the present time, that they must either prepay--

MR. BURGESS. What about requiring records from their doctors and their teachers, do you ever ask for things of this nature? I cannot believe a child would have sustained this degree of abuse over and over again and not have some medical difficulties on account of it. I mean, I just can't believe that that would happen.

MS. EIFERMAN. When myself and our social workers conduct the in-home post-placement reports in the State of New Jersey, yes, we do. We ask for a letter from either the pediatrician or perhaps the family practice physician to attest that the child is receiving care and to write a statement about the child's health at that time.

MR. BURGESS. I don't know about New Jersey or Pennsylvania. In Texas it is a law that if a doctor suspects something going on, they have to call CPS--

MS. EIFERMAN. Correct.

MR. BURGESS. --the Child Protective Services, before the sun sets. I mean, it is not an option, it is not negotiable, it has to happen. I am assuming it is the same in your State as well.

MS. EIFERMAN. We have the same law here and it extends past physicians.

MR. BURGESS. Mr. Chairman, I don't know what to say. The system failed this child repeatedly for a number of years. A statement was made that perhaps all of us bear some responsibility. I don't know, maybe that is true, but I got a feeling from this panel in front of us, some people are more responsible than others. It is a bad case. I will be surprised if there wasn't litigation. I don't understand why someone is not in jail. And I will yield back.

MR. WHITFIELD. Thank you, Dr. Burgess. With that, I would like to excuse this panel. We appreciate your being with us this afternoon. We have two votes on the House floor, then we will be coming back and I would say we will be back at about, at the latest, 15 until 5:00 and then we will call up the second panel. And I apologize in advance to the two panelists on the last panel, and we will be back as soon as possible. So we are in recess until 4:45.

[Recess]

MR. WHITFIELD. Okay, we will call the hearing to order, and we appreciate you all being with us, Mr. Rolsky, who is a board member of the Joint Council on International Children's Services in Alexandria, Virginia, and Ms. Trish--is it Maskew?

MS. MASKEW. Maskew.

MR. WHITFIELD. Maskew--President of Ethica, Incorporated in Silver Spring, Maryland. As you know, this is an Oversight and Investigations hearing and we do take testimony under oath, and do either or you object to testifying under oath?

If you would please stand and raise your right hand.

[Witnesses sworn]

MR. WHITFIELD. Thank you very much. You are both under oath now and, okay, Ms. Maskew, you are recognized for 5 minutes for your opening statement.

TESTIMONY OF TRISH MASKEW, PRESIDENT, ETHICA, INC.; AND JARED ROLSKY, BOARD MEMBER, JOINT COUNCIL ON INTERNATIONAL CHILDREN'S SERVICES

MS. MASKEW. Thank you, Mr. Chairman, and thank you for the opportunity to testify today. I am Trish Maskew, President of Ethica, a nonprofit advocacy group dedicated to improving ethics in adoption. Ethica was founded in 2002, in the wake of the Cambodian adoption crisis, as an independent voice for reform. And to maintain our independence, Ethica does not accept monetary support from anyone who places children for adoption.

Before founding Ethica, I worked for an adoption agency and I also served on the board of directors and as interim director of Joint Council. When the problems in Cambodia came to light, I had recently been asked by my agency's director to take over the program there. In the year that followed, I became disillusioned and shocked at the unethical and illegal activity that some were engaged in. I entered the world of adoption believing what I had always heard, that most agencies operated ethically and that there were a few bad apples. I no longer believe that is true. While I believe that the vast majority of adoption professionals are well intentioned, the unregulated environment they work in, the money that can be made, and most often their concern for children and their desire to help encourage bad practices and lead some to employ situational ethics, believing that the end justifies the means. Some try to excuse the situation in Cambodia by noting that all of the cases were cleared and only two people were convicted of illegal activity. But the truth is that agencies were falsifying home studies, bending the rules and engaging in willful blindness, ignoring the red flags that signal trafficking, bribery, and visa fraud. Perhaps most shocking to me was the realization that other professionals who stood side by side with me throughout that crisis were able to walk away and continue operating in the same fashion in other countries.

As I became increasingly aware of these problems, I knew I would never again be able to work in an agency and be responsible for families and children until practices improved. I

became convinced that adoption needed an entity that was free of the financial interests that encourage bad practices, and so I resigned and 6 months later I founded Ethica. I have also parented several children, including two sons adopted internationally. And in 2003, I was invited to The Hague, where I researched and wrote the first draft of an implementation manual of the Adoption Convention.

Adoption is one of the most unregulated industries in America today, and as a parent and an adoption professional, I don't use that word lightly, but adoption is big business and regulation hasn't changed with the times.

Recently Ethica, in cooperation with the National Association of Attorneys General, conducted a survey on adoption regulation, and while the full report is still in progress, the preliminary data shows that only three States require specific licensure for international adoption. Only two require that agencies provide educational background information on their overseas employees. The reality is that most States did not acknowledge the vast differences between adoption from foster care and international adoption. One area that is greatly impacted by this is post-placement monitoring. In adoption from foster care, a family might have lengthy visits with a child and a long post-placement period before adoption, and so regulations generally only require monitoring until an adoption is finalized. But a family adopts internationally, they might find themselves the legal parent of a child within hours of their first meeting. There is virtually no time to assess the rightness of the placement and no guarantee the foreign staff has any child welfare training. These parents return to the State with a finalized adoption and no post-placement monitoring. Some States, however, require that adoptive parents readopt the child, because the State doesn't recognize the foreign adoption decree. And in those States there is more opportunity for monitoring, because regulations can be applied to parents adopting internationally.

The lack of appropriate regulation in adoption today means that the driving force between decisions and policies is often the market and not the best interest of children. Too often an adoption is done in the best interest of the adoptive parent. And while we all recognize that the child, and sometimes birth and adoptive parents are victimized by this, Ethica also recognizes that there can be a fourth victim, adoption agencies who try to operate in the best interest of children. There is sadly too many agencies that cut corners in ways that are dangerous, as we have seen today, and they should be stopped. But there are other agencies that acknowledge that more services are needed than are mandated by law. If an adoption agency were to place an older child from Russia, for example, and know that it is in the best interest of the child that they monitor that family, even if the State doesn't require it, they could choose to require the family to sign a contract, saying that they would do post-placement monitoring, and some agencies do this. But if an adoptive parent has three agencies in their town who will do a home study and only one requires post-placement monitoring, the parents are most likely going to choose the easiest and fastest route.

The same principle holds true for home studies. When I did my first home study in 1994, my agency required us to complete the same training program required for families from foster care, which was 10 weeks of classes in addition to home study visits. Those classes were invaluable to me as a parent and no doubt helped my agency get a better sense of me as well. Since that time, however, agencies have been moving to fewer and fewer requirements, because regulation doesn't require them and because they are in constant

competition with other agencies that will do home studies without education, sometimes in only 3 to 4 weeks. One has to wonder if 10 weeks of classes would have allowed time to interview Mr. Mancuso's birth daughter, or maybe to probe his motivations for adopting. Likewise, we have to wonder whether a single post-placement visit would have said Masha years of abuse. While I believe it is impossible for anyone to design a home study that would be 100 percent effective in protecting children, I also believe it would help to require that parents adopting internationally have the same training and post-placement supervision as those adopting from foster care.

Some believe that the hate regulations will fix this problem, but we are not so optimistic. Among the many problems in the regulations, they mandate that every parent undergo 10 hours of training, but they allow such training to be done in the form of on-line classes or video tapes. I do not see how requiring Mr. Mancuso to watch 10 hours of videotapes in his own home would have protected Masha. The regulations also require post-placement monitoring, but only until an adoption is finalized. And finally, the regulations will only apply to adoptions between Hague countries, leaving many children, currently all those adopted from Russia, unprotected. By failing to adequately regulate this industry, we do a grave disservice to children. It is our hope that someday that will change. Thank you.

[The prepared statement of Trish Maskew follows:]

PREPARED STATEMENT OF TRISH MASKEW, PRESIDENT, ETHICA, INC.

Thank you for the opportunity to testify today. I'm Trish Maskew, president of Ethica, a non-profit advocacy group dedicated to improving ethics in adoption. Ethica was founded in 2002, in the wake of the Cambodia adoption crisis, as an independent voice for reform. To maintain our independence, Ethica does not accept monetary support from anyone who places children for adoption.

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Some tried to excuse the situation in Cambodia by noting that all the cases were cleared and only two people were convicted of illegal activity (a subject I explored in depth in an article entitled "Child Trafficking and Intercountry Adoption: The Cambodian Experience, Cumberland Law Review, 2005) but the truth is that agencies were falsifying homestudies,

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bending the rules, and engaging in willful blindness, ignoring the red flags that signaled trafficking, bribery and visa fraud. Perhaps most shocking to me was the realization that other professionals who stood side by side with me through that crisis were able to walk away and continue operating in the same fashion in other countries. As I became increasingly aware of the problems, I knew that I would never again be able to work in an agency, and be responsible for families and children, until practices improved. I became convinced that adoption needed an entity that was free of the financial interests that encouraged bad practices. I resigned and six months later, I founded Ethica.

I've parented several children, including two sons adopted internationally. In 2003, I was invited to The Hague where I researched and wrote the first draft of an implementation manual on the adoption convention.

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One area that is greatly impacted is post-placement monitoring. In adoption from foster care, a family may have lengthy visits with the child and a long post-placement period before adoption, and so regulations generally only require monitoring until finalization. But when a family adopts internationally, they may find themselves the legal parents of a child within hours of their first meeting. There is virtually no time for the parents to assess the rightness of a placement, and no guarantee that the foreign staff has any child welfare training. These parents return to their state with a finalized adoption and no post-placement monitoring.

Some states do require that the adoptive parents re-adopt a child because the state does not recognize the foreign adoption decree. In those states, there is more opportunity for monitoring because regulations can be applied to internationally adopting parents.

The lack of appropriate regulation in adoption today means that the driving force behind decisions and policies is often the market, not the best interests of children. Too often, an adoption is done in the best interests of the parent. And while we all recognize that the child, and sometimes birth and adoptive parents, are victimized, Ethica also recognizes that there can be a fourth victim-adoption agencies that try to operate in the best interests of the child.

There are sadly too many agencies that cut corners in ways that are dangerous. Yet there are other agencies that acknowledge that more services are needed than are mandated by law. If an adoption agency places an older child from Russia and knows, unequivocally, that it is the best interests of the child to monitor that family even though the state doesn't require it, they could choose to require the family to sign a contract mandating post-placement monitoring. Some agencies do. But if an adoptive parent has three agencies in their town that

will do homestudies and only one agency requires post-placement services, the parents will most likely choose to go the least expensive, easiest route.

The same principle holds true for homestudies. When I did my first homestudy in 1994, my agency required us to complete the same training program required for families adopting from foster care--10 weeks of classes in addition to homestudy visits. Those classes were invaluable to me as a parent, and no doubt helped my agency get a better sense of me as well. Since that time, however, agencies have been moving to fewer and fewer requirements because regulation doesn't require them and because they are in constant competition with other agencies that will do homestudies without education, sometimes in only 3-4 weeks.

One has to wonder if 10 weeks of classes would have allowed time to interview Mr. Mancuso's birth daughter, or to probe his motivations for adopting. Likewise, one has to wonder whether a single post-placement visit would have saved Masha years of abuse. While I believe it is impossible for anyone to design a homestudy that would be 100% effective in protecting children, I also believe that it would help to require that parents adopting internationally have the same training and post-placement supervision as those adopting from foster care.

Some believe that the Hague regulations will fix the problem. We are not so optimistic. While the regulations mandate that every parent undergo ten hours of training, they allow such training to be done in the form of online classes or videotapes. I do not see how requiring Mr. Mancuso to watch ten hours of videotapes in his own home would have protected Masha.

The regulations also require post-placement monitoring only until an adoption is finalized. And finally, the regulations will only apply to adoptions between two Hague countries, leaving many children, currently including all those adopted from Russia, unprotected.

By failing to adequately regulate this industry, we do a grave disservice to children. It is our hope that someday that will change.

MR. WHITFIELD. Thank you, Ms. Maskew. Now, I understand that you may or may not have to leave before we finish, so if you do, we will understand and thank you for being here. Mr. Rolsky, you are recognized for 5 minutes for your opening statement.

MR. ROLSKY. Thank you, Chairman Whitfield and Ranking Member Stupak. I am pleased to be here to talk to the subcommittee about exploitation of children, and I hope the hearings will result in the goal of helping promote safe, loving and permanent homes for all children. I am going to address today something about the Joint Council on International Children's Services, what the Council believes and specific areas of home study preparation and post-placement services in adoption and how these definitions have evolved over the years, interstate adoption standards and lastly, the importance of post-placement and post-adoption reporting.

I have a Masters Degree in social work from the University of Pennsylvania. I have been working in the field of mental health and adoptions for over 35 years. I am currently the Executive Director of Golden Cradle Adoption Services, who serves both domestic and international adoptions, and we are located in Cherry Hill, New Jersey, which, I guess, says something about some of these issues. I am also a recent member of the Board of Directors of the Joint Council on International Children's Services and last year was chair of the Ethics Committee, whose job was to establish standards of practice, to revise and establish new standards of practice for our member agencies.

JCICS has been involved in international child welfare since 1976 and over that time has developed an appreciation of the complexity related to the processes and approaches that serve to protect children while hopefully meeting their needs of permanency, safety, and love. Collectively, we have over 240 members and those organizations serve approximately 80 percent of all the international adoptions in the United States. JCICS, as a value, believes that all children need to have a permanent home, deserve to have permanent, loving homes when the child cannot be safely cared for by their birth families, or in permanent adoptive homes within their country of birth.

We believe that inter-country adoption can be a positive option for these children. It is one of the largest child welfare organizations around and the mission is to advocate on behalf of children in need of permanent, safe, loving homes, promote ethical child welfare practices, strengthen professional standards, and educate adoptive families, social service professionals and government representatives throughout the world. International child welfare agencies, child advocacy groups, parent support groups, and international medical clinics choose to be members of the Joint Council.

All of our member agencies are required to subscribe to and establish standards of practice which is designed to protect the rights of children, above all else, as well as birth parents and adoptive parents. Some of the definitions of the things that we have been talking about today have changed over the years, especially since the 1990s, when this incident occurred and I just want to address that. Post-placement services today is defined by, as a result of the Hague Treaty; it means services to the child and the family from placement through finalization. Post-adoption services, which was referred to today without a definition, basically means services after the finalization to that family and that child.

Prior to the Hague Convention on the Protection of Children and Co-Operation in Respect of Intercountry Adoption, there was little differentiation between those two definitions. All services after the placement of the child, whether finalized or not, were considered post-placement services. Every State, country, and commonwealth creates and enforces the post-placement requirements for the adopting families. The purpose of this is always to ensure the safety, well-being, and optimal development of the child.

The most usual consequences of a family's failure to meet post-placement requirements, which means the mandated ones, can ultimately be the removal of the child from the home by the adoption agency, and I want to clarify that that is when it is a post-adoption service mandated by State law. Post-adoption, there is no consequence that is backed up by law. Home study is the education and investigative process that determines the suitability of a

family for the placement of a child. As in post-placement services, every State creates its own specific standards, but they are all looking to ensure that the family will provide a home that is safe, loving and caring.

Just as an example, New Jersey, which is one of the, whether for good or evil, today obviously, is one of the more stringent, highly-regulated States when it comes to specifying issues around adoption, requires--and it was mentioned earlier--four references; one neighbor, one person who knows them for more than 5 years, one employer, and one other. No family members can be a reference. Other States, Pennsylvania requires three and they don't specify much more beyond that. Interstate--JCICS's standards of practice have been submitted for the record and you have them there, require all agencies to be licensed in the State which they incorporated.

Many agencies, to facilitate working across State jurisdictions, have inter-agency service agreements. In New Jersey, a licensed agency is required to have an interstate adoption agreement, or we call it a service agreement. If my agency in New Jersey works with a family in Pennsylvania, we are required to have a written service agreement, it is not a contract, it is a service agreement, with the Pennsylvania agency who is licensed to do those services in that State. In addition, we have to get a copy of their license.

In particular, post-placement supervision, in this kind of a situation, would have to be done with a licensed Pennsylvania agency when it is interstate with these two States. The frequency and the content and the specifics of the post-placement report would be governed by the most stringent of the State's requirements. For instance, when we do a placement of a child for a family in Pennsylvania, the home study has to meet Pennsylvania and New Jersey requirements. New Jersey requirements are more stringent.

The other thing that wasn't mentioned today but needs to be looked at is re-adoption. Re-adoption is something that most families, certainly back then, would have done, and that would have fallen under the State of Pennsylvania's requirements. When re-adoption is required, the county judge makes a statement as to how many post-placement visits need to be done. The weakness here, though, is there was no State definition of what that should be. Some counties will just say just give me the papers; others will say I want all three visits. I want it just like the full adoption. There is no consistent legal process for re-adoption in any State, I might add, and the trend is to make them easier.

The country of origin also has post-placement requirements; we have heard about that. Over the period of time that we have been talking about it, they vary from two to four visits from Russia over a 1 to 4-year period. Because the adoption is finalized in the country, when they come here, there is no legal backing for an agency, for an individual or whatever, to require, enforce except through the contract that they signed, the post-placement supervision.

I won't go into the details, but you probably already heard testimony about Ukraine and Russia's problems with unfulfilled post-placement reports. JCICS has been strongly trying to get involved with these two countries to try to do some enforcing, getting to the agencies and so on, but at this point, we haven't been given that information to do it. But certainly, JCICS has offered their resources in that regard.

I just want to, since I am way over, on behalf of all the members and all the colleagues in the adoption community, I think, I know we appreciate the Congress's interest in this and especially the subcommittee, to try to give us some resources, some tools in order to enable us to provide the kind of safety net that is required and necessary for children who come here from other countries. It wouldn't hurt, at the same time, to encourage all the other States who have very lax adoption laws, to raise to a standard, to rise to a standard that would be a real protection to children today.

[The prepared statement of Jared Rolsky follows:]

PREPARED STATEMENT OF JARED ROLSKY, BOARD MEMBER, JOINT COUNCIL ON INTERNATIONAL CHILDREN'S SERVICES

Chairman Whitfield, Ranking Member Stupak, Members of the House Subcommittee on Oversight and Investigations, thank you for providing me with an opportunity to share our experience and recommendations on best practices in the international adoption field. I am pleased to be here today and hopeful that the Subcommittee can take action against the exploitation of children and help promote safe, loving and forever homes for all children.

Today, I will address who Joint Council on International Children's Services is and what we believe; the specific areas of home study preparation and post placement services in adoption and how the definitions have evolved over the years; interstate adoption standards; and lastly, the importance of post placement reporting.

Introduction

I received a Masters Degree in Social Work from the University of Pennsylvania in 1968. I have worked in the field of child and family mental health and domestic and international adoptions since that time. I have been the Executive Director (Chief Executive Officer) of Golden Cradle Adoption Services since 1997. Golden Cradle Adoption Services, established in 1980, is a provider of both domestic and international adoption services, located in Cherry Hill, New Jersey.

I am on the Board of Directors of the Joint Council on International Children's Services (JCICS) and the Chair of the Ethics Committee whose job is to establish Standards of Practice for our member agencies. Through our involvement in international child welfare since 1976, JCICS has developed an appreciation of the complexity related to the processes and approaches that serve to protect children while expeditiously meeting their need of finding permanency, safety and love. Collectively our members, over 240 organizations, serve approximately 80% of all international adoptions in the United States. JCICS believes that all children - regardless of race, ethnicity, gender, medical limitations or other conditions - deserve a permanent, safe and loving home. When children cannot be safely cared for in their birth families, or in permanent adoptive homes within their country of birth, we believe that ethical intercountry adoption provides the most positive option for children.

As one of the oldest and largest child welfare organizations, Joint Council on International Children's Services is the lead voice on intercountry children's services. With a mission to

advocate on behalf of children in need of permanent, safe and loving families, Joint Council promotes ethical child welfare practices, strengthens professional standards and educates adoptive families, social service professionals and government representatives throughout the world. International child welfare agencies, child advocacy groups, parent support groups and international medical clinics choose membership in Joint Council as a means to address the critical issue of parentless children and creating permanent solutions and promote best practices in our field. Joint Council Member agencies subscribe and are held to an established Standards of Practice, designed to protect the rights of children above all else, as well as birth parents, and adoptive parents.

Post Placement Reports and Home Studies

I would like to address the specific areas of home study preparation and post placement services in adoption. Some of the definitions have changed over the years. As of 2006:

Post Placement Services means those services provided to the adopting family and placed child from physical arrival of the child in the adopting household until legal finalization of the adoption.

Post Adoption Services means those services provided to the adopting family and placed child after the legal finalization of the adoption

Prior to The Hague Convention on Protection of Children and Co-Operation in Respect of Intercountry Adoption, there was little differentiation between the two definitions above. All services after the placement of the child, whether finalized or not, were considered post placement services.

Every country, state and commonwealth creates and enforces the post placement requirements for adopting families. The purpose of this is to ensure the safety, well being and optimal development of the child. The most usual consequence of a family's failure to meet post placement requirements can ultimately be the removal of the child from the home by the adoption agency.

Home Study is the education and investigative process that determines the suitability of a family for the placement of a child in their home/family. As in post-placement services, every state creates its own specific standards but they all are looking to be sure that the family and home will provide a safe, caring and loving environment for the child.

Interstate adoption standards:

JCICS Standards of Practice, which have been submitted for the record, require all agencies be licensed in the state in which they are incorporated and in which they do their business. Many agencies, to facilitate working across state jurisdictions, have inter-agency service agreements. This means that a New Jersey licensed agency, in order to place a child with a Pennsylvania family will work with a Pennsylvania licensed adoption agency. This arrangement is also required by New Jersey adoption regulations.

In particular, the post placement supervision would have to be conducted (based on the above mentioned written service agreement) with a Pennsylvania licensed agency. The frequency, content and other specifics of the post placement report would be governed by the most stringent of the state requirements. The only exception to this is if the placement is already finalized (as is common in international adoptions). In that situation the sending county and the state where the family lives would determine the frequency content, etc. of the post placement supervision.

Re-adoption is used in International Adoptions to obtain a birth certificate from a US state which is then used to obtain US citizenship for the child. This was the process used for international adoption placements before the United States changed the law granting citizenship based on the Child Citizenship Act of 2000 (H.R. 2883), which was signed into law on October 20, 2000. In January 2004, U.S. Citizenship and Immigration Services launched the Certificate of Citizenship Project which automatically issues certificates to children entering the United States on an I.R. 3 visa. Prior to this federal law change re-adoption was frequently used by families who adopted internationally. Under current U.S. Citizenship and Immigration Services regulations, children who were not seen by all relevant parents prior to their overseas adoptions are not considered to have full and final adoptions. They must be re-adopted in the State where they will be residing.

Despite the frequency of re-adoption, there has been no consistent legal process used to achieve this end. Pennsylvania State regulations still do not address this issue. Individual county courts (who do the re-adoption) have differing requirements which can include no post placement supervision to a full schedule of visits, similar to a domestic adoption, which consist of 3 visits over a 6-month period.

The country of origin also has a post placement requirement. Russia, since 1997, has required from 2 to 4 visits over a 1 year to 4-year period. When this is done for the country of origin it is conducted voluntarily by the family, as there is no US legal requirement for them to carry through. The adoption is already finalized and the agency can only cajole and appeal to their commitment to the best interest of this and other children who might come to this country. This has been a concern to both agencies and sending countries as there has been a number of families who have refused to allow post placement visits after returning to the US. Despite their being told in writing and verbally of the need, some just refuse.

Many sending countries have expressed concerns over the missing post-placement reports and have taken action by limiting the accreditation of agencies who can work in their country, closing regions of their country to adoption and limiting the number of placements of intercountry adoptions. The Ukraine government has voiced their concern over missing post placement reports from 900 children out of the 4,907 that were adopted from that country between 1996 and 2004. Russia is also concerned over the alleged approximate 1,700 missing reports from the 45,034 children adopted from their country between 1996 and 2005.

JCICS strongly encourages adoptive families to comply with their agency's and the child's country of origin required post-placement reports. These reports are becoming increasingly more important as many foreign officials assume the worst if they do not receive a report and are left wondering what happened to the child. Furthermore, failure to comply with these requirements can negatively impact other intercountry adoptions from that country. JCICS

has been working very closely with the U.S. Department of State and the foreign countries to explore solutions. JCICS also has specific information on our website educating and encouraging families to complete their post placement reports.

These post placement services should provide counseling for the new family, observe the child's adjustment to the new home, and supply parents with information and referrals that might be needed for an optimal family adjustment. Many foreign countries also require post-placement supervision for six months to four years to ensure that the child has been well-placed and is receiving adequate care and love. For this reason, agencies may ask parents to furnish photographs, written reports and medical reports to send to the child's country of origin. As part of post placement, many agencies have organized support and education groups for new adoptive parents.

Conclusion

On behalf of our members and colleagues in the adoption community, I would like to convey our appreciation for the interest and support from the U.S. Congress, and especially this subcommittee, on ethical intercountry adoption and best practices in the child welfare field. Providing a loving, safe family for children in need around the world must be a priority of the U.S. Government and a priority for all of us, as citizens of a global community. With your assistance, we hope that more children around the world will find the safe, permanent families they deserve. Thank you very much for allowing me to appear before the subcommittee today. I would be happy to answer any questions you may have.

MR. WHITFIELD. Mr. Rolsky, thank you and we appreciate your testimony. I am assuming both of you and your organizations, perhaps, would you support an effort at the Federal level to provide some Federal standards for adoption of children internationally?

MR. ROLSKY. Yes.

MS. MASKEW. We would welcome them, actually.

MR. WHITFIELD. Okay. So you see it as a significant need?

MS. MASKEW. Yes.

MR. WHITFIELD. Okay. Now, I found it a little bit interesting that the parents are, the adoptive parents, are the ones that appear to be responsible for paying and selecting the agencies that do the home placement and the post-placement. Is that normally the practice? I mean, it appear to me that someone, some other agency should have that responsibility of selecting the agency to do the study. Am I wrong about?

MS. MASKEW. The standard practice is that parents choose their agencies and the people who do their home studies.

MR. WHITFIELD. Why is that? I mean, it looks like that if they are the one paying directly for the home study, there is every incentive for the home study to be good.

MS. MASKEW. I would agree that that is probably a problem. I mean, one of the things that we hear continuously from social workers is that it is very difficult for them to deny somebody a home study.

MR. WHITFIELD. Yes.

MS. MASKEW. Because if they do, people--if they don't have a very good, solid, say based on a police record or something, then they can actually be sued for not--

MR. WHITFIELD. Yes. I mean, it just appears that, in this Federal legislation, if we can do it, there will be some other mechanism for selecting the group to do the study. Would you agree with that, Mr. Rolsky?

MR. ROLSKY. I think we would get accused of steering people to agencies and then the whole other issue of whether we have under-- agreements and kickbacks would be an issue of the kind of--as long as they are going to a licensed agency, that should be the requirement.

MR. WHITFIELD. Yes.

MR. ROLSKY. The problem is that licensing across States is not equal.

MR. WHITFIELD. I must say that the panel, the first panel with Ms. Smith and her firm, didn't give anyone any confidence that anything was being done in a significant way to protect the child. You all heard the testimony. Did you come away with that same feeling or not?

MR. ROLSKY. Well, by New Jersey standards, they were not met. New Jersey standards were not met in much of what was discussed today.

MR. WHITFIELD. Yes. Well, I am surprised that New Jersey hasn't taken some steps to take their license away from them.

MR. ROLSKY. That surprises me, too.

MS. MASKEW. We would actually like to address that. We did this survey with the National Association of Attorneys General and one of the things that we have been looking at is how many complaints do licensing entities get and how many people can they discipline and the States that responded to the NAAG survey almost uniformly said they get complaints that they can't do anything about because it is not in the specific licensing standard. They have to be able to point to a standard and say this was violated.

MR. WHITFIELD. Oh, okay.

MS. MASKEW. And so those standards don't address the most common problems.

MR. WHITFIELD. How many adoptions would you say normally or on the average, occurs each year where an American citizen is adopting a child from another country? What is the total number?

MS. MASKEW. I believe it is about 22,000 now.

MR. WHITFIELD. Twenty-two thousand per year?

MS. MASKEW. Yes.

MR. WHITFIELD. Okay. Mr. Stupak, you are recognized.

MR. STUPAK. Thank you, Mr. Chairman, and thank you for staying with us this afternoon. Can anyone open an adoption agency?

MS. MASKEW. Pretty much, yes.

MR. STUPAK. And there are no requirements, no qualifications?

MS. MASKEW. Well, there are requirements for people to have certain qualifications to hold certain positions.

MR. STUPAK. Okay, but if I want to open one, I can go open one?

MS. MASKEW. Yes, if you were to hire a supervisor or an executive director that has the qualifications that are required by law, then pretty much anybody can be the principle that opens it.

MR. STUPAK. Okay. And Mr. Rolsky, do you want to say anything on that?

MR. ROLSKY. Well, I don't think it is quite that simple. New Jersey has very specific requirements as to who the staffing has to be.

MR. STUPAK. Right.

MR. ROLSKY. Pennsylvania does not. I mean, it is so variable and that is where the problem is.

MR. STUPAK. Okay.

MR. ROLSKY. I make jokes sometimes that a plumber can run an agency in Pennsylvania. It cannot happen in New Jersey. I am not holding up New Jersey as the highest paragon, but compared to Pennsylvania--

MR. STUPAK. But even in New Jersey, if they had standards, we just saw here today if there is no enforcement of those standards because there are no guidelines or base line on which to judge against to determine there is a violation, how do you enforce anything? And there is really no way to do it.

MR. ROLSKY. We get bi-yearly, every other year visits from our regulators. They read our records, they point out stuff that we might be not doing correctly.

MR. STUPAK. Sure.

MR. ROLSKY. We have never been denied a license, we have to remediate. It is minor stuff. I am shocked that--because the stuff that was testified to today is blatant.

MR. STUPAK. Yes, it is.

MR. ROLSKY. I don't know where that fell apart.

MR. STUPAK. Give me an example of what was blatant here today.

MR. ROLSKY. They were operating without a license. They did a post-placement report in a State that they couldn't do. They had no service agreement with a home study agency, with an agency to do a home study.

MR. STUPAK. And one of the reports was fraudulent.

MS. MASKEW. And those are the kinds of things that are routinely covered by regulation, so there should have been some way to--it is possible that DYFS doesn't know.

MR. STUPAK. So if we were looking for a State that had the best adoption rules and regulations, whether it be domestic or international, which State would that be if we wanted to look at a model as we draft legislation?

MS. MASKEW. Right now, Florida is redoing theirs. They have been the most active in disciplining agencies, to our knowledge, and they have sought input from us and from others on how to tighten their regulations up. They are having problems with the fact that people can then--they actually took a license away from somebody who then crossed the State line into Georgia and got another license.

MR. STUPAK. Do you think, Ms. Maskew, do you think the Joint Council's standards of practice and disciplinary policies will be strong enough to weed out the bad agencies or will they just run over to another State?

MS. MASKEW. I think they are stronger than they used to be, after the rewrites that we participated in last year with them. But the problem is that they are not strong enough, if you will, to really regulate the kind of problems that we need because even if all the Joint Council agencies were to follow those, all the ones who aren't members of Joint Council, if they don't, they still have that race to the bottom, which is a problem for agencies as much as it is for children and families.

MR. STUPAK. Mr. Rolsky, do you agree with that?

MR. ROLSKY. Yes.

MR. STUPAK. Because you are from New Jersey and know both New Jersey and Pennsylvania adoption law. Can you tell us what is wrong with a New Jersey licensed social worker doing a post-placement for a Pennsylvania family?

MR. ROLSKY. Well, there are two issues. A New Jersey licensed social worker cannot do social work in Pennsylvania unless they are licensed in Pennsylvania. That is a licensing board issue.

MR. STUPAK. Right.

MR. ROLSKY. And the other part is that you need a license in Pennsylvania, an adoption license to do adoption work in Pennsylvania. I mean, it is very organized in that regard, so we can only do adoption services within the State in which we are licensed, period. I mean, that is not unique to Pennsylvania. That is the way it is. I am sorry, New Jersey.

MR. STUPAK. Well, let me ask you this. When a child is in a State that has a re-adoption requirement, and I think Pennsylvania did here, right? A re-adoption requirement?

MR. ROLSKY. Re-adoption is voluntary and certainly, back then it was used in order to obtain American citizenship and it was the only way to get citizenship.

MR. STUPAK. Re-adoption?

MR. ROLSKY. Yes.

MR. STUPAK. Okay, by today's standards, if I internationally adopted a child, in order to get a U.S. certificate, do I have to get--I mean, birth certificate, do I have to get a re-adoption?

MR. ROLSKY. No. If you went to that country, saw the child before the adoption was finalized, you would then come back to this country and based on the law that was just changed, the citizenship law of 2000, the child becomes a citizen upon landing in this country.

MR. STUPAK. Okay.

MR. ROLSKY. No further supervision of any kind is necessary for that. So families do not have to do re-adoption.

MR. STUPAK. Based upon the citizenship law of what?

MR. ROLSKY. Of 2000.

MR. STUPAK. 2000.

MR. ROLSKY. There is a specific citation number in my written testimony.

MR. STUPAK. There is a lack of memory here or whatever you want to call it today, from our witnesses, but in this case here, who should have notified Pennsylvania that Masha was in the State and who would be responsible for making sure the re-adoption requirement is completed?

MR. ROLSKY. It is the placing agency's responsibility to notify the home study agency when the placement is made.

MR. STUPAK. So in this case, New Jersey should have notified Pennsylvania?

MR. ROLSKY. Yes.

MR. STUPAK. Okay.

MR. ROLSKY. That is a best practice issue. I don't think it is a regulation.

MR. STUPAK. Right, I don't think it is a regulation. Well, under State re-adoption statutes, if they have them, home visits and reports can be required after placement, but it is my understanding that these sort of requirements to do this are basically being abolished and why is that?

MS. MASKEW. Most States are moving toward laws that make it easier for adoptive parents to adopt and this is an extra step that many consider unnecessary because of the immigration regulations that are in effect for international adoptions and so certainly, the most well-organized lobby, if you will, is the agency lobby and I think that this is something that--and even attorneys that do independent adoptions, it is something that they continue to--the standards continue to move and we see this across the board, even in domestic adoption.

MR. ROLSKY. I think we shouldn't ignore the other lobby, which is parents who want to adopt. They are wanting to go through fewer hoops and they are not an insignificant factor. They all vote. Agencies don't vote. I mean they are not part of a constituency in that regard and they are a very forceful voice for modifying some of the requirements.

MR. STUPAK. And it seems to me, though, since I have been here, we have had a number of bills where they want further tax breaks for adoptions and then things like that, which, I don't think anybody has any problem with that, but shouldn't they, before they have a chance to receive that financial benefit, if you will, shouldn't there be some things like post-adoptive reports being filed with somebody and proof of filing the State law or certification or something? I mean, how many children are adopted and we don't hear from them again in the United States? Is this a problem? I am talking about international. I mean, not hear from again. How do you track after a year, 2 years, 3 years?

MR. ROLSKY. It is voluntary, I think.

MS. MASKEW. It is voluntary.

MR. ROLSKY. Yes. They come to picnics, the families come to educational programs or they run into a problem and they need resource, help with finding resources.

MR. STUPAK. Okay.

MS. MASKEW. I would say, too, that I think the families that ask for minimum requirements are those who expect that someone's out there watching the hen house and when they find out that there isn't somebody protecting them, certainly the people that all come to us are always asking how come we don't have more regulation, so I think that probably goes both ways. I think there is a general perception among the public that somebody is doing this.

MR. STUPAK. Right. I mean, we were shocked at the answers we were hearing today.

MS. MASKEW. And they don't find out until they are in a problem, until they call us in the middle of the night from Russia.

MR. STUPAK. Not that we got a lot of answers today, but I mean, do either of you see any interest by the State Department or Immigration Service to impose post-placement reports as a legal requirement? I mean, from what I am getting, you are seeing just the opposite, less post-placement.

MR. ROLSKY. We just went through this with The Hague. There was no indication that--I mean, I don't know if anybody raised it. I was certainly not part of those negotiations, but it certainly didn't come out in any of The Hague standards, The Hague regulations from the State Department.

MR. STUPAK. Have you known--like, Russia is not one of The Hague signatories to that agreement, so that agreement would not cover them. Have you known of any countries come back and say we want this child back because you have not followed proper procedure or things like this?

MS. MASKEW. Actually, Russia is a signatory. They just haven't ratified yet.

MR. STUPAK. Okay.

MS. MASKEW. But the countries that have tried and that have come to The Hague conference and asked for this, there are standards of international law that once an adoption is finalized there are privacy concerns and all kinds of things that make it very difficult for the Federal government to impose that and to force anybody to do it, so it is a problem with post-placement issues. But I think, as a whole, what we have seen, and I think if there is one thing I could say that we need in this country, is the political will to regulate this industry. We just don't see that. And when The Hague regulations came in which--and we submitted our comments along with my testimony today, in every opportunity that they had to choose between standards that were more lax or things that parents have asked for, they chose to go with the things that were more favorable to agencies. We were very disappointed with the regulations.

MR. STUPAK. I see my time is up. Thank you and thank you again for being with us today.

MR. WHITFIELD. I just have one other question. You said there are about 22,000 of these adoptions a year, roughly, and what would you say the average fee is for an adoption agency? Does it range--I mean, Mancuso paid the agencies involved here around--I am not talking about the Russian part of it, around \$5,000 or \$6,000, I would say. What would you say the average fee is for an agency?

MS. MASKEW. I think that is pretty for the agency fee.

MR. WHITFIELD. Okay.

MS. MASKEW. The overseas fee can be \$20,000 and up.

MR. WHITFIELD. Well, then what that amounts to, that is about \$132 million a year industry that basically is unregulated, at the Federal level, certainly, and which says a lot, I think. But thank you all so much for your testimony, for being here and you all are excused. And I want--of course, I ask unanimous consent or without objection to enter into the record all documents of this hearing, subject to committee staff redactions. Also and without objection, I would like to enter Dr. Hernandez's report from yesterday's hearing into the record and also documents at the hearing on September 21st that were held on the financial industry's efforts to combat on-line child pornography and the record will remain open the requisite 30 days. And is there any objection to that? Okay.

MR. STUPAK. The only question we would have is you are going to place the documents in the proper hearing or are you just going to put them all in this one?

MR. WHITFIELD. In the proper hearing.

MR. STUPAK. No objections, then.

[The information follows:]

<GRAPHICS NOT AVAILABLE IN TIFF FORMAT>

MR. WHITFIELD. This hearing is adjourned and thank you all again.

[Whereupon, at 5:15 p.m., the subcommittee was adjourned.]