



**County of Los Angeles  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

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September 28, 2016

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To: Supervisor Hilda L. Solis, Chair  
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From: Philip L. Browning  
Director

**GARCES RESIDENTIAL CARE SERVICES FISCAL COMPLIANCE ASSESSMENT**

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Assessment of the Garces Residential Care Services Group Home (the Group Home) on February 8, 2016. The Group Home has one licensed site located in the Fifth Supervisorial District and provides services to the County of Los Angeles DCFS placed children. According to the Group Home's Program Statement, its stated purpose is "to provide services to court dependent children."

At the time of the review, the Group Home served six placed DCFS children. The children's average length of placement was 18 months and their average age was 16.

**SUMMARY**

CAD conducted a Fiscal Compliance Assessment which included an agency-wide review of the Group Home's financial records such as, financial statements, bank statements, check register, and personnel files to determine the Group Home's compliance with the terms, conditions and requirements of the Group Home Contract, the Auditor-Controller Contract Accounting and Administration Handbook (A-C Handbook) and other applicable federal, State, and County regulations and guidelines.

The Group Home was in full compliance with all areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Board of Directors and Business Influence; Cash/Expenditures; and Payroll and Personnel.

Attached are the details of CAD's review.

**REVIEW OF REPORT**

On March 25, 2016, Omnaya Zaklama, DCFS CAD held a Fiscal exit conference with the Group Home Representative Carlos Garces, Executive Director. There were no findings.

A copy of this compliance report has been sent to the Auditor-Controller and Community Care Licensing.

If you have any questions, your staff may contact me or Aldo Marin, Board Relations Manager at (213) 351-5530.

PLB:KR  
LTI:oz

**Attachments**

- c: Sachi A. Hamai, Chief Executive Officer
- John Naimo, Auditor-Controller
- Calvin C. Remington, Interim Chief Probation Officer
- Public Information Office
- Audit Committee
- Sybil Brand Commission
- Carlos Garces, Executive Director, Garces Residential Care Services
- Lenora Scott, Regional Manager, Community Care Licensing Division
- Lajuannah Hills, Regional Manager, Community Care Licensing Division

**GARCES RESIDENTIAL CARE SERVICES  
FISCAL COMPLIANCE ASSESSMENT REVIEW  
FISCAL YEAR 2015 – 2016**

**SCOPE OF REVIEW**

The Fiscal Compliance Assessment included a review of the Garces Residential Care Services (the Group Home) financial records for the period of January 1, 2012 through September 30, 2015. The Contracts Administration Division (CAD) reviewed the financial statements, bank statements, check register, and personnel files to determine the Group Home's compliance with the terms, conditions, and requirements of the Group Home contract, the Auditor-Controller Contract Accounting and Administration Handbook (A-C Handbook) and other applicable federal, State, and County regulations and guidelines.

The on-site Fiscal Compliance Assessment review focused on five key areas of internal controls:

- Financial Overview,
- Loans, Advances and Investments,
- Board of Directors and Business Influence,
- Cash/Expenditures, and
- Payroll and Personnel.

The Group Home was in full compliance with all areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Board of Directors and Business Influence; Cash/Expenditures; and Payroll and Personnel.

**FISCAL COMPLIANCE**

No deficiencies noted.

**PRIOR YEAR FISCAL COMPLIANCE ASSESSMENT FOLLOW-UP**

CAD conducted a Fiscal Compliance Assessment of the Group Home in Fiscal Year (FY) 2014-2015. CAD verified that the Group Home had implemented the previous recommendation.

**NEXT FISCAL COMPLIANCE ASSESSMENT**

The next Fiscal Compliance Assessment of the Group Home will be conducted in County FY 2016-2017.