



BOBBY D. CAGLE
Director

GINGER PRYOR
Chief Deputy Director

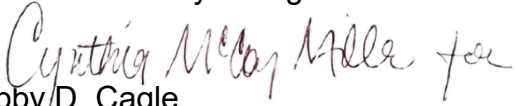
County of Los Angeles DEPARTMENT OF CHILDREN AND FAMILY SERVICES

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

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October 6, 2021

To: Supervisor Hilda L. Solis, Chair
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Supervisor Kathryn Barger

From: 
Bobby D. Cagle
Director

THERE IS HOPE FOSTER FAMILY AGENCY FISCAL COMPLIANCE ASSESSMENT (DESK REVIEW)

REVIEW OF REPORT

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment (Desk Review) of There is Hope Foster Family Agency (the Contractor) in May 2021. The Contractor provides Foster Family Agency (FFA) contracted program services and is headquartered in San Bernardino County.

Key Outcomes

NUMBER OF PRIORITY FINDINGS
PRIORITY 1 1
PRIORITY 2 0
PRIORITY 3 0

"To Enrich Lives Through Effective and Caring Service"

Each Supervisor
October 6, 2021
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CAD conducted a Fiscal Compliance Assessment (Desk Review) of the Contractor's financial records (Financial Overview) to determine their compliance with the FFA Contract.

CAD identified potential internal control weakness in the following area:

Priority 1

- Financial Overview
 - According to the Audited Financial Statements for the Fiscal Year ending December 31, 2019, the Contractor had a net asset deficit of \$38,670, due to unpaid payroll taxes for Fiscal Years ending December 31, 2011 to December 31, 2015. All current payroll taxes were paid on time.

On June 15, 2021, the DCFS CAD Financial Specialist IV held an exit conference with the Contractor's representative Executive Director. The Contractor's representative agreed with the review finding and recommendation, and was receptive to implementing systemic changes to improve compliance with regulatory standards. The Contractor agreed to address the noted potential internal control weakness in a Fiscal Corrective Action Plan (FCAP).

The Contractor provided the attached approved FCAP addressing the recommendations noted in this report.

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

BDC:KR
LTI:hk

Attachments

c: Fesia Davenport, Chief Executive Officer
Arlene Barrera, Auditor-Controller
Adolfo Gonzales, Chief Probation Officer
Brandon Nichols, Chief Deputy Probation Officer
Public Information Office
Audit Committee
Maysoun Fakhoury, CEO, There is Hope Foster Family Agency
Kellee Coleman, Regional Manager, Community Care Licensing Division
Monique Marshall-Turner, Regional Manager, Community Care Licensing Division



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July 15, 2021

Los Angeles County Department of Children and Family Services
Contract Administration Division- Fiscal Compliance Unit
3530 Wilshire Blvd, 5th Floor
Los Angeles, CA 90010
Attention: Helga Kiaian, Fiscal Compliance Administrator

Re: Desk Review- Fiscal Compliance

Dear Ms. Kiaian,

There is Hope Foster Family Agency submits the following Action Plan (CAP) to address the areas identified as needed improvement in the Foster Family Agency Desk Review- Fiscal Compliance Exit Summary. This plan has been developed and already implemented.

We thank you for your comprehensive review.

I. Financial Overview

Question No. 4

According to the Audited Financial Statement for the period ending December 31, 2019, the contractor incurred negative net assets of \$38,670.00 along with a large outstanding payroll tax obligations to both the internal Revenue, (IRS), and the California Employment Development Department, (EDD), for unpaid taxes. The Organization has a payment establishing a payment plan with the EDD. As of December 31, 2019, the balance due to the IRS was \$54,643.00 and the EDD was \$23,157.00 for a total of \$77,800.00.

Corrective Actions: There is Hope FFA, plan is to have a positive net asset as the \$38,670.00 is taxes that were owed from previous year. There is Hope FFA, has an installment agreement with the IRS for \$1500.00 with a remaining balance of \$38,670.00. As of 07/08/2021 There is Hope FFA is currently working with an accounting firm who is working with the IRS to get the payment down to a zero balance. As of February 22, 2021, There is Hope FFA has a Zero Balance with EDD and has been up to date with all payroll taxes. The Agency plans on having the entire balance paid off before by January 31, 2023.

Thank you for your visit and valuable information and feedback received in this review. We continue to look forward to working with the Department of Children and Family Services and value your partnership.

Best regards,



Hanieh Fakhoury
Executive Director



Main

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Employment Tax (javascript:;)	239-2642-1	THERE IS HOPE FOSTER FAMILY AGENCY INC.	\$0.00

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