



BRANDON T. NICHOLS  
Director

JENNIE FERIA  
Chief Deputy Director

LISA E. MANDEL  
Acting Chief Deputy Director

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

510 S. Vermont Avenue, Los Angeles, California 90020  
(213) 351-5602

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October 9, 2025

To: Supervisor Kathryn Barger, Chair  
Supervisor Hilda L. Solis  
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Supervisor Lindsey P. Horvath  
Supervisor Janice Hahn

From:  for  
Brandon T. Nichols  
Director

**RANCHO SAN ANTONIO BOYS HOME**  
**FISCAL COMPLIANCE ASSESSMENT**

**REVIEW OF REPORT**

The Department of Children and Family Services (DCFS) Contract Compliance Division (CCD) conducted a Fiscal Compliance Assessment of Rancho San Antonio Boys Home (Contractor) in March 2025 through June 2025. This Contractor contracts with the County of Los Angeles Department of Children and Family Services and the Probation Department to provide Short-Term Residential Therapeutic Program (STRTP) services. The Contractor is headquartered in the Third Supervisorial District.

**Key Outcomes**

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

*"To Enrich Lives Through Effective and Caring Service"*

The CCD conducted a Fiscal Compliance Assessment review of the Contractor's financial records, which consisted of the following: financial statements, bank statements, check register(s), and personnel files. The review focused on five key areas of internal controls to determine their compliance with their STRTP contract: Financial Overview (financial records and bank statements); Loans, Advances and Investments; Board of Directors and Business Influence; Cash/Expenditures; and Payroll and Personnel.

The CCD identified a potential internal control weakness in the following areas:

***Priority 1***

- Cash/Expenditures: (1 Finding)
  - Weekly allowances for 4 participants were not made according to the rate effective July 1, 2024.
- Payroll and Personnel: (1 Finding)
  - The Executive Director's timecards were not signed by a member of the Board of Directors or Governing Body.

***Priority 2***

- Board of Directors, and Business Influence: (1 Finding)
  - Board meeting minutes were not signed by the Board Secretary.
- Cash/Expenditures: (2 Findings)
  - Bank reconciliations had outstanding checks longer than six months.
  - One Independent Contractor agreement did not include billing rate or description of services. Also, invoice payments were not made according to the Independent Contractor's agreement.

On July 3, 2025, DCFS' CCD Financial Specialist IV held an exit conference with the Contractor's Executive Director, Chief Financial Officer, and Contract and Compliance Director. The Contractor's representatives agreed with the review findings and recommendations and were 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.

Each Supervisor  
October 9, 2025  
Page 3

If you have any questions, your staff may contact me or Aldo Marin, Board Relations Manager, at (213) 371-6052.

BTN:LM:RT  
KR:DF:lm

#### Attachments

c: Fesia Davenport, Chief Executive Officer  
Oscar Valdez, Auditor-Controller  
Guillermo Viera Rosa, Chief Probation Officer  
Public Information Office  
Audit Committee  
Aubree Sweeney, Executive Director, Rancho San Antonio Boys Home  
Kellee Coleman, Assist Program Administrator, Community Care Licensing  
Division (CCLD)  
Monique Turner-Marshall, Regional Manager, CCLD  
Bernice Karnsrithong, Regional Manager, CCLD  
Celeste M. Fitchett, Bureau Chief, Performance & Fiscal Audits, California  
Department of Social Services



## Fiscal Corrective Action Plan (FCAP)

Date: July 3, 2025

Prepared By: [REDACTED], Chief Financial Officer

Submitted To:

[REDACTED]  
DCFS Fiscal Compliance Administrator  
[REDACTED]

### I. Overview

This Corrective Action Plan details Rancho San Antonio Boys Home's planned actions to address the deficiencies identified during the Fiscal Compliance Assessment conducted June 24, 2025. Each section below outlines specific findings, corrective measures, responsible staff, timelines, data to be collected, and monitoring protocols to ensure sustainable improvement in internal controls.

### II. Corrective Actions by Finding

#### 1. Board Meeting Minutes Not Signed by the Board Secretary

Finding:

Minutes for meetings held June 10, 2024, September 5, 2024, and December 4, 2024, were unsigned.

Corrective Action:

All prior unsigned minutes will be immediately reviewed and signed by the Board Secretary.

The Board will adopt a formal policy requiring all minutes to be signed and dated by the Board Secretary within 10 business days of each meeting.

Timeline:

Prior minutes signed by: August 1, 2025

Policy adoption by: August 3, 2025

Responsible Position:  
Board Secretary and Board Chair

Data Collection & Use:

A log of board meeting dates, minutes preparation dates, and signature dates will be maintained. The log will be reviewed quarterly by the Board Chair to confirm compliance.

Verification:

Copies of signed minutes and the adopted policy will be submitted to DCFS as documentation.

## **2. Bank Reconciliations with Outstanding Checks Over Six Months**

Finding:

Bank reconciliations included checks outstanding longer than six months.

Corrective Action:

Finance staff will immediately identify all stale checks, research payee status, and void or reissue as appropriate.

A recurring monthly review of outstanding items will be established, with checks over 90 days flagged and reviewed by the CFO.

A formal policy will be implemented requiring the cancellation of checks outstanding for more than six months.

Timeline:

Stale check resolution completed by: August 3, 2025

Monthly review process established by: July 31, 2025

Responsible Position:  
Accounting Supervisor and CFO

Data Collection & Use:

Reconciliation reports will be stored electronically. A tracking sheet of outstanding checks, including issue and resolution dates, will be maintained and reviewed quarterly.

Verification:

Submit the written policy and documentation of resolved outstanding items to DCFS.

### **3. Independent Contractor Agreement Lacking Billing Rate and Service Description; Payments Not Aligned to Agreement**

#### **Finding:**

Agreement missing key terms; payments did not match contractual terms.

#### **Corrective Action:**

The existing agreement will be amended to include the billing rate and service description.

All contracts will be audited to verify inclusion of required terms.

A contract compliance checklist will be instituted, requiring CFO review and sign-off before execution and payment processing.

Finance staff will be retrained on the requirement to process invoices strictly according to executed agreements.

#### **Timeline:**

Amendment of current agreement by: July 20, 2025

Audit of all contracts by: August 3, 2025

Staff retraining completed by: August 3, 2025

#### **Responsible Position:**

Physical Plant Director and CFO

#### **Data Collection & Use:**

A contract's compliance log will track the date of contract execution, review completion, and checklist sign-off. The log will be reviewed quarterly by the CFO.

#### **Verification:**

Copies of amended agreements, a checklist template, and staff training sign-in sheets will be submitted.

### **4. Incorrect Weekly Allowance Payments to STRTP Participants**

#### **Finding:**

Allowance amounts did not reflect the July 1, 2024, 4.32% increase.

#### **Corrective Action:**

Retroactive calculation and disbursement of the underpaid allowances.

Annual scheduled review of DCFS All County Letters and Change Notices to ensure allowance rates are updated timely.

Finance and Program staff training on verifying current rate schedules prior to processing payments.

Timeline:

Retroactive payments completed by: July 31, 2025

Rate review schedule implemented by: August 3, 2025

Staff training completed by: August 3, 2025

Responsible Position:  
Accounting Manager and Bookkeeper

Data Collection & Use:  
Rate change tracking file and payment records will be maintained. Quarterly compliance audits will be conducted and summarized in internal reports.

Verification:  
Proof of retroactive payments and updated procedures will be submitted.

## **5. Executive Director Timecards Not Signed by Board Member**

Finding:  
Executive Director timecards were signed by the CFO, not a Board member.

Corrective Action:

The Board President or Secretary will retroactively review and sign the Executive Director's timecards for the period identified.

Timecard approval procedures will be revised to require Board President or Secretary signature.

All future Executive Director timecards will be submitted directly to the Board President or Secretary for timely review and approval.

Timeline:

Retroactive signatures completed by: July 31, 2025

Procedure revision by: August 3, 2025

Responsible Position:

Board President and CFO

Data Collection & Use:

A paper record of signed timecards and approvals will be maintained with the Payroll Administrator.

Verification:

Copies of signed timecards and revised procedures will be submitted.

III. Monitoring and Sustainability

Implementation Oversight:

The CFO and Board Chair will jointly monitor the FCAP implementation.

Sustainability Measures:

Quarterly internal audits will be conducted for 12 months.

Staff performance evaluations will incorporate compliance adherence.

Findings and progress will be reported to the Board of Directors.

IV. Conclusion

This FCAP reflects Rancho San Antonio Boys Home's commitment to strengthening fiscal controls and ensuring ongoing compliance with all applicable regulations.

Submitted By:

A solid black rectangular box used to redact the signature of the Chief Financial Officer.

Chief Financial Officer

Rancho San Antonio Boys Home

Date: August 2, 2025