



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

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January 28, 2026

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

From:  for  
Brandon T. Nichols  
Director

**HOMES FOR LIFE FOUNDATION  
FISCAL DESK REVIEW**

**REVIEW OF REPORT**

The Department of Children and Family Services (DCFS) Contract Compliance Division (CCD) conducted a Fiscal Desk Review of Homes for Life Foundation (Contractor) in November 2025 and December 2025. The Contractor contracts with the County of Los Angeles Department of Children and Family Services to provide Independent Living Program Transitional Housing Program Services. The Contractor is headquartered in the Second Supervisorial District.

**Key Outcomes**

|                             |
|-----------------------------|
| NUMBER OF PRIORITY FINDINGS |
| PRIORITY 1<br>1             |
| PRIORITY 2<br>1             |
| PRIORITY 3<br>0             |

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

The CCD conducted a Fiscal Desk Review which consisted of reviewing the following: financial statements, Internal Revenue Service Tax Transcripts, Board of Directors Listing, Board Meeting Minutes, and 501c3 letter.

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

***Priority 1***

The Contractor had a negative net asset of \$11,463,426 in their Audited Financial Statement ending December 31, 2024.

***Priority 2***

Board of Directors meeting minutes were not certified by the Board Secretary.

On December 9, 2025, DCFS' CCD Financial Specialist IV held an exit conference with the Contractor's Accounting/Asset Manager. The Contractor's representative 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.

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  
Public Information Office  
Audit Committee  
Carol M. Liess, Executive Director, Homes for Life Foundation  
David P. Bailey, Chief Financial Officer



LOS ANGELES COUNTY  
Homes for Life Foundation (FCLTE)



Corrective Action Plan

2025

## Financial Overview

4. Did the Contractor have negative net assets during the reporting period? (Using the most recent Audited Financial Statements subtract total liabilities from total assets. If amount is negative then the Contractor has negative net assets.)

Facility

Site

**1. Explain the Cause.**

Negative Assets are due to several HCD loans + accrued interest + accumulated depreciation + forgivable loans. As a non-profit developer and service provider, these loans are a part of doing business and developing housing. Homes for Life follows strict guidelines and reporting in order to keep these loans in good standing with HCD and other funders that have provided funding for housing.

**2. Corrective Action Taken.**

HFLF will continue to operate according to funders' regulatory agreements to ensure loans are in good standing.

**3. Explain what the Quality Assurance (QA) Plan is to maintain Compliance.**

HFLF will continue to operate according to funders' regulatory agreements to ensure loans are in good standing.

10.3 Were the Board Meeting Minutes Certified by the Board Secretary?

Facility

Site

**1. Explain the Cause.**

Section 5215 states that a certified/signed Minutes is a prima facie evidence of the due holding and therefore accepted by courts, regulators, or other third parties as valid evidence that the meeting occurred. However, CA law does not necessarily mandate Board Minutes to be signed as long as minutes are maintained in written form.

**2. Corrective Action Taken.**

HFLF will from now on have the Secretary of the Board sign off on future Board Meeting minutes to ensure HFLF is in compliance to funders.

**3. Explain what the Quality Assurance (QA) Plan is to maintain Compliance.**

The Executive Director will ensure that once the Board Minutes are completed, the Secretary receives a copy for signature and filing.