



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

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June 19, 2026

To: Supervisor Hilda L. Solis, Chair
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From: Brandon T. Nichols
Director

**KOINONIA FOSTER HOMES FISCAL DESK REVIEW
REVIEW OF REPORT**

The Department of Children and Family Services (DCFS) Contract Compliance Division (CCD) conducted a Fiscal Desk Review of Koinonia Foster Homes in April 2026. This Contractor has one site located in the Second Supervisorial District and one site located in the Fifth Supervisorial District and provides services to the County of Los Angeles DCFS placed children, Probation foster youth and Non-Minor Dependents (NMD) and children, youth and NMDs placed by other counties.

Key Outcomes

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

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 area:

Priority 1

- The Contractor had a Material Weakness and Significant Deficiency in their Audited Financial Statement and Single Audit Report that ended on December 31, 2024.

On April 22, 2026, DCFS' CCD Financial Specialist IV held an exit conference with the Contractor's Accounting Director. 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 recommendation 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:ai

Attachments

- c: Joseph M. Nicchitta, Chief Executive Officer
Oscar Valdez, Auditor-Controller
Guillermo Viera Rosa, Chief Probation Officer
Public Information Office
Audit Committee
Krystal Edwards, Chief Executive Officer, Koinonia Foster Homes
Deena Math Spann, Chief Financial Officer, Koinonia Foster Homes
Tiffany Sickler, Executive Director, Koinonia Foster Homes
Jacqueline Juarez, Bureau Chief, Fiscal and Performance Audits, California Department of Social Services
Bernice Karnsrithong, Regional Manager, Community Care Licensing Division (CCLD)
Kellee Coleman, Assist Program Administrator LA Region, CCLD

Los Angeles County Desk Review Section : Financial Overview

Fiscal Corrective Action Plan – Koinonia Foster Homes, Inc.

Question No. 7

Finding – Priority #1

Finding 2024-001-Improper Netting of Expenses Against Revenue

As of 6/30/2025 the agency has implemented procedures to allocate the expenses separately. These expenses are tracked and recorded to reflect proper GAAP financial reporting and ASC 958-205-45-5. The agency would like to note that the netting of funds was done for unrestricted donation funds only. It has always been Agency practice to record revenue and expenses separately for all program funds. Accounting Director – Deena Spann is responsible for implementation and the deadline for implementation is 12/31/2025. This has been corrected and will not be a finding on the 2025 audit.

Finding 2024-002 – Accuracy of SEFA

In 2024 we received funding from 22 different counties for foster care. These counties are required to provide documentation of the federal funds that were paid out to each agency. We received letters from 4 counties. We rely on these county agencies to provide us with accurate data. In many instances we receive conflicting information from both counties and other funding agencies. It is our opinion that it is not in our best financial interest to question the agencies that provide us with both income and this data. We will make more inquiries to seek to obtain the correct data from our funding sources in the future. We will work diligently to provide a more accurate and complete SEFA report by the end of 2025 audit period including a secondary review process. Every effort is made to obtain California state issued letters presenting annual federal to state ratios of Foster Care. Accounting Director – Deena Spann and Accountant – Wendy Frazier are responsible for implementation and the deadline for implementation is 12/31/2025. This has been corrected and will not be a finding on the 2025 audit.

