



CALIFORNIA

Foster care agency directors charged with embezzlement



Los Angeles County Dist. Atty. Jackie Lacey, shown in 2012, has charged husband-and-wife foster care executives with misuse of public funds. (Al Seib / Los Angeles Times)

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A husband and wife have been charged with embezzling more than \$460,000 from a taxpayer-funded nonprofit agency hired by Los Angeles County to help abused and neglected foster children, the district attorney's office announced Thursday.

The couple, arrested at their Banning home Thursday, face 22 counts of misappropriation of public funds and embezzlement.

A county audit in 2011 concluded that CSJ Kidogo, the executive director of the nonprofit Little People's World, and his wife, Hitaji Kidogo, assistant executive director, used agency money to purchase personal real estate in Northern California and Oklahoma. The couple also allegedly borrowed agency money without repaying it, funded personal vacations and collected salaries totaling \$269,000, according to the audit, which formed the basis for the criminal case.

"Money intended to care for children in foster homes instead lined the pockets of the executives who ran the programs," said Los Angeles County Dist. Atty. Jackie Lacey. The couple did not respond to messages left at their home and business.

In recent weeks, the county's Department of Children and Family Services has declined to answer The Times' questions about Little People's World, which is paid higher rates than many foster home contractors because it accepts children with more severe behavioral and mental health challenges. The nonprofit operates two group homes in Compton and two in Riverside County that normally care for a total of 28 children. In all, the agency receives about \$2.5 million annually from the two county governments.

The district attorney's office said the 2011 audit wasn't referred to prosecutors for possible criminal investigation until last year. The county auditor-controller's office did not immediately respond to a request for comment on the delay.

Prosecutors said the misuse of funds began in 2008 and continued into 2013. However, the county's child welfare department continued to contract with Little People's World despite the earlier critical audit and a pledge last year by the department's director, Philip Browning, to take financial improprieties at contracted foster agencies more seriously.

His department also received additional funding from the Board of Supervisors to increase oversight staffing.

Following Thursday's arrests, Browning said he continued to use Little People's World because he believed the children were receiving an appropriate level of care. "The bottom line is that we didn't think safety was an issue," Browning said.

A DCFS operational audit completed earlier this year found Little People's World met standards in most categories. But the audit noted concerns, including buildings in disrepair and insufficient planning to ensure children's needs were being met. And it noted that some problems, including at least one child injury, weren't properly reported.

DCFS has been criticized in recent years for poor fiscal oversight of its foster care contractors. Only about one-tenth of the more than \$11 million in inappropriate expenditures identified by auditors at foster care nonprofits between 2000 to 2010 has been recovered, The Times reported earlier this year.

County auditors found that one agency, Teens Happy Homes in Los Angeles, spent funds on cigarettes and beer — 30 cases of the latter in one instance. Another foster care contractor, America Care, spent taxpayer dollars on alcohol, clothing from Nordstrom, tobacco, jewelry boxes, fine china, perfume and a martini set, according to county auditors.

In recent weeks, social workers began to remove children from Little People's World homes, but at least seven children remain in the agency's care. The district attorney said the agency would be closing soon.

Both defendants are scheduled to be arraigned on Monday. Prosecutors said they would ask that their bail be set at \$550,000 each.

If convicted, each defendant faces up to 14 years in state prison.

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Garrett Therolf

Garrett Therolf previously covered Los Angeles County government with an emphasis on its child welfare system. While at The Times from 2006-16, he held assignments covering crime, the revolution in Egypt and the conflict in Iraq. He is a native Californian, and graduated from the School of Foreign Service at Georgetown University.

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