



## Legislation Text

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**File #:** 23-1756, **Version:** 1

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District Attorney's Office recommending the Board consider the following:

- 1) Adopt and authorize the Chair to sign Resolution **191-2023** authorizing the District Attorney to execute a Grant Award Agreement with the California Department of Insurance for the Automobile Insurance Fraud Program for Fiscal Year (FY) 2023-24 in the amount of \$187,683, based on the received grant award letter, including any extensions or amendments thereafter which would not increase net county costs;
- 2) Adopt and authorize the Chair to sign Resolution **192-2023** authorizing the District Attorney to execute a Grant Award Agreement with the California Department of Insurance for the Workers' Compensation Insurance Fraud Program for FY 2023-24 in the amount of \$506,895 including any extensions or amendments thereafter which would not increase net county cost; and
- 3) Approve and authorize the Chair to sign FY 2023-24 budget transfer adjusting appropriations and estimated revenue in the Workers' Compensation Fraud Special Revenue Fund, Automobile Fraud Special Revenue Fund, and the District Attorney's Office to reflect actual grant award and carryforward amounts. (4/5 vote required)

**FUNDING:** California Department of Insurance Grant Programs.

### **DISCUSSION / BACKGROUND**

The District Attorney's Office has received Automobile Insurance Fraud and Workers' Compensation Insurance Fraud grant funding since FY 2004-05. El Dorado County has been commended by the California Department of Insurance (CDI) for program operation and compliance. It is through the dedicated commitments of prosecutors and investigators that fraud prevention, investigation, and prosecution has been so successful over the last few years.

### Automobile Insurance Fraud Grant

The District Attorney's Office actively investigates and prosecutes automobile insurance fraud and continually seeks to expand their fraud unit to initiate and prosecute additional cases. In addition, the District Attorney's Office seeks new ways to educate the community and law enforcement agencies on automobile insurance fraud and resources available to assist victims. The District Attorney's Office also allows citizens of El Dorado County access to the office for protection of their rights, as well as a forum to report situations of potentially illegal conduct. As a result, the automobile insurance fraud program has become a significant component of the District Attorney's consumer protection effort.

The 2023-24 Auto Fraud award amount is \$187,683, which is \$19,861 less than what was anticipated in the FY 2023-24 Adopted Budget. A budget transfer reducing revenue under the Special Revenue Fund is being requested. Additionally, the program maintains carryforward funding from the prior FY 2022-23 grant award in the amount of \$34,877, which is anticipated to fund potential overtime salaries of participating staff, as-needed operating expenses and replacement computer equipment for the dedicated Investigator and Attorney. The enclosed budget transfer adjusts total budgeted operating transfers in for the Automobile Fraud program to match the total grant amount of \$222,560.

## Workers' Compensation Insurance Fraud Grant

The District Attorney's Office has received this grant for the past twelve years and continues to be active in the investigation and prosecution of workers' compensation insurance fraud. In addition, the District Attorney's Office continues to develop and maintain relationships with outside agencies working in this field, as well as engaging in outreach to the public for the purpose of reducing violations by providing education to employers and employees.

The 2023-24 Workers' Compensation Fraud award amount is \$506,895, which is \$10,805 higher than what was anticipated in the FY 2023-24 Adopted Budget. A budget transfer increasing revenue and appropriations is being requested to account for the change in funding amount. Additionally, the program maintains carryforward funding from the prior FY 2022-23 grant award in the amount of \$130,021, which is anticipated to fund as-needed extra-help salaries of participating staff, professional services related to casework, and the cost for a rollover vehicle request to be shared by the assigned part time District Attorney Investigator and Deputy District Attorney. The vehicle has already been added to the County's Fixed Asset list per Legistar Item 22-2132 but was not procured in FY 2022-23 due to supply/demand issues. The enclosed budget transfer adjusts total budgeted operating transfers in for the Workers' Compensation Fraud program to match the total grant amount of \$636,916.

A signed resolution is required for the District Attorney to sign and accept the Grant Award Agreements with CDI, upon receipt and County Counsel review and approval. Approval of these recommendations will allow the District Attorney's Office to continue receiving grant funds that support their consumer protection efforts.

### **ALTERNATIVES**

Should the Board choose to not accept the Grant Agreements and execute the associated resolutions, the County would be ineligible to participate in the CDI Fraud Programs.

### **PRIOR BOARD ACTION**

12/13/2022 Legistar Item 22-2132: Board approved the acceptance of FY 2022-23 Grant Award Agreement with CDI for the Automobile Insurance Fraud Program in the amount of \$192,533 and for the Workers' Compensation Insurance Fraud Program in the amount of \$453,381.

10/19/2021 Legistar Item 21-1532: Board approved the acceptance of FY 2021-22 Grant Award Agreement with CDI for the Automobile Insurance Fraud Program in the amount of \$198,464 and for the Workers' Compensation Insurance Fraud Program in the amount of \$437,474.

10/20/2020 Legistar Item 20-1331: Board approved the acceptance of FY 2020-21 Grant Award Agreement with CDI for the Automobile Insurance Fraud Program in the amount of \$197,697 and for the Workers' Compensation Insurance Fraud Program in the amount of \$446,750.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

Due to the variance between actual awards for both CDI Programs as compared to the projections included on the FY 2023-24 Adopted Budget, a budget transfer is necessary to account for the program funding changes. The recommended budget transfer increases appropriations and revenue for the Workers' Comp Program. The budget transfer also decreases incoming revenue under the Auto Fraud Program, while appropriating the use of carryforward funds from the previous grant cycle.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

Upon approval, Clerk of the Board to:

- 1) Return one certified copy of each resolution to the CAO Central Fiscal Unit, Attn: Justene Cline; and
- 2) Forward executed budget transfer to the Auditor Controller's Office.

### **STRATEGIC PLAN COMPONENT**

Public Safety

### **CONTACT**

Vern Pierson, District Attorney