File #: 20-1331, **Version:** 1

District Attorney recommending the Board consider the following:
1) Adopt and authorize the Chair to sign Resolution **157-2020** 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 2020-2021 in the amount of $197,697 including any extensions or amendments thereto which would not increase net county costs;
2) Adopt and authorize the Chair to sign Resolution **158-2020** authorizing the District Attorney to execute a Grant Award Agreement with the California Department of Insurance for the Workers' Compensation Insurance Fraud Program for Fiscal Year 2020-2021 in the amount of $446,750 including any extensions or amendments thereof which would not increase net county cost; and
3) Approve and authorize the Chair to sign Fiscal Year 2020-2021 budget transfer increasing appropriations and revenue in both the Workers' Compensation Fraud Special Revenue Fund and the District Attorney's Office; and decreasing appropriations and revenue in the Automobile Fraud Special Revenue Fund and the District Attorney's Office. (4/5 vote required)

FUNDING: California Department of Insurance.

DISCUSSION / BACKGROUND
The District Attorney's Office has received the Automobile Insurance Fraud and Workers' Compensation Insurance Fraud grants since Fiscal Year 2004-05. El Dorado County has been commended by the California Department of Insurance 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 both auto theft and 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 2020-21 Auto Fraud award amount is $197,697, which is less than what was included on the FY 2020-21 Adopted Budget. A budget transfer reducing estimated revenue and operating expense appropriations is being requested. It's possible this shortfall could be absorbed by other general fund savings within the department. The Department and CAO will monitor expenditures and return, if necessary.

Workers' Compensation Insurance Fraud Grant

The District Attorney's Office has received this grant for the past ten 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 2020-21 Workers' Compensation Fraud award amount is $446,750, which is higher than what was included on the FY 2020-21 Adopted Budget. A budget transfer increasing estimated revenue and operating expense appropriations is being requested to account for the change in funding amount.

A signed resolution is required in order for the District Attorney to sign the Grant Award Agreements with the California Department of Insurance (CDI). 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 Agreement, the County would be ineligible to participate in the program.

PRIOR BOARD ACTION
Board Item 19-1367, October 8, 2019: Board approved the acceptance of FY 2019-20 Grant Award Agreement with the California Department of Insurance for the Automobile Insurance Fraud Program in the amount of $220,333 and for the Workers' Compensation Insurance Fraud Program in the amount of $408,465.

OTHER DEPARTMENT / AGENCY INVOLVEMENT
N/A

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 2020-21 Adopted Budget, a budget transfer is necessary to account for the program changes. The proposed budget transfer increases appropriations and revenue for the Workers' Comp Program with significant increase in anticipated expenditures under Extra Help and Professional Services related to an ongoing case. The budget transfer also decreases anticipated expenditures under Salaries to account for the Auto Fraud Program revenue shortfall.

Approval of this budget transfer will have no impact to Net County Cost. There is no matching requirement relative to these grants.

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