

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: DISTRICT ATTORNEY

BOARD AGENDA # *B-4

Urgent

Routine

AGENDA DATE September 13, 2011

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval to Accept the Fiscal Year 2011-2012 Grant from the Department of Insurance for the District Attorney's Office Auto Insurance Fraud Program

STAFF RECOMMENDATIONS:

1. Accept the FY 2011-2012 Grant from the Department of Insurance for the District Attorney's Office Automobile Insurance Fraud Program totaling \$191,079.
2. Authorize the District Attorney to sign the grant award agreement including any extension, or amendments.
3. Approve a formal resolution as required by the State to receive this grant funding.

FISCAL IMPACT:

Estimated revenues and appropriations of \$212,310 for this grant were projected in the Fiscal Year 2011-2012 Proposed Budget. The award amount received by the Department of Insurance was \$191,079. This is a \$21,231 reduction of the projected amount. A carryover amount of \$5,135 from the previous Fiscal Year 2010-2011, has been requested from the Department of Insurance to use in Fiscal Year 2011-2012. The carryover is reflected in the Auto Insurance Fraud fund balance. When approval from the Department of Insurance is received to use carryover funds, a budget journal will be submitted to the Auditor-Controller to reduce revenues and appropriations by \$16,096. Continue Page 2

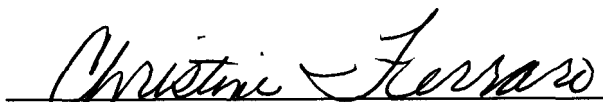
BOARD ACTION AS FOLLOWS:

No. 2011-520

On motion of Supervisor Chiesa, Seconded by Supervisor Withrow
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

- 1) Approved as recommended
- 2) Denied
- 3) Approved as amended
- 4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Accept the Fiscal Year 2011-2012 Grant from the Department of Insurance for the District Attorney's Office Auto Insurance Fraud Program

FISCAL IMPACT CONT:

The grant will fund salaries and benefits for a Criminal Investigator at 100%, a Paralegal at 85% and a Chief Deputy District Attorney at 5%. The grant will also fund operating expenditures which include wireless communications, audit expenditures and training for the Auto Insurance Fraud staff to attend this fiscal year. The District Attorney's general fund will fund the remaining 15% of the Paralegal position and 95% of the Chief Deputy District Attorney position.

DISCUSSION:

In FY 1996-1997, the District Attorney's Office was awarded funding for the Automobile Insurance Fraud Grant. This will make FY 2011-2012 the fifteenth consecutive year that the District Attorney's Office will have received funding from the Department of Insurance for the Automobile Insurance Fraud Grant.

Insurance fraud affects the citizens of Stanislaus County through increased insurance rates. The District Attorney's Office is committed to the investigation and prosecution of those who commit insurance fraud; the acceptance of the Department of Insurance's Automobile Insurance Fraud Prosecution grant has allowed this investigation and prosecution to occur. This agenda item is being submitted for Board approval in order to authorize acceptance of the grant and to authorize the District Attorney to sign the final grant award. A formal resolution is attached.

In 2010-2011, the Auto Insurance Fraud unit investigated 124 cases of potential Insurance Fraud. The majority of cases that were reviewed for potential insurance fraud were through the Stanislaus County Auto Theft Task Force (Stan CATT). During the same reporting period, 5 defendants were prosecuted for felony insurance fraud. Of the remaining investigations, 72 cases were reviewed for criminal prosecution for other charges-primarily Auto Theft. The objectives for the grant in Fiscal Year 2011-2012 will have an emphasis on obtaining as much restitution as possible from convicted auto insurance fraud defendants. The Criminal Investigator will continue to work with the Stanislaus County Auto Theft Task Force.

POLICY ISSUES:

Acceptance of this grant will assist the District Attorney's Office in meeting the Board's goal of A Safe Community.

STAFFING IMPACTS:

There are no staffing impacts at this time. The current staffing levels are able to sustain the requirements of the grant reporting.

CONTACT INFO:

Dave Harris, Chief Deputy District Attorney (209) 525-5550

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: September 13, 2011

No. 2011-520

On motion of Supervisor Chiesa Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

THE FOLLOWING RESOLUTION WAS ADOPTED:

Item # *B-4

RESOLUTION
STANISLAUS COUNTY BOARD OF SUPERVISORS
FY 2011/12 AUTOMOBILE INSURANCE FRAUD PROGRAM

WHEREAS, the Stanislaus County Board of Supervisors desires to continue a certain project designated AUTOMOBILE INSURANCE FRAUD PROGRAM to be funded from funds made available through the CALIFORNIA INSURANCE CODE Section 1872.8, California Code of Regulations Subchapter 9, Article 4, Section 2698.65, administered by the DEPARTMENT OF INSURANCE (hereafter referred to as DOI).

NOW, THEREFORE, BE IT RESOLVED that the District Attorney of Stanislaus County is hereby authorized on its behalf to accept this grant award from DOI and is authorized to sign and approve on behalf of the Stanislaus County Board of Supervisors the Grant Award Agreements including any extension, augmentation or amendments thereof.

IT IS AGREED that any liability arising out of the performance of these Grant Award Agreements, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and the DOI disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk
Stanislaus County Board of Supervisors,
State of California



File No.

File No.



DAVE JONES
Insurance Commissioner

August 19, 2011

The Honorable Birgit Fladager
Stanislaus County District Attorney's Office
832 12th Street, Room 300
Modesto, CA 95354

RE: Grant Award for the Automobile Insurance Fraud Program, Fiscal Year 2011-12

Dear District Attorney Fladager:

I am pleased to inform you that Stanislaus County has been awarded \$191,079 under the Automobile Insurance Fraud Program for Fiscal Year 2011-12. This grant award is to be used for the investigation and prosecution of automobile insurance fraud and economic car theft pursuant to Section 1872.8 of the California Insurance Code.

For Fiscal Year 2011-12, the available funding for local assistance was appropriated at **\$15,259,000**. This grant award is contingent on the total amount collected and it is possible that the total collection could fall short of the projected amount. Therefore, the final disbursement to your county could be adjusted accordingly.

Thank you for your efforts in submitting the Request for Application. I look forward to working with you in the battle against automobile insurance fraud.

If you have any questions regarding your participation in the Automobile Insurance Fraud Program, please contact Mary Spaid, Manager of the Local Assistance Unit, at (916) 854-5774 or at spaidm@insurance.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Dave Jones".

Dave Jones
Insurance Commissioner

cc: Dave Harris, Chief District Attorney
Lori Denego, Accountant