

# MEMORANDUM OF UNDERSTANDING

## Empire Automobile Insurance Fraud Task Force

### FY 2024-25, 2025-26, and 2026-27

This Memorandum of Understanding (MOU) is being executed by the below listed agencies in connection with the *Organized Automobile Fraud Activity Interdiction Program* for Riverside and San Bernardino Counties, regionally known as the Inland Empire Automobile Insurance Fraud Task Force (IE AIFTF). The participating agencies listed below jointly and separately agree to abide by the terms and provisions of this MOU throughout the duration of this agreement.

1. California Department of Insurance, Fraud Division, Inland Empire Regional Office (CDI)
2. California Highway Patrol, Inland Division (CHP)
3. Riverside County District Attorney's Office (RCDA)
4. San Bernardino District Attorney's Office (SBDA)

#### I. MISSION

The mission of the IE AIFTF is to investigate and prosecute organized automobile insurance fraud activities using coordinated investigative and prosecutorial resources.

#### II. OBJECTIVES

- a. Utilize state and regional resources in a coordinated manner to reduce the impact of organized automobile insurance fraud, economic auto theft and related criminal activity.
- b. Investigate, arrest and prosecute individuals and criminal enterprises that commit or conspire to commit automobile insurance fraud, including economic auto theft, staged auto collisions and related crimes as stated in section 1874.8 of the California Insurance Code.
- c. Use current technology to develop investigation and prosecution strategies to reduce organized automobile insurance fraud activity.
- d. Develop investigation and prosecution strategies that will significantly reduce the incidence of organized automobile fraud in Riverside and San Bernardino counties.
- e. Provide technical assistance and expertise to allied agencies on specific organized automobile fraud activity within Riverside and San Bernardino counties.

- f. Establish liaison and communication between allied agencies, the insurance industry, and other public and private sectors to enhance intelligence and informant development.
- g. Educate the public regarding fraud and the consequences of committing fraud using media and public forums.

### **III. GENERAL AGREEMENTS**

It is agreed among the participating agencies:

#### **a. PARTICIPANTS**

The IE AIFTF will be comprised of detectives from the CDI, CHP investigator(s), and one investigator from RCDA and SBDA. Other members of the IE AIFTF may include personnel from the signed participants to this MOU or as otherwise permitted by this agreement.

Additionally, the Riverside County District Attorney's Office and the San Bernardino County District Attorney's Office will provide prosecutors for the purpose of prosecuting the cases investigated by the IE AIFTF. Nothing in this MOU shall interfere with or affect the independent prosecutorial discretion of the prosecutors as it relates to any prosecution or investigation arising out of this program. Decisions regarding prosecution shall remain entirely within the discretion of the appropriate District Attorney's Office.

#### **b. EXECUTIVE POLICY BOARD**

The IE AIFTF Executive Policy Board shall consist of the Deputy Commissioner of the California Department of Insurance Enforcement Branch (or a designee), the Commander of the Inland Division of the California Highway Patrol (or a designee), the Chief Deputy District Attorney of the Riverside County District Attorney's Office (or a designee), and the Chief Deputy District Attorney of the San Bernardino District Attorney's Office (or a designee). Each member of the Policy Board shall have an equal vote on all policy matters pertaining to the operations of the IE AIFTF.

The Policy Board will be responsible for monitoring the implementation of, and resolving disputes concerning the operation commitments and obligations of this MOU. The Policy Board shall meet as necessary. All decisions by the Policy Board shall be unanimous.

#### **c. REGIONAL COORDINATOR**

The Regional Coordinator shall be the Captain of California Department of Insurance - Inland Empire Regional Office, and shall have overall responsibility for the administration, operation and management of the IE AIFTF. The Captain shall act as the liaison between the participating agencies and the CDI Fraud Division.

The Regional Coordinator shall prepare a quarterly operational report outlining the activities of the task force, which will be made available to all participating agencies upon request. The report shall include the number of opened and assigned cases, the number of investigative hours inclusive of overtime, and all funds expended on each case. The report shall also include a summary of all significant program activity, including the numbers and types of search warrants executed, arrests, cases filed, and the results of all prosecutions and convictions obtained by the task force prosecutors.

**d. TASK FORCE SUPERVISOR/TASK FORCE COMMANDER**

The Task Force Supervisor, also referred to as the Task Force Commander, shall be a CDI Sergeant, who is responsible for the daily investigative activities and operations of the IE AIFTF. The sergeant is responsible for the direct supervision of the activities for the assigned investigators, investigative assistants, and the clerical support personnel. The Task Force Supervisor retains the authority to schedule and deploy the task force officers to accomplish the task force mission. The Task Force supervisor may informally counsel the Task Force members but will follow the process established by the respective employing agency for all disciplinary matters.

**IV. INVESTIGATION / PROSECUTION STRATEGY**

The routine investigative strategy regarding case development and direction shall be the responsibility of the Task Force Supervisor. The assigned deputy district attorneys shall be contacted on a regular basis for updates, legal opinions and guidance. “Vertical prosecutions” shall be used on all cases investigated by the task force.

“Vertical prosecution” means that all supervisors and investigators will work together with the prosecutors at the earliest possible opportunity in the investigation and build the investigation from inception through prosecution and final adjudication.

The prosecutors shall be available to provide legal review and shall file task force cases warranting a criminal complaint or indictment. Any salary and benefits associated with these positions shall be the responsibility of the RCDA and SBDA. The respective county District Attorney's office shall retain sole charging, filing, and settlement authority for all cases.

**V. OTHER OPERATIONAL CONSIDERATIONS**

**a. CLERICAL SUPPORT**

Clerical support for the investigations will be provided to the task force by the Fraud Division to facilitate normal clerical duties, not including transcription, associated with an investigative unit. Each agency will be responsible for its own transcriptions. The Regional Coordinator may approve additional clerical or technical support, as needed, from other participants to the task force.

**b. LIABILITY**

Each participating agency shall be responsible for the acts of its respective program personnel as well as for any losses, damages, claims, demands, or other liabilities arising out of that member's services and activities while participating in the Program. Each participating agency shall also be liable for any and all workers' compensation benefits for personnel employed by them who are injured in the course and scope of their duties while assigned to this Program.

Each participating agency, insofar as it may legally do so, agrees to indemnify and hold harmless all other participating agencies, their officers, agents, and employees, from and against any and all claims and demands whatsoever, resulting from their negligence or omissions in connection with the acts related to this agreement.

**c. HOUSING**

All Investigative personnel assigned to the IE AIFTF shall be primarily housed at the CDI - Inland Empire Regional Office, but can also maintain housing at the parent agency. The Regional Coordinator shall have the final authority in determining the actual location of space for the task force.

**d. EQUIPMENT**

Participating agencies shall provide an undercover vehicle, safety equipment, portable computer and miscellaneous surveillance items in support of their full-time assigned investigative personnel. All equipment provided by an individual agency shall remain the property of that agency and shall remain with that agency upon termination of that agency's participation in the joint investigation.

The CDI Fraud Division will provide the necessary computer training to the task force investigators. All task force investigators shall use the Fraud Division's Case Record Information Management System (CRIMS) and report writing forms.

**e. MEDIA**

The release of media information regarding task force operations shall be coordinated through the Task Force Supervisor and the Media Coordinators of RCDA and/or SBDA, as determined by the jurisdiction of the case, and with notification to the Regional Coordinator. Scheduled media releases of a significant nature or involving joint investigations with one or more county agencies shall be coordinated with notification to the Captain and the affected agencies prior to the event. The Task Force Supervisor shall have the

responsibility and flexibility of making the appropriate contact with the CDI Press Office following the CDI Fraud Division policy and procedure.

Release of media information regarding officer involved shootings, vehicle accidents or other individual personnel matters shall be handled by the agency employing the individual investigator.

**f. STANDARD OPERATING PROCEDURES**


IE AIFTF investigative personnel shall abide by Standard Operating Procedures (SOP) developed by the Regional Coordinator. The SOP shall be approved by the IE AIFTF Policy Board prior to implementation and shall delineate procedures for: Objectives, joint investigations, joint operations, operational strategies, undercover operations, communications, investigative report writing forms/systems, document control procedures, case management and tracking, time off requests, and other related areas.

**X. TERM OF AGREEMENT**

This agreement, contingent upon available funding, becomes operative effective July 1, 2024 and shall remain in effect until June 30, 2027. Any agency desiring to terminate its participation in this agreement shall indicate such intent in writing to the CDI Fraud Division. The termination shall be deemed to take effect not less than 30 days after receipt of written communication or upon a date established by mutual agreement.

**XI. JOINT ACCEPTANCE OF MOU**

The undersigned represent that they have the authority to execute this agreement on behalf of their respective participating agencies and, in signing this agreement, represent a concurrence with and support of the Program as set forth in this agreement and for the period and purposes stated herein.

  
Eric Charlick | June 18, 2024 08:28 PDT  
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Eric Charlick, Deputy Commissioner  
California Department of Insurance  
Fraud Division

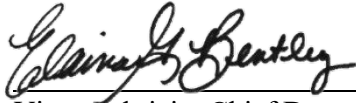
Date: 06/18/2024

\_\_\_\_\_  
D.J. Minor, Chief  
California Highway Patrol  
Inland Division

Date: \_\_\_\_\_

\_\_\_\_\_  
William W. Lee, Chief Deputy District Attorney  
District Attorney's Office  
County of San Bernardino

Date: \_\_\_\_\_



for

\_\_\_\_\_  
Vince Fabrizio, Chief Deputy District Attorney  
District Attorney's Office  
County of Riverside

Date: 6/18/2024






# Urban Grant MOU FY 2024-2027 Final

Final Audit Report

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