

AIF GRANT APPLICATION INFO

Multi County Grant – No

FY 2022-2023 Audited Unexpended Funds, excluding interest – 0

FY 2022-2023 Audited Unexpended Funds percentage, excluding interest – 0

Contacts

Project Manager – William Lee

Case Statistics – Brenda Whittaker

Compliance/Fiscal Officer – Claudia Walker

Elected District Attorney – Jason Anderson

QUALIFICATIONS

1. What areas of your automobile insurance fraud operation were successful and why?

Summary

Since 1993, the San Bernardino County District Attorney's (SBCDA) Automobile Insurance Fraud Program has been dedicated to investigating and prosecuting automobile insurance fraud. Commitment to our core principles and adoption of hi-tech investigation techniques supported our program even through the pandemic.

Our program averaged 30 new prosecutions and 30 convictions each year from Fiscal Year 2015 – 2016 through Fiscal Year 2021 – 2022.

During those years, we implemented new hi-tech investigation techniques, believing this would be the future of automobile insurance fraud investigations due to the increasing use of technology in automobiles. It allowed us to investigate and prosecute cases that could not previously be investigated successfully.

From there, we further advanced the utility of technology to identify undetected fraudulent claims. (See *Operation Trojan Horse*, explained further below.) Operation Trojan Horse promised the discovery of undetected fraud claims of higher value vehicles, resulting in higher restitution recovery and/or avoidance of high losses. The Operation Trojan Horse experiment came with a steep learning curve, however, resulting in a drop in productivity in Fiscal Year 2022 – 2023, as follows:

- 17 new prosecutions
- 21 convictions
- Restitution ordered – \$51,921
- Restitution collected – \$47,461

Our confidence and commitment to Operation Trojan Horse did not waver. We adjusted the balance in our investigations to increase overall case production while continuing to gain expertise and efficiency in implementing Operation Trojan. In Fiscal Year 2023 – 2024, our program bounced back.

- New prosecutions – 29
- Convictions – 18
- Restitution ordered – \$69,649
- Restitution collected – \$32,229

New prosecutions nearly returned to our historical average of 30. Convictions and restitution number remained low, but this was expected. Convictions and restitution flow mostly from new prosecutions in prior years. Last year's low numbers of new prosecutions resulted in low numbers of convictions this fiscal year. The increase in new prosecutions this year should translate into higher numbers of convictions next year.

Operation Trojan Horse is a success. Despite the drop in productivity for the single year in Fiscal Year 2022 – 2023, it will pay dividends in the future. Indeed, its value is being recognized. NICB is sharing our story within the insurance industry, and a major Southern California District Attorney's Office has asked us for advice in creating a similar program after we gave a presentation on the topic at the recent CDAA Fraud Symposium.

Back-to-Basics Plan Continues

Since his assignment into the Automobile Insurance Fraud (AIF) Unit in 2015, Deputy District Attorney Tom Colclough has used his 27 years as a prosecutor to streamline the processes by which AIF cases are identified for investigation and filing of criminal charges. This "back-to-basics" approach has been successful in focusing our resources on provable cases of automobile insurance fraud, thereby improving program effectiveness and efficiency by directing investigative resources to favor quality investigations over our past practice that emphasized quantity of investigations. These changes proved to be the cornerstones of our improved program.

In addition to reorganizing the procedures by which cases are reviewed, DDA Colclough emphasized networking with the private industry, collaboration and outreach with the Department of Insurance and local law enforcement agencies. This has improved our relationships with these agencies and ultimately the quality of referrals.

These changes, as detailed below, produced: (1) an increase in filed cases, (2) significant increase in convictions, (3) significant increase in restitution ordered, (4) significant decrease in cases turned down for filing, and (5) strengthened our relationship with the Department of Insurance (CDI). (See below.)

An Effective and Efficient Screening Process

Our "back-to-basics" program started with the intake and screening process. These changes were explained in detail in past grant applications. To summarize, our past practice was to investigate a high volume of cases. This resulted in high numbers of carry-forward investigations, high numbers of total investigations, and high numbers of cases declined for filing. But few cases were filed. Our program wasted valuable resources investigating a lot but prosecuting little.

DDA Colclough's focus on the intake and screening process turned that around. Now, AIF only investigates cases that present a strong chance of being filed in court. As a result, the number of new investigations, carry-forward investigations, total investigations, and cases turned down for filing *all fell*. At the same time, the number of new prosecutions increased. These improvements continue to this day.

The difference in productivity and efficiency is noticeable in the table presented below. In the 5 years prior to DDA Colclough's arrival:

- 23% of investigations resulted in filed cases (calculated as New Cases Filed divided by Total Investigations).
- 107 new cases were filed – an average of 21 per year.

In the 9 years since DDA Colclough rejoined the unit, including the current fiscal year:

- 70% of investigations resulted in filed cases.
- 259 new cases were filed, an average of 29 per year.

Fiscal Year	Investigations Carried Forward	New Investigations	Total Investigations	Declined To File	New Cases Filed
2023-24	5	22	27	9	29
2022-23	6	25	31	12	17
2021-22	7	35	42	13	28
2020-21	10	33	43	8	30
2019-20	7	36	43	6	31
2018-19	7	34	41	10	30
2017-18	8	49	57	13	41
2016-17	15	34	49	11	31
2015-16	18	19	37	10	22
Arrival of DDA Colclough – February 2015					
2014-15	28	40	68	50	15
2013-14	58	37	95	70	20
2012-13	34	64	98	55	27
2011-12	32	91	123	67	22
2010-11	18	68	86	44	23

Improvements in productivity were seen across the board. On an annual average basis, our improved performance since DDA Colclough's arrival contrasted with the five years before his arrival are:

- New case filings increased 34%.
- Convictions increased by nearly 18%.

- Restitution ordered increased approximately 30%. (See below.)

Fiscal Year	New Filings	Convictions	Restitution Ordered	Restitution Collected
2023 – 2024	29	18	\$69,649	\$32,229
2022 – 2023	17	21	\$51,921	\$47,461
2021 – 2022	28	32	\$182,029	\$120,225
2020 – 2021	30	22	\$59,951	\$62,065
2019 – 2020	31	27	\$77,845	\$33,801
2018 – 2019	30	37	\$79,644	\$131,354
2017 – 2018	41	38	\$136,587	\$88,992
2016 – 2017	31	30	\$59,629	\$28,798
2015 – 2016	22	28	\$40,956	\$35,760
Assignment of DDA Colclough to the Unit – February 2015				
2014 – 2015	15	29	\$28,373	\$111,541
2013 – 2014	21	26	\$94,008	\$114,303
2012 – 2013	26	23	\$70,232	\$39,138
2011 – 2012	22	20	\$62,487	\$29,456
2010 – 2011	23	21	\$64,084	\$29,700

Expert Use of Hi-Tech and Digital Evidence

For several years we have been expanding our ability to investigate automobile insurance fraud involving computer-based vehicles. Vehicles are increasingly collecting and storing significant amounts of digital evidence. Similar to how DNA helps solve crimes that were once thought to be unsolvable, digital evidence has proven critical in investigating and prosecuting fraud cases that would have otherwise gone unpunished. Digital evidence is THE investigative tool of the future. We have committed ourselves to advancing our expertise in this field.

In Fiscal Year 2018 - 2019, Senior District Attorney Investigator Chuck Peterson (SDAI Peterson) received training in accessing and using evidence obtained from Event Data Recorders (EDRs, often called the “black box”), Infotainment systems (BERLA), ZETX, key fobs, and other devices containing digital data. Each year, we learn of new sources of digital evidence available to us, such as WiFi/Google GPS data. Digital data from multiple data sources will often be the key to revealing an entire fraud scheme. Our

hi-tech expertise has resulted in the successful investigation and prosecution of fraud cases that were not previously possible.

The only downside to this type of digital investigation is that vehicle manufactures do not make accessing this information easy. There are no manufacturer or industry standards for accessing the data stored within a vehicle. Obtaining the data requires direct access to the computer chips and/or modules where the data is stored. This varies among manufacturers. Because accessing this information can involve disassembling portions of the vehicle, extracting and/or downloading high-tech equipment and digital evidence requires significant time and resources. This has placed a *de facto* ceiling on the volume of our investigations we could complete. In Fiscal Year 2019 – 2020. SDAI Peterson was transferred out of AIF, but occasionally continued to provide his expert services as an unfunded contribution. Senior District Attorney Investigator David Steele (SDAI Steele) replaced SDAI Peterson and he, too, received training in hi-tech and digital evidence.

Our hope is that vehicle manufacturers will adopt standards and interfaces that will allow easier access to this data. Until then, we are continuing to find new ways to use the available data to prove fraud and will be prepared as new data sources become available. We continue to invest significant time and resources to develop our expertise in this field. Additionally, SDAI Peterson has been training others through CDAA, SCFIA and other organizations to share our growing knowledge and experience.

Operation Trojan Horse

The availability of digital evidence has been transformative. It may also offer the industry a means to detect undiscovered fraud claims. We put this theory to the test with an initiative developed in partnership with CDI, the San Bernardino County Automobile Theft Task Force (SANCATT) and the National Insurance Crime Bureau (NICB).

Typically, an insurance carrier will fully pay a theft claim if the car is not recovered within 30 days. Many stolen cars are recovered after 30 days. It has been theorized that many of these theft claims are owner give-up frauds. This fraud scheme is hard to detect and harder to investigate. Now, a vehicle's hi-tech equipment and available digital evidence provide a means to investigate these cases.

Operation Trojan Horse was developed to detect owner give-up frauds. NICB regularly provides us with a list of recovered stolen vehicles. While the information contained in the list is basic, it is the starting point that allows us to screen for cars that store data and that are BERLA compatible. Significant additional screening occurs once compatibility is confirmed, such as contact with insurance carrier, review of theft/police reports, etc. The few theft claims passing this screening process will move forward into an investigation that includes downloading digital data and/or removing hi-tech equipment.

Our regional CDI office has partnered in this effort. CDI Detective Anthony Camacho has been assigned to work Operation Trojan Horse-type cases. Recently, he received training to remove, download and analyze hi-tech equipment and data. We recently learned that CDI has approved the purchase of the necessary equipment for CDI to conduct their own investigations.

Operation Trojan Horse was designed to identify high value insurance fraud claims that have historically gone undiscovered. By design it targets newer, high value cars which were fully paid out by the carrier. Therefore, the potential and actual losses tend to be higher. This may be seen in our statistics.

- We started dabbling in hi-tech analysis in Fiscal Year 2018 – 2019. The Estimated Chargeable Fraud of new prosecutions in the three years that followed averaged \$17,963 compared to \$12,534 over the three preceding years – an increase of 43%.
- Similarly, we initiated Operation Trojan Horse in Fiscal Year 2021 – 2022. In the two fiscal years that followed, the average Estimated Chargeable Fraud of new prosecutions was \$22,198 compared to \$17,963 over the three preceding fiscal years – an increase of 23.6%.

Fiscal Year	New Cases In Court	Average Estimated Chargeable Fraud
FY 2023-2024	29	\$22,375
FY 2022-2023	17	\$25,285
FY 2021-2022	28	\$15,651
FY 2020-2021	30	\$21,093
FY 2019-2020	31	\$17,021
FY 2018-2019	30	\$10,412
FY 2017-2018	41	\$13,545
FY 2016-2017	35	\$12,812

Over the last few years, Operation Trojan Horse has assisted in identifying several fraudulent insurance claims that would have gone undetected. A number of them are detailed below in *Significant Cases Filed*. These include cases filed in Fiscal Year 2023 – 2024, such as *People v. James Cameron*, FWV23002443, and *People v. Roman Osuna*, FVI24001365, and cases filed in Fiscal Year 2022 – 2023, such as *People v. Lucille Moreno*, FSB22002857, *People v. Yolanda Marquez*, FVI23000258 and *People v. Richard Figueroa*, FVI22003473.

As mentioned above, Operation Trojan Horse was an experiment that presented risks. Investigations involving hi-tech equipment and data are time-consuming, involving the removal of the hi-tech unit, downloading and analyzing data, and securing search warrants from aggregators of digital evidence such as cell phone carriers, car companies, Google, etc. While we understood that the total number of investigations we could complete would drop, we hoped it would be modest and outweighed by the high value cases that Operation Trojan Horse could generate. The initial drop was steeper than expected, as shown in Fiscal Year 2022 – 2023 numbers. But our productivity jumped back to our norm in this fiscal year as we gained experience and refined Operation Trojan Horse.

There is no question that Operation Trojan Horse is a net benefit to our mandate to address automobile insurance fraud. We will continue to balance our Trojan Horse cases with traditional insurance fraud investigations to reap its benefits without significant loss of productivity.

Collaboration and Outreach—CDI

Our most significant collaboration continues to be with CDI’s Inland Empire Regional Office. We depend upon CDI to generate and investigate new cases. But that is just a small part of their overall importance. Combating insurance fraud requires a joint, collaborative effort amongst all law enforcement agencies, as well as with numerous private parties and other organizations. This is where CDI plays a key role. As a governmental organization with a statewide presence, local law enforcement and other organizations rely on CDI as a central hub for multi-jurisdictional communication and collaboration. Our collaboration with CDI grants us access to this vast network. In furtherance of our collaboration with CDI, we have signed a Joint Plan that lays out guidelines for our interaction.

The strong relationship between our office and CDI has been notable in Operation Trojan Horse. CDI has taken a vital role in this new collaboration. Initially, CDI’s Inland Regional Office did not have the tools or training to download data from Infotainment Centers. So, they participated in other crucial ways. Eventually, CDI Detective Anthony Camacho received the necessary training to conduct hi-tech investigations and we recently learned that CDI’s purchase of necessary equipment has been authorized. CDI’s participation and Detective Camacho’s enthusiasm is greatly appreciated.

The collaboration with CDI has significantly improved in recent years. While it was never a poor relationship, it was not always as productive as it could have been. Several years ago, we identified our collaboration with CDI as an area in need of improvement. In Fiscal Year 2018 – 2019, the number of CDI-generated case referrals plummeted to 6 from 13 the year before. (See table below.) This required attention.

Fiscal Year	Filed Referrals	Rejected Referrals	Total Referrals
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FY 2023-2024	11	2	13
FY 2022-2023	7	4	11
FY 2021-2022	14	4	18
FY 2020-2021	5	3	8
FY 2019-2020	11	0	11
FY 2018-2019	5	1	6
FY 2017-2018	11	2	13

Since Fiscal Year 2019 – 2020, CDI sergeants and the SBDA Supervisor began meeting once every month to discuss overall case development. Additionally, DDA Colclough commenced meeting with CDI detectives regularly to discuss ongoing investigations. These meetings were a significant factor in Fiscal Year 2019 – 2020’s improved performance. The number of CDI-investigated referrals jumped into double digits every year thereafter (with the exception of Fiscal Year 2020 – 2021, the COVID year).

Collaboration and Outreach—Local Law Enforcement

Local law enforcement agencies, fire departments and arson investigators encounter automobile insurance fraud in their daily work but do not always recognize the signs of insurance fraud. As first responders, they may be the first to contact fraud perpetrators, the first to examine the scene, the first to collect the evidence, and, if properly trained, the first to identify fraud.

Outreach to these agencies has been critical to our past success. We trained local law enforcement agencies on both the obvious and hidden signs of automobile insurance fraud. We further encourage deputies and officers to contact our staff any time they suspect fraud, even during an in-field investigation.

Cases investigated and submitted to us by local law enforcement continue to contribute to our overall success. This year we saw more referrals from law enforcement than we had in the prior two fiscal years combined. It is encouraging that law enforcement is bringing us more cases, and that they look to us as a resource when they are unsure how to handle a fraud case involving an automobile.

Law enforcement referrals from the last seven fiscal years in shown in the table below.

Fiscal Year	Filed Referrals (New Prosecutions)	Rejected Referrals	Total Referrals
FY 2023-2024	3	4	7
FY 2022-2023	1	1	2
FY 2021-2022	2	2	4
FY 2020-2021	8	0	8
FY 2019-2020	7	4	11
FY 2018-2019	5	1	6

FY 2017-2018	7	6	13
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Total referrals from law enforcement are improving. We will continue to foster these relationships and encourage submissions to our Automobile Insurance Fraud unit.

Collaboration and Outreach—General

Our program values partnerships with private industry. We spend significant energy creating and maintaining strong relationships and open lines of communication with private organizations such as SIUs, TPAs, NICB, SCFIA, AFA, IASIU, WSATI, Arson Investigators Association, auto fraud task forces, insurance companies, and many other private industry partners. DDA Colclough regularly attends meetings sponsored or attended by these groups and offers presentations in order to network and develop relationships.

Our program has extensive contacts with nearly all major SIUs and insurance carriers active in San Bernardino County. We regularly communicate with the Auto Club, Mercury Insurance, GEICO, Kemper, Wawanesa, Nations/Blue Fire and Bristol West Insurance. The SIUs can easily reach us by phone or email. We often have in-person meetings with carriers as necessary. Indeed, it is this strong relationship with private industry that made possible the cooperation of NICB in Operation Trojan Horse.

Our prosecutor and investigators place great emphasis on attending numerous trainings, outreach sessions, meetings and various other events to meet with, and be accessible to, representatives of various organizations. These relationships serve as a foundation for our continued success.

Root Causes For Diminished Performance in Fiscal Year 2023 – 2024

Since Fiscal Year 2015 – 2016, our program has been both stable and consistent in its productivity. In Fiscal Year 2022 – 2023 there was a dip in new case filings. New prosecutions fell by about 40%, convictions fell by 28%, and restitution ordered fell. We have identified possible causes and this year have returned to performance numbers consistent with our historical averages in new filings but have seen fewer convictions than our historical average. The 18 convictions this fiscal year is less than our average of 29.3 over Fiscal Years 2015 – 2016 through 2022 – 2023.

One reason can be found in the number of new cases filed last fiscal year. Low numbers of new cases filed last year will result in low convictions this year. As such, our jump in new cases this fiscal year should result in higher numbers of convictions in the next fiscal year.

A larger problem can be found in the weakening of laws within the criminal justice system. We are seeing throughout the office that more and more cases are languishing in court. Legislative changes in laws have disincentivized early resolution of cases. Historically, a defendant was assured by their attorney that their earliest offer was the best they could hope for and that punishment would increase with time. Since state prisoners began being housed in the county jails, all but the most serious offenders, even if sentenced to jail, are released to serve weekend time or home confinement. Incarceration exposure used to be the bargaining point in the resolution of any criminal case, but particularly felony cases. As prosecutors we are limited in our ability to force a case towards a timely resolution. Judges will always acquiesce, as they should, to a defense attorney that says he or she is not ready. The staffing shortages that District Attorney's offices are experiencing is similarly occurring amongst Public Defender's offices and other private defense attorneys. A defense attorney handling a voluminous fraud case cannot quickly get through the discovery, and the fraud cases are not prioritized by defense attorneys when their clients are not in custody. We as public prosecutors have a duty beyond that of other attorneys to ensure a just outcome. We cannot force an unprepared defense attorney to proceed on a case when they are not aware of all the evidence implicating or exculpating their client. For this reason, we do all that we can to timely get discovery to defense attorneys and attempt to apprise them of the strengths of our case so that they will properly advise their client, but beyond that, we are limited in our ability to resolve cases.

Defendants and defense attorneys are emboldened and are therefore less willing to resolve cases at an early stage for any significant consequence. It is harder to get good convictions. Further, the cases languishing in court result in courtroom unavailability. There have been multiple occasions that cases were set for preliminary hearings but could not proceed due to a lack of available courtrooms. Cases are moving slower through the court system than in the past.

These new realities of the criminal justice system hinder expeditious case resolutions. Despite this, we continue to pursue quality results. We almost never agree to diversion in our pursuit of true convictions, punishment and restitution recovery.

Our program experienced a drop in Restitution. We believe the drop in Restitution Ordered and Restitution Collected is directly tied to the drop in convictions. When new prosecutions increase, we anticipate restitution ordered/collected should naturally increase as well.

Significant Cases Filed in Fiscal Year 2023-2024

James Cameron FWV23002443: This is an Operation Trojan Horse case that avoided a nearly \$90,000 insurance payout. Mr. Cameron allowed an insurance policy to lapse on a Dodge Hellcat worth around \$90,000. On May 18, 2023, he purchased insurance on his vehicle. Two days later, he reported a crash of the vehicle and submitted

a tow receipt to the carrier. The carrier contacted SBCDA due to a concern over the tow receipt's authenticity. Data downloaded from the Infotainment system showed the vehicle was last operated on May 13, 2023. Further investigation proved the crash occurred on May 13 and the tow receipt was forged. Felony charges have been filed and the case is pending in court.

Roman Osana – FVI24001365: This was an Operation Trojan Horse case where the carrier had already paid \$23,177. Mr. Osana claimed his 2022 Toyota Corolla was stolen on January 3, 2024, while he was visiting a friend in the city of Victorville. An investigation revealed the car travelled into Mexico before the supposed theft and never returned. Mr. Osana, however, returned to the US three days later as a passenger in another car and then reported the Corolla as stolen. A digital data download was conducted on the car. Once Mr. Osana was confronted with the evidence, he confessed to abandoning the car in Mexico because it had significant mechanical problems. Mr. Osana was charged with several counts of felony insurance fraud and the case is pending in court.

Stephanie Cervantez FSB23003436: Ms. Cervantez was involved in a car crash on August 5, 2021, while driving under the influence of alcohol. The insurance policy had lapsed nearly a year earlier. She purchased insurance the next day, then claimed the collision occurred after policy inception and was not alcohol related. An investigation eventually led to Ms. Cervantez confessing to the fraud. She was charged with multiple counts of felony insurance fraud, which is currently pending in court.

People v Kenyata Gibson. FWV24001657: This case involves economic car theft. Mr. Gibson was operating a sophisticated, large-scale auto theft operation selling stolen vehicles to unsuspecting buyers. He reportedly stole up to 50 Honda vehicles and sold them over the internet for cash with the help of an accomplice.

An accomplice would use a burner phone/number, represent herself as the vehicle's owner and use a forged driver's license, pink slip, registration and proof of insurance, to create the appearance of being a bona fide seller. A key part of the scheme included reprogramming key fobs. The innocent purchaser learned of the fraud only upon being stopped by law enforcement while driving a stolen vehicle. This case was solved in collaboration between SBCDA and the Montclair Police Department. SBCDA filed charges relating to one victim, as most others are in Los Angeles and Riverside counties. We anticipate additional charges being filed as additional victims within San Bernardino County are discovered. The case is pending in court.

Gurpreet Singh Kaler and Baljinder Singh FWV24001360/1: Defendants operate a commercial trucking company in Fontana. One of their tractors, which did not have collision damage insurance, suffered a rollover accident resulting in about \$70,000 in damage. The defendants purchased an insurance policy and reported the tractor as stolen. As part of the insurance claim, they claimed to have repaired the rollover damage before the theft and offered documentation of the repair work. An investigation revealed

the fraud, including a determination that the repair documentation was fabricated. The defendant were charged with fraud and grand theft. The case is pending in court.

Significant Cases Filed in Fiscal Year 2022-2023

People v. Matthew Dadaian, FSB23001885 (Staged Accident): Matthew Dadaian reported significant damage to his 2020 GMC truck resulting from an October 6 collision. He reported his girlfriend and infant daughter as passengers. Mr. Dadaian's attorney submitted a claim for the property damage to the car and \$100,000 in injuries to himself and his girlfriend under the uninsured motorist policy. Interestingly, Mr. Dadaian had increased his insurance coverage a few months prior to this collision. The carrier was suspicious because the damage to the car was not consistent with the crash. An EDR analysis proved that the damage was inflicted in three distinct crashes – two occurred six minutes apart and the third occurred 11 key cycles later. The damage appeared to be manufactured. Further, Mr. Dadaian's cell phone indicated that he was not present at the crash site. A photograph taken weeks before the collision was discovered which showed the damage Mr. Dadaian claimed occurred on October 6. Mr. Dadaian was charged with felony insurance fraud. He recently plead to felony insurance fraud and sentencing is pending in court.

People v. Lucille Moreno, FSB22002857: This is an Operation Trojan Horse case in which the carrier paid out \$49,000 for a Dodge Charger. Lucille Moreno's daughter is the owner of the Charger. The daughter reported the car stolen, last seeing it at home on September 17. The carrier paid the claim. The Charger was later discovered in Mexico with minimal damage. Border cameras showed the car crossing into Mexico on September 17. A few hours later, Ms. Moreno entered the US from Mexico on foot. The daughter's cell records indicate that she likely did not take the car to Mexico. Ms. Moreno confessed that her daughter could no longer afford the car payments, so she helped a third person abandon the car in Mexico. The daughter refused to be interviewed. Ms. Moreno was charged with felony insurance fraud. On November 3, 2023, she plead guilty to violating PC550, served 10 days in jail, paid \$5,000 in restitution to the insurance carrier and was ordered to pay an additional \$18,000.

People v. Yolanda Marquez, FVI23000258: This is an Operation Trojan Horse case in which the carrier paid out \$21,275. Yolanda Marquez's car went missing after she allowed it to be taken by her daughter, an excluded driver, on July 22. Several days later, Ms. Marquez claimed that her car was stolen after it broke down while she (Ms. Marquez) was driving it on July 25. The car was later discovered partially stripped. A hi-tech investigation revealed that that the car was last operated on July 22. This undermined Ms. Marquez's claim that it was stolen from her while she was driving it on July 25. Ms. Marquez later confessed to the fraud. She was charged with felony insurance fraud. An arrest warrant remains outstanding for Ms. Marquez.

People v. Richard Figueroa, FVI22003473: Richard Figueroa's work truck was involved in a crash. A few hours later, he reported that the truck had been stolen. He further claimed that approximately \$100,000 worth of work tools were taken with the car. SBDA identified this vehicle as an infotainment compatible vehicle suitable for investigation as part of Operation Trojan Horse. Downloaded digital data revealed that Mr. Figueroa's cell phone was synced to the car at the time of the crash, which undermined his claim that the car was stolen. Witnesses later identified Mr. Figueroa as the driver of the truck during the crash. Figueroa was arrested and was charged with felony insurance fraud, hit and run, filing a false theft report and attempted grand theft. He pled guilty to felony insurance fraud and was placed on 2 years probation with 120 days in jail. A restitution hearing is still pending in court.

People v. Nestor Aguilar, FSB23001500: Nestor Aguilar reported his car stolen. When the vehicle was recovered, there was significant front-end damage that had rendered the car inoperable. Photographs were later discovered showing damage that pre-existed the supposed theft. Mr. Aguilar confessed that the damage was pre-existing but continued to insist that the car was stolen. Mr. Aguilar was charged with felony insurance fraud. He pled guilty to felony insurance fraud and was placed on 2 years formal probation with 90 days in jail. The restitution hearing is on hold because the carrier has yet to respond to our request information to support a restitution order.

2. List the governmental agencies you have worked with to develop potential automobile insurance fraud cases.

Our Program worked with the following governmental agencies in developing automobile insurance fraud cases:

- Barstow Police Department
- California Department of Insurance, Inland Empire Regional Office
- California Department of Insurance, Los Angeles Regional Office
- California Department of Motor Vehicle's Investigations
- California Highway Patrol – multiple stations/divisions.

- Chino Police Department
- Colton Police Department
- Fontana Police Department
- Los Angeles County Sheriff Department
- Montclair Police Department
- Ontario Police Department
- Redlands Police Department
- Rialto Police Department
- San Bernardino City Police
- San Bernardino County Auto Theft Task Force (SANCATT)
- San Bernardino County Fire/Arson Department
- San Bernardino County Sheriff Department, Victorville Station
- San Bernardino County Sheriff Department, Bomb/Arson
- San Bernardino County Sheriff Department, Central Station.
- San Bernardino County Sheriff Department, Hesperia Station
- San Bernardino County Sheriff Department. Rancho Cucamonga Station
- Upland Police Department

UNFUNDED CONTRIBUTIONS

SBCDA expends significant resources of its own in support of the program. We provide the services of unfunded personnel and provide much of the administrative costs associated with running the program. This allows us to use the greatest amount of grant funding for investigation and prosecution of fraud cases.

The services of managing attorneys, SDDA Webster and CDDA Lee, are provided at no cost to the grant. In addition to general management and administrative responsibilities, CDDA Lee is the co-chair of the CDAA Insurance Committee, served as the technical advisor for the 2023 and 2024 CDAA Fraud Symposiums, and was heavily involved in setting the agenda for CDAA Fraud Symposiums in prior years. We anticipate CDDA Lee continuing in these roles as an unfunded contribution. SDDA Webster directly supervises the operations of the AIF Unit, including direct engagement with the Inland Empire Regional Office of the Department of Insurance and grant writing. His services are unfunded contributions.

The most visible unfunded contribution comes in the form of DAI Peterson. As described elsewhere in this application, DAI Peterson was previously assigned to AIF as an investigator, during which time he trained to develop significant skills relating to automobile Electronic Data Recorders and Infotainment systems. These rare skills put him in high demand both within our office and throughout our region. SCBDA decided to devote SDAI Peterson to an assignment where he could more widely apply his knowledge to pending homicide cases while still being of assistance to the AIF unit. Although no longer assigned to AIF, and thus no longer funded by the grant, he nevertheless continues to contribute regularly to investigations within the unit and conducts AIF related training and outreach, such as presenting at the CDAA Fraud Symposium.

Our AIF Unit is part of our Specialized Prosecutions Division. As such, the staff members of the program work side by side and in cooperation with members of our Urban Grant Unit, Workers' Compensation Fraud Unit, the Real Estate Fraud Unit, the Consumer and Environmental Protection Unit, our Asset Forfeiture Unit, our Major Frauds Unit and others. These units support and supplement the efforts of our program, aid when needed and give expertise in overlapping areas.

The services of our Bureau of Administration are also provided without cost to the program. This arm of our office is responsible for all budget preparation (including the proposed budgets for this application) and fiscal responsibility, and support necessary to ensure proper review and approval of our application and any resulting awards by San Bernardino County Counsel and our county's Board of Supervisors.

Finally, all operating expenses and approximately half of an investigator have been unfunded contributions. While we ask in each year's grant applications to fully fund our salary and benefits and operating expenses, the actual award over the past two fiscal years left all operating expenses and almost half of an investigator unfunded.

CONTINUITY

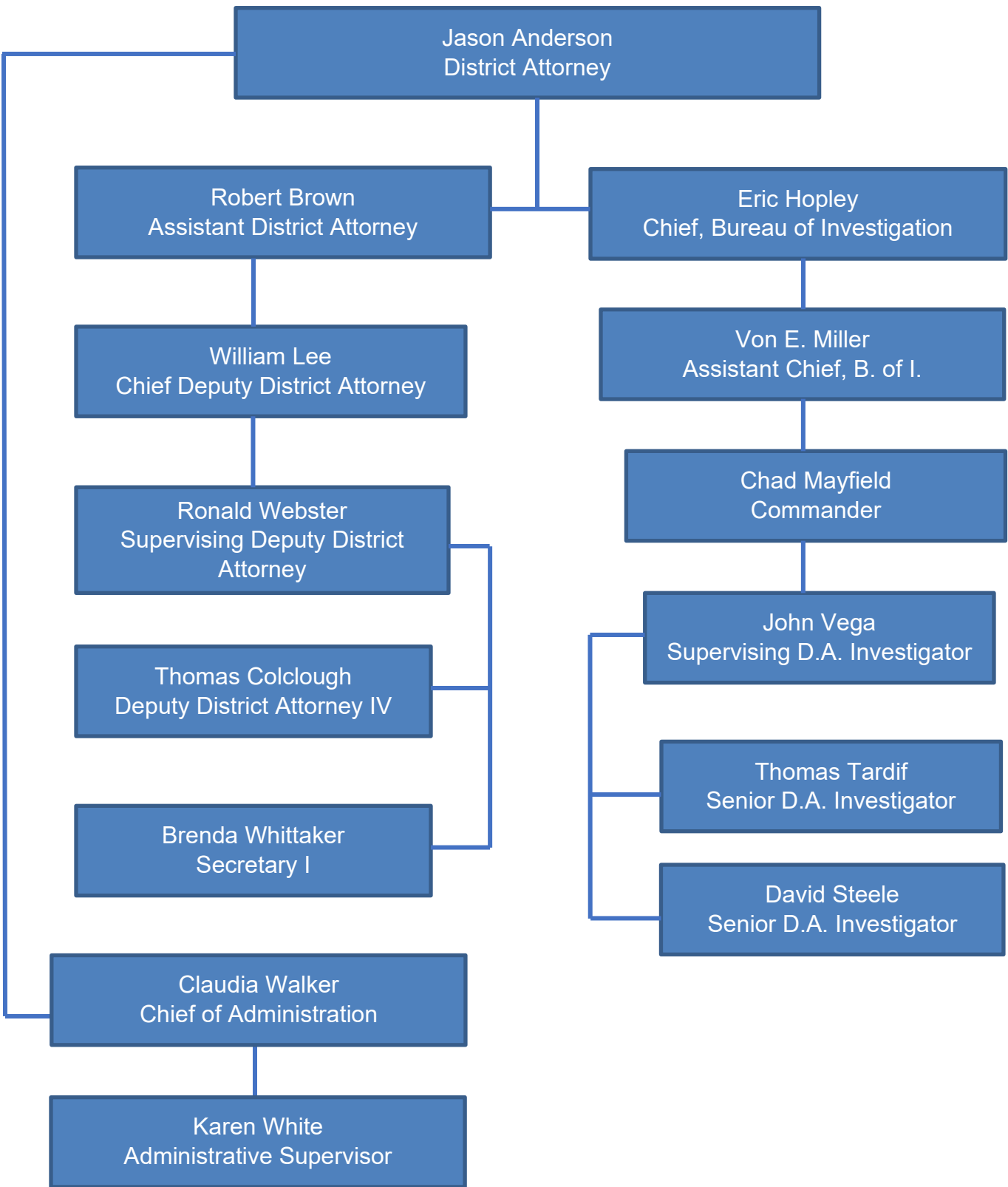
SBCDA believes in continuity in specialized fraud units. We maintain no mandatory rotation policies that might impact that continuity. Instead, we look to program needs and resources for our staffing decisions. Movement is occasionally necessary to meet shifting challenges, but we always act with an eye toward providing effective staffing to all of our fraud programs.

No staffing change occurred this fiscal year in any funded position. The most recent change in a funded position occurred during Fiscal Year 2019 – 2020 when DAI Steele replaced SDAI Peterson. DDA Thomas Colclough has provided excellent leadership in helping the program to flourish and is now in his 10th year of the assignment. DAIs Tom Tardif and David Steele are now both well-seasoned veterans of fraud investigations and continue in their vital roles. Secretary Brenda Whittaker continues as the unit's long-term anchor.

All management-level staff provide their services as unfunded staff. CDDA Robert Brown and SDDA William Lee, both having provided managerial support for the unit since 2016, were promoted around October 2022. Now-Assistant District Attorney Robert Brown and now-Chief Deputy District Attorney William Lee continue to provide managerial support to the unit in promoted roles. Supervising Deputy District Attorney Ronald Webster is in his second year of supervising the unit. Finally, Supervising District Attorney Investigator John Vega enters his third year as the supervising investigator.

Staffing/FTE

Name	Start	End	Time (%)
Thomas Colclough	2/21/2015	N/A	100%
Tom Tardiff	11/10/2018	N/A	100%
David Steele	2/15/2020	N/A	100%
Brenda Whittaker	11/6/2010	N/A	100%



PROBLEM STATEMENT

Describe the types and magnitude of automobile insurance fraud (e.g., applicant, medical/legal provider, staged collisions, insider fraud, fraud ring, capping, and economic vehicle theft) relative to the extent of the problem specific to your county.

Use local data or other evidence to support your description.

Introduction

Automobile insurance fraud persists in San Bernardino County. It is an unfortunate fact that San Bernardino County's location, size and population offer a rich environment for fraud activity. Grant funding guarantees the resources to confront this ongoing problem. It is our goal to maintain a staff of one prosecutor and two investigators dedicated exclusively to investigating and prosecuting automobile insurance fraud.

Population and Geography

San Bernardino County is the largest geographic county in the United States. It is the 5th most populous county in California with nearly 2.2 million people. Recent forecasts by the California Department of Finance predict that California will suffer a population loss in the coming years whereas San Bernardino County will continue to grow.

- 1) Population forecasts over the near-term from 2020 to 2030 are:
 - Statewide population loss by 0.23%
 - San Bernardino County growth by 3.27%

- 2) Population forecasts over the long-term from 2020 to 2060 are:
 - Statewide population loss by 0.03%
 - San Bernardino County growth by 2.52%

San Bernardino County offers vast undeveloped land to easily accommodate future growth. Amongst Southern California counties, San Bernardino offers lower living costs, lower housing costs, proximity to urban centers within Los Angeles County and Orange County, two international airports in the cities of Ontario and San Bernardino, and a busy logistics airport in the city of Victorville. San Bernardino County is an attractive location into which businesses and workers will continue to relocate.

San Bernardino County’s fraud problem is affected by regional geography. The Southern California region encompassing Los Angeles, Orange, Riverside, and San Bernardino Counties comprises 45% of the state population. The economies of these counties are intertwined due to their shared borders. Consequently, fraudulent activity often cross jurisdictional county lines.

The expected growth in San Bernardino County’s population will inevitably lead to an increase in fraud activity. Fraud will thrive in the absence of strong enforcement of California’s insurance fraud statutes.

Suspected Fraudulent Claims (SFCs)

The number of SFCs is a strong indicator of local fraud activity relative to other counties. San Bernardino County received the 5th highest number of SFCs between 2021 and 2023. The table below shows all 10 counties with 1,000 or more SFCs in that timeframe:

County	2021	2022	2023	Total
Los Angeles	5,484	4,518	4,424	14,426
San Diego	841	748	654	2,243
Riverside	790	649	613	2,052
Alameda	670	651	701	2,022
San Bernardino	763	614	638	2,015
Orange	689	564	572	1,825
Sacramento	594	505	585	1,684
Santa Clara	543	473	586	1,602
Kern	413	359	334	1,106
Contra Costa	395	339	357	1,091
STATEWIDE TOTAL	14,250	12,053	12,347	38,650

San Bernardino County’s high population and number of SFCs point to a significant fraud problem. The problem will worsen as its population grows in the future. Continued strong enforcement activity is needed to combat this problem.

Geography – Staffing Shortage

A problem unique to San Bernardino County is its size and the location of its courthouses. The program’s single prosecutor and two investigators are assigned to our office located in the city of San Bernardino. Investigators may travel to cities and communities as distant as the city of Needles, 200 miles away. The prosecutor must

file and prosecute cases in four county courthouses in the cities of Rancho Cucamonga, Victorville, Joshua Tree, and San Bernardino, which vary from 20 to 90 miles apart from each other. The prosecutor and two investigators spend considerable time each year travelling these distances within our 20,000-plus square miles of county land. Therefore, our geography limits productivity.

Types of Fraud Cases

Applicant fraud is our most prevalent fraud activity. Economic automobile theft is a small but usually the next largest category of fraud activity. Fraud rings and staged accidents are primarily handled by our Organized Automobile Fraud Interdiction Program (Urban Grant) and are, therefore, less common in AIF; however, this year we did file one staged accident case. Even less common are capping, medical provider fraud, insider fraud and legal office fraud.

Applicant Fraud

The majority of automobile insurance fraud activity in San Bernardino County remains applicant fraud. Most are committed by one or two individuals with minimal sophistication. Frequently seen fraud activity includes owner attempts to pre-date insurance policies to cover a preexisting loss (“crash-and-buy”), abandoning or setting fire to damaged cars and reporting them as stolen, false theft reports of hidden cars, and excluded driver losses. Over the last two fiscal years, applicant fraud represented 43 of 46 newly filed cases.

Economic Car Theft

Despite economic car theft being the second most prevalent fraud activity in San Bernardino County, the numbers seen by our program remain low. We did file one economic car theft case this fiscal year.

Staged Accidents

It is our experience that staged accidents usually involve organized activity. These cases, like fraud rings, are usually handled within our Urban Grant. The Urban Grant and AIF work cooperatively to maximize prosecution and investigation resources. The Urban Grant will handle lengthy, complex cases that involve organized activity while AIF handles the less complex but more voluminous matters.

Nonetheless, over the last two fiscal years, our program filed two staged accident cases. One of those cases is described above in *Qualifications and Successes; Significant Cases Filed in Fiscal Year 2022-2023 – People v. Matthew Dadaian, FSB23001885*.

Fraud Rings

Fraud rings generally involve organized fraud activity. These cases are customarily handled by our Urban Grant. The Urban Grant and AIF work cooperatively to maximize prosecution and investigation resources. The Urban Grant will handle lengthy, complex cases that involve organized activity, while AIF handles the less complex but more voluminous matters. AIF filed two fraud ring cases in Fiscal Year 2021 – 2022.

Capping, Medical Provider, Insider, and Legal Frauds

San Bernardino County receives few referrals for these types of fraud activity. None of these types of cases were filed in the last two fiscal years. However, we have had a few of these cases in recent years and are ready and able to investigate and prosecute them when the fraud is discovered.

For instance, we filed one insider fraud prosecution occurred in Fiscal Year 2021 - 2022. (*People v. Jose Ramirez, FWV22001857.*) The defendant was convicted of felony insurance fraud, sentenced to 30 days in jail, and placed on felony probation.

In Fiscal Year 2019 – 2020, we investigated and filed one insider fraud case. (*People v. Steve Rodriguez, FWV20000301.*) The defendant failed to bind a policy for a customer despite receiving payment. Subsequently, the customer was involved in a crash. The defendant secured a policy afterwards and impersonated the customer to submit a claim. The defendant was charged with insurance fraud and false personation as felonies. The defendant was convicted of a misdemeanor insurance fraud, sentenced to 30 days in jail and was placed on probation.

In Fiscal Year 2016 - 2017, AIF investigated and filed one medical provider case, resulting in a conviction in Fiscal Year 2018 – 2019. (*People v. Moosa Heikali, FSB17000417.*) Dr. Heikali was convicted of felony insurance fraud and sentenced to 45 days in jail, 3 years of probation, and ordered to pay a \$10,000 fine and \$1,000 in restitution to Mercury Insurance.

PROGRAM STRATEGY

1. Explain how your county plans to resolve the problem described in your problem statement. Include improvements in your program.

Dedicated, Full-Time Staff

The San Bernardino County District Attorney's office has demonstrated an ongoing commitment to providing consistent, full-time staffing to address the problem of automobile insurance fraud. For several years we have maintained dedicated staffing in AIF with one attorney, two senior investigators and one secretary. Since Fiscal Year 2019 – 2020 when former AIF Investigator Peterson was replaced, Investigator Peterson has continued to provide support services in his area of expertise, as an entirely unfunded contribution to the AIF unit.

No funded staffing changes have been made in the last several fiscal years and we do not anticipate any changes in the upcoming fiscal year. We further continue our commitment toward using all grant funds to support personnel costs only and foregoing the indirect expenses that could be charged to the grant. Our attorney and investigators work in a full-time capacity, devoting their resources to meeting the goals of our office and the Commissioner.

Our program needs to grow. Yet our ability to tackle the significant fraud problem is limited by our resources. We have one attorney assigned to handle automobile insurance fraud cases across our very large county and multiple courthouses. In addition to filing and prosecuting cases, the attorney reviews all intakes and claim files, advises with ongoing investigations, meets with law enforcement agencies, and conducts collaborations and outreach. Similarly, our two investigators must investigate fraud activities that span across the 20,000 square miles of county land. Our adoption of hi-tech equipment and digital evidence consumes significant investigative resources. Accessing hi-tech data, downloading digital evidence, authoring warrants to obtain data from companies such as Google, cell phone companies, and other sources take an inordinate amount of time. Adequate staffing is the primary barrier to increased success and productivity. It has created a ceiling that is difficult to crack. For these reasons, our program has maxed out at an average of 28.8 filed cases over the last nine years.

We do not request the funding necessary to increase our staff in this year's application as we are aware that the overall funding for the program has not increased in some time. However, ours is a consistently underfunded program. This threatens our continued success. In both Fiscal Year 2022 – 2023 and Fiscal Year 2023 – 2024, our base awards were approximately \$183,000 short of paying salary and benefits for staff. We received additional funds each of those two years, which reduced our shortfall to approximately \$123,000 each year. While our funding level has traditionally fallen short of paying the entirety of staffing costs, that deficit has never been this high. This raises a concern for the upcoming fiscal year for which our cost for salary and benefits for existing staff will increase by 7.2% (\$69,374). We are approaching a funding deficit that may jeopardize our staffing. This would seriously imperil the future success of our program.

Effective Case Management

The efficiency in case management we achieved in the past nine years is noticeable in our improved productivity. With our streamlined efforts, we continue to see the program flourish. We will continue in our practices to ensure our resources are being used most effectively.

A key factor in the success of our case management is our commitment to vertical prosecutions. Our investigators and attorney remain constant throughout the life of a case. By involving an experienced attorney at the earliest stage in the investigation, we ensure that the investigation focuses on criminal conduct related to automobile insurance fraud. This procedure helps to increase the probability of a case filing. From there, the prosecutor can see the case through to its conclusion, ensuring that significant details are not lost along the way. Additionally, early involvement allows us to screen cases to identify cases that might be poor prospects for prosecution. We provide active guidance in ongoing investigations so that our investigators can focus their efforts on the most significant legal issues. By doing this, we forestall legal challenges and evidentiary issues before the case ever reaches the courtroom. To accomplish each of these goals, our staff meets regularly to discuss cases. We use the same approach when working with our partners at CDI. The attorney visits CDI's office for a monthly meeting with CDI sergeants and every three weeks to discuss case development with CDI detectives. Our strong relationship is memorialized in our Joint Plan.

Once a case is filed, our attorney works to diligently pursue a just outcome, seeking to minimize continuances and unnecessary delays. Cases that should be settled are resolved quickly with a constant focus on a just outcome, one that makes the victim whole, punishes the misconduct and that serves as deterrence against future violations. This is important to us due to the limits placed on our resources by time and geography. We will maintain our pragmatism in resolving cases, considering the significance of victim restitution and the continuing challenges that prosecutors face in today's legal landscape.

A key aspect of our comprehensive fight against automobile insurance fraud is the collaborative use of AIF and Urban Grant. Our Urban Grant program focuses its efforts on organized activity vehicle fraud activity, such as staged accidents, fraud rings and other large-scale conspiratorial activity, which require long and extensive investigations. This allows AIF to focus on the small and medium size fraud activity that is perpetrated in significant volume. Dividing responsibilities between AIF and Urban Grant employs a comprehensive strategy against the various types and sizes of automobile fraud activity, reserving for each unit the types of cases it is best suited for.

Collaboration and Outreach

CDI remains our most important partner in the fight against auto insurance fraud. We avoid duplication of investigative effort by working cooperatively on cases and by maintaining open lines of communication. This allows us to effectively implement a division of labor on cases and assists in properly directing cases either to AIF or Urban Grant. Since there is no system of mandated dual referrals in AIF, we maintain a request

that CDI promptly notify us when it turns down a referral for a lack of resources. This procedure allows us to investigate those referrals with our grant funded staff.

Our attached Joint Plan provides the structure by which we and CDI work together. The Supervising District Attorney Investigator will maintain frequent contact with CDI's sergeants and the Supervising Deputy District Attorney will similarly maintain communication with CDI's captain and sergeants. Additionally, the monthly meetings with DA staff and CDI sergeants to discuss our overall collaboration and the meeting that occurs every three weeks between the attorney and CDI detectives will continue.

We will continue our outreach and training of local law enforcement in the upcoming fiscal year. This training is to provide street-level officers with the tools they need to recognize automobile insurance fraud. Our attorney will continue to refine guidance for officers, which serves as a field reference guide to ensure that key components of an investigation are not missed. This includes such details as determining the location of the keys to a vehicle that has been reported stolen, or the recovery and preservation of modern car keys that might contain electronic information that can be useful in determining whether fraud has occurred.

Both AIF and Urban Grant will continue to work closely with the local law enforcement personnel assigned to SANCATT, our regional auto theft task force. In this way, both units will quickly be able to assist in the identification and investigation of insurance fraud cases connected with car thefts.

We shall further our outreach efforts and maintain and develop personal contacts and relationships with SIUs. We shall continue to encourage SIUs to submit cases to us for review and investigation. We shall continue our practice of contacting local SIUs who do not submit cases to us to encourage them to do so in the future.

2. What are your plans to meet the announced goals of the Insurance Commissioner?
A copy of these goals have been provided for your reference.
 - If these goals are not realistic for your county, please state why they are not, and what goals you can achieve. What is your strategic plan to accomplish the goals?

Insurance Commissioner Goal: Public Safety

Public safety is our number one goal. However, our program recognizes that every fraudulent activity perpetrated against an insurance company has the potential in the aggregate to cause insurance rates to rise for the citizens of our community. These increased costs can least be borne by the vulnerable citizens we serve, including lower income communities, immigrants and our senior citizen population.

As it pertains to AIF, we continue to identify arson as the single biggest threat to physical safety within the unit's caseload. Our attorney regularly trains law enforcement officers and other prosecutors in the investigation and prosecution of arson-related

automobile insurance fraud. We continue to focus our efforts on reducing and preventing this dangerous practice. Arson-related insurance fraud is a staple of our program.

Staged collisions also present a significant danger to public safety. The collaborative use of AIF and Urban Grant resources is our best approach to combat staged collisions. Because most staged collision cases involve multiples individuals conspiring to commit automobile insurance fraud, the investigations tend to be more involved and are therefore better suited to be handled by our Urban Grant so that AIF can tackle the significant volume of small and medium-sized fraud activity. As such, staged collision cases are not a large part of AIF's caseload. During each of the last two fiscal years, AIF filed one staged collision case.

Insurance Commissioner Goal: Medical and Legal Fraud

Historically, neither medical fraud nor legal fraud have played large roles in our program. There is logic behind this, as these types of frauds often tend to be more sophisticated and organized than other cases within the unit. Consequently, if these types of fraud become apparent in an investigation, we frequently will channel the case into our Urban Grant, which is set up to more effectively handle greater complexity through smaller caseloads.

Nevertheless, our office has increased its attention on fraud perpetrated by professionals who try to manipulate the system for personal gain. We prosecuted one medical provider case in Fiscal Year 2016 – 2017 which resulted in a felony conviction in Fiscal Year 2018 – 2019.

Insurance Commissioner Goal: Performance and Continuity with the Program

There has been no change in our funded staffing since Fiscal Year 2019 – 2020. SDAI Petersen was transferred out of AIF and replaced with SDAI Steele. SDAI Petersen presently offers AIF his expert services as an unfunded contribution. This change benefited AIF without any additional cost to the grant.

Our office does not have mandatory rotation policies that would undermine the continued stability in our staffing.

We continue to enjoy the benefits of personnel with fraud experience within our program. With the strong foundation of automobile insurance fraud investigation, we look forward to a strong program in the next grant year.

Insurance Commissioner Goal: Outreach

Continuous strong ties with law enforcement partners remain a cornerstone of our program's vitality. Continued contact, training and guidance plays an important role in those relationships. We will continue to provide our training to law enforcement and SIUs in our region to foster the investigative skills and tools necessary to assist in detecting automobile insurance fraud.

Furthermore, our prosecutor and investigator regularly present at CDAA's Annual Fraud Symposium and other events. We believe that continuing close relationships with our counterparts in neighboring counties strengthens our program. The greater the contacts with other prosecutors and investigators, the greater our impact in our shared fight against fraud.

We continue to look for other creative and effective methods of conducting outreach within our community.

Insurance Commissioner Goal: Balanced Caseload

The interaction between our AIF and Urban Grant programs allows us to effectively pursue the Commissioner's goal of maintaining a balanced caseload. We recognize that we cannot devote all resources to one area of fraud lest another area go unaddressed. Consequently, we use an approach of teamwork to maintain the highest amount of positive economic impact on our community as possible. As indicated, when a case involves a large or complex scheme, it generally will be directed to Urban Grant. This leaves AIF free to concentrate on higher-volume areas like applicant fraud, give-up schemes, arson cases and crash-and-buys. AIF, nonetheless, continues to see some Insider Fraud, Fraud Rings, Economic Car Thefts and Staged Accidents. We prosecuted two fraud rings and one insider fraud in Fiscal Year 2021 – 2022, one staged accident in Fiscal Year 2022-2023 and another this current fiscal year, and this fiscal year we filed an economic car theft case that may turn into multiple cases over multiple counties.

Our AIF and Urban Grant programs complement each other well. The assigned personnel in each unit often work together to reach a unified approach to combatting insurance fraud in our county. They, in turn, interact well with all the regional stakeholders to achieve an effective counterbalance to fraud as part of our commitment to the goals of both the Commissioner and our office.

3. What specific goals do you have that require more than a single year to accomplish?

Our commitment to using vehicle stored data to investigate criminality involving vehicles remains a long-term commitment. Our efforts, that we call Operation Trojan Horse because it relies on information hidden within the vehicle, will continue to be refined as our experience grows. We remain hopeful, that as we are able to prove automobile insurance fraud by reviewing the data stored in the vehicle, that the automobile industry will allow easier access to the vehicle data. In the meantime, we will continue to develop the expertise needed to effectively screen a list of stolen cars to identify those vehicles that are most likely to have stored data that will help to determine the validity of an insurance claim.

Collaboration and mutually beneficial interaction with our partners in combatting automobile insurance fraud, such as IERO, SANCATT, the Inland Division of the California Highway Patrol, local law enforcement, our neighboring counties and local SIUs will always be an ongoing relationship. Furthering these ties in ways that continue to

allow us and our partners to be productive and effective must necessarily be a process without defined end. As a result, nurturing those ties will not be a goal that can be accomplished in a single year.

Outreach to law enforcement, SIUs and the community at large will be an ongoing part of our program. We must continually reinvest efforts to communicate with, and educate, those whose lives are impacted by auto insurance fraud and the countermeasures that are taken as a result. These tasks do not have a defined end, so they cannot be accomplished within a single year.

4. Describe the county's efforts and the district attorney's plan to obtain restitution and fines imposed by the court to the Automobile Fraud Account.

Provide the amount of restitution ordered and collected for the past five fiscal years. If this information is not available, provide an explanation.

Fiscal Year	Restitution Ordered	Restitution Collected
2023-24	\$69,649	\$32,230
2022-23	\$51,920	\$47,460
2021-22	\$182,029	\$120,225
2020-21	\$59,951	\$62,065
2019-20	\$77,845	\$33,801
TOTAL	\$441,394	\$295,781

The California Constitution guarantees victims of crime full restitution for any economic loss. Courts are mandated to order restitution in all criminal cases. *Marsy's Law* establishes a constitutional priority that any funds collected from a defendant must first be used to make full restitution to the victim before they can be used to pay fines, court assessments, or special funds.

We take a multi-tiered approach to restitution recovery. At the initial investigation and case-filing stages, we contact the victim to determine monetary loss. If appropriate, we file sentencing enhancements based on the value of the loss and seek increased bail when possible. In cases where the defendant has assets and the case falls within the purview of Penal Code section 186.11, we will seize and freeze assets so they are preserved for restitution. Due to the high loss threshold required by the statute, this tool is rarely available in AIF cases.

Securing an order for restitution is a routine part of our handling of insurance fraud cases. Successful collection is more difficult. Our experience in fraud and other economic crimes has led us to conclude that we are most likely to receive restitution if it is collected as part of a plea agreement, rather than trying to collect it after conviction. As such, we seek up-front payment of all or a portion of restitution at sentencing when possible. Some examples over the last two fiscal years are: (1) *People v. Joanna*

Palomeras, FSB22000157 - \$4000 paid in advance of total restitution of \$11,749; (2) *People v. Lucille Moreno, FSB22002857* - \$5,000 paid in advance of total restitution balance of \$18,454; (3) *People v. Mishell Dunn, FWV22001804*, \$18,391 restitution paid in full before sentencing; (4) *People v. Thomas Watson, FVI23002092*, \$1,934 restitution paid in full at sentencing.

Restitution that is unpaid will be made a term of probation. In those cases, the Probation Department bears the responsibility of collecting restitution with the county's Central Collection Agency performing the actual job of accumulating the moneys owed.

Over the last five fiscal years, \$295,781 was collected of the \$441,394 in restitution that was ordered. This is an 67% collection rate.

Utilization Plan

Our application requests \$1,149,795 to fund our program. Of that, \$1,030,870 is needed merely to pay the salary and benefits of our existing staff. Our unit staffing has not changed in over a decade.

While our program has been consistently underfunded, the problem has worsened in recent years. In Fiscal Year 2019 – 2020, our award of \$722,958 partially paid for budgeted salary and benefits of \$778,459, resulting in a modest and manageable deficit of \$55,501. Operating expenses was completely unfunded.

The funding deficit has worsened since then. In both Fiscal Year 2022 – 2023 and Fiscal Year 2023 – 2024, we received similar levels of base and additional funds. In both years, the base grant awards fell short of funding just salary and benefits by approximately \$180,000. An award of additional funding in both years reduced that shortfall to about \$120,000 each year. This left one investigator position nearly half unfunded in both years.

In Fiscal Year 2024 – 2025, costs for salary and benefits for existing staff will increase by about \$70,000. If our funding award remains similar to the last two fiscal years, our deficit would be about \$250,000 (with base award only) and about \$180,000 (if additional funds awarded). An investigator position would be anywhere from 59% to 82% unfunded. This shortfall, and trend, is distressing. We wish merely to maintain the status quo in staffing but find it more and more challenging each year.

We plan to use the funds awarded to us to maintain our program's vigilant efforts against growing insurance fraud in our region. Each year we are faced with the challenges brought by a booming regional population and an underfunded program.

Planned Training and Outreach

- We will issue press releases to inform the public of our program's activities.
- We will continue our participation in the meetings hosted by CDI, as well as other meetings by IASIU, WSATI and various task forces.
- We will continue to meet regularly with CDI management and investigators to develop new cases.
- We will reassert and expand formal and informal outreach with local agencies to develop new cases, such as fire departments, police departments and Sheriff Department.
- We will continue to seek contact with SIUs of insurance companies with operations in San Bernardino County, and who may be victims of fraudulent claims. We will provide them with information to assist in the investigation of cases of suspected fraudulent claims, including contact information and resources available to them.
- As in past years, our attorney and investigators will continue to present at conferences and other venues. This has included and will continue to include groups such as CDAA and SCFIA.

**SAN BERNARDINO COUNTY
Automobile Insurance Fraud Program**

**Joint Investigative Plan between the California Department of
Insurance Inland Empire Fraud Division Regional Office and the
San Bernardino County District Attorney's Office Fiscal Year
2024-2025**

GOALS

The long-term goal of both agencies is to reduce Automobile Insurance Fraud in San Bernardino County through efficient investigation and prosecution of cases and individuals who commit fraud and, through community outreach, to educate and deter others from committing fraud.

The short-term goals are to (1) identify and maintain, during the entire grant period, named detective(s) and prosecutors dedicated to the investigation and prosecution of Automobile Insurance Fraud cases in San Bernardino County and (2) utilize a vertical prosecution litigation plan on every case to identify and manage cases for investigation and prosecution to pursue those cases likely to result in successful prosecution, avoid duplication of effort, coordinate resources, and bring investigations to a timely conclusion using reasonable resources.

INTAKE

This plan recognizes that each agency has their individual procedures for accepting, reviewing and evaluating a Suspected Fraudulent Claim (SFC), documented referral or investigative lead (hereinafter collectively referred to as "lead.").

For the Fraud Division, a Detective Sergeant will review the lead to determine if an investigation is warranted. The Detective Sergeant will then assign the lead to a Detective and notify the District Attorney's Office (DA) that the case is being assigned. The Detective will then order the claim file. Once the claim file has been received and reviewed (and it is determined an investigation is warranted), the detective will contact the prosecutor to

schedule a meeting to further evaluate the lead.

VERTICAL PROSECUTION

Vertical prosecution has been recognized to be the best process to follow when dealing with insurance fraud cases.

The Fraud Division Detective (hereinafter "Detective.") will contact the Deputy District Attorney (DDA) in the Automobile Insurance Fraud Unit and advise the DDA of the new case and the need to handle the case. The Detective will provide a synopsis of the case, indicating the type of the case, number of suspects and the complexity. The DDA will evaluate the information and notify the Detective of the assessment. This should occur within ten working days. The DDA and Detective will then meet and implement the investigation/litigation plan.

The DDA assigned to the case from the beginning will remain with the case through prosecution. This system will allow the Detective to meet with and develop a litigation/investigative plan with the DDA, who will file and prosecute the case. If the DDA and Detective decide to conduct an investigation, a litigation/investigative plan will be developed. The Detective and DDA will discuss the parameters of the case investigation, the resources required for the investigation and the time frame anticipated for completing the investigation. The DDA will detail the investigative items required for a case filing.

After the initial meeting between the DDA and the Detective, additional discussions will continue as necessary to identify progress on the case investigation. The litigation team of DDA and Detective will discuss any required modifications to the litigation/investigative plan, confirm case priorities and time-tables, resources and whether the case should proceed or if the investigation is unproductive and should be curtailed. The DDA will explain investigative requests and will provide legal advice during these discussions. For submitted or filed cases, the DDA will update the Detective on the status of the case. Issues concerning preparing discovery will be discussed during these meetings. These meetings will continue until the

conclusion of the case.

Following the initial litigation/investigative plan meeting, if no additional action is warranted, no investigation will be initiated, and the DDA will prepare a letter to the reporting party and the case Detective indicating that no additional investigation will be pursued.

The San Bernardino District Attorney's Office intake procedure differs from the procedures used by the Automobile Insurance Fraud Division, in that, a DDA will review all leads. If warranted, the claim file is ordered. E-mail will be sent from the District Attorney's office to the Inland Empire Fraud Division Regional Office announcing this fact. Once the file is received, the DDA will review the material to determine if an investigation is warranted. If it is determined an investigation is warranted, the DDA will prepare an investigative request and the file will be sent to the District Attorney's Supervising Investigator for pre-investigation and review.

At this point, an email announcing the assignment of the case to DA Investigations will be sent to the Inland Empire Fraud Division Regional Office.

If a simultaneous dual referral occurs, the Fraud Division's Detective Sergeant and the DA's Supervising Investigator will confer and decide which agency shall investigate the case, or whether a joint investigation is desired.

If the Inland Empire Fraud Division cannot initiate an investigation due to a lack of resources, the Inland Empire Detective Sergeant will provide a copy of the referral to the San Bernardino County District Attorney's Office.

Ultimate prosecution or non-prosecution decisions shall remain entirely within the discretion of the District Attorney's Office. The DDA shall retain sole charging, filing and settlement authority for all cases, but will confer with the filing Detective for recommendations.

All cases under investigation will be integrated into the litigation plan approach.

REGIONAL MEETINGS

On a bi-monthly basis, the DDA and District Attorney Investigators will meet with the Detective Sergeant and detectives of the CDI Inland Regional Fraud Division assigned to Automobile Insurance Fraud cases to discuss progress of individual cases, trends, resources, and outreach. The Inland Empire Regional Office will host these meetings.

UNDERCOVER OPERATIONS

Undercover operations will be conducted safely, professionally and in accordance with the laws of the State of California, and the individual policies of the agencies conducting the undercover activity shall apply. The use of informants shall comply with the laws of the State of California and the individual policies of the Joint Plan participants. The Fraud Division has been provided a copy of the San Bernardino County policy for use of informants as a confidential attachment. The use of informants will be discussed at the litigation/investigative plan meetings. The Fraud Division Detective Sergeant and DA Supervising Investigator will coordinate the use of investigator resources. The continuing viability of ongoing operations will be discussed at the litigation/investigative plan meetings.

DOCUMENT STORAGE AND DISCOVERY

When an investigation appears likely to produce an exceptionally large amount of documentary evidence, the two agencies agree to consult early in the investigation regarding the storage of, copying of, and access to such evidence to simplify procedures and minimize costs.

CASE FILING REQUIREMENTS

Filing requirements for cases will be discussed during the litigation/investigative plan conferences between DDA and Detective. As a prerequisite to filing a criminal case, the San Bernardino District Attorney requires that the DDA must be convinced there is sufficient legally admissible evidence to establish guilt beyond a reasonable doubt

to a jury, on each defendant, and for every element of all charges and allegations.

As a general guideline, the following material must be provided to the District Attorney's Office for a case to be reviewed:

- A complete copy of investigative reports including reports of interviews, copies of all search warrants and affidavits in support of search warrants; an index and summary of all documents, photographs, videos; and other evidence that supports the charges.
- A complete copy of the claim file, including complete (non-redacted) claim file notes.
- All exculpatory evidence in the possession of the investigating agency, or of which it has knowledge, including evidence related to the credibility of witnesses, including information related to bias, motive and inducements to testify.
- Copies of, or access to, all documents recovered in the course of the investigation, and a contact person to assist in discovery requests regarding the materials. (Copies of all documentary evidence may be required once the case is filed.)
- A list of all anticipated witnesses, including their addresses, telephone numbers, and dates of birth (dates of birth are not required for law enforcement personnel) contained on a separate sheet of paper. Any confidential personal identifying information of witnesses or victims contained in the narrative portions of the investigative reports shall be redacted by the investigative agency in the court copy of the report.
- Complete rap sheets (CII, FBI) on all suspects and witnesses (except law enforcement personnel).
- Department of Motor Vehicles printouts and photos on all suspects.
- Information pertaining to any inducements or agreements regarding the giving of information or testimony that may have been made to witnesses. The use of informants or cooperating

witnesses shall be strictly governed by the District Attorney's policy regarding use of informants and/or cooperating witnesses.

- The name and telephone number of the Fraud Division Detective responsible for signing the declaration to support the arrest warrant, and for conducting additional investigation, if necessary.
- A certified copy of any depositions (if applicable).

The DDA assigned to the case will make a filing determination as quickly as practicable, and unless there are unforeseen circumstances, within no more than twenty (20) working days of the case submission for filing. If additional investigation is needed, the DDA will notify the case Detective immediately. The Detective will complete the additional investigation as soon as reasonably possible and provide the DDA with status updates at a minimum of every ten (10) working days until the investigation is completed. If a case is rejected for prosecution, the DDA will prepare a letter in writing stating the reason(s) for the rejection and provide the letter to the Detective within ten working days of the rejection. The Detective will, in turn, notify the complaining party.

Both the DDA and the CDI-Fraud Division shall notify each other within twenty (20) working days after closing a case, whether or not the closing of that case included the completion of a report of investigation, or after having decided not to work a case for any reason.

TRAINING

The two agencies will work together to identify and provide requested training on specific legal issues to each other, insurance company personnel, SIU's, and local law enforcement agencies.

PROBLEM RESOLUTION

As prosecutors and detectives work together in implementing the Litigation/Investigative Plan, and through the use of vertical prosecution,

most issues will be resolved before they become problems. If the problems arise at the case initiation state, they will be resolved between the CDI Fraud Division Detective and the Automobile Insurance Fraud DDA. The CDI Fraud Division Sergeant and the Supervising Deputy District Attorney will resolve issues that cannot be resolved by the Detective or the DDA. The CDI Fraud Division Captain and the Special Units Chief Deputy District Attorney will resolve issues that cannot be resolved between the CDI Detective Sergeant and Supervising Deputy District Attorney.

INFORMATION EXCHANGE

Lists of open investigations including status and assigned personnel will be provided to the San Bernardino District Attorney's Office by the Fraud Division, and a similar report will be provided by the San Bernardino District Attorney's Office to the Inland Empire Fraud Division Regional Office regularly.

ASSESSMENT OF PERFORMANCE

The Supervising Deputy District Attorney and the CDI Captain will meet regularly to assess the successes and failures in meeting the goals of the program.



Eric Hood, Captain
Inland Empire Fraud Division
California Department of Insurance

Date: 3/26/2024



William Lee
Chief Deputy District Attorney
San Bernardino County District Attorney

Date: 4/25/2024

**DEPARTMENT OF INSURANCE
AUTOMOBILE INSURANCE FRAUD PROGRAM**

4/25/2024

BUDGET CATEGORY AND LINE ITEM DETAIL	2024-25 PROPOSED BUDGET
A. Personnel Services - Salaries/Employee Benefits	
All program salary and benefit rates are per the Attorney, Safety, and General current Memorandum of Understanding with the County of San Bernardino.	
1.0 FTE DEPUTY DISTRICT ATTORNEY IV	225,106
2.0 FTE SENIOR INVESTIGATOR	332,880
1.0 FTE SECRETARY I	57,643
TOTAL SALARIES	615,629
BENEFITS FOR 4.0 FTE EMPLOYEES FOR ONE YEAR:	
1.0 FTE DEPUTY DISTRICT ATTORNEY IV Indemnification Indemnification Allowance/Cafeteria Plan Life Insurance Medical Insurance Retirement Short-term Disability Social Security Medicare Survivor's Benefits Vision Care Workers' Compensation	96,796
2.0 FTE SENIOR INVESTIGATOR Indemnification Indemnification Allowance/Cafeteria Plan Long-Term Disability Medical Insurance Retirement Social Security Medicare Uniform Allowance Vision Care Workers' Compensation	280,978
	CONT'D

**DEPARTMENT OF INSURANCE
AUTOMOBILE INSURANCE FRAUD PROGRAM**

4/25/2024

BUDGET CATEGORY AND LINE ITEM DETAIL	2024-25 PROPOSED BUDGET
A. Personnel Services - Salaries/Employee Benefits	
All program salary and benefit rates are per the general employees current Memorandum of Understanding with the County of San Bernardino.	
1.0 FTE SECRETARY I	37,467
Indemnification	
Indemnification Allowance/Cafeteria Plan	
Life Insurance	
Retirement	
Short-Term Disability	
Social Security Medicare	
Survivor's Benefits	
Vision Care	
Workers' Compensation	
TOTAL BENEFITS	415,241
TOTAL SALARIES AND BENEFITS	1,030,870

**DEPARTMENT OF INSURANCE
AUTOMOBILE INSURANCE FRAUD PROGRAM**

4/25/2024

BUDGET CATEGORY AND LINE ITEM DETAIL	2024-25 PROPOSED BUDGET
B. Operating Expenses	
OFFICE EXPENSE Consumable office supplies necessary to administer and run program.	8,400
AUDIT ALLOWANCE Financial and compliance audit per guidelines.	3,150
MOTOR POOL 1 full-size sedan 2,000 mi x .60 mile x 12 months \$78/mo x 12 mo.	31,872
1SUV 2,000 mi x .65 per mile x 12 months \$78/mo x 12 mo.	
Removed future replacement charge	
All vehicle mileage charges are established by San Bernardino County Fleet Services and approved by the Board of Supervisors for fiscal year 2023-24 during the budget cycle. The department has no control over the per mile charge for vehicles.	
MEMBERSHIP \$740 x 1 attorney \$100 x 2 investigators Allowance for membership per Memorandum of Understanding and miscellaneous memberships	940
TRAINING Tuition costs & registration fees for Automobile Insurance Fraud training.	5,250
TOTAL	CONT'D

**DEPARTMENT OF INSURANCE
AUTOMOBILE INSURANCE FRAUD PROGRAM**

4/25/2024

BUDGET CATEGORY AND LINE ITEM DETAIL	2024-25 PROPOSED BUDGET
B. Operating Expenses	
SUBSCRIPTIONS AND PUBLICATIONS Legal updates and publications pertaining to Automobile Insurance Fraud	525
OTHER TRAVEL Hotels, meals & travel for training, seminars and meetings for investigative and prosecution staff.	5,250
PROFESSIONAL SERVICES Expert witnesses to conduct evaluations and provide expert testimony in the courtroom.	1,575
NON-INVENTORIAL EQUIPMENT To replace office equipment necessary to administer and run the Automobile Insurance Fraud program efficiently.	-
PRIVATE MILEAGE Reimburse for use of private vehicle for Auto Insurance Fraud program meetings, court proceedings and training. 500 miles x 0.585 per mile	400
INSURANCE County charges for general liability, auto liability and other insurance requirements.	-
INDIRECT EXPENSES	61,563
TOTAL	118,925

DEPARTMENT OF INSURANCE
AUTOMOBILE INSURANCE FRAUD PROGRAM

4/25/2024

BUDGET CATEGORY AND LINE ITEM DETAIL	2024-25
C. Equipment	PROPOSED BUDGET
CATEGORY TOTAL	0
PROJECTED PROGRAM BUDGET	1,149,795
CARRYOVER TOTAL	-
INTEREST TOTAL	0

**CALIFORNIA DEPARTMENT OF INSURANCE - FRAUD DIVISION
AUTOMOBILE INSURANCE FRAUD PROGRAM**

Submitted: Not Submitted

Version #: 1

FISCAL YEAR: 2023-24 From (7/1/23 to 06/15/24)

PROGRAM REPORT FOR: **SAN BERNARDINO** COUNTY

I. Number of Suspected Fraud Claims
Reviewed from **7/1/23** through **06/15/24**

623

II. DOCUMENTED CASE REFERRALS SOURCES	PENDING	ACCEPTED	REJECTED	APPLICANT CASES	NON-APPLICANT CASES
A. CDI - Fraud Division		13	2	15	
B. Private Carrier	9	11	42	60	2
C. Local Law Enforcement		5	5	7	3
D. Third Party Administrator					
E. Others	1			1	
F. Total (A-E)	10	29	49	83	5

III. INVESTIGATIONS - PRE FILING DECISIONS	CASES	SUSPECTS
A. Number of cases and suspects carried forward on 6/30/23 to FY 23/24	5	5
B. Number of NEW cases and suspects initiated from 7/1/23 through 06/15/24	25	26
C. Total Cases/Suspect (A+B)	30	31
1. Declinations - Rejections	11	12
2. Number of CDI Joint Investigations (from A & B)		
D. Investigative Assist(s)		
1. Number TO outside agency		
2. Number FROM an outside agency	1	1
E. Number of unassisted investigations by District Attorney	29	30

III. INVESTIGATIONS - PRE FILING DECISIONS CONTINUED					
F. Case Investigations by Categories and Complexities	STANDARD	MEDIUM	COMPLEX	VERY COMPLEX	TOTAL CASES
1. Applicant Fraud	14	13	1		28
2. Fraud Ring					
3. Staged Accident		1			1
4. Capping					
5. Medical Provider Fraud					
6. Insider Fraud					
7. Economic Car Theft		1			1
8. Legal Office Fraud					
9. Other					
Total (1-9)	14	15	1		30

IV. ARRESTS THIS REPORTING PERIOD	CASES	DEFENDANTS
A. Arrests by District Attorney - Felony	6	6
B. Arrests by CDI - Felony	9	11
C. Arrest by joint effort CDI / DA - Felony	0	0
D. Arrest by other - Felony	2	3
E. Total (A - D) - Felony	17	20
F. Arrests by District Attorney - Misdemeanor	0	0
G. Arrests by CDI - Misdemeanor	0	0
H. Arrest by joint effort CDI / DA - Misdemeanor	0	0
I. Arrest by other -Misdemeanor	0	0
J. Total (F- I) - Misdemeanor	0	0
K. Total (E+J) - Felonies and Misdemeanors	17	20

V. CASES IN COURT							
A. Cases carried forward on 6/30/23 to FY 23/24 by Categories and Complexities	STANDARD	MEDIUM	COMPLEX	VERY COMPLEX	TOTAL CASES	TOTAL DEFENDANTS	TOTAL CHARGEABLE FRAUD (in dollars)
1. Applicant Fraud	2	6	2		10	12	\$203,000
2. Fraud Ring		3			3	3	\$58,000
3. Staged Accident			1		1	1	\$85,000
4. Capping							
5. Medical Provider Fraud							
6. Insider Fraud							
7. Economic Car Theft		1			1	1	\$20,000
8. Legal Office Fraud							
9. Other							

V. CASES IN COURT (CONTINUED)

B. New Case filings/indictments initiated 7/1/23 through 06/15/24 by Categories and Complexities	STANDARD	MEDIUM	COMPLEX	VERY COMPLEX	TOTAL CASES	TOTAL DEFENDANTS	TOTAL CHARGEABLE FRAUD (in dollars)
1. Applicant Fraud	11	13	3		27	30	\$531,257
2. Fraud Ring							
3. Staged Accident		1			1	1	\$25,000
4. Capping							
5. Medical Provider Fraud							
6. Insider Fraud							
7. Economic Car Theft		1			1	1	\$35,000
8. Legal Office Fraud							
9. Other							
C. Total Cases in Court - Categories and Complexities (A+B)	STANDARD	MEDIUM	COMPLEX	VERY COMPLEX	TOTAL CASES	TOTAL DEFENDANTS	TOTAL CHARGEABLE FRAUD (in dollars)
1. Applicant Fraud	13	19	5		37	42	\$734,257
2. Fraud Ring		3			3	3	\$58,000
3. Staged Accident		1	1		2	2	\$110,000
4. Capping							
5. Medical Provider Fraud							
6. Insider Fraud							
7. Economic Car Theft		2			2	2	\$55,000
8. Legal Office Fraud							
9. Other							
10. Total Cases in Court from (C)	13	25	6		44	49	\$957,257

V. CASES IN COURT (CONTINUED)

D. TOTAL CASES BY FILING CLASSIFICATION	CASES	DEFENDANTS	
1. Felony Cases from (C)	44	49	
2. Misdemeanor Cases from (C)	0	0	
3. Civil Cases from (C)	0	0	
E. COURT PROCEEDINGS	CASES	DEFENDANTS	MOTIONS / HEARINGS
1. Number of Preliminary Hearings	5	6	
2. Number Held to Answer	5	6	
3. Number of Grand Jury Indictments			
4. Number of Motions requiring a response			5
5. Number of Court Hearings			201

VI. FELONY DISPOSITIONS	CASES	DEFENDANTS
A. Convictions	16	18
1. Pled Guilty / No Contest	16	18
2. Number of Convictions by Trial		
B. Sentences		
1. State Prison Imposed		0
2. County Jail Imposed		8
3. Probation, no Jail Imposed		0
C. Reduction to Misdemeanor		10
D. Municipal Court Dismissals		0
E. Superior Court Dismissals		0
	AMOUNT ORDERED	AMOUNT COLLECTED *
F. Amount of Fines & Penalty Assessments	\$3,635	\$1,050
G. Amount of Restitution	\$69,650	\$32,230

*Amount collected from all cases during the fiscal year.

VII. MISDEMEANOR - DISPOSITIONS	CASES	DEFENDANTS
A. Convictions	0	0
1. Pled Guilty / No Contest		
2. Convicted by Trial		
B. Sentences		
1. County Jail Imposed		
2. Probation, no Jail Imposed		
C. Dismissals		
	AMOUNT ORDERED	AMOUNT COLLECTED *
D. Amount of Fines & Penalty Assessments		
E. Amount of Restitution		

VIII. CIVIL CASES	NUMBER FILED	NUMBER OF JUDGMENTS
A. Cases carried forward on 6/30/23 to FY 23/24		
B. New Cases filed this reporting period from 7/1/23 through 06/15/24		
C. Total Cases (A+B)		
D. Cases Concluded this reporting period.		
E. Judgments	AMOUNT ORDERED	AMOUNT COLLECTED*
1. Restitution		
2. Fines and Penalties		
3. Costs		

IX. SEARCH WARRANTS	NUMBER	SUSPECTS	LOCATIONS
A. Total Search Warrants Issued	11	4	9
B. Special Master Search Warrants	1	1	1

X. OUTREACH TRAINING	NUMBER		
A. Number of training sessions	4		
B. Total Number of trainees	143		

**CONVICTION INFORMATION
COUNTY: SAN BERNARDINO**

				CONVICTION TYPE																			
CASE #	DEFENDANT'S	ROLE*	DATE OF CONVICTION	FELONY (X)	MISDEMEANOR (X)	PRIMARY CONVICTION CHARGE	ESTIMATED CHARGEABLE FRAUD (\$)	COURT	COUNTY JAIL (days)	PRISON (months)	PROBATION (months)	COMMUNITY SERVICE (hours)	OTHERS	TOTAL ACQUITTALS	TOTAL DISMISSALS	ASSETS FROZEN (\$)	RESTITUTION ORDERED (\$)	CIVIL FINE (\$)	CRIMINAL FINE (\$)	VICTIM NAMES	REFERRAL SOURCE **	DDA NAME	
2022-35084	Aguilar, Nestor	A	08/14/23	X		PC550(b)(3)	30000	San Bernardino Superior	90		24										A	Denise Yoakum	
2023-52542	Covarrubias, Maria	A	01/25/24	X		PC550(B)(3)	50000	San Bernardino Superior	0		12								\$300	Kemper Insurance	B	Thomas Colclough	
2023-52542	Covarrubias, Roberto	A	01/25/24	X		PC550(B)(3)	50000	San Bernardino Superior	120		24						\$717			Kemper Insurance	B	Thomas Colclough	
2017-49377	Dawson, Chanelle	A	03/29/24	X		PC550(b)(3)	3000	San Bernardino Superior			12	100					\$250			Montclair Pd	C	Thomas Colclough	
2022-29790	Dunn, Mishell	A	08/10/23	X		PC550(b)(3)	20000	San Bernardino Superior	120		24						\$8,392		\$300	Redlands PD AAA Ins.	B	Thomas Colclough	
2022-55708	Figueroa, Richard Robert	A	09/11/23	X		PC550(A)(4) VC20002(A) VC14601 2(A)	50000	San Bernardino Superior	120		24						\$19,580		\$300	Infinity Insurance	E	Thomas Colclough	
2023-25991	Flores, Tatiana	A	10/04/23	X		PC550(b)(1)	25000	San Bernardino Superior			12						\$3,585			AAA Insurance	B	Thomas Colclough	
2023-34705	Johnson, Camron Vance	A	06/06/24	X		PC550(B)(3)	100000	San Bernardino Superior	60		24						\$1,393			Bristol West	A	Thomas Colclough	
2023-22469	Lewis, Tyeshia	A	11/13/23	X		PC550(B)(1)	5000	San Bernardino Superior	10		12						\$719		\$200	AAA Insurance	B	Thomas Colclough	
2023-25632	McNary, Cleveland	A	04/02/24	X		PC550(b)(3)	18900	San Bernardino Superior	10		12						\$1,370			Mercury Insurance	A	Thomas Colclough	
2023-44111	Mondragon, Gloria Astrid	A	12/13/23	X		PC550(b)(1) VC10501(A)	15000	San Bernardino Superior	10		12					\$3,162				Montclair Pd Farmers Insurance	A	Thomas Colclough	
2022-44311	Moreno, Lucille	A	11/03/23	X		PC550(B)(1)	50000	San Bernardino Superior	10		12						\$23,455			Fred Loya Insurance	A	Thomas Colclough	

CONVICTION INFORMATION COUNTY: SAN BERNARDINO

				CONVICTION TYPE																			
CASE #	DEFENDANT'S	ROLE*	DATE OF CONVICTION	FELONY (X)	MISDEMEANOR (X)	PRIMARY CONVICTION CHARGE	ESTIMATED CHARGEABLE FRAUD (\$)	COURT	COUNTY JAIL (days)	PRISON (months)	PROBATION (months)	COMMUNITY SERVICE (hours)	OTHERS	TOTAL ACQUITTALS	TOTAL DISMISSALS	ASSETS FROZEN (\$)	RESTITUTION ORDERED (\$)	CIVIL FINE (\$)	CRIMINAL FINE (\$)	VICTIM NAMES	REFERRAL SOURCE **	DDA NAME	
2022-52732	Morfin, Erick	A	09/26/23	X		PC550(b)(3)	30000	San Bernardino Superior	10		36						\$3,897			Alliance United Insurance Yolanda G	C	Thomas Colclough	
2020-26315	Ordaz, Lakeisha	A	08/10/23	X		PC550(b)(3)	5000	San Bernardino Superior	0		12	240							\$1,000	Esurance	B	Thomas Colclough	
2023-21708	Phan, Tho V	A	04/09/24	X		PC550(b)(1)	25000	San Bernardino Superior	45		12								\$235	California Health Care Agency	B	Thomas Colclough	
2023-25991	Rejas, Esteban	A	10/04/23	X		PC550(b)(3)	25000	San Bernardino Superior	20		24									AAA Insurance	B	Thomas Colclough	
2023-44791	Ruiz Aceves, Jose Armando	A	01/30/24	X		PC550(B)(3) PC664- PC487(a)	30000	San Bernardino Superior	30		12								\$500	\$300	Kemper Insurance	B	Thomas Colclough
2023-31570	Watson, Thomas Joseph	A	02/28/24	X		PC550(B)(3)	15000	San Bernardino Superior	60		12								\$1,934	\$1,000	Geico Insurance	A	Thomas Colclough
FY (2023-24) Sub Total				18	0																		
TOTAL				18	0		546900									\$3,162	\$66,488	\$0	\$3,635				

**CONVICTION INFORMATION
COUNTY:**

SAN BERNARDINO

Insert appropriate letter *Role:		** Referral Sources	
Applicant Fraud	A	CDI - Fraud Division	A
Fraud Ring	B	Private Carrier	B
Staged Accident	C	Local Law Enforcement	C
Capping	D	Third Party Administrator	D
Medical provider Fraud	E	Other	E
Insider Fraud	F		
Economic Car Theft	G		
Legal Office Fraud	H		
Other	I		



County of San Bernardino
Office of the District Attorney
JASON ANDERSON, District Attorney

Felicia Lieb
Deputy Chief, Programs Operations and Grants
California Department of Insurance
2400 Del Paso Road, Suite 250
Sacramento, CA 95834

April 10, 2024

Dear Deputy Chief Lieb:

Regarding San Bernardino County's Insurance Fraud Grants listed below, I hereby delegate my authority to:

1. **William Lee**, Chief Deputy District Attorney, to submit the Fiscal Year 2024-2025 Insurance Fraud Grants applications to the California Department of Insurance.
2. **William Lee**, Chief Deputy District Attorney, wlee@sbcda.org, to execute any and all associated Grant Award Agreements, including any extensions or amendments thereof for Fiscal Year 2024-2025.

The delegated authority applies to the following California Department of Insurance Fraud Grants for Fiscal Year 2024-2025:

- Workers' Compensation Insurance Fraud Grant
- Automobile Insurance Fraud Grant
- Organized Automobile Fraud Interdiction Program (Urban Auto)

Sincerely,

Jason Anderson, District Attorney
County of San Bernardino
303 West Third Street
San Bernardino, CA 92415