

**INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA**

GRANT AWARD AGREEMENT

Fiscal Year 2025-26
Workers' Compensation Insurance Fraud Program

The Insurance Commissioner of the State of California hereby makes an award of funds to **San Bernardino County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this agreement and the application for the grant, and is made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant program in accordance with all applicable statutes, regulations, the grant application, budget instructions, grant requirements, and fact sheets.

Duration of Grant: The grant award is for the program period **July 1, 2025** through **June 30, 2026**.

Purpose of Grant: This grant award is made pursuant to the provisions of California Insurance Code section 1872.83 and shall be used solely for the purposes of increased investigation and prosecution of workers' compensation fraud and of willful failure to secure payment of workers' compensation.

Amount of Grant: The total grant award agreed to herein is in the amount of **\$3,286,077**, which is comprised of a Base Award amount of **\$3,045,365** and an Additional Award amount of **\$240,712**. This amount has been determined by the Insurance Commissioner with the advice and consent of the Fraud Assessment Commission based on the estimated funds collected pursuant to Labor Code section 62.6. However, the actual total award amount for the county is contingent on the collection of assessments and the authorization for expenditure pursuant to the Budget Act of 2025 (Chapter 4, Statutes of 2025). The grant award shall be distributed pursuant to Insurance Code section 1872.83 and the California Code of Regulations Subchapter 9, Article 3, sections 2698.53, 2698.54, and 2698.57.

<p>Jason Anderson District Attorney</p> <p>_____ Authorized Official</p> <p>Name: William Lee Title: Chief Deputy District Attorney</p> <p>Date: _____</p>	<p>RICARDO LARA Insurance Commissioner</p> <p>_____ Authorized Official</p> <p>Name: Crista Hill Title: Division Chief, Financial and Business Management Division</p> <p>Date: _____</p>
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I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of this expenditure as stated above.

Megan Clarke, Chief Budget Officer,
Financial and Business Management Division

Date

FY 25-26 Award Budget

COUNTY NAME: SAN BERNARDINO

PROGRAM: WORKERS' COMPENSATION INSURANCE FRAUD

Salary by Position	Total \$ for line item	# of Positions	FTE
Supervising Attorneys			
Attorneys	\$ 689,780	3	3
Supervising Investigators	\$ 175,055	1	0.85
Investigators (Sworn)	\$ 912,384	6	6
Investigators (Non-Sworn)			
Investigative Assistants			
Forensic Accountant/Auditor			
Support Staff Supervisor			
Paralegal/Analyst/Legal Assistant/etc.	\$ 70,686	1	0.75
Clerical Staff	\$ 60,365	1	1
Student Assistants			
Over Time: Investigators			
Over Time: Other Staff			
Salary by Position, other (<i>auto-generated</i>)			
Salary Total	\$ 1,908,270		

Benefits	\$ 1,113,909	
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Personnel Services Total	\$ 3,022,179
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FY 25-26 Award Budget

COUNTY NAME: SAN BERNARDINO

PROGRAM: WORKERS' COMPENSATION INSURANCE FRAUD

Operating Expenses, General	Total \$ for line item
Indirect Costs - 10% Method (<i>Choose only 1 Indirect Cost Method</i>)	\$ 106,705
Indirect Costs - 5% method (<i>Choose only 1 Indirect Cost Method</i>)	\$ -
Outreach	\$ 75,000
Audit	\$ 3,713
Forensic Accounting Services	\$ -
Expert Consultant Fees	\$ -
Witness Fees/Litigation Fees	\$ -
Undercover Operation Expenses	\$ -
Office Supplies	\$ 8,302
Office Space/Facility Fees	\$ -
IT Services	\$ -
Communications (<i>phone, etc.</i>)	\$ 3,969
Membership Dues/Publications	\$ 2,652
Operating Expenses, General, other (<i>auto-generated</i>)	\$ -
Operating Expenses, General Sub-Total	\$ 200,341

Operating Expenses, Detailed	Total \$ for line item
Vehicle Fuel/Mileage, Maintenance, Parking <i>(Identify # of Vehicles in Narrative)</i>	\$ -
<i># of Vehicles :</i>	
Vehicle Other: Pool or Fleet Charge <i>(Identify # of Vehicles in Narrative)</i>	\$ 33,912
<i># of Vehicles : (5) Full-size sedans: \$426 per month x 5 vehicles; (2) Mid-size SUV's: \$348 per month x 2 vehicles; cost includes use of vehicle and does not include future replacement cost.</i>	
Software Renewal <i>(Identify in Narrative)</i>	\$ -
<i>Narrative:</i>	
Software Purchase <i>(Identify and Provide Justification in Narrative)</i>	\$ -
<i>Narrative:</i>	
Minor Equipment as defined in instructions <i>(Identify in Narrative IF Over \$1,000 Combined Total)</i>	\$ 1,000
<i>Narrative:</i>	
Equipment Lease/Maintenance <i>(Identify in Narrative)</i>	\$ -
<i>Narrative:</i>	
Operating Expenses, Detailed, other <i>(auto-generated)</i>	\$ -
<i>Narrative:</i>	
Sub-Total	\$ 34,912

Operating Expenses, Travel and Training	Total \$ for line item
Travel--In CA	\$ 15,914
<i>Narrative:</i> 9.85 staff members: hotel, airfare, meals, travel and other related costs for travel/training. Training includes SCFIA, CDAA, AFA and others. Also for travel for court attendance, outreach and trainings.	
Travel--Out of CA (<i>Identify State and Purpose in Narrative</i>)	\$ -
<i>Narrative:</i>	
Training--In CA	\$ 12,731
<i>Narrative:</i> Training registration costs for 9.85 staff to CDAA, SCFIA, AFA and others.	
Training--Out of CA (<i>Identify State and Purpose in Narrative</i>)	\$ -
<i>Narrative:</i>	
Operating Expenses, Travel and Training, other (auto-generated)	\$ -
<i>Narrative:</i>	
Sub-Total	\$ 28,645
Operating Expense Total (General + Detailed + Travel & Training)	\$ 263,898

FY 25-26 Award Budget

COUNTY NAME: SAN BERNARDINO

PROGRAM: WORKERS' COMPENSATION INSURANCE FRAUD

Equipment	Total \$ for line item	% Billed to Program
Computers <i>(Provide Justification and % Billed to Each Program in Narrative)</i>		
Narrative:		
Printers/Scanners <i>(Provide Justification and % Billed to Each Program in Narrative)</i>		
Narrative:		
Vehicles <i>(Provide Justification and % Billed to Each Program in Narrative)</i>		
Narrative:		
Vehicle Code 3 Equipment <i>(Provide Number and % Billed to Each Program in Narrative)</i>		
Narrative:		
Equipment, other <i>(auto-generated)</i>		
Narrative:		
Equipment Total	\$ -	

Program Budget Total	\$ 3,286,077
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RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

July 16, 2025

The Honorable Jason Anderson
District Attorney
San Bernardino County District Attorney's Office
303 West Third St., Sixth Floor
San Bernardino, CA 92415

**RE: Grant Award for Workers' Compensation Insurance Fraud Program
Fiscal Year 2025-26**

Dear District Attorney Anderson,

I am very pleased to report that, for Fiscal Year 2025-26, a total of \$52,850,852 is available in Workers' Compensation Insurance Fraud Program grant funds to be distributed to 32 District Attorney Offices representing 41 counties, of which **San Bernardino** County has been awarded a total of **\$3,286,077** for this important program. The available funds are comprised of \$48,875,973 in Aggregate Assessment base funds, and an additional amount of \$3,974,879 from FY 2023-24 unexpended county funds. Your County's total award is comprised of \$3,045,365 base award and \$240,712 additional award. This grant award is to be used for the investigation and prosecution of workers' compensation insurance fraud.

Each application received for grant funding was thoroughly reviewed, with careful consideration given to the applicant's plan to achieve the goals and objectives set by Insurance Commissioner Lara and the Fraud Assessment Commission earlier this year.

It is the California Department of Insurance's (Department) continuing intent that these funds be used effectively to pursue and investigate workers' compensation fraud across California. It is also important to focus these finite resources on combating fraud that continues to increase costs on the workers' compensation system, including medical provider insurance fraud, employer premium fraud, insider fraud, and claimant fraud, among others. Additionally, a coordinated and aggressive outreach program to all communities by your office, including to diverse and underserved communities, with measurable outcomes remains a priority.

In preparation for the Fiscal Year 2026-27 grant cycle, I wanted to inform you that the Department is currently reviewing this program's grant administrative procedures with the purpose of ensuring greater accountability, heightened transparency, and effective stewardship of public funds. Any necessary changes to the grant program process and requirements will be published in the Grant Management System and included in the grant workshops conducted next year, where we will address any questions you may have.

Workers' Compensation Award Letter FY 2025-26
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July 16, 2025

Thank you for submitting your application for grant funding and, moreover, congratulations on your award. I look forward to working together with you in our continuing pursuit against workers' compensation insurance fraud.

Please feel free to contact Victoria Martinez, CDI Deputy Chief, Fraud Division, at (323) 278-5062 should you have any questions regarding your award. The Local Assistance Unit will reach out to you regarding your budget.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Charlick", with a stylized flourish at the end.

Eric Charlick
Deputy Commissioner
California Department of Insurance
Enforcement Branch

cc: William Lee, Chief Deputy District Attorney