

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

October 8, 2019

**FROM**

**JASON ANDERSON, District Attorney**

**SUBJECT**

Grant Award Agreement for the San Bernardino County Workers' Compensation Insurance Fraud Prosecution Program

**RECOMMENDATION(S)**

1. Approve Grant Award **Agreement No. 19-672** with the California Insurance Commissioner to accept \$2,234,996 to fund the investigation and prosecution of workers' compensation insurance fraud cases for San Bernardino County for the period of July 1, 2019 through June 30, 2020.
2. Adopt **Resolution No. 2019-156**, as required by the California Department of Insurance, authorizing the District Attorney to execute all documents and non-substantive amendments in relation to the acceptance of this Grant Award Agreement, subject to review by County Counsel.
3. Direct the District Attorney to transmit all Grant Award Agreement documents, including any non-substantive amendments, to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Michael Fermin, Assistant District Attorney, 382-3662)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**FINANCIAL IMPACT**

Approval of this item will not result in the need for additional Discretionary General Funding (Net County Cost). This grant will provide \$2,234,996 in funding for salary and benefit costs of staff (3.0 Deputy District Attorneys, 6.0 District Attorney Investigators, 0.85 Supervising District Attorney Investigator, and 1.0 Secretary I) assigned to the County's Workers' Compensation Insurance Fraud Prosecution Program (Program). Sufficient revenue and appropriation are included in the District Attorney's 2019-20 budget. Funds assessed against insurers (the actual amount is determined annually by the State's Fraud Assessment Commission) provide the funding source for this grant and no matching funds are required.

**BACKGROUND INFORMATION**

Workers' compensation insurance fraud occurs in simple to complex schemes that often require difficult and lengthy investigations. Consequently, California Insurance Code Section 1872.83 authorizes the California Insurance Commissioner to annually distribute grant funds to agencies statewide for assistance with investigating and prosecuting workers' compensation insurance fraud cases. Since 1994, the San Bernardino County District Attorney's Office (Department) has been receiving grant funds for this purpose on an annual basis. In addition to keeping the

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public safe, the Department vigorously investigates and prosecutes these cases because fraudulent workers' compensation claims are crimes that can inflate premiums for all consumers.

On April 2, 2019 (Item No. 15) the Board of Supervisors (Board) approved the Department's grant application to the California Insurance Commissioner requesting funding for the period of July 1, 2019 through June 30, 2020. On September 5, 2019, the Department received notification from the California Insurance Commissioner of the County's grant award in the amount of \$2,234,996 for the period of July 1, 2019 through June 30, 2020. Approval of the grant award by the Board at this time will have no impact on the Department's grant related services and activities.

The State of California, Department of Insurance requires a resolution from the Board authorizing the District Attorney to sign and accept the Grant Award Agreement. The October 4, 2019 date to return the signed Grant Award Agreement has been extended to October 11, 2019 to ensure adequate time to obtain Board approval.

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Katherine Hardy, Deputy County Counsel, 287-5437) on September 17, 2019; Finance (Carl Lofton, Finance Analyst, 387-5404) on September 20, 2019; and County Finance and Administration (Kelly Welty, Deputy Executive Officer, 387-5423) on September 23, 2019.

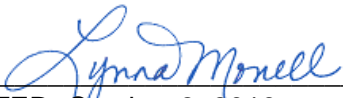
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Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Robert A. Lovingood Seconded: Janice Rutherford  
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: October 8, 2019



cc: DA- Walker w/agree  
Contractor c/o DA w/agree  
File- w/agree  
vh 10/9/2019