

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

DEPT: District Attorney

BOARD AGENDA # *B-7

Urgent

Routine

AGENDA DATE December 11, 2007

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Accept the Fiscal Year 2007-2008 Grant from the Department of Insurance for District Attorney's Office Workers' Compensation Fraud Program and Adjust the Budget

STAFF RECOMMENDATIONS:

1. Accept Fiscal Year 2007-2008 Grant from Department of Insurance for District Attorney's Office Workers' Compensation Insurance Fraud Program totaling \$260,000.
2. Authorize the DA to sign the grant award agreement including any extension, or amendments.
3. Approve a formal resolution as required by the State to receive this grant funding.
4. Direct the Auditor-Controller to decrease appropriations and estimated revenue by \$35,804 consistent with the budget journal.

FISCAL IMPACT:

Projected revenues and expenditures for this grant totaling \$321,012 were reflected in the Fiscal Year 2007-08 final budget process. The actual expenditures and revenues will be less than budgeted. After the budget submittal, it was decided by the DA to have the prosecutor and investigator spend less time on the Worker's Compensation cases due to being needed in more critical areas. The paralegal will continue to be funded for 65% of her time by the grant. A modified budget was submitted to the DOI for the new salary expenditures and the carryover amount of \$25,208 from FY 2006-07. The modified budget was accepted by the DOI. Total funding for the grant will be \$285,208. (continued page 2)

BOARD ACTION AS FOLLOWS:

No. 2007-956

On motion of Supervisor Monteith, Seconded by Supervisor DeMartini

and approved by the following vote,

Ayes: Supervisors: Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: Mayfield

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT:

It is requested that the budget be decreased by \$35,804 for this fiscal year to reflect the final grant funding award and the carry over revenue from the previous year. There is no County Match with this grant.

DISCUSSION:

Insurance fraud affects the citizens of Stanislaus County through increased insurance rates. The District Attorney's Office is committed to the aggressive prosecution of those who commit insurance fraud, and the acceptance of the Department of Insurance's Workers' Compensation Fraud Prosecution grant has allowed this aggressive prosecution to occur. This agenda item is being submitted for Board approval to authorize the District Attorney to accept the grant funding and adjust the budget. A formal resolution is attached.

The Workers' Compensation Fraud unit provides aggressive prosecution against those who knowingly commit fraud against the system whether they are County or private employees, professional, medical and legal providers, employers, or insurance company representatives. For Fiscal Year 2007 – 2008, the tenth year of funding, \$260,000 in funding was awarded and the carry over amount of \$25,208 will be utilized. The total amount of \$285,208 will be a decrease of \$35,804 under the legal budget amount.

Due to workload issues and funding restraints, most of the Paralegal's time will be dedicated to this grant and the remaining amount of her time will be dedicated to the Automobile Insurance Fraud Unit. The Attorney and Investigator will work a portion of their time to this grant and both will record their time accordingly in order to charge their salary expenses to this unit.

Funding in this amount, according to current projections for salaries and benefits should be sufficient to cover the cost of the assigned employees for Fiscal Year 2007-2008. Any remaining funds will be used to cover the cost of training and travel unique to the Workers' Compensation Unit Staff and the cost of the mandated program audit. The District Attorney's Office will cover the operating costs and equipment expenses for this grant. The District Attorney's Office is committed to maintaining this budget within the authorized grant funding allocation.

POLICY ISSUES:

Acceptance of this grant will assist the District Attorney's Office in meeting the Board's goal of a safe, healthy community.

STAFFING IMPACTS:

There are no staffing impacts at this time.

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

Date: December 11, 2007

No. 2007-956

On motion of Supervisor Monteith Seconded by Supervisor DeMartini
and approved by the following vote,

Ayes: Supervisors: Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: Mayfield

Abstaining: Supervisor: None

Item # *B-7

THE FOLLOWING RESOLUTION WAS ADOPTED:

RESOLUTION

STANISLAUS COUNTY BOARD OF SUPERVISORS
FY 2007/08 WORKERS' COMPENSATION FRAUD PROSECUION

WHEREAS, the Stanislaus County Board of Supervisors desires to continue a certain project designated WORKERS' COMPENSATION FRAUD PROSECUTION to be funded from funds made available through the CALIFORNIA INSURANCE CODE Section 1872.83, California Code of Regulations Subchapter 9, Article 3, Section 2698.55, administered by the DEPARTMENT OF INSURANCE (hereafter referred to as DOI).


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

BE IT FURTHER RESOLVED that the applicant agrees to provide all matching funds required for said projects (including any amendments thereof) under the Program and the funding terms and conditions of DOI and that the cash match will be appropriated as required.

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

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

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



File No.

**AUDITOR-CONTROLLER
BUDGET JOURNAL**

BUDGET JOURNAL SCREEN

Budget Organization **District Attorney**
 Budget **LEGAL BUDGET**
 Accounting Period From **Jul-07**
 To **Jun-08**



BATCH SCREEN

Journal Batch **BO --**
 Category **Budget**

Line	Coding Structure							Period	Description
	Fund 4	Org 7	Account 5	G/L Proj 7	Loc 6	Misc 6	AMOUNT		
1	1713	0023210	50000	0000000	000000	000000	.0	(25,786.00)	Decr Salaries-2007/08 Grant Award
2	1713	0023210	52000	0000000	000000	000000	.0	(5,310.00)	Dec Retirement-2007/08 Grant Award
3	1713	0023210	52010	0000000	000000	000000	.0	(1,811.00)	Decr FICA-2007/08 Grant Award
4	1713	0023210	53000	0000000	000000	000000	.0	(2,233.00)	Decr Health Ins-2007/08 Grant Award
5	1713	0023210	53020	0000000	000000	000000	.0	(40.00)	Decr Unemp Ins-2007/08 Grant Award
6	1713	0023210	54000	0000000	000000	000000	.0	(278.00)	Decr W/C Ins-2007/08 Grant Award
7	1713	0023210	55080	0000000	000000	000000	.0	(73.00)	Decr Prof Dev-2007/08 Grant Award
8	1713	0023210	55130	0000000	000000	000000	.0	(273.00)	Decr Def Comp Mgmt-07/08 Grant Award
9	1713	0023210	003610	0000000	000000	000000	.0	35,804.00	Decr Revenue-2007/08 Grant Award
10							.0		
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25							.0		
Totals									

Explanation:

FY 2007/08 Workers' Compensation Insurance Fraud Prosecution Grant award per BOS agenda item 12/11/07

Requesting Department	CEO	Auditors Office Only	
<i>Don Acree</i>	<i>Allen Miller</i>	<i>B. Smith</i>	
Signature	Signature	Prepared By	Admin Approval (\$75K+)
<i>12-5-07</i>	<i>DEC 6, 2007</i>		<i>12/6/07</i>
Date	Date		Date



STEVE POIZNER
Insurance Commissioner

August 7, 2007

The Honorable Birgit Fladager, District Attorney
Stanislaus District Attorney's Office
800 11th Street, Room 200 P.O. Box 442
Modesto, CA 95354

Re: Grant Award for Workers' Compensation Insurance Fraud, Fiscal Year 2007-2008

Dear District Attorney Fladager:

I am pleased to inform you that I have made the decision to award Stanislaus County \$260,000 with the advice and consent of the Fraud Assessment Commission as specified in Section 1872.83 of the California Insurance Code and Section 2698.52 of the California Code of Regulations, Title 10. In accordance with the California Insurance Code, this grant is to be used for the investigation and prosecution of workers' compensation insurance fraud for fiscal year 2007-2008.

For Fiscal Year 2007-2008, total funding of \$25,000,000 will be distributed to thirty-four District Attorney Offices in California.

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

If you have any questions regarding your participation in the Workers' Compensation Insurance Fraud Program, please contact Ms. Vicki Griner, Manager, Fraud Division Headquarters, Local Assistance, at (916) 854-5786 or at grinerv@insurance.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Poizner", written over a white background.

Steve Poizner
Insurance Commissioner

cc: Dave Harris