

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**FROM:** Supervisor Kevin Jeffries

**SUBMITTAL DATE:**  
September 18, 2014

**SUBJECT:** Policy Direction on Administrative Protocol for Reducing Claims and Lawsuits Against County Agencies

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Direct the Executive Officer and County Counsel to continue implementation of the administrative protocol which reflects the following policy direction:
  - Timely notification of significant incidents of possible County liability to the Executive Office, Human Resources, County Counsel, and the Chair of the Board of Supervisors;
  - Prompt investigation by the appropriate County Department in consultation with Human Resources and County Counsel;
  - Development and implementation of strategies to increase accountability and reduce the frequency of future liability and litigation;
  - Regular reporting to the Board of Supervisors as appropriate;
  - Regular reporting on all significant resolved litigation (either settled or litigated to the final conclusion) by Department, including litigation handled by the County Counsel's Office and Human Resources as part of the Annual Budget Presentation to the Board.

**BACKGROUND:**  
Summary

  
KEVIN JEFFRIES, First District  
Supervisor

| FINANCIAL DATA         | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT<br>(per Exec. Office)  |
|------------------------|----------------------|-------------------|-------------|---------------|---|
| <b>COST</b>            | \$ n/a               | \$ n/a            | \$ n/a      | \$ n/a        | Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/> |
| <b>NET COUNTY COST</b> | \$ n/a               | \$ n/a            | \$ n/a      | \$ n/a        |   |

|                         |                           |
|-------------------------|---------------------------|
| <b>SOURCE OF FUNDS:</b> | <b>Budget Adjustment:</b> |
|                         | <b>For Fiscal Year:</b>   |

**C.E.O. RECOMMENDATION:**

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**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

- Positions Added
- Change Order
- A-30
- 4/5 Vote

**Prev. Agn. Ref.:** | **District: ALL** | **Agenda Number:**

**3-2**

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA  
FORM 11: for Reducing Claims and Lawsuits Against County Agencies**

**DATE: September 18, 2014**

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**BACKGROUND:**

**Summary (continued)**

On September 23, 2014, I brought forward a recommendation for the Board to direct the Executive Office to study the issue of financial responsibility for future litigation and claims against county agencies. After discussion and deliberation, the item was continued to October 21, to allow me to meet with County Counsel and other involved departments to review and consider other alternatives to improving accountability and furthering a proactive approach to reducing claims and lawsuits against the County.

Claims and litigation filed against the County of Riverside are received through the Clerk of the Board and controlled by the Human Resources Department Risk Management Division and County Counsel. The Human Resources Department Risk Management Division coordinates the claim and assigns defense counsel in coordination with County Counsel. Estimated liability accruals include those incidents that are reported as well as an amount for those incidents that are incurred but are not reported at fiscal year-end. The funding of these estimates is based on actuarial experience and projections. Notification is made to the County's excess insurance carrier, CSAC Excess Insurance Authority, of any claim and or lawsuit that has the potential of exceeding established self-insured retention levels. The County's excess insurance carrier assists in the management and possible settlement of high exposure claims.

The Human Resources Department Risk Management Division maintains financial reserves through an Internal Service Fund (ISF) which are used to manage the County's claims and litigation. The ISF is used to settle and mitigate claims, and to assist with proactive measures to reduce the frequency and exposure of future claims. All program costs are allocated to County departments based 80% on the claims history of each department and 20% on department exposure data.

Additionally, litigation is filed against the County which does not fall within the scope of the County's excess insurance coverage. Those cases are referred to County Counsel for handling or assignment to special counsel. In an effort to further reduce costs, County Counsel is committed to developing the internal capacity and expertise necessary for handling more of these cases as well as risk management cases. In that regard, County Counsel has recently hired two staff attorneys with experience in public agency tort litigation and CEQA litigation.

**Impact on Residents and Businesses**

Further enhancements of the existing administrative protocol and a collaborative, proactive approach between the Executive Office, Human Resources Department, County Counsel, and the involved county agency may reduce future liabilities and expenditures and increase accountability. Such reductions in claim costs will increase the availability of county funds for the general benefit of county residents, and increase transparency of county government through regular reporting to the Board of Supervisors of significant resolved risk management litigation as well as the litigation handled by the County Counsel's Office as part of the Annual Budget Presentation.