

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

247



SUBMITTAL DATE:
09/25/13

FROM: District Attorney

SUBJECT: Acceptance of the FY 2013-14 Workers' Compensation Insurance Fraud Program Grant ("WC") Award and budget adjustment. All Districts [\$1,529,658]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and ratify acceptance of the Workers' Compensation Insurance Fraud Program Grant ("WC") Award from the Insurance Commissioner of the State of California Department of Insurance in the amount of \$1,529,658 for the grant period July 1, 2013 through June 30, 2014.
2. Adopt Resolution 2013-254 authorizing the District Attorney and/or his designee to sign the Grant Award Agreement on behalf of the Board.
3. Approve and direct the Auditor-Controller to make the budget adjustments as specified on the attached Schedule A to bring the originally projected WC revenue to the award amount of \$1,529,658.

BACKGROUND:

Summary

The Insurance Commissioner of the State of California has renewed the Workers' Compensation Insurance Fraud Program Grant ("WC") Program for the July 1, 2013 through June 30, 2014 grant period.

(Background cont. on page 2)

Jeffrey A. Van Wagenen Jr., for
Paul E. Zellerbach,
District Attorney

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|--------------|---------------|---|
| COST | \$ 1,529,658 | \$ 0 | \$ 1,529,658 | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |

| | |
|---|-------------------------------|
| SOURCE OF FUNDS: State of California | Budget Adjustment: Yes |
| | For Fiscal Year: 13/14 |

C.E.O. RECOMMENDATION:

APPROVE

BY: Karen L. Johnson
Karen L. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: October 22, 2013
xc: D.A., E.O., Auditor

Kecia Harper-Ihem
Clerk of the Board
By: Kecia Harper-Ihem
Deputy

3-14

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Tanya S. Harris
TANYA S. HARRIS, CPA 10/7/13

Departmental Concurrence

FORM APPROVED COUNTY COUNSEL
DATE: 10/23/13
BY: NEAL R. KIPNIS

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

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

FORM 11: Acceptance of the FY 2013-14 Workers' Compensation Insurance Fraud Program Grant ("WC")

Award and budget adjustment.

DATE: 09/25/13

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BACKGROUND (cont):

Summary

The grant, awarded under the provision of Section 1872.83 of the California Insurance Code, is to be used by the District Attorney solely for the purpose of enhanced investigation and prosecution of workers' compensation fraud cases. A portion of the grant award was included in the department's current fiscal year budget.

The attached grant award and resolution have been reviewed and approved as to form by County Counsel.

Impact on Citizens and Businesses

All costs under this program will be recovered through grant funding.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Acceptance of the FY 2013-14 Workers' Compensation Insurance Fraud Program Grant ("WC")
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Schedule A

Increase Appropriations:

| | | |
|-------------------------|---------------------|--------------|
| 10000-2200100000-510040 | Regular Salaries | \$33,058 |
| 10000-2200100000-521100 | Expert Witness Fees | <u>7,814</u> |
| | Total | \$40,872 |

Increase Estimated Revenues:

| | | |
|-------------------------|---------------------------|----------|
| 10000-2200100000-755360 | CA-Workers Comp Ins Fraud | \$40,872 |
|-------------------------|---------------------------|----------|

2
3 RESOLUTION NO. 2013-254

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
5 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, REGARDING
6 THE WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

7
8 WHEREAS, the County of Riverside desires to undertake a certain program designated the
9 Workers' Compensation Insurance Fraud Program to be funded by funds made available through and
10 administered by the California Department of Insurance (hereinafter referred to as "DOI"); now therefore,

11 BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of Riverside, State
12 of California, in regular session assembled on October 22, 2013, that District Attorney of
13 the County of Riverside, State of California and/or his designee is authorized, on its behalf, to submit and
14 to sign the Grant Award Agreement as well as related contracts, amendments, or extensions with DOI
15 that do not significantly change the grant or contract. This resolution shall be in effect for a three-year
16 period beginning July 1, 2013 and ending June 30, 2016.

17 IT IS AGREED that any liability arising out of the performance of this contract, including civil court
18 actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The
19 State of California and DOI disclaim responsibility of any such liability.

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

22 ROLL CALL:

23 Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
24 Nays: None
25 Absent: None

26 The foregoing is certified to be a true copy of a resolution duly
27 adopted by said Board of Supervisors on the date therein set forth.

28
KECIA HARPER-IHEM, Clerk of said Board
By [Signature]
Deputy

FORM APPROVED COUNTY COUNSEL
BY: [Signature] DATE: 10/22/13
NEAL B. KENNIS

INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

GRANT AWARD AGREEMENT

Fiscal Year 2013-14

Workers' Compensation Insurance Fraud Program

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

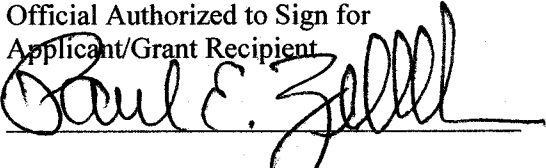
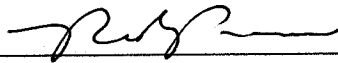
This grant award consists of this agreement and the application for the grant and made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant project in accordance with all applicable statutes, regulations, and Request-for-Application (RFA).

Duration of Grant: The grant award is for the program period **July 1, 2013 through June 30, 2014**.

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 enhanced investigation and prosecution of workers' compensation fraud cases.

Amount of Grant: The grant award agreed to herein is in the amount of **\$1,529,658**. 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 Section 62.6 of the Labor Code. However, the actual total award amount for the county is contingent on the collection of assessments and the authorization for expenditure pursuant to Government Code Section 13000 et seq. The grant award shall be distributed pursuant to Section 1872.83 of the Insurance Code and to the California Code of Regulations Subchapter 9, Article 3, Sections 2698.53, 2698.54, and 2698.57.

FORM APPROVED COUNTY COUNSEL
BY: Neal R. Kipnis DATE: 8/13/13
NEAL R. KIPNIS

| | |
|--|---|
| Official Authorized to Sign for Applicant/Grant Recipient  | DAVE JONES Insurance Commissioner  |
| Name: Paul E. Zellerbach Title: District Attorney | Name: Rick Plein Title: Deputy Commissioner |
| Address: 3960 Orange Street Riverside, CA 92501 | |
| Date: <u>8/1/13</u> | Date: <u>9-11-13</u> |

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.


Caleb Horel, Budget Officer, CDI

9/13/13
Date