



STEVE COOLEY
LOS ANGELES COUNTY DISTRICT ATTORNEY

18000 CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTER
210 WEST TEMPLE STREET LOS ANGELES, CA 90012-3210 (213) 974-3501

April 17, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE LOS ANGELES COUNTY DISTRICT ATTORNEY TO
ACCEPT 6TH THROUGH 8TH YEAR GRANT FUNDS FROM THE STATE OF
CALIFORNIA, DEPARTMENT OF INSURANCE (SCDI) FOR THE ORGANIZED
AUTOMOBILE FRAUD INTERDICTION ACTIVITY "URBAN GRANT"
PROGRAM FOR FISCAL YEAR (FY) 2006-07 THROUGH
FY 2008-09 (ALL DISTRICTS) (4-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the enclosed Resolution authorizing the District Attorney, on behalf of the County of Los Angeles, to accept three-year grant funds for the Urban Grant Program from SCDI in the amount of \$5,939,700 for the period of July 1, 2006 to June 30, 2009. This program will receive \$1,979,900 each year for three years. There is no required County match for this grant.
2. Authorize the District Attorney to execute the Grant Award Agreement, on behalf of the County of Los Angeles.
3. Authorize the District Attorney or his designee, on behalf of the County of Los Angeles, to serve as project director and to sign and approve any revisions to the Grant Award Agreement that do not increase the net County cost of the Agreement.
4. Approve the attached Budget Adjustment for FY 2006-07, to allocate spending authority necessary to operate the program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 14, 2006, the District Attorney's Office submitted a three-year grant application to SCDI for the Urban Grant Program covering FY 2006-07 through FY 2008-09. The Grant Award Letter allocated \$1,979,900 each year for fiscal years 2006-07, 2007-08, and 2008-09, for a total grant award of \$5,939,700. The SCDI has awarded funding to the District Attorney for this program since FY 2001-02. This is the 6th through 8th year the District Attorney will receive funding for this program. This grant allows the District Attorney to combat organized automobile insurance fraud and economic auto theft activity in Los Angeles County.

As part of the Grant Award Agreement, the SCDI requires adoption of the enclosed Resolution, which has been approved as to form by County Counsel.

Implementation of Strategic Plan Goals

Acceptance of the grant funds supports the County's Strategic Plan Goal No. 4, Fiscal Responsibility, through the maximization of revenues to offset program costs. This program directly supports the District Attorney's core mission of vigorously prosecuting felony crimes, including organized automobile insurance fraud and economic auto theft activity throughout the County.

FISCAL IMPACT/FINANCING

The total SCDI grant award of \$5,939,700 provides funding in the amount of \$1,979,900 for three consecutive fiscal years, beginning with FY 2006-07. In addition to the new grant award, carryover funds in the amount of \$2,048,660 had already been approved for use in FY 2006-07. Therefore, the total available funding for FY 2006-07 is \$4,028,560, of which \$2,313,000 has already been included in the budget. We are therefore only requesting approval of a Budget Adjustment for the difference of \$1,716,000.

This grant will fully fund 18 full-time and 2 part-time positions. Four full-time positions will be temporarily assigned to the program for FY 2006-07 to help fully expend the carryover balance. The positions include one DDA III, one DDA IV, one Paralegal, and one Senior Law Clerk.

Future grant funding will be included in the FY 2007-08 and FY 2008-09 budgets. There is no net County cost associated with this program.

If funding for this program were terminated, an evaluation would be conducted to determine whether the program would either be continued with costs absorbed by the department, or discontinued with the reallocation of staff to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to the provisions of Section 1874.8 of the California Insurance Code, the State Department of Insurance is authorized to award and distribute certain funds to District Attorneys submitting plans approved by the Bureau of Fraudulent Claims for the increased investigation and prosecution of organized automobile insurance fraud activity.

The objective of the Los Angeles County District Attorney's Urban Grant Program is to enhance the identification, investigation, and prosecution of major automobile insurance fraud rings, syndicates, gangs, and organizations in Los Angeles County.

In FY 2005-06, the number of search warrants served increased 52%, from 21 to 32. Ninety arrests were made, representing a 64% increase over the 55 arrests made in FY 2004-05.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Pursuant to your Board Motion of December 15, 1998, the Alternate Public Defender, Public Defender, Probation and Sheriff's departments have been notified of this request.

The Public Defender and Sheriff's departments determined that the temporary staffing increase will have no impact on their services. However, the Alternate Public Defender and the Probation departments believe that the Urban Grant will impact their workload. The impact can be managed within projected staffing resources for FY 2006-07; however, depending on increases in the District Attorney's workload in the subsequent two fiscal years, additional staffing resources may be required.

The Honorable Board of Supervisors
April 17, 2007
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CONCLUSION

Following Board approval on this program, the Executive Officer-Clerk of the Board is requested to call Ms. Emily Aidells at (213) 202-7674 or Ms. Corina Calixto when a copy of the adopted Board Letter and two (2) copies of the executed Resolution, containing original signatures are available for pick up. Questions may also be directed to Ms. Aidells.

Very truly yours,

A handwritten signature in black ink, appearing to read "S. L. Cooley", with a large, stylized flourish extending to the right.

STEVE COOLEY
District Attorney

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Enclosures

c: Chief Administrative Officer
County Counsel

1 \$1,979,900 for FY2006-07, and \$1,979,900 each for the following two fiscal
2 years, to be used exclusively for the designated program;

3 **BE IT FURTHER RESOLVED** that the County of Los Angeles
4 hereby authorizes the District Attorney or his designee to serve as Project
5 Director, on behalf of the County of Los Angeles, to sign and approve on
6 behalf of the Board of Supervisors the Grant Award Agreement including any
7 extensions or submission of amendments, progress reports, and payment
8 requests thereof;

9 **I DO HEREBY CERTIFY** that at a regular meeting on the Board of
10 Supervisors of the County of Los Angeles, on the _____
11 day of _____, 2007, the foregoing Resolution was adopted.

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COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF District Attorney's Office

DEPT'S. No. 370
March 30, 2007
19

AUDITOR-CONTROLLER: THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.
ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2006-07
4 - VOTES

SOURCES

District Attorney
Revenue - ~~STATE - OTHER~~ Organized Automobile Fraud "Urban Grant"
AO1 - DA - 14030 - 88 - 89B - 8831
Amount - \$1,716,000

USES

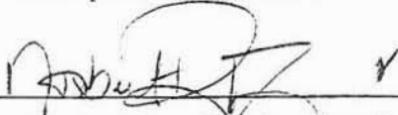
District Attorney
Salaries & Employee Benefits
AO1 - DA - 14030 - 1000
Amount - \$484,000

District Attorney
Services & Supplies
AO1 - DA - 14030 - 2000
Amount - \$989,000

District Attorney
Fixed Assets
AO1 - DA - 14030 - 6030
Amount - \$243,000

JUSTIFICATION

This Budget Adjustment allocates the unbudgeted revenue from the State of California, Department of Insurance (SCDI) for the Automobile Fraud Interdiction Activity "Urban Grant" program. The additional appropriation will provide sufficient funds needed to successfully implement the program.


Norbert Ruiz, Head, Fiscal Services

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR ACTION RECOMMENDATION	<input checked="" type="checkbox"/>	APPROVED AS REQUESTED <input checked="" type="checkbox"/> AS REVISED
	BY <u>Sasha Jung</u> No. <u>216</u>	<u>April 5, 2007</u>
AUDITOR-CONTROLLER BY <u>Sasha Jung</u> <u>April 5, 2007</u>		APPROVED (AS REVISED): BOARD OF SUPERVISORS <u>19</u>
		BY _____ DEPUTY COUNTY CLERK