



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

January 12, 2010

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

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

50 JAN 12 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZE THE LOS ANGELES COUNTY DISTRICT ATTORNEY TO ACCEPT 9TH
THROUGH 11TH YEAR GRANT FUNDS FROM THE STATE OF CALIFORNIA,
DEPARTMENT OF INSURANCE (CDI) FOR THE ORGANIZED AUTOMOBILE
FRAUD INTERDICTION ACTIVITY "URBAN GRANT" PROGRAM FOR
FISCAL YEAR (FY) 2009-10 THROUGH FY 2011-12
(ALL DISTRICTS) (4-VOTES)**

SUBJECT

The Urban Grant Program supports increased investigation and prosecution of organized automobile insurance fraud activity. The District Attorney is requesting approval to accept grant funds in the amount of \$6,505,000 for the period of July 1, 2009 to June 30, 2012.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached Resolution authorizing the District Attorney to accept three-year grant funds for the Urban Program from the State of California, Department of Insurance (CDI). Funds in the amount of \$6,505,000 have been awarded for the period of July 1, 2009 to June 30, 2012. This program will receive \$3,532,000 for the period of July 1, 2009 to June 30, 2010, which includes approved carryover funds of \$696,000 from the prior year. The Department will then receive \$1,486,500 in each of the following two fiscal years. There is no required County match for this grant.

2. Authorize the District Attorney to execute the Grant Award Agreement (GAA) 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 GAA that do not increase the Net County Cost of the Agreement.
4. Approve an appropriation adjustment to increase the District Attorney's FY 2009-10 budget in the amount of \$1,552,000 (Salaries and Employee Benefits - \$956,000; Services and Supplies - \$546,000 and Fixed Assets - \$50,000) for FY 2009-10. The appropriation adjustment represents the difference between the FY 2009-10 grant award of \$3,532,000 and \$1,980,000 that was included in the District Attorney's FY 2009-10 Final Adopted Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 14, 2009, the District Attorney's Office (DA) submitted a three-year grant application to CDI for the Urban Grant Program covering FY 2009-10 through FY 2011-12. The DA was awarded \$3,532,000 for the period of July 1, 2009 to June 30, 2010, which includes \$696,000 in FY 2008-09 carryover funds. The Department will then receive \$1,486,500 in each of the following two fiscal years. The FY 2009-10 Final Adopted Budget included \$1,980,000. An appropriation adjustment for the difference of \$1,552,000 is needed in order to align the District Attorney's budget with the full amount awarded to the program.

The objective of the DA's Urban Program is to enhance efforts in the identification, investigation, and prosecution of major auto insurance fraud rings, syndicates, gangs, and organizations in Los Angeles County. Perpetrators include unscrupulous doctors, chiropractors, lawyers and others engaged in organized automobile insurance fraud.

Board approval is required to accept grant funds and the CDI requires an approved resolution as part of the GAA. The attached resolution has been approved as to form by County Counsel and adoption of the resolution will satisfy County and State requirements.

Implementation of Strategic Plan Goals

Approval of the recommended actions is consistent with the Los Angeles County's Strategic Plan Goal No. 1, Operational Effectiveness, to maximize the effectiveness of the County's processes, structure, and operations to support timely delivery of customer-oriented and efficient public services; and Strategic Plan Goal No. 5, Public Safety, to ensure that the committed efforts of the public safety partners continue to maintain and improve the safety and security of the people of Los Angeles County.

FISCAL IMPACT/FINANCING

The total funding awarded to the Urban Program is \$3,532,000 for FY 2009-10, which includes \$696,000 in carryover funds approved by CDI. There is no Net County Cost associated with this program.

The \$1,552,000 appropriation adjustment represents the difference between the total FY 2009-10 Urban grant award of \$3,532,000 and the \$1,980,000 that was included in the District Attorney's FY 2009-10 Final Adopted Budget. Approval of the appropriation adjustment will increase the DA's budget for Salary and Employee Benefits - \$956,000; Services and Supplies - \$546,000, and Fixed Assets for \$50,000.

In light of the State's budget situation, if funding for this program were to be 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 §1874.8 of the California Insurance Code, the CDI is authorized to award and distribute certain funds to District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of organized automobile insurance fraud activity. The DA has been awarded funding for the Urban Program for the past eight years.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This program does not propose attorney staff augmentation. Therefore, the DA is not subject to the Board motion of December 15, 1998 requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two (2) copies of the adopted Board Letter, and two (2) copies of the executed Resolution to Ms. Emily Aidells, District Attorney's Office, 201 N. Figueroa Street, Suite 1300, Los Angeles, California 90012. Any questions may be directed to Ms. Aidells at (213) 202-7674.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Cooley", with a large, stylized loop at the end.

STEVE COOLEY
District Attorney

Attachments

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

1 \$3,532,000 for FY 2009-010, and \$1,486,500 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;

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I DO HEREBY CERTIFY that at a regular meeting on the Board of Supervisors of the County of Los Angeles, on this 12th day of January, 2010, the foregoing Resolution was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Board of Supervisors of the County of Los Angeles this 12th day of January, 2010.



County of Los Angeles

By Gloria Molina
Chair, Board of Supervisors

APPROVED AS TO FORM
BY ACTING COUNTY COUNSEL:

ROBERT KALUNIAN

By Jennifer A. D. Lehman
Jennifer A. D. Lehman
Principal Deputy County Counsel

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By Sachelle Smith, Deputy

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF DISTRICT ATTORNEY'S OFFICE

DEPT'S. NO. 370

December 8, 2009

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2009-2010

4 - VOTES

SOURCES

Please see attached.

USES

Please see attached.

SOURCES TOTAL: \$ 1,552,000

USES TOTAL: \$ 1,552,000

JUSTIFICATION

This Budget Adjustment allocates the unbudgeted revenue from the State of California, Department of Insurance for the Organized Automobile Fraud Interdiction Activity "Urban Grant" Program. The additional appropriation is necessary in order to successfully implement the program.

ADOPTED BOARD OF SUPERVISORS

AUTHORIZED SIGNATURE Norbert Ruiz

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JAN 12 2010

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

SACHI A. HAMAI EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

- ACTION
RECOMMENDATION

- APPROVED AS REQUESTED
APPROVED AS REVISED

AUDITOR-CONTROLLER

BY Karen Eulice Dec 29 20 09

CHIEF EXECUTIVE OFFICER

BY Chad Wild December 29 20 09

B.A. NO. 076

SOURCES

District Attorney
A01 - DA - 88 - 8831 - 14030
State - Other \$1,552,000
Increase Revenue

Total: \$1,552,000

USES

District Attorney
A01 - DA - 1000 - 14030
Salaries & Employee Benefits \$956,000
Increase Appropriation

District Attorney
A01 - DA - 2000 - 14030
Services & Supplies \$546,000
Increase Appropriation

District Attorney
A01 - DA - 6030 - 14030
Fixed Assets - Equipment \$50,000
Increase Appropriation

Total: \$1,552,000

SA # 076 Karen Siskone 12/29/09