



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** District Attorney  
**Department No.:** 021  
**For Agenda Of:** September 20, 2016  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Director(s) Joyce E. Dudley, District Attorney, 568-2308  
Contact Info: Kerry Bierman, Chief Financial & Administrative Officer, x2304  
**SUBJECT:** First Amendment to the Agreement for Services in the Insurance Fraud Program for Fiscal Year 2016-2017

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:**

As to form: Yes

**Recommended Actions:**

It is recommended that the Board of Supervisors:

- a) Approve and authorize the Chair to execute the First Amendment to the Agreement for Services of Contractor on Payroll with James Daloisio as a Deputy District Attorney for the California Department of Insurance Fraud Program for the period of July 1, 2016 through June 30, 2017, for a new contract amount not to exceed \$90,000; and
- b) Determine that the above action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because it consists of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

The Santa Barbara County District Attorney's Office works diligently to investigate allegations of fraud and arrest offenders, prosecute violators, and seek restitution for funds lost through fraudulent claims or business practices. The District Attorney receives grant funding through the California Department of Insurance Fraud Division to administer these programs. In addition to the part-time lead attorney who works on such cases countywide, the District Attorney hired one Deputy District Attorney Contractor on Payroll to perform a variety of specialized tasks and duties specific to insurance fraud for a limited period of time. This item is on the agenda to amend Exhibit B – Contractor on Payroll Compensation

from \$83,000 to \$90,000 in order to retain professional services from Mr. Daloisio through Fiscal Year 2016 – 2017.

**Background:**

Insurance fraud is a community and statewide issue which impacts industry, employers, the medical profession, insurance companies, employees and local businesses. There is a direct correlation between insurance fraud and increases in insurance premiums. Fraud results in higher insurance premiums for all employers which, in turn, are passed onto the consumer through an increase in costs of goods and services we use every day. These factors led the Santa Barbara County District Attorney’s Office to develop the Insurance Fraud Program, which brings together local businesses, the California Department of Insurance, and the District Attorney to fight insurance fraud in Santa Barbara County. The long-term goal of this initiative is to reduce insurance fraud in Santa Barbara County through crime prevention and deterrence via a combination of community education and the criminal prosecution of fraud cases.

Through the ongoing contract renewal process during the Fiscal Year 2016 - 2017 Budget Hearings, the Board of Supervisors authorized the County Executive Office to execute an Agreement for Services of Contractor on Payroll with James Daloisio for the period of July 1, 2016 through June 30, 2017 in the amount of \$83,000. The District Attorney’s Office is requesting the contract amount be increased to \$90,000 for this contract period.

**Fiscal and Facilities Impacts:**

Budgeted: Yes Contract expenses for Insurance Fraud include \$90,000 in salary and benefit costs. The Deputy District Attorney position is fully funded by grant funds from the California Department of Insurance.

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$ 90,000.00	\$ 90,000.00	
Federal			
Fees			
Other:			
Total	\$ 90,000.00	\$ 90,000.00	\$ -

**Key Contract Risks:**

The Office of the District Attorney recently received a grant award for Fiscal Year 2016 - 2017 from the Department of Insurance for the Insurance Fraud Protection program. There is minimal risk to the County.

**Staffing Impacts:**

This amendment increases the contract amount for an existing 1.0 FTE COP Deputy District Attorney position.

**Special Instructions:**

Return one (1) fully-executed copy of the Amendment to Michael Soderman, DA Business Manager

**Attachments:**

Attachment A: First Amendment to Agreement for Services of Contractor on Payroll

Attachment B: Agreement for Services of Contractor on Payroll

**Authored by:**

Nicole Acosta, DA Department Business Specialist

**cc:**

Human Resources