



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/12/2019

Agenda Placement: 6A

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Nikki Lundeen for Allison Haley - District Attorney
District Attorney

REPORT BY: Nikki Lundeen, Staff Services Manager - 253-4215

SUBJECT: Audit reports for the District Attorney's Office Insurance Fraud Grant Programs Awarded by the California Department of Insurance for FY 18/19

RECOMMENDATION

District Attorney and Auditor-Controller request the Board accept and instruct the Clerk of the Board to file the Audit Reports for the Napa County District Attorney's Office Automobile Insurance Fraud and Workers' Compensation Insurance Fraud Grant Programs awarded by the California Department of Insurance for the fiscal year ended June 30, 2019.

EXECUTIVE SUMMARY

An external auditor has audited the financial schedules of the Automobile Insurance Fraud and Workers' Compensation Insurance Fraud Grant Programs for the fiscal year ended June 30, 2019, as required by the grant agreement. These grants have been awarded to the Napa County District Attorney's Office by the California Department of Insurance.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The California Department of Insurance requires that a financial audit in accordance with Government Auditing Standards be performed annually for these programs by an independent auditor.

An external certified public accountant firm was retained and conducted an audit of the Automobile Insurance Fraud and Workers' Compensation Insurance Fraud Grant Programs for the fiscal year ended June 30, 2019 in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*.

Results of the Engagement:

If findings occur, they are categorized as follows:

- | Material Weakness - A deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Department's financial records will not be prevented, or detected and corrected on a timely basis.
- | Significant Deficiency - A deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

There were no reportable findings for the Workers' Compensation Insurance or Automobile Insurance Fraud Grant Program for the fiscal year ended June 30, 2019.

The audit reports are available through the Clerk of the Board and are attached to this agenda item.

SUPPORTING DOCUMENTS

- A . Automobile Insurance Fraud Audit Report for FY ended 6/30/2019
- B . Workers' Compensation Insurance Fraud Audit Report for FY ended 6/30/2019

CEO Recommendation: Approve

Reviewed By: Susan Kuss