



# Board Agenda Item 19

DATE: February 20, 2024

TO: Board of Supervisors

SUBMITTED BY: Lisa A. Smittcamp, District Attorney

SUBJECT: Agreement with the State of California Employment Development Department

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute an Agreement with the State of California Employment Development Department (EDD), including an Indemnity Agreement, for the procurement of confidential employer and client address information for use during fraud investigations, effective July 1, 2024 through June 30, 2027, for a maximum amount of \$1,933; and**
2. **Authorize the District Attorney and/or her designees, to execute the required statements and certifications necessary to carry out the Agreement.**

There is no increase in Net County Cost. The recommended agreement will allow the Welfare Fraud Program of the Fresno County District Attorney's Office to obtain information that will assist in the prosecution of public assistance fraud. The recommended agreement also includes an Indemnity Agreement, which provides that the County agrees to indemnify the EDD against any and all liability costs. The second action item authorizes District Attorney staff to execute a Confidentiality Agreement, which is required by the EDD. This item is countywide.

ALTERNATIVE ACTION(S):

The alternative is to forgo the use of available EDD resources, which will result in less effective investigations to prosecute welfare fraud.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Sufficient appropriations will be included in the DA's FY 2023-24 budget request for Org 28620100. Costs incurred as a result of these services are fully reimbursable from state and/or federal funds through the Department of Social Services. The total maximum cost of \$1,933 for the three-year agreement is based on the rate structure developed by the EDD and is calculated on quarterly totals based on the estimated amount of social security number searches that will be submitted to EDD. Sufficient appropriations and estimated revenues will be included in future budget requests for the department.

DISCUSSION:

On June 22, 2021, your Board approved an agreement with EDD to provide employment information to the District Attorney's Office effective July 1, 2021 through June 30, 2024. The recommended agreement will allow EDD to continue to provide employment information to the District Attorney Welfare Fraud unit for the period from July 1, 2024 through June 30, 2027.

EDD collects and maintains employment data that may assist the Welfare Fraud Unit in the investigation and prosecution of welfare fraud. The County agrees to use the confidential information provided by EDD for the purpose of locating victims, suspects, missing persons, potential witnesses, or persons for whom a felony arrest warrant has been issued, when the information is requested in the course of, and as a part of an investigation into the commission of a crime when there is reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence. The County must request and use the specified information in accordance with the California Unemployment Insurance Code Section 1095(i) and California Penal code Section 830.1.

The recommended agreement requires that the County indemnify the EDD against any loss, cost, damage or liability resulting from violations of certain designated applicable statutes, rules and/or regulations, and Agreement information security requirements that meet section 5305.8 of the State Administrative Manual. It also contains an attached Indemnity Agreement, which provides that the County agrees to indemnify the EDD against any and all liability costs, damages, attorney fees, and other expenses the EDD may incur by reason of or as a result of any unauthorized use of the personal, sensitive, or confidential information or any violation of the "Confidentiality Agreement" by any and all employees of the Department. The recommended agreement also requires the execution of certain usage policies, including a Confidentiality Agreement, which must be executed by District Attorney investigative staff.

The recommended agreement deviates from the County model because it does not contain the County's insurance requirements with regards to the Hold Harmless, Commercial General Liability, Professional Liability, Worker's Compensation and Cyber Liability. Risk Management has reviewed the recommended agreement and acknowledges that the State does not typically alter their standard contract language. The District Attorney's Office believes the benefits of the recommended Agreement outweigh any potential risks and recommends approval of the agreement as a prudent business decision.

REFERENCE MATERIAL:

BAI # 27, June 22, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - EDD Agreement

CAO ANALYST:

Fine Nai