

County of San Mateo Agrees to Repay More than \$1.5 Million for Funds It Improperly Received Through the Department of Justice's Southwest Border Prosecution Initiative

San Francisco — January 30, 2009 — The County of San Mateo has agreed to repay the Department of Justice more than \$1.5 million for grant funds it improperly received through the Department's Southwest Border Prosecution Initiative, United States Attorney Joseph P. Russoniello and Department of Justice Inspector General Glenn A. Fine announced today.

SWBPI is a program in which the Department reimburses the four Southwest Border states and local jurisdictions for the prosecution and pre-trial detention costs of federally initiated cases that are declined for prosecution by the U.S. Attorneys offices.

The Department awarded the county of San Mateo more than \$1.5 million in SWBPI funds between fiscal years 2004 and 2007 based on submissions by San Mateo for 1,076 cases that it claimed were eligible for reimbursement. An audit by the Office of the Inspector General, however, found that the majority of these cases did not meet SWBPI's requirements for reimbursement because the cases were not federally initiated.

San Mateo officials first learned of the SWBPI grant program during a 2003 presentation made by a contractor, Brad Burgess of Public Resource Management Group, to representatives from multiple California sheriffs' offices. The San Mateo County Sheriff's Office subsequently hired Burgess to manage its SWBPI claim reimbursement process.

The OIG audit found that San Mateo Sheriff's Office officials relied on incorrect advice from Burgess that any case eligible for reimbursement under another federal reimbursement program – such as the State Criminal Alien Assistance Program – also would automatically be eligible for SWBPI reimbursements. The OIG audit questioned the entire \$1,520,999 in SWBPI funds received by the county of San Mateo because the cases San Mateo submitted for reimbursement were not federally initiated as required under the SWBPI grant program. In light of the OIG audit, San Mateo was only able to demonstrate that \$7,078.13 of the funds it received were properly received, and agreed to repay the remaining \$1,513,920.87 to the Department of Justice.

This is the fifth settlement the U.S. Attorney's Office for the Northern District of California has reached with county and local jurisdictions in Northern California related to improper claims submitted for reimbursement under SWBPI. In October 2008, the City and County of San Francisco agreed to repay \$5.2 million in SWBPI funds; in December 2008, the County of Lake agreed to repay \$989,605 in SWBPI funds, and Humboldt County agreed to repay \$416,986 in SWBPI funds; and in January 2009, the County of San Benito agreed to repay \$397,984 in SWBPI funds. OIG audits of San Francisco, Lake, Humboldt, and San Benito similarly found that those jurisdictions relied on the incorrect advice from Burgess and the Public Resource Management Group.

The settlements are the result of a coordinated effort by the U.S. Attorney's Office for the Northern District of California, the OIG Investigations Division, and the OIG Audit Division.