



Board Agenda Item 63

DATE: June 6, 2017

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Amendment II to Master Agreement for the New Employment Opportunities Expanded Subsidized Employment Program

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment II to Master Agreement A-14-277 for the New Employment Opportunities Expanded Subsidized Employment Program, extending the term effective upon execution to September 30, 2020 and increasing the maximum compensation by \$9,000,000 for a total of \$18,000,000.

Approval of the recommended action will allow the continued participation of employers in the program and allow California Work Opportunities and Responsibility to Kids (CalWORKs) Welfare-To-Work (WTW) participants to be provided job placements with participating businesses. There is no increase in Net County Cost.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Should the recommended action not be approved, beginning July 1, 2017 the Department will not be able to reimburse wages to local businesses that hire WTW participants. This may cause clients to lose their job placements and eventual self-sufficiency.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The increase to the maximum cost of the Agreement (\$18,000,000) will be 100% offset using Federal Expanded Subsidized Employment funds. Sufficient appropriations will be included in the FY 2017-18 Recommended Budget for the Department, Org 5610, and subsequent budgets.

DISCUSSION:

On May 20, 2014, your Board approved Master Agreement A-14-277 for the New Employment Opportunities Expanded Subsidized Employment (NEO ESE) Program. The goal of the agreement is to subsidize the participating CalWORKs WTW client's wages to incentivize local businesses that hire WTW clients. In turn, the clients learn soft skills and gain work experience to eventually attain employment, leading them to self-sufficiency. This Federal Fiscal Year there are 64 businesses participating in the program, which currently employ 142 WTW clients.

The Department recommends extending the NEO ESE Master Agreement to align with the terms of Agreement A-15-460 with the Economic Development Corporation (EDC) of Fresno County, which allows EDC to recruit employers to participate in the NEO ESE program. As the services of the two agreements are linked, it would be beneficial to have them expire simultaneously.

The term provision of the Agreement deviates from the County's standard language in that the term automatically renews, instead of renewing upon the written approval of the parties, based on the satisfactory performance of the contractors. The Department believes that obtaining the written approval to extend the term of the Agreement from so many contractors would be infeasible and, therefore, recommends automatic renewal unless notice of non-renewal is given by any party.

REFERENCE MATERIAL:

BAI #62, June 21, 2016

BAI #6, September 22, 2015

BAI #58, May 20, 2014

ATTACHMENTS:

On file with Clerk - Amendment II to Agreement A-14-277

CAO ANALYST:

Ronald Alexander