



# Board Agenda Item 26

DATE: June 18, 2024

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: Amendment to State and Local Fiscal Recovery Funds Subrecipient Agreement with Fresh Start Youth Center, Inc. DBA Mollie's House

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a retroactive First Amendment to Subrecipient Agreement No. 23-057 with Fresh Start Youth Center, Inc. DBA Mollie's House (Subrecipient) for provision of American Rescue Plan Act - State and Local Fiscal Recovery Funds (ARPA-SLFRF), which will reduce the administrative burden to implement the program by revising the expenditure plan and the modification clause, with no increase to the maximum compensation (\$180,000); and**
- 2. Authorize the County Administrative Officer or designee to approve and execute written changes to the items in the project budget, which, when added together during the term of the Agreement, do not exceed ten percent (10%) of the total maximum compensation payable to Subrecipient, and which do not result in any change to the maximum compensation amount payable to Subrecipient.**

There is no Net County Cost associated with the recommended actions, which will revise the expenditure plan, and update the modification clause in the County's agreement with the Subrecipient. The recommended amendment revises the agreement's expenditure plan to move available funding to be used for psychiatric and counseling and equine therapy, which, the Subrecipient believes, remains the highest and best use of the grant funding. The recommended amendment will also add language to the modification clause, which will allow the County's Administrative Officer or designee to consider and approve written requests for budget revisions that do not exceed a maximum 10% of the maximum compensation under the agreement, as amended. Recommended action two will delegate limited signature authority to the County Administrative Officer or designee to make the previously described revisions to the agreement's budget, if requested. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the maximum allocation of ARPA-SLFRF may not become available to the Subrecipient to fund the implementation of the approved program. Alternatively, your Board may determine to approve the recommended amendment without delegating authority to the CAO to make changes to the budget; in this event, if budget shifts are necessary, staff will bring another amendment to your Board for review and approval.

FISCAL IMPACT:

There is no increase to Net County Cost associated with the recommended actions. The program is fully funded with ARPA-SLFRF. Sufficient appropriations are included in the FY 2023-24 Adopted Budget for the Auditor/Controller-Treasurer/Tax Collector Org. 1033 - Disaster Claiming, Fund 0026, Subclass 91021,

Account 7845.

DISCUSSION:

The United States Department of the Treasury's (Treasury) Title 31, Code of Federal Regulations, Part 35 Coronavirus SLFRF Interim Final Rule ("Interim Final Rule") and Final Rule ("Final Rule") establish a framework for determining the types of programs and services that are eligible under the ARPA-SLFRF and may be used for eligible activities under the following general categories:

- A. Respond to the COVID-19 public health emergency or its negative economic impacts;
- B. Provide premium pay for essential workers;
- C. Replace public sector revenue loss, subject to certain limitations; and
- D. Make necessary investments in infrastructure such as in water, sewer, and broadband.

The Final Rule permits SLFRF to be used to cover costs for eligible activities within the four general categories for the period that begins March 3, 2021, and ends on December 31, 2024. Recipients and their subrecipients must return any funds to the Treasury which are not obligated by December 31, 2024, and any funds not expended to cover such obligations by December 31, 2026.

On February 7, 2023, your Board approved Agreement No. 23-057 with the Subrecipient.

The Subrecipient represents that since Agreement 23-057 was executed, the program has experienced an increase in the need for psychiatric and counseling services and equine therapy, which has exhausted the funding availability in the corresponding line item of the expenditure plan, which may limit the Subrecipient's ability to recover actual expenses that are necessary to implement the program. The Subrecipient represents that while all the line items in the original expenditure plan are important, providing psychiatric and counseling services and equine therapy has demonstrated the greatest benefit to their clients, which the Subrecipient represents also contribute to improving the mental and emotional well-being of their program participants.

The Subrecipient represents that the recommended amendment will help address their greatest need and highest benefit to the participants in the program. The Subrecipient represents that the budget in the recommended amendment will more accurately reflect the program's actual expenditures, rather than the projected expenses previously presented in Subrecipient Agreement No. 23-057, and will allow the Subrecipient to recover actual costs that should be reimbursed by the SLFRF Program. Additionally, language has been included to clarify the timeframe for the program.

Approval of the recommended action will revise the Subrecipient's expenditure plan, which will provide needed flexibility to ensure the maximum limits of the grants can be reached. Your Board's approval of the recommended amendment will also add language in the agreement's modification clause that will allow the County's Administrative Officer or designee to consider and approve future written requests for budget revisions up to 10% of the maximum compensation, with no change to the maximum compensation.

The recommended amendment will be retroactive to the effective date of the Agreement, February 7, 2023.

REFERENCE MATERIAL:

BAI #27, February 7, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 1 to Agreement 23-057 with Fresh Start Youth Center DBA Mollie's House

CAO ANALYST:

John Toepfer