



Board Agenda Item 47

DATE: June 16, 2026

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: Retroactive Second Amendment to State and Local Fiscal Recovery Funds
Subrecipient Agreement with Boys and Girls Club of Fresno County

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a retroactive Second Amendment to Subrecipient Agreement No. 23-012 with Boys and Girls Club of Fresno County (Subrecipient) for provision of American Rescue Plan Act - State and Local Fiscal Recovery Funds (ARPA-SLFRF), which will revise the expenditure plan with no change to the scope of the program and no increase to the maximum compensation (\$600,000).

There is no Net County Cost associated with the recommended action, which will revise the expenditure plan in Subrecipient Agreement No 23-012 with no increase to the maximum compensation. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the expenditure plan in the Agreement will limit the Subrecipient's ability to fully expend the funds allocated to the program.

FISCAL IMPACT:

There is no increase to Net County Cost associated with the recommended action. The program is fully funded with ARPA-SLFRF. Sufficient appropriations are included in the FY 2025-26 Adopted Budget for the Auditor-Controller/Treasurer-Tax Collector Org. 1033 - Disaster Claiming, Fund 0026, Subclass 91021, Account 7845.

DISCUSSION:

On November 20, 2023, the U.S. Department of Treasury (Treasury) published the Obligation Interim Final Rule (Obligation IFR) which amended the definition of "Obligations" and included additional flexibility with respect to the ARPA-SLFRF program.

After the SLFRF obligation deadline of December 31, 2024, Treasury's guidance permits recipients to amend existing contracts after the obligation deadline, so long as the amended contract is within substantially the same scope, and for substantially the same purpose as the original contract. Per Treasury's Frequently Asked Questions (FAQ 17.16), if those requirements are met, SLFRF funds may be used to cover cost increases contained in the amended agreement.

On January 3, 2023, your Board approved Subrecipient Agreement No. 23-012 (Agreement) with the Subrecipient. On December 3, 2024, the County and the Subrecipient executed the First Amendment to the Agreement (Agreement No. 24-611), which revised the modification clause, and amended the expenditure plan to more accurately reflect the Program's estimated expenditures rather than the initial estimates provided, and to clarify certain language, which was found to be too precise to reasonably recover otherwise reimbursable expenditures.

Since then, the Subrecipient represents that the expenditure plan found in the Revised Exhibit B, Table 1-1 of Agreement No. 24-611 did not anticipate the costs for program personnel to exceed the allocated funding provided in the Agreement. A reallocation of funds within the Agreement's expenditure plan is needed to complete the program. The available funding under program expenditures, which could be reallocated, exceeds the ten percent (10%) limit of the Agreement's modification clause and requires your Board's approval. The Subrecipient has expended the personnel costs and presented the expenditures for reimbursement which, if approved by your Board, will allow the Subrecipient to fully expend the award.

Approval of the recommended action will revise the Agreement's expenditure plan by reassigning cost allocations within the expenditure plan to retroactively cover any necessary expenses that would otherwise be covered by the Agreement and assist the Subrecipient with the recovery of final costs to the Program and close out the ARPA-SLFRF Grant with no change to the maximum compensation.

REFERENCE MATERIAL:

BAI #39, December 3, 2024
BAI #15, January 3, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 2 to Agreement 23-012 with Boys and Girls Club

CAO ANALYST:

John Toepfer