



Board Agenda Item 33

DATE: October 22, 2024

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer

SUBJECT: Amendment to State and Local Fiscal Recovery Funds Subrecipient Agreement with Fresno Economic Opportunities Commission

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a First Amendment to Subrecipient Agreement No. 23-119 with Fresno Economic Opportunities Commission (Fresno EOC) for provision of American Rescue Plan Act - State and Local Fiscal Recovery Funds (ARPA-SLFRF), which will revise the expenditure plan and the modification clause, with no increase to the maximum compensation (48,584); 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 Fresno EOC.**

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 Fresno EOC. The recommended amendment will 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 would not become available to the Subrecipient to fully expend the award under 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 needed, staff will need to 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 programs are fully funded with ARPA-SLFRF. Sufficient appropriations are included in the FY 2024-25 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.

Under Section 602(c)(3) of the ARPA, the County may transfer SLFRF to non-profits for eligible uses for the purpose of meeting ARPA's goals. The Subrecipient is a private, nonprofit 501(c)(3) organization.

On June 21, 2022, your Board approved the Ad-Hoc Committee's First Round Subrecipient Priority List, which earmarked funds for proposals that may be funded either in whole or in part by the County's allocation of SLFRF. The approved First Round Subrecipient Priority List included the proposed program from Fresno EOC (\$48,584) for Negative Economic Benefits, Addressing Educational Disparities - Academic, Social, and Emotional Services.

Fresno Economic Opportunities Commission, 501.c.3.

On March 28, 2023, your Board approved Subrecipient Agreement No. 23-119 (Agreement) with Fresno EOC. Since then, Fresno EOC represents that the specific equipment needed for its Neighborhood Youth Centers, which was requested under the Agreement was acquired at a reasonable cost savings. Fresno EOC further represents that since the Agreement, its Local Conservation Corps (LCC) has completed development of a second floor in its vocational training building, adding three new classrooms. Fresno EOC represents that additional equipment is needed to allow for planned research and testing on projects the LCC offers for clients engaged in forestry training for both LCC corps members and participants from the Fresno Workforce Development Board. The additional equipment needed is comprised of two (2) computers, two (2) monitors, one (1) printer, two (2) network switches and memory upgrades. Fresno EOC represents that there is no other funding available at this time and that the needed equipment costs will exhaust the remaining balance of the Agreement. Fresno EOC also represents that any costs exceeding the Agreement's remaining balance will be the sole responsibility of Fresno EOC.

Fresno EOC represents that the Revised Expenditure Plan on Table 1-1 of Revised Exhibit B adds an additional line item, which will cover the cost to purchase the requested equipment up to the unused amount remaining in the Agreement, allowing Fresno EOC to recover actual costs for equipment that is consistent with the intent of the Agreement and is eligible for reimbursement by the SLFRF Program. Your Board's approval 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. This change will provide Fresno EOC with some flexibility within the line items in the program budget and will help Fresno EOC expeditiously complete the program.

REFERENCE MATERIAL:

BAI #7, June 21, 2022

BAI #33, March 28, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 1 to Agreement 23-119 with Fresno EOC

CAO ANALYST:

John Toepfer