



# Board Agenda Item 49

DATE: September 23, 2025

TO: Board of Supervisors

SUBMITTED BY: Sanja Bugay, Director, Department of Social Services

SUBJECT: Agreement for Job Creation and Employment Services

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34) determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a Suspension of Competition is warranted, and that the best interests of the County would be served by entering into an Agreement with the Economic Development Corporation Serving Fresno County (EDC) as it is uniquely positioned to support the Department's Extended Subsidized Employment program through its Ready2Hire platform developed by EDC in collaboration with the Department; and**
- 2. Approve and authorize the Chairman to execute an Agreement with EDC for employment services, job creation, marketing, subcontracted training, and website maintenance to market employment-ready California Work Opportunity and Responsibility to Kids Welfare-to-Work participants to local businesses, effective October 1, 2025, through June 30, 2030, which includes a base contract and two optional one-year extensions, total not to exceed \$5,061,520.**

There is no increase in Net County Cost. Approval of the recommended actions will allow EDC to market employment-ready California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) participants and the Department's Extended Subsidized Employment (ESE) Program to local businesses, maintain the Ready2Hire jobs matching website, identify and coordinate training courses for CalWORKs WTW participants for anticipated industry employment needs, and attract businesses to expand or relocate to Fresno County. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board could choose not to approve these recommended actions. If your Board does not approve the recommended actions, it will reduce the employment rate of CalWORKs WTW participants and will hinder the Department's efforts to establish clear responsibilities and expectations with qualified employers who are interested in participating in the ESE program. The Department would be limited in finding new employment trainings to fulfill future industry needs and it will end the marketing campaign to engage businesses in employing CalWORKs WTW participants. The funding would be redirected to other WTW program services provided by the Department.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under Administrative Policy No. 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances. EDC is uniquely positioned to support the CalWORKs ESE program through its Ready2Hire platform and employer partnerships, EDC's experience with CalWORKs WTW participants,

knowledge of program regulations, and ability to manage placements and transitions make it the only vendor able to meet County needs without delay or added cost. The General Services Department - Purchasing concurs with the Department's assessment that this satisfies the exception to the competitive bidding process required by AP 34.

#### FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. If approved, the maximum compensation of the recommended agreement is \$5,061,520 over the four years and nine months of the agreement. All costs will be 100% offset using CalWORKs Expanded Subsidized Employment allocation funds. Sufficient appropriations and estimated revenues are included in the Department of Social Services Org 5610 FY 2025-26 Adopted Budget and will be included in the subsequent budget requests.

#### DISCUSSION:

Pursuant to CalWORKs Act Division 9, Part 3, Chapter 2, Section 11320 et seq., the County is mandated to deliver a time-limited structural sequence of employment related activities and supportive services that are designed to maximize unsubsidized employment opportunities to able-bodied, non-exempt CalWORKs public assistance applicants and recipients. The Department is designated as the county welfare department responsible for CalWORKs implementation in Fresno County.

Assembly Bill 74 (Chapter 21, Statutes of 2013) created the ESE program to increase subsidized employment programs for CalWORKs clients in California with the goal of increasing job retention in an unsubsidized position of employment.

On September 22, 2020, the Board approved and authorized the Chairman to execute a Master Agreement for ESE, along with a corresponding agreement with EDC. This agreement outlined EDC's responsibilities for job creation, marketing, subcontractor training, and website maintenance in support of the ESE program. Under the agreement, EDC served as the liaison for the ESE Master Agreement and played a key role in program coordination. EDC also notified the Department of any issues involving CalWORKs WTW participants, allowing Job Specialists (JS) to respond promptly and provide necessary support.

The ESE program subsidizes wages for CalWORKs WTW participants hired by local businesses and offsets the businesses' costs of onboarding new employees. ESE provides businesses in the community an opportunity to work with CalWORKs WTW participants who may have minimal job history to build a resume and ultimately gain unsubsidized employment.

Subsidized employment placements are 26 weeks in length but may be extended to 52 weeks if qualifying requirements are met. Reimbursement rates to the employers are based on a tier system: 100% for the first 13 weeks with a 25% reduction for every 13 weeks after until the potential 52-week limit is reached. Placements with employers are made with the goal that the participant will continue employment permanently at the end of the subsidy.

EDC will continue performing the key responsibilities under the ESE program and will continue being the liaison between the Department and the contracted businesses without a Master Agreement for ESE employers to more efficiently add and remove employers as is often required. EDC will notify the Department of any issues that arise with the CalWORKs WTW participant so that JS staff can address the problem immediately. This partnership between the businesses and JS staff resulted in 70% of CalWORKs WTW participants successfully retaining their job post-placement period in FY 23-24.

Upon your Board's approval, the recommended action to establish an agreement with EDC that will become effective October 1, 2025, and remain in effect through June 30, 2028, with two optional one-year renewals thereafter under the same terms and conditions, unless written notice of non-renewal is provided by either

the County, or the County's DSS Director or designee at least 30 days before the end of the that current term. Either party may terminate the agreement without cause by providing at least 30 days' written notice.

REFERENCE MATERIAL:

BAI #73, September 22, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request  
On file with Clerk - Agreement with EDC

CAO ANALYST:

Ronald Alexander