

County Of Sonoma Agenda Item Summary Report

Clerk of the Board Use Only
 Meeting Date Held Until
 / / / /
 Agenda Item No: Agenda Item No:
 _____ _____

Department: Human Services

4/5 Vote Required

Contact:
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Board Date:
11/10/2009

Deadline for Board Action:
11/10/2009

AGENDA SHORT TITLE: Subsidized Employment Program Funding Recommendation.

REQUESTED BOARD ACTION:

- A. Approve a resolution authorizing budgetary adjustments to the 2009-2010 Final Budget for the Human Services Department in the amount of \$1,733,347 (4/5th vote required).
- B. Approve the Subsidized Employment Program funding recommendation under the American Recovery & Reinvestment Act (ARRA).
- C. Authorize the Director of the Human Services Department, or her designee, to sign an agreement with Goodwill Industries of the Redwood Empire for the Subsidized Employment Program in the amount of \$5,362,680 and to sign any future amendments that do not significantly change program content and do not increase overall funding.

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES:

ADDITIONAL FUNDS REQUIRING BOARD APPROVAL:

| | | | |
|---|-------------|---|-------------|
| Estimated Cost | \$5,362,680 | Contingencies (Fund Name:) | \$0 |
| Amount Budgeted | \$3,629,333 | Unanticipated Revenue (Source: State of California) | \$1,733,347 |
| Other Available Appropriations (Explain Below) | \$0 | Other Transfers (Source:) | \$0 |
| Additional Requested | \$1,733,347 | Additional Funds Requested | \$1,733,347 |

Explanation (if required): Source of funds is the American Recovery & Reinvestment Act (ARRA). The agreement with Goodwill Industries of the Redwood Empire starts in the 2009-10 program year, on December 1, 2009, and will continue into the 2010-11 program year, to September 30, 2010. There is no cost to the County.

Prior Board Action: September 15, 2009: Approved the Human Services Department Final Budget, including TANF Emergency Contingency Funds provided under ARRA.

Alternatives – Results of Non-Approval: Non-approval would prevent the Human Services Department from providing subsidized employment opportunities which, if made available, will improve participants’ job skills, provide employment, and help strengthen Sonoma County’s economy.

Background: A copy of the agreement with Goodwill is on file with the Clerk of the Board. The Board of Supervisors is requested to authorize budgetary adjustments to the 2009-2010 Human Services Department Final Budget in the amount of \$1,733,347; approve the Subsidized Employment Program funding recommendation and service levels; and authorize the Director of the Human Services Department, or her designee, to sign an agreement with Goodwill Industries of the Redwood Empire (GIRE) for the Subsidized Employment Program in the amount of \$5,362,680 and sign any future amendments that do not significantly change program content and do not increase overall funding.

The Subsidized Employment Program is funded through Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds under the American Recovery & Reinvestment Act (ARRA), with the purpose of providing subsidized employment opportunities for TANF and Welfare To Work recipients and other low-income residents. Participants will be paid for work-experience jobs, which provide the opportunity to gain job skills, develop good work habits, and increase household income. Funds are made available through the U.S. Department of Health and Human Services, and are administered by the State of California Department of Social Services and the Sonoma County Human Services Department.

County staff will be solely responsible for referrals to programs under this grant. County staff will provide case-management services for clients who need supportive services in order to participate.

The Subsidized Employment Program requires the contractor to provide a match equal to, or greater than, twenty percent (20%) of the contract amount. This match is estimated to be \$1,072,536. The match can be cash or in-kind contributions.

Subsidized Employment Program Design

Participants in the Subsidized Employment Program will be assigned employment based on their assessed level of employability. Workers will be paid at the rate that the supervising organization typically pays workers who perform the same job; in no case will a participant's wages be less than the California minimum wage of \$8.00 an hour. Placements will typically be for six months and may last as long as ten months, or until the contract for the Subsidized Employment Program expires. Placement in "green jobs" is encouraged. Approximately 400 individuals will be served. A total of \$5,362,680 will be available to fund the Subsidized Employment Program, which includes up to \$4,762,680 for participant wages and payroll taxes. Six hundred thousand dollars (\$600,000) is available for program and administrative costs for the contractor to operate the program.

Tier One: Individuals without close ties to the labor market or who have barriers to employment such as mental health problems, alcohol or drug problems, low cognitive skills, homelessness, domestic violence; or lack of transportation for participants living in remote geographic areas will be referred to Tier One. In Tier One, participants are placed in supportive private, non-profit work setting for up to 40 hours per week. The Contractor will be the employer of record. It is estimated that 50% of participants will be referred to this tier.

Tier Two: Participants with fewer barriers to employment will be placed in public sector work. Contractor will be the employer of record. It is estimated that 30% of participants will be referred to this tier.

Tier Three: Participants who have been assessed as job ready will be placed with private, for profit employers, who will be the employers of record. Employers will be reimbursed for 100% of the participant wages up to \$8 an hour and 50% of the participant wages beyond \$8 an hour; the 50% difference may count toward the 20% match requirement. The employer must provide the participant with the benefits that their other employees receive. Benefits are not reimbursable, but count toward the 20% match requirement. It is estimated that 20% of participants will be referred to this tier.

Funding Recommendation

A Request for Proposals for the Subsidized Employment Program was issued September 10, 2009. Two proposals were submitted, one from Goodwill Industries of the Redwood Empire (GIRE), as lead agency for The Employment Group, and the other from Community Action Partnership/Manpower.

A Proposal Review Committee comprising members of the Human Services Commission and the Workforce Investment Board scored the proposals.

The proposal submitted by GIRE and The Employment Group scored higher and offered the advantage of the consortium's shared knowledge and experience and a wider distribution of services around Sonoma County. In addition, the start-up time for GIRE and The Employment Group, currently operating similar unpaid work experience through the Community Service program, was considerably shorter than that of their competition.

Recommendation:

The Board of Supervisors is requested to authorize budgetary adjustments to the 2009-2010 Human Services Department Final Budget in the amount of \$1,733,347; approve the Subsidized Employment Program funding

recommendation and service levels; and authorize the Director of the Human Services Department, or her designee, to sign an agreement with Goodwill Industries of the Redwood Empire (GIRE) for the Subsidized Employment Program in the amount of \$5,362,680 and sign any future amendments that do not significantly change program content and do not increase overall funding.

Attachments: Resolution authorizing budgetary adjustments to the 2009-2010 Human Services .

On File With Clerk: Agreement.

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Board Action (If other than "Requested")

Vote: