

STAFF REPORT

BOARD MEETING DATE:	May 13, 2025
----------------------------	--------------

CATEGORY: Consent Calendar 11

SUBJECT: Approve a retroactive amendment to the agreement with Providence International for subsidized employment services which increases maximum compensation.

DEPARTMENT: Health and Human Services Agency-Economic Mobility

SUPERVISORIAL DISTRICT #: All

DEPARTMENT CONTACT: Christy Coleman, Acting HHSA Director, (530) 229-8746

STAFF REPORT APPROVED BY: Dwayne Green, HHSA Branch Director - Economic Mobility

<u>Vote Required?</u>	<u>General Fund Impact?</u>
------------------------------	------------------------------------

Simple Majority Vote

<u>Vote Required?</u>	<u>General Fund Impact?</u>
------------------------------	------------------------------------

No General Fund Impact

RECOMMENDATION

Approve a retroactive amendment to the agreement with Providence International for subsidized employment services which increases maximum compensation by \$50,000 for a new maximum compensation of \$100,000 and retains the term July 1, 2024, through June 30, 2025.

DISCUSSION

Subsidized Employment (“SE”) Programs have been operated in various forms in the United States for over 80 years. ShastaFACES2 SE program provides paid employment opportunities to Welfare to Work (“WtW”) participants and gives employers the opportunity to build their business. Employers who offer jobs to WtW participants are provided financial assistance through the initial training period for new employees. Employers receive a wage subsidy of 100% of total wage costs, not to exceed \$20 per hour, per participant hired, over a period of six months. This subsidy is offered as incentive to employers to train and hire Shasta County WtW participants as unsubsidized employees once the reimbursement period ends. A participants’ subsidy period may be extended for an additional six months, in three month increments at a rate of 50% of wages, if the County determines that an extension will increase the likelihood of the participant obtaining unsubsidized employment with the participating employer or assist them in obtaining specific skills and experiences relevant for unsubsidized employment for a particular field.

Providence International is an active employer in Shasta County’s ShastaFACES2 program. From July 1, 2020, through December 31, 2024, Providence International has hired 10 CalWORKs participants in unsubsidized positions.

In addition, Providence International is willing to hire at least 2 additional participants. This Amendment to increase maximum reimbursement of wages, will allow Providence International to provide financial assistance for 3 current participants.

Providence International’s various positions include Executive Office Assistant, Food Security Associate, and Arborist Associate. The wage for each participant placed at Providence is \$16 - \$20 per hour, with an overall average of \$2,158 per month.

This amendment to the agreement with Providence International is retroactive because we discovered in January that due to increased usage of the program that maximum compensation would need to be increased.

ALTERNATIVES

The Board could choose not to approve the amendment; however, this is not suggested as it would limit the number of CalWORKS participants who would be able to work for this SE Employer.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the amendment as to form. This recommendation has been reviewed by the County Administrative Office.

FISCAL IMPACT

The Subsidized Employment allocation provided for Fiscal Year (FY) 2024-25 is \$427,980 which can be used for employer subsidies as well as programmatic administrative expenses. The revenue and appropriations associated with the recommendations are included in the Social Services Budget (BU 501) for FY 2024-25 and will be included in future requested budgets.

ATTACHMENTS:

1: Amendment