

C11 Approve a retroactive amendment to the agreement with Providence International for subsidized employment services which increases maximum compensation.

STAFF REPORT

BOARD MEETING DATE:	May 13, 2025
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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>
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Simple Majority Vote

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

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE COUNTY OF SHASTA
AND
PROVIDENCE INTERNATIONAL ENTERPRISES**

This First Amendment is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency (“County”), and Providence International Enterprises (“Contractor”), a California non-profit corporation.

RECITALS

WHEREAS, the County and Contractor have previously entered into an Agreement on December 28, 2023, and effective July 1, 2024, to provide employment subsidy reimbursement to Contractor, as employer of record, for the employment of eligible CalWORKs client(s) (“Original Agreement”); and

WHEREAS, County and Contractor desire to amend the Agreement to increase the maximum compensation payable under the Agreement by \$50,000 to \$100,000. (“First Amendment”); and

WHEREAS, the Original Agreement and this First Amendment are collectively referred to as the “Agreement.”

NOW, THEREFORE, the Agreement is amended as follows:

I. Section 4. Reimbursement of the Agreement is amended and replaced in its entirety, as of the effective date of this First Amendment, to read as follows:

4. **REIMBURSEMENT.**

- A. Contractor shall, during the term of this Agreement and after satisfactorily completing the responsibilities as prescribed in this Agreement and submitting all required documentation including the timely submission of a complete, correct, and approved invoice documenting the requested Reimbursement, be reimbursed:
- (1) During the initial six-month employment period, up to 100 percent (100%) of the Employee(s) Wages up to a maximum of \$20 per hour per Employee provided to or on behalf of Employee(s) (the “Reimbursement”); and
 - (2) During any subsequent employment period as authorized by County pursuant to section 3.E, up to 50 percent (50%) of the Employee(s) Wages up to a maximum of \$20 per hour per Employee provided to or on behalf of Employee(s) (the “Reimbursement”).
- B. Contractor shall be paid via electronic invoice payment, automated clearing house (ACH), County credit card, or Commerce Bank virtual card. ACH payments require submission of the completed Auditor-Controller ACH/Direct Deposit authorization form within five days of execution of this agreement.
- C. In no case whatsoever shall the maximum amount reimbursed to Contractor under this Agreement exceed \$100,000.

- D. County is not liable for the payment of any taxes resulting from this Agreement however designated, levied, or imposed, unless County would otherwise be liable for the payment of such taxes in the course of its normal business operation.
- E. Prorated payment. If the term begins (or ends) on other than the first (or last) day of the calendar month, the payment for the partial month shall be prorated on a per diem basis based upon the number of days of access/services during the month.

II. **REAFFIRMATION**

In all other respects, the Agreement, as amended, and any attachments, remains in full force and effect.

III. **ENTIRE AGREEMENT**

The Agreement, as amended, and any attachments, constitute the entire understanding between County and Contractor.

IV. **EFFECTIVE DATE**

Unless otherwise provided, this First Amendment shall be deemed effective as of February 1, 2025.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, County and Contractor have executed this First Amendment on the dates set forth below. By their signatures below, each signatory represents that they have the authority to execute this agreement and to bind the Party on whose behalf their execution is made.

COUNTY OF SHASTA

Date: _____

KEVIN W. CRYE, CHAIR
Board of Supervisors
County of Shasta
State of California

ATTEST:

DAVID J. RICKERT
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:
JOSEPH LARMOUR
County Counsel

Signed by:
By: *Todd Endres*

Todd Endres
Deputy County Counsel

RISK MANAGEMENT APPROVAL

Signed by:
By: *Dolyene Lane*

Dolyene Lane
Risk Manager

CONTRACTOR

Date: 04/28/2025 | 1:07 PM PDT

DocuSigned by:
By: *Robert Hancock*

Robert Lincoln Hancock
Chairman/Director

Date: 04/28/2025 | 12:58 PM PDT

DocuSigned by:
By: *DAVE MICHAL*

Dave Michal
President

Tax I.D.#: On File