

MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Human Services Division

TO: Board of Supervisors

FROM: Richard J. Burton M.D., M.P.H.
Placer County Health Officer and Director of Health and Human Services
Cheryl S. Davis, Director of Human Services

DATE: August 7, 2012

SUBJECT: Continuation of the Placer County Subsidized Wage Program

ACTION REQUESTED:

Authorize the Director of Health and Human Services (HHS) or his designee to contract with local businesses and provide a wage subsidy to those who hire eligible public assistance recipients under the county's Subsidized Wage Program which is funded 100% with State CalWORKs revenue.

BACKGROUND:

Since November 2009, your Board has authorized HHS to operate a subsidized employment program for public assistance recipients. Under this program, Welfare-to-Work participants are placed into permanent jobs and employers receive a partial reimbursement of the wages paid to the participants for up to six months. Over 75 employers have participated since 2009, hiring 120 program participants. Seventy-one percent (71%) of those hired left cash assistance because of their employment; the remainder were still eligible to receive reduced grants.

This program has successfully turned a welfare check into a paycheck while also helping local businesses maintain staffing and stay in business during these difficult economic times.

Utilizing CalWORKs funds authorized under State Assembly Bill 98 (AB 98), at least 66 additional Welfare-to-Work participants will receive subsidized employment opportunities during the fiscal year. Under AB 98, Welfare-to-Work participants can be hired by community-based organizations, private or public sector employers. Employers will receive reimbursement of up to \$1,000 per month toward the wages paid to the participant for up to six months.

Additionally, working in partnership with the Business Advantage Network of the County's Economic Development Department, employers participating in the Subsidized Wage Program are also informed of and assisted in applying for available tax credits.

The Department is requesting approval to continue the subsidized wage program using the attached employer contract which has been reviewed and approved by Risk Management and County Counsel.

FISCAL IMPACT:

The funding for the subsidized wage program is part of the State revenue received for the CalWORKs program and is included in the Department's FY 2012-13 Proposed Budget.

Attachment

Subsidized Wage Reimbursement Agreement



**Placer County
Health and Human Services Department**

Human Services – Employment Services

Subsidized Wage Reimbursement Agreement

This is an Agreement made and entered into this ____ day of _____, 20____, between the COUNTY OF PLACER, under the authority of the Placer County Department of Health and Human Services, Placer County CalWORKs Employment and Training Program, hereinafter referred to as "Placer CalWORKs," and the following individual or organization, hereinafter referred to as "EMPLOYER":

1. Employer Information

Employer: _____
Telephone: _____ Fax: _____
Mailing Address: _____
Authorized Representative: _____ Title: _____

2. Employee/Employer Provisions

Employee/Employer Relationships. The EMPLOYER shall employ the specified Placer CalWORKs trainee(s) ("EMPLOYEE") as a regular member of EMPLOYER's work force, subject to the same terms and conditions of employment as other employees, including termination for unsatisfactory performance thereafter.

Over the duration of this Agreement, the EMPLOYER shall assure that each EMPLOYEE:

- Is a member of EMPLOYER's regular payroll and is subject to all taxes and Social Security withholdings as required by state and federal law.
- Receives the same benefits, starting wages, wage increases, and other opportunities as other employees who are performing the same or similar work.
- Is provided Workers' Compensation coverage.
- Is provided a current job description and training to the degree necessary for the EMPLOYEE to satisfactorily perform his/her job, as well as quarterly feedback/evaluation.
- Is provided, by EMPLOYER, with safety instructions and equipment necessary for reasonable protection against injury to persons and damage to equipment or property. Where special clothing or equipment is provided to the EMPLOYER's regular employees, EMPLOYER shall provide the same type of clothing or equipment to the EMPLOYEES performing similar work.
- Is paid the wages indicated in this Agreement.

Perspective, Hope, and Opportunity

EMPLOYER further assures that:

- EMPLOYEE is not a member of the immediate family (marriage, adoption, or blood) of any employee who works in an administrative capacity for the EMPLOYER.
- Appropriate health, safety, and working conditions are maintained at or above levels generally accepted in the EMPLOYER's business, industry and as required by law.
- Conditioned upon the successful completion of the subsidy period, and meeting probationary criteria, the EMPLOYER intends to retain the EMPLOYEE on a non-subsidy basis after the end of the subsidy period.

3. Termination

Placer CalWORKs may terminate this Agreement, without prior notice, as follows:

- For nonperformance, intentional violations, deceitful practices, fraud, and/or willful misinterpretation in the use of program funds.
- When the EMPLOYEE named in this Agreement is no longer employed by the EMPLOYER.
- The subsidized employment positions are contingent on the appropriation of Federal, State, or Placer County funding. If funding is reduced or eliminated, EMPLOYER understands that Placer CalWORKs may terminate the subsidized employment program.

EMPLOYER may terminate this Agreement, by notifying Placer CalWORKs within three (3) working days, as follows:

- The EMPLOYEE does not perform according to the standards and expectations of a non-subsidized employee who holds the same or similar position.

EMPLOYER shall receive as full payment the agreed cost for all wages earned by the EMPLOYEE prior to the termination.

4. Additional Provisions

Bargaining Agent Concurrence: If a bargaining agent agreement exists, the EMPLOYER certifies hereby that the collective bargaining agent has concurred with the program hire, including the rate of pay specified herein, and that the Agreement herein does not conflict with the collective bargaining agreement.

Amendments: This Agreement contains the entire agreement between the parties. Any amendments or changes to this Agreement shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representative of both parties.

Maintenance of Effort: The EMPLOYER shall assure that this Agreement shall not result in the displacement of currently-employed workers, including partial displacement, such as reduction in hours of non-overtime work, wages, or employment benefits.

No individual under this Agreement shall be hired into, or remain working in, any position where another person:

- Is on layoff from the same or any substantially equivalent job within the same organizational unit for a period of 120 days; or

- The employer has terminated the employment of any employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant.

5. Wage Subsidy Reimbursement

- EMPLOYEE'S Name: _____ Hourly Wage: \$_____/hr.
- The EMPLOYER shall invoice Placer CalWORKs for wage subsidy reimbursement on a monthly basis. The duration of this subsidy shall not exceed six (6) months per EMPLOYEE.
- The EMPLOYER shall submit the completed Wage Reimbursement Form to Placer CalWORKs within ten (10) days after the end of each calendar month. Placer CalWORKs will issue payment within 30 days after receipt of a valid Wage Reimbursement Form. Failure to submit a complete form may delay payment.
- Placer CalWORKs shall reimburse the EMPLOYER on a monthly basis as follows:

<u>Hours Worked</u>	<u>Reimbursement Rate</u>
At least 20 but less than 32 hours/wk	\$125/week, not to exceed \$500/month
32 - 40 hours/week	\$250/week, not to exceed \$1,000/month

Partial weeks will be prorated at a daily rate.

- All invoices, Wage Reimbursement Forms, and supporting documents verifying wages and hours, including a copy of the EMPLOYEE's pay stubs must be submitted to Placer CalWORKs no later than the tenth (10th) of each calendar month or upon termination, whichever comes first. Failure to submit these materials timely may result in non-payment.

6. Nondiscrimination

During the performance of this Agreement, EMPLOYER shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, including the provisions of the Americans with Disabilities Act of 1990, and Fair Employment and Housing Act, and will not discriminate against employees, applicants or clients because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, mental disability, physical disability, medical condition (including cancer, HIV and AIDS), age (over 40), marital status, or use of Family and Medical Care Leave and/or Pregnancy Disability Leave in regard to any position for which the employee or applicant is qualified.

7. Hold Harmless and Indemnification Agreement

The EMPLOYER hereby agrees to protect, defend, indemnify, and hold Placer CalWORKs free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgements, penalties, interest, court costs, legal fees, and all other expenses incurred by Placer CalWORKs arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of Placer CalWORKs) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. EMPLOYER agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the EMPLOYER.

EMPLOYER also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. The provision is not intended to create any cause of action in favor of the third party against EMPLOYER or Placer CalWORKs or to enlarge in any way the EMPLOYER'S liability but is intended solely to provide for indemnification of Placer CalWORKs from liability for damages or injuries to third persons or property arising from EMPLOYER'S performance pursuant to this contract or agreement. As used herein, the term "Placer CalWORKs" means Placer County or its officers, agents, employees, and volunteers.

8. **INSURANCE:**

The parties to this Employer Agreement Agree that Placer County Health and Human Services Department and Placer County are not responsible for any property damage or personal injury that may be caused or claimed by any person referred to the Employer and/or who participates in the program. The Employer agrees to indemnify Placer County for any such claims that are ordered to be paid to or as a result of the actions taken by a participant under this Employer Agreement.

Without limiting COUNTY'S right to obtain indemnification from EMPLOYER or any third parties, EMPLOYER, at its sole expense, shall maintain in full force and effect the following insurance policies throughout the term of this Agreement:

Workers' Compensation and Employer's Liability Insurance: Workers' Compensation Insurance shall be provided as required by any applicable law or regulation.

If there is an exposure of injury to EMPLOYER'S employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Each Workers' Compensation policy shall be endorsed with the following specific language:

General Liability Insurance:

- A. Comprehensive General Liability insurance covering all operations by or on behalf of WORKSITE, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:
 - (1) Contractual liability insuring the obligations assumed by EMPLOYER in this Agreement.
- B. The following form is required:
 - (1) Comprehensive General Liability;
- C. The limits of liability shall not be less than a Combined Single Limit for bodily injury, property damage, and Personal Injury Liability of:
 - One million dollars (\$1,000,000) each occurrence
 - Two million dollars (\$2,000,000) aggregate
 - (1) If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits shall be two million dollars (\$2,000,000).

D. **ENDORSEMENTS:** Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:

- (1) "The County of Placer, its officers, agents, employees, and volunteers are to be covered as insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
- (2) "The insurance provided by the Provider, including any excess liability or umbrella form coverage, is primary coverage to the County of Placer with respect to any insurance or self-insurance programs maintained by the County of Placer and no insurance held or owned by the County of Placer shall be called upon to contribute to a loss."
- (3) "This policy shall not be changed without first giving thirty (30) days' prior written notice and ten (10) days' prior written notice of cancellation for non-payment of premium to the County of Placer."

Automobile Liability Insurance:

In the event that EMPLOYER requires driving as part of EMPLOYEE'S work assignment, then EMPLOYER must provide automobile liability insurance coverage PRIOR to the start of the work assignment:

Covered vehicles shall include owned, non-owned, and hired automobiles/trucks.

9. **Duration of This Agreement**

This Agreement is effective from _____ through _____. The EMPLOYER understands the terms and conditions contained in this Agreement and agrees to participate in the program with the intention of retaining the EMPLOYEE if he/she successfully meets the demands and responsibilities of the job at the completion of the subsidy period, which subsidy period shall not exceed six (6) months. The parties below hereby agree to the provisions of this Agreement as outlined above.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day first above stated:

"EMPLOYER"

COUNTY OF PLACER ("Placer CalWORKs")

Signature

Director of Human Services/CalWORKs
Department of Health and Human Services

Name: _____

Date: _____

Title: _____

Date: _____

Approved as to form by the Office of Placer County Counsel
_____, 2012