

**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: November 3, 2009

SUBJECT: American Recovery and Reinvestment Act Subsidized Wage Program

ACTION REQUESTED:

The Board is requested to approve the following actions:

- a. Approve a contract with Golden Sierra Job Training Agency in the amount of \$1,330,000 for the period of November 3, 2009 through September 30, 2010 to provide administration and case management of the American Recovery and Reinvestment Act Subsidized Wage Program.
- b. Approve the attached Budget Revision for the funding received from the American Recovery and Reinvestment Act Emergency Contingency Fund.

No County General Funds are associated with these actions.

BACKGROUND:

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA) of 2009. Among other things, the legislation created the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF), which provides Federal funding to pay 80 percent of the cost of subsidized employment programs. The County is expected to receive this funding in November, 2009 to be expended by September 30, 2010.

The Human Services Division is requesting approval to utilize TANF ECF monies to provide subsidized employment opportunities for up to 150 Welfare to Work participants. Participants will be placed with community-based organizations, private or public sector employers (including Placer County) for up to nine months. Employers will receive reimbursement for 80 percent of the wages paid the participant, and pay only the remaining 20 percent.

The program is a win-win for employers and participants alike.

1. Employers are able to hire employees to help sustain their businesses that they otherwise could not afford in this difficult economic time.
2. When the economy improves, employers will have on-the-job trained employees ready to step into permanent jobs saving them advertising, recruitment and training time and expense.
3. Participants have access to jobs that otherwise are not available due to employer cut backs.
4. Many of the new welfare recipients that make up our 65 percent increase have recently been laid off. They possess readily employable skills that will benefit employers. Participants will receive hands-on experience in a real work setting acquiring new skills and enhance existing skills.

Placer County will contract with Golden Sierra Job Training Agency to administer the program and provide on-going support to participants and employers. Golden Sierra has experience in job placement and job retention practices with its existing subsidized wage program and is tied to the local business community through the Workforce Investment Board. They can ramp up quickly to operate this limited-term program which expires on September 30, 2010. They will receive a 10% administrative fee for processing wage payments, funding for the Business Specialists staff and the balance of approximately \$900,000 for direct wage subsidies to the employers.

FISCAL IMPACT:

Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) provides Federal funding to pay 80 percent of the cost of subsidized employment and employers will pay the remaining 20 percent. No County General Fund contribution is required.

This contract is on file with the Clerk of the Board for your review.

PLACER COUNTY

BUDGET REVISION

RECEIVED

OCT 20 2009

County Executive Office

PAS DOCUMENT NO.

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
14	BR	\$ 2,660,000	2

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

Auditor-Controller

County Executive

Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT

APPROPRIATION ADJUSTMENT

DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
14	006				530210	53021	7498			\$ 1,330,000	14	014				530210	53021	2555			\$ 1,330,000
TOTAL											TOTAL										
\$ 1,330,000											\$ 1,330,000										

AUDITOR CONTROLL
2009 OCT 15 11:10:37

REASON FOR REVISION: SEE BUDGET MEMO

Prepared by Brian Rupprecht Ext 7693

Department Head [Signature]

Board of Supervisors _____

Date: 10/16/09

Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE