Citizens’ Advisory Committee
on
Measure Z Expenditures
Humboldt County

AGENDA

HUMBOLDT COUNTY COURTHOUSE
BOARD OF SUPERVISORS’ CHAMBERS
825 FIFTH STREET
EUREKA, CALIFORNIA

Thursday, Jan. 25, 2024
2:00 PM

The County of Humboldt is committed to providing equal access to all county programs, services and activities through the provision of accommodations for individuals with qualified disabilities as required under the Americans with Disabilities Act. With 72 hours prior notice, a request for reasonable accommodation or modification can be made. Please contact the Clerk of the Board Office at 707-476-2390 or by email cob@co.humboldt.ca.us or the ADA Coordinator at 844-365-0352 or by email at ada@co.humboldt.ca.us.

The Fourth Street Courthouse entrance re-opened to the public on Monday, September 11, 2023; However, the Fourth Street parking lot will remain closed while exterior work is completed. ADA Accessible parking is available in the dirt parking lot on the north side of the jail, located on K and Fourth Streets. If you are unable to access the courthouse due to the closure of the 4th Street entrances remote/teleconferencing, live viewing of meetings is available on Access Humboldt as well as streaming of the meeting.
Public comment can be made through Zoom or email.

You may access the live stream of the meeting in two ways:

1. Via Web: https://us02web.zoom.us/j/85718513992?pwd=cW9NbnJZQ1BybkJaV05icSttQ3M4UT09

   Passcode: 853566

2. Via Phone:

   Dial: +1 669 444 9171

   Webinar ID: 857 1851 3992

   Passcode: 853566

   A. **SALUTE TO THE FLAG**

   B. **ROLL CALL**

   C. **MODIFICATIONS TO THE AGENDA**

   D. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

   E. **Approval Of Dec 7, 2023 Action Summary**

      Documents:

      Draft minutes of Dec 7 meeting.pdf

   F. **COUNTY ADMINISTRATIVE OFFICE UPDATES**

      F.1. **Brown Act Training**

         Staff from the Clerk of the Board’s Office will lead the committee through a brief training on the Brown Act.

      F.2. **Review Recent County Developments, Report On Board Of Supervisors Actions**

   G. **DISCUSSION ITEMS**

   G.1. **Application Updates**

      Staff recommends that your committee:

      1. Consider the proposals from staff to update the Measure Z FY 24-25 application and quarterly report forms.

      2. Deliberate on whether your committee wants to include a limit on indirect costs and criteria for allowable/unallowable costs, and direct staff to implement the committee’s desires through the funding application.
Discussion:

At the May 10, 2023 meeting, your Committee discussed its desires to update the Fiscal year 2024-25 application and quarterly reports. The attached documents detail how those recommendations can be implemented, and the discussion below provides responses to prior committee questions.

**Recommendation #1** was "Require a self-audit on staffing." Staff is proposing to implement this recommendation by including information on the quarterly form for staffing, and an annual form to be included with application.

**Recommendation #2** was "Create a criteria for allowable costs, including personnel, equipment and overhead." Staff researched county, state and federal funding sources and gathered a non-exhaustive list of funding models that touch on these concerns.

**Overhead/indirect/administrative costs:** These costs are often not directly attributable to the program, but are necessary for proper operation of the program. Typically, this is calculated as specific percentage of the salaries and benefits portion of an award.

Federal grants often allow a "10% de minimis" indirect cost rate in their awards. The 10 percent de minimis rate is an indirect cost instrument implemented under the revised 2 CFR §200. This rate was implemented in part to allow organizations—primarily smaller organizations—to recover some of their indirect costs on federal awards without having to go through the rigorous and time-consuming process of negotiating an indirect cost rate with a federal cognizant agency. Some agencies have negotiated an indirect cost rate with the federal government, which allows them to claim at a higher rate.

Most of the state grants staff researched also allowed 10% of to be applied to indirect costs. It should be noted that all five rounds of HHAP (Homeless Housing Assistance and Prevention) funding have been 7% allowable administrative costs, while the lowest was CESH (California Emergency Solutions and Housing) at 5%. It appears that standard phrasing on many state grants is as follows: "administrative costs related to the planning and execution of eligible activities shall not exceed five percent."

Locally, the Headwaters Fund grants allows a maximum of 12% indirect cost. Negotiated indirect cost rates are disallowed. Many grants from the Department of Health & Human Services allow 10%.

**Allowable and unallowable costs:** In general, federal grants disallow the use of federal funds for lobbying purposes, fundraising, entertainment (unless it is directly tied to the program being funded and pre-approved by the funder), alcohol, fines, etc. The Department of Justice's guide to unallowable costs is linked here.

The allowable costs are broken down into similar categories included in the current Measure Z application and budget. While the DOJ guidelines did contain specific
examples of allowable costs, it also stresses the need to explain in the budget or application the relevance of equipment and certain supplies to the program being funded. The DOJ’s guide to allowable costs is linked here and a 2-page guide on direct costs is linked here.

Recommendation #4 was “Create a mechanism that would allow the committee to recommend partial funding of applications.” On May 10, your Committee stated a desire to allow Committee members to state, upon initial review of applications, whether they believe an application is a candidate for partial funding. Staff are proposing to make this an action during the initial review of the applications.

Recommendation #5 was “Require agencies to report on their applications efforts they have taken to pursue other funding sources to replace Measure Z funding, and/or other funding they have receive that could replace Measure Z funding.” This has been included in the application and quarterly reporting as Question #7.

Documents:

Draft MZ Funding Application for 2024-2025.docx
G2 Recommendation 1 - Staffing Report.pdf
G2 Recommendations 1 and 5 - Draft Updated Quarterly Reporting Form.pdf

G.2. Review Of The Measure Z Ad Hoc Committee Meeting Discussions Regarding The County Dominance Of The Fund And The CAO Presentation To The BOS At The 2023 Budget Hearing

H. ADJOURNMENT

County of Humboldt Web Site: https://humboldtgov.org/MeasureZ