



# AGENDA STAFF REPORT

Control: 26001179

**MEETING DATE:** 04/28/2026

**LEGAL ENTITY TAKING ACTION:** Board of Supervisors

**BOARD OF SUPERVISORS DISTRICT(S):** All Districts

**SUBMITTING AGENCY/DEPARTMENT:** Social Services Agency

**DEPARTMENT CONTACT PERSON(S):** An Tran, 714-541-7773  
James Cho, 714-245-6268

**SUBJECT:** Approve Amendment Two to Contract for Bringing Families Home Services

<b>CEO CONCUR</b> Concur	<b>COUNTY COUNSEL REVIEW</b> Approve agreement to form	<b>CLERK OF THE BOARD</b> DISCUSSION 3 Votes Board Majority
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<b>Budgeted:</b> N/A	<b>Current Year Cost:</b> N/A	<b>Annual Cost:</b> FY 2026-27 \$2,107,682 FY 2027-28 \$1,405,121
<b>Staffing Impact:</b> No	<b>Funding Source:</b> State: 100% (Bringing Families Home)	<b>Sole Source:</b> No
<b>Current Fiscal Year Revenue:</b> N/A		<b>County Audit in Last 3 years:</b> No
<b>Levine Act Review Completed?</b> Yes		
<b>Prior Board Action:</b> 4/22/2025 #36, 5/23/2023 #45, 5/24/2022 #80, 6/23/2020 #24		

**RECOMMENDED ACTION(S):**

1. Authorize the County Procurement Officer or Deputized designee to execute Amendment Two to Contract with Mercy House Living Centers for Bringing Families Home Services to renew and amend the Contract in an amount not to exceed \$3,512,803, effective July 1, 2026, through June 30, 2028, for a revised cumulative total not to exceed \$10,294,341, effective July 1, 2023, through June 30, 2028.
2. Authorize the County Procurement Officer or Deputized designee to make future non-material changes to the Contract within the scope of work that do not increase the maximum contractual funding obligation.
3. Authorize the acceptance of Claims-Made Sexual Misconduct Liability Insurance in lieu of Per Occurrence Sexual Misconduct Liability Insurance.

**SUMMARY:**

Approval of Amendment Two to the Contract with Mercy House Living Centers will provide continued support to eligible clients for housing-related supportive services and financial assistance to help secure permanent housing or prevent homelessness.

**BACKGROUND INFORMATION:**

The Board of Supervisors (Board) previously approved the Contracts with Mercy House Living Centers (Mercy House) for Bringing Families Home (BFH) Services as outlined below.

<b>Board Date</b>	<b>Contract/ Amendment</b>	<b>Term</b>	<b>Maximum Obligation</b>	<b>Board Action</b>
6/23/2020	Contract	7/1/2020 - 6/30/2022	\$1,266,870	Approved Agreement with Mercy House
5/24/2022	Amendment	7/1/2022 - 6/30/2023	\$4,866,870	Approved Amendment One renew and amend the Agreement
5/23/2023	Contract	7/1/2023 – 6/30/2025	\$4,981,538	Approved Contract with Mercy House
4/22/2025	Amendment	7/1/2025 – 6/30/2026	\$6,781,538	Approved Amendment One renew and amend the Contract

The Social Services Agency (SSA) currently serves eligible Orange County families in the Child Welfare System experiencing housing insecurity through the BFH program, which provides housing navigation, case management, financial assistance, and stabilization services to help families secure permanent housing or achieve housing stability.

The goal of the program is to reduce the number of families in the Child Welfare System at risk of homelessness or experiencing homelessness, increase family reunification and prevent foster care placement. The program utilizes evidence-based housing interventions, including a housing first approach such as rapid rehousing and supportive housing. Additionally, case management services are delivered through active coordination and participation with the local homeless Continuum of Care, Homeless Management Information System, and Coordinated Entry System.

The agreed upon scope of services outlined in the proposed Amendment are in alignment with the Homeless Service System Pillars Report’s Prevention and Housing pillar’s best practices, guiding principles and commitments, as detailed in the Homeless Service System Pillar Attestation and as applicable to the BFH program services provided.

**Outcomes**

From July 1, 2023, through January 31, 2026, the program served 1,780 unduplicated individuals in families. The following outcomes have been achieved during this period:

<b>OUTCOME OBJECTIVES</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26*</b>
One hundred percent (100%) of referrals sent by SSA shall be assigned to a worker within three business days from date of receipt.	100%	100%	90.14%**
Ninety percent (90%) of families referred will be provided a disposition (e.g., acceptance or rejection) within 45 calendar days from date of receipt.	99.56%	100%	90.32%
A minimum of fifty percent (50%) of families with an acceptance disposition will enroll and receive BFH services.	65.68%	68.18%	61.78%
A minimum of fifty percent (50%) of families enrolled in BFH will move into permanent housing within 120 calendar days of enrollment.	95.04%	61.90%	50.00%
Seventy-five percent (75%) of families served in the BFH program will remain housed after one year from the date of service completion.	95.00%	95.64%	95.74%

*\* Outcomes for FY 2025-26 are through January 31, 2026.*

*\*\* Of the 294 referrals received by Contractor, 29 were not assigned to a worker within three business days due to staff vacancies in August 2025. Contractor has since filled all positions and has an overall average assignment rate of 2.23 business days from July 1, 2025, through January 31, 2026.*

The Contractor's performance has been confirmed as satisfactory. SSA has verified there are no concerns that must be addressed with respect to Contractor's ownership/name, litigation status or conflicts with County interests. An analysis was completed to verify the Contract provides County with persons specially trained, experienced, expert and competent to perform the special services in accordance with the law. The appropriate due diligence has been conducted and the non-profit has been verified to be in good standing. The Orange County Preference Policy is not applicable to this contract amendment.

#### Subcontracts

This Contract does not currently include subcontractors or pass through to other providers. See Attachment B for Contract Summary Form.

This Contract, due to the nature of the services, could require the addition of subcontractors. To add subcontractor(s) to the Contract, the contractor must seek consent from SSA. Should the addition of a subcontractor impact the scope of work and/or the contract budget, SSA will bring the item back to the Board for approval. Subcontractors have not been used in the past for this Contract.

#### Non-Standard Insurance Provisions

This Contract includes a non-standard insurance provision that eliminates the requirement of Per Occurrence Sexual Misconduct Liability (SML) insurance. The Contractor is unable to obtain Per Occurrence SML as they are unable to identify an insurer that provides this insurance in the United States or abroad. Effective January 1, 2024, new state law eliminated the previous time limit for the statute of limitations on childhood sexual assault. Under the new law, a civil claim for a child sexual abuse event that occurs after January 1, 2024, can be brought at any time. Due to the significant increase in potential liability the new law poses, many California insurance providers are unwilling to issue Per Occurrence policies for SML. The Contractor will carry Claims-Made SML insurance and will be required to maintain this insurance throughout the contract term. CEO Risk Management does not concur with the elimination of the requirement for Per Occurrence SML but has approved Claims-Made SML provided that the Contractor is not engaged in unsupervised contact with minors. See Attachment C for Risk Assessment Form.

SSA now requests the Board's approval of Amendment Two to the Contract with Mercy House for BFH Services to renew and amend the Contract in an amount not to exceed \$3,512,803, effective July 1, 2026, through June 30, 2028, for a revised cumulative total not to exceed \$10,294,341, effective July 1, 2023, through June 30, 2028. Prior to contract expiration, SSA plans to issue a solicitation to continue services.

Approval of the Contract will continue to support the County's effort to build a responsive System of Care that meets the needs of families and individuals experiencing homelessness or at risk of homelessness who would benefit from wraparound supportive services and financial assistance to achieve stable housing. The Contract and operations of BFH follows the best practices, guiding principles, and commitments of the Prevention and Housing Pillars as described by the Homeless Service System Pillars Report which was created by the Commission to End Homelessness and accepted by the Board.

#### **FINANCIAL IMPACT:**

Appropriations for this Contract will be included in the Budget Control 063, Social Services Agency FY 2026-27 Budget and will be included in the budget process for future years.

#### Contingency of Funds

The proposed Contract includes provisions that the Contract is contingent upon the availability of funds and inclusion of sufficient funds in the budget approved by the Board for each fiscal year the Contract remains in effect or operation.

In the event such funding is terminated or reduced, the County may terminate the Contract, reduce the County's maximum obligation or modify the Contract, without penalty.

**STAFFING IMPACT:**

N/A

**REVIEWING AGENCIES/DEPARTMENTS:**

Office of Care Coordination

**ATTACHMENTS:**

Attachment A – Amendment Two to Contract MA-063-23010982 with Mercy House Living Centers

Attachment B - Contract Summary Form

Attachment C - Risk Assessment Form