



County Executive Office

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: May 12, 2026

TO: Board of Supervisors

FROM: Alison Lehman, County Executive Officer

SUBJECT: Resolution authorizing execution of a contract with The Ferguson Group LLC (TFG) in the maximum amount of \$52,912.50 for federal negotiated indirect cost rate agreement services for the contract term of May 12, 2026 through June 30, 2027

RECOMMENDATION: Approve resolution.

FUNDING: The contract specifies a not-to-exceed amount of \$52,912.50 total for fiscal years 25/26 and 26/27. This is a General Fund contract and will be budgeted in the Sources and Uses cost center.

BACKGROUND: In fiscal year 2024/2025, the County of Nevada engaged TFG to develop and negotiate a federal indirect cost rate agreement for Nevada County. Once negotiated and in place, this indirect cost rate will allow County departments performing work for a federal contract or a state contract using federal pass-through dollars to recoup more of our administrative costs. The current maximum allowable federal indirect cost rate (“de minimis rate”) is 15% of modified total direct costs, whereas we are hoping to recoup as much as 44% of modified total direct costs as administrative overhead.

TFG assisted staff in preparing the indirect cost rate application and submitting it to the federal cognizant agency for Nevada County, in this case Health and Human Services Agency (HHSA), in May of 2025. However, as a result of reductions in force and significant structural changes at the federal HHSA, our negotiated indirect cost rate application (NICRA) has not yet been reviewed and the negotiation process has not completed. Staff requests re-establishing a contract with TFG for these services, as we have some indication that our application may be reviewed in the coming months. Additionally, we will need TFG’s assistance understanding how to apply the rate in future grant applications and how to submit the required year-end reporting.

Item Initiated by: Sarah Holyhead

Approved by: Alison Lehman

Submittal Date: April 14, 2026