



Robert P. Astorino  
County Executive

Department of Social Services

Kevin M. McGuire  
Commissioner

**41476**

DATE: July 16, 2014

TO: Board of Acquisition and Contract

FROM: Kevin M. McGuire  
Commissioner, Department of Social Services

SUBJECT: Authority to enter into a repayment agreement with Leake and Watts Services, Inc. ("Leake and Watts") in order to recover funds owed to the County by Leake and Watts in the amount of \$266,768.96 for a period of 60 months commencing September 1, 2014 through August 1, 2019.

---

Authority is respectfully requested from your Honorable Board to authorize the County of Westchester (the "County"), acting by and through its Department of Social Services (the "Department"), to enter into a repayment agreement with Leake and Watts Services, Inc. ("Leake and Watts") in order to recover funds owed to the County by Leake and Watts in the amount of \$266,768.96 for a period of 60 months commencing September 1, 2014 through August 1, 2019. Payments shall be made in equal monthly installments of \$4,446.15 for fifty-nine (59) months and the final payment will be \$4,446.11 with the first payment due September 1, 2014 and each payment thereafter due on the first day of the month.

Subsequent to an RFP process and pursuant to a resolution approved on June 29, 2006 as amended on August 10, 2006, your Honorable Board authorized the County of Westchester to enter into an agreement (the "Agreement") with Leake and Watts Services, Inc. for the provision of secure detention and related medical, clinical, educational, transportation, cleaning, security systems and food services at Woodfield Secure Detention Cottage for the period July 1, 2006 through June 30, 2007 in an amount not to exceed \$2,591,692 to be paid in accordance with an approved budget and subject to appropriations, with the County having the option to extend the agreement for four (4) one-year periods with an annual increase in cost not to exceed 5% over the cost for the prior year. The agreement was subsequently executed.

By resolution adopted on July 19, 2007, your Honorable Board authorized the County of Westchester to exercise its first option to extend the Agreement with Leake and Watts for the period July 1, 2007 through June 30, 2008 in an amount not to exceed \$2,948,242. The First Extension Agreement was subsequently executed.

By resolution adopted on September 29, 2008, your Honorable Board authorized the County of Westchester to exercise its second option to extend the Agreement with Leake and Watts for the period July 1, 2008 through June 30, 2009 in an amount not to exceed \$3,069,984. The Second Extension Agreement was subsequently executed.

An independent annual audit was completed February 12, 2012 and it was determined that the payments made by the County to Leake and Watts had exceeded the actual accepted program expenses reflected in the audit by an amount determined to be \$266,768.96 over a three year period. Leake and Watts has agreed to reimburse the County for amounts due as determined by the audit. Accordingly, authority is requested to enter into a repayment agreement whereby Leake and Watts will reimburse the County in the amount of \$266,768.96 to be paid in 59 equal monthly installments, of \$4,446.15, and a final installment of \$4,446.11.

The proposed agreement will serve a public purpose by collecting the overpayment amount in installments so as to reduce any economic hardship that could adversely impact the ability of Leake and Watts to run the current sheltering program.

The goals and objectives of the proposed agreement are to collect the full amount of overpayment in a manner that does not adversely impact Leake and Watts, so that they can continue to provide services to the County that are essential for our community.

The goals and objectives of the proposed agreement are in the best interests of the County in terms of fiscal responsibility. The County's fiscal interests require balancing its duty to recoup the overpayment against the County's need to ensure the continued delivery of shelter services in an economical manner.

The goals and objectives of the proposed agreement will be tracked and monitored by the Department of Social Services' general accounting unit by updating the monthly received amount from the vendor.

The proposed agreement does not constitute procurement. Accordingly, the provisions of the Westchester County Procurement Policy do not apply.

I respectfully recommend your Honorable Board's approval of the attached Resolution.

**RESOLUTION**

Upon a communication from the Commissioner of the Department of Social Services, be it hereby

**RESOLVED**, that the County of Westchester (the "County"), acting by and through its Department of Social Services, is hereby authorized to enter into a repayment agreement with Leake and Watts Services, Inc. ("Leake and Watts") in order to recover funds owed to the County by Leake and Watts in the amount of \$266,768.96 for a period of 60 months commencing September 1, 2014 through August 1, 2019. Payments shall be made in equal monthly installments of \$4,446.15 for fifty-nine (59) months and \$4,446.11 as the final payment. Each payment is due on the first day of the month; and be it further

**RESOLVED**, that the County Executive, or his authorized designee, is authorized to execute any and all documents necessary to effectuate the purposes hereof.

Account to be Charged/Credited

| Fund | Dept | Major Program, Program and Phase Or Unit | Object/ Sub-Object | Trust Account | Dollars    |
|------|------|--|--------------------|---------------|------------|
| 101  | 22   | 8900                                     | 9670               |               | 266,768.96 |
|      |      |  |                    |               |            |
|      |      |  |                    |               |            |

Budget Funding Year(s):2014  
(must match resolution)

Start Date: 9/1/2014

End Date: 8/1/2019

Funding Source

**\$266,768.96**  
(must match resolution)

Tax Dollars:

State Aid:

Federal Aid:

Other: \$266,768.96 (Recovery of overpayments)