



George Latimer  
County Executive

Department of Social Services

Kevin M. McGuire  
Commissioner

**64737**

DATE: August 15, 2018

TO: Board of Acquisition and Contract

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

SUBJECT: Authority to exercise the County's second one-year option under its agreement with Family Service Society of Yonkers, pursuant to which it was to operate and manage a representative payee program.

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By a resolution approved on April 28, 2016, your Honorable Board authorized the County of Westchester (the "County") to enter into an agreement with the Family Service Society of Yonkers ("FSSY"), pursuant to which FSSY was to operate and manage a representative payee program (the "Services") for people with disabilities being served by either the Adult Protective Services unit of the Department of Social Services ("DSS") or by the Department of Community Mental Health and who are in need of such financial management services (such individuals being the "Target Population"; such individual(s) actually being served being a "Client" or "Clients"), for an amount not-to-exceed \$205,234.00, payable pursuant to an approved budget, for the period from July 1, 2016 through June 30, 2017 (the "Initial Term"), with the County having the sole option to extend the term of the agreement for up to six (6) one (1) year periods thereafter (each an "Option Term"), on the same terms and conditions for each such Option Term as for the Initial Term (the "Original Agreement"). The Original Agreement was subsequently executed.

By a resolution approved on July 20, 2017, your Honorable Board authorized the County to exercise its first one-year option under the Original Agreement and therefore amend the Agreement by, 1.) extending the term thereof by one (1) year, to a new termination date of June 30, 2018; 2.) increasing the not-to-exceed amount thereof by \$205,234.00, to a new total not-to-exceed amount of \$410,468.00, to pay for the services during the first Option Term, and payable as specified in the Original Agreement for the first Option Term; and 3.) reflecting the fact that

the County will have five (5) one (1) year options remaining under the Original Agreement, as amended (the "First Amendment"). The First Amendment was subsequently executed.

The County continues to require the Services. Therefore, DSS reviewed and analyzed the price for the second Option Term under the Original Agreement, as amended by the First Amendment, (the "Agreement") in order to ensure that it is reasonable.

As part of that analysis, DSS inquired with FSSY regarding its current effective pricing. FSSY advised that it would, in response to a new competitive procurement process, offer the same effective pricing that the County would have under the second Option Term.

In addition, DSS investigated the marketplace and obtained a quote from each of two (2) other entities that provide the Services for people who have mental health issues that are as serious as those in the Target Population. DSS found that each of those entities would provide the Services for an effective rate of \$41.00 per Client per month. Under the second Option Term, FSSY would be paid an effective rate of approximately \$85.00 per Client per month.

However, due to those two (2) other entities being geographically distant from Westchester County, they informed DSS that it would be a challenge for each of them to provide face-to-face interaction with Clients. That is undesirable, in that face-to-face interaction with Clients is seen as important by both DSS and Clients. In addition, these other entities informed DSS that they would predominantly mail checks to Clients and/or use rechargeable credit cards, rather than deliver checks to Clients in-person. Notably, Clients prefer the regular possibility of receiving their checks in-person, as it allows them to immediately cash their checks and expend their funds as needed.

Therefore, though the quotes obtained from the other entities are for lower effective pricing than that which is available under the second Option Term, DSS has determined that the Services being provided in the manner intended by FSSY would ultimately best serve Clients.

Notably, the Social Security Administration ("SSA") advises on its website that law applicable to the Services permits the collection from each Client of a monthly fee for expenses incurred in providing the Services. For 2018, that allowable fee is \$80.00 for those meeting the certain, applicable SSA criteria, as do a portion of the individuals in the Target Population. Accordingly, the SSA apparently believes that the value of the Services is closer to the effective pricing available under the second Option Term than that which is available under the quotes from the other entities. DSS believes that the high-cost nature of Westchester County, as compared to other areas in the United States, and the high-end disability of a portion of the Target Population, together, sufficiently explain and justify the difference between this \$80.00 billable amount and the approximately \$85.00 effective rate provided for under the second Option Term.

Taking all of the foregoing into consideration, DSS's analysis has determined that the price specified in the Agreement for the second Option Term is reasonable.

Accordingly, the County respectfully requests authority from your Honorable Board to

exercise its second one-year option under the Agreement and therefore amend the Agreement by, 1.) extending the term thereof by one (1) year, to a new termination date of June 30, 2019; 2.) increasing the not-to-exceed amount thereof by \$205,234.00, to a new total not-to-exceed amount of \$615,702.00, to pay for the services during the second Option Term, and payable as specified in the Agreement for the second Option Term; and 3.) reflecting the fact that the County will have four (4) one (1) year options remaining under the Agreement (the "Second Amendment").

Except as specifically described above, all terms and conditions of the Agreement shall remain in full force and effect.

The proposed Second Amendment will serve a public purpose by enabling the County to provide, for an additional year, financial management assistance to Clients who are unable to manage their own finances, and thereby assist in improving their quality of life.

The goal and objective of the proposed Second Amendment is to enable the County to provide, for an additional year, financial management assistance to Clients who are unable to manage their own finances.

The goal and objective of the proposed Second Amendment is in the best interests of the County in terms of health and welfare, as Clients will, for an additional year, have an improved quality of life as a result of receiving assistance from the County in managing their finances.

The goal and objective of the proposed Second Amendment will be tracked and monitored by the staff of DSS.

I respectfully recommend the adoption of the attached resolution.

KMM/KM/bdm/nn

**RESOLUTION**

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

**RESOLVED**, that the County of Westchester (the "County") is hereby authorized to exercise its second one-year option under its agreement with the Family Service Society of Yonkers ("FSSY"), pursuant to which FSSY was to operate and manage a representative payee program for people with disabilities being served by either the Adult Protective Services unit of the Department of Social Services or by the Department of Community Mental Health and who are in need of such financial management services, for an amount not-to-exceed \$410,468.00, payable pursuant to an approved budget, for the period from July 1, 2016 through June 30, 2018, with the County having the sole option to extend the term of the agreement for up to five (5) one (1) year periods thereafter, on the same terms and conditions, (the "Agreement") and therefore amend the Agreement by, 1.) extending the term thereof by one (1) year, to a new termination date of June 30, 2019; 2.) increasing the not-to-exceed amount thereof by \$205,234.00, to a new total not-to-exceed amount of \$615,702.00, to pay for the services during the second Option Term, and payable as specified in the Agreement for the second Option Term; and 3.) reflecting the fact that the County will have four (4) one (1) year options remaining under the Agreement; and be it further

**RESOLVED**, that except as specifically hereby authorized to be amended, all terms and conditions of the Agreement shall remain in full force and effect; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is hereby authorized to execute any documents and take any actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

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Account to be  
Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
101	22	8900	5960		\$205,234

Budget Funding Year(s): 2018-2019    Start Date: 07/01/18    End Date: 06/30/19  
(must match resolution)

Funding Source                      Tax Dollars: 31%  
   State Aid: 30%  
\$205,234.00                              Federal Aid: 39%  
(must match resolution)            Other: \_\_\_\_\_