

George Latimer
County Executive

Department of Social Services
Kevin M. McGuire, Commissioner

[75267]

DATE: March 11, 2020

TO: Honorable Members of the Board of Acquisition and Contract

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

SUBJECT: Authority for the County to amend its agreement with Westchester Community Opportunity Program, Inc. (“WestCOP”) pursuant to which WestCOP promotes and operates the County’s tax sites for the Volunteer Income Tax Assistance program (“VITA”) for a term commencing on January 1, 2019 and continuing through December 31, 2019 in a total aggregate amount not to exceed \$81,700 by 1) exercising its option to extend the agreement for one additional year commencing on January 1, 2020 through December 31, 2020, and 2) increasing the not to exceed amount by an additional \$100,000, from an amount not to exceed \$81,700 to an amount not to exceed \$181,700.

For the past several years, the County of Westchester (the “County”), acting by and through its Department of Social Services (the “Department”), through subcontractors, has been managing a group of volunteers who help prepare taxes for Westchester County residents under the VITA program in order to help residents take advantage of the Earned Income Tax Credit (“EITC”) and other tax credits. The EITC is a refundable Federal/State tax credit for eligible individuals and families who work and have income that falls below the specified level. The EITC reduces the amount of tax one owes and may result in significant tax refunds for those most in need. In addition to EITC, the program helps qualified families apply for other tax credits such as the Child Tax credit, Education Credits, Elderly credits and Dependent Child Care Credits. To date, this successful program has helped Westchester residents receive \$10.9 million in Federal/State refunds, of which \$4.6 million are much needed tax credits (including EITC, child tax credits and education credits).

On April 4, 2019, your Honorable Board authorized the County, to enter into an agreement (the “Agreement”) with WestCOP to promote, coordinate, and operate the County’s seven tax sites (located in Mt. Vernon, Yonkers, Peekskill, Valhalla, White Plains, Dobbs Ferry, and Ossining), for the VITA program for an amount not to exceed \$81,700 to be paid pursuant to an approved budget, for a term commencing on January 1, 2019 and continuing through December 31, 2019, with the County having the sole option to renew for one additional year.

Pursuant to the Agreement, WestCOP has successfully operated the VITA program at seven efficient tax preparation sites in Westchester County (in Mt. Vernon, Yonkers, Peekskill, Valhalla, White Plains, Dobbs Ferry, and Ossining) throughout the 2018 tax season and beyond. The goal for the 2019 tax return season (2018 tax year) was to e-file 2,800 tax returns through the VITA program. The partnership e-filed 2,943 tax returns and received 246 tax returns from the IRS online "My Free Taxes" site for a total of 3,189 tax returns. To build on its success, WestCOP has proposed operating the program in two additional sites in 2020, one in Yonkers and one in White Plains, bringing the total number of sites to nine and increasing the goal number of e-filed tax returns to 3,100 for the 2020 tax return season (2019 tax year), with a projected additional cost of \$18,300 to the County. It is therefore respectfully requested that the amount of the Agreement be raised.

Authority is therefore respectfully requested from your Honorable Board for the County to enter into an amendment (the "Amendment") to the Agreement in or to exercise its option to extend the Agreement for one additional year commencing on January 1, 2020 and continuing through December 31, 2020, and to increase the not to exceed amount by an additional \$100,000, from an amount not to exceed \$81,700 to a new total not to exceed \$181,700.

The proposed Amendment will serve a public purpose continuing to give residents the assistance they need in preparing their taxes to avail themselves of the EITC and thereby provide such residents with an income supplement to help them achieve self-sufficiency.

The goals and objectives of the proposed Amendment are to increase the amount of Federal and State tax returns prepared for the 2020 tax season.

The goals and objectives of the proposed agreement are in the best interests of the County in terms of fiscal responsibility because EITCs and other tax credits have a significant impact on the lives of low and moderate income families by providing an income supplement to meet the immediate expense of qualifying families, to achieve economic self-sufficiency and break the cycle of poverty.

The goals and objectives of the proposed agreements will be tracked and monitored by the Department through reports to be prepared by WestCOP, which will report on the number of returns filed, the amount tax refunds and the amount of EITC and other tax credits.

All other terms and conditions of the Agreement shall remain in full force and effect.

An appropriate resolution is attached for your Honorable Board's consideration.

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 amend its agreement with Westchester Community Opportunity Program, Inc. ("WestCOP") pursuant to which WestCOP promotes and operates the County's tax sites for the Volunteer Income Tax Assistance program ("VITA") for a term commencing on January 1, 2019 and continuing through December 31, 2019 in a total aggregate amount not to exceed \$81,700 by: 1) exercising its option to extend the agreement for one additional year commencing on January 1, 2020 through December 31, 2020, and 2) by increasing the not to exceed amount by an additional \$100,000, from an amount not to exceed \$81,700 to an amount not to exceed \$181,700.

RESOLVED, that all other terms and conditions of the Agreement shall remain in full force and effect; and be it further

RESOLVED, that this Contract is subject to County Appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his duly authorized designee is empowered to execute all documents and take all actions necessary to effect the purpose of this resolution.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars
101	22	5000	4420	-----	\$100,000

Budget Funding Year(s):2020 Start Date: 01/01/2020 _End Date: 12/31/2020

(Must match resolution)

Funding Source Tax Dollars: 40%
 State Aid: 22%
 Federal Aid: 38%
 Other:

APPROVED BOARD OF ACQUISITION & CONTRACT - 03/19/2020 LISA MRIJAJ, SECRETARY