

George Latimer
County Executive

Department of Social Services

Kevin M. McGuire
Commissioner

77181

DATE: June 2, 2020

TO: Board of Acquisition and Contract

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

SUBJECT: Authority to exercise the County's fourth 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.

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 it by, 1.) extending its term by one (1) year, to a new termination date of June 30, 2018; 2.) increasing its not-to-exceed amount 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.

By a resolution approved on September 13, 2018, your Honorable Board authorized the County to exercise its second one-year option under the Original Agreement, as amended by the First Amendment, and therefore amend it by, 1.) extending its term by one (1) year, to a new termination date of June 30, 2019; 2.) increasing its not-to-exceed amount 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 Original Agreement, as amended by the First Amendment, for the second Option Term; and 3.) reflecting the fact that the County will have four (4) remaining one (1) year options under the Original Agreement, as amended (the “Second Amendment”). The Second Amendment was subsequently executed.

By a resolution approved on August 15, 2019, your Honorable Board authorized the County to exercise its third one-year option under the Original Agreement, as amended by the First Amendment and the Second Amendment, and therefore amend it by, 1.) extending its term by one (1) year, to a new termination date of June 30, 2020; 2.) increasing its not-to-exceed amount by \$205,234.00, to a new total not-to-exceed amount of \$820,936.00, to pay for the services during the third Option Term, and payable as specified in the Original Agreement for the third Option Term; and 3.) reflecting the fact that the County will have three (3) remaining one (1) year options under the Agreement, as amended (the “Third Amendment”). The Third Amendment was subsequently executed.

The County continues to require the Services. Therefore, DSS reviewed and analyzed the price for the fourth option under the Original Agreement, as amended by the First Amendment, the Second Amendment, and the Third Amendment, (the “Agreement”) in order to ensure that it is reasonable.

As part of its analysis of the price for the fourth option, DSS reviewed information published by the Social Security Administration (“SSA”). Specifically, the SSA advises on its website that the law applicable to the Services permits the collection from each Client of a monthly fee for expenses incurred in providing the Services. For 2020, that allowable fee is \$83.00 for those meeting the certain, applicable SSA criteria, as do a portion of the individuals in the Target Population. The fourth option under the Agreement provides that FSSY would be paid an effective rate of approximately \$85.00 per Client per month. Accordingly, the SSA apparently believes that the value of the Services is very close to the effective pricing available under the fourth option. 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 approximately \$85.00 effective rate provided for under the fourth option, both in general and as compared against the \$83.00 billable amount allowed by the SSA.

Also as part of its analysis of the price for the fourth option, DSS investigated the marketplace and sought to obtain a quote from four (4) other entities that can provide the Services for people who have mental health issues that are as serious as those in the Target Population. Two (2) of the entities informed DSS that they do not provide such services within Westchester County; one (1) of the entities did not respond to DSS’s inquiry; and one (1) of the

entities initially offered to provide Services for a rate of \$75.00 per Client per month before deciding to decline to offer the Services at all.

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

Last year, in considering the exercise of the third option under the Agreement, DSS similarly investigated the marketplace and sought to obtain a quote from entities that can provide the Services for people who have mental health issues that are as serious as those in the Target Population. During that investigation, DSS obtained quotes from two (2) other entities, which were, a.) from "Entity 1", \$43.00 per Client per month, and b.) from "Entity 2", a sliding scale, which, given that the current maximum capacity of the Services of 200 Clients, would range from \$67.00 to \$75.00 per Client per month. Entity 1 had issues with the SSA and advised that it would be closing its nationwide service. Entity 2 was, last year, just beginning to offer the Services as part of its business, and is the same entity that offered a quote this year before deciding to decline to offer the Services at all.

Accordingly, the County has determined that, after the solicitation of a number of sources, competition for the Services is inadequate. Therefore, pursuant to 2 C.F.R. 200.320(f)(4) and Section 13 of the Procurement Policy, the County can proceed with the fourth option under the Agreement.

Therefore, the County respectfully requests authority from your Honorable Board to exercise its fourth 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, 2021; 2.) increasing the not-to-exceed amount thereof by \$205,234.00, to a new total not-to-exceed amount of \$1,026,170.00, to pay for the services during the fourth Option Term, and payable as specified in the Agreement for the fourth Option Term; and 3.) reflecting the fact that the County will have two (2) remaining one (1) year options under the Agreement, as amended (the "Fourth Amendment").

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

The proposed Fourth 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 Fourth 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 Fourth 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 Fourth Amendment will be tracked and monitored by the staff of DSS.

I respectfully recommend the adoption of the attached resolution.

KMM/KM/bdm/nn

APPROVED BOARD OF ACQUISITION & CONTRACT - 06/25/2020 - LISA MRIJAJ, SECRETARY

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 fourth 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 \$820,936.00, payable pursuant to an approved budget, for the period from July 1, 2016 through June 30, 2020, with the County having the sole option to extend the term of the agreement for up to three (3) additional one (1) year periods thereafter, on the same terms and conditions, (the “Agreement”) and therefore amend the Agreement by, 1.) extending its term by one (1) year, to a new termination date of June 30, 2021; 2.) increasing its not-to-exceed amount by \$205,234.00, to a new total not-to-exceed amount of \$1,026,170.00, to pay for the services during the fourth Option Term, and payable as specified in the Agreement for the fourth Option Term; and 3.) reflecting the fact that the County will have two (2) remaining one (1) year options under the Agreement, as amended; 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.

Account to be Charged/Credited

	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2020	101	22	8900	5960		\$102,617
2021	101	22	8900	5960		\$102,617

Budget Funding Year(s): 2020 - 2021 Start Date: 07/01/20 End Date: 06/30/21
 (must match resolution)

Funding Source	Tax Dollars:	34%
<u>\$205,234.00</u>	State Aid:	43%
(must match resolution)	Federal Aid:	23%
	Other:	0%