

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT**

TO: Honorable Board of Supervisors

FROM: Clark Moots, Director of Administrative Services 

DATE: January 13, 2009

SUBJECT: Authorize the Execution of an Annual Agreement with the State of California Franchise Tax Board Court Ordered Debt Collection Program to collect on delinquent Court Ordered Fines, Forfeitures and Penalties in the Maximum Amount of \$500,000

ACTION REQUESTED

Authorize the execution of a standard agreement with the State of California Franchise Tax Board Court Ordered Debt Collection Program to collect on delinquent court ordered fines, forfeitures and penalties and authorize the Purchasing Manager to sign the associated documents in the maximum amount of \$500,000.

BACKGROUND

The Administrative Services Department's Revenue Services Division has participated in the State Franchise Tax Board Court Ordered Debt Collection Program (COD) for the collection of unpaid delinquent court ordered fines, forfeitures and penalties since 1996 at a value of \$15,107,413 in revenues to Placer County.

Our standard agreement with the State Franchise Tax Board has been highly successful over the years due to the COD program having powerful collection tools that process wage attachments, levies and writs with no additional court costs. Without this agreement in place, these very effective tools would not be available for the County's use.

In fiscal year 08/09 it is projected that the COD program will produce \$2,600,000 in revenues at an estimated cost of \$390,000, which equates to a 15% Administrative Fee on the amount collected. This Administrative Fee is reimbursed to Revenue Services from the State through Penal Code 1463.007 - Comprehensive Collection Program. The term of this standard agreement will run November 30, 2011.

Section 1.3(e)(1) of the Purchasing Policy Manual allows an exception to competition for services obtainable from other governmental agencies.

FISCAL IMPACT

There are no fiscal impacts to the County's general fund as the Administrative Fee for COD are expenditures that are reimbursed by the State through Penal Code 1463.007 - Comprehensive Collection Program.

cc: Candi McCord, Deputy Director, Administrative Services
Jim Boggan, Purchasing Manager

