



MEMORANDUM

TO: Mayor and Council Members
City Manager

FROM: Vickie Schubert, Deputy Chief Financial Officer

DATE: November 2, 2007

SUBJECT: Ratification of contract with Foundation Communities Inc. for Community Tax Centers

Foundation Communities, Inc., the organization that provides the Community Tax Centers program, is a nonprofit organization and a member of United Way Capital Area and NeighborWorks program. The City of Austin is one of the partners that assist in funding for the Community Tax Centers. Staff recommends approval of this ratification request in the amount of \$100,000.

Through the program, low and moderate-income Austin residents are provided with free tax services. For FY 2006-2007, five tax centers were staffed with over 250 volunteers. The overall program assisted residents in filing over 13,500 tax returns with related refunds of \$17 million. In addition during 2007 the services targeted City employees who individually earned less than \$40,000 and whose families of two to four members earned less than \$50,000.

The City first participated in this program in 2006 when funding and a contract of \$50,000 were approved by City Council. Funding was increased by \$50,000 during the FY 2007 budget readings to a total of \$100,000. Although funding for the Community Tax Centers was explicitly approved by Council from the dais during budget readings, this budgetary action did not constitute approval of the contract. During FY 2006-2007, the contract was not brought back to Council to approve its continuation necessitating this ratification.

Although the funding will remain in EGRSO for FY 2007-2008, the contract will be managed by the Financial and Administrative Services Department. Additionally, Financial Services plans to implement procurement training for our department directors, assistant directors and financial managers in the next several months to reinforce knowledge of our existing procurement and payment processes, and then to require refresher training on a regular basis thereafter.