

## AGENDA



Thursday, November 8, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 62**

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**Subject:** Approve ratification of a contract with FOUNDATION COMMUNITIES, INC., Austin, TX, for income tax preparation services during the 2006 tax season, and continuation of these services and support of community tax centers during the 2007 tax season in amounts not to exceed \$100,000 and \$100,000, respectively.

**Amount and Source of Funding:** Funding was available in the Fiscal Year 2006-2007 Operating Budget and is included in the Fiscal Year 2007-2008 Operating Budget of the Economic Growth and Redevelopment Services Office.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Rosemary Ledesma, Supervising Sr. Buyer/974-2011.

**Purchasing Language:** Professional Services.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). This contract is exempted under Chapter 252.022 of the Texas Local Government Code and no goals were established for this solicitation.

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Foundation Communities, Inc provides free federal income tax preparation services to low and moderate-income Austin residents. Foundation Communities is a nonprofit organization and a member of United Way Capital Area and NeighborWorks program. Foundation Communities provides these services, including on-site electronic filing, at City Hall, One Texas Center and five other tax centers in the community. The City of Austin is one of the partners that assist in funding for the Community Tax Centers.

For FY 2006-2007, 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. Last year, approximately 300 City employees took advantage of this service and received more than \$250,000 in refunds collectively.

This action will approve services for the 2006 and 2007 tax seasons, the 2007 and 2008 budget years respectively. The contract began in fiscal year 2006. During the 2007 budget readings an amendment from the dais provided a \$50,000 increase to the contract with the understanding that the services would be expanded to target City employees. The funding continued at the \$100,000 level in the FY 2007-2008 budget. Services were performed during FY 2007, but a contract was not executed, thus the need for the ratification. The contractor provides a detailed written report on the program within four months of the conclusion of each tax season.