Probation Department
COUNTY OF TULARE
AGENDA ITEM

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One

PETE VANDER POEL
District Two

PHILLIP A. COX
District Three

J. STEVEN WORTHLEY
District Four

MIKE ENNIS
District Five

AGENDA DATE: November 4, 2014

Public Hearing Required	Yes	☐	N/A	☒
Scheduled Public Hearing w/Clerk	Yes	☐	N/A	☒
Published Notice Required	Yes	☐	N/A	☒
Advertised Published Notice	Yes	☐	N/A	☒
Meet & Confer Required	Yes	☐	N/A	☒
Electronic file(s) has been sent	Yes	☒	N/A	☐
Budget Transfer (Aud 308) attached	Yes	☐	N/A	☒
Personnel Resolution attached	Yes	☐	N/A	☒
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	☒	N/A	☐

CONTACT PERSON: Steven Horton PHONE: (559) 713-2758

SUBJECT: Approve an agreement with the California Franchise Tax Board

REQUEST(S):

That the Board of Supervisors:

1. Approve an agreement with the California Franchise Tax Board for court ordered debt collections for the period of December 1, 2014 through November 30, 2017.
2. Authorize the Board Chairman to sign five (5) copies of the Agreement.

SUMMARY:

Revenue and Taxation Codes, sections 19280 through 19283, provide authority for the California Franchise Tax Board to assist counties in the collection of unpaid court ordered fines, fees, forfeitures, and penalties. The California Franchise Tax Board is a proven successful debt collector.

The Tulare County Board of Supervisors approved agreements #21905 in March of 2004, #22555 in December of 2005, #23904 in January of 2009 and #25274 in December 2011, which authorized the Probation Department to collect court ordered debt through the California Franchise Tax Board. This debt includes fines, fees, forfeitures, penalties, and victim restitution. Subsequently, the California Franchise Tax Board has been collecting delinquent accounts from defendants on behalf of the Probation Department.

The current agreement expires on November 30, 2014. The Probation Department and Franchise Tax Board wish to enter into another agreement to continue the collection process. The term of the new agreement would be from December 1, 2014 through November 30, 2017.

The Franchise Tax Board will continue to charge an Administration Fee of 15% of the revenues collected in accordance with the governing Revenue and Taxation Codes, sections 19280 through 19283, as amended by subsequent legislation.

In addition to fines and fees, this agreement has allowed the Probation Department to increase the collection of court ordered victim restitution. For the period of June 2004 through July 2014, the Franchise Tax Board assisted the Probation Department in collecting approximately $2,400,000.

County Counsel reviewed the agreement with regard to County contract protocol and approved the agreement as to form on October 21, 2014. Deviations from County contract protocol included a multi-year term of three (3) years, County indemnification of the State; State termination for cause with thirty (30) day notice and the County must sign first.

FISCAL IMPACT/FINANCING:

There will be no net County cost to the General Fund. All estimated revenue arising from this agreement is already included in the Probation Department's Fiscal Year 2014-2015 approved budget. The California Franchise Tax Board will retain fifteen percent (15%) of the revenues collected for administrative costs.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic business plan includes the Organizational Performance initiative, which focuses on the continuous improvement of organizational effectiveness and fiscal stability. The approval of this agreement helps fulfill this initiative by assisting with the collection of delinquent accounts and increasing revenues.

ADMINISTRATIVE SIGN-OFF:

_____

Christie Myer
Chief Probation Officer

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s)

Agreement with the California Franchise Tax Board

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF APPROVE AN AGREEMENT WITH THE CALIFORNIA FRANCHISE TAX BOARD	))))	**Resolution No. _____** **Agreement No. _____**

UPON MOTION OF SUPERVISOR _____, SECONDED BY SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____ _____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

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1. Approved the Agreement with the California Franchise Tax Board for court ordered debt collections, December 1, 2014 through November 30, 2017.
2. Authorized the Board Chairman to sign five (5) copies of the Agreement.