

## PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT (hereinafter "Agreement"), made and entered into on the 11<sup>th</sup> day of July, 2017, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky created pursuant to KRS chapter 67A (hereinafter "Government"), 200 East Main Street, Lexington, Kentucky 40507, on behalf of its Department of Social Services (hereinafter "Sponsor"), and, **FOODCHAIN** with offices located at 501 West Sixth Street, Suite 105, Lexington, Kentucky 40508, (hereinafter "Organization").

### WITNESSETH

That for and in consideration of the mutual promises and covenants herein expressed, the Government and the Organization agree as follows:

1. Government hereby retains Organization for the period beginning on **July 1, 2017**, and continuing for a period of two (2) years from that date unless within that period Government gives the Organization thirty (30) days written notice of termination of this Agreement in which case this Agreement shall terminate thirty (30) days from the date notice is given to the Organization.

2. Government shall pay Organization the sum of **One Hundred Fifty-Six Thousand, Seven Hundred and Twenty and 00/100 Dollars (\$156,720)** for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein by reference as Exhibit A, one-eighth (1/8<sup>th</sup>) of which shall be payable in August 2017 or shortly thereafter upon receipt of an invoice, with one-eighth (1/8<sup>th</sup>) payable each quarter thereafter upon submission of a quarterly invoice and a detailed quarterly program report. **Quarterly invoices and detailed program reports shall be submitted by October 16<sup>th</sup>, 2017, January 15<sup>th</sup>, 2018, April 16<sup>th</sup>, 2018, July 15<sup>th</sup>, 2018, October 15<sup>th</sup>, 2018, January 14<sup>th</sup>, 2019, and April 15<sup>th</sup>, 2019.**

**A two-year-end program report shall be submitted by July 15<sup>th</sup>, 2019.** Reports shall reflect the services and programs directly related to the funding provided by Lexington Fayette Urban County Government with emphasis on measurable outcomes, and specifically outlined in the funding application. Forms for both the quarterly financial and program reports will be provided.

3. In the event of termination of this Agreement by Government as provided for in paragraph 1 above, Organization shall be entitled to that portion of total compensation due under this Agreement as the service rendered bears to the service required herein.

4. Organization shall perform all duties and services included in the Addendum attached hereto faithfully and satisfactorily at the time, place and for the duration prescribed herein. Compensation paid pursuant to this Agreement shall be used exclusively for the services set forth in the Addendum and for no other purpose. Any alteration in the nature of such services and duties constitutes an amendment to this Agreement and must be in writing signed by both parties. Organization shall keep itself fully informed of all federal and state laws and all municipal ordinances and regulations in any manner affecting the work or performance of this Agreement, and shall at all times observe and comply with such laws, ordinances and regulations, whether or not such laws, ordinances or regulations are mentioned herein, and

5. Organization shall indemnify, defend and hold harmless Government, its officers, agents and employees, from and against any and all liabilities, claims, demands, losses, damages, costs, and/or expenses arising out of, from, relating to, and/or based on the Organization's violation of any such laws, ordinances or regulations or Organization's breach of this Agreement.

6. Organization represents that it has filed all federal, state and local income tax returns required by law in the legally prescribed time and manner. This Agreement shall not

become effective unless and until copies of all of the executed originals of the aforementioned tax returns filed for the Organization have been registered for the current tax year by the Organization in the office of the Sponsor, and the Organization shall not be compensated unless and until such registration has taken place.

7. The Organization shall, on such forms as the Sponsor shall provide, submit to Sponsor an annual report and financial statement which summarize the previous year's activities regarding the services enumerated in the addendum attached hereto.

8. Books of accounts shall be kept by the Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of the Organization. The books of accounts, together with all bonds, notes, bills, letters and other writings belonging to the Organization, shall be maintained at the principal place of business of the Organization as set forth in this Agreement. Government shall have free and complete access to the books, papers and affairs of the Organization, that relate to the performance of this Agreement, at all reasonable times, and if it desires, it may have the books and papers of the Organization, that relate to the performance of this Agreement, audited and examined by auditors, accountants or attorneys. Any examination shall be at the expense of the Government.

9. Government may designate such persons as may be necessary to monitor and evaluate the services rendered by the Organization. The Government, its agents and employees, shall, at all times, have unrestricted access to all places where or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Organization, nor to constitute the Organization as an agent of the Government.

10. Organization shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex or age, and shall cause each of its subcontracting agencies to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

11. Organization shall adopt a written sexual harassment policy, which shall, at a minimum, contain a statement of current law; a list of prohibited behaviors; a complaint process; and a procedure which provides for a confidential investigation of all complaints. The policy shall be given to all employees and clients and shall be posted at all locations where Organization conducts business. The policy shall be submitted to Sponsor for review within thirty (30) days of the execution of this Agreement.

12. This instrument, and the Addendum incorporated herein, contains the entire agreement between the parties, and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid and binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed hereon.

13. Organization agrees that it shall apply all funds received by it from the Urban County Government in accordance with the following investment policy guidelines:

A. Objectives: Capital preservation with surety of income. Reasonable competitive income consistent with high investment quality and purpose of funds. All investments shall conform with state and local law and regulations and these policies.

B. Investment Funds Management: The governing board may elect to either:

(1) Manage its investment through its executive director where the size or complexity of funds to be managed is deemed by the board to be within the training, expertise and/or available time capacity of the executive director and the operating staff; or

(2) Utilize the professional investment management facilities of a local bank trust department acting in a fiduciary capacity within the same approved investment policies and federal, state, local and trust laws and regulation. The trust department may utilize its regular short-term one hundred percent (100%) US Treasury Fund for daily funds investment.

The election of option 1 or 2 should be made consistent with the relative cost incurred and in the case of option 2 the cost shall be competitive among local trust departments.

C. Investment Policies - - Safety and Prudence.

(1) Short-term liquidity funds shall be invested in "riskless" investment, i.e., deposits in Kentucky commercial banks or savings and loan associations that are fully federally insured or deposits collateralized by U.S. Treasury securities with a current market value of at least one hundred percent (100%), or in direct obligations of U.S. Treasury securities.

Investments shall be diversified according to maturity in order to meet projected cash flow needs.

Collateral pledged to secure uninsured deposits shall be held at a federal reserve bank with the receipt providing absolute control by the agency.

(2) Retirement funds, endowment funds, long-term capital reserve funds and any other special funds may be held and invested by a local bank trust department under investment objectives and diversification in accordance with the individual nature of the funds and pursuant to the "prudent man" investment rule as well as general trust law.

(3) All investments shall be reviewed monthly by a finance or investment committee of the agency.

(4) Local brokerage firms may hold and invest funds provided that investments are located within Kentucky and are full insured.

D. Audit - - All investments shall be audited at least annually by independent certified public accountant who shall express an opinion as to whether or not investments during the year audited have conformed with state and local law and regulation and with the approved investment policies.

14. Notice – Any written notice required by the Agreement shall be delivered by certified mail, return receipt requested, to the following:

For Organization:

Food Chain  
501 W. 6th St. Ste. 105  
Lexington Ky 40508

Attn: Rebecca Self

For Government:

Lexington-Fayette Urban County Gov.  
200 East Main Street  
Lexington, Kentucky 40507

Attn: Chris Ford, Commissioner  
Department of Social Services

IN WITNESS WHEREOF, the parties have executed this Agreement at Lexington, Kentucky, the day and year first above written.

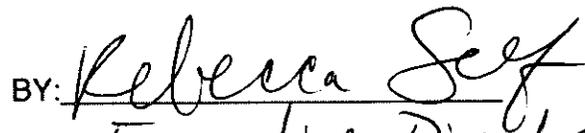
LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT

FOODCHAIN

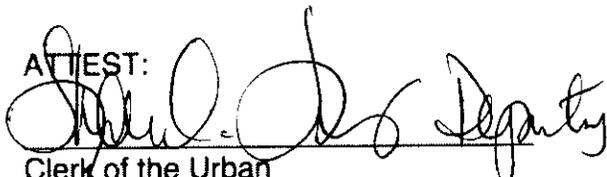
BY:

  
\_\_\_\_\_  
Jim Gray, Mayor

BY:

  
\_\_\_\_\_  
Title: Executive Director

ATTEST:

  
\_\_\_\_\_  
Clerk of the Urban  
County Council

## Addendum

**Agency:** FoodChain

**Priority Area:** Childhood & Youth Development

**Program Name:** Cook. Eat. Grow. Programs

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$77,280 (\$38,640 per FY)

**Program Summary:** FoodChain is an educational nonprofit, offering fresh food curriculum specifically to the neighborhood that surrounds our facility, which is primarily the northwest section of the 40508 zip-code. FoodChain believes we have the unique opportunity to address health, wellness and independence by offering free youth programming for cooking with fresh, locally grown ingredients, and as a result provide participants with long-lasting, practical life and social skills. With older children, when the lack of employment becomes a challenge (the area has a 15% unemployment rate), these same skills can be used to gain jobs in the growing food sector.

**Desired Outcomes for Clients:** Participants in FoodChain's youth programming will gain knowledge and familiarity around fresh, locally grown produce. This will include an understanding of the nutritional benefits of fresh ingredients, how to prepare them, and how to develop a diet using whole ingredients. Similarly, students will gain associated social skills, including cooperation and communication with team members in working together, leadership skills, along with life skills. These programs will also provide awareness of and potential pursuit of career-oriented employment using their cooking skills. Furthermore, by providing these skills through free, accessible youth programming, our client families will have access to affordable, reliable child care.

It is the philosophy at FoodChain to assist people in bettering their own lives. While we focus on increasing fresh food access and familiarity, our scope goes beyond this. Rather than following the typical charitable "hand-out" model (e.g. food banks, soup kitchens), we believe in the strength and importance in providing education and opportunities for families and individuals to improve their lifestyles and ultimately, their overall well-being. This model encourages independence, pride and cooperation among our neighbors, leading to a safer, stronger, and more stable community

**For LFUCG Agreement Addendum and Quarterly Reporting purposes, describe** below how you will ensure clients' needs are met or goals are achieved Please summarize based on your previous answers to questions above referenced in each column.

# of Clients to be Served per year	Desired outcome for client (from Question 5.1a.2)	Service or activities to achieve goal (from Question 5.1a.3)	Unit of service, frequency, length (from Question 5.1a.3)	Measure of effectiveness (from Question 5.1b.1)	Sampling size and frequency (from Question 5.1b.3)
120	Increased access to affordable childcare	Youth cooking programs offered during afterschool, summer, and school breaks	For elementary school students: 8 week session of 1 hr/wk afterschool programming (offered 3x a week in both fall and spring), 8 week session of 4 hr/wk summer programming, 1 week of 10hr/wk spring break programming	attendance	all participants will be counted at each class in each session
150	Increased knowledge of life skills	Youth cooking programs offered during afterschool, summer, and school breaks	For elementary school students: 8 week session of 1 hr/wk afterschool programming (offered 3x a week in both fall and spring), 8 week session of 4 hr/wk summer programming, 1 week of 10hr/wk spring break programming For high school students: 8 week session of 4 hr/wk summer programming, 1 week of 4 hr/wk spring break programming	pre-post tests	all participants at baseline and post-session
30	Increase in skills for employment	Teenage programming offered during summer, and spring breaks	8 week session of 4 hr/wk summer programming, 1 week of 4 hr/wk spring break programming	pre- post tests/ certifications completed	all participants at baseline and post-session
150	Increase in social and leadership skills	Youth cooking programs offered during afterschool, summer, and school breaks	For elementary school students: 8 week session of 1 hr/wk afterschool programming (offered 3x a week in both fall and spring), 8 week session of 4 hr/wk summer programming, 1 week of 10hr/wk spring break programming For high school students: 8 week session of 4 hr/wk summer programming, 1 week of 4 hr/wk spring break programming	satisfaction surveys	all participants post-session

## Addendum

**Agency:** FoodChain

**Priority Area:** Food Insecurity & Nutritional Access

**Program Name:** Fresh Food Processing & Education

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$79,440 (\$39,720 per FY)

**Program Summary:** FoodChain proposes to expand on these activities by establishing a novel Food Processing Kitchen to: 1) Increase usability, shelf life, and consumer access to collected produce by providing space for washing, grading, chopping, dehydrating, or freezing; 2) Provide education on food processing through recipes, nutrition information, and cooking demonstrations; 3) Provide community meals.

To ensure accessibility to SNAP and WIC eligible residents, FoodChain's Kitchen will have a produce counter with Point of Sales system and EBT card reader for distribution. We will partner with KDA, CFA, and Bluegrass Farm to Table to provide the Double Dollars Program for SNAP beneficiaries.

**Desired Outcomes for Clients:** FoodChain's mission is intrinsically tied to helping provide access and education to fresh food for the food desert community that surrounds our facility. FoodChain's Processing Kitchen will allow us to lightly process nutritious, fresh food to extend usability in a way that is affordable and preserves nutritional content. Our main goal is to address food insecurity by increasing the distribution and availability of local nutritious produce to at-risk area residents. To create a sustainable model, we want to move beyond the charitable model offered by foodbanks and feeding agencies. The objective is to increase resilience among clients through education and assistance in order to have them gain confidence and feel self-sufficient and pride in their ability to provide nutritious foods for themselves and their families.

**For LFUCG Agreement Addendum and Quarterly Reporting purposes, describe** below how you will ensure clients' needs are met or goals are achieved Please summarize based on your previous answers to questions above referenced in each column.

# of Clients to be Served per year	Desired outcome for client (from Question 5.1a.2)	Service or activities to achieve goal (from Question 5.1a.3)	Unit of service, frequency, length (from Question 5.1a.3)	Measure of effectiveness (from Question 5.1b.1)	Sampling size and frequency (from Question 5.1b.3)
1500	Increased access to fresh food	Lightly-processed ingredients for sale	- Food sold from produce counter inside Kitchen, open weekly, 8 hours  - Delivery to other feeding organizations (FCPS, etc.) on a weekly basis	sales numbers	quarterly numbers of lbs of food distributed and reported usage
200	Increased access to fresh food	Fresh ingredients served in home-cooked public meals	Free community meal at the FoodChain Kitchen, 1 meal per month, 2 hours	attendance	monthly records
700	Increased knowledge on how to use fresh or lightly processed produce	Distribute educational materials with produce	Literature with recipes, nutritional information, and preparation techniques distributed with each purchase at point of sales and with deliveries when appropriate	client surveys, focus groups	- monthly surveys to clients during rotating open hour slot - quarterly focus groups with 5-15 clients
700	Increased knowledge on how to use fresh or lightly processed produce	Cooking demonstrations & taste tests	Recipes modeled and sampled that highlight lightly-processed, seasonal ingredients, on a monthly basis, 1 hour	attendance, client surveys	- monthly records - all participants, after the demonstration
500	Increased frequency of partaking of home-cooked meals	Educational literature, cooking demonstrations, and taste tests	- Literature with recipes, nutritional information, and preparation techniques distributed with each purchase at point of sales and with deliveries when appropriate  - Recipes modeled and sampled that highlight lightly-processed, seasonal ingredients, on a monthly basis, 1 hour	client surveys, focus groups	- monthly surveys to clients during rotating open hour slot - quarterly focus groups with 5-15 clients
200	Increased frequency of partaking of home-cooked meals	Fresh ingredients served in home-cooked public meals	Free community meal at the FoodChain Kitchen, 1 meal per month, 2 hours	attendance	monthly records