

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the _____ day of _____ 2024, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the COMMONWEALTH OF KENTUCKY created pursuant to KRS Chapter 67A ("Government"), 200 East Main Street, Lexington, Kentucky 40507, on behalf of the Chief Development Officer ("CDO") and **TSJ STAFFING, LLC**, a Kentucky Limited Liability Company, ("Organization") with a mailing address of 4901 Hunt Road, Suite 200, Blue Ash, OH 45242.

WITNESSETH

WHEREAS, it is the public policy of the Lexington-Fayette Urban County Government to encourage, promote, and support economic development, new job training, and job placement for the public purposes of providing employment opportunities for its residents and alleviating conditions of unemployment and poverty and it wishes to provide funding related to these purposes to certain qualified entities through the use of contingent funding agreements; and

WHEREAS, the Government utilized criteria related to these purposes and an application and screening process in selecting which entities, including the Organization, would be eligible to receive funding pursuant to an agreement; and

WHEREAS, through this process and additional negotiations with the Organization, the Organization has agreed to commit to assisting individuals in training toward Cybersecurity & AI Generative Development licensure or certification, with at least 8 of those individuals receiving a license or certification; and

WHEREAS, the requirements of the Organization's program, including the required number of participants served, is more particularly described herein; and

WHEREAS, it is in the public interest that the Government make a commitment of financial resources in order to encourage and support economic development endeavors, including job training and placement through the use of this type of funding agreement.

NOW THEREFORE, that for and in consideration of the mutual promises and covenants herein expressed, which is acknowledged and agreed to be sufficient consideration, the Government and the Organization agree as follows:

1. The above recitals are incorporated herein as part of this Agreement.

2. Definitions: For the purposes of this Agreement:

"Year One" shall be July 1, 2024, to June 30, 2025.

"Year Two" shall be July 1, 2025, to June 30, 2026.

"Workforce Development Manager" shall be the Workforce Development Manager of the Lexington-Fayette Urban County Government or its equivalent.

3. This Agreement shall consist of the terms herein as well as the following additional documents, which are attached hereto as exhibits and incorporated herein by reference as if fully stated:

a. Exhibit "A" – Scope of Work

b. Exhibit "B" – Workforce Development Grant Policies and Guidelines

c. Exhibit "C" – Program Budget

To the extent that there is any conflict between or among any of these documents, the terms and provisions of this Agreement shall prevail, followed by terms and provisions of Exhibit “A”, and “B” and “C” in that order.

4. This Agreement is intended to commence on July 1, 2024, and end on June 30, 2025, 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 provided to the Organization. Subject to the budgeting of funds in future years and the Organization’s fulfillment of the requirements of this Agreement for Year One, this Agreement shall be automatically extended for another one-year term through Year Two.

5. In the event of termination of this Agreement by Government as provided for in Section 4 above, Organization shall be entitled to compensation due under this Agreement as the services rendered bears to the services required.

6. Services in Year One

6.1 In return for full performance of the terms of this Agreement by the Organization, which shall include providing the services more fully described in Exhibit A to a minimum of 8 separate individuals, in Year One, Government agrees to pay the Organization an amount not to exceed \$50,000.00 as reimbursement after receipt of a proper invoice in accordance with the provisions of this Agreement.

6.2 The Organization understands and agrees that, as a condition of receiving funds under this Agreement, at least 8 individuals will obtain a license or

certification in Year One as a result of the training provided by Organization in the fields and programs provided in its Scope of Work.

7. Services in Year Two

7.1 In return for full performance of the terms of this Agreement by the Organization, which shall include providing the services more fully described in Exhibit A to a minimum of 8 separate individuals, in Year Two, Government agrees to pay the Organization an amount not to exceed \$50,000.00 as reimbursement after receipt of a proper invoice in accordance with the provisions of this Agreement, if this Agreement is extended to Year Two.

7.2 The Organization understands and agrees that, as a condition of receiving funds under this Agreement, at least 8 individuals will obtain a license or certification in Year Two as a result of the training provided by Organization in the fields and programs provided in its Scope of Work.

7.3 If, at the end of Year One, the required number of individuals have not received licensure or certification as a result of the training program described in Exhibit A, the number required to receive certification or licensure for Year Two provided in Sections 7.1 and 7.2 shall be reduced to the number that received licensure or certification in Year One. Any funds described in 7.1 shall be reduced commensurate to the reduction in the number of individuals required to receive certification or licensure on a per capita basis.

7.4 If, at the end of Year Two, the Government receives documentation that less than one hundred percent (100%) of the total number of individuals

required to receive a license or certification through the program provided in Exhibit A have received said license or certification within that year, the Organization shall be ineligible for funds in the next grant cycle, at the discretion of the Government.

7.5 Any funds provided by Government for performance of the terms of this Agreement for Year Two shall be contingent on the funds being available and budgeted. If insufficient funds are available and budgeted to provide the total sum stated above for Year Two, the amount provided for Year Two shall be reduced by the Government commensurate with the amount of funds budgeted and available. If this occurs, the number of individuals required to be served with the funds shall be reduced in proportion to the reduction in funding provided by the Government.

8. Invoicing

8.1 The Organization shall invoice the Government on a quarterly basis for reimbursement of actual expenditures incurred and must include the quarterly report described in Sections 15 and 16.

8.2 Eligible Expenses. The Organization may only invoice for those expenses provided in the budget provided in Exhibit C. Notwithstanding the foregoing, a minimum of fifty percent (50%) of funds received under this Agreement must be spent on direct participant certification/licensure training services or direct participant activities/supportive services, such as tuition, transportation costs, testing fees, uniforms, and identification costs. Direct participant certification/licensure training services or direct participant activities/supportive services do not include staff salaries or benefits or other

administrative costs. The Workforce Development Manager shall make the final decision regarding whether an invoiced expense is eligible under this Agreement.

8.3 Proof of Expenditure. Organization's invoice must include documentation indicating the expenditure was incurred and is eligible to be reimbursed pursuant to this Section. The Workforce Development Manager, in his or her sole discretion, shall make the final determination regarding adequacy of the documentation and approval of invoices.

9. Organization represents that the services specified in Exhibit A would not have been delivered to these participants without the funds provided in this Agreement and understands that the Government is relying upon this representation as a condition of providing the funds.

10. The Organization agrees to adhere to the program's budget as fully described in Exhibit C, which is attached hereto and incorporated by reference, to provide the required services. Any alteration in the budget for such services constitutes an amendment to this Agreement and must be in writing, via email, and approved by the Economic Development Investment Board and the Urban County Council. The Organization further agrees that any salary increases shall not be derived from the funds provided by this Agreement.

11. Organization understands and agrees that at least seventy-five percent (75%) of those receiving licensure or certification shall either be Fayette County residents or work in Fayette County.

12. Organization shall perform all duties and services specified in Exhibit A faithfully and satisfactorily at the time, place, and for the duration prescribed herein. Any alteration in the duties and services provided herein constitutes an amendment to this Agreement and must be in writing, via email, and approved by the Economic Development Investment Board and the Urban County Council.

13. Organization shall keep itself fully informed of all national and state laws and all municipal ordinances and regulations that in any manner would affect 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 further agrees to indemnify, release, and hold harmless Government, its officers, agents, and employees against any and all claims or liability arising from or based upon Organization's violation of any such laws, ordinances, or regulations. The Organization shall repay the full funds received under this Agreement if it fails to observe and comply with such laws, ordinances, and regulations during the funding period.

14. The Organization represents that at all times relevant to this Agreement it shall remain in good standing with the Government as to any required registrations or certifications and shall timely pay any taxes, fees, fines, or penalties owed. Organization further represents that it has filed any federal, state or local income tax returns required by law in the legally prescribed time and manner and shall provide copies of the same to Organization upon request.

15. The Organization shall, by the tenth day of October, January, April, and July of each respective term, submit electronically to the CDO, in the form provided by the Workforce Development Manager, a report containing documentation that the duties and services required in Exhibit A are being fulfilled for the previous quarter. Absent extenuating circumstances, failure to electronically submit the quarterly report described herein by the required date shall result in the Organization repaying the full funds received under this Agreement. In addition, Organization may be required to present a progress report as to its activities before the Economic Development Investment Board at the call of the chair, or as otherwise instructed by the Government.

16. The Organization agrees to complete the quarterly reports required above in good faith and to the satisfaction of the Workforce Development Manager. Any report deemed deficient by the Workforce Development Manager shall be remedied by the Organization within one month of notice thereof. The Organization further agrees that a representative of the Organization shall attend any quarterly meeting requested by the Workforce Development Manager. Absent extenuating circumstances, failure to comply with Sections 15 and 16 shall result in repayment of the funds received under this Agreement by the Organization for the applicable year.

17. 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 relating to the Government funds provided hereunder at all reasonable times, and if it desires, it may have said books and papers of the Organization audited and examined by auditors, accountants, or attorneys. Any examination shall be at the expense of the Government.

18. Government may designate such persons as may be necessary to monitor and evaluate the services rendered hereunder by the Organization. The Government, its agents and employees, shall, at all times, have 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, or to constitute Organization an agent of the Government.

19. Organization shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation or gender identity, or handicap, shall promote equal employment through a positive, continuing program of equal employment, 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.

20. 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 submitted to the CDO for review within thirty (30) days of the execution of this Agreement.

21. Organization agrees that all revenue and expenditures shall be audited at least annually by independent certified public accountants who shall express an opinion as to whether or not revenue and expenditures during the year audited have conformed to state and local law and regulation. Organization further agrees to submit a copy of its most recent audit before any payment is provided by the Government under this Agreement.

22. The Organization and any of its agents agrees to defend, indemnify and save harmless LFUCG, its employees, volunteers and elected officials, from and against all liabilities, claims, actions, expenses, obligations, losses, fines, and assessments resulting from or arising out of any error or omission, negligence or intentional misconduct, or any other action relating to the provision of the services specified herein. Indemnification will include, in addition to the above, attorney's fees, costs related to investigation and defense and any other expenses related to any such claim, action or proceeding. The Organization will not be liable for such claims, actions, obligations, losses, fines, penalties and assessments resulting from or arising out of any error or omission, negligence or intentional misconduct of LFUCG, its agents, and employees. This provision shall survive the termination of this Agreement.

23. Failure to comply with any covenant, agreement, condition, representation, or other provision contained or referred to in this Agreement in which a penalty is not otherwise provided herein, shall be a default of this Agreement and shall result in repayment of all grant funds received and the Agreement shall be considered void.

24. This Agreement is non-assignable, and the Organization shall not assign its duties, obligations, or responsibilities under this Agreement to any other person or entity.

25. The parties agree that the Organization is an independent contractor and in no way will it or its employees or agents be viewed or treated as employees of the Government.

26. This Agreement and its enforcement shall be interpreted and subject to the laws of the Commonwealth of Kentucky and any related court action shall only be filed in Fayette County, Kentucky.

27. This instrument 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.

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

For Organization:	TSJ Staffing, LLC 4901 Hunt Road, Suite 200, Blue Ash, OH 45242 Att: Lauren Hartings, CEO (or as otherwise designated in writing by Organization)
For Government:	Lexington-Fayette Urban County Gov. 200 East Main Street Lexington, Kentucky 40507

Att: Kevin Atkins, Chief Development Officer

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

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: _____
LINDA GORTON, MAYOR

ATTEST:

Abigail Allan
Clerk of the Urban County Council

TSJ STAFFING, LLC

BY: _____
LAUREN HARTINGS, CEO

ATTEST:

WITNESS: _____
DATE: _____

EXHIBIT “A”

Lexington/Fayette Urban County Government
TSJ Staffing, LLC

Scope of Work

The Organization’s application, which is attached and incorporated herein, shall serve as its Scope of Work.

Total Number: By the end of each respective year, as defined in the Purchase of Service Agreement, at least 8 individuals will obtain a license or certification as a result of the training provided by TSJ Staffing, LLC in the fields and programs provided in its Scope of Work.

These individuals must be different from those served in previous Purchase of Service Agreements under this government program. Participants served by multiple organizations with money provided under this government program may only be counted by one organization.

EXHIBIT “B”

Lexington/Fayette Urban County Government
TSJ Staffing, LLC

Workforce Development Grant Policies and Guidelines

EXHIBIT “C”

Lexington/Fayette Urban County Government
TSJ Staffing, LLC

Budget for Services

4867-3497-1588, v. 1