

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT (hereinafter "Agreement"), made and entered into on the first day of July, 2014, 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, **COMMUNITY ACTION COUNCIL** with offices located at P.O. Box 11610 (710 W. High St.), Lexington, Kentucky 40576, (hereinafter "Organization").

W I T N E S S E T H

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, 2014**, and continuing for a period of twelve (12) months 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 Eighty Three Thousand Eighty Dollars (\$183,080.00)** for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein

by reference, one-fourth (1/4<sup>th</sup>) of which shall be payable in July 2014 or shortly thereafter upon receipt of an invoice, with one-fourth (1/4<sup>th</sup>) payable each quarter thereafter upon submission of a quarterly financial report and invoice, and a detailed quarterly program report. Quarterly financial reports, invoices, and detailed program reports shall be submitted by October 10<sup>th</sup>, January 9<sup>th</sup>, and April 10<sup>th</sup>. A year-end program report shall be submitted by July 10<sup>th</sup>. Both 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 \*(Description of the specific uses of funds allocated by program name(s) and details of the expected client and agency outcomes) 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 shall indemnify Government, its officers, agents and employees against any claim or liability arising from and based on the Organization's violation of any such laws, ordinances or regulations.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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, 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.

10. 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.

11. This instrument, and the Addendum \*(Description of the specific uses of funds allocated by program name(s) and details of the expected client and agency outcomes) 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.

12. 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.

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

For Organization:

Community Action Council  
P.O. Box 11610  
Lexington, KY 40576

Attn: Malcolm Ratchford, Executive Director

For Government:

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

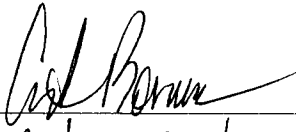
Attn: Beth Mills, Commissioner  
Department of Social Services

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

LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT

COMMUNITY ACTION COUNCIL

BY:   
Jim Gray, Mayor

BY:   
Title: Acting Executive Director

ATTEST:  
  
Clerk of the Urban  
County Council

\* The addendum referenced in items 4 and 11 must be attached  
to this document and approved prior to the start of fiscal year  
payments.



## Addendum

**Agency:** Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties

**Program Name:** Employment and Child Care Opportunities (ECCO)

**LFUCG Partner Agency Program Funding:** \$71,320

**Program Summary:** This program will support an expansion of the Council's efforts to address three significant barriers experienced by families living in poverty; high cost of child care, lack of marketable vocational and soft skills; and opportunities for sustainable employment. This funding will allow for full-day, full school year enrollment of 16 children in one of the Council's early childhood education programs. While their children are receiving high quality care, a parent will be able to complete an 11 month comprehensive job skills training program in early childhood education. Participants of ECCO will complete requirements for the Child Development Associate (CDA) credential including 480 hours of volunteerism as well as coursework in other life management topics such as financial literacy, workplace communication strategies, and computer skills. By the end of the program year, the participant will be trained and eligible for hire in an early childhood classroom.

**Long-Term Program Goals:** The Council will enroll 16 Head Start children from families with incomes below 200 percent of poverty, targeting those between 100 and 150 percent of the federal poverty guidelines in a full day, full program year education program. The Council will ensure that at least 90 percent of these children will enter school "ready to learn."

The Council will work with at least 16 parents/family members to complete 120 hours for a Child Development Associate (CDA) certification.

The Council will work with at least 16 parents/family members to complete 480 volunteer hours in a child development program.

ACTIVITIES	OUTPUTS	OUTCOMES
16 parents/family members will work with the ECCO Coordinator to become prepared to complete the CDA credential	16 parents/family member will meet at least weekly during the program year with the ECCO Coordinator	Number of parents/family members who receive a CDA credential by the end of the program year.
16 parents/family members will work with the ECCO Coordinator to learn the 7 developmental domains and activities to increase skills of children ages 0-5.	16 parents/family members will volunteer at least 10 hours per week in a child development program.	Number of parents/family members who complete the required 480 hours of volunteer experience in a child development program.
16 parents/family members will participate in marketable job skills training	16 parents/family members will complete up to 5 hours per week of marketable job skills training activities	Number of participants who are hired.
16 children will receive full day, full program year early childhood education	16 children will attend at least 85 percent of the total number of days in the school program year.	90 percent of the children enrolled through ECCO will be identified as "ready to learn" by the end of the program year.

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
The number of participants who pass the CDA exam	Enrollment form	Every parent/family member (16) will be assessed	Documented as it occurs
The number of hours an adult participant volunteers in a child development program	Sign in Sheet	Every parent/family member (16) will be assessed	Documented as it occurs
The number of activities/class sessions by an adult participant in marketable job skills training	Sign in Sheet	Every parent/family member (16) will be assessed	Documented as it occurs
Number of children who show a marked increase in development from mid year to post year assessments	Mid year and post year assessments	Every child (16) will be assessed	Documented as it occurs

## Addendum

**Agency:** Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties

**Program Name:** Volunteer Services

**LFUCG Partner Agency Program Funding:** \$45,460

**Program Summary:** This funding request is for CAC's Volunteer Services which provides direct services to people in all phases of life with an emphasis on improving the marketable job skills of its volunteers while providing much needed program supports. Volunteer Services annually mobilizes hundreds of individuals to contribute thousands of hours with an overall program goal to reduce poverty. CAC has several volunteer-based anti-poverty initiatives aimed to assist 35,000 residents with low income each year by working alongside staff in each of the Council's five Fayette County Community Centers. The following provides a brief overview of the key initiatives of Volunteer Services.

As its name implies, the Volunteer and Internship Program (VIP) is for volunteers and interns, many of whom are referred from Kentucky Transitional Assistance Program (KTAP), and would benefit from job or life skills training prior to employment. The goal of VIP is to meet these needs by providing an atmosphere for approximately 60 volunteers to work on tasks with appropriate guidance and receive trainings, such as workplace communication or resume-building.

The Foster Grandparent Program (FGP) annually places approximately 32 senior adults with low-income in child development programs to work one-on-one with more than 150 low-income preschool children who need additional supports to enter school "ready to learn." Annually, the Volunteer Program organizes CAC's "Winterblitz" which winterizes more than 50 low-income households and Martin Luther King, Jr. Day of Service project which for the last three years has sponsored "Back-A-Vet" collecting essentials for military veterans experiencing homelessness.

**Long-Term Program Goals:** The goal of Volunteer Services is to mobilize community members to provide support to anti-poverty initiatives in order to reduce poverty.

ACTIVITIES	OUTPUTS	OUTCOMES
One-on-one support to preschool age children with special needs enrolled in the Council's child development programs	Approximately 30 seniors will meet at least weekly to provide one-on-one supports for preschool age children with special needs.	90% of all Head Start children will enter Kindergarten "ready to learn."
Winterizations services for individuals and families from low-income households	Approximately 50 low-income households will receive winterization services.	Increase in energy savings as a result of Winterblitz
Tax preparation services	More than 700 participants with low-income will receive support completing their taxes.	Households will receive a Federal or State tax credit as a result of tax preparation assistance

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
Children's developmental assessment; Mid year and Post assessment	Teaching Strategies GOLD Assessment	Every child will receive a mid-year and post assessment.	Each assessment will be completed once, annually.
Registering for the Council's "Winterblitz" event	Staff observation	Participants will complete a post assessment.	Documented as it occurs
The number of households that participate in the tax preparation program	VITA registration, or the number of households who file taxes through the Council's VITA program	Every participating household will be counted.	Documented as it occurs

## Addendum

**Agency:** Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties

**Program Name:** Youth and Senior Transportation Services

**LFUCG Partner Agency Program Funding:** \$22,960

**Program Summary:** Transportation is often a major barrier for people with low-income. These individuals may reside in neighborhoods that are distant from where they learn or socialize. When faced with barriers of accessible transportation such as the high cost of gasoline, lack of a personal vehicle, and limited access to public transit, low-income individuals are at a significant disadvantage to achieve their personal goals. The Youth and Senior Transportation Services (YSTS) program seeks to address the transportation needs of those who are considered most vulnerable: youth, ages 12-24, and seniors, ages 55 and over, or those with a disability.

The Senior Services component of YSTS provides older adults the dignity to 'age in place,' by providing essential transportation resources to meet their basic needs. Last year, the Council provided transportation services in order to purchase basic needs, attend necessary, ongoing medical treatments for seniors with documented medical disability, and home prescription delivery. With full funding, the Council anticipates continuing these services to approximately 200 seniors in the 2015 fiscal year.

Utilizing its fleet of Department of Transportation qualified buses, the Council's YSTS program will provide safe and accessible transportation services to Fayette County youth, primarily those from low-income families. Working in partnership with Partners for Youth programs, Fayette County Public Schools, and its existing Youth Services programs, the Council will provide approximately 100 trips to approximately 65 youth, ages 12-24, in Fayette County. These services will include transportation to and/or from after school programs, tutoring sessions, GED preparation classes, college field trips and job resource fairs.

**Long-Term Program Goals:** To provide transportation assistance to local grocers for senior adults and elderly with low-income so that these participants may live more independently. To provide transportation assistance to seniors with a diagnosed medical condition so that they may access critical medical treatment and live more independently. To provide prescription delivery services to seniors so that they may live more independently. To provide transportation assistance to middle and high school students to improve educational attainment, reduce the achievement gap, increase lifetime earning potential. To provide transportation assistance to youth, age 16-24, to assist them in earning their high school diploma or GED to increase their lifetime earning potential.

ACTIVITIES	OUTPUTS	OUTCOMES
Demand/Response transportation through the provision of WHEELS vouchers.	The number of vouchers received is contingent on participant's medical needs.	36 participants will meet their health needs by attending an average of 12 necessary appointments a month.
Transportation will be provided to youth, age 12-18, to attend afterschool programs.	The number of transportation trips will be contingent on the program enrollment	100% of participants will have increased access to transportation services for afterschool programs.
Transportation will be provided to youth, age 12-18, to attend tutoring sessions, GED preparation classes, college field trips, and job resource fairs.	The number of transportation trips will be contingent on the program enrollment	100% of participants will have increased access to transportation services to attend attend tutoring sessions, GED preparation classes, college field trips, and job resource fairs.

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
Number of WHEELS vouchers distributed to eligible participants each month.	Staff count of voucher distribution.	Every participant and trip will be counted.	Monthly
Number of seniors receiving prescription delivery and senior shopping trips	Staff count of trips and participants.	Every participant and trip will be	Each trip
Number of students, age 12-18, attending afterschool programming.	Staff count of trips	Every trip will be counted.	Each trip
Number of participants, age 16-24, attending tutoring and GED preparation classes.	Staff count of trips	Every trip will be counted.	Each trip

## Addendum

**Agency:** Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties

**Program Name:** Affordable Utilities Initiative

**LFUCG Partner Agency Program Funding:** \$43,340

**Program Summary:** The Council's Affordable Utilities Initiative provides an advocate for all Fayette County residents with low-income who utilize electricity, natural gas and/or water utilities including renters whose housing expenses are directly or indirectly affected by utility rates. Staff members, with appropriate legal support, provide intervention before the Kentucky Public Service Commission in all utility matters involving rates and associated programming such as energy subsidies, assistance, and conservation. Staff members provide all necessary research, written testimony, and administrative support required to advocate for the lowest possible utility rates and to obtain needed privately funded assistance in the face of inevitable rate increases. Participation in these cases requires extensive research and preparation for written and oral testimony as well as representation of customers with low-incomes in all hearings and settlement negotiations which sometimes last for several days. All Fayette County residents benefit where rates are successfully kept low and programs are implemented to reduce utility arrearages and uncollectibles. In 2014-2015 the Council will intervene in at least two utility cases resulting in no or reduced increases and/or new or expanded programming for customers with low-income. This work reduces the need for public utility assistance by keeping rates affordable for all residents. Approximately 2,400 Fayette County residents with low-income households benefit on an ongoing basis through utility assistance programs funded from prior interventions in Kentucky Utilities, Columbia Gas, and Kentucky American Water cases. Funding for this initiative is necessary to maintain these programs when they are nearing expiration and/or to expand them as appropriate.

**Long-Term Program Goals:** People in Fayette County with low-income will pay utilities bills at least 20 percent below those proposed by regulated utilities as measured by the difference between utility proposals and final tariff sheets approved by the Kentucky Public Service Commission. This includes intervention in at least two cases in 2014-2015. Initiatives ordered by the Kentucky Public Service Commission will provide additional weatherization and energy assistance to at least 1,000 households above current annual levels.

ACTIVITIES	OUTPUTS	OUTCOMES
Community Action Council intervention in at least two utility rate cases in 2014-2015.	Kentucky Public Service Commission orders or approves a settlement resulting in utility rates at least 20% below originally proposed levels.	Activities will lead to Fayette County residents paying utility rates at least 20% below rates originally proposed to take effect in 2014-2015.
Community Action Council intervention in at least two utility rate cases in 2014-2015.	Kentucky Public Service Commission approves new or expanded benefits to low-income utility customers.	Activities will generate at least \$1 million in new, expanded or preserved low-income benefits.
Community Action Council intervention in at least two utility rate cases in 2014-2015.	Kentucky Public Service Commission approves new or expanded benefits to low-income utility customers.	Activities increase or maintain service to at least 1,000 additional ratepayers with low-income.

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
Final utility tariff sheets showing actual rates versus originally proposed rates.	Public records	All Fayette County utility ratepayers	Twice annually
Commission's Order	Public records	Amount of funding committed through Commission's Order	Twice annually
Commission's Order	Public records	Eligible low-income households receiving the new or expanded benefit	Twice annually