

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT (hereinafter "Agreement"), made and entered into on the first day of July, 2013, 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, 2013**, 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 Seventy Nine Thousand Nine Hundred Forty Dollars (\$179,940.00)** 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 (1/4th) of which shall be payable in July 2013 or shortly thereafter upon receipt of an invoice, with one-fourth (1/4th) 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 10th, January 10th, and April 10th. A year-end program report shall be submitted by July 10th. 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: Jack E. Burch, 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

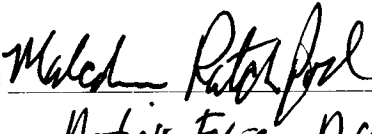
COMMUNITY ACTION COUNCIL

BY:




Jim Gray, Mayor

BY:



Title: Acting Exec. 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: LEEP Expanded Services

LFUCG Partner Agency Program Funding: \$58,310

Program Summary: The funding requested in this application will support expansion of services to the Council's youth education program. In its current form, LEEP is a comprehensive youth education program which aims to increase the opportunity for 40 youth from low-income backgrounds, ages 16-18 only, to obtain meaningful employment and /or develop the skills to enroll in post-secondary education. LEEP increases literacy and numeracy scores for those who are in school, increases the number of youth who obtain their high school diplomas or GED, prepares youth for success in employment; and develops their potential as healthy citizens and leaders through leadership development mentoring. Each student receives a personalized plan that tracks their progress. Participants receive merit-based incentives for meeting academic goals, obtaining a job or enrolling in college.

Long-Term Program Goal:: LEEP Expanded Services is to work with 20 youth, between the ages of 19 and 24, to help them obtain their GED and then assist them with enrolling in post secondary education or entering the workforce. LEEP Expanded Services will help students meet their health and mental health needs by providing linkages to these respective services and supporting their access to these services. LEEP Expanded Services will work with up to 5 students with a criminal background history.

| ACTIVITIES | OUTPUTS | OUTCOMES |
|---|---|---|
| <p>Students attend GED classes offered by BCTC</p> | <p>Students will attend a minimum of four classes</p> | <p>Number of students who receive their GED</p> |
| <p>Students will meet with program staff to discuss their individual goals allowing staff the opportunity to get to know individual students and establish relationships with Council staff or within the community to address these areas.</p> | <p>Students will meet monthly to address individual goals and at least quarterly with Council staff to update their Individualized Service Plan. This document tracks their progress towards goals.</p> | <p>Students will demonstrate improved skills in interest areas or areas of need as measured by the number of students who increase their literacy and numeracy skills, obtain a job or enroll in postsecondary education.</p> |
| <p>Students will improve their health by accessing and participating with health-related resources</p> | <p>Students will access at least one new health resource</p> | <p>Number of students who identify as having improved health/area of health as a result of the health resource</p> |

| INDICATOR | MEASUREMENT TOOL/APPROACH | SAMPLING STRATEGY & SIZE | FREQUENCY & SCHEDULE OF DATA COLLECTION |
|--|-----------------------------|--------------------------------|---|
| Sign in sheets at BCIC | Staff interview/observation | Every student will be assessed | Documented as it occurs, or quarterly |
| Students will meet one-on-one or in small group settings as appropriate to discuss their individual interests and/or areas requiring improvement. Staff will host monthly sessions for students related to these areas. Additionally, students will meet with support partners identified by the Council to further improve personal goals | Staff interview/observation | Every student will be assessed | Quarterly |
| Students will discuss issues of health with Council staff and/or inquire about contact information for health providers | Staff interview/observation | Every student will be assessed | Documented as it occurs, or quarterly |

Addendum

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

Program Name: Volunteer Services

LFUCG Partner Agency Program Funding: \$68,190

Program Summary: The funding requested in this application will support the Council's Volunteer Services, which provides direct services to people in all phases of life, from preschool-age children through senior adults. Typically operating Monday-Friday during normal business hours, each year Volunteer Services mobilizes hundreds of individuals to contribute thousands of hours to programs in the local community with an overall program goal of reducing the impact of poverty. Volunteer Services has several anti-poverty initiatives and a potential of helping more than 35,000 Fayette County residents with low income seeking services each year by working alongside Council staff in each of the Council's six Fayette County Neighborhood and Community Centers.

The following provides a brief overview of some of the key Volunteer Services' programs. Volunteer Services places approximately 30 senior adults with low-income in child development programs to work one-on-one with more than 150 preschool age children from families with low-income who have been assessed and identified as needing additional social and academic supports to be on the same level as their typically-developing peers. Volunteer Services also organizes the Council's annual "Winterblitz" which provides winterization services to 40 low-income households and the Council's Martin Luther King, Jr. Day of Service project, which for the last two consecutive years has sponsored "Back-A-Vet" - a project seeking 200 back packs filled with necessary health and wellness items 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 40 low-income households will receive winterization services. | Number of households with energy savings as a result of Winterblitz |
| Tax preparation services | More than 700 participants with low-income will receive support completing their taxes. | Number of households receiving a Federal or State tax credit |

| 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 an assessment. | Twice annually |
| The number of low-income households that participate in Winterblitz | Staff observation | Participants will complete a post assessment. | Annually |
| The number of households that participate in the tax preparation program | Number of households who file taxes | Every participating household will be counted. | Annually |

Addendum

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

Program Name: Senior Transportation Services

LFUCG Partner Agency Program Funding: \$17,250

Program Summary: The three different services outlined in this proposal serve seniors with low-income and comprise the Council's Senior Transportation Services. The goal of this program is to support the ability for older and elderly adults with low income to age in place or to live as independently as possible. The services outlined in this proposal were originally initiated at the request of LFUCG.

The first service discussed in this application under Senior Transportation Services is weekly transportation, known as 'senior shopping.' Transportation is provided for the purpose of grocery shopping or obtaining other necessary daily living items. A Council bus or van transports adults living in senior housing facilities in Lexington-Fayette to the shopping sites. Though not a program requirement, many of the approximately 50 adults from five different senior housing facilities who regularly participate in senior shopping have mobility concerns that make it very difficult and time intensive for them to be able to shop using local public transportation. Additionally, the cost of a cab is unreasonable and prohibitive.

The second service is Demand/Response Transportation Services that offers WHEELS vouchers to senior participants with low-income with a diagnosed medical condition requiring regular treatment or for essential shopping trips. Annually, Council staff oversee the distribution of approximately 10,232 WHEELS vouchers, totaling 5,116 round trips for Council participants.

The third service is home prescription delivery service, for the elderly population with low-income who are homebound. Annually, the Council oversees the home delivery of approximately 88 prescriptions for patients of the Health Department.

Long-Term Program Goals: To provide transportation assistance to local grocers to 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 treatments and live more independently. To provide prescription delivery services to seniors so that they may live more independently.

| ACTIVITIES | OUTPUTS | OUTCOMES |
|--|---|--|
| Demand/Response transportation through the provision of WHEELS vouchers | The number of vouchers received is contingent on participant's medical needs | 100% of participants will meet their health needs by regularly attending necessary medical appointments |
| Transportation to local grocery stores for adults living in senior housing facilities | A minimum of one shopping trip will be scheduled each month for each senior housing facility. | Participants will be able to live more independently as a result of shopping trips |
| Prescription delivery for participants who are homebound, as designated by the Health Department | The number of deliveries is contingent on the types of prescriptions needed by the participants | 100% of participants enrolled in the program will have continuous access to prescribed medication |

| 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 |
| Senior Shopping sign in sheet | Staff observation | Every participant will be counted. | Each trip |
| Number of prescription delivery trips each month | Staff count of trips | Every trip will be counted. | Monthly |

Addendum

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

Program Name: Affordable Energy Initiative

LFUCG Partner Agency Program Funding: \$36,190

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 2013-2014 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 benefiting 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 utility 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 will include intervention in at least two rate cases in 2013-2014. Initiatives ordered by the Kentucky Public Service Commission will provide additional utility subsidy or weatherization assistance to at least 6,000 households with low-income annually (increase over 5,000 currently) as measured by program slots available on 6/30/2014.

| ACTIVITIES | OUTPUTS | OUTCOMES |
|--|--|--|
| Community Action Council intervention in at least two utility rate cases in 2013-2014. | 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 2012-2013. |
| Community Action Council intervention in at least two utility rate cases in 2013-2014. | Kentucky Public Service Commission approves new or expanded benefits to low-income utility customers | Activities will generate at least \$1 million in new or expanded low-income benefits. |
| Community Action Council intervention in at least two utility rate cases in 2013-2014. | Kentucky Public Service Commission approves new or expanded benefits to low-income utility customers | Activities increase 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 |