

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the _____ day of July 2018, 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 **URBAN LEAGUE OF LEXINGTON – FAYETTE COUNTY, INC.**, a Kentucky corporation, ("Organization") with offices located at 148 DeWeese Street, Lexington, with a mailing address of 148 DeWeese Street, Lexington, Kentucky 40507, with an effective date of July 1, 2018.

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, 2018, 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 the Organization the total sum of Ninety Thousand Dollars (\$90,000.00) for services required by this Agreement, said services being more particularly described in Exhibit A attached hereto and incorporated herein by reference. Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) of the total sum amount shall be payable each quarter, within ten (10) days after receipt of the report

required in Paragraph 6 herein, July to June, inclusive. Lexington-Fayette Urban County Government funds may not be used to provide Cost of Living Increases beyond 2% in fiscal year 2019. Additionally no LFUCG funds may be used to hire any additional staff above the current (FY 2018) staffing levels (4 full-time and 0 part-time).

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 total service required hereunder.

4. Organization shall perform all duties and services specified in Exhibit A faithfully and satisfactorily at the time, place, and for the duration prescribed herein. Organization shall keep itself fully informed of all national 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 Organization's violation of any such laws, ordinances or regulations.

5. Organization represents that it has filed any federal, state or 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's most recent or current tax year are registered by the Organization in the CDO, and the Organization shall not be compensated unless and until such registration has taken place.

6. The Organization shall, at the end of each quarter and by no later than the 10th day of the succeeding quarter (October 10, 2018; January 10, 2019; April 10, 2019; and July 10, 2019), on such forms as the CDO shall provide, submit electronically to the CDO: (a) a report containing, for each of the services enumerated in Exhibit A which were provided in the preceding quarter a description of the service provided, including the costs of providing services and the quantity and quality of the service provided; (b) the additional information requested in and submitted on the form attached hereto as Exhibit B and incorporated herein by reference (or a similar form created and provided to Organization by the Government); and (c) an invoice requesting compensation for the services provided during the preceding quarter. Failure to electronically submit the quarterly report and invoice described herein by the required date shall result in the quarterly payment to Organization being withheld until the next reporting period. In addition, Organization shall be required to present a progress report as to its activities annually, or as additionally required, before the Urban County Council's Budget, Finance & Economic Development Committee, or as otherwise instructed by the Government.

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 relating to the LFUCG 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.

8. 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 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, or to constitute Organization 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, 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.

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

11. The 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. A copy of this audit shall be submitted to the CDO within 10 days of completion.

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 investments 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 regulations. The trust department may utilize its regular short-term 100% U.S. 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" investments, 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 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 fully insured.

D. Audit--All investments shall be audited at least annually by independent certified public accountants 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. 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.

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

For Organization: Urban League of Lexington-Fayette County, Inc.
 148 DeWeese Street
 Lexington, Kentucky 40507
 Att: P.G. Peebles, President & Chief Executive Officer (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: _____
JIM GRAY, MAYOR

ATTEST:

Martha Allen
Clerk of the Urban County Council

URBAN LEAGUE OF LEXINGTON-
FAYETTE COUNTY, INC.

BY: _____
RAYMOND DANIELS, CHAIRPERSON

ATTEST:

WITNESS: _____
DATE: _____

EXHIBIT "A"

Lexington/Fayette Urban County Government
Addendum for Services
Urban League of Lexington-Fayette County, Inc.

Scope of Work

Local Contribution:

During fiscal year 2019 (July 1, 2018 through June 30, 2019) Urban League of Lexington-Fayette County will use these funds from Lexington-Fayette Urban County Government to:

College and Career Readiness	Year-long support of high school students, including individual college development plans, monthly meetings with a college mentor for juniors and seniors, researching career interests, introduction to college campuses, and assistance completing college and financial applications.	At least 200 high school students participate in program, through scholarships
College scholarships	Awards of \$1,000 (\$500 / semester) for 10 applicants, to support higher education	10 students attend at least two semesters
LIFT Conference	Middle and high school students and their parents attend the college/career readiness conference. First generation college materials are shared as well as ACT preparatory exams. Students are given the Scholly app which identifies and tracks scholarships students are eligible and apply to receive.	At least 250 persons attend conference
Financial Literacy Program	Students participate in financial literacy classes covering budgeting, checking and savings accounts, and credit cards. Summer students cover the same topics with a focus on entrepreneurship. High school students will cover these topics with special attention to paychecks, education financing and loan repayment. Classes will also be provided in partnership with the LFUCG Summer Youth Job Training program	At least 200 students attend financial literacy classes
Expungement scholarship	Scholarship that helps low-income, rehabilitated individuals file for Class D Felony expungement and petition the local court	At least 20 individuals have their Class D felony record expunged

EXHIBIT "B"

Lexington/Fayette Urban County Government
Addendum for Services
Urban League of Lexington-Fayette County, Inc.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
 Economic Development Partner Agency Quarterly Report
 Fiscal Year 2019

Partner Agency: Urban League of Lexington
Date of Quarterly Report: X
Fiscal Year 2019 Report Period: Quarter #
Report Completed By: X

NUMBER OF INDIVIDUAL MEMBERS RECORD EXPUNGED

Number of Individuals Seeking Expungement This Quarter: #
 Number of Individual Expungements Granted This Quarter: #
 Number of Individuals Receiving Expungement With Remaining Felonies on Record That Were Not Expunged: #
 Number of Individuals Who Got New Job After Expungement: #
Type of Class D Felony Records Expunged This Quarter:
 X
 X

NUMBER OF STUDENTS ATTENDING THE LIFT CONFERENCE

Number of Students Attending LIFT Conference: #
 Number of Conference Students Applying for College: #
 Number of Students Accepted into College: #

NUMBER OF INDIVIDUAL STUDENTS COMPLETING URBAN LEAGUE SPONSORED COLLEGE OR CAREER READINESS PROGRAM

Number of Individual Students That Enrolled in Career Readiness Program: #
 Number of Individual Students Who Completed Career Readiness Program: #

HIGHER EDUCATION/COLLEGE SCHOLARSHIP AWARDS

Number of Scholarship Applications Received: #
Number of Scholarships Awarded: #
Higher Education Institution Students
Attending:

FINANCIAL LITERACY TRAINING

Number of Students Attending Financial Literacy Program This Quarter: #
Number of Total Student Hours in Financial Literacy Training: #

BUDGET PARTICIPATION

Total Budget of Urban League for Current Quarter: \$
LFUCG Funding for Current Quarter: \$
Administrative Cost & Salary Expenses for Current Quarter: \$

WHAT ACTIONS HAS THE URBAN LEAGUE TAKEN IN THE PAST QUARTER TO INCREASE ITS FINANCIAL SUSTAINABILITY WITH LESS RELIANCE ON FUNDS FROM LFUCG?

Place response here

***Submit this form in Excel format by the dates required in the PSA to the Chief Development Officer:
katkins@lexingtonky.gov***