

**AGREEMENT REGARDING COLLECTION
OF OCCUPATIONAL LICENSE FEE/TAX**

THIS AGREEMENT, made and entered into on the _____ day of _____, 2013 by and between **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to Chapter 67A of the Kentucky Revised Statutes, 200 East Main Street, Lexington, Kentucky 40507 (“Government”), and **BOARD OF EDUCATION OF FAYETTE COUNTY, KENTUCKY**, with offices located at 701 East Main Street, Lexington, Kentucky 40502 (“Board”).

RECITALS:

WHEREAS, in the past the Government has collected the Occupational License Taxes (“OLT”) from the residents of Fayette County, Kentucky as agent for the Board; and

WHEREAS, the Board now pursues collection of its OLT on its own behalf but will still require limited services and data access from the Government; and

WHEREAS, the Government will provide such limited collection services, registration and data access to the Board as otherwise provided in this Agreement; and

WHEREAS, the Board will provide limited collection services, registration and data access to the Government as otherwise provided in this Agreement; and

WHEREAS, the Government and the Board each have compliance programs to identify and license businesses in Fayette County, to the benefit of the Government and the Board; and

WHEREAS, the Government and the Board each have a history of collecting Occupational License Fees (“OLF”) and OLT payments, respectively, from the same citizens who will be responsible for paying OLT to the Board and OLF to the Government; and

WHEREAS, the Government has an extensive data base for processing and collection of OLF, which will be helpful to the Board’s processing and collection of its OLT; and

WHEREAS, the Board has a data base for processing and collecting its OLT, which will be helpful to the Government’s processing and collection of its OLF.

NOW, THEREFORE, in consideration of the Recitals which are a material part of this Agreement, the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, it is agreed by and between the parties as follows:

A. REGISTRATION, ACCOUNTING AND COLLECTION

1. The Government shall be the initial registration point for all new Occupational License Fee/Tax accounts (“Accounts”) and shall provide to the Board via secure download a listing of all new Accounts and information each week.

2. Any payments clearly intended for the Board (e.g., checks payable to the Board), which are sent to the Government in error, will be made available daily to the Board for pick up by the Board at its convenience.

3. Any payments clearly intended for the Government (e.g., checks payable to the Government), which are sent to the Board in error, will be delivered to the Government when the Board picks up payments pursuant to paragraph 2 above.

4. The Government shall, in such instances where it is able to do so, collect for the Board the Occupational License Fee/Tax from federal agencies. Due to the delay in receiving supporting documentation from such agencies, these collections shall be forwarded to the Board within fourteen (14) days of the end of the month or if the supporting documentation is not yet available, at that point, as soon as possible thereafter.

5. Each party agrees to observe the same diligence, policies and procedures in the account and collection of the payments intended for the other party as it uses in administering the accounting and collection of its own Occupational License Fees or Taxes.

6. The Government maintains account payment histories. The Government shall provide the following:

a. Read only on-line access to the Occupational License Fee transaction data maintained by the Government. The Board will pay the Government \$0.05 for each transaction, defined as each time the operator hi[t]s the “Enter” key. The Government’s Division of Computer Services will furnish the Board a statement of activity by terminal by the tenth (10th) day of the following month.

b. The Government’s Division of Computer Services will provide the Board an electronic file of all changes to Government’s License Master Files on a weekly basis. This file will contain all License Master File records that have been added or changed in the past week. The data contained within this file will be subject to the current edits that the Division of Computer Services uses in its normal course of production. A list of data contained in the License Master File is detailed in Addendum A. If at all possible, the Government’s Division of Computer Services will

provide a minimum of four (4) weeks' notice to the Board on pending or planned changes to the License Master File due to future enhancements to Government's License Fee system.

7. The Board maintains OLT account payment histories. The Board will provide the Government an electronic file of all OLT Transaction Files upon execution of this Agreement. Thereafter, the Board will provide to the Government changes to its Transaction Files on a weekly basis. This file will contain all OLT Transaction File records that have been added or changed in the past week. The data contained within this file will be subject to the current edits that the Board's Division of Tax Collection uses in its normal course of production.

8. Within fourteen (14) days after the close of each month, the Board will prepare an analysis of all Government payments received by the Board during the previous month. The results of the analysis will be presented to the Government along with any payment, if warranted. Once research has determined the necessary correction of past payment(s) which have been incorrectly processed and applied to the Board in error, the Board will present payment to the Government within fifteen (15) working days of confirmation.

9. Within fourteen (14) days after the close of each month, the Government will prepare an analysis of all Board payments received by the Government during the previous month. The results of the analysis will be presented to the Board along with any payment, if warranted. Once research has determined the necessary correction of past payment(s) which have been incorrectly processed and applied to the Government in error, the Government will present payment to the Government within fifteen (15) working days of confirmation.

10. The Government and the Board shall each be responsible for their own costs incurred for equipment and software housed in their respective offices. The Government and the Board shall each designate an individual or individuals as liaison to assist in the implementation of the terms of this Agreement by assisting with the transmission of information required by the Agreement and by responding to questions or requests for information from the public.

B. TERM AND PAYMENT

11. The total term of this Agreement shall be for five (5) fiscal years, with the initial term commencing July 1 2013, and which may be renewed annually.. Either party shall have the right to terminate this agreement at any time upon a sixty (60) days written notice, either personally delivered or served by some form of return receipt mail evidencing delivery to the other party. Payments shall be due monthly as set forth in this Agreement.

12. The Board shall pay the Government, within thirty (30) days of the receipt of a monthly invoice the sum of Twelve Hundred Fifty Dollars (\$1,250.00) each month as a fee for services provided beginning January 1, 2013.

C. CONFIDENTIALITY

13. Both parties acknowledge that each will have access to confidential taxpayer information in the course of this Agreement. The parties agree that such information is being provided for the sole purpose of pursuing the collection of Occupational License Tax/Fee. Pursuant to KRS 67.790, any and all data provided pursuant to this Agreement shall be considered confidential and shall not be disclosed to nor accessed by any but authorized personnel of the parties, unless full or partial disclosure to third parties is required under the Kentucky Open Records Act or by order of a Court of competent jurisdiction.

D. MISCELLANEOUS PROVISIONS

14. This Agreement shall be construed to be applicable to only the parties hereto and shall not confer any rights, privileges, or obligations on any third party.

15. Neither the Government nor the Board shall incur liability pursuant to this Agreement except to the extent of its own negligence or other substantiated improper conduct.

16. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors.

17. This Agreement has been entered into and shall be construed in accordance with the laws of the Commonwealth of Kentucky.

18. If any section, paragraph, or clause of this contract shall be held invalid by any court of competent jurisdiction, the invalidity of said section, paragraph, or clause shall not affect any remaining provisions herein.

19. The parties shall not discriminate in any of the services performed in connection with this contract on the basis of race, color, national origin, religion, age, creed, political affiliation, marital status, sex, or disabling condition.

20. KRS 45A.455 PROHIBITS CONFLICTS OF INTEREST, GRATUITIES, AND KICKBACKS TO EMPLOYEES OF THE BOARD OF EDUCATION IN CONNECTION WITH CONTRACTS FOR SUPPLIES OR SERVICES WHETHER SUCH GRATUITIES OR KICKBACKS ARE DIRECT OR INDIRECT. KRS 45A.990 PROVIDES SEVERE PENALTIES FOR VIOLATIONS OF THE LAWS RELATING TO GRATUITIES OR

KICKBACKS TO EMPLOYEES WHICH ARE DESIGNED TO SECURE A PUBLIC CONTRACT FOR SUPPLIES OR SERVICES.

21. This Agreement is the entire agreement between the parties and may not be amended, modified or revised except by written instrument signed by each of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates hereinafter set forth.

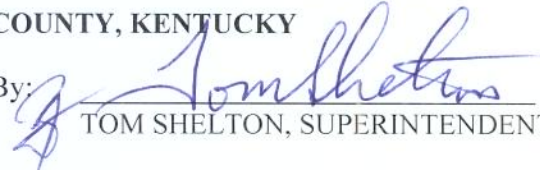
**LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT**

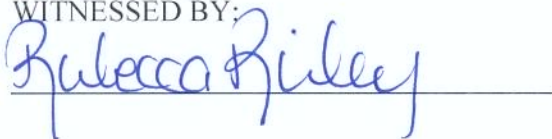
By: _____
JIM GRAY, MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

**BOARD OF EDUCATION OF FAYETTE
COUNTY, KENTUCKY**

By:  _____
TOM SHELTON, SUPERINTENDENT

WITNESSED BY:
 _____