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, SISOHPROMATEM ART FOUNDATION, INC. with offices located at 651A West Short Street, Lexington, Kentucky 40508, (hereinafter "Organization").

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, 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**Thousand Ten Dollars (\$1,010.00) 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 2014 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 9th, 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:

FOUNDATION INC

Attn: SONJA BROOKS

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

SISOHPROMATEM ART FOUNDATION,

INC.

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: Sisohpromatem Art Foundation, Inc

Program Name: ART CLUB

LFUCG Partner Agency Program Funding: \$1,010

Program Summary: A year-round art-based development and leadership program, ART CLUB engages fifth graders, and older graduates of ART CLUB, in creative explorations to learn about themselves and the community. Students meet one Saturday each month and one week for a summer camp. We anticipate 30-35 participants during FY 2015, the 4th year of ART CLUB. SAF, Inc. invites 12-15 Fayette County Public elementary schools to nominate participants. Based on past attendance, about 75% of students will be from low-income families (our target audience), and participate in free and reduced lunch programs. We offer scholarships to these students to guarantee their opportunity to attend. We expect to continue to engage some paying students to ensure an inclusive, diverse group of participants

important, students will develop new and continuing friendships with a diverse group of students they might not otherwise meet. Long-Term participants increase confidence, social and emotional skills, creative expression, problem solving and their ability to collaborate. Equally ART CLUB is multi-disciplinary and guided by educators. The underlying theme is "Art + Issue = Change". ART CLUB experiences will help

Program Goals:

- 1. Nurture new, continuing friendships among the diverse group of participants
- 2. Increase student comfort zones, to help them recognize, seek and take advantage of all kinds of opportunities
- 3. Strengthen student 21st century skills—creativity, collaboration, communication, and critical thinking & problem solving
- 4. Establish regular interaction of students with a diverse group of caring, motivated learners with a positive outlook on life (adults and older youth), who treat the students with respect and nurture, encourage and inspire them.
- 5. Dispel/prevent prejudices through exposure to diversity of participants and experiences

ACTIVITIES	OUTPUTS	OUTCOMES
individual goal setting	each participant	each student identifies one goal and steps to achieve it by end of school year
artist-led workshops	10 of the 16 sessions	each student learns 3 new art techniques to explore their own creativity
community exploration	2 or more field trips to explore a community issue	each student learns about an environmental or community issue, i.e., benefits of recycling
group meals	16 sessions; students eat at local restaurant or have a meal at SAF, Inc.	students develop friendships while sharing a meal; nurture capacity to collaborate
group projects, i.e painting a storm drain, creating awareness of pollution	1 group project per ART CLUB year	each child contributes to collaboration on the group project

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
student shows progress on	written student evaluation	each student	midway and at end of year
development of steps to achieve goal, i.e. short term			
planning			
each student creates new work	photographs of art by each	each student	each workshop is documented
of art influenced by the artist-	student and student feedback		by group photos; one group
led workshop			exhibit of student work
student creates artwork	photographic and written	each student expresses	one group exhibit of student
reflecting concern about an	documentation by student	concern in art form of choice	work during ART CLUB year
environmental issue			
students start off as strangers	observation by ART CLUB	each student will complete a	beginning and near end of ART
and become friends; begin	personnel	feedback survey	CLUB year
collaborating in breakout			
groups			
students contribute ideas to	both observation and group	each student provides	evaluation by each student at
development of projects	feedback of how it went	individual observation	end of project