

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, **BLUEGRASS REGIONAL MH-MR BOARD, INC.** with offices located at 1351 Newtown Pike Bldg. 1, Lexington, Kentucky 40511, (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 Two Thousand Two Hundred Seventy Dollars (\$172,270.00)** 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 2013 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 10<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:

Bluegrass.org (Bluegrass Regional MHMR Board, Inc)  
1351 Newtown Pike Bld 1  
Lexington, KY 40511-1277

Attn: David E. Hanna Ph.D.

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

BLUEGRASS REGIONAL MH-MR BOARD,  
INC.

BY: \_\_\_\_\_

Jim Gray, Mayor

BY: \_\_\_\_\_

Dana R. Royse  
Dana R. Royse

Title: CFO

ATTEST:

Meredith Nelson, Deputy  
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:** Bluegrass Regional MH-MR Board, Inc.

**Program Name:** Mobile Outreach Team

**LFUCG Partner Agency Program Funding:** \$65,800

**Program Summary:** The Mobile Outreach Team (MOT) provides intensive, integrated mental health case management, treatment, and rehabilitation services to adults with severe and persistent mental illnesses (SPMI) such as schizophrenia, schizoaffective disorder, bipolar disorder, or major depression. The intent of the team is to provide services to persons with acute psychiatric problems whose symptoms create cycles of dysfunction that include frequent hospitalizations, homelessness, incarceration, and/or unemployment. The program's goal is to assist these individuals with achieving community stability and healthcare by helping them obtain stable housing and engaging them into behavioral health treatment.

The MOT currently consists of two case managers, a part-time clinician, and an APRN. Each team member possesses the skills necessary to assist individuals with creating and carrying out customized rehabilitation service plans that include psychiatric care, housing assistance, substance abuse recovery, health, financial, employment, education, and social support options. Services are typically provided multiple times a week and are delivered in the individual's home or natural settings in the community. The team develops strong partnerships with families, health service providers, homeless providers, justice services, and other community support systems in order to address the complex clinical and supportive needs of those served.

The MOT is based on the evidence-based practice of Assertive Community Treatment (ACT) and similarly utilizes a small client to staff ratio. Funding through this request will be used to add one fulltime case manager and 4 hours of APRN services to allow an additional 15 Fayette County residents to be served.

**Long-Term Program Goals:** 67% of the individuals assessed will become engaged in treatment services (10 of 15). 80% of the individuals who enter the program as homeless will obtain and maintain safe, stable housing in the community.

ACTIVITIES	OUTPUTS	OUTCOMES
Case Management	15 individuals will be screened by a case manager and upon agreement to participate in the MOT program will begin receiving services.	15 individuals who meet program criteria will be accepted for services by the team.
Housing Assistance	15 individuals will be screened to determine qualification for various housing and housing support services.	87% of participants meeting criteria will receive appropriate housing and/or housing support services.
Supportive Services	10 participants will receive multiple contacts per week from the team which could include home visits, phone calls, and transportation to needed resources and services.	80% of participants will identify and show progress toward achievement of an individual recovery goal within 3 months of entry.
Psychiatric Services	15 individuals will be screened by a case manager and upon agreement to see a practitioner, will be assessed by the APRN.	73% of participants receiving medication services will demonstrate an understanding of the risks and benefits of their prescribed medications.

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
Number of participants receiving assessment and beginning services with 7 days	Bluegrass' billing/productivity system	100%	Data collected at occurrence. Reported monthly.
Number of participants screened receiving appropriate housing and/or housing support services	Bluegrass' billing/productivity system; clinical record	100%	Data collected at occurrence. Aggregated monthly.
Number of participants receiving 2 or more contacts per week	Bluegrass' billing/productivity system	100%	Data collected at occurrence. Aggregated monthly.
Number of individuals demonstrating understanding of the risk/benefits of medication	Bluegrass' clinical record	100%	Data collected at occurrence. Aggregated monthly.

## Addendum

**Agency:** Bluegrass Regional MH-MR Board, Inc.

**Program Name:** Organizational Payee Program

**LFUCG Partner Agency Program Funding:** \$106,470

**Program Summary:** The Organizational Payee Program is designed to assist individuals receiving governmental benefits (SSI, SSDI, VA, etc) through provision of budgetary management services. Essentially, the program allows participants to live within their means while working towards long term goals. Bluegrass maintains individual accounts for all participants and works with them to develop budgets. Bluegrass processes all financial bills and responsibilities through Accounts Payable. Each account is in-turn debited for the participant's expenses. Once all necessities are paid, personal spending cash is distributed. Detailed budgets with account balances allow forecasting that cannot be achieved independently. The value added is realizable to the participants as well as the community. Bluegrass handles all financial responsibilities, and in doing so, financial exploitation, substance abuse, homelessness, and waste is significantly reduced.

This proposal details expansion of the Bluegrass payee program for Fayette County residents that are not clients. Bluegrass will receive referrals from partner agencies/providers (Hope Center, Catholic Action, New Life Day Center, etc.). Bluegrass projects to serve 75 Fayette County residents. This project will target individuals who are homeless, have a mental illness, or substance abuse problem.

Services are provided on continual basis. Bluegrass has partnered with the Hope Center, Catholic Action, New Life Day Center, and Fifth Third Bank for referrals and the cash disbursement component of the program. Every two weeks, Bluegrass staff will travel to designated agencies and distribute personal spending cash. The program goals include financial self-sufficiency, housing, enrollment in support services/system of care, and reduction of substance abuse/financial exploitation.

**Long-Term Program Goals:** Enable financial self-sufficiency for program participants; Lease apartment or housing unit; End homelessness for program participants; Manage benefits effectively for participants; Protect participants from financial exploitation; Mitigate credit/debt problems; Provide easy access to support services; Encourage participation in support services and develop plan of care

ACTIVITIES	OUTPUTS	OUTCOMES
Provide budgetary management for participants	75 Units of service per month Provided to all participants on as needed on monthly/bi-weekly/weekly basis	Self Sufficiency (50%)– Paying own bills, making benefits last all month, financial stability
Process client bills and financial responsibilities through Bluegrass	150+ Checks monthly Check runs at least once a week or as needed, more for emergencies	Reduce potential substance abuse – Through paying necessities first and bi monthly cash disbursements, involving service/community agencies, integrating into support service system Mitigate financial exploitation (100%) – by enrolling in payee program End Homelessness (50%)– by processing lease/room and board payments through Bluegrass or enrolling in residential services.
Distribute personal spending cash	112 Cash distributions monthly to participants Twice a month at designated partner agency locations	Reduce potential substance abuse – Through paying necessities first and bi monthly cash disbursements, involving service/community agencies, integrating into support service system Mitigate financial exploitation (100%) – by enrolling in payee program
Integrate referring agencies and service providers into plan of care	37 Client touches monthly Ongoing continuous effort, but at least twice a month – associated with cash disbursement	Complete the spectrum of services available in Fayette Co – provides comprehensive array of services from clinical, to physical, to financial.

INDICATOR	MEASUREMENT TOOL/APPROACH	SAMPLING STRATEGY & SIZE	FREQUENCY & SCHEDULE OF DATA COLLECTION
1. Enrollment in Payee Program	1. Count/Census, referrals, payee applications	1. Simple. (Goal is 50% retention for the year)	1. Monthly, ad-hoc
2. Manage/Budget participant benefits. Process financial bills and responsibilities through Bluegrass	2. Monthly/Weekly review of participant account. Review of participant account balances and expenses (staff observation)	2. Both. (Goal is 75%)	2. Weekly, Monthly, ad-hoc
3. Reduce Homelessness	3. Report and monitor lease/utility payments, vendor inquiry, etc. (staff observation)	3. Simple. (Goal is 50%)	3. Monthly, ad-hoc
4. Become Financially Self-Sufficient (balanced budget)	4. Review client account balances. Forecast benefits/expenses. (staff observation)	4. Both. (Goal is 50%)	4. Semi-Monthly, ad-hoc
5. Integrate Support Services from Partner agencies and Community providers	5. Request client status from agencies, in-kind match report, service reporting agreements. (survey/report)	5. Both. (Goal is 50%)	5. Monthly, semi-monthly, ad-hoc