

## PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT (hereinafter "Agreement"), made and entered into on the 11<sup>th</sup> day of July, 2017, 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, **HOPE CENTER, INC.** with offices located at 360 West Loudon Avenue, 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, 2017**, and continuing for a period of two (2) years 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 Million, Four Hundred and Sixty Thousand and 00/100 Dollars (\$1,460,000)** for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein by reference as Exhibit A, one-eighth (1/8<sup>th</sup>) of which shall be payable in August 2017 or shortly thereafter upon receipt of an invoice, with one-eighth (1/8<sup>th</sup>) payable each quarter thereafter upon submission of a quarterly invoice and a detailed quarterly program report. **Quarterly invoices and detailed program reports shall be submitted by October 16<sup>th</sup>, 2017, January 15<sup>th</sup>, 2018, April 16<sup>th</sup>, 2018, July 15<sup>th</sup>, 2018, October 15<sup>th</sup>, 2018, January 14<sup>th</sup>, 2019, and April 15<sup>th</sup>, 2019. A two-year-end program**

**report shall be submitted by July 15<sup>th</sup>, 2019.** 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 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

5. Organization shall indemnify, defend and hold harmless Government, its officers, agents and employees, from and against any and all liabilities, claims, demands, losses, damages, costs, and/or expenses arising out of, from, relating to, and/or based on the Organization's violation of any such laws, ordinances or regulations or Organization's breach of this Agreement.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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, 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.

11. 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.

12. This instrument, and the Addendum 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.

13. 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.

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

For Organization:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

For Government:

Lexington-Fayette Urban County Gov.  
200 East Main Street  
Lexington, Kentucky 40507

Attn: Chris Ford, 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

HOPE CENTER, INC.

BY: \_\_\_\_\_  
Jim Gray, Mayor

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

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk of the Urban  
County Council

# Addendum

**Agency:** Hope Center, Inc.

**Priority Area:** Community Wellness & Safety

**Program Name:** Hope Center Recovery Programs and Mental Health

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$1,000,000 (\$500,000 per FY)

**Program Summary:** The mission of the Hope Center is to care for homeless and at-risk persons by providing life-sustaining and life-rebuilding services that are comprehensive and address underlying causes. The Hope Center Recovery Programs for Men and Women and Mental Health Program directly address our mission by addressing substance abuse, mental illness, employment, life skills, and others to help participants rebuild their lives. The specific population targeted by Hope Center is homeless adult men and women with substance abuse, mental illness, or both. We help our clients overcome numerous obstacles in accessing services, including poor health, employment issues, lack of life skills, and many others while providing long-term residential recovery, filling an otherwise unmet need.

**Desired Outcomes for Clients:** The desired client outcomes we hope clients achieve are in keeping with our mission statement, which is to care for homeless and at-risk persons by providing life-sustaining and life-rebuilding services that are comprehensive and address underlying causes. The program goals for Hope Center Recovery and Mental Health clients directly address the needs of our clients in overcoming obstacles to achievement of the goals of recovery, self-sufficiency, and housing (ending of homelessness).

The overall desired outcomes, which both incorporate and facilitate the individual client goals, include 1) Consistent day-to-day program management, including provision of ongoing supervision and support to staff and volunteers; ongoing coordination with all community partners. 2) Provision of stabilization, Motivational Track, Phase 1 Recovery Program, and Phase II. 3) Provision of human needs and recovery supports, including lodging, meals, classrooms, Recovery Dynamics and other educational and recovery supplies. 4) Stability of mental illness, housing, and finances, including compliance with medication and appointment schedules; maintenance of housing; and maintenance of income through entitlements or employment.

The service philosophy in terms of helping clients achieve goals is to provide all services needed in an atmosphere of respect and support.

**For LFUCG Agreement Addendum and Quarterly Reporting purposes,** describe below how you will ensure clients' needs are met or goals are achieved Please summarize based on your previous answers to questions above referenced in each column.

<b># of Clients to be Served per year</b>	<b>Desired outcome for client</b> (from Question 5.1a.2)	<b>Service or activities to achieve goal</b> (from Question 5.1a.3)	<b>Unit of service, frequency, length</b> (from Question 5.1a.3)	<b>Measure of effectiveness</b> (from Question 5.1b.1)	<b>Sampling size and frequency</b> (from Question 5.1b.3)
853 per year/ 1706 over 2 years	Consistent day-to-day program management,	Provide day-to-day program management, coordination with community and agency partners and volunteer activities, maintenance of existing staff levels, coordination of ongoing training and other staff support needs	Ongoing supervision and support to staff and volunteers; ongoing coordination with all community partners	40% of recovery clients and 25% of mental health clients will achieve goals	100% of clients, staff, volunteers and community partners, reported weekly and/or monthly
754 per year/ 1158 over 2 years	Ongoing capacity for provision of stabilization, Motivational Track, Phase 1 Recovery Program, and Phase II.	Provide stabilization, MT, and Recovery services	Provision of stabilization, MT, and Recovery services, resulting in Phase 1 provision to unduplicated 579 men and women annually	40% of Phase 1 recovery clients and 25% of mental health clients will achieve goals	100% of clients, reported weekly and/or monthly
853 per year/ 1706 over 2 years	Provision of human needs and recovery supports,	Provide lodging, meals, classrooms, Recovery Dynamics and other educational and recovery supplies.	45,830 nights of lodging and 137,490 meals; provision of orientation packets and program materials to participants.	40% of recovery clients and 25% of mental health clients will achieve goals	100% of clients, reported weekly and/or monthly
99 per year, 198 over	Stability of mental illness, housing, and finances	Provide engagement, psychiatric assessment and evaluation; medication assistance and monitoring; case management services; life skills training; housing support services; payee services; service referrals; and transportation assistance	Provision of mental health services to 198 men during the grant period, through 8,652 visits and over 28,753 units of service annually.	40% of recovery clients and 25% of mental health clients will achieve goals	100% of clients, reported weekly and/or monthly



# Addendum

**Agency:** Hope Center, Inc.

**Priority Area:** Food Insecurity & Nutritional Access

**Program Name:** Hope Center Food Services

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$60,000 (\$30,000 per FY)

**Program Summary:** In 2015, Hope Center served 153,484 meals at the Jacobs Cafeteria, and distributed 82,887 food units (for example, sandwiches, cookies, bags of chips) at the Hope Mobile to homeless men and women in Fayette County. Our target population is homeless adults in Fayette County, an extremely at risk population, particularly in terms of food insecurity. Hope Center fits into the existing system of meals and food for homeless persons by providing meals for clients of the Emergency Shelter, Mental Health Program, and other programs – and to the community – at the Jacobs Cafeteria; and by providing food to homeless in the community through the Hope Mobile.

**Desired Outcomes for Clients:** The desired client outcomes we hope clients achieve are in keeping with our mission statement, which is to care for homeless and at-risk persons by providing life-sustaining and life-rebuilding services that are comprehensive and address underlying causes. The program goals for Hope Center Food Service program is to help clients have consistent access to nutritious food. The overall desired outcomes, which both incorporate and facilitate the individual client goals, include 1) Consistent day-to-day program management, including provision of ongoing supervision and support to staff and volunteers; and ongoing coordination with all community partners. 2) Provision of meals at the Jacobs Cafeteria for Hope Center Emergency Shelter and Mental Health clients; and 3) Provision of units of food to homeless persons in the community who visit the Hope Mobile.

**For LFUCG Agreement Addendum and Quarterly Reporting purposes,** describe below how you will ensure clients’ needs are met or goals are achieved Please summarize based on your previous answers to questions above referenced in each column.

# of Clients to be Served per year	Desired outcome for client (from Question 5.1a.2)	Service or activities to achieve goal (from Question 5.1a.3)	Unit of service, frequency, length (from Question 5.1a.3)	Measure of effectiveness (from Question 5.1b.1)	Sampling size and frequency (from Question 5.1b.3)
2247 at Jacobs & 7800 at Hope Mobile	Consistent day-to-day program management	Ongoing supervision and support to staff and volunteers; ongoing coordination with all community partners	Ongoing supervision and support to staff and volunteers; ongoing coordination with all community partners	Consistent access to nutritious food for clients	100% of clients, staff, volunteers and community partners, reported weekly and/or monthly
2247 at Jacobs & 7800 at Hope Mobile	Consistent access to nutritious food	Provision of 153,000 meals and distribution of 82,500 units of food	Meals served at Jacobs Cafeteria 3 times per day, 7 days per week; units of food distributed at Hope Mobile 5 days per week.	Maintenance of scheduled food services at the Jacobs Cafeteria and the Hope Mobile	Number of meals served and number of units of food distributed, measured by monthly reports.

# Addendum

**Agency:** Hope Center

**Priority Area:** Emergency Shelter

**Program Name:** Hope Center Emergency Shelter

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$400,000 (\$200,000 per FY)

**Program Summary:** The Hope Center Emergency Shelter provides lodging, food and clothing to homeless adult men in Fayette County 24-hours per day, 365 days per year. The shelter exposes participants to a comprehensive menu of services while providing basic needs. We provide lodging to about 180-220 men each night, for an average of 6,000 nights of lodging and 12,750 meals per month. The program's goal and overriding philosophy is to provide services to all who need them. The nature of the shelter is to provide services on a day-to-day basis, with provision of shelter, food and clothing the primary goal. The Shelter does this, and has never turned anyone away due to lack of capacity.

## **Program Results and Effectiveness:**

*Outputs for 7/1/2017 through 6/30/2018*

Number of Beds Available: 207

Number of Units Available for Families: 0

Number of Unduplicated People Served: 2148

*Outcomes and Targets for 7/1/2017 through 6/30/2019*

<b>Outcome Measure</b>	<b>FY18 Target</b>	<b>FY19 Target</b>
Average length of stay in shelter	60 days	60 days
% of residents who exited shelter and had returned to homelessness within 12 months	25%	25%
% of residents who exited shelter to permanent housing	3%	5%

**For LFUCG Agreement Addendum and Quarterly Reporting purposes,** describe below how you will ensure clients' needs are met or goals are achieved Please summarize based on your previous answers to questions above referenced in each column.

# of Clients to be Served per year	Desired outcome for client	Service or activities to achieve goal	Unit of service, frequency, length	Measure of effectiveness	Sampling size and frequency
2,148	Decrease the average length of stay in shelter	Begin planning permanent housing at intake; case worker assigned to each client; assistance with getting necessary documents	Intake, assessment and planning, weekly case work meetings	Average length of stay	100% of clients, ongoing data collection, monthly reports for management purposes
2,148	Maintain or decrease the % of residents who exit shelter and return to homelessness within 12 months.	Begin planning permanent housing at intake; case worker assigned to each client; assistance with getting necessary documents	Intake, assessment and planning, weekly case work meetings	Number and percentage of residents who exit and return to homelessness within 12 months	100% of clients, ongoing data collection, monthly reports for management purposes
2,148	Increase the % of residents who exit shelter to permanent housing.	Begin planning permanent housing at intake; case worker assigned to each client; assistance with getting necessary documents	Intake, assessment and planning, weekly case work meetings	Number and percent of residents who exit to permanent housing	100% of clients, ongoing data collection, monthly reports for management purposes