

## **PURCHASE OF SERVICE AGREEMENT**

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 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 Mayor's Office of Economic Development, ("MOED") and **THE LEXINGTON HISTORY MUSEUM, INC.**, ("Organization") at P.O. Box 748, Lexington, Kentucky 40508.

### 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 of twelve (12) months beginning on July 1, 2018 and ending June 30, 2019 with an automatic renewal for two (2) additional one (1) year terms thereafter, 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 sum of Sixty Thousand Dollars (\$60,000.00) for services required by this Agreement, one twelfth (1/12th) of which shall be payable each month.

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 provide the following services: continue to reorganize its collection(s) and place its collection(s) in long-term storage; continue special exhibits, pocket museums, and other programs for the benefit and education of the public; provide community outreach; and continue educational outreach programs with Fayette County's public and private schools. Organization shall use compensation paid to it under this Agreement to fulfill its obligations under this Agreement only, and for no other purposes. 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 regulation, 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. In addition, Organization shall provide Government with timely and satisfactory evidence that it has fulfilled any underlying lease obligations that it has for the rental or lease of any space related to the provision of its services upon the request of Government.

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 Department of General Services, 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 working day of the succeeding quarter, on the form attached as Exhibit A, submit to

the Department of General Services a report containing, for each of the services enumerated herein that were provided in the preceding quarter: (a) a description of the service provided, including the costs of providing services and the quantity and quality of the service provided, and (b) the additional information requested on the form(s) provided by the Department of General Services.

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 at least once every three years. 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 Department of General Services 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 once every three years 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 Department of General Services within ten (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 objective 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 once every three years by independent certified public accountants who shall express an opinion as to whether or not investments during the years audited have conformed with state and local law and regulation and with the approved investment policies.

**13. NOTICES.** Any notice or consent required to be given by or on behalf of either party upon the other shall be in writing and shall be given by hand delivery or U.S. Mail. If mailed, such notice shall be via certified mail, return receipt requested.

**Notice shall be sent to the Government at the following:**

Lexington-Fayette Urban County Government  
Attn: Commissioner of General Services  
200 East Main Street  
Lexington, KY 40507

**Notice shall be sent to the Organization at the following:**

Lexington History Museum  
PO Box 748  
Lexington, KY 40588

**14.** 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.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

[Signatures on next page]

LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT

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

JIM GRAY, MAYOR

ATTEST:

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

THE LEXINGTON HISTORY MUSEUM, INC.

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

ITS: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

WITNESS/DATE: \_\_\_\_\_

# EXHIBIT A

## LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT DEPARTMENT OF GENERAL SERVICES

FISCAL YEAR 2018

Agency:

The Lexington History Museum

Reporting Quarter:                    1                     2                     3                     4

Form Submission Date:                    /                    /

### Outcome Evaluation

Using this Quarterly Form for The Lexington History Museum Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

**NOTE:** If there have been changes to your Lexington-Fayette Urban County Government funded program(s) necessitating amendment of your approved outcomes, please contact Geoff Reed, Commissioner of General Services @ 859.258.3903, or email [greed@lexingtonky.gov](mailto:greed@lexingtonky.gov) to discuss the proposed amendments.

### Services

**1. Provide details of special exhibits held/hosted during this quarter by The Lexington History Museum:**

Number of exhibits:

Locations held:

Event descriptions:

Estimated attendance:

**2. Provide an overview (by location) of each pocket museum that is currently in place:**

**3. Describe other programs that were held by The Lexington History Museum for the benefit and education of the public this quarter:**

Number of other programs:

Locations held:

Program descriptions:

Estimated attendance:



## Outreach

**1. Describe the community outreach efforts provided by The Lexington History Museum this quarter.**

Type of effort:

Target audience:

Program descriptions:

Estimated attendance (as applicable):

**2. Describe all efforts provided by The Lexington History Museum this quarter to expand existing educational outreach programs within Fayette County's public and private schools.**

Number of public schools contacted:

Number of private schools contacted:

Name of each school:

Outcome of contact:

## Strategic Plan

**1. Describe strategies that were used by The Lexington History Museum during the most recent quarter to better engage the community.**

**2. Describe efforts used to strengthen fundraising and financial solvency during the most recent quarter for The Lexington History Museum:**

**3. Describe efforts to increase attendance at exhibits and events during the most recent quarter:**

**4. Describe all marketing efforts that were used to raise awareness of The Lexington History Museum during the most recent quarter:**

## Mission Statement

**1. Provide the Lexington History Museum's measures of success during the most recent quarter based on the mission statement:**

**2. Describe how these measures have changed (improved/declined) compared with the previous quarter:**

## **CERTIFICATION**

As the President (or equivalent) of this entity, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from Lexington-Fayette Urban County Government are used for the purposes for which they were requested and approved, and that The Lexington History Museum will comply with the requirements set forth in the approved Purchase of Service Agreement.

**Name:**

**Title:**

**Date:**

**THIS REPORT AND ANY REQUIRED ATTACHMENT(S) ARE DUE IN THE OFFICE OF THE  
DEPARTMENT OF GENERAL SERVICES NO LATER THAN:**

**1ST QUARTER:** OCTOBER 10, 2018

**2ND QUARTER:** JANUARY 10, 2019

**3RD QUARTER:** APRIL 10, 2019

**4TH QUARTER:** JULY 10, 2019

**THIS REPORT SHOULD BE COMPLETED AND SUBMITTED VIA EMAIL TO THE DEPARTMENT OF  
GENERAL SERVICES AS NOTED BELOW:**

Sandra Lopez  
Administrative Officer Senior  
Lexington-Fayette Urban County Government  
[slopez@lexingtonky.gov](mailto:slopez@lexingtonky.gov)

***NOTE: All quarterly reports will be electronically date stamped by email receipt record to ensure submission by organization is on time and in accordance with the FY2018 Purchase of Service Agreement with Lexington-Fayette Urban County Government.***