

## 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, **CHRYSALIS HOUSE, INC.** with offices located at 1589 Hill Rise Drive, Lexington, Kentucky 40504, (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 **Two Hundred, Thirty-Nine Thousand, Two Hundred Dollars and 00/100 Dollars (\$239,200)** 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

CHRYSALIS HOUSE, INC.

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

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

ATTEST:

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

# Addendum

**Agency:** Chrysalis House, Inc.

**Priority Area:** Community Wellness & Safety

**Program Name:** Chrysalis Court Pregnant & Parenting Women Program

**LFUCG Extended Social Resource Grant Program FY18 & FY19 Funding:** \$239,200 (\$119,600 per FY)

**Program Summary:** This project will target adult pregnant and parenting women with substance use disorders. Chrysalis House prioritizes the treatment of pregnant women and is the only facility in central Kentucky in which mothers can bring their babies into treatment with them. On admission, women often present with limited education, little work experience, few job skills, criminal records, interpersonal violence, mental disorders, and other barriers that preclude gainful employment necessary to increase income. There is a high degree of correlation among substance use, poverty, and many third factors such as employment opportunities, education, homelessness, and family/social environment. The reduction of substance use makes significant impact on the ability of individuals to rise from poverty. Chrysalis recognizes that each of these issues must be addressed concurrently, working with community partners, for a woman to obtain long-term recovery and self-sufficiency.

**Desired Outcomes for Clients:** Sobriety is the overarching goal of the program. However, many other goals are indicative of treatment success. These include reduction of mental health symptoms, employment, safe and affordable housing, and improved physical health. A person-centered plan is developed for each client with objectives related to addiction, parenting, and family relationships. Goals and skills forming the foundation for sobriety include: readiness to change and ability to set and achieve goals; acquisition of functional adult daily living skills; development of positive social and communication skills; adoption of sober and adaptive coping strategies; and engaging in positive parenting. Chrysalis House combines cognitive-behavioral therapy (including motivational therapy and Dialectical Behavior Therapy) with counseling to help clients achieve their goals.

**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)
45	Achievement of long-term sobriety.	24 hours/day of residential services; relapse prevention planning; corrective thinking; individual therapeutic sessions; group therapeutic sessions	120-180 days of residential treatment to include; weekly individual sessions; weekly therapeutic group; 10 1-hour sessions of relapse prevention; weekly corrective thinking	Decrease in relapse to alcohol and drug use. Target performance is less than 30% of total program participants will relapse to drug and alcohol while in residential treatment.	Total program participants will be monitored through the use of urine drug screens at admission, on suspicion of use and randomly throughout treatment stay
45	Adaptation of positive coping skills and increased interpersonal and intrapersonal effectiveness	Individual sessions; therapeutic groups; development of individual person-centered plan	Weekly individual sessions; weekly therapeutic groups; monthly person-centered plans	Reduction in overall report of mental health symptoms. Target performance is reduction of symptoms greater than 50% of total program participants.	Total program participants will be screened using the Addiction Severity Index at admission and with 6 month followup
45	Increased education for the importance of physical health for recovery.	Psychoeducation health & wellness groups; adult daily living skills; basic nursing assessment with thorough health history; referrals to outside community partners for healthcare	Weekly health and wellness group; weekly adult daily living skills; nursing assessment and health history at admission	Improved physical health by self-report of participant. Target performance is improvement for greater than 50% of total program participants.	Total program participants via self report at admission and 6 month follow up with Addiction Severity Index.
45	Gaining employment to increase self-sufficiency.	Participation in job readiness program; computer skills training; referral to GED program	16 sessions of job readiness program; 8 sessions of computer skills, as needed;	Self-report of stable employment. Target performance is improvement for greater than 50% of program participants.	Total program participants via self report at admission and 6 month follow up with Addiction Severity Index.
45	Improvement of overall parenting skills to aid in stability of family unit.	Parenting skills group and individual sessions with parenting women	14 weeks of Nurturing Parenting program; weekly individual sessions	Increase in parenting skills and child development. Target performance is increase in skills for greater than 50% of program participants.	Total program participants will complete pre and post tests utilizing Adult and Adolescent Parenting Inventory