

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the 7th day of July, 2022, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to KRS Chapter 67A (hereinafter "Government") on behalf of its Division of Grants and Special Programs (hereinafter "Sponsor"), and **LEXINGTON-FAYETTE URBAN COUNTY HUMAN RIGHTS COMMISSION** (hereinafter "Organization"), an agency created pursuant to Section 2-26 of Article II of Chapter 2 of the Code of Ordinances, Lexington-Fayette Urban County Government, with offices located at 342 Waller Avenue, Lexington, Kentucky 40504;

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 employs Organization for the period beginning on July 1, 2022, 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 Three Hundred Seventy Three Thousand, Eight Hundred Dollars (\$373,800.00) for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein by reference, one-twelfth (1/12th) of which shall be payable each month, July to June, inclusive.

Agreement to the contrary notwithstanding, the compensation of Organization for each month of the Agreement shall not be paid unless and until Organization submits the monthly report and invoice required hereunder.

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 at all reasonable times, and if it desires, it may have the books and papers of the Organization 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, or to constitute Organization an agent of the Government.

9. The right of access guaranteed Government and/or persons designated by the Government in clauses 7 and 8 of this Agreement shall not provide Government or persons designated by the Government access to any material within the possession of the Organization that is confidential or privileged pursuant to any applicable statute, ordinance, rule or regulation. This Agreement is in its entirety, subject to the provisions of Section 2-26 et seq. of

- (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 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 fully insured.

ADDENDUM

1. Receive, initiate, investigate, seek to conciliate, hear and determine charges of violations of ordinances, orders, or resolutions forbidding discrimination adopted by the Lexington-Fayette Urban County Government.
2. Compel the attendance of witnesses and the production of evidence before it by subpoena issued by the Fayette Circuit Court.
3. Issue remedial orders, after notice and hearing, requiring cessation of violations.
4. Issue such affirmative orders, authorized by law, as in the judgment of the local Commission will carry out the purposes of Sections 2-26 through 2-33 of Article II of Chapter 2 of the Code of Ordinances.
5. Employ an executive director, attorneys, clerks, and agents, and expend its funds and contract for services or property.
6. Meet not less than once a month.
7. Make, amend and rescind rules and regulations as provided in Sections 2-26 through 2-33 of Article II of Chapter 2 of the Code of Ordinances, Lexington-Fayette Urban County Government; and the rules and regulations of the Commission.
8. Submit an annual report on July 1 of each year to the Mayor and the Urban County Council, which report shall contain a summary of its activities for the preceding year, a physical inventory of all property, and audit of all receipts, expenditures and funds on hand.