

AGREEMENT FOR THE USE OF CITY GENERAL FUNDS

This Agreement is entered into between **the City of Lawrence, Kansas**, a municipal corporation (hereafter "City") and **Douglas County Legal Aid Society, Inc.** (hereafter the "Independent Agency"), on this _____ day of _____ 2009, for the purpose of establishing certain conditions on the receipt, expenditure and use of City funds received by the Independent Agency.

I. Use of City Funds

As a condition of the receipt of City funds amounting to **\$40,000** during City budget year 2010, the Independent Agency hereby agrees to use and expend all such funds pursuant to:

- A. All applicable federal, state, and local laws;
- B. The application for funds, as approved and amended by the City Commission, which states the funds will be used to cover operating costs for the Douglas County Legal Aid Clinic. The Legal Aid Clinic is a joint venture run by the University of Kansas School of Law and the Douglas County Legal Aid Society. The Clinic provides free legal services to those who could not otherwise afford them. The practice of the Douglas County Legal Aid Clinic is focused in three primary areas of law: a civil practice which includes family law; defense of juvenile offenders in the District Court of Douglas County, KS; and defense of indigent defendants in the City of Lawrence Municipal Court. The Legal Aid Clinic proposes to serve 125 clients in 2010 at a base rate of \$40,000. Once this base number of clients is exceeded, \$350 per client is requested.

II. Independent Contractor

The Independent Agency further agrees that it is an independent contractor of the City, and that the employees, agents, and vendors of the Independent Agency are not employees of the City.

III. Disbursement of Funds

First half of funds will not be disbursed before April 1, 2010 and second half of funds will not be disbursed before October 1, 2010.

- A) The Independent Agency shall request disbursement of funds as follows:
 1. Requests for disbursements shall be made by the Independent Agency in writing, on the official letterhead of the agency;
 2. Unless otherwise agreed to in writing, requests shall be submitted no more than twice each year:
 - a) A request for fifty percent (50%) of the Independent Agency's total allocation shall be submitted **on or after March 1, 2010**;
 - b) A request for the remaining fifty percent (50%) of the Independent Agency's total allocation shall be submitted **on or after September 1, 2010**.
 3. **The City retains the right to withhold the second disbursement of funds for failure to submit a six-month progress report by July 15, 2010.**

- B) The Independent Agency agrees to invoice the City monthly, providing detail of the actual number of clients exceeding the base number of 125. These additional services shall be paid at a rate of \$350 per client.
- C) The City retains the right to unilaterally adjust the amount of any disbursement if the City Commission determines that insufficient public funds exist to fully fund the agency at the level indicated in this agreement

II. Reporting Requirements

The Independent Agency shall provide written reports to the City as follows:

- A. A six-month progress report shall be due no later than **July 15, 2010** that provides in a narrative form a description of the progress made towards meeting the goals and outcomes described in the Independent Agency's Application for Funding.
- B. The following documents shall be due to the City by **August 1, 2011**:
 - 1. IRS Form 990 (i.e. copy of Federal Tax Return for 2010) as well as a copy of the corporate annual report filed with the Kansas Secretary of State – FORM NP (not-for-profit) filing.
 - 2. A copy of the agency's financial audit. It is suggested that the agency adopt SFAS No. 117. This standard has been adopted by the Financial Accounting Standards Board as a preferred accounting method for non-profit corporations.
 - 3. A copy of the Agency's Annual Report that includes a summary of how the funds were used, to include an assessment of the agency's annual accomplishments and outcomes.

III. Access to Financial Records

In addition, the Independent Agency shall provide the City with reasonable access to financial records concerning the expenditure of City Funds.

VI. Withholding of Payment

The City shall retain the authority to withhold any and all payments to the Independent Agency if, in the sole judgment of the City, the proposed or continued use of the funds violates the terms of this Agreement, any applicable law, or is contrary to the appropriate use of public funds.

THE UNDERSIGNED, DULY REPRESENTING THE DOUGLAS COUNTY LEGAL AID SOCIETY, INC., THE INDEPENDENT AGENCY OF THIS AGREEMENT, HEREBY AGREES TO THE CONDITIONS OF THIS AGREEMENT FOR THE RECEIPT, EXPENDITURE AND USE OF CITY FUNDS:

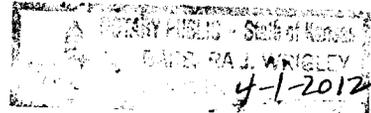
Signature: Shelley Hickman Clark

Print Name and Title: Shelley Hickman Clark - Secretary

STATE OF KANSAS)
COUNTY OF DOUGLAS)

The foregoing Agreement was acknowledged before me this 30th day of November, 2009 by Shelley Hickman Clark, representing Douglas County Legal Aid Society, Inc. as the Independent Agency of this Agreement. In testimony whereof, I have hereunto set my hand and affixed my official seal on the day and year last above written.

Barbara J. Wingley
Notary Public



My commission expires: April 2012

THE UNDERSIGNED FOR THE CITY OF LAWRENCE, KANSAS:

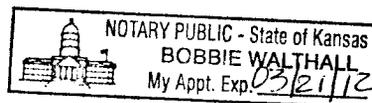
Signature: Casey Toomay

Printed Name and Title: Casey Toomay, Budget Manager

STATE OF KANSAS)
COUNTY OF DOUGLAS)

The foregoing Agreement was acknowledged before me this 25th day of November, 2009 by Casey Toomay, representing the City of Lawrence, Kansas. In testimony whereof, I have hereunto set my hand and affixed my official seal on the day and year last above written.

Bobbie Walthall
Notary Public



My commission expires: 03/21/12