

## **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 **Warm Hearts of Douglas County** (hereafter the "Independent Agency"), on this 16<sup>th</sup> day of December 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 **\$6,000** 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:
  1. to cover overhead costs such as envelopes, postage, printing, advertising, and postage for the annual fundraising campaign;
  2. toward meeting the program objective of serving one hundred percent (100%) of the qualified applicants applying.

### **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 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 report of an Independent Account's review of the agency's financial statements.
  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 WARM HEARTS OF DOUGLAS COUNTY, THE INDEPENDENT AGENCY OF THIS AGREEMENT, HEREBY AGREES TO THE CONDITIONS OF THIS AGREEMENT FOR THE RECEIPT, EXPENDITURE AND USE OF CITY FUNDS:**

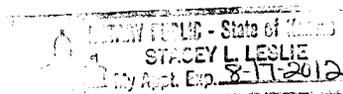
Signature: Ernesto Hodison

Print Name and Title: Ernesto Hodison, Treasurer

STATE OF KANSAS )  
COUNTY OF DOUGLAS )

The foregoing Agreement was acknowledged before me this 16<sup>th</sup> day of December, 2009 by Ernesto Hodison, representing Warm Hearts of Douglas County 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.

Stacey L. Leslie  
Notary Public



My commission expires: 8-17-2012

**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 25<sup>th</sup> 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

