

AGREEMENT
(Housing Resources Commission)

THIS AGREEMENT, made by and between **JACKSON COUNTY, MISSOURI**, a Constitutional Home Rule Charter County of the First Class of the State of Missouri, acting by and through its **Housing Resources Commission**, hereinafter referred to as "the County" and an Illinois not-for-profit corporation, **SALVATION ARMY/CROSSROADS**, 14700 East Truman Road, Independence, MO 64050 hereinafter referred to as "Contractor".

WHEREAS, on June 4, 1991, the voters of Jackson County authorized the County Legislature to impose a \$3.00 user fee on all instruments recorded with the County's Department of Records, the proceeds of which fee is to be used to provide funds for assistance to homeless persons; and,

WHEREAS, the County actually imposed said fee by Ordinance No. 1986, dated June 10, 1991; and,

WHEREAS, by Ordinance No. 2030, dated September 3, 1991, the Legislature created the Housing Resources Commission and designated said Commission as the agency of the County responsible for determining the allocation and distribution of the proceeds of the user fee; and,

WHEREAS, the Commission has reviewed Contractor's proposal for the expenditure of County user fee funds for the purpose of providing assistance to homeless persons in Jackson County; and,

WHEREAS, the Commission has determined that it is in the best interests of the

FILED
SEP 01 2011
MARY JO SPINO
COUNTY CLERK

County's citizens to provide funding to Contractor according to the terms and conditions hereof;

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. **SERVICES**. Contractor shall use the proceeds of this Agreement solely for the purpose of providing assistance to homeless persons in Jackson County, Missouri. Contractor agrees to use the funds as set out on the Expenses and Budget Narrative, attached hereto as Exhibit No. 1.
2. **PAYMENT**. The County shall pay to Contractor a total amount not to exceed \$8,000.00 for the purpose of providing assistance to homeless persons in Jackson County, Missouri. One quarter of this sum, or \$2,000.00, shall be paid to Contractor on a quarterly basis for the periods ending March 31, 2011, June 30, 2011, September 30, 2011, and December 31, 2011, provided that Contractor has submitted to the County the report(s) required under Paragraph 4 and Paragraph 6 hereof. The first payment will be issued within 30 days after the contract has been executed by all necessary parties.
3. **EXECUTION**. Contractor shall execute all necessary contract documents by August 31, 2011.
4. **REPORTS/OTHER DOCUMENTATION**. Under this Agreement, Contractor shall submit appropriate reports, including copies of invoices and cancelled checks and/or a copy of the face of the check and corresponding bank statements and other documentation, as requested by the Housing Resources Commission staff to show that funds paid to Contractor by the County are being used for the purpose of providing assistance to homeless persons in Jackson County, Missouri. If the reports submitted

do not satisfactorily demonstrate appropriate expenditures of County funds, payments are subject to downward adjustment to reflect the amounts actually spent on allowable services provided during the previous quarter. The final request for payment shall include a Quarterly Report and an Annual Report, which shall set out the program objectives and accomplishments, and a final reconciliation of funds. Section 67.1071, R.S.Mo., specifically requires the Annual Report to include "statistics on the number of persons served by the agency, and shall include the results of an independent audit of expenditures of funds received by Contractor pursuant to this Agreement. Failure to submit said reports, including the Annual Report, shall result in the loss of future funding by the County.

5. **MAINTENANCE OF ACCOUNTS.** The parties recognize that this funding by the County serves to improve the quality and effectiveness of homelessness programs in Jackson County, Missouri. It is, therefore, declared as the express intent of the parties that the services to be rendered hereunder shall be in addition to those deemed necessary and required to maintain the efficient and effective operation of Contractor in its normal duties, and that none of the funds paid by the County pursuant to this Agreement shall serve to reduce any funds budgeted, or to be budgeted, by Contractor for operations as they exist at the time of this Agreement. Contractor shall not commingle the County's funds and shall keep funds received under this Agreement separate from all other Contractor funds and accounts until expended as herein provided.

6. **SUBMISSION OF DOCUMENTS.** No payment shall be made under this

Agreement unless Contractor shall have submitted to the County's Director of Finance and Purchasing: (1) a written proposal setting out in detail the intended use of the County's funding, including the target population to be served; (2) Contractor's IRS Form 990 from the previous fiscal or calendar year; (3) a statement of Contractor's total budget for its most recent fiscal year; and (4) a detailed explanation of actual expenditures of the County's funds (pertains to final payments and payments on contracts for future years). If Contractor has previously received funding from the County, to be eligible for future payments, Contractor must submit either an audited financial statement for Contractor's most-recent fiscal or calendar year by March 31 of the following year, or a certified public accountant's program audit of the County's funds by January 31 of the following year. Any documents described herein which were submitted to the Director of Finance and Purchasing as a part of an application for funding need not be resubmitted to qualify for payment. No payment shall be made if Contractor is out of compliance on any other County contract, or has not paid county taxes on all properties owned by Contractor and assessed by the County.

7. **AUDIT**. The parties agree that the County may, for any reason and at any given time, examine and audit the books and records of Contractor pertaining to its finances and operations. Further, Contractor agrees to establish and adopt such accounting standards and forms as recommended by the County prior to receipt of the County's first distribution of funds under the terms of this Agreement. The forms used to document expenditure of these funds may be changed from time to time by the County.

8. **DEFAULT.** If Contractor shall default in the performance or observation of any covenant, term or condition herein contained to be performed by Contractor, the County shall give Contractor ten days written notice, setting forth the default. If said default shall continue and not be corrected by Contractor within ten days after receipt of notice from the County, the County may, at its election, terminate this Agreement and withhold any payments not yet made to Contractor. Said election shall not, in any way, limit the County's rights to sue for breach of this Agreement.

9. **TERM.** The term of this Agreement shall commence January 1, 2011, and shall continue until December 31, 2011.

10. **LIABILITY.** No party to this Agreement shall assume any liability for the acts of the other party, its officers, agents, or employees.

11. **CONFLICT OF INTEREST.** Contractor warrants that no officer or employee of the County, whether elected or appointed, shall, in any manner whatsoever, be interested in or receive any benefit from the profits or emoluments of this Agreement.

12. **INFORMATIONAL REPORTING.** A representative of Contractor shall attend meetings of the County Legislature and the Housing Resources Commission when so requested by either of the above-referenced entities. The representative shall be prepared to answer any questions concerning payments made pursuant to this Agreement.

13. **TERMINATION.** Except as provided in Paragraphs 8 and 17 hereof, this Agreement may be terminated by either of the parties upon thirty days written notice to the other party.

14. **SURPLUS FUNDS.** Any surplus funds not spent at the end of this Agreement term shall be returned to the County by the fifteenth of the month following the termination of this Agreement. These funds shall not be subject to reappropriation. The term "surplus funds" refers only to those funds that have not been committed for costs or purposes by purchase order, contract, or other formal documentation within the Agreement term.

15. **PERFORMANCE REVIEW.** The performance of this Agreement shall be subject to review by the County or its designated agent. The County's Housing Resources Commission Director shall review the performance of this Agreement according to his/her responsibilities. Contractor agrees to file all required forms with the Housing Resources Commission Director. The Housing Resources Commission may provide to Contractor a list identifying specific areas funded by the proceeds of this Agreement to be reviewed or audited. The Housing Resources Commission and Contractor shall agree on the definition and scope of a review audit of each specific area identified. Contractor shall conduct internal review of each specific area identified and shall provide its findings to the Commission. The parties recognize that all books, records, accounts, and any other documents in the possession of the County relative to the funding of this Agreement, are public records and open for inspection and photocopying in accordance with Chapter 610, R.S.Mo.

16. **REMEDIES FOR BREACH.** Contractor agrees to faithfully observe and perform all of the terms, provisions, and requirements of this Agreement, and Contractor's failure to do so constitutes a breach of this Agreement. In such event,

Contractor consents and agrees as follows:

- A. The County may, without prior notice to Contractor, immediately terminate this Agreement; and
- B. The County shall be entitled to collect from Contractor all payments made by the County to Contractor for which Contractor has not yet rendered services in accordance with this Agreement, and to collect the County's reasonable attorney's fees, court costs and service fees if it is necessary to bring action to recover such payments.

17. SEVERABILITY. If any covenant or other provision of this Agreement is invalid, or incapable of being enforced by reason of any rule of law or public policy, all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect; and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.

18. ASSIGNMENT. Contractor shall not assign any portion or the whole of this Agreement without the prior written consent of the County.

19. DISCONTINUANCE OF PROGRAM. In the event Contractor should elect to discontinue this program, or file for bankruptcy, or participate in a reorganization, or go out of existence, or should a court of competent jurisdiction render a final decision in any way invalidating this Agreement or its purposes, Contractor shall remit any proceeds of this Agreement as are unexpended to the County.

20. CONFIDENTIALITY. Contractor's records concerning the identities of those participating in its programs shall be strictly confidential; the County shall be entitled to

examine said records in performing its audit and review functions, but shall not disclose said identities to any third party in any fashion.

21. COMPLIANCE WITH RFP. At all times in connection with the performance of its services hereunder, Contractor agrees to comply with and abide by the General Conditions, Specifications, and Guidelines contained in the County's RFP No. 2-11. Failure to comply with the terms of the RFP shall be a breach, remediable under Paragraph 16 hereof. In the event of a conflict between any provision of this Agreement and a provision of the County's RFP No. 2-11, the provision of this Agreement shall govern.

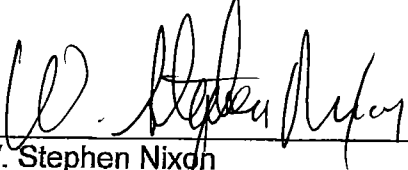
22. INDEMNIFICATION. Contractor shall indemnify, defend and hold the County harmless from any and all claims, liabilities, damages, and costs (including reasonable attorney's fees directly related thereto) including but not limited to violation of civil rights and/or bodily injury to or death of any person and for damage to or destruction of property if and to the extent caused by the negligence, willful misconduct or omissions of Contractor during the performance of this Agreement.

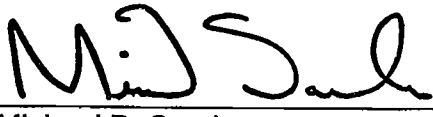
23. INCORPORATION. This Agreement incorporates the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the County and Contractor have executed this Agreement this 9 day of Sept., 2011.

APPROVED AS TO FORM:

JACKSON COUNTY, MISSOURI

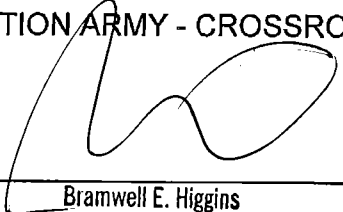

W. Stephen Nixon
County Counselor

By 
Michael D. Sanders
County Executive

ATTEST:

SALVATION ARMY - CROSSROADS

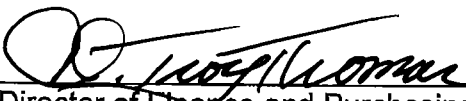

Mary Jo Spino
Clerk of the Legislature

By 
Bramwell E. Higgins
Secretary
Title _____
Federal Tax I.D. 36-2167910

REVENUE CERTIFICATE

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriation to which this Agreement is chargeable, and a cash balance otherwise unencumbered in the treasury from which payment is to be made, each sufficient to meet the obligation of \$8,000.00, which is hereby authorized.

Date August 31, 2011


Director of Finance and Purchasing
Account # 043-7001-56789

70012011016

EXPENSE AND BUDGET NARRATIVE

SALVATION ARMY - CROSSROADS SHELTER
(Name of Agency)

Emergency & Transitional Bed Nights	\$ 8,000.00
Salaries	\$ 0.00
Fringe Benefits	\$ 0.00
Utility Assistance	\$ 0.00
Rent Assistance	\$ 0.00
Mortgage Assistance	\$ 0.00
Operating Cost	\$ 0.00
Clothing	\$ 0.00
Food	\$ 0.00
Hygiene Materials	\$ 0.00

TOTAL CONTRACT SERVICES: \$8,000.00

RELIGIOUS RESTRICTIONS IN GOVERNMENT CONTRACTS

The Salvation Army USA central territory fulfills its historic mission by meeting human needs and caring for hurting individuals and families as an expression of the gospel of Jesus Christ. To that end it engages in partnerships with government and other funders. It holds that such service, shaped by a Christian perspective, is of great value and is a spiritual ministry in its own right. The opportunity for comprehensive ministry, however, may be different in government funded programs than in non-government funded programs.

When The Salvation Army receives funds through government contracts which are designated for specialized and clearly proscribed social services, it voluntarily accepts some government mandated restrictions for those programs. These restrictions may include constraints on the types of spiritual ministries that are possible. Acceptance of these funds carries with it a promise to the community that a specific service will be provided according to professional standards, and that specific limitations will be honored. It is further understood that the benefits of these programs will not be made contingent upon an individual's participation in religious or denominational activities.

When The Salvation Army central territory accepts contractual constraints on its religious or denominational ministry, it will still attempt to meet the total needs of those served by its government funded programs. The army's holistic ministry is made available to all, even when the primary service is not rendered in a corps building or under corps direction. In contracting with government funders the army still contends that religious activity such as the provision of spiritual guidance, counseling and chapel activities are important components of service. When supported by other resources, religious activity should be permitted as long as those served are given a free choice to either opt out of participation in these religious activities or to select an alternative provider. When there are restrictions within a contract, The Salvation Army will use those contract funds exclusively to provide the specific "non religious" services stipulated. Contractual relationships with government, however, must never infringe upon the army's right to exercise freedom of religion and speech. All corps ministries are, of course, available to anyone, including those served by the funded programs.

The following three sections of this statement set forth the policy of The Salvation Army in the USA central territory related to religious restrictions in government contracts. (All new or substantially modified contracts must be reviewed and approved by the territorial finance council.)

I. Government Funding with Limited Religious Restrictions - Operating or Capital Funds

In 1996 as part of federal welfare reform, the charitable choice provisions (section 104 of the personal responsibility and work opportunity reconciliation act of 1996) established new rules for collaboration between government and religious organizations in which government cannot discriminate against faith-based providers. Currently, charitable choice guidelines regulate just four streams of federal funding: temporary assistance to needy families; drug treatment funded by the substance abuse and mental health services administration; the department of labor's "welfare-to-work" program; and community

services block grant funding for community action agencies. Under charitable choice, religious organizations contracting with government:

- A. Retain authority over their mission, governing board, etc.;
- B. Have the right to maintain a religious atmosphere in their facilities;
- C. Retain the right to use religious criteria in employment decisions;
- D. Must offer services to all eligible participants regardless of religious affiliation or lack thereof;
- E. Must, when requested, make referral to an alternative provider for those who object to service from a faith based provider;
- F. Must not use government funds for purposes of sectarian worship, instruction or proselytization; and
- G. Must not require service recipients to participate in inherently religious activities, although these activities can be offered by the organization.

It is the policy of The Salvation Army central territory to accept funding and approve government contracts with these limited religious restrictions.

II. Government Funding with More Extensive Religious Restrictions - Operating Funds

Certain government contracts contain more extensive restrictions for operating funds. For example, the U.S. housing and urban development department (HUD) funding regulations (24 CFR) applicable to a variety of programs (e.g., emergency shelter grants, supportive housing, community development block grants), contain more extensive restrictions on religious activity. Although the language may vary somewhat, the most typical verbiage in connection with essential services and operating costs reads:

- A. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;
- B. It will not discriminate against any persons seeking emergency shelter and related services on the basis of religion and will not limit such services or give preference to persons on the basis of religion;
- C. It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of services or the use of facilities or furnishings assisted in any way under this agreement.

It is the policy of The Salvation Army central territory to approve government contracts for essential services and operating costs containing such extensive religious restrictions with the clear understanding that the provision of spiritual guidance, counseling and chapel activities are important components of service and will be provided, when supported by other resources, as long as individuals served are given a free choice to either opt out of participation in these religious activities or to select an alternative provider.

III. Government Funding with More Extensive Religious Restrictions - Capital Funds

Certain government contracts contain more extensive restrictions for capital funds. For example, the U.S. housing and urban development department (HUD) contractual provisions generally deny funding for the construction, rehabilitation, or restoration of a facility owned by a religious organization except:

- A. For minor repairs (usually under \$25,000) directly related to public services in a structure used exclusively for non-religious purposes; or
- B. In larger capital projects for acquisition or rehabilitation of a structure owned by a primarily religious organization such as The Salvation Army, if the religious organization agrees to comply with the provisions cited in Section II above; and
 1. The structure that is to be renovated, rehabilitated or converted has been leased to an existing or newly established wholly secular organization;
 2. The assistance is provided to the secular organization, and not the religious organization, to make the improvements;
 3. The leased structure will be used exclusively for secular purposes available to all persons regardless of religion;
 4. The lease payments paid to the primarily religious organization do not exceed the fair market rent for the structure before the renovation, rehabilitation or conversion was done;
 5. The portion of the cost of any improvements that benefit any unleased portion of the structure will be allocated to, and paid for by, the religious organization;
 6. The primarily religious organization agrees that if the recipient does not retain the use of the leased premises for wholly secular purposes for the useful life of the improvements, the primarily religious organization will pay an amount equal to the residual value of the improvements to the original grantee from which the amounts used to renovate, rehabilitate or convert the building were derived.

While the requirement to utilize a secular entity in a lease agreement has been used in the central territory for certain capital funding of free-standing social service facilities (i.e., The Salvation Army Services, Inc.), this is problematic in a corps setting. The Salvation Army has difficulty dedicating any portion of a corps building for wholly secular purposes, and therefore has chosen not to pursue this funding for corps settings. Additionally, the army has concern with repayment provisions which accompany certain government capital dollars. The regulations provide no guidance as to the calculation of residual value, and useful life is not well defined. Where capital projects are substantial, the residual value could be significant.

It is the policy of The Salvation Army central territory to approve government contracts for capital funding containing such extensive religious restrictions only with the clear understanding that the provision of spiritual guidance, counseling and chapel activities are important components of service and will be provided, when conducted at a site which is supported by other resources, as long as individuals served are give a free choice regarding participation. Because the army cannot be sure of or agree to the obligations that it will assume by accepting certain government capital funds, and because of its concern about dedicating any portion of a corps building for wholly secular purposes, it is the policy of The Salvation Army central territory to approve such funding only for free-standing social service facilities. However, all such projects will also have facilities for the provision of spiritual guidance, counseling and chapel activities supported by The Salvation Army. These facilities, preferably at an adjacent corps community center, should include a community room or multipurpose room to house an expanded program of chaplaincy and pastoral care offered to social service participants.

TO BE PLACED IN POLICY AND
PROCEDURE BOOK UNDER "C"

Colonel Philip Swyers
CHIEF SECRETARY

07/03/2002