

**AMENDMENT NUMBER ONE (NO. 1) TO CONTRACT BETWEEN  
THE SCHOOL BOARD OF CLAY COUNTY, FLORIDA, AND  
KELLY SERVICES, INC.**

**WHEREAS**, the School Board of Clay County, Florida ("Board" or "District"), and Kelly Services, Inc. ("Kelly" or "Contractor"), collectively referred to hereinafter as "the Parties," entered into a renewal for Agreement dated October 15, 2013 ("2013 Agreement");

**WHEREAS**, the 2013 Agreement concerned the assignment of temporary employees ("Assigned Employees") as described in Exhibit A (the "Services") and additional services, if any, in Exhibit C, the Statement of Work.

**WHEREAS**, the term of the 2013 Agreement expires October 14, 2018;

**WHEREAS**, the Parties now seek, as per the 2013 Agreement, to renew for an additional five (5) years.

**NOW, THEREFORE**, in exchange for their mutual promises and other valuable consideration, the sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows as of the date upon which *this* document is fully executed by the Parties ("Effective Date"):


1. The 2013 Agreement is hereby amended such that Agreement shall be renewed from October 15, 2018 through October 14, 2023, as per in the 2013 Agreement along with Exhibit A and, if any, Exhibit C, the Statement of Work.
2. In all other respects, unless expressly modified by or contrary to the those hereby made, the terms and conditions of the 2013 Agreement and Amendment Number One to the 2013 Agreement shall remain in place and continue in full force and effect.

**WHEREFORE**, the Parties, by and through signatures of their authorized representatives below, agree to be bound by this Amendment Number One to the 2013 Agreement.

**THE SCHOOL BOARD OF CLAY COUNTY, FLORIDA**

BY:   
Carol Studdard, School Board Chair

Date 8-2-2018

BY:   
Nicola Soares, Vice President

Date 7.9.18

**EXHIBIT A  
PRICING FOR KELLY EDUCATIONAL STAFFING**

This Pricing Exhibit A is incorporated and made part of the Agreement for Educational Services between Kelly Services, Inc. and Clay County School Board, dated June 21, 2018 to be effective August 2, 2018. The pricing in Exhibit A is confidential and proprietary to Kelly. Customer agrees not to disclose the contents of Pricing Exhibit A to persons or entities not party to this agreement without Kelly's written permission.

**1. Types of Assignments; Pricing**

The Assigned Employees will be assigned to the following positions and at the following rates:

<b>Job Title</b>	<b>Hourly Pay Rate</b>	<b>Markup</b>	<b>Hourly Bill Rate</b>
Substitute Teacher Transitioned "Emergency" Sub	\$10.00	1.33	\$13.30
Substitute Teacher AA Degree	\$11.33	1.33	\$15.07
Substitute Teacher BA Degree	\$12.00	1.33	\$15.96
Substitute Teacher Master's Degree or Higher	\$13.33	1.33	\$17.73
Substitute Teacher Assistant	\$8.30	1.33	\$11.04
Substitute Trained Teacher Assistant	\$9.50	1.33	\$12.64
Long Term Sub Pay- Daily Rate	\$150 per day	1.295	\$194.25 per day

Substitute teacher assistants will be paid minimum wage by Kelly Services to attend the ESE training. Once the substitute teacher assistant has taken a TA assignment after the training, Kelly Services will bill Clay County School Board for their ESE training.

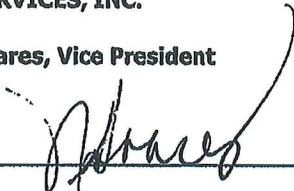
**2. Pricing includes:**

- a. Employer Statutory Taxes: Social Security Match, Federal Unemployment Tax, State Unemployment Tax
- b. Workers' compensation
- c. General liability coverage
- d. Recruiting Costs
- e. Scheduling Costs including:
  - automated, web-based Scheduling solution,
  - PLUS a local, dedicated Customer Service Team for all scheduling and absence modification needs.
  - 24/7 real time reporting by school location
  - Administrator District level reporting
  - Management of Grant funds.
- f. Electronic timekeeping along with Payroll processing and delivery
- g. Retention Activities including:
  - Service Bonus Plan – earn up to 2% of annual pay in bonus
  - Optional health insurance benefits
  - 401(k) plan
  - Kudos! – Kelly funded recognition program
  - National and State Substitute Teacher of the Year award
- h. ACA (as required)

- i. Avoidance of Wage/Hour concerns from School Secretaries calling for substitute teachers before and after hours
- j. Accountability through Semester Partnership reviews
- k. Compliance to Clay County School District's training requirements
- l. Kelly online and face to face substitute teacher training including paid orientation in compliance with Wage/Hour Laws
- m. Thorough screening including:
  - Behavioral interview of every candidate
  - Education verification and reference checks
  - Criminal background screening
  - National sexual offenders' registry check
  - Facilitation of FBI fingerprinting

**KELLY SERVICES, INC.**

**Nicola Soares, Vice President**

By: 

Name: Nicola Soares

Title: Vice President & Managing Director  
Kelly Educational Staffing

Date: \_\_\_\_\_

**School Board of Clay County**

**Carol Studdard, School Board Chair**

By: 

Name: Carol Studdard

Title: Chair

Date: 8-2-2018



# Current Substitute Teacher Analysis - Cost Comparison KES Managed vs Self Managed

Active Subs	550
Average Subs/Requested per day	220
Average Subs filled per day	214
97% School Year average	

## Financial Impact Summary

District Managed Program	\$ 4,374,696
KES Managed Program	\$ 3,998,438
KES Savings	\$ (376,258) -8.6%

	District Managed Program		KES Managed Program		Total
	Short Term	Long Term	Short Term	Long Term	
hourly/daily	\$11.33 thru \$13.33	\$ 220.00	\$11.33 thru \$13.33	\$ 150.00	
2017/2018 Actual Wages	\$ 2,272,928	\$ 1,059,163	\$ 2,272,928	\$ 722,157	\$2,995,085 included in markup
1.45% of wages	\$ 32,957	\$ 15,358			
Estimated expense = 1.0% of payroll as reported by other districts	\$ 22,729	\$ 10,592			
6% MAX +/-8% FUTA per FL DOR	\$ 154,559	\$ 72,023			
Estimated 3% of active employees at \$7000/pp	\$ 115,500				
33.5% Markup	\$ 2,598,674	\$ 1,157,136	\$ 761,431	\$ 241,922	\$1,003,353
<b>Employee Specific Costs</b>			<b>\$3,034,359</b>	<b>\$964,079</b>	<b>\$3,998,438 (\$242,639)</b>

### Additional Support Costs:

	District Managed Program	KES Managed Program
5% of wages - average of other school districts expense which is less than the American Payroll Association study of \$42.76 per check.	\$113,646.40	\$52,958.15
\$6.00 per employee, 622 active employees	\$3,300	\$3,300
HR - 1 people Used salary of \$45,000 + 30% benefits.	\$45,000	\$45,000
25 substitutes 2 hours training 1x month x 6 months x minimum wage of \$8.10 +15% tax	\$2,795	\$2,795
Unfilled @ \$5.75 per hour x 7 hours	\$47,916	\$47,916
Based on other school districts expense \$150/school	\$6,600	\$6,600
1.5 hours per day/7.5 hours per week x 38 schools = 285 hours per week. Assumed pay rate of \$11.38 per hour. Used 36 weeks	116,759	\$116,759
3 hours per week x 36 weeks x 38 schools x \$46.87 per hour (\$75K + 30% benefits)	\$192,354	\$192,354
1% based on other school district expenses (1% of Employee Specific Costs)	\$25,986.74	\$11,571
<b>Additional Support Costs</b>	<b>\$554,957</b>	<b>\$64,530</b>
<b>Total Cost to Manage</b>	<b>\$3,153,081</b>	<b>\$1,221,665</b>
		<b>\$964,079</b>
		<b>\$0</b>
		<b>\$0</b>
		<b>\$618,886</b>
		<b>\$3,998,438</b>
		<b>\$376,258</b>

**Additional Support Costs:**

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- 3 hours per week x 36 weeks x 38 schools x \$46.87 per hour (\$75K + 30% benefits)
- 1% based on other school district expenses (1% of Employee Specific Costs)

**Additional Support Costs**

**Total Cost to Manage**

**Additional Cost Avoidance and Items to consider:**

Actual ACA expense could be much higher than projected. Did not include trading fees or possible penalties.

Reduction of supplemental pay for unfilled classrooms

Reduced liability of substitute teachers

Unemployment reduction in modification rate in subsequent years

Workers Compensation could be higher

Having to hire an additional head count in HR

Purchasing a scheduling system

Did not include possible legal fees for any EEOC claims

Did not include any recruiting costs

Did not include grant management

Did not include Social Security

Did not include cost saving opportunities by using KES for vacancy positions

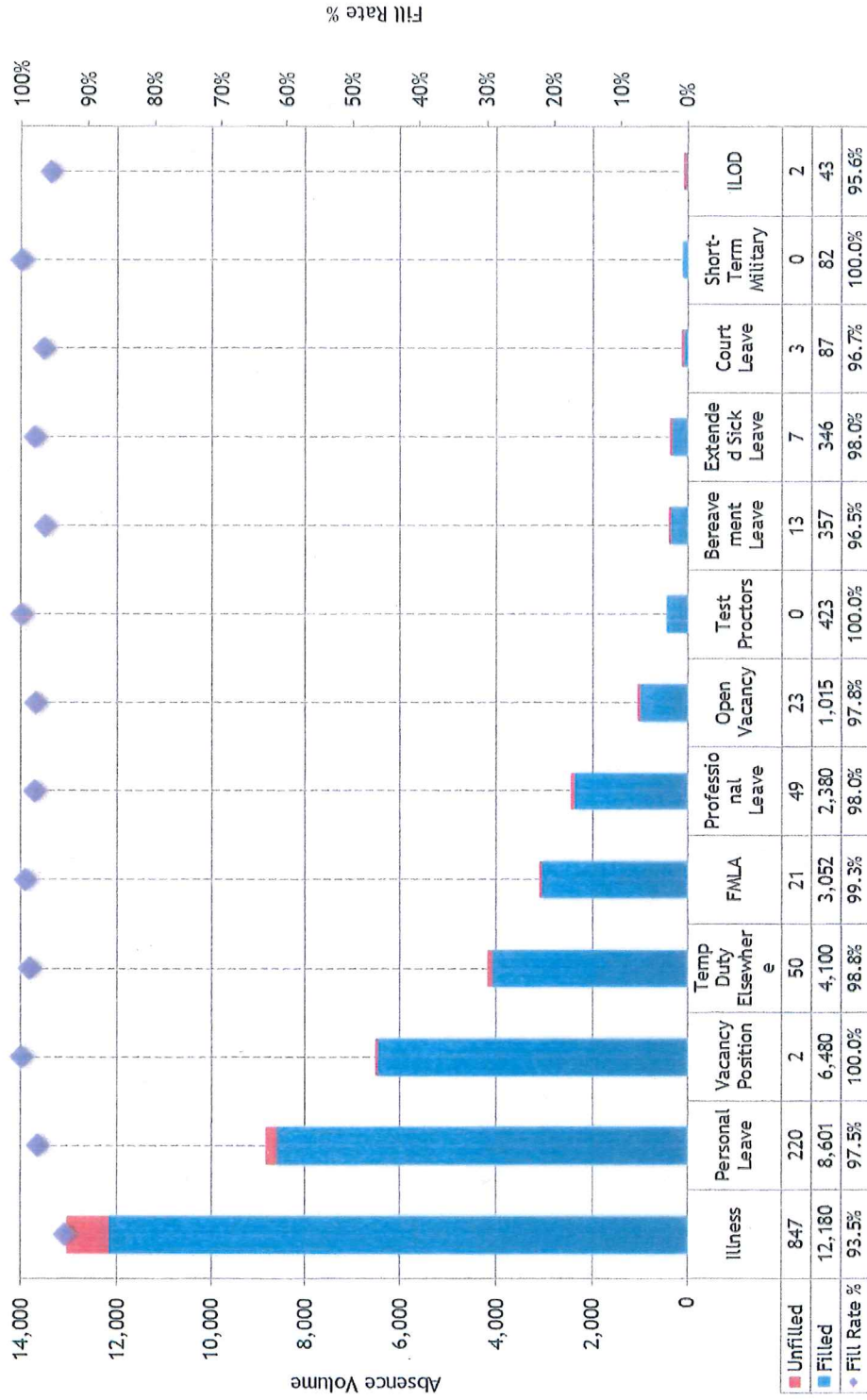
Ability to hire retirees with no break in service

Principal's should be instructional leaders

# Absence Reason Data – 2017/2018

**40,409**  
Filled  
Absences  
**\$4,553,124**

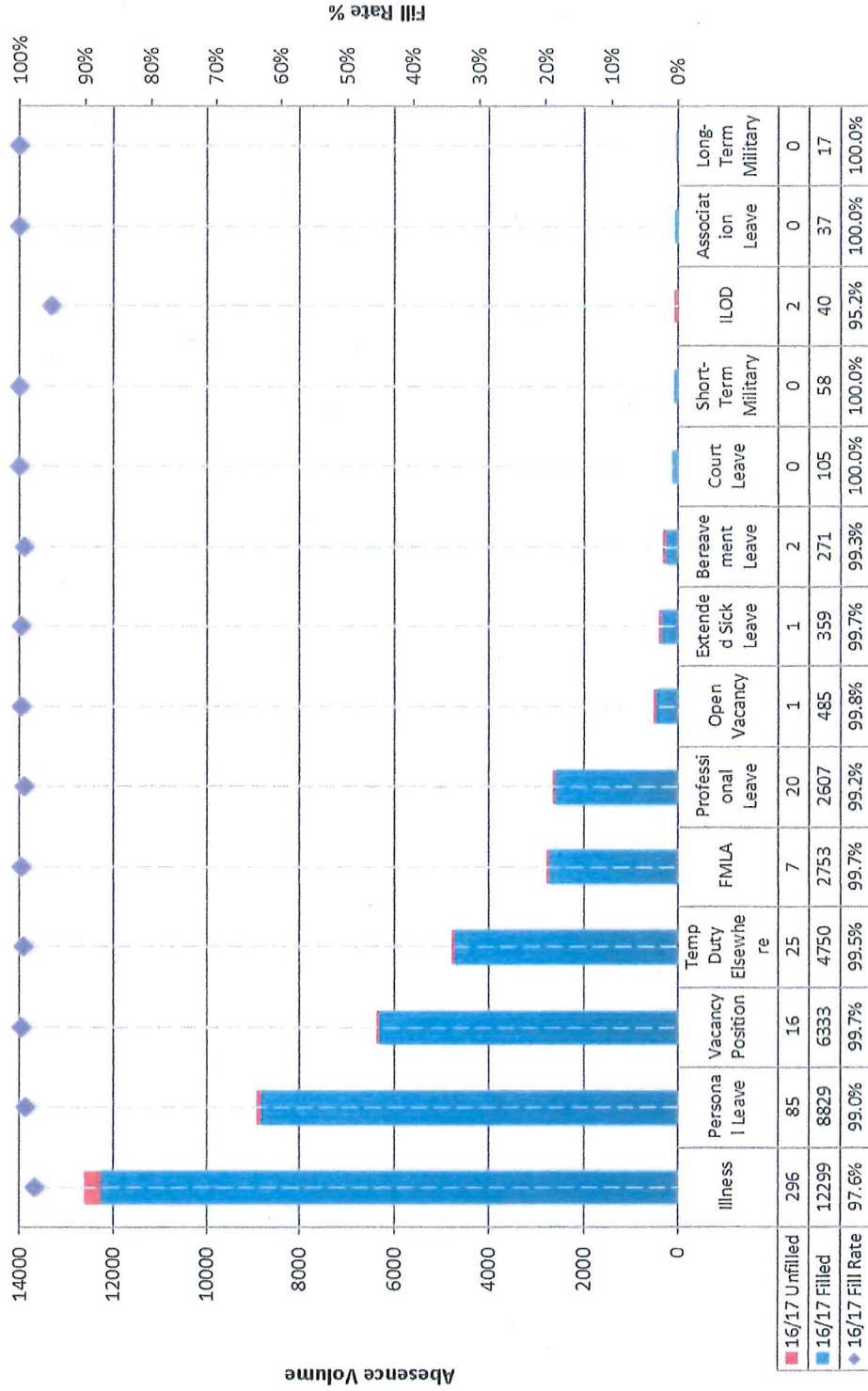
**32.2% of Total Absences - Illness**  
**22% of Total Absences - Personal Leave**



# Absence Reason Data 2016/2017

**38,926  
Filled  
Absences  
\$4,636,134**

**32% of Total Absences - Illness**  
**22.6% of Total Absences - Personal Leave**





# YOY Absence Reason Analysis

