

AGREEMENT FOR EDUCATIONAL STAFFING

THIS AGREEMENT, dated October 15, 2013, is between Kelly Services, Inc., 999 West Big Beaver Road, Troy, Michigan 48084 ("Kelly"), and School Board of Clay County, with its principal offices located at 900 Walnut Street, Green Cove Springs, FL, 32043 ("Customer").

1) DESCRIPTION, LOCATION AND PRICING OF SERVICES

Kelly will assign to the Customer Kelly temporary employees ("Assigned Employees"), through its service line, Kelly Educational Services, to provide education-related services, under the Customer's operational supervision, at the location(s) and for the pricing (and other related costs) described in Exhibit A (the "Services"). Additional services, if any, may be found in Exhibit C, the Statement of Work. The pricing structure provided in Exhibit A is intended to be between Kelly and Customer. Customer will be permitted to use the Exhibit in connection with its business operations, responses to Freedom of Information Act requests, and other uses as required by law.

2) KELLY GUARANTEE

Kelly guarantees that the Assigned Employees it places with the Customer will satisfactorily perform the services ordered by Customer. If not, Kelly will cancel charges for unsatisfactory services and furnish a replacement as soon as possible when the Customer has provided notice of its dissatisfaction within the first 16 working hours of an Assigned Employee's assignment. If Kelly receives notice after an Assigned Employee's first 16 working hours, Kelly will furnish a replacement as soon as possible, but not cancel the charges for the unsatisfactory services.

3) KELLY'S RESPONSIBILITIES

As the provider of staffing services, Kelly will be the employer of Assigned Employees, and will be responsible for the staffing services listed below.

- (a) Recruit, interview, select, and hire Assigned Employees;
- (b) Place Assigned Employees according to Customer's requirements;
- (c) Pay Assigned Employees their wages and provide them the benefits that Kelly offers to them as Kelly employees;
- (d) Pay or withhold payroll taxes (e.g., FICA) and insurance premiums (e.g., Medicare) and fulfill its obligations for unemployment compensation (e.g., FUTA, SUTA);
- (e) Provide workers' compensation benefits and coverage for Assigned Employees;
- (f) Maintain Assigned Employees' personnel and payroll records related to their employment by Kelly;
- (g) Comply with laws, rules or regulations applicable to providers of staffing services;
- (h) Require Assigned Employees to agree in writing to protect the confidentiality of Customer's proprietary information;
- (i) Require Assigned Employees to execute agreements that Customer requests with regard to intellectual property developed by them in performance of their work for Customer;
- (j) Require Assigned Employees to acknowledge in writing that they have no right to participate in Customer's employee benefit plans;
- (k) Require Assigned Employees to comply with all rules and policies of Customer (e.g., those relating to premises access and security); and
- (l) Make legally required employment law disclosures to Assigned Employees
- (m) Conduct background checks, fingerprinting, and certification as required by Florida law and in compliance with school board policies communicated to Kelly. All Assigned Employees shall receive Jessica Lunsford Act screening. No Kelly employee may be assigned to any Clay County school, have any direct contact with any Clay County student or enter upon any Clay County school campus when children are present until said employee has submitted to and passed said background screening.
- (n) At Customer's request, Kelly shall remove any of its employees assigned to Customer from employment at any Clay County school; provided, that this Agreement shall in no way affect the right of Kelly, in its sole discretion as employer, to hire, assign, reassign, discipline and/or terminate its own employees. Prior to assignment with Customer, Kelly shall require each applicant to authorize Kelly to disclose to Customer any and all records regarding the applicant, in the custody or control of Kelly.

4) CUSTOMER'S RESPONSIBILITIES

As the recipient of Kelly's temporary staffing services, the Customer will be responsible for controlling the environment in which Assigned Employees perform their work, the details of their work, and, teaching board-approved curriculum and approved lesson plans. The Customer also will:

- (a) Provide Assigned Employees with a safe and suitable workplace, including all required site-specific training related to the chemical, physical and biological hazards in the workplace, emergency procedures, school rules and protocols, policies and procedures regarding student disciplinary actions, and the confidentiality of student records and information;
- (b) Provide Kelly with prompt notice of any injury suffered by an Assigned Employee;
- (c) Use Assigned Employees only in assignments that match the job descriptions for which Kelly places them, and will not give duties to an Assigned Employees that the Assigned Employee must perform outside of Customer's premises;
- (d) Notify Kelly when Assigned Employees are required to use Customer's timekeeping system;
- (e) Provide adequate internal controls, supervision, and instructions for Assigned Employees;
- (f) Assume responsibility the conduct of the Assigned Employees when they are required to handle keys, cash, , confidential information and records of students and the Customer's regular employees;
- (g) Assume responsibility for the use of any vehicle Customer owned or controlled machinery and equipment used by Assigned Employees in connection with their assignment (except for workers' compensation claims);
- (h) Assume sole responsibility for any bodily injury claims asserted against Kelly or its Assigned Employees by students, their parents or representatives, Customer personnel or business invitees, or other third parties (except to the extent that such claims are based on the negligence of Kelly or the failure of Kelly full time staff personnel to fulfill their obligations regarding the recruitment, screening, and hiring of the Assigned Employees);
- (i) Ensure that the Assigned Employees do not have sole custody of a single student, be solely responsible for supervising more than one classroom of students at a time, or administer or maintain custody of any student medications.
- (j) Provide Kelly with prompt, written notice of any concern or complaint about the conduct of an Assigned Employee by the end of the same day that it learns of the concern or complaint, and permit Kelly to actively participate in Customer's investigation of such a concern or complaint;
- (k) Assume responsibility for the conduct of its own officers, employees, and agents; and
- (l) Comply with duties imposed on it by law, rule, or regulation.

5) CUSTOMER REPRESENTATIONS

The Customer represents and warrants that:

- (a) Its actions under this Agreement do not violate its obligations under any agreement that Customer has with any labor union;
- (b) Kelly's responsibilities listed in this Agreement regarding screening, the payment of wages, and the provision of benefits to the Assigned Employees do not violate a policy or practice of the Customer;
- (c) The Customer has disclosed to Kelly all screening requirements that Customer would use for the positions covered by this Agreement if the Customer were directly employing individuals in such positions;
- (d) The Customer has the right, power, and any requisite authorization to enter into this Agreement;
- (e) The Customer has satisfied any applicable procedural requirements necessary for it to be authorized to enter into this Agreement;
- (f) The Customer representative who is signing this Agreement has been delegated authority by the school board or district to execute this Agreement;
- (g) If the Assigned Employees will use a Customer-provided time-keeping system or process, then a such time keeping system or process shall be compliant with all applicable legal requirements, including recording of time worked; and
- (h) The Customer neither request nor requires that the Assigned Employees perform duties outside of Customer's premises (e.g., participate on field trips) unless Kelly gives it written consent in advance.

6) BILLING & PAYMENT TERMS

- (a) **Invoices.** Kelly will invoice Customer each week for the services of the Assigned Employees at agreed-upon rates. The rates at which Kelly will invoice the Customer (and any reimbursable expenses) are listed in Pricing Exhibit A. If the Customer's rates are not set out in Pricing Exhibit A, Kelly and the Customer will agree on rates at the time of an order, which Kelly will record electronically in its systems.
- (b) **Taxes.** Any sales or use taxes that apply to sales to Customer will be added to Customer's invoices as a separate item.
- (c) **Pricing Adjustments.** Kelly will adjust pricing once every twelve months:
 - i) To reflect the impact of inflation upon our costs by an amount not to exceed the year over year change in the Consumer Price Index for the preceding 12 months; or
 - ii) To reflect increases in wages or related taxes, benefit and other costs as the result of any determination, order, or action by or under any applicable governmental authority, collective bargaining agreement or insurance or benefit program; or
 - iii) For changes in sales, use, or gross receipts taxes; or
 - iv) For changes in (A) the Customer's requirements (e.g., requisition, billing and invoicing processes; the introduction of third party software systems and processes), (B) service levels, or (C) service delivery method; or
 - v) To ensure that the pay rates comply with federal and state laws and regulations regarding minimum wages and overtime compensation.
- (d) **Record of Time Worked; Automated Scheduling.** Customer agrees to adhere to the "Time, Billing & Automated Scheduling Terms" in Exhibit B.

7) WORKERS' COMPENSATION AND LIABILITY INSURANCE

Kelly will, at its own expense, provide and keep in full force and effect during the term of this Agreement the following kinds and minimum amounts of insurance:

- (a) **Workers' Compensation.** Workers' compensation statutory coverage as required by the laws of the jurisdiction in which the services are performed;
- (b) **Automobile.** Commercial automobile liability insurance with a \$1,000,000 combined single limit on vehicles owned, leased, or rented by Kelly while performing under this Agreement;
- (c) **General Liability.** Commercial general liability insurance with a \$1,000,000 combined single limit per occurrence;
- (d) **Bond.** Commercial blanket bond insurance with limits of \$3,000,000 in the aggregate per occurrence; and
- (e) **Umbrella Liability Insurance.** \$5,000,000 combined single limit per occurrence.

Kelly will provide Customer with certificates of this insurance coverage upon request.

8) INDEMNIFICATION BY KELLY

- (a) Kelly will indemnify, defend and hold harmless Customer and its directors, officers, employees and agents, to the extent of the insurance limits set forth in Section 12, from and against all demands, claims, actions, losses, judgments, costs and expenses (including reasonable attorney fees) (collectively "Damages") imposed upon or incurred by Customer to the extent arising out of any of the following:
 - i) Kelly's failure to comply with its obligations under any applicable laws, regulations or orders;
 - ii) Breach of any obligation of Kelly contained in this Agreement; or
 - iii) Any direct claim for workers' compensation benefits for job-related bodily injury or death asserted against Customer by any Kelly employees or, in the event of death, by their personal representatives.
- (b) Kelly's obligation to indemnify, defend and hold harmless will not apply to: (i) indirect, special or consequential Damages, (ii) the extent that Damages are due to Customer's failure to fulfill its duties under Section 3, (iii) the extent that any Damages, except for the payment of workers' compensation benefits, are the result of any negligent

act or omission or intentional misconduct of Customer, its officers, employees or agents, or (iv) the extent that Customer is required to indemnify Kelly against such Damages under Section 9.

9) INDEMNIFICATION BY CUSTOMER

- (a) To the extent permitted by law, Customer will indemnify, defend and hold harmless Kelly and its directors, officers, employees and agents from and against all Damages imposed upon or incurred by Kelly, other than for job-related bodily injury or death of an Assigned Employee, arising out of any of the following:
 - i) Customer's failure to comply with its obligations under applicable laws, regulations or orders; or
 - ii) Breach of any obligation of Customer contained in this Agreement;
- (b) Customer's obligation to indemnify, defend and hold harmless will not apply (i) to indirect, special or consequential Damages, (ii) to the extent any Damages are caused by any negligent act or omission or intentional misconduct of Kelly, its officers, employees or agents, or (iii) to the extent any damages are caused by any negligent act or omission or intentional misconduct of any person, firm, organization or legal entity other than the School Board of Clay County, Florida, or its officers, employees or agents.
- (c) Notwithstanding any language in this contract to the contrary, nothing in this indemnification agreement shall be construed or interpreted to increase the scope or dollar limit of the Customer's liability beyond that which is set forth in 768.28 Fla. Stat. or to otherwise waive Customer's sovereign immunity. Customer shall not indemnify any party for attorney's fees or costs other than those court costs which are set forth by Florida Statutes or other Florida law as recoverable costs of court

10) NOTIFICATION OF CLAIMS

- (a) Customer and Kelly agree (i) to notify each other in writing of any asserted claim within ten (10) days of either discovery of the occurrence upon which the claim may be based or learning of the claim, whichever occurs first, and (ii) to permit Kelly or Customer, as the case may be, to defend the claim at the option of the party against whom the claim is asserted, with counsel acceptable to such party, which consent will not be unreasonably refused.
- (b) Neither party will pay or agree to pay any asserted claim under this Agreement without prior written approval from the party against whom the claim is asserted, which approval will not be unreasonably withheld; provided that approval on behalf of Kelly must be obtained from the Kelly Law Department in Troy, Michigan.

11) TERM; TERMINATION

The term of this Agreement begins as of the date first shown above and will continue in effect for five (5) years unless canceled by either party upon not less than thirty (30) days prior written notice to the other. The School Board reserves the right to renew this contract for an additional contract period upon mutual agreement, in writing. Kelly reserves the right to terminate this Agreement immediately in the event of non-payment. In the event of termination, this Agreement will continue to govern the parties' rights and obligations with respect to services performed prior to termination.

12) NON-SOLICITATION

Unless otherwise agreed to in writing, neither party shall hire or solicit the employment of the other party's regular, full-time employees during the term of this Agreement and for a period of twelve (12) months thereafter. This provision shall not apply to a party's generalized recruiting practices.

13) MISCELLANEOUS

(a) Notices

- i) Any notices, consents or other communications required or permitted under this Agreement must be in writing (including telecommunications) and delivered personally or sent by telex, telecopy or other wire transmission (with request for assurance in a manner typical with respect to communication of that type), overnight air courier (postage prepaid), registered or certified mail (postage prepaid with return receipt requested), addressed as shown on the first page of this Agreement.
- ii) Unless otherwise stated in this Agreement, notices, consents or other communications will be deemed received (a) on the date delivered, if delivered personally or by wire transmission; (b) on the next business day after

mailing or deposit with an overnight air courier; or (c) three business days after being sent, if sent by registered or certified mail.

(b) Severability; Waiver

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any delay or waiver by a party to declare a breach or seek any remedy available to it under this Agreement or by law will not constitute a waiver as to any past or future breaches or remedies.

(c) Assignment

Neither Kelly nor Customer may assign this Agreement without the prior written consent of the other party; provided that Kelly may use secondary vendors to fulfill any or all of its obligations hereunder without securing Customer's consent. This Agreement will be binding upon the parties hereto, and their successors, heirs and assigns, as permitted.

(d) Independent Contractor

In its performance of this Agreement, Kelly will at all times act in its own capacity and right as an independent contractor, and nothing contained herein may be construed to make Kelly an agent, partner or joint venturer of Customer.

(e) Force Majeure

No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement [(except for any obligations to make payments to the other party hereunder)], when and to the extent such failure or delay is caused by or results from acts beyond the affected party's reasonable control, including, without limitation: (i) acts of God; (ii) flood, fire, earthquake or explosion; (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (iv) government order or law; (v) actions, embargoes or blockades in effect on or after the date of this Agreement; (vi) action by any governmental authority; (vii) national or regional emergency; (viii) strikes, labor stoppages or slowdowns or other industrial disturbances; and (ix) shortage of adequate power or transportation facilities. The party suffering a Force Majeure Event shall give notice within five (5) days of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

(f) Amendments

This Agreement may not be amended or supplemented in any way except in writing, dated and signed by authorized representatives of both parties.

(g) Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

(h) Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to any choice or conflict of law provision or rule. Venue for any legal action arising out of this agreement shall be brought in the State courts located in Clay County, Florida.

(i) Entire Agreement

This Agreement and its Exhibits are the entire understanding and agreement between the parties with respect to the subject matter covered, and all prior agreements, understandings, covenants, promises, warranties and representations, oral or written, express or implied, not incorporated in this Agreement are superseded.



KELLY SERVICES, INC.

By: _____

Name: _____

Title: _____

Date: _____

SCHOOL BOARD OF CLAY COUNTY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

PRICING FOR KELLY EDUCATIONAL SERVICES

This Pricing Exhibit A is incorporated and made part of the Agreement for Educational Services between Kelly Services, Inc. and School Board of Clay County, dated October 15, 2013. 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 :

Job Title	Markup*
Substitute Teachers	39%
Instructional Aides	39%

*Markup X the hourly pay rate = Hourly bill rate

Example: 1.39 X \$14.00/hourly pay rate = \$19.46/hourly bill rate

2. Pricing for Hiring a Kelly Temporary Employee

If Customer hires an Assigned Employee before the Assigned Employee works 90 substitute days, Customer agrees to pay a placement fee upon hiring the Kelly Educational Staffing temporary employee to work in full- or part-time position of employment with the Customer. The placement fee is based on days worked. The fee schedule is set forth below.

1 – 60 days worked	15% of annualized salary*
61 + days worked	Fee Waived

*Annualized salary based on the daily bill rate would be calculated as follows:

Total school days in a school year multiplied by the daily bill rate = annualized salary

The annualized salary calculation using hourly rates is calculated as follows:

Total school days in a year multiplied by the hourly bill rate multiplied by the number of hours per work day = annualized salary



3. Pricing for Hiring a Direct Hire Candidate

If the Customer hires a candidate referred to it by Kelly Educational Staffing for direct hire by Customer, the Customer agrees to pay a direct placement fee of 15% of the candidate's annualized salary.

KELLY SERVICES, INC.

School Board of Clay County

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Exhibit B

TIME, BILLING & AUTOMATED SCHEDULING TERMS

1) DOCUMENTATION OF TIME WORKED

- (a) The Customer agrees to review, approve and sign, by signature or electronic means, documentation of time worked by the Assigned Employees. The Customer also will designate one or more representatives to approve the record on its behalf. If the Customer representative is unavailable, the Kelly representative responsible for the Customer assignment (or other Kelly representative authorized by Customer) may approve the record on Customer's behalf or it may be approved in accordance with (b) below. Customer will use reasonable efforts to assist Kelly in the retrieval of missing or unsubmitted substitute teacher time sheets.
- (b) Electronic approvals through the KASS Web Time system require the following:
 - i) Substitute teachers will submit time for approval each week. . The Customer must approve time entries by Wednesday at 11:59 PM. The Customer will make reasonable efforts to ensure that approving managers take approval action on Monday and adhere to this schedule to expedite substitute payroll.
 - ii) Approved time for a given week-ending date will be gathered from the system Monday, Tuesday and after midnight Wednesday as time entries sheets are approved. At that time, all non-rejected time that have been submitted for approval will be considered approved-in-full by the school and sent for payroll processing.
 - iii) All Customer representatives who approve the time entries of the Assigned Employees must have school-issued, active e-mail accounts.
 - iv) Each school should assign a KASS Web Time administrator to approve substitute teacher time sheet each week. A backup administrator should also be designated to approve time sheets in the event of the first administrator's absence.
 - v) All adjustments to approved time will be handled outside of the KASS Web Time system. KASS will not be updated to reflect the adjusted values.

2) DAILY UNIT AND OVERTIME PAY/BILLINGS

- (a) For each full day worked that does not exceed eight (8) hours, Kelly will pay its Assigned Employees one unit of pay and bill the Customer for one full unit. Kelly will pay the Assigned Employees and bill the Customer for one-half unit if the Assigned Employees works a partial day not exceeding four (4) hours. Kelly will pay the Assigned Employees and bill the Customer for one unit if the Assigned Employees works a partial day that exceeded four (4) hours but did not exceed eight (8) hours. Five units of pay is considered full compensation for up to 40 hours worked in a week.
- (b) If the Assigned Employees works more than eight (8) hours in a day, Kelly will pay the Assigned Employees additional compensation for the time worked in excess of eight (8) hours on a fractional unit basis in quarter fraction increments (e.g., $\frac{1}{4}$, $\frac{1}{2}$, $\frac{3}{4}$ of a unit for up to 2, 4, or 6 hours, respectively). Kelly will bill the Customer for such additional time in a similar fractional unit basis.
- (c) If the Customer specifically requests that a Assigned Employees work overtime and approves such overtime on the Assigned Employee's time cards (see Section 1 above), Kelly will pay the Assigned Employees and bill the Customer at overtime rates for the time worked over forty (40) hours in a week. Overtime will be paid and billed at 1.5 times the Assigned Employee's unit pay rate and the customer's unit bill rate for any full or partial units over 5.0 units in a week, respectively. In states where daily overtime or double time pay is required (e.g., California), Kelly will bill the Customer 1.5 times or 2.0 times the bill rate for the overtime or double time, respectively, that Kelly must pay its Assigned Employees.
- (d) In situations where the Customer and Kelly have agreed to hourly billing instead of daily unit billing, Kelly will pay its Assigned Employees on an hourly basis in compliance with applicable overtime (and double time where required by state law) and other pay requirements for non-exempt employees. Kelly will bill the Customer at agreed upon hourly rates. If a Assigned Employee works overtime as specifically requested by Customer and evidenced by the appropriate time entries (see Section 1 above), Kelly will bill Customer for such overtime at 1.5 times the Customer's hourly bill rate. If double time pay requirements apply, Kelly will bill the Customer 2.0 times the applicable hourly billing rate.

3) Automated Scheduling

- (a) Kelly may provide an interactive, voice-activated response (IVR) and internet program for automated scheduling and absence reporting in some situations. Among other things, the program would enable Kelly to provide the Customer with certain reports and information related to regular teacher absences and substitute teacher staffing coverage, and permit the Customer and its designated representatives to schedule regular teacher absences. Implementation of the IVR/internet program would require that the Customer provide certain information concerning the employment positions that the Agreement for Educational Staffing covers and the personnel currently in such positions.
- (b) Any information that the Customer provides Kelly for purposes of implementing the IVR/internet program will be used in connection with the educational staffing services that Kelly provides. Kelly will not use such information for any other purpose without the Customer's prior written consent.
- (c) Information in reports that Kelly furnishes to the Customer which are generated based on the IVR/web program will contain information that the Customer's personnel provides upon accessing and using the IVR/web program. Accordingly, the accuracy of such information depends on the accuracy of the information provided by the Customer's personnel. The Customer will be solely responsible for verifying the accuracy of such information.