

AGREEMENT FOR EDUCATIONAL STAFFING

THIS AGREEMENT, dated January 4, 2018, is between Kelly Services, Inc., 999 West Big Beaver Road, Troy, Michigan 48084 ("Kelly"), and Crawford Central School District, with its office located at 11280 Mercer Pike, Meadville, PA 16335 ("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 in Exhibit A is confidential between Kelly and Customer. Customer will be permitted to use the Exhibit in connection with its business operations, and release Exhibit A as well as this Agreement to third parties in response to Freedom of Information Act requests, response to Right-to-Know Law 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, 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);
- (l) Require Assigned Employees to have all appropriate Clearances as required by law and appropriate immigration information; and
- (m) Make legally required employment law disclosures to Assigned Employees.

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 Employee 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 for the conduct of the Assigned Employees when they are required to handle keys, cash, and 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) 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;
- (i) 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;
- (j) Assume responsibility for the conduct of its own officers, employees, and agents; and
- (k) 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 such a time keeping system or process shall be compliant with all applicable legal requirements, including recording of time worked; and
- (h) The Customer neither requests 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, benefits 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.

- (e) **Expenses.** Expenses (e.g., mileage) and all costs and administrative fees associated with required background checks, screenings and drug tests will be charged to the Customer, passed through without mark up.

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 and includes alternate employer endorsement;
- (b) **Commercial General Liability.** Commercial general liability insurance with a \$1,000,000 combined single limit per occurrence and includes contractual liability and personal injury coverage;
- (c) **Commercial Automobile Liability.** Commercial automobile liability insurance with a \$2,000,000 combined single limit on vehicles owned, leased, or rented by Kelly while performing under this Agreement;
- (d) **Umbrella Liability Insurance.** Umbrella liability insurance to be used in excess of the liability policies with \$15,000,000 combined single limit per occurrence; and
- (e) **Commercial Blanket Bond.** A commercial blanket bond with limits of \$3,000,000 in the aggregate per occurrence and includes coverage of employee dishonesty to the extent Kelly failed in its responsibilities and customer protection.

Kelly will provide Customer with a certificate 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 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 applicable employment-related laws, regulations or orders in Kelly's capacity as the employer of the Assigned Employees;
 - 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 4, (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) the extent that Damages are due to Kelly's failure to fulfill its responsibilities under Section 3, (iii) to the extent any Damages are caused by any negligent act or omission or intentional misconduct of Kelly, its officers, employees or agents, or (iv) the extent that Kelly is required to indemnify Customer against such Damages under Section 8.

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 commences on January 4, 2018 and continuing through and including January 31, 2019. This Agreement will terminate on February 1, 2019. Furthermore, either party has the right to terminate this Agreement for any reason whatsoever upon not less than thirty (30) days prior written notice to the other party. 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.

(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, 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, signed by authorized representatives of both parties, and attached to this Agreement.

(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 Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision or rule.

(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 by it.

KELLY SERVICES, INC.

CRAWFORD CENTRAL SCHOOL DISTRICT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

1500143.v1

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 Crawford Central School District, dated January 4, 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:

Job Title	Daily or Hourly Pay Rate	Markup	Daily or Hourly Bill Rate
Substitute Teacher	\$80.00/day	1.365	\$109.20/day
Long Term Substitute Teacher* Day 11 of same classroom assignment	\$100.00/day	1.365	\$136.50/day
Librarian	\$80.00/day	1.365	\$109.20/day

*Long Term Substitute Teacher: There must be no break in service throughout assignment unless approved by District Administration.

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	0% of annualized salary*
61 – 90 days worked	0% of annualized salary
90+ 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 0% of the candidate's annualized salary.

KELLY SERVICES, INC.

CRAWFORD CENTRAL SCHOOL DISTRICT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT B

TIME, BILLING, AND 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 Aesop Web Time system require the following:
 - i) Substitute teachers will submit time for approval each week. The Customer must approve time entries by Tuesday at 11:59 PM. The Customer will make reasonable efforts to ensure that approving managers take approval action on Tuesday 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 an Aesop 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 Aesop Web Time system. Aesop will not be updated to reflect the adjusted values.

2) NON-EXEMPT EMPLOYEES AND OVERTIME

- (a) **Non-exempt Employees.** Some Kelly Employees may be deemed as non-exempt employees under federal or state wage and hour laws (e.g., (1) states that designate teachers as non-exempt, (2) licensed teachers not performing the customary duties of a classroom teacher, or (3) Kelly Employees that are not licensed teachers and assigned to perform clerical, administrative, janitorial, or cafeteria duties). Kelly Employees who are designated as non-exempt or are performing non-exempt work are entitled to overtime pay.
- (b) **Overtime; Meal and Rest Periods.**
 - i) Kelly shall pay nonexempt Kelly Employees overtime pay in accordance with applicable federal and state law at a rate of one and one-half times their regular rate of pay for all hours worked over 40 hours in any given workweek and bill the Customer accordingly.
 - ii) Kelly shall adjust its overtime payments to comply with state laws that may impose additional or different requirements than federal law, and bill the Customer accordingly. For example, under California's wage and hour law, nonexempt employees must be paid overtime for any hours worked in excess of eight hours in one workday or 40 hours in one workweek.
 - iii) Kelly will base overtime pay on hours actually worked. For example, hours paid for vacation, holiday, sick, or paid time off will not be included in calculating overtime.
 - iv) An authorized Customer representative must approve in advance a non-exempt Kelly Employee working overtime.
 - v) In those states that require non-exempt employees to have meal and rest periods, non-exempt Kelly Employees must accurately record their meal and rest periods in accordance with Section 1 above.

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.