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FIRST AMENDMENT TO AGREEMENT
BETWEEN
COUNTY OF ORANGE
AND
ARBOR E & T, LLC
A SUBSIDIARY OF RESCARE, INC.
FOR THE PROVISION OF JOB SERVICES
AND EMPLOYMENT SUPPORT SERVICES

THIS FIRST AMENDMENT, entered into this ~~1st~~ 2nd day of ~~July~~ February 2010~~1~~, which date is particularized for reference purposes only, is to that certain AGREEMENT Number WCI0110 between the parties hereto, dated July 1, 2010, hereinafter referred to as the "Agreement" and is by and between the COUNTY OF ORANGE, hereinafter referred to as "COUNTY," and ARBOR E & T, LLC, a subsidiary of ResCare, Inc., a Kentucky for-profit corporation hereinafter referred to as "CONTRACTOR." This Amendment shall be administered by the County of Orange Social Services Agency, hereinafter referred to as "ADMINISTRATOR."

W I T N E S S E T H:

WHEREAS, COUNTY desires to modify the terms of the Agreement to increase funding in order to provide subsidized employment services to additional participants; and

WHEREAS, CONTRACTOR agrees to such modification and to provide additional services under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1 1. Subparagraph 18.1 of the Agreement is hereby amended to read as follows:

2 "18.1 Maximum Contractual Obligation:

3 The maximum obligation of COUNTY under this Agreement shall be
4 ~~\$10,023,174~~ \$11,197,812, or actual allowable costs, whichever is less."

5 2. Subparagraph 18.3 of the Agreement is hereby amended to read as follows:

6 "18.3 CONTRACTOR's Fee:

7 CONTRACTOR shall be paid a maximum fee of ~~\$1,671,565~~ \$1,824,246 as
8 follows: three (3) payments of \$201,596 each for the period July 1, 2010
9 through September 30, 2010; two (2) payments of \$118,530.78 each, for the
10 period October 1, 2010 through November 30, 2010; two (2) payments of
11 \$118,530.77 each, for the period December 1, 2010 through January 31, 2011;
12 and five (5) payments of \$149,066.98 for the period February 1, 2011 through
13 June 30, 2011; monthly in arrears for each month or any portion thereof that
14 this Agreement is in effect. It is mutually understood that the fee specified
15 in this Paragraph shall fully compensate CONTRACTOR for general,
16 administrative and/or overhead costs, and/or any other indirect costs and that
17 any such costs not specified in Paragraph 17 of Exhibit C to this Agreement,
18 entitled "Budget", at the time this First Amendment is entered into shall not
19 be reimbursed under this Agreement."

20 3. Paragraph 3 of Exhibit B is hereby amended to read as follows:

21 "3. GOALS

22 CONTRACTOR's goals with respect to Exhibit B of this Agreement
23 shall be as follows:

24 3.1 ~~Eighty~~ Ninety percent (890%) of all participants receiving
25 Employment Support Services shall indicate that Employment Support Services
26 assisted them in satisfactorily addressing barriers to self-sufficiency. This
27 shall be evidenced by a participant satisfaction survey summary to be
28 completed by CONTRACTOR, and submitted to ADMINISTRATOR no later than April

1 30, 2010.

2 3.2. CONTRACTOR shall place between forty (40) and fifty (50) new
3 participants per month, on average, into subsidized employment, and maintain
4 up to 324 job placements per month, as described in Subparagraph 4.5 of
5 Exhibit B to this Agreement, throughout the term of February 2, 2011 through
6 June 30, 2011.

7 3.3 ADMINISTRATOR will modify job placement requirements if
8 ADMINISTRATOR does not refer an adequate number of participants for CONTRACTOR
9 to meet the requirements identified in Subparagraph 3.2 of Exhibit B to this
10 Agreement."

11 4. Paragraph 17 of Exhibit C of the Agreement is hereby amended to read as
12 follows:

13 "17. BUDGET

14 The budget for Job Services and Employment Support Services
15 provided pursuant to Exhibits A, B, and C of this Agreement is set forth as
16 follows:

17 17.1 Budget period for July 1, 2010 - June 30, 2011

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	Max Hourly		
<u>Salaries and Benefits:</u>	<u>Rate⁽¹⁾</u>	<u>FTE⁽²⁾</u>	<u>Amount</u>
21 Program Director	40.04	1	83,283
22 Project/Finance Manager	38.87	1	69,050
23 Training Manager	31.82	1	65,815
24 Program Manager	31.25	1	64,275
25 Subcontract Manager	31.82	1	66,185
26 Quality Control Manager	31.25	1	58,809
27 Supervisor	26.00	11	478,184

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1	Career Consultant	22.00	59	1,752,946
2	Account Specialist	22.18	55.62	144,858 161,523
3	Administrative Assistant	16.02	5	160,466
4	Direct Company Support			5,000
5	Subtotal Salaries ⁽³⁾⁽⁶⁾⁽⁷⁾		86	2,948,871 2,965,536
6	Benefits ⁽⁴⁾			737,714 742,047
7	Total Salaries and Benefits			\$3,686,585 \$3,707,583
9	<u>Services</u>			
10	Independent Audit			8,487
11	Basic Needs			390,000
12	Professional Clothing			405,000
13	Domestic Abuse Services			630,000
14	Housing			1,029,000
15	Transportation			565,000
16	Subsidized Employment Salary ⁽¹⁰⁾			606,786 1,671,519
17	Purchase of Services			94,000
18	Total Services			\$3,728,273 \$4,793,006
19	<u>Operating Expenses</u>			
20	Office Expense			97,650
21	Program Expense			92,667
22	Telephone (Communication Costs)			72,300
23	Mileage ⁽⁵⁾			34,800
24	Staff Development			12,500
25	Travel (Transportation/Lodging) ⁽⁸⁾			15,000
26	Advertising/Promotions/Printing			22,000
27	Facility Lease/Rental			487,250 423,476
28	Equipment Lease/Rental			50,000

1	Insurance		46,984
2	Miscellaneous ⁽⁹⁾		5,600
3	Total Operating Expenses	936,751	872,977
4	Contractor's Fee	<u>\$1,671,565</u>	<u>\$1,824,246</u>
5	MAXIMUM OBLIGATION 7/1/10-6/30/11	\$10,023,174	\$11,197,812

- 6
- 7 (1) Maximum hourly rates which will be permitted during the term of this Agreement; employees may be paid at less than maximum rate.
- 8 (2) For hourly employees, Full-Time Equivalent (FTE) is defined as the amount of time (stated as a percentage) each position will be providing services under the terms of this Agreement. This percentage is based upon a 40-hour workweek. For salaried employees, FTE is defined as the amount of time (stated as a percentage) the position will be paid for under the terms of this Agreement, regardless of the number of hours actually worked.
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- 12 (3) Total salaries are calculated on average hourly rates for positions with average hourly rates and on maximum hourly rates for positions with no average hourly rates.
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- 14 (4) Employee Benefits include 401k, health insurance, dental insurance, life insurance, and long-term disability insurance. Also included are payroll taxes such as FICA, Federal Unemployment Tax, State Unemployment Tax, and Worker's Compensation Tax, based on the currently prevailing rates.
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- 16 (5) Mileage is limited to the amount allowed by the IRS.
- 17 (6) Staff incentive payments are calculated at 5% of salaries.
- 18 (7) Bilingual staff incentive payments are 55% of Direct Services Staff FTEs at \$0.83 per hour.
- 19 (8) Travel costs will be in accordance with Title 41 CFR Chapter 301 Federal Travel Regulation; Maximum Per Diem Rates, Final Rules. Travel must be approved in advance by ADMINISTRATOR. CONTRACTOR shall be reimbursed for actual expenses of lodging, up to the maximum allowed in CFR Title 41 Chapter 301, Travel Allowances. CONTRACTOR shall be reimbursed for per diem rate paid to employees for meals and incidental expenses incurred during travel, up to the maximum allowed in Title 41 CFR Chapter 301, Travel Allowances.
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- 24 (9) Other includes costs of customary ongoing recruiting costs; Trade, Business and Professional activities; and other allowable and necessary costs that cannot be practically classified into a separate category. The amount assigned to this category is based upon past experience with the CalWORKs Program.
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- 28 (10) Subsidized Employment line includes both salary wages and benefits cost

1 WHEREFORE, the parties hereto have executed this First Amendment to
2 Agreement dated July 1, 2010.

3
4 By: _____
5 RICHARD L. TINSLEY
6 EXECUTIVE VICE PRESIDENT AND MANAGER
7 ARBOR E & T, LLC
8 A SUBSIDIARY OF RESCARE, INC.

By: _____
COUNTY OF ORANGE
CHAIR OF THE BOARD
OF SUPERVISORS

9
10 Dated: _____

Dated: _____

11 By: _____
12 DAVID W. MILES
13 TREASURER AND MANAGER
14 ARBOR E & T, LLC
15 A SUBSIDIARY OF RESCARE, INC.

16 Dated: _____

17 SIGNED AND CERTIFIED THAT A COPY OF
18 THIS DOCUMENT HAS BEEN DELIVERED TO
19 THE CHAIR OF THE BOARD PER G.C. SEC 25103, RESO 79-1535
20 ATTEST:

21 _____
22 DARLENE J. BLOOM
23 Clerk of the Board of Supervisors
24 Orange County, California

25 APPROVED AS TO FORM
26 COUNTY COUNSEL
27 COUNTY OF ORANGE, CALIFORNIA

28 By: _____
DEPUTY

Dated: _____