

**First Amendment to
the SERVICES CONTRACT
Contract # 801116SA008
Temporary Staffing & Direct Hire Services**

This First Amendment to the Services Contract (the "First Amendment") is attached to and made part of the Services Contract, Contract #801116SA008 entered into on November 28, 2018 (the "Contract") by and between The Salk Institute for Biological Studies ("Client"), and The Services Companies, Inc. successor in interest to Acrobat Outsourcing ("Contractor" and/or "TSC"). The effective date of this First Amendment will be the date of the later signature below (the "First Amendment Effective Date"). Capitalized terms used herein but not defined shall have the same meaning as in the Contract. Salk and Contractor may also be referred to herein individually as a "Party" or collectively as the "Parties."

Whereas, Client entered into the Contract with Acrobat Outsourcing on November 28, 2018 (the "Contract Effective Date").

Whereas, The Services Companies, Inc. purchased Acrobat Outsourcing after the Contract Effective Date.

Whereas, the Parties wish to continue the contractual relationship in the Contract whereby The Services Companies, Inc. is the successor in interest to Acrobat Outsourcing.

NOW, THEREFORE, as of the First Amendment Effective Date, the Parties do hereby mutually agree to make the following amendments to the Contract:

1. Attachment A-1, "Scope of Services & Invoicing Process and Billing Rates" is hereby added to the Contract for the Services to be provided by Contractor under this First Amendment ("Attachment A-1").

Except as otherwise amended herein, the Contract will continue to be in effect until a written amendment modifies or terminates the Contract. All other terms and conditions of the Contract will remain unchanged.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed and made effective as of the First Amendment Effective Date by their respective duly authorized representatives.

The Salk Institute for Biological Studies

Melanie Showalter

Melanie Showalter (Aug 19, 2021 11:05 PDT)

Signature

Melanie Showalter

Senior Director, Procurement Services

08/19/2021

Date

The Services Companies, Inc.

Heather Dailey

Heather Dailey (Aug 19, 2021 13:14 PDT)

Signature

Heather Dailey

Name, printed or typed

Director of Sales

Title

08/19/2021

Date

Services Contract
Contract #801116S008

Attachment A-1 – Scope of Services & Invoicing Process and Billing Rates

Revision Number and Date:	Original	Period(s) of Performance:	08/15/21-11/15/2021
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1) Summary

Staffing Services: TSC will assign certain of its employees described in the table below (“TSC employees”) with the skills CLIENT requests, to do CLIENT’s work under CLIENT’s operational supervision.

2) Bill Rates: TSC’s bill rates include the employee’s hourly wage, and all deductions required by federal, state and local law -- including employer’s contribution for FICA taxes, providing Unemployment and Worker’s Compensation, liability insurance and fidelity bonding, health care and commuter ordinances as well as other deductions and benefits paid to our employees. Additionally, all administrative charges are covered, including preparation of W-2 forms at the end of the year.

Position	Bill Rate
Dishwasher	\$27.49
Server	\$30.49
Bartender	\$31.49
Prep Cook	\$28.95
Line Cook	\$32.49

TSC may, on occasion, increase the rates set forth above in proportion to any legally-mandated new or increased cost which may be required by federal, state, or local law commencing upon the effective date of such new or increased cost, such as FICA State Unemployment Tax increase or any new or increased cost associated with the passage of a federal or state or local law mandating any benefits for employees. In any event, on occasion, rates may be prospectively changed by TSC upon notice to CLIENT. Any sales, use, value added, or similar taxes that apply to sales to CLIENT will be added to CLIENT’s invoices as a separate item.

Paid sick time will be billed back to CLIENT at the straight-time bill rate for all hours taken by any TSC employee in any jurisdiction that has passed or will pass paid sick time legislation.

Affordable Care Act: TSC offers medical benefits to all eligible temporary employees in compliance with the Patient Protection and Affordable Care Act (“ACA”). You will be assessed a minimal % ACA surcharge on every invoice. This rate can vary and is currently 3% of the invoice amount.

3) Five-hour Minimum: TSC requires a five-hour minimum workday. If an employee is scheduled to work a minimum of five hours in one day and the employee is sent home in less than five hours due to a lack of work, the employee will be paid for five hours and CLIENT will be billed for five hours.

Show-up: In the event CLIENT cancels the employee’s assignment and the employee is already on his/her way to work, or at the location, the five hour minimum will be applied, and CLIENT will be billed for five hours.

- 4) **Cancellation of Event:** There will be a 50% cancellation fee of estimated hours for the Event if cancelled within 36 hours of the scheduled start time. The parties agree that the minimum hours for the Event are 5. For Saturday, Sunday and Monday jobs all cancellations or order changes need to be received by Friday morning at 9 a.m. PST to avoid fees.
- 5) **Overtime:** All overtime worked by TSC employees will be paid to employees as required by federal, state and local statutes. Principal agrees to pay Contractor overtime rates for the performance of overtime work to the extent that a TSC employee's work on assignment to CLIENT, taken alone, would legally require premium overtime pay and CLIENT has scheduled, requested or approved the TSC employee to work those hours. The rate for overtime hours will be the same multiple of the Straight Time bill rate as TSC is required to apply to the TSC employee's pay rate. For purposes of this Agreement, "Straight Time" is defined under the Fair Labor Standards Act.
- 6) **Guarantee:** TSC guarantees that the assigned employees that they recruit and assign to CLIENT will reasonably meet the qualifications CLIENT requests. If CLIENT finds any assigned employee's qualifications or general work-related behavior lacking and notifies TSC know within one (1) hour, TSC will not charge for the first two (2) hours of the assignment and will make reasonable efforts to replace the assigned employee immediately. This shall be CLIENT's sole remedy with respect to CLIENT's dissatisfaction with a TSC employee's qualifications or performance.
- 7) **Employee Timesheets:** TSC will send CLIENT a timesheet and an electronic link to report employee hours with every job staffed, which will be provided to CLIENT by local staffing manager. These timesheets will have the names of the staff reporting to your event or business as well as a place to indicate time in, time out and break time. The timesheet requires the staff, as well as the Client to input hours worked to ensure the validity of the recorded time by all parties. Each week, when jobs are finished, TSC will email CLIENT reminders to submit hours electronically. CLIENT electronic timesheets are due no later than Monday at 4:00 PM. If TSC does not receive CLIENT timesheets with hours worked by the time timesheets are due, TSC will pay employees as scheduled and bill CLIENT the same.
- 8) **Employee Breaks; Safety:** Per California labor laws an employee: a. must receive a 10 minute break for every 4 hours that they work provided the shift is at least 5 hours; b. must receive an uninterrupted 30 minute break after 5 hours, except when the workday will be completed in 6 hours or less and there is mutual employer/employee consent to waive the break period. If working more than 8 hours additional breaks must be provided. CLIENT shall comply with applicable employee break laws with respect to TSC employees assigned to CLIENT. CLIENT shall maintain a safe, healthy, and legal workplace for TSC employees in accordance with the OSHA, including all safety and site specific training (including exposure to hazardous substances), provide TSC employees with all required personal protective equipment, record on CLIENT's OSHA Form 300, Log of Work-Related Injuries and Illnesses, any recordable injuries and illnesses of TSC employees and comply with all other OSHA recordkeeping responsibilities applicable to TSC employees, and notify TSC immediately of any OSHA inspection or request for information.
- 9) **Payment Terms:** All invoices are due upon receipt of the invoice.

10) Finance Charge: If CLIENT does not pay an invoice within thirty (30) days from the date of Client's receipt of the invoice, an interest rate of 1.5% per month (Annual Percentage Rate of 18%) or the maximum legal rate, whichever is lower, calculated from the date of the CLIENT's receipt of the invoice may be added. CLIENT will pay TSC all of the reasonable expenses, costs and fees TSC incurs to collect overdue invoice payments from CLIENT.

Notwithstanding the foregoing, CLIENT will, as reasonably prompt as practicable, notify TSC of any disputed invoice. If CLIENT does not pay an invoice within 30 days from CLIENT's receipt of the invoice, TSC will provide notice to CLIENT of such non-payment and CLIENT will either pay TSC the invoice amount or provide notice of dispute of any such amounts in the invoice. TSC will work with CLIENT to resolve any such disputed item. If any portion of any invoice is disputed, CLIENT shall pay the undisputed portion as the parties attempt to resolve any disputed amounts.

The Service Companies Amendment for signatures

Final Audit Report

2021-08-19

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