

Georgia IT Temporary Staffing Services Contract
Addendum to the Subcontractor Agreement

Version 3

THIS ADDENDUM is made to the Subcontractor Agreement between Computer Aid, Inc. ("Contractor") and _____ ("Subcontractor") dated _____.

The following sections and paragraphs are revised as follows effective August 1, 2019:

WITNESSETH:

WHEREAS, the Contractor has entered into a contract with the State of Georgia (the "Customer") to provide certain information technology Time and Materials (T&M) or Fixed Price Deliverables based services under the Georgia IT Temp Staffing Master Services Agreement, Contract Number 99999 001 SPD0000149 ("Master Agreement") a copy of which may be viewed at georgia.compaid.com; and

WHEREAS, the Contractor wishes to hire the Subcontractor to perform certain information technology T&M or Fixed Price Deliverables based services on an as-needed basis relating to the Master Agreement with the Customer (such software, including all know-how, trade secrets, copyrights, and patentable inventions relating thereto, being hereinafter referred to collectively as the "Program Materials"); and

WHEREAS, both the Contractor and the Subcontractor desire to set forth in writing the terms and conditions of their agreement, including their respective rights as to the Program Materials.

Paragraph 1

1. **Information Technology Services**. On the terms and conditions set forth herein, Contractor hereby engages Subcontractor to perform information technology T&M or Fixed Price Deliverables based services for the Project in which the Contractor is engaged with the Customer, during the term hereof, and Subcontractor hereby accepts such engagement. Subcontractor agrees to use its best efforts, at a level consistent with entities having a similar level of experience and expertise in the IT industry, in the performance of the services called for hereunder. Upon selection by Contractor, in its sole discretion, of any one or more Subcontractor Employees, Contractor shall provide required information for each requirement in accordance with the procedures set forth in Exhibit A - Georgia IT Temporary Staffing Services Contract T&M Requisitioning Process or Exhibit B - Georgia IT Temporary Staffing Services Contract SOW Requisitioning Process .

T&M Services - Information will include the following:

- (i) the name(s) of the Subcontractor Employee(s) needed by Contractor (each, an "Assigned Employee");
- (ii) the name and location of the Contractor Customer for which the Assigned Employee shall work;
- (iii) the description of skills requested;
- (iv) the nature of the work to be performed by each Assigned Employee;
- (v) the time period for which Contractor will utilize each Assigned Employee;
- (vi) the hourly Pay Rate which the Subcontractor will be required to pay each Assigned Employee; and
- (vii) the hourly fee which Contractor will pay Subcontractor based on Subcontractor's markup fee which cannot exceed 35% of Pay Rate for each Assigned Employee identified as a Standard placement or 25% for each Assigned Employee identified as a Payroll placement.

- 1.1 If a Subcontractor employee begins work at Customer, and the Customer determines within 10 business days that the Subcontractor employee does not have the skills or capabilities necessary to complete the job as requested in the original requirement, or the Subcontractor employee resigns from the requirement within the first 2 weeks (10 business days), the Customer may request that the resource be replaced immediately, and Contractor shall not pay for the work conducted by the unacceptable Subcontractor employee.
- 1.2 If a Subcontractor employee performing work for the State separates from the Subcontractor, Subcontractor shall notify the Contractor as soon as it becomes aware of said employee's departure or ten (10) business days' advance notice, whichever is longer. Subcontractor shall notify the Contractor in writing within twenty-four (24) hours in the event of an unanticipated departure of a Subcontractor employee.

Fixed Price Deliverables Services – The Fixed Price Deliverables Statement of Work will include the following:

- i. description of the scope of the services to be provided
- ii. description of the team performing the Work
- iii. description of the Solution which meets the requirements set forth by the Authorized User
- iv. description of each deliverable and deliverable acceptance criteria the fixed price deliverable
- v. delivery schedule the fixed price deliverable payments which shall include the VMS fee of 3.35% which will be deducted from the Subcontractor's payments

Paragraph 3

3. Compliance. The parties hereto acknowledge that the business relationship is between two independent contractors and is not an employer-employee relationship. The Subcontractor warrants and represents that it is a corporation engaged in the business of providing computer consulting/programming services and that it will continue to act as an independent entity notwithstanding any degree of direction or control exerted over its programming activities by the Contractor. Accordingly, the Subcontractor shall pay and report, as applicable, local, state and federal income tax withholdings, social security taxes, unemployment taxes and such other taxes as may be required with respect to payments received by the Subcontractor for the services provided by it pursuant to this Agreement.

3.1. Further, the Subcontractor agrees to indemnify and hold harmless the Contractor from any demands or damages which may arise pursuant to a claim involving the Subcontractor and which is brought under a theory of an employer-employee relationship such as, but not limited to, a claim for, wages, premiums, employment benefits, discrimination (unless caused by the willful conduct of Contractor or its agents), workers' compensation benefits, unemployment insurance, withholding taxes or payroll taxes.

3.2. Subcontractor shall purchase and maintain insurance for protection from claims under the Worker's Compensation Act and other statutory employee benefit provisions, which are applicable in the state in which this Agreement is being performed. A self-insurer must submit a certificate from the Georgia Board of Workers Compensation stating that the Supplier qualifies to pay its own worker's compensation claims.

Subcontractor shall obtain and keep in force throughout the term of this Agreement the following insurance levels:

TYPE OF INSURANCE	LIMIT	AMOUNT
General Liability (including contractual liability) written on an occurrence basis	General Aggregate Limit Products/Completed Operations Personal & Advertising Injury Each Occurrence	\$2 Million \$2 Million \$1 Million \$1 Million
Excess Liability, umbrella form	General Aggregate	\$2 Million
Automobile Liability (required if resource will be operating a State-owned vehicle, will be noted on requirement.)	Combined Single Limit	\$1 Million
Workers Compensation and Employer Liability	Per Accident Per Employee for Disease Aggregate Disease	\$100,000 \$100,000 \$500,000
Fidelity Coverage	General Aggregate	\$1 Million
Professional Liability	General Aggregate	\$2 Million – Small Business \$5 Million – All Others

3.3. Subcontractor shall submit a Certificate of Insurance to Contractor evidencing the required insurance coverage and stating that thirty (30) days prior written notice must be given to Contractor before cancellation of the policy. Insurers must be authorized to do business within the State of Georgia and have an A.M. Best Company rating of A-. CAI and the “State of Georgia, it’s officers, employees and agents” must be named as additional insureds under the commercial general and automobile liability policies. The certificate of insurance in the description of operations box should reference the policy provisions regarding additional insureds in the supplier’s coverage. CAI’s address is as follows:

Computer Aid Inc.
 ATTN: Vendor Management Team
 3801 Paxton Street
 Harrisburg, PA 17111
 Email: MSP_VendorMgmt@compaid.com

Paragraph 4

4. Compensation.

4a. Compensation – T&M Services. Contractor agrees to pay Subcontractor the vendor rates set forth on the Engagement within the Vendor Management System (VMS) for all Customer-Approved billable hours for services rendered by Subcontractor during the term of this Agreement. The payment will be based on a payment cycle schedule which will be published on the CAI Supplier Portal at <http://georgia.compaid.com>. Subcontractor employee must enter time into the VMS on a weekly basis or as directed by the Contractor or Customer. Timesheets will not be considered valid until approved by the Customer within the VMS.

4a.1. Subcontractor shall maintain its payroll time records and work reports in accordance with Contractor's requirements for a period of four (4) years. Contractor may audit said books and records during the term of this Agreement and for four (4) years thereafter.

4a.2. This Agreement does not entitle Subcontractor to any reimbursement of expenses unless otherwise expressly agreed to in writing in advance as Customer approved and re-billable.

4a.3 Subcontractor is required to pay all of its employees, Subcontractors, or subconsultants for all the work that the employee, Subcontractor, or subconsultant has satisfactorily completed no later than ten (10) days after the Subcontractor has received payment from the Contractor. Should the Subcontractor fail to make payments as set forth herein, Contractor shall be entitled to engage the Subcontractor or subconsultant directly and the Subcontractor shall release any non-compete or non-solicitation agreement it may have with the Subcontractor or subconsultant.

4b. Compensation – Fixed Price Deliverables Services. Contractor agrees to pay Subcontractor the fixed price deliverable rates set forth in the selected SOW less the MSP fee of 3.35% for all fixed price deliverables approved by the Authorized User within the VMS. Subcontractor must enter fixed price deliverable into the VMS once completed. The fixed price deliverable will not be considered valid until approved by the Customer within the VMS.

Paragraph 5

5. Payment terms.

5a. Payment terms – T&M Services Subcontractor is not required to submit invoices to the Contractor. The payment terms shall be outlined in the payment cycle schedule posted to the aforementioned Supplier Portal and shall be dependent on approval of time by the Customer within the VMS during the payment cycle time period. Contractor shall use its best efforts to pay all approved time within 30 calendar days from the end of the payment cycle, subject to receipt of payment from the Customer. All time not approved by the Customer during the payment cycle time period shall be accounted for in the next cycle based on approval date within the VMS.

Subcontractor shall have the option of 15 calendar day net payment from the end of the payment cycle time period, subject to charge of one percent (1%) of the invoice amount to be retained by the Contractor. All time not approved by the Customer during the payment cycle time period shall be accounted for in the next cycle based on approval date and subject to the 1% charge.

5b. Payment terms – Fixed Price Deliverables Services Payment terms are seven days from the receipt of payment from Client, and receipt of valid invoice for fixed price deliverables work performed by a SOW.

Contractor shall use its best efforts to invoice the Client within seven (7) days from the receipt of a valid invoice from the Subcontractor. The Contractor will use commercially reasonable efforts to enforce payment from the Client.

Notwithstanding, Contractor shall not be relieved of its obligation to pay Subcontractor if the Client's refusal to issue payment is based upon Contractor's failure to timely or properly invoice the Client. Subcontractor understands and agrees that under no circumstances shall the Contractor be responsible for any sum(s) of money owed or owing to subcontractor for services rendered in the event that, for any reason or for no reason, the Client denies to, refuses to, or is unable to pay the Contractor.

Paragraph 6

6. Indemnification. The Subcontractor, at its own expense, agrees to defend, indemnify and hold harmless the Contractor, its employees, successors and assigns from any claim, demand, cause of action, loss, damage, expense or liability (including attorney's fees) that may be incurred by the Contractor as a result of Subcontractor's actions under this Agreement or to the extent that it is based on a claim that Subcontractor infringed or violated the patent, copyright, license or other proprietary or intellectual property right of a third party or arising out of any injury (including death) to persons or damage to property to the extent caused by the negligence or intentional misconduct of Subcontractor or Subcontractor's employees, agents or Subcontractors while engaged in the performance of this Agreement or that Subcontractor otherwise acted negligently, improperly or illegally in the performance of its duties pursuant to the terms of this Agreement. In addition, in the event that any such Subcontractor performance is held to constitute an infringement and its use is or may be enjoined, Subcontractor shall, at its option, (1) modify the infringing program coding at its own expense so that it is not infringing; or (2) procure for the Contractor the right to use and license the use of the infringing program coding at no cost to either the Contractor or the Customer.

Except as otherwise provided in the Master Agreement, Subcontractor's liability to the Contractor for any claim of damages arising out of this Agreement shall be limited to direct damages and shall not exceed the total amount paid to Contractor for the performance under the Master Agreement. No limitation of Subcontractor's liability shall apply to Subcontractor's liability for loss or damage to Customer's equipment or other property while such equipment or other property is in the sole care, custody, and control of subcontractor's personnel. Subcontractor hereby expressly agrees to assume all risk of loss or damage to any such Customer's equipment or other property in the care, custody, and control of subcontractor's personnel. Subcontractor further agrees that equipment transported by Subcontractor personnel in a vehicle belonging to Subcontractor (including any vehicle rented or leased by Subcontractor or Subcontractor's personnel) shall be deemed to be in the sole care, custody, and control of Subcontractor's personnel while being transported. Nothing in this section shall limit or affect Subcontractor's liability arising from claims brought by any third party.

Paragraph 21

21. Limitations on Subcontractor Layering. All candidates submitted by Subcontractor for consideration to T&M positions must have a W-2 or 1099 relationship with Subcontractor, or be no more than one (1) contracting layer removed from Subcontractor. If instances of additional layering are discovered, Contractor will engage the candidate through the W-2 Subcontractor. All employer and/or contracting details must be reported accurately within the VMS system or be subject to removal from the contract.

Paragraph 22

22. Accurate Time Reporting. Each engaged resource providing T&M services must enter time into the VMS tool accurately and honestly. Failure to report time in an accurate and honest manner may result in disciplinary action or termination of the engagement.

Paragraph 23

23. Safe Harbor/ACA Reporting. The Subcontractor will be required to provide information on the health care coverage offered for each Subcontractor Employee or any subcontracting layer performing T&M work under this contract.

Payment Terms

Subcontractor agrees to the following T&M payment terms (Initial one):

_____ 15 days (Subject to a charge of one percent (1%) of the invoice amount to be retained by Contractor, as per section 5 of this Agreement)

_____ 30 days These payment terms shall be effective for the life of this Contract unless otherwise mutually agreed upon by the Contractor and Subcontractor.

Exhibit A
Georgia IT Temporary Staffing Services Contract T&M Requisitioning Process

The following narrative describes the T&M requisitioning process for the Georgia IT Temporary Staffing Services Contract, overseen by Computer Aid, Inc. (CAI).

Step 1: Once the requirement is complete and approved, the CAI Contract Manager releases the requirement to the Subcontractor network via the web-based Vendor Management System (VMS).

Step 2: Subcontractor reviews the requirement. If the Subcontractor has resources who they feel fit the description of the need, they will submit their information and resumes through the VMS.

Step 3: The CAI Contract Manager monitors the online tool and receives all submitted resumes from the Subcontractor network.

Step 4: The CAI Contract Manager reviews the resumes and selects a group of resumes to present to the Agency Authorized User, based on skill and experience match and availability. The CAI Contract Manager then forwards the resume matches the Authorized User for review. Please note: This must happen within the required time frame identified in the contract's service level agreements.

Step 5: The Agency Authorized User reviews the forwarded resumes and selects an appropriate number of resources to interview.

Step 6: The Agency Authorized User then notifies the CAI Contract Manager of his or her selection.

Step 7: The CAI Contract Manager notifies the selected Subcontractor/candidate and coordinates interviews with the Agency Authorized User.

Step 8: The Agency Authorized User interviews the candidate, either by phone or in-person.

Step 9: The Agency Authorized User selects a candidate and provides the CAI Contract Manager with complete engagement details, including specific information on the resource, role, responsibilities, timing, and job location.

Step 10: The CAI Contract Manager receives the engagement information and reviews for accuracy. The CAI Contract Manager then notifies the Subcontractor Network that a candidate has been selected, and notifies the appropriate Subcontractor that their individual candidate was selected. The CAI Contract Manager also ensures that all applicable background checks, drug tests, and all other on-boarding tasks are completed.

Step 11: The Subcontractor of the selected candidate notifies the candidate of selection and provides all job details to the candidate. The Subcontractor also assists the candidate in completing all on-boarding activities (i.e. background checks and drug tests).

Step 12: The CAI Contract Manager forwards final hire details to the Agency Authorized User and Subcontractor.

Step 13: The candidate begins work.

The following has been added effective August 1, 2019:

Exhibit B
Georgia IT Temporary Staffing Services Contract SOW Requisitioning Process

The following narrative describes the SOW requisitioning process for the Georgia IT Temporary Staffing Services Contract, overseen by Computer Aid, Inc. (CAI).

Step 1: The Authorized User will create a Statement of Requirements (SOR) document which details the fixed price deliverable project requirements. The Authorized user will submit a Service Requisition within the VMS which will include the SOR as an attachment. Once the requirement is complete and approved, the CAI Contract Manager releases the requirement to the Subcontractor network via the VMS.

Step 2: Subcontractor reviews the Service requisition and attached SOR. If the Subcontractor can provide services to complete the project as defined in the SOR, they will submit their information and SOW through the VMS.

Step 3: The CAI Contract Manager monitors the online tool and receives all submitted SOWs from the Subcontractor network.

Step 4: The CAI Contract Manager reviews the SOWs for completeness. The CAI Contract Manager then forwards all complete SOWs to the Authorized User for review. Please note: This must happen within the required time frame identified in the VMS.

Step 5: The Agency Authorized User reviews the forwarded SOWs and negotiates pricing and deliverables directly with the subcontractor.

Step 6: The Agency Authorized User selects the SOW and provides the CAI Contract Manager with complete engagement details, including project start dates.

Step 7: The CAI Contract Manager receives the engagement information and reviews for accuracy. The CAI Contract Manager then notifies the Subcontractor Network that an SOW has been selected, and notifies the appropriate Subcontractor that their SOW was selected.

Step 8: The subcontractor begins the project.

Step 9: The subcontractor submits fixed price deliverables in the VMS as completed.

Step 10: Authorized user reviews deliverables and approves them for payment in the VMS.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed on the day and year written below.

CONTRACTOR

COMPUTER AID, INC.

By: _____

Signature of Authorized Representative

Printed Name

Title

Date

SUBCONTRACTOR

By: _____

Signature of Authorized Representative

Printed Name

Title

Date