

SECOND AMENDMENT TO WORKFORCE INVESTMENT ACT CONTRACT BETWEEN
THE CITY OF DURHAM AND EDUCATIONAL DATA SYSTEMS INCORPORATED
(EDSI)

This contract (second amendment) is made, dated and entered into as of _____ day of _____ 2014, between the City of Durham, a municipal corporation (“City”) and Educational Data Systems Incorporated (“Contractor”), a for-profit corporation organized and existing under the laws of the state of Michigan.

The City and the Contractor entered into a contract titled “Workforce Investment Act Contract Between the City of Durham and Educational Data Systems Incorporated (EDSI)” dated April 1, 2014. That contract is referred to as the “Original Contract.”

The City and the Contractor entered into a first amendment titled “Amendment to the Workforce Investment Act Contract between the City of Durham and Educational Data Systems Incorporated (EDSI)” to correct clerical errors on page 15 and in the header.

The purpose of this Second Amendment is to extend EDSI’s contracted services for an additional year with modifications to the scope of work and to increase the value of the contract by \$721,000.00 for compensation of services delineated within revised Attachments A and B of this Second Amendment.

The Original Contract is further amended as follows:

1. Delete Section 2. “Purpose/Program Narrative”, of the Original Contract and replaced with the following:

Section 2, Purpose/Program Narrative. Contractor shall perform the services and activities outlined in Attachment A of the Second Amendment. Those services and activities are sometimes referred to in this contract as the “Scope of Work” or the “Deliverables”. The Contractor shall begin performance of these services and activities on July 1, 2014. It shall complete those services and activities by June 30, 2015. This Contract may be renewed based upon performance and funding availability for a maximum of two additional years. At the end of this contract (year one), an evaluation will be made by the Office of Economic and Workforce Development (OEWD) to determine whether to recommend the second contract renewal, and to refer the recommendation to the Durham Workforce Development Board (DWDB) and the City Council prior to June 30, 2015.

2. Delete Section 4, “Payment under the Contract,” of the Original Contract and replaced with the following:

Section. 4. Payment under the Contract. The City shall make payment on a cost reimbursement basis to the Contractor for services and activities described in Attachment

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A of this Second Amendment, within the budgeted line-items provided for in Attachment B of this Second Amendment in an amount not to exceed \$721,000 which is attached hereto and incorporated herein for a total contract amount and payments not to exceed \$1,001,000. Those payments shall be made by the City within 30 days of receipt of invoices for services received from the Contractor. No less often than monthly, the Contractor shall send invoices to the Workforce Development Administrator within the Office of Economic and Workforce Development, whose name and address shall be provided by the City. The City shall provide the Contractor with blank reporting forms referred to in this Contract, and Contractor agrees to use those forms and instructions.

Notwithstanding anything in the Contract, which may be to the contrary, Contractor understands and agrees that any payment made under or in any way relating to this contract by the City is limited to the lesser of (i) funds made available for that purpose by the North Carolina Department of Commerce, Division of Workforce Solutions (DWS) under the grant referred to above, or a total maximum of the total contract amount of (ii) \$1,001,000. Contractor performance will be reviewed on a monthly basis. Failure to reach the goals and objectives, and failure to carry out the services and activities as set out in Attachment A, and Attachment B of this Second Amendment in a timely manner, will result in delay of payment to Contractor and will be in breach of the contract.

Monthly invoice documentation shall include the following:

1. Time sheets or payroll registers.
2. Documentation related to the fringe benefit percentages for each employee whose salary is charged to the contract.
3. Documentation related to the cost or rental of space.
4. Documentation to substantiate travel costs that are invoiced and should be congruent with the policies of the City of Durham travel reimbursement.
5. Documentation of supply costs.
6. Documentation of other program costs such as advertising, technology, food and meeting costs, professional services, employee morale, insurance, criminal background checks, maintenance and repair and other costs allowable under the Office of Management and Budget and the policies of the Durham Workforce Development Board.
7. Documentation of client support service costs such as childcare, books, supplies, and other costs allowable under the Office of Management and Budget and policies of the Durham Workforce Development Board.

3. In Section 7, Attachments, delete “Scope of Work” for Attachment A and replace with “Scope of Work for Second Amendment”. Delete “Program Budget April-June 2014” and replace with “Program Budget July 1, 2014—June 30, 2015 - for Second Amendment”.

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4. Delete Attachment A of the Original Contract and replaced with a revised Attachment A titled “Scope of Work for Second Amendment.”
5. Delete Attachment B of the Original Contract and replaced with a revised Attachment B titled “Program Budget July 1, 2014 – June 30, 2015 – for the Second Amendment.”

IN WITNESS WHEREOF, the City and the Contractor have caused this Second Amendment to be executed under seal themselves or by their respective duly authorized agents or officers. The individual signing on behalf of the Contractor warrants that he or she has the authority to bind the Contractor to this contract

CITY OF DURHAM

ATTEST:

By: _____

Pre Audit Certificate:

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Educational Data Systems Incorporated

By: _____

Title: _____

(Affix corporate seal.)

State of _____ ACKNOWLEDGEMENT BY

EDUCATIONAL DATA SYSTEMS
INCORPORATED

County of _____

I, a notary public in and for the aforesaid county and state, certify that

_____ personally appeared before me this day and stated that he or she is (~~strike through the inapplicable:~~) chairperson/ president/ chief executive officer/ vice-president/ assistant vice-president/ treasurer/ chief financial officer of Educational Data Systems Inc., a corporation, and that by authority duly given and as the act of the corporation, he or she signed the foregoing contract or agreement with the City of Durham and the corporate seal was affixed thereto. This the _____ day of _____, 20____.

My commission expires: _____

Notary Public

ATTACHMENT A

SCOPE OF WORK FOR SECOND AMENDMENT

Durham Workforce Development Board

EDUCATIONAL DATA SYSTEMS INCORPORATED

Background

Contractor shall perform the following services and activities as part of the Workforce Investment Act Adult and Dislocated Worker services program with a budget not to exceed \$741,000 (in program dollars) between July 1, 2014 and June 30, 2015:

Educational Data Systems Incorporated will provide services to 750 adult and dislocated workers who reside in Durham. Of the 750 participants who will be served 145 will be “carryover” adult participants and 48 will be “carryover” dislocated worker participants; there will also be at least 200 participants served that were exited from the program up to 12 months before the date of services to be provided during the period from July 1, 2013 to June 30, 2014. Individuals among the 200 may be adults or dislocated workers.

Deliverables

The Adult program annual performance outcome measures implemented by the U.S. Department of Labor Employment and Training Administration and set by the Office of Economic and Workforce Development for program year 2014 are as follows:

End of Year Performance Outcomes:

- By June 30, 2015, 90% of all WIA Adult and Dislocated Worker participants exited from the program between 7/14-6/15 shall have entered into employment.
- By June 30, 2015, 90% of all WIA Adult and Dislocated Worker participants exited from the program between 7/14-10/14 shall have retained employment in the 2nd and 3rd quarter after exiting the program.
- By June 30, 2015, 90% of all WIA Adult and Dislocated Worker participants exited from the program between 7/14-10/14 who entered into employment in the 1st calendar quarter after exit that are still employed in the 2nd and 3rd quarter after exit and have earned a wage of at least \$12.33 per hour.

Outcome Measurements

Educational Data Systems, Inc. will maintain systems in place to measure program performance and ensure continuous quality improvement. To measure progress toward career center success indicators Entered into Employment, Retention Rate and Average Earnings earned, the Program

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Manager will utilize NCWORKS.GOV.

A monthly report compiled by the Program Manager due to OEWD by the 13th of each month will include the following:

- Budget and expenditure information by formula Adult Worker/ Dislocated Worker (year to date expenditures, total expenditures and remaining funds) OJT Formula/ Federal, and Contingency funds
- Number of new enrollments
- Number of Active clients served (year to date, and monthly)
- Number carried over from previous year
- Total Clients Served
- Number exited (year to date, and monthly)
- Number of clients in follow up (year to date and monthly)
- Number of clients exhausted from program year to date
- Number of participants that found employment during the month
- Number of Unsubsidized employments (Year to date and Monthly)
- Number of participants that are enrolled into training
- Number that completed training
- Summary of participants training programs (i.e. Bio Bootcamp, Medical Coding, etc.)

Performance Evaluation & Monitoring

- The Program Manager will participate in monthly review meetings with the City of Durham's Adult Program Coordinator. Program performance and progress toward anticipated outcomes are reviewed and analyzed at these meetings and strategies to ensure favorable outcome results are developed and implemented by the Program Manager. The Program Manager will participate in weekly Career Center Staff meetings in order to report results, and program information as well as further the achievement of the Career Center towards the success indicators.
- The Program Manager will compile and analyze performance reports on a monthly basis and discuss results in one-on-one meetings with each Case Manager. The entire EDSI team will meet once a month to review and discuss Performance Reports and strategies to ensure favorable results, and to review current caseloads and ensure that adults and dislocated worker are on track to meet the goals in their individual service strategies.
- EDSI's Program Manager will work in direct collaboration with the OEWD Adult and Dislocated Worker Program Coordinator and the Career Center Manager to provide an ongoing assessment (monthly) of the project/customer flow and the alignment and/or clear delineation of the assigned roles/responsibilities of each EDSI Case Manager in order to provide an ongoing evaluation of program performance and the ability of the program to meet and/or exceed state negotiated goals.

Outreach and Orientation

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The EDSI staff will work in partnership with Career Center staff to provide services in the community. This includes an expansion of services and provides opportunities for orientation, and for completing applications in targeted communities. EDSI will assist Career Center staff and or conduct orientations at the Career Center or at locations determined by the OEWD staff, in an effort to provide ongoing outreach to the community. EDSI staff will be available to participate in the design and implementation of recruitment efforts designed to reach more job seekers.

Eligibility Determination (Orientation, Testing, Assessment, Intake)

The Adult/Dislocated Worker Program will utilize the Integrated Service Delivery Procedures for assessment/intake to ensure appropriate eligibility determination for core and intensive services. The client will attend the Durham NCWORKS Career Center orientation and upon completion is assessed and scheduled for an appointment with Skill Development (EDSI and DWS). At this appointment the customer is then dually enrolled in core Services, further assessed and then scheduled for a WIA orientation. After completion of the orientation the client is then scheduled for a meeting with skill development for case management services.

The customer is notified at orientation what documentation is necessary for eligibility and provides this information to the Skill Development Case Manager during a separate assessment/intake appointment. EDSI will utilize Mynextmove.org on every customer and then enroll in the intensive services of the WIA program. Customers receive an Individual Employment Plan and those that are identified as having a need that WIA could assist with, are assigned an activity included in the initial Individual Employment Plan. If the employment plan includes a training ITA or Occupational Skills Training the Basic Skills Testing or Cognitive Skills Testing is utilized as it allows for the identification of a skills gap. Once the customer is determined to be a candidate for service/ activities they will receive the appropriate service/ activity.

On-going Assessment

Once a customer is assigned a Case Manager, they will also receive additional objective assessment of their barriers and strengths in developing an Individual Employment Plan to identify program goals. Program staff will work in direct collaboration with the OEWD Adult and Dislocated Worker Coordinator to identify assessment tools (such as the Career Readiness Certification assessed through Work Keys) as additional and/or viable options in conducting assessments. When a customer's interest is unidentified, the Skills Development Case Manager will recommend and provide an interest inventory.

Individual Employment Plan

The EDSI staff will work in partnership with Wagner-Peyser staff and the customer to identify an appropriate service strategy and develop the Individual Employment Plan. The IEP is essential in providing good case management to achieve both short and long term goals. This

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employment plan is a written, structured set of steps to provide concrete and achievable goals for customers. It is a living document which should be changed as necessary to meet the needs of the customers, facilitating their entry into the workforce.

The EDSI staff will prioritize and address the customer's barriers and obstacles immediately. At the same time, they will begin to facilitate employment and/or training and to help the customer develop a long-term career path.

Follow Up Services

The EDSI staff will work in partnership with Wagner-Peyser staff to provide appropriate follow up services to ensure job retention and to ensure that performance measures are met. These follow-up services are completed 1st, 2nd and 3rd quarter after exit to ensure that the program meets performance measures established by the Division of Workforce Development. The Talent Development and Employment Services Specialists are responsible for following up with customers after exit. These cases are not exited until there are no further needed services required for 90 days after exit.

A wide range of services are provided following placement with the goal of ensuring that the support and planning needed to maintain employment are in place. Utilizing the monthly report staff will track the customers currently in follow-up stages. During this time staff will be able to reach out to customers via phone, mail and email to verify their employment. The talent development specialist notifies the customers at time of exit they are being exited. The Specialist makes sure the customers understand the availability of additional employment services over the next year. The staff will provide a "professional development" session for these customers so we are able to reach them in a group setting and allow them to continue to network. An opportunity for a "job Upgrade" is greatly enhanced by attending these sessions.

Individual Training Accounts

For eligible customers who are unable to secure employment through less intensive services, the program staff will coordinate occupational skills training through approved vendors or when possible on-the-job training opportunities. Before training begins, the Talent Development Specialist will work with the customer to ensure that barriers to successful program completion are removed. The Talent Development Specialist is expected to help the customer evaluate training options to ensure that any program selected leads to an occupation that is suited the customer's work preferences and abilities and is one in which the customer can be reasonably expect to experience success.

Supportive Services

The program staff will be trained in and maintain professional development opportunities in how to best assess and identify when support services are needed to ensure client success. Prior to using funds for these services, EDSI will assist the client in exploration of personal resources and other community programs and in making plans for addressing ongoing needs. Although in some cases supportive services are necessary in order for customer's to obtain and retain a job. When

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necessary, EDSI will provide transportation assistance, emergency childcare, clothing and emergency housing. Supportive services should be used as a tool for work. The need for these items should not interfere with a customer being successfully employed.

Integrated Service Delivery of the Adult/Dislocated Worker Program into the Durham NCWORKS Career Center

The WIA AW/DW is a program which is the next level for a customer looking for work. When he/she is unable to find employment on their own, WIA is one of the many case management programs that can be offered for additional employment services. The EDSI Staff will act as a partner with integrated Service Delivery in all areas, but are not the sole contributor. EDSI staff will collaborate in Career Center events and participate in notifying and training all Career Center partners about WIA and services available. The EDSI staff will work as part of the seamless service delivery team with the other system partners at the Career Center to ensure that the needs of local job seekers and employers are being met. EDSI will also be encouraged to participate in the following ways with the Career Center System:

- The Program Manager will operate utilizing the Integrated Service Delivery Manual in cooperation with direction from the Functional Manager of the Career Center and the OEWD Contract Manager. EDSI staff will serve either on the Talent Engagement Team/ Talent/Skills Development Team, or the Employment Recruitment and Placement Function Team. The EDSI Program Manager and/or staff designee will attend and contribute at Durham Career Center Business Solutions Team meeting (specifically in an effort to advance “pipeline” and/or employment connections between Career Center participants and local businesses).
- EDSI Program Manager and/or staff designee will attend and contribute at Durham Career Center Leadership and Business Services Teams.
- EDSI will designate one staff member to be housed at the Northgate Career Center location in the Northgate Mall to provide Integrated Services and other Center related events and will designate a staff member to engage in Job Development working more specifically with On- the- Job training and Work Experience (WEX) activities that will be housed at the Briggs Avenue location on an “as needed” basis (*see description below*).

Customer Confidentiality

All counseling activities are confidential and the staff consists of trained counselors who adhere to all counseling ethics and must sign a statement to this effect at the time of hire. All records are confidential, and standard federal guidelines for the maintenance of records are maintained.

Enrollment of Latino participants and speakers of other languages into the WIA Program

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The program staff will work to include members of Durham's Latino population in its service pool. Staff will work to support Career Center bilingual staff to ensure that appropriate resources and information make it to the Latino community. The program staff will assist in connecting individuals to employment where their language barrier is not an issue by utilizing our employer network and when appropriate may refer the customer to ESL classes.

Core and Intensive Services

The program staff will work within the integrated system with partners to provide core services to all enrolled clients by assisting with core enrollment and introducing the fundamentals of good job techniques. Skills are developed through individual assessment and group workshops. At the Career Center, Wagner-Peyser and WIA offers all clients access to counselors who will discuss their specific goals and barriers; directing individuals to appropriate plans and action steps. WIA offers the entire community employability coaching through workshops, both in-house and in the community. The core enrolled client is also invited to join networking opportunities to foster peer relationships and peer coaching. For example, participants in the Professional Placement Network (PPN) have shared information on job opportunities, tips for accessing services, and tips for surviving the job search.

Clients that apply to and become intensive clients of WIA receive intensive services that include more individualized coaching, identification of gaps, needs and barriers, and action plan development. Clients enjoy a one-on-one mentoring and advocacy relationship that allows them to hone their job-seeking skills through receipt of active assignments, sourced job opportunities, interview practice/coaching, and access to various job experiences. To round out the WIA experience, clients have access to case management staff after attaining employment for job-retention coaching.

EDSI will support consistent job placement numbers by developing meaningful relationships with industry employers. EDSI will provide a Job Development professional to solely work on identifying workforce trends, employer needs, and active job opportunities. This Job Developer will work with staff to provide lead generation schedule interviews, and follow up with employers.

Job Development

EDSI will provide a full-time job developer to support the Durham Workforce Development and City of Durham's Office of Economic and Workforce Development efforts in connecting jobseekers and businesses. To accomplish this they plan to do the following:

- Encourage, with our clients, job search as a full time activity through the use of daily assignments in the form of signed contracts from their Employment Specialist.
- Focus on relationships with employers and developing partnerships with them.
- Provide services to employers as well as to our clients.
- Focus on job matching.

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- Assist customers in identifying realistic and immediate job goals and to develop a plan to reach their long term career goals.
- Incorporate Professional Placement Network to facilitate customer networking opportunities and employer contacts for the mid-career customer base.
- Incorporate bi-weekly mock interview sessions into its program framework.

Outreach Activities to Local Businesses

Businesses tend to use services they are familiar with, so it is important that they are introduced to the local Career Center and the benefits available to the job seeker and employer. Through Integrated Services EDSI staff will continue in partnership with the Career Center to look to our business community as a client and partner; utilizing their input to drive the types of training opportunities we support and the avenues of employment we direct our clients towards. The EDSI staff and Career Center will continue to ask our business community to identify what skills (technical and soft) they need and provide that information to our clients. In this way, we feel confident that WIA and the Career Center is uniquely servicing businesses and individual clients (two diverse yet interrelated clients).

The program staff will continue to promote OJT, Work Experience services, and short-term vocational (market driven) training as a mutually beneficial vehicle for candidate recruitment and client work opportunity. OJT and WEX provide local employers financial incentives for working with WIA customers. OJT and WEX provide customers with necessary training and exposure, encouraging the employer to retain the customer for full-time employment. EDSI will support in the development of OJT and WEX opportunities. Both opportunities will be structured to ensure that they provide the employer and employee with concrete performance objectives. Programs will be designed to meet the specific needs of the individual employer and placements will be monitored until the individual's training is completed.

To accomplish this staff will do the following:

- Ensure our staff understands the needs of the business community,
- Invite employer-input to help identify market needs and then drive client services,
- Utilize the NCWORKS.GOV database and track both contacts and outcome,
- Utilize the NCWORKS.GOV database based on skills to assist with employer recruitment,
- Provide marketing and customer service training to the entire staff,
- Partner with Career Center entities as part of the Business Service Team, and utilize the process developed by this team to prevent duplication,
- Encourage businesses and clients to attend Professional Networking groups to make connections with businesses, Human Resource representatives, and other business professionals.

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Training Relevant to Current Labor Market

In order to ensure that customers choose employment and training options in which they will become competitive and gain job security in the forefront of local labor market demand, training will only be approved in high demand occupations and when it is felt that the individual has a reasonable opportunity for success in their chosen field. Program staff will work in direct collaboration with OEWD staff and Career Center partners in order to provide an ongoing assessment of the current labor market. All training must be provided by an approved training vendor who is monitored by the Board. In **all** cases, training is contingent upon the client's due diligence in completing the course. Specifically, program staff will require all customers to research and then provide information about their chosen field. In turn, EDSI will provide the customers with information and feedback regarding their desired training choice. Open dialogue regarding the pros and cons of the proposed training helps to secure commitment and validates the choices made. EDSI staff will provide the customer with information from the DWDB's strategic plan and we encourage them to look into training in high growth industries.

Customer Specialized Assessments

Accurate, objective assessments are important to the customer's success. Throughout their relationship with the Career Center and WIA, customers are provided opportunities for assessment. From the beginning, customers are given a Mynextmove.org assessment, and can receive Basic Skills, Cognitive Skills, interest assessment and or Career Readiness Certificate Test depending on the needs of the client. As the client progresses within the program, they are offered mock interviews, technical skills assessments and interest inventories to assist them and their Placement Specialist. Career counseling and planning is tailored to clients based on understood client deficiencies.

Attachment B

Program Budget July 1, 2014-June 30, 2015 – for Second Amendment

Agency Name: Educational Data Systems, Incorporated (EDSI)

Program Costs	Line Item Totals	AW Services	DW Services
Staff Salaries	\$382,850	\$208,002	\$174,848
Staff Fringe Benefits	\$116,769	\$63,441	\$53,328
Staff travel, training, and Development	\$8,000	\$4,346	\$3,654
Training - Traditional / Bootcamp	\$45,000	\$24,000	\$21,000
OJT	\$45,000	\$24,000	\$21,000
Rental Space	\$24,000	\$13,039	\$10,961
Non-Expendable Property	\$4,350	\$2,363	\$1,987
Postage	\$600	\$326	\$274
Communications	\$1,620	\$880	\$740
Supplies	\$8,416	\$5,438	\$2,978
Printing Costs	\$2,400	\$1,304	\$1,096
Certifications	\$900	\$489	\$411
Advertising/Outreach	\$1,600	\$869	\$731
Transportation Costs	\$4,000	\$2,173	\$1,827
Needs-Based Payments	\$4,000	\$2,173	\$1,827
Childcare Costs	\$3,000	\$1,630	\$1,370
Subtotal Training/Support Costs	\$652,505	\$354,473	\$298,032

Administrative Costs	Line Item Totals	AW Services	DW Services
Staff Salaries	\$9,225	\$5,012	\$4,213
Staff Fringe Benefits	\$2,814	\$1,529	\$1,285
Admin Allocation	\$56,456	\$30,673	\$25,783

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Subtotal Administration Costs	\$68,495	\$37,214	\$31,281
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Total Project Costs	Line Item Totals	AW Services	DW Services
Total Program Costs	\$721,000	\$391,687	\$329,313
Profit @	-	-	-
Total Program Costs**	\$721,000	\$391,687	\$329,313