

SUBSTITUTE TEACHER SERVICE
2901 DUTTON MILL ROAD, SUITE 200
ASTON, PA 19014

AGREEMENT

This Agreement is made this 1st day of July, 2024 by and between SUBSTITUTE TEACHER SERVICE (hereafter "STS"), a duly registered Pennsylvania corporation with a place of business at 2901 Dutton Mill Road, Suite 200, Aston, Pennsylvania, and the WARWICK SCHOOL DISTRICT (hereafter the "District"), a school district organized pursuant to the laws of the Commonwealth of Pennsylvania and having its administrative office at 301 W. Orange Street, Lititz, PA 17543.

WHEREAS, at various times the District requires the services of temporary employees to serve as substitute teachers in various schools in the District;

WHEREAS, STS is in the business of supplying temporary employees including, but not limited to, substitute teachers to schools; and

WHEREAS, STS and the District wish to enter into an agreement under which STS will supply substitute teachers to the District.

NOW, THEREFORE, for good and valuable consideration and with the intention of being legally bound, the parties to this Agreement hereby agree as follows:

1. STS will provide the District with substitute teachers to fill absences among the District's regular faculty. To lessen the administrative impact on the District of such absences, STS will provide the substitute teachers from a pool of individuals who are certified as teachers by the Commonwealth of Pennsylvania and who additionally maintain any and all other certifications required by the Commonwealth for teachers. STS will be responsible for: 1) interviewing all candidates for this pool and ensuring that they have the requisite qualifications including Act 24, Act 34, Act 114 and Act 151, 2) verification of PA teaching certifications; 3) providing Act 126 mandated training, 4) compliance of PA Act 168 for all new hires, and 5) maintaining all records (including payroll) for the substitute teachers in the pool.

2. STS will provide the District with substitute teachers to temporarily fill vacant teacher positions while the District endeavors to fill the vacancy with a permanent District employee. However, STS will not be responsible for non-coverage (no substitute available) when these specific positions are unfilled.

3. It is hereby understood and agreed that STS is acting in the capacity of an independent contractor of District in performing the services under this Agreement, and STS is not an agent, servant, partner, joint venturer, shareholder, or employee of District. Subject to any reasonable rules and regulations established by District with regard to the performance of those services, STS shall be free to exercise STS's discretion and judgment as to the manner in which STS performs the services hereunder.

4. Each party hereto shall advise its employees that they are not the employees of the other party hereto, and are not entitled to such employment, unless and until such employees are hired by the Board of Directors of the other party hereto and they are notified in writing to that effect. In no event shall STS and District be deemed "joint employers." Each of the parties hereto is solely responsible to hire, assign, promote, discipline, and terminate its own employees.

5. STS agrees that its employees assigned to District shall follow District's policies pertaining to:

- a. Student confidentiality;
- b. Student welfare;
- c. Use of electronic devices;
- d. Unlawful harassment of students and employees;
- e. Civility;
- f. Attire and appearance;
- g. Drugs and alcohol;
- h. Weapons; and
- i. Health and safety in the workplace.

District agrees to provide all applicable policies to STS employees assigned to District.

6. As the employer of the substitute teachers in the pool, STS will maintain all requisite payroll services, FICA insurance, unemployment compensation insurance and workers' compensation insurance.

7. Insurance.

a. Unless waived in writing by District, STS shall purchase from and maintain with a reputable company or companies lawfully licensed and authorized to do business in the Commonwealth of Pennsylvania, upon such terms and conditions as are satisfactory to District, in its sole discretion, the following policies of insurance:

i. Comprehensive commercial liability insurance insuring against claims for damages resulting from bodily injury, sickness or disease of any person and claims for damages or injury to or destruction of property, and all other claims customarily covered under a comprehensive policy, with limits not less than One Million Dollars (\$1,000,000.00) per occurrence and subject to an aggregate limit of Three Million Dollars (\$3,000,000.00) per annum;

ii. Workers' compensation insurance in such amounts and upon such terms as may be required under any workers' compensation, disability benefit or other similar employee benefit Laws; and

iii. Insurance against claims of any Indemnitee pursuant to the indemnification provisions of this Agreement, subject to a limit satisfactory to District.

b. The insurance required by Subsection a. above shall include District as an additional insured and shall be in a form and with companies satisfactory to District. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Services until the date of final payment of the Fee. Certificates of insurance, evidencing the insurance required herein, shall be filed with District prior to commencement of the Services, and as otherwise requested by District (together with a certified copy of the policy, if so requested). The certificates of insurance provided to District hereunder shall provide that coverage afforded under the applicable policies will not be cancelled, modified, or allowed to expire until at least thirty (30) days' prior written notice has been given to District.

8. Indemnification of STS. To the fullest extent permitted by applicable Laws, STS shall and hereby agrees, for itself and its successors and assigns, to indemnify, hold harmless, and, if so requested, defend District and its employees, officers, directors, agents, representatives, and their respective heirs, executors, administrators, personal representatives, successors, and assigns (collectively, the "Indemnitees") from and against any and all claims, damages, losses, liabilities, suits, charges, fines, taxes, fees, penalties, orders, settlements, judgments, actions, causes of action, costs, and expenses (including reasonable attorneys' fees) arising out of or related to: (i) the Services set forth in this Agreement, (ii) the actions or inactions of STS and/or its employees, contractors, and agents, and (iii) the breach by STS of any agreement, covenant, representation, or warranty in this Agreement, regardless of whether any of the foregoing is caused in part by any of the Indemnitees, including, but not limited to, any responsibility for pay or pay penalties or shared responsibility payments pursuant to the Affordable Care Act, the imposition of any monetary payments due and owing to PSERS,) any finding pursuant to the Internal Revenue Code or PSERS that the STS employees assigned to District pursuant to this Agreement are deemed employees of District.

To the extent permitted by the Pennsylvania Political Subdivision Tort Claims act and other applicable law, the District shall and hereby agrees, for itself and its successors and assigns, to indemnify, hold harmless, and if so requested, defend STS and its employees, officers, directors, agents, representatives, and their respective heirs, executors, administrators, personal representatives, successors, and assigns (collectively "STS Indemnitees") from and against any and all claims, damages, losses, liabilities, suits, charges, fines, taxes, fees, penalties, orders, settlements, judgments, actions, causes of action, costs, and expenses (including reasonable attorneys' fees) arising out of or related to: (i) the District's failure to comply with any applicable law or regulation, (ii) the District's breach of this Agreement, (iii) the District's failure to take action when the failure constitutes the breach of a legal duty, and (iv) any investigation, legal proceeding, administrative action, or other action relating to or alleging any of the matters referred to in items (i) through (iii) set forth in this section.

9. STS is responsible to hire, supervise, and assign its employees to carry out the duties STS is contracted to perform on behalf of the District under the terms and conditions of the Agreement; provided that STS shall not assign an employee to a location over the objection of the District, unless STS determines that the basis of the District's objections are illegal, contrary to law, or otherwise impossible for being efficiently or practically implemented by STS. Further, STS agrees that the District reserves the right to reject any substitute teacher provided to cover

an absence if the substitute teacher does not adequately perform the duties required of the teacher who is absent or if it is not in the best interest of the District to have that particular substitute teacher working in a school in the District.

10. STS agrees that the substitute teachers who will be provided to the District pursuant to this Agreement shall neither accrue seniority in the District nor length of service credit for the purpose of tenure under the Public School Code of 1949, as amended, for all periods that they are employees of STS and are not on the District's payroll. The substitute teachers further shall not obtain the status of a participant in any pension program including, but not limited to, the Public School Employees Retirement Fund.

11. The District agrees that STS shall be the primary provider of per diem substitute teachers for the term of this Agreement. The District accordingly agrees that for the term of this Agreement, the District may not and shall not obtain or use any per diem substitute teachers except for those provided by STS. District has the right to contract per-diem substitutes in the event STS fails to provide adequate coverage for the District.

12. The District agrees that for every substitute who is provided by STS pursuant to this Agreement, the rate structure in Appendix A will apply. A half day is the minimum amount due unless the substitute teacher is rejected by the District.

13. Billing. Every substitute supplied by STS will be compensated for the daily vacancies/assignments they accept in the Absence Management System (hereafter "AMS"). In order to assure proper compensation to STS and substitutes and proper billing to the District for these fulfillments, District agrees that District shall "reconcile" fulfilled vacancies/assignments in the AMS no later than one week following the acceptance of the assignment. If District does not reconcile assignments for a given day or weekly billing period within one week following acceptance of the assignment, District shall waive the right to challenge the fulfillment of all assignment for that period and STS will assume that all such assignments were fulfilled. Therefore, all substitutes who accepted assignments in the AMS will be compensated and the District will be billed accordingly and shall be responsible for payment. District may not, as a prerequisite for payment, require STS or substitutes to comply with any other method to verify acceptance of assignments, other than reconciliation in the AMS without the express prior consent of STS.

Should the District close schools after the start of the day for any reason including but not limited to weather related conditions or other emergency situations, the STS substitute will be compensated for the full time of the vacancy/assignment posted in AMS.

In the event the assignment accepted by the STS substitute teacher is cancelled upon the substitute teacher's arrival to a District building, and no other placement is available within the District, the STS substitute teacher will be compensated for a half day. STS will bill the District as Attempted Coverage in these cases. If the District decides to keep the substitute teacher for the entire day, the substitute teacher will be compensated for a full day and the District will be billed accordingly.

A full day is determined to be any vacancy/assignment, accepted by a STS substitute teacher, that is four and one quarter working hours (4 hours and 15 minutes) or longer.

Hourly billing rates apply when any vacancy/assignment is designated as an hourly position. These positions are commonly substitute administrative, classified, and/or support staff positions. The STS substitute employee will only be paid for hours worked. In the event the District should close schools after the start of the day for any reason including but not limited to weather related conditions or other emergency situations, the STS substitute employee will be compensated for the full time of the position/vacancy posted in AMS.

14. **Terms of Payment.** STS shall invoice the District twice a month for assignments accepted in the AMS as set forth in paragraph 13 above. Payment shall be wired to STS within five (5) business days following invoice delivery. If payment is not received by the seventh (7th) business day after invoice delivery, a 1% late fee will be assessed on all outstanding invoices and service will be interrupted. Payments shall include remittance advice to assure proper posting of payments.

15. The amount to be paid for each substitute pursuant to this Agreement includes STS's cost of state-mandated employer taxes, unemployment taxes and workers' compensation insurance. Should the aforementioned taxes, unemployment compensation, workers' compensation or other insurance costs increase, and STS accordingly increases the amount due under this Agreement, the District has the option of terminating this Agreement by providing thirty (30) days written notice to STS within fourteen (14) days after the increase.

16. **Force Majeure.** Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to any of the following causes, to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of staffing or energy.

For the avoidance of doubt, Force Majeure shall not include (a) financial distress nor the inability of either party to make a profit or avoid a financial loss, (b) changes in market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder.

17. Overall Efficiency Rating reports are available in real time and are accessible through the AMS. Overall Efficiency Rating is defined as the percentage of absences/vacancies that are filled by substitutes supplied by STS. It shall be calculated from the first student day through the last day of each month for the term of this Agreement, except those causes outlined in the paragraph "Force Majeure"; or on which the District is involved in a job action or strike. If job action or strike would occur, District has right to contract substitutes provided by STS.

18. **Assignment and Subcontracting.** This Agreement shall be binding upon the parties hereto and their respective successors and assigns. STS shall not assign, in whole or in part, this Agreement or its rights, duties, obligations, or responsibilities hereunder without prior written consent of District, which consent may be withheld at the sole discretion of District. STS shall not

subcontract with any person or entity to perform all or any part of the work to be performed under this Agreement without the prior written consent of District, which consent may be withheld at the sole discretion of District.

19. Termination for No Cause. District and STS shall each have the right to terminate this Agreement, for any or no reason, at any time, upon no less than ninety (90) days' prior written notice thereof to the other party. Upon the delivery of written notice of termination by either party, STS shall promptly cease performance of the Services hereunder except for those Services reasonably required to transition responsibility for said Services over to District, and shall provide an accounting thereof through the termination date.

20. Any notice (which does not include invoices) required to be given pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by an overnight delivery service, to the appropriate party at the following addresses or any different address if written notice of such a change has been delivered to the other party:

STS: SUBSTITUTE TEACHER SERVICE
Jay R. Godwin, Vice President
2901 Dutton Mill Road, Suite 200
Aston, PA 19014

District: WARWICK SCHOOL DISTRICT
Noelle Brossman, Director of Human Resources
301 W. Orange Street
Lititz, PA 17543

21. The execution of this Agreement shall revoke and render null and void any prior agreements entered into between the parties for the provision of substitute teachers and additionally render null and void any provisions of any prior agreements, written or oral, between the parties inconsistent with this Agreement.

22. This Agreement shall be governed and interpreted by the laws of the Commonwealth of Pennsylvania.

23. This Agreement constitutes the entire agreement between the parties and shall not be modified by any oral or written representations, documents or agreements express or implied. Only a writing executed jointly by the parties to this Agreement may modify this Agreement.

24. If any provision of this Agreement is held to be invalid, this shall not affect any other provisions, which shall continue in full force and effect.

25. This Agreement may not be assigned.

26. This Agreement is effective from July 1, 2024 through June 30, 2026. This Agreement shall be binding upon the parties hereto, their personal representatives, heirs, assigns and successors.

27. By executing this Agreement, each party acknowledges receipt of a duly executed copy.

28. Counterparts/Electronic Signatures. The Agreement may be executed in counterparts, each of which shall be deemed an original but one and the same document. Signatures transmitted by electronic means, including facsimile and email with pdf attachment, shall have the same legal effect as original signatures.

IN WITNESS WHEREOF, the parties hereto, with the intention of being legally bound, have set their hand and seal on the day and date first set forth above.

Witness

By: _____
SUBSTITUTE TEACHER SERVICE, INC.

Date: _____

Witness

By: _____
WARWICK SCHOOL DISTRICT

Date: _____

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SUBSTITUTE TEACHER SERVICE
 2901 DUTTON MILL ROAD, SUITE 200
 ASTON, PA 19014

WARWICK SCHOOL DISTRICT

APPENDIX A

As referenced in paragraph 12 of this Agreement, STS and the District have agreed upon the following rate structure for the term of this Agreement as outlined in paragraph 26. All rates are per diem unless otherwise indicated.

Rate Code	Teaching Services	Type	STS Pay Rate	District Bill Rate	Markup
PD	Per Diem Substitute Teacher	Full Day	\$145.00	\$194.66	34.25%
EXT	Per Diem Substitute Teacher Day 31-93 Consecutive days, same assignment	Full Day	\$245.00	\$324.01	32.25%
EXT (Retro)	Per Diem Substitute Teacher Retro Day 1-30, Consecutive days, same assignment	Per Diem	\$100.00	\$132.25	32.25%
DIST	District Dedicated Substitutes	Full Day	\$185.00	\$244.66	32.25%
ESYBHASST	ESY Behavioral Assistant	Hourly	\$19.32	\$25.94	34.25%
ESY/T_SUMACAD	ESY Teacher & Summer Academy 2024-25	Hourly	\$44.47	\$59.70	34.25%
ESY/T_SUMACAD	ESY Teacher & Summer Academy 2025-26	Hourly	\$46.18	\$62.00	34.25%
ESY50	ESY Teacher Special Rate	Hourly	\$50.00	\$67.12	34.25%
T_BTS	Back to School Night	Hourly	\$25.00	\$33.56	34.25%
T_HOMEBOUND	Homebound Instructor 2024-25	Hourly	\$32.00	\$42.96	34.25%
T_HOMEBOUND	Homebound Instructor 2025-26	Hourly	\$33.00	\$44.30	34.25%
INCENT_S1	Sub Teacher Incentive 10-14 days/month	<i>Incentive*</i>	\$150.00	\$150.00	0%
INCENT_S2	Sub Teacher Incentive 15+ days/month	<i>Incentive*</i>	\$300.00	\$300.00	0%
	Supplemental Services	Type	STS Pay Rate	District Bill Rate	Markup
CONC1	Special Event Workers (Conc Rate 1)	Hourly	\$12.00	\$16.11	34.25%
T_AIDE	Student Support Assistant	Hourly	\$12.00	\$16.11	34.25%
T_PARA	Special Program Assistant	Hourly	\$13.00	\$17.45	34.25%
T_BEHAVIOR	Behavioral Support Assistant	Hourly	\$14.00	\$18.80	34.25%
T_ALTSUPASST	Alternative Learning Support Assistant	Hourly	\$12.00	\$16.11	34.25%
T_BLDGASST	Building Assistant	Hourly	\$14.00	\$18.80	34.25%
T_CLERICAL	Clerical Assistant	Hourly	\$12.00	\$16.11	34.25%
HEALTHRMLPN / T_HEALTHRMLPN	Health Room Nurse - LPN	Hourly	\$15.00	\$20.14	34.25%
NURSE	Health Room Nurse – RN	Hourly	\$16.00	\$21.48	34.25%
T_HEALTHASST	Health Room Assistant	Hourly	\$11.00	\$14.77	34.25%
ESYNURSE	ESY Nurse 2024-25	Hourly	\$44.47	\$59.70	34.25%
ESYNURSE	ESY Nurse 2025-26	Hourly	\$46.18	\$62.00	34.25%

APPENDIX A Continued

	Supplemental Services (con't)	Type	STS Pay Rate	District Bill Rate	Markup
ESYNURSELPN	ESY Health Room Nurse LPN	Hourly	\$20.64	\$27.71	34.25%
RNSUB/T_RNSUB	Special Program Nurse and CSN	Full Day	\$150.00	\$201.37	34.25%
MAINT	Special Services – Maintenance	Hourly	\$20.00	\$26.85	34.25%
T_MILES	Mileage (only where approved by District)	Per Mile	IRS Approved Rate		0%
	Athletic Events Support Wages Paid to STS Employees	Type	STS Pay Rate	District Bill Rate	Markup
A_ANN_TX_MN	ALL Announcers, Tickets, Monitors	Per Event	\$45.00	\$60.41	34.25%
T_FBGGM	Football Game Manager	Per Event	\$100.00	\$134.25	34.25%
T_FBSCM	Football Scorekeeper/Timer	Per Event	\$45.00	\$60.41	34.25%
T_FBTMJV_HJR	Football Timer JV Home & JR High	Per Event	\$35.00	\$46.99	34.25%
	Game Managers, Except Football				
T_GM_BSKB	Basketball	Per Event	\$75.00	\$100.69	34.25%
T_GM_TURF	Outside Events (Soccer, FH, Lax, Trk & Fld, Softball, Baseball)	Per Event	\$75.00	\$100.69	34.25%
T_GM_IE_WR_VB	Inside Events (Wrestling, VBall)	Per Event	\$60.00	\$80.55	34.25%
T_GM_JH_AS	Junior High / After School (as needed)	Per Event	\$50.00	\$67.13	34.25%
	Scorekeepers & Timers – Senior High Non-Football				
T_SCTM_V	Varsity Only (BBall,Soccer,FH,LAX)	Per Event	\$40.00	\$53.70	34.25%
T_SCTM_V_BBSB	Baseball/Softball (V)	Per Event	\$50.00	\$67.13	34.25%
T_SCTM_COMB	V/JV Combo (BBall,Soccer,FH,LAX,VBall)	Per Event	\$55.00	\$73.84	34.25%
T_SCTM_WR_VJV	Wrestling – (V / JV)	Per Event	\$50.00	\$67.13	34.25%
	Scorekeepers & Timers – Junior High Non-Football				
T_SCTM_JH1	One Game	Per Event	\$30.00	\$40.28	34.25%
T_SCTM_JH2	Combo/2 games (timer only, no scorer for non-varsity)	Per Event	\$45.00	\$60.41	34.25%
T_SCTM_JH_VWR	Wrestling – Varsity only – timer/scorer	Per Event	\$30.00	\$40.28	34.25%
	Other Events				
T_SCTM_CC	Cross Country Scorer	Per Event	\$50.00	\$67.13	34.25%
T_SCTM_TF	Track & Field Scorer/Timer JR and SR High	Per Event	\$60.00	\$80.55	34.25%
	Tournament Scorers				
T_TSCTM_WRD	Wrestling per dual	Per Event	\$20.00	\$26.85	34.25%
T_TSCTM_VB	Volley Ball (\$100/day maximum)	Per Event	\$15.00	\$20.14	34.25%

** Substitute Teacher Incentive Program – continuation of this program into the second year of this Agreement will be subject to review for effectiveness by the District. District will advise STS to continue or terminate the incentive program.*