

Proposal to contract the services of Professional Educational Services LLC (PESG) to provide substitute teachers for Oak Ridge Schools

**Issue:**

ORS currently uses a decentralized approach to substitute staffing lacking automated scheduling management or payroll entry. To avoid expense, implementing an automatic calling system for substitutes or substitute payroll tracking system has not been pursued in the past. The complex reporting requirements of the Patient Protection and Affordable Care Act (ACA) to which all employers including ORS must comply have changed this priority.

The ACA requires that all employers offer affordable and adequate health care to employees who meet a thirty hour per week threshold or suffer steep monetary penalties. This requirement applies to all employees including variable hour employees such as substitutes. To comply with the ACA reporting standards, ORS must be able to track and monitor substitute hours of work in order to meet federal guidelines.

The penalties for making mistakes are severe. For example, if a substitute works more than thirty hours during the measurement period, is not offered coverage and seeks Exchange coverage, the penalty triggered for ORS is equal to \$2000 for each full-time employee, less thirty employees. Using 600 full-time employees as an example, this one error cost is estimated to be \$1,200,000.

**Research:**

To address this federal mandate, Oak Ridge Schools may choose to (1) implement an internal solution; (2) seek an external service provider; or (3) risk paying significant fines.

An internal solution requires current staff to gain knowledge, training and expertise to implement an automatic calling system and a substitute tracking system as well as the addition of two staff members to manage new functions once operational. The estimated cost for this is **\$187,971**. This cost has been revised to include health premium expense for an additional five employees.

External service providers offer an attractive second option. The district has successfully outsourced two other non-core operational functions, food service and transportation, in the past. As these efforts have shown, outsourcing offers advantages including fiscal and operational efficiencies; cost savings from employer related benefits such as retirement, social security and Medicare; as well as cost avoidance from general liability, worker's compensation and unemployment.

## Proposed Solution:

District administration believes the most effective and efficient solution is to contract services. PESG specializes in the provision and coordination of substitutes and other support personnel for school systems. Providing educational staffing is their sole focus. The attached proposal outlines a customized program to meet the needs of Oak Ridge Schools substitute staffing. PESG's fee to provide this service for substitutes is \$36,068.

The PESG proposed solutions offer the following advantages to the district:

- \* PESG implements and trains ORS staff on an automated substitute calling system
- \* PESG employees have access to voluntary benefits and training ORS doesn't provide
- \* ORS liability is eliminated as PESG assumes ACA responsibility for substitute employees
- \* PESG's real time data analytics helps ORS staff identify trends and make better informed decisions to advance student achievement
- \* PESG's proposal reduces some administrative burden for building personnel by implementing automated calling

Based upon Board direction, this proposal has been modified to include only substitute employees. This modification results in the following operational consequences and costs which will be included in the FY'15 budget.

1. Building administrators will retain responsibility to fill "last minute" sub vacancies as PESG will not provide an on-site administrator for only the substitute program.
2. ORS retains ACA compliance responsibility for safe harbor tracking of variable hour employees such as part-time teacher assistants/paraprofessionals.
3. To create records that can be tracked, TA/PARA timekeeping will move from Keep-N-Track to Skyward. This will necessitate that time clocks be installed at each location (\$1872 per clock times 9 locations = \$16,848). Principals will assume responsibility for approving timesheets and monitoring hours worked in accordance with FLSA rules for all these employees.
4. A benefits support position (\$50,000 including salary and benefits) will be added to monitor district wide ACA compliance. This position will assume monitoring of required notifications, affordability, variable hour safe harbor look back data, and governmental reporting for all employees. Our current plan will be to have benefits data extracted from Skyward, fed into our benefits consultant Five Points system, and returned to the district for compliance and monitoring. This new position will spend a majority of time tracking

and monitoring the measurement, administrative and stability periods for all ORS employees in order to comply with federal requirements.

5. Since the February Board meeting, our benefits consultant Five Points has advised the district to budget additional healthcare premium funding to cover long term substitutes and/or other types of ORS employees who may work over the thirty hour threshold in the 2014 measurement period and thus become benefit eligible for the 2015 stability period . Ms. Gagliano estimates that \$70,000 (family premium support for five people) should be budgeted for this new expense.



# PESG

EDUCATIONAL STAFFING SOLUTIONS

*Your Number 1 Educational Partner*



**Proposal for Services  
For  
Oak Ridge Schools**



February 4, 2014

Oak Ridge Schools  
304 New York Avenue  
Oak Ridge, TN 37830

Dear Dr. Borchers,

Thank you for the opportunity to partner with Oak Ridge Schools. PESG is pleased and excited about the opportunity to provide services to your District. Since 2006 PESG has lead the way in providing contracted staffing and scheduling services to schools. Today, over 502 school districts strong and serving over 4,900 school buildings PESG is well positioned to bring efficiencies, savings, and value to you through innovative processes and services. On a daily basis, by contract, PESG provides substitute teachers for more than 1,275,000 students.

In 2005 Professional Educational Services Group, LLC (PESG) created the consolidated services model for substitute services and built the first electronic payroll bridge connecting the sub caller system to the substitute and the assignment. We listened to school administrators adding, budget codes and uniform cost accounting codes distancing PESG from every other competitor.

Today, PESG is dedicated to Excellence through Continuous Improvement while creating new, innovative and efficient contracting processes and knowledge that sets PESG apart from our competitors. This knowledge combined with legal direction translates to the most Stable, Dependable and Reliable educational staffing process.

As a partner to educators, PESG is actively involved with the Tennessee School Board Association and the Tennessee Organization of School Superintendents, TASBO, and SASBO as preferred business affiliates. We have partnered with these organizations for more than 3 years.

If awarded the contract with Oak Ridge City Schools, for both Substitute Teachers and Teaching assistants, PESG is committed to have a full time representative(s) working within the District. We are committed to a local presence to meet your needs. The enclosed pricing proposal includes e-School Solutions or Subfinder substitute calling systems.

Sincerely,

N. Henry Bledsoe,  
President/CEO  
855-74-STAFF ext 7401

---

Cover Sheet

Cover Letter

TABLE OF CONTENTS

Section A:	Executive Summary .....	page	4
Section B:	Vendor Qualifications, Experience and Ability to Perform .....	page	7
Section C	Patient Protection and Affordable Care Act	page	37
Section D:	Pricing Proposal.....	.page	42
Section E:	References .....	.page	50
Section F:	Additional Information.....	.page	52

*Section A: Executive Summary*

## **Executive Summary**

Professional Educational Services Group, LLC (hereafter known as PESG) is an educational staffing agency built through the knowledge and experience of educators for education. Our goal is to help school districts retain focus on what matters most: **the students**. We listen to our partner's ideas and are committed to the continuous improvement of our processes to create efficiencies and value. We contract substitute teachers, paraprofessionals, full time clerical, custodial and over (40) other educational staffing classifications.

PESG was developed in 2005 as an answer to a specific request from the two of the largest school districts in the Great Lakes Region for staffing substitute teacher employees. A breakout team of over 20 individuals from the Districts and PESG spent six months planning, designing and testing a dual relationship approach. The goal was to take an automated calling system, attach it to a paperless payroll process, and deliver the final billings at the school district level. Further, it was the intent to bring added value to the school district while also creating financial savings.

### **Our Mission:**

PESG creates efficiencies and provides value to school districts through a collaborative partnership of educational staffing for substitute teachers and other educational staff.

### **Our Goal:**

PESG provides customized staffing solutions through excellence of process; which allows school districts to focus on their students.

### **Our Value:**

PESG is committed to excellence and continuous improvement and bringing added value to our clients. Our team members make life easier by providing leadership, responsiveness, stability, dependability, and reliability to our clients.

### **PESG will provide ORS with the following:**

- Recruit new candidates.
- Review all background checks, drug tests and prior employer verifications.
- Verify all licensures.
- Handle hiring of all candidates.
- Provide and be responsible for proactive PPACA monitoring and compliance.
  - If an employee qualifies for coverage because of PESG's failure to correctly monitor the employee's hours, PESG will bear the cost of covering that employee.
- Train and equip all educational substitutes.
- Work directly with the Department of Education.
- Manage all employee performance issues.
- Hold all employee files.
- Pay all employees.
- Handle all Workers Compensation claims & Insurances.
- Manage unemployment & State required Insurance to cover all claims.
- Provide Recognition services.
- Provide all W2's.
- Maintain all Educational Compliance Training.



- Offer training to all ORS staff for the automated substitute calling system.

**We currently:**

- Partner with over 500 + school districts.
- Place, on average, over 8,000 to 11,000 substitute & contracted employees in schools across Michigan, Tennessee and Indiana per day.
- Realize average fill rates of over 98.1% in rural areas and 96.9% in urban areas.
- Have over 42,000 educational staff actively employed since the start of school year 2013-14.
- Employ clerical, paraprofessionals and over (40) other educational staffing classifications, including substitute teachers, principals, aides, coaches, etc.

**PESG Employee Benefits:**

PESG offers a full menu of voluntary benefits to all employees including:

- Blue Cross and Blue Shield Health Insurance
- Assurant Health Insurance
- Dental
- Vision
- Short Term Disability
- 401(k)

*Section B: Vendor Qualifications,  
Experience and Ability to Perform*

## **Qualifications and Experience**

*PESG is one of the largest educational staffing companies in the world. We are your partners in the education process, supporting schools in their strive for excellence.*

*In just a few years, PESG has grown to become the foremost educational staffing company in America:*

<i>Year Ending June 30, 2013</i>	<i>440 Partnering School Districts</i>
<i>Year Ending June 30, 2012</i>	<i>396 Partnering School Districts</i>
<i>Year Ending June 30, 2011</i>	<i>362 Partnering School Districts</i>
<i>Year Ending June 30, 2010</i>	<i>327 Partnering School Districts</i>
<i>Year Ending June 30, 2009</i>	<i>302 Partnering School Districts</i>
<i>Year Ending June 30, 2008</i>	<i>208 Partnering School Districts</i>
<i>Year Ending June 30, 2007</i>	<i>63 Partnering School Districts</i>

## **Overview of Company**

*We have multiple offices located to serve Oak Ridge Schools. Upon receipt of RFP, PESG would locate a central office within the School District. Until that office is up and running the Southeastern Regional office will service Oak Ridge Schools.*

***Southeastern Regional Office***  
*402 BNA Drive Suite 202*  
*Nashville, TN 37217*  
*855-75-STAFF*  
*(f) 615-361-4488*

***Midwest Regional Office – West***  
*6307 84<sup>th</sup> ST SE, Suite D*  
*Caledonia, MI 49316*  
*866-782-7277*

***Midwest Regional Office - East***  
*6451 E Atherton Road*  
*Burton, MI 48519*  
*866-782-7277*

***PESG Indiana***  
*2112 Utica-Sellersburg Road*  
*Jeffersonville, IN 47130*  
*877-5-PESGIN*

## **Project Team (including Experience)**

*The Oak Ridge Schools will have a dedicated team to provide the best possible customer service. Your team includes the following:*

### ***Henry Bledsoe – President and CEO***

*As Founder and CEO of PESG, Henry is actively involved as the heartbeat of PESG. He takes the lead for the business as to Planning and Direction, Marketing Policy, Customer Relations and Benefit Programs. Since entering the healthcare industry in October 1984 Henry founded several benefits companies including 3 Insurance Agencies, 4 Third Party Administrators, 2 Re-Insurance Companies, and 2 Captive Insurance Companies in addition to 3 staffing companies.*

*[nhbledsoe@contractsubs.com](mailto:nhbledsoe@contractsubs.com)*  
*855-74-STAFF extension 7401*

**Nick Young – Director of Information Technology**

As Director of Information Technology, Nick Young, has done an outstanding job ensuring all companies stay functional on a day-to-day basis. Since joining PESG in 2007 he has implemented new software processes to ensure we stay the most trusted solutions for educational staffing. Nick graduated from Davenport University in Grand Rapids, Michigan with a Bachelor's Degree in Applied Science and a Specialty in Computer Networking.

[nyoung@contractsubs.com](mailto:nyoung@contractsubs.com)

616-891-5415

**Evan Bledsoe – Regional Director**

Evan has been directly involved in all aspects of building PESG since 2005 and is currently credited with the direct responsibility for the overall structure, design and process. He has a Bachelor's of Business Administration in Finance from Belmont University as well as having over 15 years of experience in working with financial analysis, technology systems development and product development and implementation.

[hebledsoe@contractsubs.com](mailto:hebledsoe@contractsubs.com)

855-74-STAFF extension 7202

**Kim Woodson - Business Development Service Representative**

Kim's 13 years of education experience are a tremendous asset to our team. Her resume includes the University of Tennessee Extension where she trained, recruited, developed programs and implemented plans of actions which strengthened individuals, families and communities through education. She holds a Masters degree in Family and Consumer Sciences and is a certified Family Life Educator. Kim has been with PESG since August of 2012.

[mkwoodson@contractsubs.com](mailto:mkwoodson@contractsubs.com)

855-74-STAFF extension 7403

**Fredericka Hayes M.A. & PHR – Educational Compliance Officer/HR Director**

Fredericka worked in education in a large urban school district for 30 years (35000 students), while advancing through various roles as Director of Human Resources and retired after 15 years as the Chief Administrative Officer. She holds a Business degree from Davenport University and a Master's in Educational Leadership from Western Michigan University. She also holds a Michigan School Administrator Certificate and national certification as a Professional in Human Resources (PHR).

[fhayes@contractsubs.com](mailto:fhayes@contractsubs.com)

866-782-7277 ext 3303

**Betsy Boone – Director of School Relations**

Betsy's 15 years of project management include major medical corporations including HCA, Vanderbilt and Baptist Hospitals. Her attention to detail and process implementation strategies are key to keeping PESG clients on target. She holds a Bachelor of Science from Middle Tennessee State University. Betsy has been with PESG since August of 2010.

[bboone@contractsubs.com](mailto:bboone@contractsubs.com)

855-74-STAFF extension 7402

**Paul Abel – Software Manager**

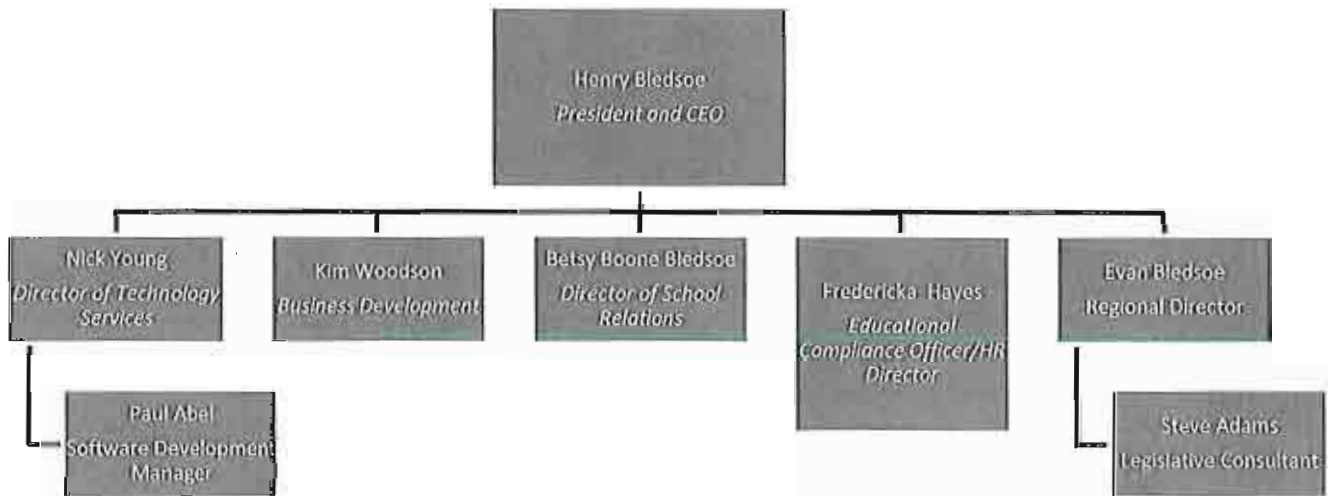
Paul is an excellent programmer with a broad knowledge of development tools, application design and programming. He has 19 years experience with managing projects from concept to completion. He works effectively with personnel possessing diverse technical backgrounds and at all levels within an organization as a team player and independently. He joined PESG in 2012.

Betsy Boone, Evan Bledsoe and N. Henry Bledsoe are authorized parties to represent the company and are located in our TN BNA office.

N. Henry Bledsoe      [nhbledsoe@contractsubs.com](mailto:nhbledsoe@contractsubs.com)      855-74-STAFF ext 7401

Betsy Boone Bledsoe      [bboone@contractsubs.com](mailto:bboone@contractsubs.com)      855-74-STAFF ext 7402

Evan Bledsoe      [hebledsoe@contractsubs.com](mailto:hebledsoe@contractsubs.com)      855-74-STAFF ext 7404



## **OUR PROCESS**

### **Recruitment & Screening**

*The respective timelines to identify qualified candidates will follow the needs expressed by ORS in concert with the Best Practices built by PESG. In general, PESG seeks to maintain a broad range of qualified educational staff. If additional recruiting is required, PESG will utilize the following methods:*

- *PESG partners with local colleges, universities to recruit applicants. PESG will attend, as needed, local college, university and business job fairs to support the recruiting process.*
- *PESG provides partnering Districts with advertising posters and business cards, directing all candidates to PESG and [SubPass.com](http://SubPass.com).*
- *PESG will send e-mail blasts to our current employee pool to increase the ORS employee pool as necessary.*
- *If a segment of the ORS pool (i.e. Paraprofessionals, Clerical, etc.) is not adequate, PESG will advertise in local news publications if required for specific classes of employees to keep the applicant pool full.*
- *PESG will incorporate recruiting and training specific requests of ORS.*
- *PESG will also actively recruit qualified retired staff.*

*Through PESG's partnership with Districts, we understand there may be times when the district needs a specific individual to start as soon as possible. Therefore, we are committed to working with you and the candidate so the employment process can be completed quickly, assuming all State, Federal, PESG, and District hiring requirements are met. PESG will work with the guidelines set forth by the Federal Government and Tennessee Department of Education, where applicable.*

### **Applicant Hiring Process**

- *PESG advertises, recruits, screens, orientates, trains, employs and pays all employees in compliance with all State and Federal statutes and Educational staffing laws for Districts.*
- *Applicants are directed to our website, where they will complete an electronic application and select their worksites.*
- *Every candidate's file must meet specific criteria before our database will accept the employee's file. These safeguards will not allow a new candidate to enter the school until all hiring requirements have been met.*
- *All candidates are required to complete and provide a certificate of completion of the appropriate Professional Development modules.*
- *All PESG applicants must obtain required criminal history background checks in accordance with ORS procedures. ORS will notify PESG regarding status of applicants in writing.*

*Should a PESG applicant not meet the ORS/PESG requirements, they will not be employed with PESG. We will only hire such individuals as required by the District in accordance with Tennessee law.*

- *Additionally, PESG conducts a prior employer work history review for every candidate*
- *A candidate with a felony or listed misdemeanor conviction (as outlined by state law) will not be approved by PESG (unless letter-approved by requesting district superintendent).*
- *All applicants are required to attend an orientation meeting. At this time, PESG's professional trainers' review our Policies, Procedures and Benefits.*
- *PESG will work with the ORS for any additional recruiting or specific training requests.*

### Credential Verification

*In addition to the extensive Criminal History Background Check (CHBC) described below, PESG requires the following:*

- 19
- *Prior Employer Unprofessional Conduct Form*
- *Official Transcripts, if necessary*
- *Valid Tennessee License, if necessary*

*PESG will also consider additional credentials required by the District.*

### Background Check

*Prior to PESG's approval, all applicants must submit a background check as required by the State of Tennessee. Upon completion of the Background Check the applicant will be notified by PESG with a Welcome Letter if their background check was acceptable by the District.*

*Once the applicant has completed the fingerprinting a letter will be sent to the applicant with notification of the results. A separate copy will be mailed the District.*

*Should an applicant have a record, PESG follows the following process:*

- *All applicable documentation is entered and attached into the PESG internal database and is made accessible to the districts via our secure website.*
- *Should a PESG applicant not meet the ORS/PESG requirements, they will not be employed with PESG. PESG will only hire such individuals as required by the districts in accordance with Tennessee law.*

### Additional Compliance with School Safety Legislation

*It is PESG's policy that our employees must inform us within three (3) business days via our Arraignment and Conviction form of any arrests after becoming an employee of PESG. After receiving the Arraignment and Conviction form, we will inactivate the employee if they are in violation of the revised school code. PESG/District also receives a RAP back report from Tennessee State Police, County Sheriff, or TBI. The RAP back report will identify employees who have new convictions. PESG will inactivate/terminate employee according to PESG policy.*

### Other Pre-employment requirements

*If the District requires a drug test, TB test, or other test, PESG will facilitate the collection of the results and incorporate in our hiring process. The cost of the testing will be at the applicant's expense. PESG is actively researching multiple applicant screening assessments with the plan of a Summer 2014 launch.*

## Training

All PESG applicant-training materials have been designed by PESG to meet school needs. The following are examples of training required and/or available.

- Allergy Management
- Bloodborne Pathogens
- Bullying
- FERPA
- Hazardous Communications
- Sexual Harassment
- State and Federal Classroom Laws (TN. K-12) - Classroom Staff

Additionally, during PESG's two-hour required applicant meeting for classroom substitutes, our training team addresses all of the following topics:

- PESG's Code of Conduct
- Student Safety
- Employee Dignity and Harassment
- Student Contact
- Classroom Management
- Reporting for Assignment
- Communication with the Teacher and Administration
- Employee Responsibilities
- Dress Code
- Substance Abuse Policy
- Inappropriate Subjects
- Phone and Computer Use
- Solicitation
- Conflicts of Interest
- No Smoking
- Do the Right Thing
- Complete Software Training



## Performance/Employee Relations Concerns

It is a PESG responsibility as the employer to handle all employee performance issues. Any time PESG receives a Corrective Action Form, PESG initiates takes action and provides feedback directly to the employee; allowing the employee to learn and improve.

When appropriate, PESG attaches the complaint and the corrective action report to the employee file for tracking purposes. If an employee continues to receive poor feedback requiring Corrective Action, PESG may terminate their employment after the third Corrective Action Notice. This ensures PESG is putting the best employees in the schools of our partnering school districts.



Please note: each district has the ability to remove and or block PESG employee from a position if in the best interest of the students. Once removed, the District will immediately contact PESG at which time PESG will investigate, review statements and take the appropriate Corrective Action.

PESG will at all times be responsible for employee performance and relations with its employees. For reference, the PESG Corrective Action process interacts as follows:

- ORS retrieves a copy of the PESG Corrective Action Form from our web portal.
- ORS completes the PESG Corrective Action form and forwards it to [HRStaffing@contractsubs.com](mailto:HRStaffing@contractsubs.com).
- PESG then initiates PESG Corrective Action.
- PESG will address the Customer concern by initiating corrective action regarding the PESG employee, when applicable. It is a PESG responsibility to take appropriate corrective action.
- PESG will provide the appropriate employer communication to the employee.
- PESG will communicate with ORS regarding any progressive action up to and including termination.

The value PESG provides is through a relentless quest for excellence in every process and service PESG provides.

**PESG**  
Employee Recognition

District Name: \_\_\_\_\_ County Name: \_\_\_\_\_  
 District Representative: \_\_\_\_\_ Representative Title: \_\_\_\_\_  
 Representative Phone #: \_\_\_\_\_ Date: \_\_\_\_\_

Submitter Name: \_\_\_\_\_ Submitter Type: \_\_\_\_\_

Describe the activity (25 words or less) that you provide a scenario below describing what makes the above named individual an "Outstanding Submitter". Mention the specific outside business circumstance that leads to this desire for recognition. Finally, please provide a "thank you" to the submitter from the District to the best interest of the student.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Please e-mail this form to [salesupport@contractsubs.com](mailto:salesupport@contractsubs.com), or fax it to 616-893-6009

Copyright 2013 Progress Educational Services, Inc. All Rights Reserved

PESG Employee Recognition

**PESG**  
CORRECTIVE ACTION FORM  
PESG District Representative

District Name: \_\_\_\_\_ Full District Name: \_\_\_\_\_  
 Name of PESG Employee: \_\_\_\_\_  
 Date of Incident: \_\_\_\_\_ Date of Reporting: \_\_\_\_\_  
 Submitter Name: \_\_\_\_\_ Submitter Title: \_\_\_\_\_  
 Submitter Phone: \_\_\_\_\_ Submitter Email: \_\_\_\_\_

Describe the incident(s) surrounding the report that PESG has been notified. Please include the name of the employee, the date, time, and location of the incident(s). Please include the name of the submitter and the name of the district representative. Please include the name of the submitter and the name of the district representative.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

May PESG be held responsible for the incident(s) described above? (Please check the appropriate box.)  
 Yes \_\_\_\_\_ No \_\_\_\_\_

Describe the corrective action taken by the District representative.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Submitter Name: \_\_\_\_\_ Submitter Title: \_\_\_\_\_  
 Submitter Phone: \_\_\_\_\_ Submitter Email: \_\_\_\_\_

Describe the corrective action taken by the District representative.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Send to: PESG District Representative by Fax: 616-893-6009

Copyright 2013 Progress Educational Services, Inc. All Rights Reserved

PESG Corrective Action

**Quality Control Process**

**PESG's Quality Statement:** PESG strives for excellence in all areas through Continuous Improvement.

- PESG continuously monitors our employee pool for quality and the number in the pool.
- PESG will ultimately measure our performance based upon the criteria set forth by the District. PESG is driven by a desire to exceed the industry's standard with continuous improvement toward excellence in all its processes.
- PESG will strive to hire, train and place the most highly qualified, hard working and ethical employees. Applicants who do not meet the requirements of either PESG or the District are not hired.
- The PESG servicing team is multi-tiered. The District will know who within PESG is assigned to them.
- PESG honors outstanding employees with a Certificate of Recognition along with a picture and short write-up on our website. The PESG Regional Director will strive for ongoing, open, two-way communication between PESG and the District.

- Fiscal Year Planning Meetings are scheduled with our partnering clients. Each year PESG pledges to implement new and improved technologies, new policies and procedures which will create additional value for the District. During this meeting, and throughout the school year, PESG gathers new innovative ideas from our partnering clients. We openly discuss PESG's performance and effectiveness.
- PESG continually strives for a 100% fill rate.

**Servicing Oak Ridge Schools**

PESG will employ local representative(s) as needed to manage recruitment and daily absence management services on behalf of Oak Ridge Schools. In order to best serve Oak Ridge, PESG will employ Premier permanent substitutes to ensure a high fill rates. Our Premier permanent substitutes will receive daily assignments directly from our system as we manage the need.

**Payroll Process**

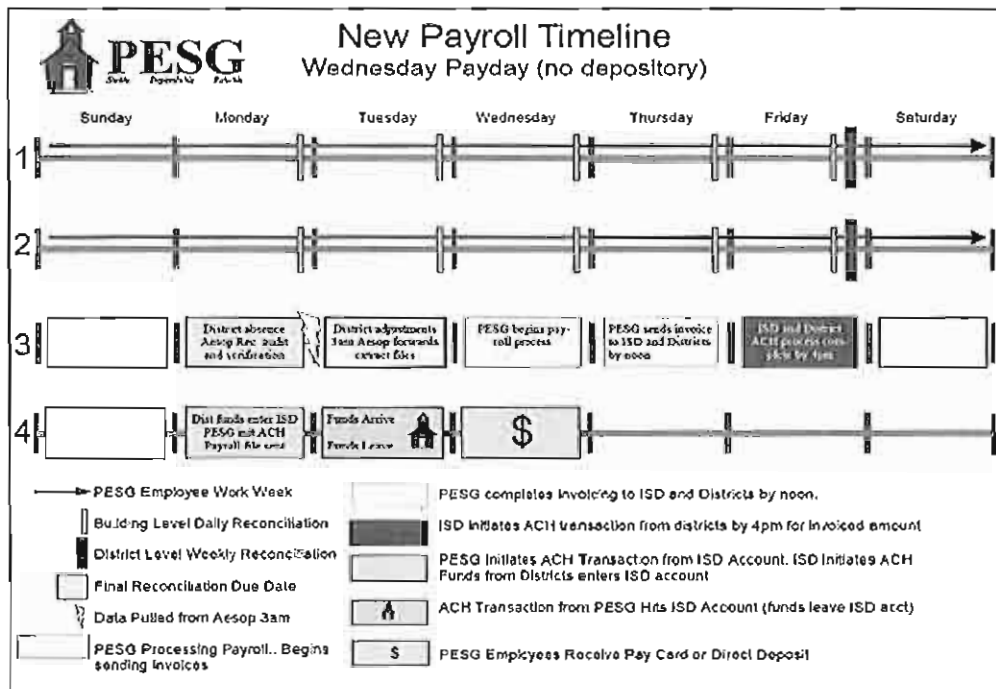
PESG offers flexible funding options for ORS to accommodate the District's needs. During A to Z implementation all final payroll processes will be mutually confirmed.

PESG will process payroll for its staff at ORS on a bi-weekly schedule with a Wednesday pay date for all employees.

For those employees utilizing the substitute caller system (approved by ORS), PESG will pull all reconciled absences from the substitute caller system on Tuesday at 3:00 AM. As part of the new client startup process, PESG will train client designees in the invoice and payment process.

For the full-time classifications, a biweekly spreadsheet is provided to the district for completion and submission.

This payroll and payment process is diagrammed below:



### Invoice Process

The invoice process will be confirmed as part of the A to Z implementation process.

### Sample Invoice

										Sub Total:	\$37.50	\$43.99
										Total Gross for Teachers:	\$37.50	\$43.99
<b>HEATHER LAWRENCE</b>												
Absence Reason	Location Code	GL Code	Date	Days	Rate	Pay	Percent	Gross	Contract Amount			
Winifred Frazee Contract Teacher	Sick	031	111113124000000013300001	02/21/2009	0.00	\$0.00	\$37.50	100.00%	\$37.50	\$43.99		
											Sub Total:	\$37.50
										Total Gross for Teachers:	\$37.50	\$43.99
<b>LINDA FREED</b>												
Absence Reason	Location Code	GL Code	Date	Days	Rate	Pay	Percent	Gross	Contract Amount			
Kristyn Donker Contract Teacher	Sick	019	111113124000000011600001	02/12/2009	0.00	\$0.00	\$75.00	50.00%	\$37.50	\$43.99		
	Sick	019	111113124000000011800001	02/12/2009	0.00	\$0.00	\$75.00	50.00%	\$37.50	\$43.99		
										Sub Total:	\$75.00	\$87.98
										Total Gross for Teachers:	\$150.00	\$176.96
<b>WILLIAM CURTIS</b>												
Absence Reason	Location Code	GL Code	Date	Days	Rate	Pay	Percent	Gross	Contract Amount			
Richard Sremba Contract Teacher	Comp Day	032	111113124000000013200001	01/16/2009	0.00	\$0.00	\$75.00	100.00%	\$75.00	\$57.69		
											Sub Total:	\$75.00
Melissa Thaler Contract Teacher	Personal Business	032	111113124000000013200001	01/12/2009	0.00	\$0.00	\$75.00	100.00%	\$75.00	\$57.69		
	Personal Business	032	111113124000000013200001	01/13/2009	0.00	\$0.00	\$75.00	100.00%	\$75.00	\$57.69		
	Personal Business	032	111113124000000013200001	01/14/2009	0.00	\$0.00	\$75.00	100.00%	\$75.00	\$57.69		
											Sub Total:	\$225.00

### Itemized District Invoice including 26 digit state budget codes

Agency	Account	Description	Quantity	Unit	Rate	Total	Agency	Account	Description	Quantity	Unit	Rate	Total
121	111113124000000013200001	Comp Day	1		0.00	0.00	121	111113124000000013200001	Comp Day	1		0.00	0.00
121	111113124000000013200001	Personal Business	3		0.00	0.00	121	111113124000000013200001	Personal Business	3		0.00	0.00

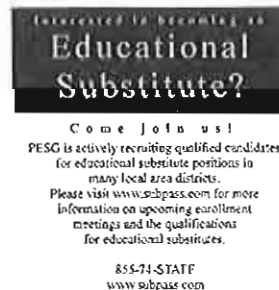
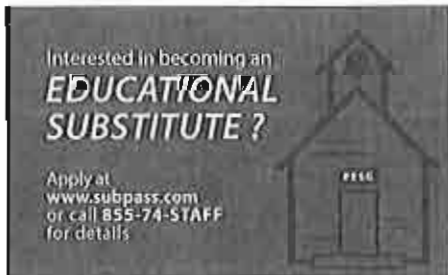
Excel Format

## PESG's hiring process

- *Substitute teachers and Teacher Assistants and all other applicants are directed to our web site [SubPass.com](http://SubPass.com) where they will complete an electronic application packet, select their preferred worksites, input their collegiate and educational background, and be given directions for completing their eight hours of ED Training, Stedi or GCN.*
- *The potential employee will attend a PESG Applicant Meeting session.*
- *The potential employee will provide proper I-9 identification, official college transcripts or official current teaching license, a high school diploma or a GED, a Certificate of Completion of the eight hours of ED Training, Stedi or GCN.*
- *Criminal History Checks will be reviewed by ORS for red flags and will notify PESG if a potential employee is eligible for employment.*
- *Our team will review and enter all documentation into our database. The potential employee's data must meet an "If/Then" scenario before being approved. Every employee must complete the online application, supply correct I-9 identification, provide appropriate teaching credentials, submit education verification such as collegiate transcripts, a high school diploma or GED scores, complete their eight hours of ED Training, attend an Applicant Meeting, and pass the background check. Once every required criterion is met, our internal system will automatically approve the applicant. If they have filled out an application correctly, if they have supplied the approved I-9 identification, if they have supplied approved teaching credentials, if they have completed the eight hours of ED Training, if they have attended a PESG enrollment/orientation, if their CHBC is clean, then our data base will automatically approve the potential employee.*
- *PESG advertises, recruits, screens, orientates, trains, employs and pays all potential employees in compliance with all State and Federal statutes and Educational staffing laws for the ORS.*
- *All candidates are required to attend a two hour New Applicant Orientation Meeting. At this time PESG's professional trainers discuss and implement our Policy, Procedures and Benefits Manual. In addition, we also utilize a PESG manual for professional development in classroom management skills.*
- *PESG partners with local colleges and universities to conduct on site applicant meetings of student teachers. Upon graduation, or when permitted to teach, the student teacher will already have completed the screening, training and employment process; and thus are fully prepared and ready to enter the classroom.*
- *PESG will provide ORS with advertising posters and business cards, directing all candidates to PESG's [SubPass.com](http://SubPass.com) for additional information.*
- *If a segment of the candidate pool is not full, PESG will advertise in local publications for specific classes of educational employees to keep the sub pool full.*
- *PESG will attend, as needed, local college, university and business job fairs to keep the pools full (PESG has not had to attend any job fairs or other events in order to fill our pools).*

- PESG works closely with ORS providing them with pre-approved communication letters that notify the ORS employee of the change in employment.
- ORS will review the Criminal History Background Check results, store results electronically, communicate any red flags, and make all results available to PESG. PESG also conducts PE189 work history review for every applicant.
- Approved applicants cannot have any felonies or certain listed misdemeanors on their record.
- In addition to the TBI check all candidates are checked against the National Sex Offenders List.
- All candidates are required to complete and provide a certificate of completion for up to eight hours of ED Training Professional Development. The cost for the eight hour training is \$15.00 and the candidate will have the option to complete the twenty-hour course from ED Training for \$25.00. The candidate will be responsible to pay for all on-line training from Ed Training. The on-line training will include: State and Federal Classroom Laws, FERPA, Bloodborne Pathogens, Sexual Harassment, Hazardous Communications, Allergy Management and Substitute Teaching 101. PESG also provides a library of classroom fill in activities, called 'Substitute's Bag of Tricks', including our Substitute Training Manual and [SubPass.com](http://SubPass.com)
- Every candidate's file must meet specific criteria before our database will accept the employee's file. These safeguards will not allow a substitute teacher to enter the classroom until all standards have been met.
- For substitutes, PESG provides a library of classroom "fill-in" activities called 'Substitute's Bag of Tricks' via the Substitute Teacher Manual provided at the Applicant Meeting. -
- PESG will partner with Frontline Placement Technology (Aesop), CRS Advanced Technology (Subfinder), or e-School Solutions to electronically place substitute teachers in the classroom. Current pricing for ORS shows e-School Solutions.
- PESG will contact the Aesop, Subfinder, and E-School software vendors to conduct software training at the ORS with PESG and ORS management personnel. PESG and ORS management teams will collectively choose the software program most conducive to their educational needs.

### Promotional Business Cards & Poster



## Accuracy

The payroll process at PESG uses multiple tiers of error checking to ensure data quality and integrity. The first tier is on data entry. Any piece of data keyed in is checked against a predetermined set of standards. If the data does not meet the standards, it is rejected.

The second tier is on data processing. PESG uses 16 different error codes to flag potential errors with employee data. Some examples of these include identifying employees who are being paid an amount inconsistent with their recent paychecks, identifying payroll groups that do not have any payroll data submitted, and identifying payroll records that are above a certain dollar threshold.

The third tier is on data integration. PESG uses a centralized system to generate payroll and invoicing data. This ensures the invoice data matches the payroll data 100% because it is the same data. This data becomes the supporting documentation for the actual invoice and includes line item detail for each job worked.

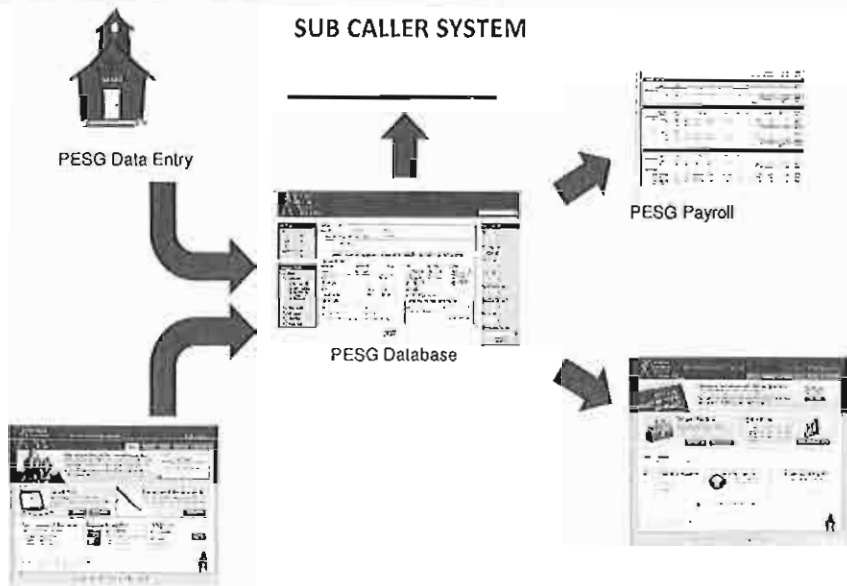
As for record keeping, all payroll and invoice records are stored electronically both in a database for easy reporting, and in spreadsheet form which mirrors what is sent to the customer.

As individuals apply to PESG, PESG support staff validates all information provided by the applicant and electronically imports all personal information/data into the PESG EMS. All unique requirements for each District are hard wired into PESG EMS. This ensures that all applicants are not approved prior to meeting all District Specific qualifications. Once an employee is termed in PESG EMS it is uploaded into the Sub Caller System ensuring that employee will no longer receive assignments. The PESG EMS system tracks all districts and positions that an employee is approved for.

### Database - Approval Status

Employee Status	Specifications	Employee Status
<ul style="list-style-type: none"><li>- <input type="checkbox"/> Ottawa</li><li>- <input type="checkbox"/> Allendale<ul style="list-style-type: none"><li>- <input type="checkbox"/> Teacher (10)<ul style="list-style-type: none"><li>• CCI Modules</li><li>• Certifications</li><li>• Type</li><li>• Lirescan</li></ul></li></ul></li><li>- <input type="checkbox"/> Hudsonville<ul style="list-style-type: none"><li>- <input type="checkbox"/> Teacher (10)<ul style="list-style-type: none"><li>• CCI Modules</li><li>• Lirescan</li></ul></li></ul></li><li>- <input type="checkbox"/> Ottawa Area<ul style="list-style-type: none"><li>- <input type="checkbox"/> Teacher (10)<ul style="list-style-type: none"><li>• CCI Modules</li><li>• Lirescan</li></ul></li></ul></li><li>• <input type="checkbox"/> Hamilton</li><li>• <input type="checkbox"/> Vanderbilt</li></ul> <p>Not approved to work in selected Districts</p>	<p>All substitute teacher approval is based on predetermined specifications:</p> <ul style="list-style-type: none"><li>- Each sub must meet specific requirements</li><li>- Requirements are established per District per sub type</li><li>- Approval is calculate every time an employee's profile is edited</li></ul>	<ul style="list-style-type: none"><li>- <input checked="" type="checkbox"/> Ottawa</li><li>- <input checked="" type="checkbox"/> Allendale<ul style="list-style-type: none"><li>- <input checked="" type="checkbox"/> Teacher (10) Approved</li></ul></li><li>- <input checked="" type="checkbox"/> Hudsonville<ul style="list-style-type: none"><li>- <input checked="" type="checkbox"/> Teacher (10) Approved</li></ul></li><li>- <input checked="" type="checkbox"/> Ottawa Area<ul style="list-style-type: none"><li>- <input checked="" type="checkbox"/> Teacher (10) Approved</li></ul></li><li>• <input checked="" type="checkbox"/> Hamilton</li><li>• <input checked="" type="checkbox"/> Vanderbilt</li></ul> <p>Approved to work in selected Districts</p>

# PESG Database - Information Flow



Online Applications via SubPass.com

Reports via Reports.SubPass.com

## PESG Database

Logged in as: **svincent** | johnson

**Site Map**

- Home
- PESG
- Payroll
- Print
- Administration
- System

**Notes - (1) +**

Date/Time	Noted by	Note
11/03/2008 09:15:22Z	gdharrington	risk test

New Note

Employee Information | Educational | Financial/Benefits | Eligibility | ISE/Disability | Screened Documents

---

**Personal Info**

Last Name	First Name	M.I.	SSN	Birthdate	Gender
Young	Hok	Test	11-22-3333	2/01/985	Male
Address		Apt No.	Day Phone	Alt. Phone	License #
6116 0001			810-599-1974		YS21613755314
City	State	ZIP	Email		
Grac. Pooos	IL	49503	jvinsler356@gmail.com		

**Story Board**

ID

Meeting Date

1/03/2008

Entry Date

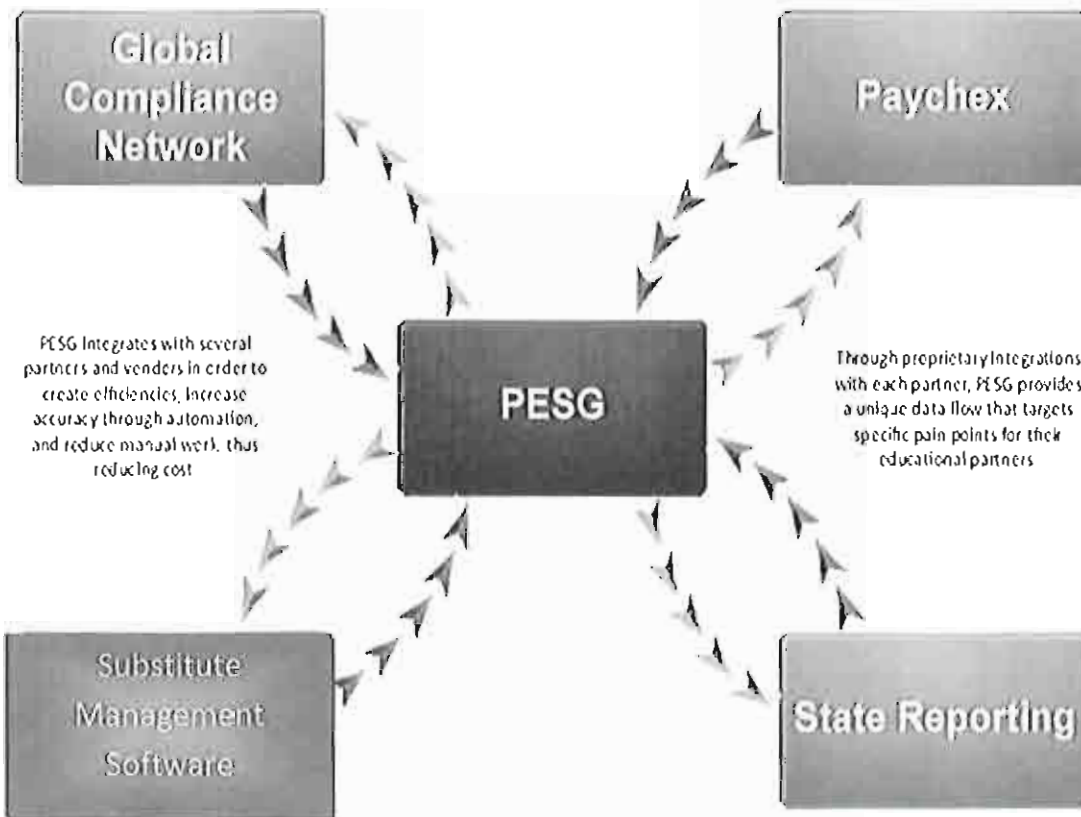
Exit Date

First Day Worked

**Employee Status**

- X Ottawa
- X Alfordale
- X Teacher (10)
  - GCR/Modules
  - Certification
  - Time

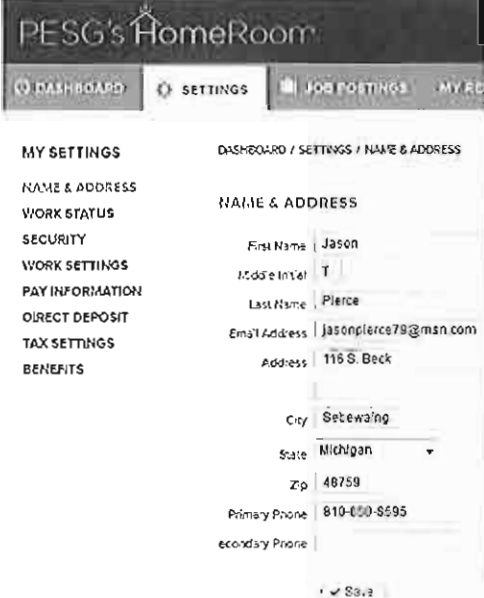
# The PESG Difference





## Educating new employees about district policies and procedures

The Applicant Meeting is the best face to face time to address any District specific policies and procedures. We can also list any items via the web site and PESG Homeroom.



PESG has created an online Employee Portal called HomeRoom. Our goal is to help streamline your application process so you can have quick access to the information you need as well as to allow you to make ongoing changes to your employee profile. PESG's HomeRoom was created thru technology advances as well as feedback from the Districts we serve.

HomeRoom allows any applicant to do the following:

- Review or update all employment and personal information from one centralized location.
- Access important PESG updates and announcements.
- Check the employment status across all the PESG companies in real time.

## Benefits

PESG offers a full menu of voluntary benefits to all employees including:

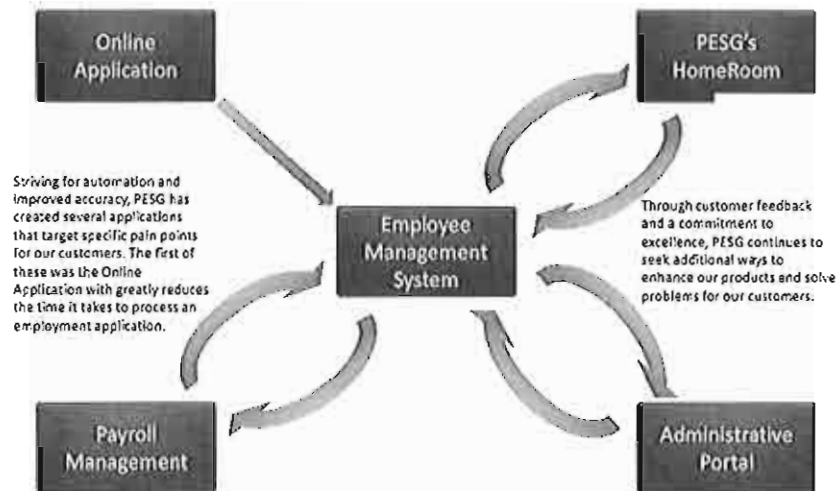
- Blue Cross and Blue Shield Health Insurance
- Assurant Health Insurance
- Dental
- Vision
- Short Term Disability
- 401(k)



PESG employees may be eligible for the following benefits:

1. Health Insurance
2. Dental Care Benefits
3. Vision Care Benefits
4. Life Insurance
5. Short-Term Disability Benefits
6. 401(k) Benefits

## The PESG Platform



© 2011 Professional Education Services, LLC

### PESG – POINTS OF DIFFERENTIATION AND SERVICES PROVIDED TO OUR CLIENTS

Features, Advantages, Benefits = VALUE

1. **Legal – STABLE**
  - a. The 20 Points comprising the Arm's Length Relationship.
  - b. The four factors which comprise the Economic Reality Test.
  - c. Avoiding Joint – Employer situations.
  
2. **Regular Compliance – DEPENDABLE**
  - a. REP reporting.
  - b. Substitute Teaching Permit data reporting, online.
  - c. Relationships with State Police for compliance and reporting of Criminal History Background Information.
  - d. Federal, State & Local Agency Compliance Reporting.
  
3. **Security, Redundancy, Backup – RELIABILITY**
  - a. Secure IT systems.
  - b. Remote systems backup onsite, with generator power backup and offsite backup in remote locations.
  - c. Secure Phone and Data Transmission.
  - d. Association with excellence: A network of National Partners in the Legal, Accounting, Insurance, PR & Media, and IT Hardware & Software fields – "extra eyes, ears and feet on the ground".
  
4. **Best Practices Processes – Reliable QUALITY**
  - a. Enhanced Applicant Qualification processes.
  - b. Face-to-face Employee Orientation & Training.
  - c. Industry Leading Application of Technology.
  - d. Performance Monitoring, Review & Feedback.
  - e. Commitment to Data-driven Continuous Improvement.
  - f. Option of on-site leadership for full-time classifications.

5. *Personalized Attention—Dependable **SERVICE***
  - a. *Trained Customer Service Staff.*
  - b. *Personalized Staff Assignment by District and Region.*
  - c. *Industry innovative Best Practice training.*
  - d. *Customized User-group training.*
  - e. *REP Reporting.*
  
6. *Associated with multiple software placement systems for substitute employees.*
  - a. *PESG manages the PESG employee side of technology so the district does not have to.*
    - i. *PESG answers the entire ongoing PESG employee questions.*
    - ii. *PESG does not direct our employees back to the school districts for answers.*
    - iii. *PESG trains our employees on how to use the placement system.*
    - iv. *PESG runs 60-day deactivations as needed in cooperation with the district.*
    - v. *PESG invoices included state 26 digit uniform cost accounting codes.*
    - vi. *Provides skills settings promoting specialized classifications.*
  - b. *Frontline holds all of the appropriate patents including Patented SaaS (Software as a Solution) utilizing the Internet and IVR technology.*
  - c. *Payroll Bridge & PESG – No Spreadsheets.*
  - d. *PESG works cooperatively with software vendors on new customized technological advances which are provided at no cost to our clients.*
  
7. *PESG Technology*
  - a. *PESG Reports Website*
    - i. *Specified District Personnel can pull the REP reports directly from our website in Excel or Comma Delimited format as often and whenever they need to.*
    - ii. *Districts can pull the permit reports directly from the website for substitute teachers working in their district who require a permit.*
    - iii. *Districts can view all employee information on the reports website:*
      1. *Education.*
      2. *Certifications.*
      3. *Address, Phone Number & Email.*
      4. *Tracking of fingerprints and training.*
      5. *Review active, termed and pending employees.*
  - b. *PESG utilizes a secure, electronic, on-line Application for substitute employees.*
    - i. *Easy 24/7 electronic application process at the fingertips of the applicant.*
    - ii. *All information entered into the on-line application is uploaded directly to our database. No manual entry is involved on the PESG side, which vastly improves the efficiency and accuracy of new employee processing.*
    - iii. *On-Line Signature – Applicants applying for PESG employment create an on-line signature and are not required to print out the full completed application.*
    - iv. *Applicants are not approved unless they have met all requirements.*
    - v. *The electronic application process drives our database, payroll and Sub Caller System.*
  - c. *PESG's database ensures only the qualified/approved substitute employees are added to the districts in Sub Caller System.*
  
8. *PESG engaged Plante & Maran beginning in 2009 to provide 3rd party audits of our processes and to better understand the school districts needs. Currently using BDO Seidman as our provider.*

9. *PESG retains Charles Cagle with Lewis Thomason as our primary Legal Counsel beginning as a means to better understand your needs. We incur legal related research cost so you don't have to.*
10. *Information Security - PESG has invested in redundant IT Systems, Infrastructure and additional layers of Information Security. We know you need a Stable, Dependable, Reliable service provider.*
  - a. *PESG has three sets of key coded electronic locks safeguarding entry to PESG facilities.*
  - b. *All data is housed on multiple internal servers.*
  - c. *No personal data or FERPA protected data is transferred via the web.*
  - d. *All PESG data is backed up locally and on the east coast and west coast.*
  - e. *Every PESG employee must sign a confidentiality agreement.*
  - f. *Phone calls are recorded for security and training purposes.*
11. *PESG has continued to enhance the applicant orientation process, we provided training targeted towards the District's needs.*
12. *PESG is responsive and reliably supports the school districts and employee needs if issues arise.*
13. *PESG employs double the service team members of our largest competitor.*
14. *PESG is open and diligently servicing our customer/partners from 6:00 AM to 6:00 PM, during the school year. We direct our substitute employees to not contact the district. If we cannot answer our employee's question, then we call the district for verification. As part of maintaining the "Arm's Length Relationship", we instruct our district partners to refer our employees to PESG for their employer needs.*
15. *PESG provides identification badges to our employees.*
16. *PESG is committed to continuous improvement of processes, training programs and service to our clients.*
  - a. *PESG listens to our client's ideas and suggestions for improvement.*
  - b. *PESG conducts Fiscal Year Planning Meetings to better help our districts prepare for the upcoming school year.*
  - c. *PESG sets specific process, technological and service goals quarterly and annually.*
  - d. *PESG beta-tests all new processes before releasing them for general use.*

**It's all about the kids!**

## Experience and Qualifications

We currently partner with over 500 districts in Indiana, Tennessee and Michigan. Below you will find a listing of each school district, years of service provided and reason for termination of contract. We are confident that our service model detailed in this RFP would be a great asset to Oak Ridge Schools.

<b>School District</b>	<b>Years Service Provided</b>	<b>Reason for leaving</b>
Allendale Public Schools	2006-Present	
Brighton Area Schools	2006-Present	
Burr Oak Community Schools	2006-Present	
Byron Center Charter School	2006-Present	
Byron Center Public Schools	2006-Present	
Caledonia Community Schools	2006-Present	
Cedar Springs Public Schools	2006-Present	
Centreville Public Schools	2006-Present	
Colon Community Schools	2006-Present	
Comstock Park Public Schools	2006-Present	
Constantine Public Schools	2006-Present	
Coopersville Area Public Schools	2006-Present	
Creative Technologies Academy	2006-Present	
East Grand Rapids Public Schools	2006-Present	
Forest Hills Public Schools	2006-Present	
Fowlerville Community Schools	2006-Present	

Godfrey-Lee Public Schools	2006-Present	
Godwin Heights School District	2006-Present	
Grand Haven Area Public Schools	2006-Present	
Grand Rapids Public Schools	2006-Present	
Grand River Prep School	2006-Present	
Grandville Public Schools	2006-Present	
Hamilton Community Schools	2006-Present	
Hartland Consolidated Schools	2006-Present	
Holland Public Schools	2006-Present	
Howell Public Schools	2006-Present	
Hudsonville Public Schools	2006-Present	
Jenison Public Schools	2006-Present	
Kelloggsville Public Schools	2006-Present	
Kenowa Hills Public Schools	2006-Present	
Kent City Community Schools	2006-Present	
Kent ISD	2006-Present	
Livingston ESA	2006-Present	
Lowell Area Schools	2006-Present	
Mendon Community Schools	2006-Present	
New Branches Charter Academy	2006-Present	
Northview Public School District	2006-Present	
Nottawa Community School	2006-Present	
Ottawa Area ISD	2006-Present	
Pinckney Community Schools	2006-Present	
Rockford Public Schools	2006-Present	
Saugatuck Public Schools	2006-Present	
Sparta Area Schools	2006-Present	
Spring Lake Public Schools	2006-Present	
St. Joseph County ISD	2006-Present	
Sturgis Public Schools	2006-Present	
Thornapple Kellogg School	2006-Present	
Three Rivers Community Schools	2006-Present	
Wavecrest Career Academy	2006-Present	
West MI Acad of Env Sci	2006-Present	
West Ottawa Public Schools	2006-Present	
White Pigeon Community Schools	2006-Present	
Wyoming Public Schools	2006-Present	
Zeeland Public Schools	2006-Present	
Berrien Resa	2007-2011	Price
Lewis Cass ISD	2007-2011	Price
AAESA	2007-Present	
Addison Community Schools	2007-Present	
Adrian Public Schools	2007-Present	
Allegan Public Schools	2007-Present	
Ann Arbor Public Schools	2007-Present	

Armada Area School District	2007-Present
Bangor Public Schools	2007-Present
Barry County ISD	2007-Present
BEST Academy	2007-Present
Blissfield Community Schools	2007-Present
Bloomington Public Schools	2007-Present
Britton Macon Schools	2007-Present
Camden-Frontier Schools	2007-Present
Center Line Public Schools	2007-Present
Chelsea School District	2007-Present
Clinton Community Schools	2007-Present
Clintondale Community Schools	2007-Present
Comstock Public Schools	2007-Present
Cornerstone Charter Schools	2007-Present
Covert Public Schools	2007-Present
Crestwood School District	2007-Present
Dearborn Heights School District #7	2007-Present
Dearborn Public Schools	2007-Present
Decatur Public Schools	2007-Present
Deerfield Public Schools	2007-Present
Delton Kellogg Schools	2007-Present
Detroit Academy of Arts and Sciences	2007-Present
Dexter Community Schools	2007-Present
Fennville Public Schools	2007-Present
Fitzgerald Public Schools	2007-Present
Fraser Public Schools	2007-Present
Fruitport Community Schools	2007-Present
Galesburg-Augusta Schools	2007-Present
Global Preparatory Academy K-8	2007-Present
Gobles Public Schools	2007-Present
Grosse Ile Township Schools	2007-Present
Gull Lake Community Schools	2007-Present
Hamtramck Public School District	2007-Present
Harper Woods School District	2007-Present
Hartford Public Schools	2007-Present
Highland Park City Schools	2007-Present
Hillsdale Community Schools	2007-Present
Hillsdale County ISD	2007-Present
Holton Schools	2007-Present
Hopkins Public Schools	2007-Present
Hudson Area Schools	2007-Present
Huron School District	2007-Present
Jonesville Community Schools	2007-Present
Kalamazoo Public Schools	2007-Present
Kalamazoo RESA	2007-Present

Lake Shore Public Schools	2007-Present
Lawrence Public Schools	2007-Present
Lawton Community Schools	2007-Present
Lenawee ISD	2007-Present
Lincoln Consolidated Schools	2007-Present
Litchfield Community Schools	2007-Present
Livonia Public Schools	2007-Present
Madison School District	2007-Present
Manchester Community Schools	2007-Present
Martin Public Schools	2007-Present
Mattawan Consolidated School	2007-Present
Melvindale-N.Allen Park Schools	2007-Present
Milan Area Schools	2007-Present
Mona Shores Schools	2007-Present
Montague Area Public Schools	2007-Present
Morenci Public Schools	2007-Present
Mount Clemens Community Schools	2007-Present
Muskegon Area ISD	2007-Present
Muskegon Public Schools	2007-Present
New Urban Learning	2007-Present
North Adams-Jerome Schools	2007-Present
North Muskegon Public Schools	2007-Present
Northville Public Schools	2007-Present
Oakridge Public Schools	2007-Present
Onsted Community Schools	2007-Present
Orchard View Schools	2007-Present
Otsego Public Schools	2007-Present
Parchment School District	2007-Present
Paw Paw Public Schools	2007-Present
Performance Academies	2007-Present
Pittsford Area Schools	2007-Present
Plainwell Community Schools	2007-Present
Plymouth Canton School District	2007-Present
Portage Public Schools	2007-Present
Ravenna Schools	2007-Present
Reading Community Schools	2007-Present
Redford Union School District	2007-Present
Reeths-Puffer Schools	2007-Present
Romeo Community Schools	2007-Present
Saline Area Schools	2007-Present
Sand Creek Community Schools	2007-Present
Schoolcraft Community Schools	2007-Present
South Haven Public Schools	2007-Present
South Lake School District	2007-Present
South Redford School District	2007-Present



Tecumseh Public Schools	2007-Present
Three Oaks Public Schools	2007-Present
Trenton Public Schools	2007-Present
Utica Community Schools	2007-Present
Van Buren ISD	2007-Present
Van Buren Public Schools	2007-Present
Van Dyke Public Schools	2007-Present
Vicksburg Community Schools	2007-Present
Waldron Area Schools	2007-Present
Warren Woods Public Schools	2007-Present
Washtenaw ISD	2007-Present
Wayland Union Schools	2007-Present
Wayne Westland Community Schools	2007-Present
Waypoint Academy	2007-Present
Westwood Community School District	2007-Present
Whitehall District Schools	2007-Present
Whitmore Lake Public Schools	2007-Present
Willow Run Community Schools	2007-Present
Woodhaven Brownstown School District	2007-Present
Ypsilanti Public Schools	2007-Present
Atherton Community Schools	2008-Present
Bath Community Schools	2008-Present
Beecher Community School District	2008-Present
Bendle Public Schools	2008-Present
Bentley Community Schools	2008-Present
Berkley School District	2008-Present
Birmingham Public Schools	2008-Present
Branch ISD	2008-Present
Brandon School District	2008-Present
Bronson Community Schools	2008-Present
Capital Area Academy	2008-Present
Carman-Ainsworth Community Schools	2008-Present
Charlotte Public Schools	2008-Present
Clarenceville School District	2008-Present
Clarkston Community Schools	2008-Present
Clinton County RESA	2008-Present
Coldwater Community Schools	2008-Present
Cole Academy	2008-Present
Concord Community Schools	2008-Present
Crawford AuSable Schools	2008-Present
Dansville Schools	2008-Present
DaVinci Institute	2008-Present
Davison Community Schools	2008-Present
DeWitt Public Schools	2008-Present
East Lansing Public Schools	2008-Present

Eaton ISD	2008-Present
Eaton Rapids Public Schools	2008-Present
Fenton Area Public Schools	2008-Present
Flushing Community Schools	2008-Present
Fowler Public Schools	2008-Present
Genesee Intermediate School Dist.	2008-Present
Genesee School District	2008-Present
Goodrich Area Schools	2008-Present
Grand Blanc Community Schools	2008-Present
Grand Ledge Public Schools	2008-Present
Hanover Horton School District	2008-Present
Hastings Area School District	2008-Present
Holt Public Schools	2008-Present
Houghton Lake Community Schools	2008-Present
Ingham ISD	2008-Present
Island City Academy	2008-Present
Jackson County ISD	2008-Present
Jackson Public Schools	2008-Present
Kearsley Community Schools	2008-Present
Lake Fenton Community Schools	2008-Present
Lake Orion Community Schools	2008-Present
Lakeville Community Schools	2008-Present
Lansing School District	2008-Present
Leslie Public Schools	2008-Present
Linden Community School District	2008-Present
Madison Academy	2008-Present
Maple Valley Public Schools	2008-Present
Mason Public Schools	2008-Present
Michigan Center Schools	2008-Present
Mid-Michigan Leadership Academy	2008-Present
Mt. Morris Consolidated Schools	2008-Present
Napoleon Community Schools	2008-Present
Northwest Community Schools	2008-Present
Okemos Public School District	2008-Present
Ovid-Elsie Area Schools	2008-Present
Pewamo-Westphalia Comm. Schools	2008-Present
Pontiac School District	2008-Present
Pottersville Public Schools	2008-Present
Quincy Community Schools	2008-Present
Relevant Academy	2008-Present
Rochester Community Schools	2008-Present
Roscommon Area Public Schools	2008-Present
Southfield Public Schools	2008-Present
Springport Public Schools	2008-Present
St Johns Public School District	2008-Present

Stockbridge Community Schools	2008-Present
The Roeper School	2008-Present
Vandercook Lake Public Schools	2008-Present
Walled Lake Consolidated Schools	2008-Present
Waverly Community School District	2008-Present
Webberville Community Schools	2008-Present
West Branch-Rose City Area Schools	2008-Present
Western School District	2008-Present
Westwood Heights Schools	2008-Present
White Pine Academy	2008-Present
Williamston Community Schools	2008-Present
Woodland Park Academy	2008-Present
Bad Axe Public Schools	2009-Present
Brimley Area School District	2009-Present
Byron Area School District	2009-Present
Carney-Nadeau Public SD	2009-Present
Carson City-Crystal Area Schools	2009-Present
Caseville Public School	2009-Present
Central Montcalm Public Schools	2009-Present
Corunna Public School District	2009-Present
De Tour Area School District	2009-Present
Durand Area School District	2009-Present
Eastern Upper Peninsula ISD	2009-Present
Engadine Consolidated SD	2009-Present
Greenville Public Schools	2009-Present
Harbor Beach Community Schools	2009-Present
Huron ISD	2009-Present
JKL Bahweting Anishnabe School	2009-Present
Laingsburg Community School	2009-Present
Laker Schools	2009-Present
Lakeview Community Schools	2009-Present
Les Cheneaux Community SD	2009-Present
Menominee Area Public Schools	2009-Present
Menominee ISD	2009-Present
Montabella Community Schools	2009-Present
Montcalm Area ISD	2009-Present
Morrice Area School Dist.	2009-Present
New Lothrop Area Public Schools	2009-Present
North Huron Schools	2009-Present
Owendale-Gagetown Area Schools	2009-Present
Owosso Public School District	2009-Present
Perry Public School District	2009-Present
Pickford Public Schools	2009-Present
Port Hope Community School	2009-Present
Rudyard Area Schools	2009-Present

Sault Area Public Schools	2009-Present
Shiawassee RESD	2009-Present
St. Ignace Area Schools	2009-Present
Stephenson Area Pub. SD	2009-Present
Tri County Area Schools	2009-Present
Ubly Community Schools	2009-Present
Vestaburg Community Schools	2009-Present
Whitefish Township School District	2009-Present
Achieve Academy	2010-Present
Athens Area School District	2010-Present
Bark River Harris School District	2010-Present
Breitung Township School District	2010-Present
Burton Glen Charter Academy	2010-Present
Canton Charter Academy	2010-Present
Chandler Woods Academy	2010-Present
Cross Creek Academy	2010-Present
Delta Schoolcraft ISD	2010-Present
Detroit Enterprise Academy	2010-Present
Detroit Merit Charter Academy	2010-Present
Detroit Premier Academy	2010-Present
Dickinson-Iron ISD	2010-Present
Eagle Crest Charter Academy	2010-Present
East Arbor Charter Academy	2010-Present
Endeavor Charter Academy	2010-Present
Escanaba Area Public Schools	2010-Present
Excel Academy	2010-Present
Flagship Charter Academy	2010-Present
Fortis Academy	2010-Present
Gladstone Area Schools	2010-Present
Great Oaks Academy	2010-Present
Greater Clark County Schools	2010-Present
Hamtramck Academy	2010-Present
Henry Ford Academy School for Creative Studies	2010-Present
Iron Mountain Public	2010-Present
Keystone Academy	2010-Present
Knapp Academy	2010-Present
Lansing Charter Academy	2010-Present
Laurus Academy	2010-Present
Legacy Charter Academy	2010-Present
Linden Charter Academy	2010-Present
Metro Academy	2010-Present
Mid Peninsula School District	2010-Present
North Saginaw Charter Academy	2010-Present
Norway Vulcan Area School District	2010-Present
Paragon Charter Academy	2010-Present

Paramount Academy	2010-Present
Plymouth Scholars Charter Academy	2010-Present
Prevail Academy	2010-Present
Quest Charter Academy	2010-Present
Rapid River Public Schools	2010-Present
Reach Academy	2010-Present
Regent Park Charter Academy	2010-Present
Ridge Park Charter Academy	2010-Present
River City Scholars	2010-Present
South Arbor Charter Academy	2010-Present
South Canton Scholars Charter Academy	2010-Present
South Pointe Scholars Charter Academy	2010-Present
Tahquamenon Area Schools	2010-Present
Taylor Exemplar Academy	2010-Present
The Potters House School	2010-Present
Timberland Academy	2010-Present
Triumph Academy	2010-Present
Union City Comm. School District	2010-Present
Vanderbilt Charter Academy	2010-Present
Vanguard Charter Academy	2010-Present
Vista Charter Academy	2010-Present
Walker Academy	2010-Present
Walton Charter	2010-Present
Warrendale Charter Academy	2010-Present
Windemere Park Charter Academy	2010-Present
Arbor Preparatory High School	2011-Present
Bridge Academy-East	2011-Present
Bridge Academy-West	2011-Present
Bullock Creek School District	2011-Present
Central Academy	2011-Present
Choice- Bradford Academy	2011-Present
Choice- William C. Abney Academy	2011-Present
Edmonson	2011-Present
Frontier International Academy	2011-Present
Gateway Middle-High School	2011-Present
Global Heights Academy	2011-Present
Homer Community School District	2011-Present
Marquette Area Public Schools	2011-Present
Meridian Public School District	2011-Present
Midland County ESA	2011-Present
Midland Public Schools	2011-Present
MIO-AUSABLE SCHOOL DISTRICT	2011-Present
Pansophia Academy	2011-Present
Riverside Academy-East	2011-Present
Riverside Academy-ECC	2011-Present

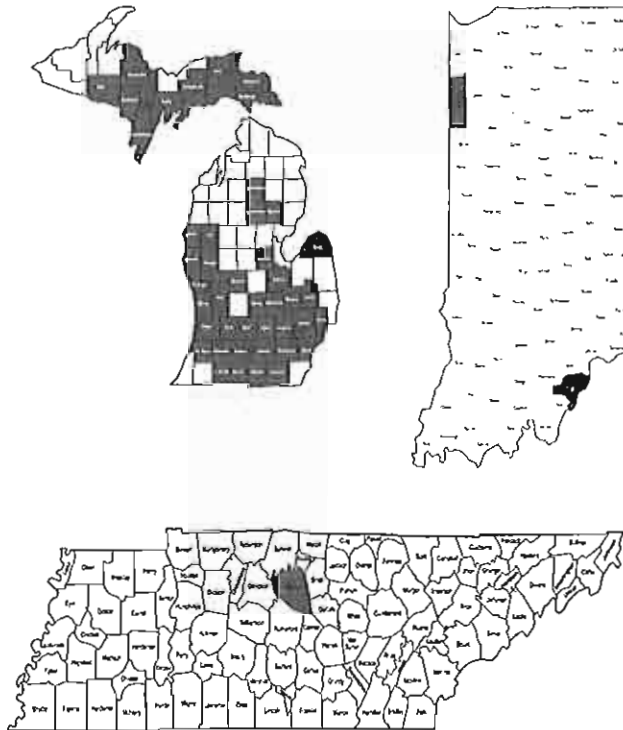
Riverside Academy-West	2011-Present
Saginaw Township Community Schools	2011-Present
VANDERBILT AREA SCHOOL DIST	2011-Present
Victory Academy	2011-Present
White	2011-Present
Ann Arbor Learning Community	2012-Present
Brenda Scott Elem/MS	2012-Present
Burns Elem/MS	2012-Present
Central Collegiate Academy	2012-Present
Charyl Stockwell Academy	2012-Present
Charyl Stockwell Preparatory Academy -Elementary School	2012-Present
Charyl Stockwell Preparatory Academy-High School	2012-Present
Charyl Stockwell Preparatory Academy-Middle School	2012-Present
Clara B. Ford	2012-Present
Conner Creek Academy East Elem School	2012-Present
Crescent Academy Elementary	2012-Present
Crescent Academy	2012-Present
Denby HS	2012-Present
Detroit West Preparatory Academy	2012-Present
FlexTech	2012-Present
Ford HS	2012-Present
Grand Blanc Academy	2012-Present
Harper Creek Community Schools	2012-Present
Huron Academy	2012-Present
International Preparatory Academy	2012-Present
Jalen Rose Leadership Academy	2012-Present
Kensington Woods High School	2012-Present
Law Academy PreK-8	2012-Present
Learn Live Lead Academy	2012-Present
Mary M. Bethune Elem/MS	2012-Present
Michigan Collegiate High School	2012-Present
Michigan Collegiate Middle School	2012-Present
Mumford HS	2012-Present
Nolan Elem/MS	2012-Present
Pershing HS	2012-Present
Phoenix Academy	2012-Present
Southeastern HS	2012-Present
Summit Acad. North High School	2012-Present
Summit Acad. North Middle School	2012-Present
Summit Academy North Elementary	2012-Present
Summit Academy North	2012-Present
Summit Academy	2012-Present
Tekonsha Cmty School District	2012-Present
The Montessori School	2012-Present
Vista Meadows Academy	2012-Present

West Michigan Aviation Academy  
Youth Advancement Academy  
Lebanon Special School District

2012-Present  
2012-Present  
2013-Present



Began in 2005  
Now serving 502 Districts  
Multiple classes of employees  
42,000+ active employees  
1,800,000 placements impacting  
more than 1,275,000 children  
daily



*Section C: Patient Protection and  
Affordable Care Act (“PPACA”)*



## **Patient Protection and Affordable Care Act (“PPACA”)**

### **THE PESG PPACA PROMISE**

*PESG accepts full responsibility for PPACA compliance and monitoring. If an employee qualifies for coverage because of PESG’s failure to correctly monitor the employee’s hours, PESG will bear the cost of covering that employee.*

*Exceptions include:*

- 1) The employee qualifies for coverage per customer’s request.*
- 2) Customer fails to report time correctly and an employee qualifies without PESG’s knowledge.*
- 3) Legislation is passed that affects the PPACA requirements retroactively.*

### **PESG’s Compliance Statement; Anticipated Changes in Workflow**

*As you are well aware, the larger portions of the Patient Protection and Affordable Care Act (“PPACA”) will be taking effect as of January 1, 2015. The PESG Family of Companies is fully committed to compliance with the new PPACA standards. Moving forward it is safe to say that those standards will force a change in the way we address health benefits for certain classifications of employees. We have outlined these changes for you below and have grouped them into the three categories of Framework, Function and Form.*

#### *Framework of the Health Plan*

*The framework of the plan consists of the important dates and timeline of events inside of which the plan will operate. We have made a concerted effort to make sure that the framework of our plan falls as succinctly in line with the schools’ own timelines for both budgeting and employment for your convenience. In efforts to fully comply with the new PPACA standards and language, the PESG Family of Companies will be implementing the following changes to the Framework of our health plan and employment practices.*

*Measurement Period - Formerly known to some as the eligibility period, this is the timeframe during which an employee’s total hours of service will be calculated to evaluate whether or not they have met the benchmark of working an average of at least 30 hours of service per week. For the PESG Family of Companies the measurement period will be twelve (12) months and will extend every year from July 1<sup>st</sup> to June 30<sup>th</sup>.*

*Stability Period - It is during this timeframe that once full time status has been achieved it cannot be removed. During this period, as long as the employee retains their position, the employee will be able to participate to the group health plan. The stability period for the PESG Family of Companies will be twelve (12) months and will extend every year from September 1<sup>st</sup> to August 31<sup>st</sup>.*

*Administration Period - Previously known to most as the ‘enrollment period’, this is the timeframe set aside for plan review, notifications, and open enrollment for employees. The administration period for the PESG Family of Companies will be approximately 60 days and will extend every year from July 1<sup>st</sup> to August 31<sup>st</sup>.*

*Because PESG operates on a fiscal year plan year (September 1 – August 31), these changes do not take effect until the first plan year beginning after January 1, 2015 (i.e., September 1, 2015) The first Measurement Period will be July 1, 2014 – June 30, 2015, the first Administrative Period will be July 1, 2015 – August 31, 2015, and the first Stability Period will be September 1, 2015 – August 31, 2016.*

*A supplemental picture of this new Health Plan Framework has been included with this update to aide in visualizing the process moving forward.*

### Function of the Health Plan

*The function of the health plan addresses the questions of: ‘Who will qualify for the plan?’ and ‘How will it affect them?’.*

*Under the new PPACA regulations employers of more than 50 full time and full time equivalent employees will be required to offer full time employees (and their dependent children) affordable coverage that provides minimum value, or pay a penalty. For these purposes, “full time employee” means an employee who averages 30 or more hours of service per week (or 130 hours of service per month). The PESG Family of Companies has in place an approved baseline plan to all full time employees that meet the qualifications as outlined by the new law. The details of the health plan itself will be discussed in the section on the Form of the Health Plan but the plan will affect the following classifications of employees in the ways outlined below.*

*Existing Full Time Employees - This category of employees includes all employees who have averaged at least 30 hours of service per week during the previous Measurement Period. These employees (and their dependent children) will be offered coverage in the health benefit plan during the Administration Period.*

*New Full Time Employees – This category of employees includes all employees hired with the expectation that they will work an average of at least 30 hours of service per week. This classification of employees will be eligible for the health benefit plan on the first of the month following 60 days of employment.*

*Temporary or Seasonal Employees – This category of employees includes all substitute teachers or other classification of W2 employee that may be seasonal or temporary in nature. Generally this classification of employee will not be eligible for health benefits as they do not typically work an average of 30 hours of service per week or more. Our software vendors are working to add functionality to their programs that would allow each of our partners to limit the total number of hours worked by this segment to less than 30 hours of service per week. This software is currently in the testing phases and we will keep you updated as it progresses further. The PESG Family of Companies will be working with each of our partners individually on this process.*

*Full Time Employees or Long Term Substitutes – These groups may be addressed in the same manner as New Full Time Employees. Since these classifications of employees are hired ‘with the expectation of full time status’ they will follow the same process and procedures that are outlined above.*

Contractors *Many of you are aware that the PESG Family of Companies also provides 1099 Contractors. These contracted individuals are compensated for services via our Coach EZ, Staff EZ lines of business and do not qualify for health benefits.*

## Form of the Health Plan

*As previously stated, we have a baseline health benefit plan for all employees (and their dependent children) who qualify for coverage under the new PPACA guidelines. This plan is designed to meet PPACA's requirements. We offer full time employees an additional option to buy-up to a more premium health benefit plan as well as enrollment in additional benefit offerings. These additional options and offerings are available on a 100% voluntary basis with no additional contributions made towards the premiums.*

*More details on the plan, plan documents and its operation from the both the district partner and employee perspective will be coming as we progress throughout the following months. Once we have finalized the details, we will communicate the contribution amounts required from our partners for the cost of an employee's coverage under the plan.*

*As certain aspects of the health care law are still in a TBD status and regulations are, currently changing from month to month, we feel the need to hold off on the finalization of those finer tuned details and documents until we can be more assured they will not need further adjustment.*

*We will also be holding regional meetings in the future across our various states of operation to discuss the impact of the new PPACA standards to our current business models. We will be sending you more information on these events as dates, times, locations and speakers are finalized.*

# *Is your School District ready for the new PPACA regulations?*

**PESG PROVIDES PROACTIVE PPACA MONITORING.**



## THE PESG PPACA PROMISE

If an employee qualifies for coverage because of PESG's failure to correctly monitor the employee's hours, PESG will bear the cost of covering that employee.\*



For more information please contact us at 855-74-STAFF or online at [www.contractsubs.com](http://www.contractsubs.com).

\*exceptions: 1) The employee qualifies for coverage per customer's request. 2) Customer fails to report the employee and an employee qualifies for coverage without PESG's knowledge. 3) The employee is reported and a customer PPACA requirement.

*Section D: Pricing Proposal*

## SUBSTITUTE AND TEACHING ASSISTANT COST SUMMARY

In developing a cost analysis that would have meaning for the district, PESG has used some assumptions of process and costs taken from more than 25 Tennessee School Districts, including ORCS, as well as PESG's cost for the service stated.

The costs drivers itemized in the attached pages are as follows.

- 1) The cost of making phone calls for substitute teachers by administrative staff
- 2) Substitute cost comparison based upon 3576 substitute filled absences for ORCS and PESG
- 3) A detailed breakdown of costs associated with Teaching Assistants (i.e. payroll, healthcare)
- 4) A detailed cost for each payroll classification of substitute daily placement

For the ORS Teaching Assistants PESG is offering a choice of PPACA qualified medical plans Bronze and Silver. The district currently pays 85% of the medical cost associated with the single employee and 70% of the 2-Person and Family costs. PESG's pricing assumptions use this same pricing formula as well for the Bronze medical plan. The employee can pay to upgrade to the Silver plan. The medical plans offered are insured by Blue Cross/Blue Shield. PESG's healthcare renewal rate changes every September 1<sup>st</sup>.

To continue benefits similar to, but not identical with, those currently provided by ORS, PESG has also included employee only Dental, Vision, and \$20,000 life insurance. These additional supplemental benefits (Dental, Vision, and \$20,000 life insurance) are passed through at a rate not to exceed ORS's rate for these benefits. The employee may add their dependents at a cost to the employee. Since these are at a pass through rate and do not generate a cost or substantial savings they have not been detailed in the cost comparisons.

PESG is responsible for management of the PPACA process for all of its employees. This helps relieve the district of the potential liability for oversight of these programs.

The first year cost of operating the Substitutes Teachers system is **(\$36,065.35)**.

The following is a brief summary of the estimated savings for the Teaching Assistants along with the estimated net annual savings.

### OPTION 1: PPACA Qualified Healthcare without a 401K Contribution

This option offers ORS HC premium support percentages, the same as current; 85% single and 70% 2-Person/Family, for PESG HC insurance. PESG offers dental, vision, and life insurance options.
--

Savings: \$224,146
--------------------

OPTION 2: PPACA Qualified Healthcare with a 401K Contribution

This option offers ORS HC premium support percentages, the same as current; 85% single and 70% 2-Person/Family, for PESG HC insurance. PESG offers dental, vision, and life insurance options. PESG also provides a 1% 401K match.

**Savings: \$214,723**

OPTION 3: PPACA Minimum Healthcare Contribution without a 401K Contribution

This option offers ORS HC premium support for PESG HC insurance. The HC contribution is based upon the PPACA minimum contribution. Using PESG's employer responsibility the minimum premium is \$350 per employee per month. PESG offers dental, vision, and life insurance options.

**Savings: \$380,792**

OPTION 4: PPACA Minimum Healthcare with 1% 401K

This option offers ORS HC premium support for PESG HC insurance. The HC contribution is based upon the PPACA minimum contribution. Using PESG's employer responsibility the minimum premium is \$350 per employee per month. PESG offers dental, vision, and life insurance options. PESG also provides a 1% 401K match.

**Savings: \$363,875**

PESG's pricing is guaranteed and only will increase if there is an increase in a regulatory mandated cost such as State Unemployment Tax, Federal Unemployment Tax, Workers Comp, State or Federal mandates i.e. healthcare. PESG's healthcare annual renewal increase date September 1<sup>st</sup> each year. District will be notified of annual renewal rate increases.

**Estimated Five Year Cost Savings with Substitute's and Teaching Assistants**

<b><u>Option # 1</u></b>	Substitutes	(\$36,065)
	<u>Teaching Assistants</u>	<u>\$224,146</u>
	Estimated Net Savings	\$188,081
	Estimated Five Year Cost Savings	\$940,405
<b><u>Option # 2</u></b>	Substitutes	(\$36,065)
	<u>Teaching Assistants</u>	<u>\$214,723</u>
	Estimated Net Savings	\$178,658
	Estimated Five Year Cost Savings	\$893,290
<b><u>Option # 3</u></b>	Substitutes	(\$36,065)
	<u>Teaching Assistants</u>	<u>\$380,792</u>
	Estimated Net Savings	\$344,727
	Estimated Five Year Cost Savings	\$1,723,635
<b><u>Option # 4</u></b>	Substitutes	(\$36,065)
	<u>Teaching Assistants</u>	<u>\$363,875</u>
	Estimated Net Savings	\$327,810
	Estimated Five Year Cost Savings	\$1,639,050

*Current pricing model includes e-School or Subfinder software. PESG will provide District with all training and support needed for implementation.*





Oak Ridge Schools  
Substitute Teacher Payroll Comparison

School Projected Payroll Cost				PESG Projected Payroll Cost			
Total Wages Paid		\$	250,320.00	Total Wages Paid		\$	250,320.00
6.20%	FICA	\$	15,519.84	6.20%	FICA	\$	15,519.84
1.45%	Medicare	\$	3,629.64	1.45%	Medicare	\$	3,629.64
0.55%	WC	\$	1,376.76	0.80%	WC	\$	2,002.56
0.00%	FUTA	\$	-	0.60%	FUTA	\$	1,501.92
1.19%	SUTA	\$	2,978.81	2.70%	SUTA	\$	6,758.64
0.50%	Liab Ins	\$	1,251.60	0.50%	Liab Ins	\$	1,251.60
16.14%	*Clerical Cost of Calling to fill assignments	\$	-	1.50%	Cost of Sub Caller system	\$	3,754.80
5.00%	Oak Rdige Administrative costs	\$	12,516.00	13.75%	PESG Cost	\$	34,419.00
Total Payroll Liabilities		\$	37,272.65	Total Payroll Liabilities		\$	68,838.00
Total Cost of Payroll		\$	287,592.65	Total Cost of Payroll		\$	319,158.00
Admin % of Payroll			14.89%	Admin % of Payroll			27.50%

Total Projected Cost \$ (31,565.35)

\*\*Total Projected First Cost year cost with set-up fee \$ (36,065.35)

Total projected second year cost \$ (31,565.35)

Total projected third year cost \$ (31,565.35)

Total projected fourth year cost \$ (31,565.35)

Total projected fifth year cost \$ (31,565.35)

\$ (162,326.75)

Five Year - Per Year Average Cost \$ (32,465.35)

\*The administrative time/cost savings from utilizing an automated sub caller system is \$40,409 (see Cost of Calling page)

\*\*The sub caller system has a one time set-up fee of \$4,500.00



Teaching Assistants Comparison

With Healthcare and 1% 401K Employer Contributions

Employee has an additional 5% retirement contribution

**School Projected Payroll Cost**

<b>Total Wages Paid</b>		\$	<b>1,691,745.00</b>
6.20%	FICA	\$	104,888.19
1.45%	Medicare	\$	24,530.30
0.60%	WC	\$	10,150.47
0.00%	FUTA	\$	-
1.19%	SUTA	\$	20,131.77
0.50%	Liab Ins	\$	8,458.73
14.05%	TCRS/Employer	\$	237,697.64
2.00%	Oak Rdige Administrative costs	\$	33,834.90
<b>Total Payroll Liabilities</b>		\$	<b>439,692.00</b>
<b>Total Cost of Payroll</b>		\$	<b>2,131,437.00</b>

<b>Admin % of Payroll</b>	<b>25.99%</b>
---------------------------	---------------

**School Healthcare Benefit Cost**

\$	565.71	Single @	85%
\$	1,455.85	Family @	70%
20	Single	\$	480.85
33	Family	\$	1,019.10
<b>Total Monthly Benefit Cost</b>		\$	<b>43,247.21</b>
<b>Total Annual Benefit Cost</b>		\$	<b>518,966.46</b>

**PESG Projected Payroll Cost**

<b>Total Wages Paid</b>		\$	<b>1,691,745.00</b>
6.20%	FICA	\$	104,888.19
1.45%	Medicare	\$	24,530.30
0.80%	WC	\$	13,533.96
0.60%	FUTA	\$	10,150.47
2.70%	SUTA	\$	45,677.12
0.50%	Liab Ins	\$	8,458.73
1.00%	**401K	\$	16,917.45
8.75%	PESG Admin. Cost	\$	148,027.69
<b>Total Payroll Liabilities</b>		\$	<b>372,183.90</b>
<b>Total Cost of Payroll</b>		\$	<b>2,063,928.90</b>

<b>Admin % of Payroll</b>	<b>22.00%</b>
---------------------------	---------------

**PESG Fringe Benefit Stipend Cost**

\$	375.03	Single @	85%
\$	1,065.10	Family @	70%
20	Single	\$	318.78
33	Family	\$	745.57
<b>Total Monthly Stipend Cost</b>		\$	<b>30,979.32</b>
<b>Total Annual Stipend Cost</b>		\$	<b>371,751.84</b>

\*PPACA Minimum Contribution **\$222,600.00**

\*\*\*Savings With PESG Payroll **\$ 67,508.10**

\*\*\*Savings with PESG Healthcare using the current district contribution percentage. **\$ 147,214.62**

\*\*\*Estimated Total PESG Savings **\$ 214,722.72**

\*Estimated Total PESG Savings using PPACA Minimum Contribution **\$363,874.56**

\* The current required minimum Healthcare Stipend for PESG plans according to future PPACA rules is \$350 PEPM

\*\* 401K is voluntary and does not require an employer contribution



Teaching Assistants Comparison

With Healthcare and NO 401K Employer Contributions

Employee has an additional 5% retirement contribution

**School Projected Payroll Cost**

<b>Total Wages Paid</b>		<b>\$ 1,691,745.00</b>
6.20%	FICA	\$ 104,888.19
1.45%	Medicare	\$ 24,530.30
0.60%	WC	\$ 10,150.47
0.00%	FUTA	\$ -
1.19%	SUTA	\$ 20,131.77
0.50%	Liab Ins	\$ 8,458.73
14.05%	TCRS/Employer	\$ 237,697.64
2.00%	Oak Rdige Administrative costs	\$ 33,834.90
<b>Total Payroll Liabilities</b>		<b>\$ 439,692.00</b>
<b>Total Cost of Payroll</b>		<b>\$ 2,131,437.00</b>

<b>Admin % of Payroll</b>	<b>25.99%</b>
---------------------------	---------------

**School Healthcare Benefit Cost**

\$ 565.71	Single @	85%
\$ 1,455.85	Family @	70%
20	Single	\$ 480.85
33	Family	\$ 1,019.10
<b>Total Monthly Benefit Cost</b>		<b>\$ 43,247.21</b>
<b>Total Annual Benefit Cost</b>		<b>\$ 518,966.46</b>

**PESG Projected Payroll Cost**

<b>Total Wages Paid</b>		<b>\$ 1,691,745.00</b>
6.20%	FICA	\$ 104,888.19
1.45%	Medicare	\$ 24,530.30
0.80%	WC	\$ 13,533.96
0.60%	FUTA	\$ 10,150.47
2.70%	SUTA	\$ 45,677.12
0.50%	Liab Ins	\$ 8,458.73
0.00%	**401K	\$ -
8.75%	PESG Admin. Cost	\$ 148,027.69
<b>Total Payroll Liabilities</b>		<b>\$ 355,266.45</b>
<b>Total Cost of Payroll</b>		<b>\$ 2,047,011.45</b>

<b>Admin % of Payroll</b>	<b>21.00%</b>
---------------------------	---------------

**PESG Fringe Benefit Stipend Cost**

\$ 375.03	Single @	85%
\$ 1,065.10	Family @	70%
20	Single	\$ 350.00
33	Family	\$ 745.57
<b>Total Monthly Stipend Cost</b>		<b>\$ 31,603.81</b>
<b>Total Annual Stipend Cost</b>		<b>\$ 379,245.72</b>

\*PPACA Minimum Contribution \$222,600.00

<b>***Savings With PESG Payroll</b>	<b>\$ 84,425.55</b>
<b>***Savings with PESG Healthcare using the current district contribution percentage.</b>	<b>\$ 139,720.74</b>

<b>***Estimated Total PESG Savings</b>	<b>\$ 224,146.29</b>
<b>*Estimated Total PESG Savings using PPACA Minimum Contribution</b>	<b>\$380,792.01</b>

\* The current required minimum Healthcare Stipend for PESG plans according to future PPACA rules is \$350 PEPM

\*\* PESG's 401K is voluntary and does not require an employer contribution



Substitute Teacher Daily/Hourly Rate Development with Mark-up

Daily Rate Assignments

	No Degree 0-4 years exp in ORS	No Degree 5-9 years exp in ORS	No Degree 10+ years exp in ORS	With Degree 0-4 years exp in ORS	With Degree 5-9 years exp in ORS	With Degree 10+ years exp in ORS
Contracted Rate to Employee	\$ 9.29	\$ 9.86	\$ 10.00	\$ 10.29	\$ 10.58	\$ 10.86
Hours in a Full Work Day	7.00	7.00	7.00	7.00	7.00	7.00
<b>Employee Wage per Assignment</b>	<b>\$ 65.03</b>	<b>\$ 69.02</b>	<b>\$ 70.00</b>	<b>\$ 72.03</b>	<b>\$ 74.06</b>	<b>\$ 76.02</b>
6.20% FICA	\$ 4.03	\$ 4.28	\$ 4.34	\$ 4.47	\$ 4.59	\$ 4.71
1.45% Medicare	\$ 0.94	\$ 1.00	\$ 1.02	\$ 1.04	\$ 1.07	\$ 1.10
0.80% WC	\$ 0.52	\$ 0.55	\$ 0.56	\$ 0.58	\$ 0.59	\$ 0.61
0.60% FUTA	\$ 0.39	\$ 0.41	\$ 0.42	\$ 0.43	\$ 0.44	\$ 0.46
2.70% SUTA	\$ 1.76	\$ 1.86	\$ 1.89	\$ 1.94	\$ 2.00	\$ 2.05
0.25% Liab Ins	\$ 0.16	\$ 0.17	\$ 0.18	\$ 0.18	\$ 0.19	\$ 0.19
0.00% City/Local/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Tax liability</b>	<b>\$ 7.81</b>	<b>\$ 8.29</b>	<b>\$ 8.40</b>	<b>\$ 8.65</b>	<b>\$ 8.89</b>	<b>\$ 9.13</b>
<b>Administrative Costs</b>	<b>\$ 4.39</b>	<b>\$ 4.66</b>	<b>\$ 4.73</b>	<b>\$ 4.87</b>	<b>\$ 5.00</b>	<b>\$ 5.14</b>
<b>PESG Profit &amp; Development</b>	<b>\$ 1.47</b>	<b>\$ 1.56</b>	<b>\$ 1.58</b>	<b>\$ 1.63</b>	<b>\$ 1.67</b>	<b>\$ 1.72</b>
<b>Total Billed Rate</b>	<b>\$ 78.70</b>	<b>\$ 83.53</b>	<b>\$ 84.71</b>	<b>\$ 87.18</b>	<b>\$ 89.62</b>	<b>\$ 92.01</b>

Notes

PPACA is based upon hours worked. In order to establish an hourly schedule the per day absence payment has to be converted to an hourly wage. This page illustrates the conversion and hourly rate established for each sub pay classification. The hourly rate establish most closely aligns to the current daily sub pay rate. The odd cents in the illustration are due to rounding up the hourly rate used.

## *Section E: References*

## References

**Lebanon Special School District**  
Becky Trustee  
Personnel and Payroll Director  
(Substitute Teachers, Educational Assistants,  
Food Services and Custodial)

701 Coles Ferry Pike  
Lebanon, TN  
615-449-6060

**Ingham Intermediate School District**  
Susan Tinny  
Business Office Supervisor  
(Substitutes, Coaches, Clerical, Custodial)  
7-1-2008  
\$3.4 million

2630 W Howell Rd  
Mason MI 48854  
(517) 676-1051

**Greater Clark County Schools**  
Donna Mullins  
Director of Human Resources  
(Substitute Teachers, Educational Assistants,  
Food Services and Custodial)

2112 Utica Sellersburg Rd  
Jeffersonville, IN  
812-288-4802 ext 257

**Muskegon County ISD**  
Mr. Kelly Powers  
Director of Human Resources  
(Substitutes, Custodians, Para Pros  
Administrators, Child Care, Educational Assistants)  
6-1-2006  
\$4.6 Million

630 Harvey Street  
Muskegon, MI  
231-767-7213

**Kent Intermediate School District**  
Mike Hagerty, Assistant Superintendent  
(Substitutes, Clerical, Paraprofessionals,  
Educational Assistants, Custodians)  
6-1-2006  
\$7.2 million (Includes Grand Rapid Public Subs)

2930 Knapp Street NE  
Grand Rapids, MI 49525  
616-365-2279

*Section F: Additional Information*

Additional Information

## PPACA Monitoring

If an employee qualifies for coverage because of PESG's failure to correctly monitor the employee's hours, PESG will bear the cost of covering the employee.

*Is your School District ready for the new PPACA regulations?*

**PESG PROVIDES PROACTIVE PPACA MONITORING.**



### THE PESG PPACA PROMISE

If an employee qualifies for coverage because of PESG's failure to correctly monitor the employee's hours, PESG will bear the cost of covering that employee.\*



For more information please contact us at 855-74-STAFF or online at [www.contractsubs.com](http://www.contractsubs.com).

855.777.2233

\*Example: 1) The employee qualifies for coverage per customer's request. 2) Customer fails to report time correctly and an employee qualifies for coverage without PESG's knowledge. 3) Regulation imposed that affects the PPACA requirements.

Additional Services



PESG employs over 40 classifications of employees including substitutes, clerical, custodial, security and food service. See below Marketing materials stating all classifications of employees.



PESG is the foremost Substitute Teacher & Educational Staffing Partner

MS: K12-1

**Administration**

- Assistant Principals
- Counselors
- Finance Department Personnel
- General Accounting Clerk
- HR Department Personnel
- Principals
- Business Managers

**Event / Program Staff**

- After School Staff
- Aquatic Center Workers
- Caregivers
- Child Daycare Staff
- Coaches
- Community Service Organizer
- Concession Staff
- Game Staff
- Intramural Staff
- MEAP Coordinator
- Piano Accompanists
- Student Advocates

**Support Staff / Assistants**

- Athletic Trainers
- Book Store Workers
- Breakfast Aides
- Building Coordinator
- Bus Aides
- Cooks / Food Service Staff
- Custodians
- Crossing Guards
- Data Entry Clerk
- General Office Clerk
- Groundskeepers
- Hall Monitors
- Interpreter
- ISS Room Staff
- IT General / Helpdesk
- Librarians
- Lunch Aides
- Mechanics
- Music / Recreation Therapist
- Media Clerk
- Noon Supervisors
- Parking Lot Attendants

- Play Ground Aides
- Printing Staff
- Receptionist
- Security
- Social Worker
- Supplemental Support
- Teacher Aides
- Technology Staff

**Teachers**

- Adult Education Staff
- Certified Substitute Teachers
- Classroom Aide / Assisante
- Cosmetology Teachers
- ESL Instructors
- Homebound Teachers
- Learning Disabilities Staff
- Non-Certified Substitute Teachers
- Para Professionals
- Pre-K Teachers
- Student Teachers
- Tutors

**CONTACT US**

**855-74-STAFF**

[www.contractsubs.com](http://www.contractsubs.com)

Kin Weeden  
855-74-STAFF ext 7403  
[kweeden@contractsubs.com](mailto:kweeden@contractsubs.com)

Betsy Boone Bledsoe  
855-74-STAFF ext 7402  
[bboone@contractsubs.com](mailto:bboone@contractsubs.com)



**PESG**  
EDUCATIONAL STAFFING SOLUTIONS

PESG maintains all required insurances. Proof of such insurance, a statement of coverage limits and a copy of the applicable policy shall be provided to the School District prior to execution of the Contract.



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
5/24/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Willis of Michigan, Inc. 3196 Kraft Avenue SE Grand Rapids MI 49512	<b>CONTACT NAME:</b> Lisa Dore <b>PHONE (AC, Ho, Ext):</b> 616-957-2020 <b>FAX (AC, Ho):</b> 616-957-3953 <b>E-MAIL ADDRESS:</b> lisa.dore@willis.com
<b>INSURED</b> 5PROFEDU Professional Educational Services Group LLC and Professional Educational Services Group of Indiana LLC 6307 84th Street SE, Suite D Caledonia MI 49316	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b> INSURER A: Westfield Group      24112 INSURER B: iTechnology Insurance Co.      42376 INSURER C: AmWINS Brokerage INSURER D: INSURER E: INSURER F:

**COVERAGES**      **CERTIFICATE NUMBER: 878820608**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSR / VNO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJCT <input type="checkbox"/> LOC		TRA7627653	5/1/2012	5/1/2013	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> Hired AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON OWNED AUTOS		TRA7627653	5/1/2012	5/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> RETENTION \$0		TRA7627653	5/1/2012	5/1/2013	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in MI) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	TARIN39734-01	1/25/2013	1/25/2014	<input checked="" type="checkbox"/> WC STATU. TOBY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
C	Errors & Omissions		MPP6730411212	12/31/2012	12/31/2013	EA Occ 1,000,000 Aggregate 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

<b>CERTIFICATE HOLDER</b>  Insured's copy ...	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	--