



FOUNDATION *for* CALIFORNIA  
COMMUNITY COLLEGES

**SECOND AMENDMENT TO CAREER CATALYST PROGRAM AGREEMENT**

**between**

**THE FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES**

**and**

**CITY OF SAN JOSE**

*Agreement No. 00003375  
Amendment #2*

Effective May 28, 2020, the Foundation for California Community Colleges (“FOUNDATION”), a 501(c)(3) nonprofit organization, and the City of San José (“CUSTOMER”), a California municipal corporation, entered into a Career Catalyst Program Agreement (“Agreement”); and

WHEREAS, on April 15, 2021, FOUNDATION and CUSTOMER entered into a FIRST AMENDMENT to extend the term of the Agreement, increase compensation, and amend the Budget & Payment Terms and Special Terms; and

WHEREAS, the parties now wish to extend the term of the Agreement, increase compensation, and further amend the Budget & Payment Terms in Exhibit B and Special Terms in Exhibit C;

THEREFORE, the parties agree to amend the Agreement as follows:

1. **Extension of Term.** The term of the Agreement is hereby extended through April 30, 2023.
2. **Increase Compensation.** The compensation is hereby increased by the amount of \$1,131,970 for a total compensation amount of \$3,606,697.
3. **Budget & Payment Terms.** Exhibit B, “Budget & Payment Terms,” is hereby replaced in its entirety with Revised Exhibit B attached hereto.
4. **Special Terms.** Section 1.1 of Exhibit C, “Special Terms,” is amended to read as follows:

“1.1 **Term.** The period of this Agreement is from the Effective Date to April 30, 2023 (“Term”) or until all funds due to FOUNDATION under this agreement have been paid and all terms and conditions have been satisfied.”

5. All other terms of the Agreement shall remain unchanged and in full force and effect.
6. **Execution in Counterparts.** This Second Amendment may be executed in any number of counterparts and by each party in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.
7. **Use of Electronic Signatures.** Unless otherwise prohibited by law or CUSTOMER policy, the parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term “electronic copy of a signed contract” refers to a writing as set forth in Evidence Code Section 1550. The term “electronically signed contract” means a contract that is executed by applying an electronic signature using technology approved by the CUSTOMER.

THE PARTIES HEREBY EXECUTE THIS AMENDED AGREEMENT.

**CITY OF SAN JOSE**

**FOUNDATION FOR CALIFORNIA**

*Sarah Zarate*  
Email: sarah.zarate@sanjoseca.gov

MI *[Signature]*  
Email: jsales@foundationccc.org

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: Sarah Zarate

Print Name: Jorge J.C. Sales

Title: Director of Administration, Policy, and Intergovernmental Relations, City Manager's Office

Title: VP of Program Development

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF SAN JOSE**

**FOUNDATION FOR CALIFORNIA**

**Approved as to Form:**

**COMMUNITY COLLEGES – if second signature is required**

*Arlene Silva*  
Email: arlene.silva@sanjoseca.gov

*iquintana@foundationccc.org*  
Email: jquintana@foundationccc.org

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: Arlene Silva

Print Name: Joseph Quintana

Title: Deputy City Attorney

Title: Chief Operating Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# REVISED EXHIBIT B

## BUDGET & PAYMENT TERMS

### 1. Compensation

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The total fee to be paid to FOUNDATION by CUSTOMER for the Services shall be \$3,606,697, including applicable taxes. CUSTOMER will be responsible for all costs incurred by PARTICIPANTS under this Agreement. If PARTICIPANTS incur costs that exceed the contract value, CUSTOMER is responsible for those costs. These costs include any cost the FOUNDATION is obligated to pay PARTICIPANTS under State, Local, or Federal law.

### 2. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, CUSTOMER agrees to compensate FOUNDATION for actual expenditures incurred in accordance with the rates specified herein.
- B. Itemized invoices shall be submitted via email on a bi-weekly basis to:

Bajinder Jhalle  
Bajinder.jhalle@sanjoseca.gov  
work2future Business Administration Services  
5730 Chambertin Drive  
San Jose, CA 95118

### 3. Billing Rate

CUSTOMER will be invoiced biweekly and will pay FOUNDATION based upon a specified billing rate, which is composed of the following:

- A. CUSTOMER is billed for the PARTICIPANT's hourly rate, including any overtime or premium payments owed to the PARTICIPANT plus employer payroll taxes (Reference budget). The actual percentage for employer tax is determined based upon assigned workers compensation codes;
- B. CUSTOMER is billed a 15% mark-up of the total costs described in Section 2A above, to cover administrative and payroll fees associated with facilitating the Payroll Services;
- C. CUSTOMER is billed a \$100 onboarding fee per PARTICIPANT, which is invoiced at the time of hire.
- D. Depending on the location and size of the project, CUSTOMER will be billed for additional reasonable travel expenses, time, and materials needed to train staff, onboard PARTICIPANT's, and perform WORK SITE visits; and
- E. CUSTOMER is responsible for compensating the FOUNDATION for any services performed or employee benefit cost incurred by a participant that are not listed in Exhibit A of the Agreement but are required under local, State and Federal law.

F. CUSTOMER is responsible for reimbursing the Foundation for criminal history background checks, live scans, or any other pre-employment screening that is requested by CUSTOMER.

**Budget Table:**

**From May 1, 2020 through April 30, 2021 the budget was:**

<b>Service Component</b>	<b>Cost</b>
<b>Personnel Costs</b>	
Wages: 500 participants, \$15.50 per hour, 120 hours	\$930,000
11% Taxes: Federal/State Unemployment, Social Security, MediCare, ETT	\$102,300
8% Workers' Compensation (estimate; invoiced on actuals)	\$74,400
<b>Additional Services</b>	
Program Planning	\$2,000
Travel: \$800 per day, per Foundation staff (estimated multiplier of 10)	\$8,000
<b>Career Catalyst Fees</b>	
Onboarding Fee (\$100/employee, invoiced at time of onboarding)	\$50,000
15% Program Management Fee (invoiced on actual wages and taxes paid)	\$166,005
<b>Total</b>	<b>\$1,332,705</b>

**From May 1, 2021 through April 30, 2022 the budget was:**

<i>Service Component</i>	<i>Cost</i>
<i>Wages: 400 employees, \$16.50 per hour, 120 hours</i>	<i>\$792,000</i>
<i>11% Taxes: Federal/State Unemployment, Social Security, MediCare, ETT</i>	<i>\$87,120</i>
<i>8% Workers' Compensation (estimate; invoiced on actuals)</i>	<i>\$63,360</i>
<b><i>Total Personnel Costs</i></b>	<b><i>\$942,480</i></b>
<i>Additional Services</i>	<i>Cost</i>
<i>Background Checks (\$22.50/employee)</i>	<i>\$9,000</i>
<i>Live Scans (\$17/employee)</i>	<i>\$6,800</i>
<i>Career Catalyst Fees</i>	<i>Cost</i>
<i>Onboarding Fee (\$100/employee, invoiced at time of hire)</i>	<i>\$40,000</i>
<i>15% Indirect Rate (invoiced on additional services, actual wages and taxes paid)</i>	<i>\$143,742</i>
<b><i>TOTAL</i></b>	<b><i>\$1,142,022</i></b>

From May 1, 2022 through April 30, 2023 the budget is:

<i>Service Component</i>	<i>Cost</i>
<i>Wages: 375 employees, \$17.35 per hour, 120 hours</i>	<i>\$780,750</i>
<i>11% Taxes: Federal/State Unemployment, Social Security, MediCare, ETT</i>	<i>\$93,690</i>
<i>8% Workers' Compensation (estimate; invoiced on actuals)</i>	<i>\$62,460</i>
<b><i>Total Personnel Costs</i></b>	<b><i>\$936,900</i></b>
<i>Additional Services</i>	<i>Cost</i>
<i>Background Checks (\$22.50/employee)</i>	<i>\$8,438</i>
<i>Live Scans (\$17/employee)</i>	<i>\$6,375</i>
<i>Career Catalyst Fees</i>	<i>Cost</i>
<i>Onboarding Fee (\$100/employee, invoiced at time of hire)</i>	<i>\$37,500</i>
<i>15% Indirect Rate (invoiced on additional services, actual wages and taxes paid)</i>	<i>\$142,757</i>
<b><i>TOTAL</i></b>	<b><i>\$1,131,970</i></b>