

State of California

STANDARD AGREEMENT

STD. 2 (REV. 5-91)

**APPROVED BY THE
ATTORNEY GENERAL**

Contract Number TCMA-200201	Amendment Number 1
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER	

THIS AMENDMENT, made and entered into this 19th day of August, 2003, ("Effective Date") in the State of California, by and between State of California, through its duly elected or appointed, qualified and acting

TITLE OF OFFICER ACTING FOR STATE Business Services Manager	AGENCY Judicial Council of California Administrative Office of the Courts 455 Golden Gate Ave. San Francisco, CA 94102	, hereafter called the State or Client, and
CONTRACTOR'S NAME ADP, Inc.		, hereafter called the Contractor.

PURSUANT TO THIS FIRST AMENDMENT TO MASTER AGREEMENT TCMA-200201 BETWEEN STATE OF CALIFORNIA AND ADP, INC.:

The Contract is amended as follows:

Special Provisions paragraph 3, Agreement Administration /Communication is hereby deleted in its entirety and replaced with the attached Special Provisions paragraph 3, Agreement Administration /Communication.

Exhibit E, Contractor's Price List is hereby deleted in its entirety and replaced with the attached Exhibit E, Contractor's Pricing List, Revision 1.

The term of this Amendment shall be from August 19, 2003 through August 18, 2004; the expiration date of this Agreement is hereby extended to August 18, 2004.

Except as provided herein, all the terms and conditions of the original Contract Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement has been entered into by the parties hereto, effective upon the Effective Date.

STATE OF CALIFORNIA		CONTRACTOR	
AGENCY Judicial Council of California	CONTRACTOR (if other than an individual, state whether a corporation, partnership, etc.) ADP, Inc. (a corporation)		
BY (AUTHORIZED SIGNATURE) 	BY (AUTHORIZED SIGNATURE) 		
PRINTED NAME OF PERSON SIGNING Grant Walker	PRINTED NAME AND TITLE OF PERSON SIGNING Kathryn F. Amooi		
TITLE Business Services Manager	ADDRESS 3300 Olcott St., Santa Clara, CA		
AMOUNT ENCUMBERED BY THIS DOCUMENT \$0.00	PROGRAM/CATEGORY (CODE AND TITLE)	FUND TITLE Department of General Services Use Only	
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$0.00	(OPTIONAL USE) Funding information will be included in individual work orders if any.		
TOTAL AMOUNT ENCUMBERED TO DATE \$0.00	ITEM	CHAPTER	STATUTE
	FISCAL YEAR		
	OBJECT OF EXPENDITURE (CODE AND TITLE)		
I hereby certify upon my own personal knowledge that budgeted funds are available for the period of the expenditure stated above.	T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER 	DATE 8/26/03		

CONTRACTOR STATE AGENCY DEPT. OF GEN. SER. CONTROLLER

Exhibit B, Special Provisions

3. Agreement Administration/Communication

A. State's Project Manager

The Project Manager for this Master Agreement is named below. All requests and communications about this Master Agreement shall be made through the Project Manager. Any Notice from the Contractor to the State shall be in writing to:

Diann Diamond, Project Manager
Judicial Council of California
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3660

B. Court's Representative

- i. Under this Agreement, the Court's Representative shall act for the Court on all Work Performed through Work Orders and will be the principal contact person between the Contractor for the day-to-day Work activity associated with the Work Order. The Court's Representative cannot make any changes to the Master Agreement.
- ii. The Court's Representative will notify the State's Project Manager as to the start, expiration and /or termination dates of any Work Orders executed with the Contractor.
- iii. The Court's Representative shall be responsible for the sign-off acceptance of all the Work required and submitted by Work Orders issued pursuant to this Agreement as further defined herein.

C. Contractor's Account Representative:

- i. The Account Representative for this Master Agreement is named below. The Account Representative will be the principal contact person between the Contractor and the State and through whom all Work Orders must be presented.
- ii. The Court's Representative will submit a courtesy copy of all executed Work Orders to the State's Project Manager.
- iii. The Administrative Office of the Courts will notify all Court's Representatives for individual Courts with valid Work Orders if the Master Agreement has been amended or terminated.

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- iv. Notice to the Contractor shall be directed in writing to its Account Representative:

Stephanie Schiemann
3300 Olcott St.
Santa Clara, CA 95054
Fax: 408/970-7682
E-mail: stephanie_schiemann@adp.com

Exhibit E –Contractor’s Pricing List Revision 1

1. OUTSOURCED PAYROLL SERVICES – PC PAYROLL FOR WINDOWS

I. PAYROLL PROCESSING FEES PER PAY PERIOD **Bi-Weekly** **Semi-Monthly**

A.	Base Charge	\$87.00	\$98.75
	+ Per Pay Processing and Tax Service	+\$1.55/pay	+\$1.68/pay

- Includes:**
- Employees Per Pay Processing and Tax Service
 - Laser Printed Earnings Statements & Reports
 - IRX (Information Resource Exchange)
 - Web Based (w/ 800# service) HR & Compliance Tool
 - State Unemployment Insurance (SUI) Management
 - Multiple User-Defined Hours/Earnings/Deductions Types
 - Local Check Printing Capabilities for Manual Checks
 - Ability to Modify Some Information on Pay Stubs
 - Ability to Pay Employees at More than One Pay Rate
 - Functional and Technical User Documentation
 - View and Change Payroll Prior to Final Processing
 - Process Pre and Post-Tax Deductions
 - Process Retroactive Payments
 - Mass changes to Hours/Earnings/Deduction Types
 - Ability to Manually Adjust Earnings
 - Deferred Compensation
 - Retirement Deductions (PERS)
 - Taxable and Non-Taxable Reimbursements
 - Moving Allowance and Car Allowance

B. Additional Features

1.	Total Pay \$18.00 + .32/pay <i>*Includes...</i> <ul style="list-style-type: none"> • <i>Check Signing</i> • <i>Check Stuffing</i> • <i>Full Service Direct Deposit (up to 3 accounts)</i> • <i>Official Bank Check w/ Check Reconciliation</i> • <i>Check Fraud Protection</i>
	<i>*10.00 fee applies for stop payments/direct deposit reversals</i>
2.	Benefit Accruals \$6.50 per 100 employees <i>(Vacation/Sick/PTO etc. Includes ability to track multiple anniversary dates for leave accrual)</i>
3.	Labor Distribution \$9.75 per 100 employees <i>(Split employee earnings between multiple cost centers)</i>
4.	Standard General Ledger Report/Download \$50.00 <i>(If G/L requires custom programming, G/L specs would be submitted to programmers for custom quote)</i>
5.	Super Data Access (Check Detail & Cumulative Data Download) \$17.00 per 100 employees

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6.	Automatic Group Term Life Calculation	\$2.65 per 100 employees
7.	Overnight Processing	\$4.75 per 100 employees
8.	Wage Garnishment Processing & Payment Service (WGPS)	\$8.50 base + per lien charge of \$2.50
9.	Documax (CD-Rom Output) (CD-Rom output of all reporting & history for archival and storage. ADOBE Acrobat format for easy viewing & e-mailing reports.)	\$20.00
10.	ADP Delivery	\$8.50
11.	New Hire Reporting	\$2.65 per new hire

II. PAYROLL PROCESSING FEES PER MONTH

A.	Super Data Access (ReportSmith) (Ad-Hoc Report Writer)	\$170.00
B.	Worker's Compensation Reporting ADP calculates worker's comp wages, by code, by state, and any experience modifier to give you exact W.C. liability)	\$40.00
C.	Network Support/LAN (If applicable)	\$25.00
D.	iPaystatements	\$.35/employee/month

III. YEAR END SERVICES

A.	W-2 Earnings Statements (Includes Magnetic Tape Filing & W-3 Transmittal)	\$3.60/W-2 (\$50.00 minimum)
B.	W-2s on CDROM	\$50.00 +.25/W-2

IV ONE-TIME FEES:

A.	Implementation Fees (See Section 7, Implementation)	15% of Annual Outsourced Payroll Fees
B.	One-Time License Fees PC Payroll for Windows ReportSmith	\$500.00/workstation \$100.00/workstation
C.	Network Installations Fees (If applicable) LAN Installation Citrix Installation	\$1500.00/day \$3000.00/day
D.	Training Fees	Included

Any additional custom needs can be analyzed and quoted during sales process.

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2. OUTSOURCED PAYROLL SERVICES – PAYEXPERT (INTERNET PAYROLL)

I. PAYROLL PROCESSING FEES PER PAY PERIOD Bi-Weekly or Semi-Monthly

**A Per Pay Processing and Tax Service \$3.00/check for 1st 100 checks
Plus \$1.75/check over 100
(\$60.00 minimum)**

Includes: Employees Per Pay Processing and Tax Service
 Laser Printed Earnings Statements & Reports
 IRX (Information Resource Exchange)
 Web Based (w/ 800# service) HR & Compliance Tool
 State Unemployment Insurance (SUI) Management
 Multiple User-Defined Hours/Earnings/Deductions Types
 Local Check Printing Capabilities for Manual Checks
 Ability to Modify Some Information on Pay Stubs
 Ability to Pay Employees at More than One Pay Rate
 Functional and Technical User Documentation
 View and Change Payroll Prior to Final Processing
 Process Pre and Post-Tax Deductions
 Process Retroactive Payments
 Mass changes to Hours/Earnings/Deduction Types
 Ability to Manually Adjust Earnings
 Deferred Compensation
 Retirement Deductions (PERS)
 Taxable and Non-Taxable Reimbursements
 Moving Allowance and Car Allowance

B. Additional Features

- | | | |
|-----------|---|--------------------------|
| 1. | Total Pay
<i>*Includes...</i> | Included |
| | <ul style="list-style-type: none"> • <i>Check Signing</i> • <i>Check Stuffing</i> • <i>Full Service Direct Deposit (up to 3 accounts)</i> • <i>Official Bank Check w/ Check Reconciliation</i> • <i>Check Fraud Protection</i> | |
| | *10.00 fee applies for stop payments/direct deposit reversals | |
| 2. | Benefit Accruals
<i>(Vacation/Sick/PTO etc. Includes ability to track multiple anniversary dates for leave accrual)</i> | \$6.50 per 100 employees |
| 3. | Labor Distribution
<i>(Split employee earnings between multiple cost centers)</i> | \$9.75 per 100 employees |
| 4. | Standard General Ledger Report/Download
<i>(If G/L requires custom programming, G/L specs would be submitted to programmers for custom quote)</i> | \$50.00 |
| 5. | Automatic Group Term Life Calculation | Included |
| 6. | Overnight Processing | Included |

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7.	Wage Garnishment Processing & Payment Service (WGPS)	\$8.50 base + per lien charge of \$2.50
8.	Documax (CD-Rom Output) (CD-Rom output of all reporting & history for archival and storage. ADOBE Acrobat format for easy viewing & e-mailing reports.)	\$20.00
9.	ADP Delivery	Included
10.	New Hire Reporting	Included

II. PAYROLL PROCESSING FEES PER MONTH

A.	Report Writer (Ad-Hoc Report Writer)	\$50.00
B.	Worker's Compensation Reporting ADP calculates worker's comp wages, by code, by state, and any experience modifier to give you exact W.C. liability)	\$40.00
D.	iPaystatements	\$.35/employee/month

III. YEAR END SERVICES

A.	W-2 Earnings Statements (Includes Magnetic Tape Filing & W-3 Transmittal)	\$3.60/W-2 (\$50.00 minimum)
B.	W-2s on CDROM	\$50.00 +.25/W-2

IV ONE-TIME FEES:

A.	Implementation Fees (See Section 7, Implementation)	15% of Annual Outsourced Payroll Fees
B.	One-Time License Fees	N/A
C.	Network Installations Fees (If applicable)	N/A
D.	Training Fees	Included

Any additional custom needs can be analyzed and quoted during sales process.

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3. OUTSOURCED HUMAN RESOURCE SOLUTIONS FOR PC PAYROLL FOR WINDOWS

I. HR PROFILE

A. ONGOING MONTHLY FEES

Base Charge	\$210.00
+ Per Employee Processing	+ \$.32/employee

B. ONE-TIME FEES:

1. **Implementation Fees** \$500,\$1000 or \$2500 depending on service level
(See Section 7, Implementation)
2. **Additional Service Days** \$1000/day
3. **One-Time License Fees**
N/C if on same PC as PC Payroll for Windows, otherwise \$500.00/workstation
4. **Training Fees** Included

Any additional custom needs can be analyzed and quoted during sales process.

II. BENEFITS EXPERT (Add On Module to HR Profile)

**A. ONGOING MONTHLY FEES
PRICING INCLUDES HR PROFILE**

**Per Pay Processing Varies Based on Number of Employees
Minimum Monthly Fee Regardless of Number of Employees = \$600.00**

100-249 employees	\$ 6 .00/employee
250-500 employees	\$ 5.50/employee
500-1000 employees	\$ 5.00/employee

B. ONE-TIME FEES:

1. **Implementation Fees** \$7000 - \$11,000 depending on service level
(See Section 7, Implementation)
2. **One-Time License Fees** N/A
3. **Training Fees** Included

Any additional custom needs can be analyzed and quoted during sales process.

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III. HR PERSPECTIVE

A. ONGOING MONTHLY FEES

Base Charge	\$630.00
+ Per Employee Processing	+ \$.63/employee

B. ONE-TIME FEES:

- | | |
|---|----------------------|
| 1. Implementation Fees
(See Section 7, Implementation) | \$12,500 (+T&E) |
| 2. Additional Service Days | \$1400/day |
| 3. One-Time License Fees
HR Perspective | \$595.00/workstation |

\$1000 add'l installation if installed separately from PC Payroll for Windows

- | | |
|-----------------------------|---|
| 4. Training Fees | Included for up to 12 person days of training |
| 5. Additional Training Days | \$450/day |

Any additional custom needs can be analyzed and quoted during sales process.

IV. HR PERSPECTIVE EMPLOYEE SELF SERVICE (ESS)

A. ONGOING MONTHLY FEES

Per Employee Processing	\$3.00/employee
-------------------------	-----------------

B. ONE-TIME FEES:

- | | |
|---|----------|
| 1. Implementation Fees
(See Section 7, Implementation) | \$10,000 |
| 2. One-Time License Fees
Database charge | \$350.00 |

\$1000 add'l installation if installed separately from PC Payroll for Windows

Any additional custom needs can be analyzed and quoted during sales process.

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4. OUTSOURCED HUMAN RESOURCE SOLUTIONS FOR PAYEXPERT (INTERNET PAYROLL)

I. HR EXPERT

A. ONGOING MONTHLY FEES

Per Employee Processing \$ 1.00/employee

B. ONE-TIME FEES:

- | | |
|---|---------------------------|
| 1. Implementation Fees
(See Section 7, Implementation) | Included |
| 2. One-Time License Fees | N/A |
| 3. Training Fees | Included (up to 3 people) |
| 4. Additional Training Fees | \$200.00/person |

Any additional custom needs can be analyzed and quoted during sales process.

II. SELF SERVICE EXPERT

A. ONGOING MONTHLY FEES

Per Employee Processing \$.25/employee

B. ONE-TIME FEES:

- | | |
|---|---------------------------|
| 1. Implementation Fees
(See Section 7, Implementation) | Included |
| 2. One-Time License Fees | N/A |
| 3. Training Fees | Included (up to 3 people) |
| 4. Additional Training Fees | \$200.00/person |

Any additional custom needs can be analyzed and quoted during sales process.

III. BENEFITS EXPERT (Add On Module to HR Expert)

**A. ONGOING MONTHLY FEES
PRICING INCLUDES HR EXPERT**

Per Pay Processing Varies Based on Number of Employees
Minimum Monthly Fee Regardless of Number of Employees = \$600.00

100-249 employees	\$ 6 .00/employee
250-500 employees	\$ 5.50/employee

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500-1000 employees

\$ 5.00/employee

B. ONE-TIME FEES:

- | | | |
|---|--|----------|
| 1. Implementation Fees
(See Section 7, Implementation) | \$7000 - \$11,000 depending on service level | |
| 2. One-Time License Fees | | N/A |
| 3. Training Fees | | Included |

Any additional custom needs can be analyzed and quoted during sales process.

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5. OUTSOURCED TIME AND ATTENDANCE SOLUTIONS FOR PCPAYROLL FOR WINDOWS OR PAYEXPERT (INTERNET PAYROLL)

I. ETIME SOFTWARE

A. ONGOING MONTHLY FEES

Per Employee Processing \$ 2.15/employee
Minimum Monthly Fee Regardless of Number of Employees = \$215.00

B. ONE-TIME FEES:

- | | |
|---|---|
| 1. Implementation Fees
(See Section 7, Implementation) | \$3000.00/single user
or
\$4000.00/multi-user |
| 2. One-Time License Fees | Included |
| 3. Training Fees | Included |

Any additional custom needs can be analyzed and quoted during sales process.

II. CLOCK OPTIONS

A. ONGOING MONTHLY FEES

BASIC CLOCK(S)	\$82.00-\$113.00/clock
FULL CLOCK(S)	\$113.00-\$155.00/clock
HANDPUNCH CLOCK(S)	\$143.00-\$183.00/clock

B. ONE-TIME FEES:

- | | |
|---|----------------|
| 1. Implementation Fees
(See Section 7, Implementation) | \$350.00/clock |
|---|----------------|

Any additional custom needs can be analyzed and quoted during sales process.

III. eTIMESHEET (Software PC based timesheets)

**A. ONGOING MONTHLY FEES
PRICING INCLUDES ETIME SOFTWARE**

Per Employee Processing \$ 2.75/employee
Minimum Monthly Fee Regardless of Number of Employees = \$275.00

B. ONE-TIME FEES:

- | | |
|------------------------|-----------|
| 1. Implementation Fees | \$1500.00 |
|------------------------|-----------|

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	(See Section 7, Implementation)	plus eTime Implementation fees	
2.	One-Time License Fees		\$500.00
3.	Training Fees		Included

Any additional custom needs can be analyzed and quoted during sales process.

IV. Office TIMESHEET (Internet timesheets)

**A. ONGOING MONTHLY FEES
 PRICING INCLUDES ETIME SOFTWARE**

Per Employee Processing \$ 2.75/employee
 Minimum Monthly Fee Regardless of Number of Employees = \$275.00

B. ONE-TIME FEES:

1.	Implementation Fees (See Section 7, Implementation)	plus eTime Implementation fees	\$3000.00
2.	One-Time License Fees		\$625.00
3.	Training Fees		Included

Any additional custom needs can be analyzed and quoted during sales process.

V. EZ LABOR MANAGER (up to 250 employees only) – Web-based Time and Attendance solution

ONGOING MONTHLY FEES

Up to 250 employees \$ 3.60/employee (\$180.00 minimum)
 Minimum Monthly Fee Regardless of Number of Employees = \$180.00
 This includes web-based timesheets
 For Added Accruals Module \$.25/employee (\$15.00 minimum)

ONE-TIME FEES:

Implementation Fees	
Up to 99 employees	\$500.00
For Added Accruals Module	\$100.00
100-250 employees	\$2000.000
For Added Accruals Module	\$500.00

C. EZ Labor Manager Clock Options

ONGOING MONTHLY FEES

1 st Clock	\$60.00/month
Each Add'l Clock	\$50.00/ month

Any additional custom needs can be analyzed and quoted during sales process.

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VI. ENTERPRISE ETIME SOFTWARE

ONGOING MONTHLY FEES

Includes licensing for 1 manager for every 10 employees, includes virtual training for up to 2 administrators

Per Employee Processing \$ 3.95/employee
Minimum Monthly Fee Regardless of Number of Employees = \$800.00

Per Employee Process with Added Accruals Module \$ 4.45/employee
Minimum Monthly Fee Regardless of Number of Employees = \$900.00

Includes virtual training for up to 2 administrators

ONE-TIME FEES:

- | | | |
|----|---|------------------------------|
| 1. | Implementation Fees | \$12,000.00 |
| 2. | Accruals Module Added Implementation Fees | \$3,000.00 |
| 3. | On-Site Training (for up to 6 participants) | \$5,000.00 |
| 4. | Additional Virtual Training (for up to 6 participants) | \$1,000.00 |
| 5. | Additional Manager Licenses (if needed) | \$1,000.00 for every 10 mgrs |

Any additional custom needs can be analyzed and quoted during sales process.

PC Payroll for Windows, HR Profile/HR Perspective, and eTime can be HOSTED by Wizmo, ADP's hosting partner for additional fees. This can be analyzed and quoted during sales process.

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6. Outsourced Benefits/Compliance Administration Solutions

I. COBRA ADMINISTRATION SERVICES

A. ONGOING MONTHLY FEES

- | | |
|--------------------------------|--------------------------|
| 1. Base Fee | \$ 50.00/month plus |
| 2. Continuant Fee | \$10.90/continuant/month |
| 3. Qualifying Event Processing | \$10.90/event |

B. ONE-TIME FEES:

- | | |
|--|---------------------------|
| 1. Implementation Fees
(Includes 8 plans) | \$500.00 |
| 2. Transfer of Current Continuants | \$4.85/current continuant |
| 3. Annual Renewal | \$75.00/plan |

C. OPTIONAL SERVICES MONTHLY FEES:

- | | |
|---|--------------------|
| 1. Initial Rights Notification to New (or Current) Participants | \$3.75/participant |
| 2. HIPAA Certificates of Creditable Coverage | \$4.00/certificate |

Any additional custom needs can be analyzed and quoted during sales process.

II. FLEXIBLE SPENDING ACCOUNT (FSA) ADMINISTRATION

A. ONGOING MONTHLY FEES

- | | |
|------------------------------|---|
| 1. Health and Dependent Care | \$ 5.50/participant/month
(\$120.00/month minimum) |
| 2. Trip | \$5.50/participant/month |

A. ONE-TIME FEES:

- | | |
|------------------------|--|
| 1. Implementation Fees | TBD during Analysis |
| 2. Annual Renewal | \$500.00/year after 1 st year |

Any additional custom needs can be analyzed and quoted during sales process.

III. 401k Administration and 529 College Savings Plans
(Pricing TBD by ADP Licensed Retirement Specialist)

IV. Voluntary Benefits (AD&D, Life, etc.) Administration
(Pricing TBD by ADP Partner, Worksite Solutions, Representative)

7. PRICE DISCOUNTS

7.1 A discount program will be offered to all Courts processing with ADP under this Agreement. The discount schedule is as follows:

Table A:

Aggregate number of pays (Note 1)	Discount (Note 2)
1000 – 4999	10.0%
5000 – 9999	15.0%
10000+	20.0%

7.2 The discount will be reviewed by ADP twice per calendar year. The schedule for reviewing the discount is as follows:

Table B:

Review date	Look-back period	Effective date of discount
September 03	March – August	October 03
March 04	September – February	April 04

7.3 When a Court starts processing with ADP, it will receive the discount that is in effect for all other courts already processing with ADP.

Note 1:

The “aggregate number of pays” will be calculated twice per year on the “review date”.

To determine the aggregate number of pays for this Agreement, the following steps will be performed by ADP:

1. Create a list of all Courts that processed at least once during the “Look-Back period”.
2. For each Court that is on the list, calculate the average number of pays per processing during the look-back period. Live payroll processing’s will be included in the calculation; test payroll processing’s will be excluded from the calculation.
3. Add the results of #2 for all courts to determine the aggregate number of pays-per-processing for the entire Agreement during the look-back period.

Note 2:

The discount will be applied as a bottom-line discount. That is, the discount will applied against all processing fees calculated for every payroll processed for the six months beginning on the “effective date of the discount”.

All Courts that processed during the look-back period will receive the same discount rate.

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Example 1:

On the review date of March 01, 2003, AOC activity for the period of September 2002 through February, 2003 is examined. It is determined that three courts processed during the period. The activity for each court during the period was:

Court	Pay date / number of pays
Court 1	January 31: 300
	February 15: 200
	February 28: 300
Average pays-per-processing for Court 1 (300 + 200 + 300)/3	
Court 2	January 31: 750
	February 15: 725
	February 28: 775
Average pays-per-processing for Court 2 (750 + 725 + 775)/3	
Court 3	February 15: 210
	February 28: 220
Average pays-per-processing for Court 3 (210 + 220)/2	
Aggregate pays for AOC (267 + 750 + 215)	
1232	

In this example, the aggregate number of pays for the AOC was 1232, qualifying for a 2.5% discount according to Table A.

In accordance with Table B, starting on April 01 and continuing through September 30, Courts 1, 2 and 3 will receive a 2.5 discount on all processing fees.

Example 2:

Court 4 starts processing with ADP on July 01, 2003. Court 4 will automatically receive the same 2.5% discount that is in effect for Courts 1, 2 and 3.

During the review performed on September 01, 2003. Court 4 will be included in the calculation of the aggregate number of pays.

7. **IMPLEMENTATION**

The ADP commitment to World Class Service includes a thorough, well-planned approach to implementation.

What You Can Expect From Us

ADP recognizes that the value of our solutions goes beyond features and functionality. That's why you can expect us to deliver proven, effective implementation methodologies. We want to make sure your system meets your goals and objectives from the first time you process with us.

What We Need From You

You will need to create an internal project team of key end-users and management decision-makers dedicated to the implementation's success. We will also need you to communicate to us your clearly defined goals. It is highly recommended that your project team conduct periodic reviews to determine that the implementation process is being managed to your satisfaction.

Five Phase Implementation

A specially trained implementation team will work with you to thoroughly analyze your needs, determine your hardware requirements and manage your transition to ADP through a four-phase process:

- **Project Planning** – Following a complete demonstration of the software, we'll examine your project objectives, review the standard work plan and discuss the necessary interfaces. We'll also identify the next steps for implementation, including the conversion strategy and training schedule.
- **Analysis** – We'll analyze your pay, policies, and reporting requirements, complete the system setup, review your security requirements and resolve issues regarding implementation. We'll continue to assess your interface and conversion requirements – exploring integration issues and defining field and date mapping.
- **Review** - Upon completion of the installation and setup, we will help ensure a successful transition by . . .
 - Reviewing security setup, field mapping and interfaces.
 - Identifying additional training needs.
 - Resolving any outstanding issues.
- **Go Live** – We'll take time to validate your set up, e.g. data conversions, interfaces, reports and connection. Once you have complete confidence in the functionality of your new system and in the integrity of your data, you'll go live.
- **Coordinated Transition to Permanent Services** - Upon completion of the installation and setup, we will help ensure a successful transition to your permanent service group. Information regarding the set up of your account will be shared and a formal introduction/turn over scheduled.

END OF EXHIBIT