



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 10.1a

Meeting Date: June 19, 2014

Subject: Approval of Grants, Entitlements, and Other Income Agreements
Ratification of Other Agreements
Approval of Bid Awards
Approval of Declared Surplus Materials and Equipment
Change Notices
Notices of Completion

- ☐ Information Item Only
- ☒ Approval on Consent Agenda
- ☐ Conference (for discussion only)
- ☐ Conference/First Reading (Action Anticipated: _____)
- ☐ Conference/Action
- ☐ Action
- ☐ Public Hearing

Division: Business Services

Recommendation: Recommend approval of items submitted.

Background/Rationale: N/A

Financial Considerations: See attached.

Documents Attached:

1. Grants, Entitlements, and Other Income Agreements
2. Other Agreements
3. Recommended Bid Awards – Supplies/Equipment
4. Recommended Bid Awards – Facilities Projects

Estimated Time of Presentation:	N/A
Submitted by:	Ken A. Forrest, Chief Business Officer Kimberly Teague, Contract Specialist
Approved by:	Sara Noguchi, Ed.D., Interim Superintendent

GRANTS, ENTITLEMENTS AND OTHER INCOME AGREEMENTS - REVENUE

<u>Contractor</u>	<u>Description</u>	<u>Amount</u>
<u>CHILD DEVELOPMENT</u>		
A14-00085 Sacramento Employment & Training Agency (SETA)	8/1/14 – 7/30/15: Resolution No. 2797, Authorizing Execution of Delegate Agency Agreement from the Sacramento Employment and Training Agency for the operation of a Head Start program for the 2014/15 school year. Grant application for the 2014/15 school year was approved by the Board on March 6, 2014. This Resolution authorizes the signing of the Agreement between SCUSD and SETA once grant is approved.	N/A

EXPENDITURE AND OTHER AGREEMENTS

<u>Contractor</u>	<u>Description</u>	<u>Amount</u>
<u>BUSINESS SERVICES</u>		
SA15-00016 Workday	8/1/14 – 7/31/15: Master Subscription Agreement for Workday Human Capital Management (HCM), Payroll, and Financial solutions software, to replace the existing Escape Financial System that does not meet the District's financial needs. After a year of investigation looking at many alternate systems we are recommending a transition to Workday. Upon full implementation it is anticipated that improvements in business processes and the accountability that will result from the implementation of Workday will more than offset the annual expense. After implementation the ease of use and transparency will provide significant benefit to all of our customers and the public at large. We are seeking permission to complete contract negotiations based on this price quotation.	First Year-\$816,328 Measure Q Funds; Subsequent years will be a General Fund expense. \$816,328 each year for the next two years.
SA15-00017 CedarCrestone	8/1/14 – 10/1/15: Agreement to provide services for the implementation of the Workday Human Capital Management (HCM), Payroll, and Financial solutions software. CedarCrestone will design and configure generally available functionality as prioritized by the District, and reduce and align processes that are currently different across departments and sites.	\$3,871,911 Measure Q Funds Maximum estimate, Time & Material Contract. Expectation is that total cost will be less.
SA15-00018 Questica	7/1/14 – 8/1/15: Agreement to install and then provide a multi-year, multi-fund budget solution integrated to Escape, and then to Workday that will provide support for community interaction with the budget process, transparency, and position control, school/site budget reporting, and ease of use.	First Year \$172,600 Measure Q Funds; Subsequent years will be a General Fund expense. \$90,000 adjusted by inflation indexing.

CHIEF OF SCHOOLS

SA14-00555 Vision 2000	6/16/14 – 7/13/14: Planning and Implementing 2014 Summer Math and Reading Academy at California State University, Sacramento, for approximately 300 students attending Fr. Keith B. Kenny, H.W. Harkness, Leataata Floyd, Oak Ridge, and Pacific Elementary Schools.	\$94,622 Economic Impact Aid Funds
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Strategic Plan: Aligns with Pillar I, Career and College Ready Students; and Pillar II, Family and Community Engagement, by engaging students, families and community partners to collaborate with the district for academic enrichment and empowerment activities.

SA15-00015 City of Sacramento Police Department	7/1/14 – 6/30/16: Two year agreement with the City of Sacramento Police Department to assign seven (7) City Police Officers and one (1) Supervising Sergeant to provide security services at various District school campuses. The Police Officers, also known as "School Resource Officers" (SRO's), will maintain a highly visible and open presence on each campus to encourage positive student interaction. Each officer will closely monitor the various functions within the school and youth community and work with staff in identifying problem areas with a focus on long-term solutions. SRO's may respond to any campus where security is required.	\$1,118,697 (Year One) General Funds
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Six SRO's will be assigned to American Legion, C.K. McClatchy, Hiram Johnson, John F. Kennedy, Luther Burbank, and Rosemont High Schools; the seventh SRO will be a floater for all other school sites.

Strategic Plan: Aligns with Pillar I, Career and College Ready Students, by helping to provide safe, orderly campuses so that students and staff may engage in the learning process without disruption. Aligns with Pillar II, Family and Community Engagement, as the Police Department is an important community partner which provides services and opportunities for families to engage in safety planning, drug and alcohol awareness and crime prevention.

RECOMMENDED BID AWARDS – SUPPLIES EQUIPMENT

Bid No. 140503	Nutrition Service – Bread and Bakery Products
Bids Opened:	June 4, 2014
Recommendation:	Bimbo Bakeries USA, Inc.
Amount:	\$361,650
Funding Source:	Nutrition Services

This is a one (1) year bid with the possibility of two (2), one (1) year extensions. This will be site-to-site delivery.

BIDDER	BIDDER LOCATION	AMOUNT
Bimbo Bakeries USA Inc.	Sacramento, CA	\$361,650.00
Pomo Ridge Distribution	Geyserville, CA	Non-Responsive

RECOMMENDED BID AWARDS – FACILITIES PROJECTS

**Bid No. 702-0032 Lease-Leaseback Agreement for Installation of Skylights
at Caleb Greenwood Elementary School (Multi-Purpose Room)**

Recommendation: Award to Roebbelen Contracting, Inc.

Amount/Funding: \$50,573 - Measure Q Funds (Project Green)

**Bid No. 822-0807 Lease-Leaseback Agreement for Roof and HVAC Replacement
at Facilities Maintenance Building, 425 1st Avenue**

Recommendation: Award to Roebbelen Contracting, Inc.

Amount/Funding: \$250,000 - Communities Facilities District #2 Funds

**Bid No. 701-0525 Lease-Leaseback Agreement for Athletic Field Improvements
at John F. Kennedy High School, Phase II (Concession Bldg.)**

Recommendation: Award to Landmark Construction

Amount/Funding: \$997,000 – Measure R Funds

Bid No. 701-0525 Lease-Leaseback Agreement for Rain Water Harvesting System

Recommendation: Award to Clark & Sullivan Construction

Amount/Funding: \$218,547 - Redevelopment Funds (Project Green)

The lease-leaseback project delivery method is authorized by California Education Code §17406, and authorizes the governing board, without advertising for bids, to enter into a lease with a builder for the purpose of construction, including remodeling and permanent improvements, upon property.

RECOMMENDED BID AWARDS – FACILITIES PROJECTS

Bid No. 821-0807 Fire Alarm Testing at 111 sites

Bids received: June 6, 2014
Recommendation: Award to Simplex Grinnell
Amount: \$512,600
Funding Source: Measure I Funds

BIDDER	BIDDER LOCATION	AMOUNT
Simplex Grinnell	Sacramento, CA	\$512,600
Siemens Industry	West Sacramento, CA	\$515,600
Quality Sound	Stockton, CA	\$522,471
Sabah International	Pleasanton, CA	\$524,600
Tri-Signal Integration	Sylmar, CA	\$605,100



MASTER SUBSCRIPTION AGREEMENT

This Master Subscription Agreement, effective as of the date of last signatory set forth below ("**Effective Date**"), is by and between **Workday, Inc. ("Workday")** a Delaware corporation with offices at 6230 Stoneridge Mall Road, Pleasanton, CA 94588 and **Sacramento City Unified School District ("Customer" or "County")**, a California local government entity with offices at 5735 47th Ave., Sacramento CA 95824. Whereas, Workday provides a subscription Service, Customer desires to subscribe to the Service, and this business relationship and the allocation of responsibilities regarding such Service are set forth in this Agreement. Therefore, the parties agree as follows:

1. Customer's Use of the Service.

1.1 Provision of the Service. Workday shall: (i) make the Service available in accordance with the Documentation and the SLA to Customer during the Term pursuant to this Agreement; (ii) not use Customer Data except to provide the Service, or to prevent or address service or technical problems, in accordance with this Agreement and the Documentation, or in accordance with Customer's instructions; and (iii) not disclose Customer Data to anyone other than Authorized Parties.

1.2 Customer Obligations. Customer may enable access of the Service for use only by Authorized Parties solely for the internal business purposes of Customer and its Affiliates in accordance with the Documentation and not for the benefit of any third parties. Customer is responsible for all Authorized Party use of the Service and compliance with this Agreement. Customer shall: (a) have sole responsibility for the accuracy, quality, and legality of all Customer Data; and (b) prevent unauthorized access to, or use of, the Service, and notify Workday promptly of any such unauthorized access or use. Customer shall not: (i) use the Service in violation of applicable Laws; (ii) in connection with the Service, send or store infringing, obscene, threatening, or otherwise unlawful or tortious material, including material that violates privacy rights; (iii) send or store Malicious Code in connection with the Service; (iv) interfere with or disrupt performance of the Service or the data contained therein; or (v) attempt to gain access to the Service or its related systems or networks in a manner not set forth in the Documentation. Customer shall designate a maximum number of named contacts as listed in the applicable Order Form to request and receive support services from Workday. Named Support Contacts must be trained on the Workday product(s) for which they initiate support requests. The Service is provided in U.S. English. Workday has translated portions of the Service into other languages. Customer and its Authorized Parties may only use the translated portions of the Service for the number of languages listed in the applicable Order Form. Customer shall be liable for the acts and omissions of all Customer Affiliates relating to this Agreement.

2. Fees.

2.1 Invoices & Payment. Fees for the Service will be invoiced in accordance with the relevant Order Form. Except as otherwise set forth in an Order Form, all fees due hereunder (except fees subject to good faith dispute) shall be due and payable within thirty (30) days of invoice date. Except as otherwise stated in an Order Form, all fees are quoted and payable in United States dollars and are based on Service rights acquired and not actual usage. Customer shall provide Workday with complete and accurate billing and contact information including a valid email address for receipt of invoices.

2.2 Non-cancelable & non-refundable. Except as specifically set forth to the contrary under Section 6.2 "Warranty Remedies", Section 7.1 "Indemnification by Workday", Section 9.2 "Termination", and under the SLA, all payment obligations under any and all Order Forms are non-cancelable and all payments made are non-refundable except to the extent Customer is overcharged or inadvertently pays more than is due. The license rights for the number of Employees set forth on any respective Order Form cannot be decreased during the Term.

2.3 Overdue Payments. Any payment not received from Customer by the due date may accrue (except with respect to charges then under reasonable and good faith dispute), at Workday's discretion, late charges at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, from the date such payment was due until the date paid.

2.4 Non-Payment and Suspension of Service. If Customer's account is more than thirty (30) days past due (except with respect to charges subject to a reasonable and good faith dispute), in addition to any other rights or remedies it may have under this Agreement or by law, Workday reserves the right to suspend the Service upon thirty (30) days written notice, without liability to Customer, until such amounts are paid in full.

2.5 Budgetary Limit on Order Form. An Order Form may state a budgetary limit. If one is on an Order Form, Workday will not charge fees in excess of the stated budgetary limit in the absence of a mutually executed change order or other similar document,



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but is not obligated to provide the Service beyond the budgetary limit. Customer is not entitled to any free use of the Service if the budgetary limit has been reached.

2.6 Taxes. Except as otherwise stated in an Order Form, Workday's fees do not include any direct or indirect local, state, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including value-added, excise, use or withholding taxes (collectively, "**Taxes**"). Customer is responsible for paying all Taxes associated with its acquisitions hereunder, this Agreement, and the Service, excluding U.S. income taxes on Workday. If Customer has an obligation to withhold any amounts under any law or tax regime (other than U.S. income tax law), Customer shall gross up the payments so that Workday receives the amount actually quoted and invoiced. If Workday has a legal obligation to pay or collect Taxes for which Customer is responsible under this section, the appropriate amount shall be invoiced to and paid by Customer, unless Customer provides Workday with a valid tax exemption certificate authorized by the appropriate taxing authority.

2.7 Employee Count Verification. Workday may periodically confirm the number of Employee records on its hosted servers and if the number of Employee records exceeds the number of permitted Employees on the relevant Order Form, the provisions in the Order Form for subscription fees for additional Employees will apply. In addition, upon Workday's request but not more frequently than quarterly, Customer will report to Workday the total number of Employees.

3. Proprietary Rights.

3.1 Ownership and Reservation of Rights to Workday Intellectual Property. Workday and its licensors own all right, title and interest in and to the Service, Documentation, and other Workday Intellectual Property Rights. Subject to the limited rights expressly granted hereunder, Workday reserves all rights, title and interest in and to the Service, and Documentation, including all related Intellectual Property Rights. No rights are granted to Customer hereunder other than as expressly set forth herein.

3.2 License Grant. Workday hereby grants Customer a non-exclusive, non-transferable, right to use the Service and Documentation, solely for the internal business purposes of Customer and Affiliates and solely during the Term, subject to the terms and conditions of this Agreement within scope of use defined in the relevant Order Form.

3.3 License Restrictions. Customer shall not (i) modify, copy or create any derivative works based on the Service or Documentation; (ii) license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, time share, offer in a service bureau, or otherwise make the Service or Documentation available to any third party, other than to Authorized Parties as permitted herein; (iii) reverse engineer or decompile any portion of the Service or Documentation, including but not limited to, any software utilized by Workday in the provision of the Service and Documentation, except to the extent required by Law; (iv) access the Service or Documentation in order to build any commercially available product or service; or (v) copy any features, functions, integrations, interfaces or graphics of the Service or Documentation.

3.4 Ownership of Customer Data. As between Workday and Customer, Customer owns its Customer Data.

3.5 Customer Input. Workday shall have a royalty-free, worldwide, transferable, sub-licensable, irrevocable, perpetual license to use or incorporate into the Service any Customer Input. Workday shall have no obligation to make Customer Input an Improvement. Customer shall have no obligation to provide Customer Input.

3.6 Aggregated Data Use. Workday owns the aggregated and statistical data derived from the operation of the Service, including, without limitation, the number of records in the Service, the number and types of transactions, configurations, and reports processed in the Service and the performance results for the Service (the "Aggregated Data"). Nothing herein shall be construed as prohibiting Workday from utilizing the Aggregated Data for purposes of operating Workday's business, provided that Workday's use of Aggregated Data will not reveal the identity, whether directly or indirectly, of any individual or specific data entered by any individual into the Service. In no event does the Aggregated Data include any personally identifiable information.

4. Confidentiality.

4.1 Confidentiality. A party shall not disclose or use any Confidential Information of the other party except as reasonably necessary to perform its obligations or exercise its rights pursuant to this Agreement except with the other party's prior written permission.



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4.2 Protection. Each party agrees to protect the Confidential Information of the other party in the same manner that it protects its own Confidential Information of like kind except as specified in section 4.3, but in no event using less than a reasonable standard of care.

4.3 Compelled Disclosure. A disclosure by one party of Confidential Information of the other party to the extent required by Law shall not be considered a breach of this Agreement, provided the party so compelled promptly provides the other party with prior notice of such compelled disclosure (to the extent legally permitted) and provides reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure. For purposes of this section, a request to Customer for documents or information pursuant to the California Public Records Act will be considered a compelled disclosure. All parties acknowledge that the County will not make any assertion of exemption on behalf of Workday in response to a Public Records Act request. However, if presented with a request for any document that Workday has clearly marked Confidential or Proprietary, the County will inform Workday of the document's imminent disclosure. The Service and its Documentation are claimed as Confidential and Proprietary by Workday, whether or not individual pages/screens are marked as such. It will then be the sole responsibility of Workday to timely seek a court order prohibiting the document from disclosure and Workday agrees to indemnify, defend and hold harmless the County in any subsequent proceeding by any outside party to obtain Workday's Confidential information from the County. The parties agree and acknowledge that while an Order Form may be considered Confidential Information, it may be disclosed by the County as required under this section 4.3. In addition, the County may disclose Order Forms and this Agreement in accordance with requirements for publication of items that will be on the County's Board agenda; such disclosure may take the form of a web site-accessible posting of the documents. After documents have been removed from the web site posting, they will be made available to third parties only through the compelled disclosure process.

4.4 Special Access by Law Enforcement and for Oversight. Customer is a public sector entity subject to oversight by other public sector entities and potentially by the federal government. The parties agree that to the extent that law enforcement officials or entities with oversight authority request access to the Service, whether in a "hands-on" manner or by watching a Customer employee use the Service, for the purpose of viewing or retrieving Customer Data or confirming how Customer processes Customer Data, Customer may grant such access.

4.5 Remedies. If a party discloses or uses (or threatens to disclose or use) any Confidential Information of the other party in breach of confidentiality protections hereunder, the other party shall have the right, in addition to any other remedies available, to injunctive relief to enjoin such acts, it being acknowledged by the parties that any other available remedies are inadequate.

4.6 Exclusions. Confidential Information shall not include any information that: (i) is or becomes generally known to the public without breach of any obligation owed to the other party; (ii) was known to a party prior to its disclosure by the other party without breach of any obligation owed to the other party; (iii) was independently developed by a party without breach of any obligation owed to the other party; or (iv) is received from a third party without breach of any obligation owed to the other party. Customer Data shall not be subject to the exclusions set forth in this Section.

5. Customer Data.

5.1 Protection and Security. During the Term of this Agreement, Workday shall maintain a formal security program materially in accordance with industry standards that is designed to: (i) ensure the security and integrity of Customer Data; (ii) protect against threats or hazards to the security or integrity of Customer Data; and (iii) prevent unauthorized access to Customer Data. Such security program will conform to the Workday Security Exhibit attached hereto, and is further described in Workday's most recently completed SSAE 16 (SOC1) audit report or industry-standard successor report. The most recently completed, as of the Effective Date, SOC1 audit report is referred to as the "Current Audit Report". In no event during the Term shall Workday's security program use controls materially less protective than those provided in Workday's Security Exhibit and the Current Audit Report. During the Term, Workday will maintain a current certification with the U.S. Department of Commerce under the U.S.-European Union and U.S.-Switzerland Safe Harbor Frameworks. Workday designs its Service to allow Customers to achieve differentiated configurations, enforce user access controls, and manage data categories that may be populated and/or made accessible on a country-by-country basis. Customer understands that its use of the Service and compliance with any terms hereunder does not constitute compliance with any Law. Customer understands that it has an independent duty to comply with any and all Laws applicable to it.

5.2 Unauthorized Disclosure. If either party believes that there has been a disclosure of Customer Data to anyone other than an Authorized Party or Workday, such party must promptly notify the other party. Additionally, each party will reasonably assist the



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other party in remediating or mitigating any potential damage, including any notification which should be sent to individuals impacted or potentially impacted, or the provision of credit reporting services to such individuals. Each party shall bear the costs of such remediation or mitigation to the extent the breach or security incident was caused by it.

6. Warranties & Disclaimers.

6.1 Warranties. Each party warrants that it has the authority to enter into this Agreement and, in connection with its performance of this Agreement, shall comply with all Laws applicable to it related to data privacy, international communications and the transmission of technical or personal data. Workday warrants that during the Term (i) the Service shall perform materially in accordance with the Documentation; and (ii) the functionality of the Service will not be materially decreased during the Term.

6.2 Warranty Remedies. As Customer's exclusive remedy and Workday's sole liability for breach of the warranty set forth in Section 6.1 (i) and (ii), (a) Workday shall correct the non-conforming Service at no additional charge to Customer, or (b) in the event Workday is unable to correct such deficiencies after good-faith efforts, Workday shall refund Customer amounts paid that are attributable to the defective Service from the date Workday received such notice. To receive warranty remedies, Customer must promptly report deficiencies in writing to Workday, but no later than thirty (30) days of the first date the deficiency is identified by Customer.

6.3 DISCLAIMER. EXCEPT AS EXPRESSLY PROVIDED HEREIN AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WORKDAY MAKES NO WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICE AND/OR RELATED DOCUMENTATION. WORKDAY DOES NOT WARRANT THAT THE SERVICE WILL BE ERROR FREE OR UNINTERRUPTED. THE LIMITED WARRANTIES PROVIDED HEREIN ARE THE SOLE AND EXCLUSIVE WARRANTIES PROVIDED TO CUSTOMER IN CONNECTION WITH THE PROVISION OF THE SERVICE.

7. Mutual Indemnification.

7.1 Indemnification by Workday. Workday shall defend, indemnify and hold Customer harmless against any loss, damage or costs (including reasonable attorneys' fees) in connection with claims, demands, suits, or proceedings ("**Claims**") made or brought against Customer by a third party alleging that the use of the Service as contemplated hereunder infringes a copyright, a U.S. patent issued as of the Effective Date, or a trademark of a third party; provided, however, that Customer: (a) promptly gives written notice of the Claim to Workday; (b) gives Workday sole control of the defense and settlement of the Claim (provided that Workday may not settle any Claim unless it unconditionally releases Customer of all liability); and (c) provides to Workday, at Workday's cost, all reasonable assistance. Workday shall not be required to indemnify Customer in the event of: (w) modification of the Service by Customer, its Employees, or Authorized Parties in conflict with Customer's obligations or as a result of any prohibited activity as set forth herein; (x) use of the Service in a manner inconsistent with the Documentation; (y) use of the Service in combination with any other product or service not provided by Workday; or (z) use of the Service in a manner not otherwise contemplated by this Agreement. If Customer is enjoined from using the Service or Workday reasonably believes it will be enjoined, Workday shall have the right, at its sole option, to obtain for Customer the right to continue use of the Service or to replace or modify the Service so that it is no longer infringing. If neither of the foregoing options is reasonably available to Workday, and the parties are unable to agree upon any other solution, then use of the Service shall be terminated and Workday's sole liability shall be to refund any prepaid fees for the Service that were to be provided after the effective date of termination as well as any fees paid by Customer attributable to the enjoined portions of the Service for the period of time Customer was enjoined from use of the Service.

7.2 Indemnification by Customer. Customer shall defend, indemnify and hold Workday harmless from any Claims made or brought by a third party alleging that the Customer Data infringes the rights of, or has caused harm to, a third party or violates any Law; provided, however, that Workday: (a) promptly gives written notice of the Claim to Customer; (b) gives Customer sole control of the defense and settlement of the Claim (provided that Customer may not settle any Claim unless it unconditionally releases Workday of all liability); and (c) provides to Customer, all reasonable assistance, at Customer's cost for any requested assistance which does not fall within the scope of what is included in the Service fee.

8. Limitation of Liability.

8.1 Limitation of Liability. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO EITHER PARTY'S INDEMNIFICATION OBLIGATIONS AND/OR CUSTOMER'S PAYMENT OBLIGATIONS AND AS SET



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FORTH IN SECTION 8.3 BELOW, IN NO EVENT SHALL EITHER PARTY'S (OR WORKDAY'S THIRD PARTY LICENSORS') AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE SUBSCRIPTION FEES ACTUALLY PAID BY CUSTOMER IN CONSIDERATION FOR WORKDAY'S SERVICE DELIVERY DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE (OR, FOR A CLAIM ARISING BEFORE THE FIRST ANNIVERSARY OF THE EFFECTIVE DATE, THE AMOUNT PAID FOR THE FIRST TWELVE MONTH PERIOD).

8.2 Exclusion of Damages. EXCEPT WITH RESPECT TO CUSTOMER'S PAYMENT OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, OR FOR ANY LOST PROFITS, LOSS OF USE, COST OF DATA RECONSTRUCTION, COST OR PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICE, INCLUDING BUT NOT LIMITED TO THE USE OR INABILITY TO USE THE SERVICE, ANY INTERRUPTION, INACCURACY, ERROR OR OMISSION, EVEN IF THE PARTY FROM WHICH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS OR SUBCONTRACTORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.

8.3 SPECIAL LIMITATION FOR UNAUTHORIZED DISCLOSURE OF CUSTOMER DATA. WORKDAY'S AGGREGATE LIABILITY FOR ITS BREACH OF THIS AGREEMENT RESULTING IN THE UNAUTHORIZED DISCLOSURE OF CUSTOMER DATA (INCLUDING THE COST TO DEFEND THIRD PARTY CLAIMS CAUSED BY SUCH BREACH) SHALL NOT EXCEED THE SUBSCRIPTION FEES ACTUALLY PAID BY CUSTOMER IN CONSIDERATION FOR WORKDAY'S SERVICE DELIVERY DURING THE IMMEDIATELY PRECEDING EIGHTEEN (18) MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE (OR, FOR A CLAIM ARISING BEFORE COMPLETION OF THE FIRST EIGHTEEN MONTHS OF THE APPLICABLE ORDER FORM, THE AMOUNT PAID FOR THE FIRST EIGHTEEN MONTH PERIOD).

9. Term & Termination.

9.1 Term of Agreement. The term of this Agreement commences on the Effective Date and continues until the stated term in all Order Forms has expired or has otherwise been terminated, unless otherwise extended pursuant to the written agreement of the parties. Subscriptions to the Service commence on the date, and are for a period, as set forth in the applicable Order Form.

9.2 Termination. Either party may terminate this Agreement,: (i) upon thirty (30) days prior written notice to the other party of a material breach by the other party if such breach remains uncured at the expiration of such notice period; or (ii) immediately in the event the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. In the event the Agreement is terminated, all Order Forms are simultaneously terminated. Upon any termination by Customer pursuant to this section, Workday shall refund Customer any prepaid fees for the affected Service that were to be provided after the effective date of termination.

9.3 Effect of Termination. Upon any termination of this Agreement, Customer shall, as of the date of such termination, immediately cease accessing and otherwise utilizing the applicable Service (except as permitted under the section entitled "Retrieval of Customer Data") and Workday Confidential Information. Termination for any reason shall not relieve Customer of the obligation to pay any fees accrued or due and payable to Workday prior to the effective date of termination. Upon termination for cause by Workday, any collection action brought by Workday may seek all fees that were not cancelable by Customer under any terminated Order Form, regardless of whether they were due to be paid before or after the date of the collection action, and Customer agrees that it shall not claim that such action is premature.. Following termination, the parties shall make reasonable and good faith attempts to resolve any outstanding fee disputes.

9.4 Retrieval of Customer Data. Upon request by Customer made within thirty (30) days after any expiration or termination of this Agreement, Workday will make Customer Data as well as configuration data available to Customer through the Service on a limited basis solely for purposes of Customer retrieving Customer Data and configuration data for a period of up to thirty(30) days after such request is received by Workday. After such thirty (30) day period, Workday will have no obligation to maintain or provide any Customer Data or configuration data and may thereafter, unless legally prohibited, delete all Customer Data and configuration data. Workday will not unreasonably deny a request to extend the access period to up to sixty (60) days total if such request is made



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in writing before the end of the initial thirty (30) day period. Additionally, during the Term of the Agreement, Customers can extract data using Workday's standard web services. If Customer requires Workday's assistance, Customer may acquire Workday professional services at Workday's then-current billing rates pursuant to a separately executed Statement of Work and Professional Services Agreement. Customer will determine the scope of the professional services engaged to extract data from the Workday system and as such may increase or decrease Workday's professional services involvement in order to control costs.

9.5 Surviving Provisions. The following provisions of this Agreement shall not survive and will have no further force or effect following any termination or expiration of this Agreement: (i) subsection (i) of Section 1.1 "Provision of the Service"; (ii) Section 3.2 "License Grant"; and (iii) any Order Form(s). All other provisions of this Agreement shall survive any termination or expiration of this Agreement.

10. General Provisions.

10.1 Relationship of the Parties. The parties are independent contractors. This Agreement does not create nor is it intended to create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties. There are no third-party beneficiaries to this Agreement.

10.2 Notices. All notices under this Agreement shall be in writing and shall be deemed to have been given upon: (i) personal delivery; (ii) the third business day after first class mailing; or (iii) the second business day after sending by facsimile with telephonic confirmation of receipt. Notices to Workday shall be addressed to the attention of its Vice President, Legal. Notices to Customer shall be addressed to Customer's signatory of this Agreement. Each party may modify its recipient of notices by providing notice pursuant to this Agreement.

10.3 Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.

10.4 Force Majeure. Neither party shall be liable for any failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) for causes beyond that party's reasonable control and occurring without that party's fault or negligence, including, but not limited to, acts of God, acts of government, flood, fire, civil unrest, acts of terror, strikes or other labor problems (other than those involving Workday or Customer employees, respectively), computer attacks or malicious acts, such as attacks on or through the Internet, any Internet service provider, telecommunications or hosting facility. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

10.5 Assignment. Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, either party may assign this Agreement in its entirety (including all Order Forms) without consent of the other party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets provided the assignee has agreed to be bound by all of the terms of this Agreement and all past due fees are paid in full, except that Customer shall have no right to assign this Agreement to a direct Competitor of Workday. Any attempt by a party to assign its rights or obligations under this Agreement in breach of this section shall be void and of no effect. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.

10.6 Governing Law. This Agreement shall be governed exclusively by the internal laws of the State of California, without regard to its conflicts of laws rules. The Parties agree the venue of any dispute will be the Superior Court for the Sacramento City Unified School District, California or the federal district court for the Sacramento City Unified School District, California.

10.7 Export. Each party shall comply with the export laws and regulations of the United States and other applicable jurisdictions in providing and using the Service. Without limiting the generality of the foregoing, Customer shall not make the Service available to any person or entity that: (i) is located in a country that is subject to a U.S. government embargo; (ii) is listed on any U.S. government list of prohibited or restricted parties; or (iii) is engaged in activities directly or indirectly related to the proliferation of weapons of mass destruction.



MASTER SUBSCRIPTION AGREEMENT

10.8 Miscellaneous. This Agreement, including all exhibits and addenda hereto and all Order Forms, constitutes the entire agreement between the parties with respect to the subject matter hereof. In the event of a conflict, the provisions of an Order Form shall take precedence over provisions in the body of this Agreement, any other exhibits, or attachments, provided, however, that the Agreement shall take precedence with respect to all sections unless the Order Form clearly states that it shall take priority and the Order Form was signed by Customer's Director of ISD and the line immediately preceding his or her signature must acknowledge an intent to override a specific Section of this Agreement. This Agreement supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect. Notwithstanding any language to the contrary therein, no terms or conditions stated in a Customer purchase order or in any other Customer order documentation shall be incorporated into or form any part of this Agreement, and all such terms or conditions shall be null and void. Workday may use Customer's name and logo in lists of customers, on marketing materials and on its website. This Agreement may be executed electronically, by facsimile and in counterparts, which taken together shall form one binding legal instrument.

10.9 Availability of Funds. Customer may terminate this Agreement or a portion of the services referenced in an Order Form to the extent funds are not budgeted or allocated to this project in a future fiscal year, by providing written notice to Workday as soon as is reasonably possible after Customer learns of said unavailability of funding.

10.10 Retention of Records, Right to Monitor and Audit

(a) Workday shall maintain all records required by laws applicable to Workday for the period set forth in such laws and shall be subject to examination and/or audit to the extent set forth in such laws.

(b) Reporting and Record Keeping: Workday shall comply with all program and fiscal reporting requirements set forth by law with respect to the way it operates its own business and shall assist the Customer in responding to any Federal or State Department having monitoring or review authority over the Customer.

10.11 Use by other Public Sector Entities. The parties agree that other public sector entities, including state agencies, local governments, local school systems, courts, and public institutions of higher education may utilize the terms of this Agreement to purchase services from Workday. The parties understand that pricing is specific to utilization metrics and the choice of Workday Service components and that other entities will not pay the same price as Customer. Customer will in no way whatsoever incur any liability to Workday, such entities, or others in relation to specifications, delivery, payment, or any other aspect of actions or omissions by such entities. An entity wishing to utilize this Agreement will execute its own Order Form which references this Agreement and incorporates it by reference.

10.12 Non-Discrimination and Other Requirements

- A. *General non-discrimination.* No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.
- B. *Equal employment opportunity.* Workday shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Workday's equal employment policies shall be made available to County upon request.
- C. *Section 504 of the Rehabilitation Act of 1973.* Workday shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.



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D. *Compliance with County's Equal Benefits Ordinance.* With respect to the provision of benefits to its employees, Workday shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. As stated in Chapter 2.84.030, the requirements of this chapter shall only apply to those portions of a contractor's operations that occur: (a) within the County; (b) on real property outside of the County if the property is owned by the County or if the County has a right to occupy the property, and if the contractor's presence at that location is connected to a contract with the County; and (c) elsewhere in the United States where work related to a County contract is being performed. The requirements of this chapter shall not apply to subcontracts or subcontractors of any contract or contractor. In order to meet the requirements of Chapter 2.84, Workday must certify which of the following statements is/are accurate:

☒ Workday complies with Chapter 2.84 by:

☒ offering the same benefits to its employees with spouses and its employees with domestic partners for portions of Workday's operations that occur in accordance with subparts (a) and (b) of Chapter 2.84.030 of the County Ordinance Code, and in accordance with subpart (c) of Chapter 2.84.030 of the County Ordinance Code except where prohibited by State or local law, regulation, or ordinance.

☐ offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Workday's cost of providing the benefit to an employee with a spouse.

☐ Workday is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.

☐ Workday does not comply with Chapter 2.84, and a waiver must be sought.

E. *Discrimination Against Individuals with Disabilities.* Workday shall comply fully with the nondiscrimination requirements of 41 C.F.R. 60-741.5(a), which is incorporated herein as if fully set forth.

F. *History of Discrimination.* Workday must check one of the two following options, and by executing this Agreement, Workday certifies that the option selected is accurate:

☒ No finding of discrimination has been issued in the past 365 days against Workday by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.

☐ Finding(s) of discrimination have been issued against Workday within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Workday shall provide County with a written explanation of the outcome(s) or remedy for the discrimination.

G. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Workday to penalties, to be determined by the County Manager, including but not limited to the following:

- i) termination of this Agreement;
- ii) disqualification of Workday from bidding on or being awarded a County contract for a period of up to 3 years;
- iii) liquidated damages of \$2,500 per violation; and/or
- iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.



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To effectuate the provisions of this Section, Customer's County Manager shall have the authority to examine Workday's employment records with respect to compliance with this Section and/or to set off all or any portion of the amount described in this Section against amounts due to Workday under this Agreement or any other agreement between Workday and County.

Workday shall report to Customer's County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Workday that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Workday shall provide County with a copy of their response to the Complaint when filed.

11. Definitions.

"Affiliate" means any entity which directly or indirectly controls, is controlled by, or is under common control by either party or in the case of Customer, affiliate also means any special district or local government entity to which Customer provides payroll or human resources services. For purposes of the preceding sentence, "control" means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

"Agreement" means this Master Agreement, including the Workday Production Support and Service Level Availability Policy (as may be updated from time to time), any exhibits or attachments hereto, and any fully executed Order Form.

"Authorized Parties" means Customer's Employees, employees of special districts or local government entities to which Customer provides payroll and human resource services and third party providers authorized to access or receive Customer Data by Customer (i) in writing, (ii) through the Service's security designation, or (iii) by system integration or other data exchange process.

"Competitor" means any entity that may be reasonably construed as offering competitive functionality or services to those offered by Workday. If the parties cannot agree on whether an entity is a Competitor, then the opinion of three (3) financial analysts with adequate knowledge of the human resources and/or financials software and services industry (chosen by mutual agreement of the parties) commissioned at Workday's sole expense, shall determine such.

"Confidential Information" means (a) any software utilized by Workday in the provision of the Service and its respective source code; (b) Customer Data; and (c) each party's business or technical information, including but not limited to the Documentation, training materials, any information relating to software plans, designs, costs, prices (other than pricing in an executed Order Form or other contract document) and names, finances, marketing plans, business opportunities, personnel, research, development or know-how that is designated by the disclosing party as "confidential" or "proprietary" or the receiving party knows or should reasonably know is confidential or proprietary; and (d) the terms, conditions, and pricing of any Order Form to this Agreement (but not its existence or parties).

"Customer Data" means the electronic data or information submitted by Customer or Authorized Parties to the Service.

"Customer Input" means suggestions, enhancement requests, recommendations or other feedback provided by Customer or its Employees and Authorized Parties relating to the operation or functionality of the Service, excluding Customer Data.

"Documentation" means Workday's electronic and hardcopy user guide for the Service, which may be updated by Workday from time to time.

"Employee" means employees, consultants, contingent workers, independent contractors, and retirees of Customer and its Affiliates whose active business record(s) are or may be managed by the Service and for which a subscription to the Service has been purchased pursuant to an Order Form. The number of permitted Employees will be as set forth in the applicable Order Form. Information related to former employees, consultants, contingent workers, independent contractors and retirees in the form of static, historical records may be maintained in the system but shall be excluded from the calculation of Employees unless self-service access to the record through the Service is provided to the individual.



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"Improvements" means all improvements, updates, enhancements, error corrections, bug fixes, release notes, upgrades and changes to the Service and Documentation, as developed by Workday and made generally available for Production use without a separate charge to Customers.

"Intellectual Property Rights" means any and all common law, statutory and other industrial property rights and intellectual property rights, including copyrights, trademarks, trade secrets, patents and other proprietary rights issued, honored or enforceable under any applicable laws anywhere in the world, and all moral rights related thereto.

"Law" means any local, state, national and/or foreign law, treaties, and/or regulations applicable to a respective party.

"Malicious Code" means viruses, worms, time bombs, Trojan horses and other malicious code, files, scripts, agents or programs.

"Order Form" means the separate ordering documents under which Customer subscribes to the Workday Service pursuant to this Agreement that have been fully executed by the parties.

"Production" means the Customer's or an Employee's use of or Workday's written verification of the availability of the Service (i) to administer Employees; (ii) to generate data for Customer's books/records; or (iii) in any decision support capacity.

"Service" means Workday's software-as-a-service applications as described in the Documentation and subscribed to under an Order Form.

"SLA" means the Workday Production Support and Service Level Availability Policy, which may be updated by Workday from time to time.

"Tenant" means a unique instance of the Service, with a separate set of customer data held by Workday in a logically separated database (i.e., a database segregated through password-controlled access).



MASTER SUBSCRIPTION AGREEMENT

IN WITNESS WHEREOF, the parties' authorized signatories have duly executed this Agreement as of the Effective Date.

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

WORKDAY, INC.

Signature

Signature

Name

Name

Title

Title

Date Signed

Date Signed



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DATA PROCESSING EXHIBIT
WORKDAY, INC. – DATA CENTER IN U.S.

Introduction

- A. Customer concluded a Master Subscription Agreement (“MSA”) with Workday and in the context of the Service provided, Workday and its subsidiaries will process Personal Data on behalf of Customer and its Affiliates.
- B. Customer together with its Affiliates, are considered Data Controllers in respect of the Processing of Personal Data that takes place in the context of the Service provided by Workday. Workday, together with its Affiliates, is a Data Processor. For the purposes of this Exhibit, the obligations on both parties shall also apply to their respective Affiliates.
- C. Customer and Workday wish to supplement the terms of the MSA and formalize the terms and conditions that will be applicable to the Processing of Personal Data by Workday of the Personal Data belonging to Customer and its Affiliates.

1. Definitions and interpretation

- 1.1 The following terms shall have the following meanings in this Exhibit.

“**Additional Products**” means products, services and applications (whether made available by Workday or a third party) that are not part of the Service.

“**Affiliates**” shall have the same meaning as in the MSA.

“**Contingent Worker**” shall, for the purposes of this Exhibit only, mean: (i) an individual directly engaged by Workday (not employed through another entity) to perform any of Workday’s obligations under the MSA or this Exhibit; or (ii) an individual who is engaged by Workday to perform any of Workday’s obligations under the MSA or Exhibit but employed through a staffing firm entity (other than an Affiliate of Workday) where such entity is in the business of providing staffing augmentation but does not undertake responsibility for the direct supervision of the individual.

“**Customer Data**” shall have the same meaning as in the MSA.

“**Customer Audit Program**” means Workday’s customer audit program where, subject to the then current terms of the program, Workday shall provide, and customers shall pay for, an audit of the Service on an annual basis for each year specified in the relevant order under the program (“Audit Program Order”). At any time during the term of the MSA, Customer may elect to execute an Audit Program Order.

“**Data Controller**” shall mean the legal person which alone or jointly with others, determines the purposes and means of the Processing of Personal Data.

“**Data Processor**” shall mean the person or body which Processes Personal Data on behalf of the Data Controller, without coming under the direct authority of the Data Controller.

“**Data Protection Directive**” means Directive 95/46/EC.

“**Data Subject**” shall mean the person to whom the Personal Data relates.



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“EEA” shall mean the European Economic Area.

“Exhibit” means this Data Processing Exhibit forming part of the MSA.

“Personal Data” shall mean any piece of information that is related to an identified or identifiable individual that has been provided by Customer or its Affiliates as Customer Data to enable Workday to Process the data on its behalf.

“Processing or Process” shall mean any operation or set of operations concerning Personal Data, including the collection, recording, organisation, storage, updating, modification, retrieval, consultation, use, dissemination by means of transmission, distribution or making available in any other form, merging, linking as well as blocking, erasure or destruction of Personal Data.

“Service” shall mean the hosted software services performed by Workday as described in the MSA.

“Subcontractor” shall mean an entity engaged by Workday which performs Data Processing which is not an Affiliate of Workday or a Contingent Worker. For the avoidance of doubt, a co-location data center facility is not a Subcontractor under this Exhibit.

2. Data Controller and Data Processor

2.1 Customer and Workday acknowledge that Customer and/or Affiliates qualify as Data Controllers with regard to the Processing of Personal Data in the context of the Service provided by Workday to Customer and its Affiliates.

2.2 Customer and Workday acknowledge that Workday and its Affiliates qualifies as Data Processor with regard to the Processing of Personal Data in the context of the Service provided by Workday to Customer and its Affiliates.

3. Customer Instructions

3.1 Workday shall only Process the Personal Data to the extent necessary to provide the Service to Customer and its Affiliates and only for the purposes - as agreed upon by Customer and Affiliates – as instructed by Customer and in a manner consistent with this Exhibit. The MSA and this Exhibit are Customer’s instructions to Workday for Processing of Personal Data.

3.2 Customer acknowledges that Workday is reliant on the Customer alone for direction as to the extent Workday is entitled to Process the Personal Data. Consequently, Workday shall be entitled to relief from liability in circumstances where a Data Subject makes a claim or complaint with regards to Workday’s actions to the extent that such actions directly result from instructions received from Customer.

3.3 Throughout the term of the MSA, Workday will, at its election and as necessary under applicable law implementing Article 12(b) of the Data Protection Directive, either (1) provide Customer with the ability to correct, delete or block Personal Data; or (2) make such corrections, deletions, or blockages on Customer’s behalf.

4. Mutual obligations

Each party warrants to the other that it will Process the Personal Data in compliance with this Exhibit and will not perform its obligations under this Exhibit in such a way as to cause the other party to breach any of its obligations under this Exhibit.

5. Data location and transfers outside the EEA

5.1 For so long as the U.S.-European Union and U.S.-Swiss Safe Harbor framework (“Safe Harbor”) are recognized by the European Union as a legitimate basis for the transfer of Personal Data to an entity located in the United States, Workday warrants that it will maintain a current Safe Harbor certification with the U.S. Department of Commerce.



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5.2 The Customer shall ensure that the Customer is entitled to transfer the relevant Personal Data to Workday so that Workday and its Affiliates may lawfully use, process and transfer the Personal Data in accordance with this Exhibit on the Customer's behalf.

5.3 During the term of the MSA, Workday agrees that Personal Data will be housed in data centers located in the United States unless the parties otherwise expressly agree in writing. The parties understand and agree that Customer Data may be accessed from and/or transmitted to countries outside the United States by Workday and its Affiliates in accordance with the terms and conditions of the MSA and this Exhibit and only to the EEA and countries approved as having adequate data protection in place by the European Commission and only for the purposes set out in the MSA, which includes updating the Service; and preventing or addressing service or technical problems. When Customer Data is accessed by Workday or its Affiliates from outside the United States for the purposes set forth above, Customer Data may be temporarily stored in that country; however, the Customer Data will also continue to be stored in a data center in the United States.

6. Security

6.1 Workday shall take and implement adequate technical and organisational measures, as set forth in the attached Appendix, to protect the Personal Data against unauthorized or unlawful Processing of Personal Data and against the accidental loss, destruction, or damage to any Personal Data.

6.2 Workday shall promptly notify Customer of any unauthorized disclosure of Personal Data as required by applicable law and in accordance with the relevant contractual provisions of the MSA.

7. Access requests

7.1 Workday shall promptly notify Customer of: (i) any third party or Data Subject complaints regarding the Processing of Personal Data; or (ii) any government or Data Subject requests for access to or information about the collection or Processing of Personal Data undertaken by Workday in the context of the Service.

7.2 In case of any investigation or seizure of the Personal Data by government officials, a data protection supervisory authority or any law enforcement authority, Workday will promptly notify Customer unless prohibited by applicable law or upon request of law enforcement where such notification would impede an ongoing investigation.

8. Workday personnel

Without limiting the scope of Section 6.1, Workday shall take reasonable steps to ensure the reliability of all its personnel who may have access to the Personal Data.

9. Subcontractors

Workday may use Subcontractors to provide limited services on its behalf in accordance with the terms of the MSA. Any such Subcontractor will be permitted to Process Personal Data only to deliver the services Workday has retained them to provide, and Workday shall procure the Subcontractor does not Process Personal Data for any other purpose. Prior to giving any Subcontractor access to Personal Data Workday shall ensure that such Subcontractor has entered into a written agreement with Workday requiring that the Subcontractor abide by terms no less protective than those provided in this Exhibit. Workday shall identify any Subcontractor which Processes Personal Data and shall make a summary of the data Processing terms available to all of its customers. Workday shall be liable for the acts and omissions of any such Subcontractor to the same extent as if the acts or omissions were performed by Workday.

10. Audit

Customer agrees that Workday's then-current SOC1 and SOC 2 audit reports (or comparable industry-standard successor reports) and/or Workday's ISO 27001 Certification will be used to satisfy any audit or inspection requests by or on behalf of Customer, and Workday shall make such reports available to Customer. In the event that Customer, a regulator, or data protection authority requires additional information, such information shall be made available in accordance with Workday's Customer Audit Program.



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11. Term and termination

This Exhibit shall come into effect on the Effective Date of the MSA and will end simultaneously and automatically with the termination of the MSA.

12. Additional Products

Customer acknowledges that if it installs, uses, or enables Additional Products that interoperate with the Service but are not part of the Service itself, then the Service may allow such Additional Products to access Personal Data as required for the interoperation of those Additional Products with the Service. This Exhibit does not apply to the Processing of Personal Data transmitted to and from such other Additional Products. Such separate Additional Products are not required to use the Service and may be restricted for use as determined by Customer's system administrator.

13. Miscellaneous

13.1. With regard to the subject matter of this Exhibit, the following will apply: in case of contradiction between a stipulation, section or article of this Exhibit on the one hand and a stipulation, section or article of any other agreement, including but not limited to the MSA, on the other hand then the stipulation, section or article of this Exhibit will prevail.

13.2. This Exhibit is part of and subject to the non-conflicting terms of the MSA and shall be governed by the same law and jurisdiction.

13.3 Customer will coordinate all communication with Workday on behalf of its Affiliates with regard to this Exhibit.

13.4 Customer's remedies in respect of any breach by Workday of the terms of this Exhibit will be subject to any aggregate limitation of liability that applies to the Customer under the MSA.



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Appendix

Description of the technical and organizational security measures implemented by Workday:

- A. Workday has implemented and maintains a security program in accordance with industry standards which is described in its most recently completed SOC1 or comparable industry-standard successor report.
- B. More specifically, Workday's security program shall include:

Access Control of Processing Areas

Suitable measures in order to prevent unauthorized persons from gaining access to the data Processing equipment (namely database and application servers and related hardware) where the Personal Data are Processed. This is accomplished by:

- establishing security areas;
- protection and restriction of access paths;
- securing the data processing equipment and personal computers;
- establishing access authorizations for employees and third parties, including the respective documentation;
- regulations on card-keys;
- restriction on card-keys;
- requiring that access to the data center where Personal Data are hosted is logged, monitored, and tracked; and
- the data center where Personal Data are hosted is secured by a security alarm system, and other appropriate security measures.

Access Control to Data Processing Systems

Suitable measures to prevent their data processing systems from being used by unauthorized persons. This is accomplished by:

- identification of the terminal and/or the terminal user to the systems;
- automatic time-out of user terminal if left idle, identification and password required to reopen;
- automatic turn-off of the user ID when several erroneous passwords are entered, log file of events, (monitoring of break-in-attempts);
- issuing and safeguarding of identification codes;
- dedication of individual terminals and/or terminal users, identification characteristics exclusive to specific functions; and
- access to data content is logged, monitored, and tracked.

Access Control to Use Specific Areas of Data Processing Systems

Restrictions that the persons entitled to use Workday's data processing system are only able to access the data within the scope and to the extent covered by their respective access permission (authorization) and that Personal Data cannot be read, copied or modified or removed without authorization. This shall be accomplished by:

- employee policies and training in respect of each employee's access rights to the Personal Data;
- allocation of individual terminals and /or terminal user, and identification characteristics exclusive to specific functions;
- release of data to only authorized persons;
- control of files, controlled and documented destruction of data; and
- policies controlling the retention of back-up copies.



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Availability Control

Suitable measures to ensure that Personal Data are protected from accidental destruction or loss. This is accomplished by:

- infrastructure redundancy; and
- backups of production data stored at an alternative site and available for restore in case of failure of the primary system.

Transmission Control

Suitable measures to prevent the Personal Data from being read, copied, altered or deleted by unauthorized parties during the transmission thereof or during the transport of the data media. This is accomplished by:

- use of adequate firewall and encryption technologies to protect the public gateways through which the data travels;
- certain highly confidential employee data (e.g., personally identifiable information such as National ID numbers, credit or debit card numbers) is also encrypted when stored; and
- monitoring of the completeness of the transfer of data.

Input Control

Suitable measures to ensure that it is possible to check and establish whether and by whom Personal Data have been input into data processing systems or removed. This is accomplished by:

- an authorization policy for the input of data, as well as for the alteration and deletion of stored data;
- authentication of the authorized personnel;
- utilization of user codes (passwords);
- providing that entries to data processing facilities (the data centers housing the computer hardware and related equipment) are capable of being locked;
- automatic log-off of user ID's that have not been used for a substantial period of time; and
- proof established within Workday's organization of the input authorization.

Separation of Processing for different Purposes

Suitable measures to ensure that data collected for different purposes can be Processed separately. This is accomplished by:

- access to data is separated through application security for the appropriate users.

Job Control

- Suitable measures to ensure that Personal Data is Processed strictly in accordance with the instructions of Customer. This is accomplished by granting information to Customer in the form of Workday's then-current SOC1 audit report (or comparable industry-standard successor report) and/or Workday's ISO 27001.



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Workday Production Support and Service Level Availability Policy (SLA)

Workday's Software as a Service ("Service") is based on a multi-tenanted operating model that applies common, consistent management practices for all customers using the service. This common operating model allows Workday to provide the high level of service reflected in our business agreements. This document communicates Workday's Production Support and Service Level Availability Policy ("SLA") with its customers. Capitalized terms, unless otherwise defined herein, shall have the same meaning as in the Master Agreement.

1. Technical Assistance Terms:

Workday will provide Customer with 24x7x365 technical assistance in accordance with this SLA.

2. Service Availability:

Workday's Service Availability commitment for a given calendar month is 99.5%.

Service Availability is calculated per month as follows:

$$\left(\frac{\text{Total} - \text{Unplanned Outage} - \text{Planned Maintenance}}{\text{Total} - \text{Planned Maintenance}} \right) \times 100 \geq 99.5\%$$

Definitions:

- **Total** is the total minutes in the month
- **Unplanned Outage** is total minutes unavailable due to an unplanned outage in the month
- **Planned Maintenance** is total minutes of planned maintenance in the month.

Currently, Planned Maintenance is four (4) hours for weekly maintenance, four (4) hours for monthly maintenance, four (4) hours for quarterly maintenance. Workday's current weekly maintenance begins at 10 pm (Eastern) on Friday (through July 17, 2014); monthly maintenance begins at 2:00 am (Eastern) on Saturday; and quarterly maintenance begins at 6:00 am (Eastern) on Saturday. Beginning on July 18, 2014, Workday's weekly maintenance will begin at 2:00 am (Eastern) on Saturday. All times are subject to change upon reasonable notice.

If actual maintenance exceeds the time allotted for Planned Maintenance it is considered an Unplanned Outage. If actual maintenance is less than time allotted for Planned Maintenance, that time is not applied as a credit to offset any Unplanned Outage time for the month.

The measurement point for Service Availability is the availability of the Workday Production Service at the Workday production data center's Internet connection points. Customer may request an availability report not more than once per month via the Customer Center.

3. Workday Feature Release and Service Update Process:

Periodically, Workday introduces new features in the Workday Service with enhanced functionality across Workday applications. Features and functionality will be made available as part of a major feature release ("Feature Release") or as part of weekly service updates ("Service Updates"). Feature Releases will take place approximately twice per year. The frequency of Feature Release availability may be increased or decreased by Workday at Workday's discretion. Feature Releases will take approximately twenty-four (24) hours to update which will require the Service to be taken down for some or all of that time (which time shall not be considered an Unplanned Outage). Specific information and timelines for Feature Releases and Service Updates can be found on the Workday Community (<https://community.workday.com>). Feature Releases will be performed during a weekend following any Planned Maintenance.



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Workday Production Support and Service Level Availability Policy (SLA)

4. Service Response:

Workday's Service Response commitment is: (i) not less than 50% of (online) transactions in two (2) seconds or less and (ii) not more than 10% in five (5) seconds or more. Service Response is the processing time of the Workday Production Service in the Workday production data center to complete transactions submitted from a web browser. This Service Response commitment excludes requests submitted via Workday Web Services.

The time required to complete the request will be measured from the point in time when the request has been fully received by the encryption endpoint in the Workday Production data center, until such time as the response begins to be returned for transmission to Customer. Customer may request a response time report not more than once per month via the Customer Center.

5. Disaster Recovery:

Workday will maintain a disaster recovery plan for the Workday Production Service in conformance with Workday's most current Disaster Recovery Summary, the current version of which can be viewed on the Workday Community. Workday commits to a recovery time objective of twelve (12) hours - measured from the time that the Workday Production Service becomes unavailable until it is available again. Workday commits to a recovery point objective of one (1) hour - measured from the time that the first transaction is lost until the Workday Production Service became unavailable.

Workday will test the disaster recovery plan once every six months, and will make available a written summary of the results of the most recent test available to Customers.

6. Case Submittal and Reporting:

Customer's Named Support Contacts may submit cases to Workday Support via the Workday Customer Center. Named Support Contacts must be trained on the Workday product(s) for which they initiate support requests. Each case will be assigned a unique case number. Workday will respond to each case in accordance with this SLA and will use commercially reasonable efforts to promptly resolve each case. Actual resolution time will depend on the nature of the case and the resolution itself. A resolution may consist of a fix, workaround, delivery of information or other commercially reasonable solution to the issue. Case reporting is available on demand via the Workday Customer Center.

7. Severity Level Determination:

Customer shall reasonably self-diagnose each support issue and recommend to Workday an appropriate Severity Level designation. Workday shall validate Customer's Severity Level designation, or notify Customer of a proposed change in the Severity Level designation to a higher or lower level with justification for the proposal. In the event of a conflict regarding the appropriate Severity Level designation, each party shall promptly escalate such conflict to its management team for resolution through consultation between the parties' management, during which time the parties shall continue to handle the support issue in accordance with the Workday Severity Level designation. In the rare case a conflict requires a management discussion, both parties shall be available within one hour of the escalation.

8. Support Issue Production Severity Levels - Response and Escalation:

Response Time is the period from the time the Production case was logged in the Customer Center until Workday responds to Customer and/or escalation within Workday, if appropriate. Because of the widely varying nature of issues, it is not possible to provide specific resolution commitments.



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Workday Production Support and Service Level Availability Policy (SLA)

Severity Level 1:

- **Definition:** The Workday Service is unavailable for all users or a Workday issue prevents payroll or tax processing and/or financials quarter-end or year-end close processing.
- **Workday Response Commitment:** Workday will respond within one (1) hour of receipt of case.
- **Resolution:** Workday will work to resolve the problem until the Service is returned to normal operation. Customer will be notified of status changes.
- **Escalation:** If the problem has not been resolved within one (1) hour, Workday will escalate the problem to the appropriate Workday organization. The escalated problem will have higher priority than ongoing support, development or operations initiatives.
- **Customer Response Commitment:** Customer shall remain accessible by phone for troubleshooting from the time a Severity 1 issue is logged until such time as it is resolved.

Severity Level 2:

- **Definition:** The Workday Service contains a bug that prevents Customer from executing one or more critical business processes with a significant impact and no workaround exists.
- **Workday Response Commitment:** Workday will respond within one (1) hour of receipt of case.
- **Resolution:** Workday will work to resolve the problem until the Service is returned to normal operation. Customer will be notified of status changes.
- **Escalation:** If the problem has not been resolved within four (4) hours, Customer may request that Workday escalate the problem to the appropriate Workday organization where the escalated problem will have higher priority than ongoing development or operations initiatives.
- **Customer Response Commitment:** Customer shall remain accessible by phone for troubleshooting from the time a Severity 2 issue is logged until such time as it is resolved.

Severity Level 3:

- **Definition:** The Workday Service contains a bug that prevents Customer from executing one or more important business processes. A workaround exists but is not optimal.
- **Workday Response Commitment:** Workday will respond within four (4) hours of receipt of case.
- **Resolution:** If resolution requires a Workday bug fix, Workday will add the bug fix to its development queue for future Update and suggest potential workaround until the problem is resolved in a future Update. Customer will be notified of status changes.
- **Escalation:** If progress is not being made to Customer's satisfaction, Customer may request that Workday escalate the problem to the appropriate Workday organization.
- **Customer Response Commitment:** Customer will respond to Workday requests for additional information and implement recommended solutions in a timely manner.

Severity Level 4:

- **Definition:** The Workday Service contains an issue that may disrupt important business processes where a workaround is available or functionality is not imperative to Customer's business operations.
- **Workday Response Commitment:** Workday will respond within twenty-four (24) hours of receipt of case.
- **Resolution:** If resolution requires a Workday bug fix, Workday will add the bug fix to its development queue for future Update and suggest potential workaround until the problem is resolved in a future Update. Customer will be notified of status changes.



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Workday Production Support and Service Level Availability Policy (SLA)

- Escalation: Customer may request that Workday escalate the problem to the appropriate Workday organization.
- Customer Response Commitment: Customer will respond to Workday requests for additional information and implement recommended solutions in a timely manner.

Severity Level 5: (Including Customer Care and Operations Requests):

- Definition: Non-system issues such as Named Support Contact change, requests for SLA reports or business documents, etc. Questions about configuration and functionality should be addressed to the Customer Community. If necessary to open a Support case requesting assistance, Severity 5 should be used.
- Workday Response Commitment: Workday will respond within twenty-four (24) hours of receipt of case.
- Resolution Commitment: Workday will respond to request. Customer will be notified of status changes.
- Escalation: Customer may request that Workday escalate the problem to the appropriate Workday organization.
- Customer Commitment: Customer will respond to Workday requests for additional information in a timely manner.

9. Workday Support Scope:

Workday will support functionality that is developed by Workday and under its direct control. For all other functionality, and/or issues or errors in the Workday Service caused by issues, errors and/or changes in Customer's information systems and/or third party products or services, Workday may assist Customer and its third party providers in diagnosing and resolving issues or errors but Customer acknowledges that these matters are outside of Workday's support obligations. Service Level failures attributable to (i) Customer's acts or omissions; and (ii) force majeure events shall be excused.

10. Workday Web Services API Support:

Workday recommends using the most recent version of the Workday Web Services (WWS) APIs in order to receive optimum performance and stability. Prior versions of WWS APIs are updated to support backward-compatibility for all prior versions of WWS APIs that have not reached an end-of-life status. End-of-life announcements will be made not less than eighteen (18) months before the end-of-life of each WWS API. All announcements surrounding the WWS APIs will be communicated through Workday's Developer Network at www.developer.workday.com.

Backward compatibility means that an integration created to work with a given WWS API version will continue to work with that same WWS API version even as Workday introduces new WWS API versions. With the exception of backward-compatibility updates, prior versions of WWS APIs are not enhanced.

11. Service Credits:

In the event of a failure by Workday to meet the Service Availability and Service Response minimums as set forth in this SLA, as Customer's sole and exclusive remedy, at Customer's request, Workday shall provide service credits in accordance with the Master Subscription Agreement or applicable Order Form.



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SECURITY EXHIBIT

Workday maintains a comprehensive, written information security program that contains administrative, technical, and physical safeguards that are appropriate to (a) the size, scope and type of Workday's business; (b) the amount of resources available to Workday; (c) the type of information that Workday will store; and (d) the need for security and confidentiality of such information.

Workday's security program is designed to:

- Protect the confidentiality, integrity, and availability of Customer Data in Workday's possession or control or to which Workday has access;
- Protect against any anticipated threats or hazards to the confidentiality, integrity, and availability of Customer Data;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of Customer Data;
- Protect against accidental loss or destruction of, or damage to, Customer Data; and
- Safeguard information as set forth in any local, state or federal regulations by which Workday may be regulated.

Without limiting the generality of the foregoing, Workday's security program includes:

- 1) Security Awareness and Training – A mandatory security awareness and training program for all members of Workday's workforce (including management), which includes:
 - a) Training on how to implement and comply with its Information Security Program;
 - b) Promoting a culture of security awareness through periodic communications from senior management with employees.
- 2) Access Controls - Policies, procedures, and logical controls:
 - a) To limit access to its information systems and the facility or facilities in which they are housed to properly authorized persons;
 - b) To prevent those workforce members and others who should not have access from obtaining access; and
 - c) To remove access in a timely basis in the event of a change in job responsibilities or job status.
- 3) Physical and Environmental Security – Controls that provide reasonable assurance that access to physical servers at the production data center is limited to properly authorized individuals and that environmental controls are established to detect, prevent and control destruction due to environmental extremes.

These controls include:

- a) Logging and monitoring of unauthorized access attempts to the data center by the data center security personnel;
 - b) Camera surveillance systems at critical internal and external entry points to the data center;
 - c) Systems that monitor and control the air temperature and humidity at appropriate levels for the computing equipment; and
 - d) Uninterruptible Power Supply (UPS) modules and backup generators that provide back-up power in the event of an electrical failure.
- 4) Security Incident Procedures – A security incident response plan that includes procedures to be followed in the event of any security breach of Customer Data or any security breach of any application or system directly associated with the accessing, processing, storage, communication or transmission of Customer Data.

Such procedures include:



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SECURITY EXHIBIT

- a) Roles and responsibilities: formation of an internal incident response team with a response leader;
 - b) Investigation: assessing the risk the incident poses and determining who may be affected;
 - c) Communication: internal reporting as well as a notification process in the event of unauthorized disclosure of Customer Data in accordance with the Master Agreement;
 - d) Recordkeeping: keeping a permanent record of what was done and by whom to help in later analysis and possible legal action; and
 - e) Audit: conducting and documenting root cause analysis and remediation plan.
- 5) Contingency Planning/Disaster Recovery – Policies and procedures for responding to an emergency or other occurrence (for example, fire, vandalism, system failure, pandemic flu, and natural disaster) that could damage Customer Data or production systems that contain Customer Data.

Such procedures include:

- a) Data Backups: A policy for performing periodic backups of production file systems and databases according to a defined schedule;
 - b) Disaster Recovery: A formal disaster recovery plan for the production data center, including:
 - i) Requirements for the disaster plan to be tested on a regular basis, currently twice a year; and
 - ii) A documented executive summary of the Disaster Recovery testing, at least annually, which is available upon request to customers.
 - c) Business Continuity Plan: A formal process to address the framework by which an unplanned event might be managed in order to minimize the loss of vital resources.
- 6) Audit Controls – Hardware, software, and/or procedural mechanisms that record and examine activity in information systems that contain or use electronic information, including appropriate logs and reports concerning these security requirements.
- 7) Data Integrity – Policies and procedures to ensure the confidentiality, integrity, and availability of Customer Data and protect it from disclosure, improper alteration, or destruction.
- 8) Storage and Transmission Security – Technical security measures to guard against unauthorized access to Customer Data that is being transmitted over a public electronic communications network or stored electronically. Such measures include requiring encryption of any Customer Data stored on desktops, laptops or other removable storage devices.
- 9) Secure Disposal – Policies and procedures regarding the disposal of tangible property containing Customer Data, taking into account available technology so that Customer Data cannot be practicably read or reconstructed.
- 10) Assigned Security Responsibility – Assigning responsibility for the development, implementation, and maintenance of its Information Security Program, including:
- a) Designating a security official with overall responsibility;
 - b) Defining security roles and responsibilities for individuals with security responsibilities; and
 - c) Designating a Security Council consisting of cross-functional management representatives to meet on a regular basis.



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SECURITY EXHIBIT

- 11) Testing – Regularly testing of the key controls, systems and procedures of its information security program to validate that they are properly implemented and effective in addressing the threats and risks identified.

Such testing includes:

- a) Internal risk assessments;
- b) ISO 27001 certification; and
- c) SSAE Type II (or successor standard) audits twice annually.

- 12) Monitoring – Monitoring the network and production systems, including error logs on servers, disks and security events for any potential problems.

Such monitoring includes:

- a) Reviewing changes affecting systems handling authentication, authorization, and auditing;
- b) Reviewing privileged access to Workday production systems; and
- c) Engaging third parties to perform network vulnerability assessments and penetration testing on a regular basis.

- 13) Change and Configuration Management – Maintaining policies and procedures for managing changes to production systems, applications, and databases.

Such policies and procedures include:

- a) A process for documenting, testing and approving the promotion of changes into production;
- b) A security patching process that requires patching systems in a timely manner based on a risk analysis; and
- c) A process for Workday to utilize a third party to conduct web application level security assessments. These assessments generally include testing for:
 - i) Cross-site request forgery
 - ii) Improper input handling (e.g. cross-site scripting, SQL injection, XML injection, cross-site flashing)
 - iii) XML and SOAP attacks
 - iv) Weak session management
 - v) Data validation flaws and data model constraint inconsistencies
 - vi) Insufficient authentication
 - vii) Insufficient authorization

- 14) Program Adjustments – Workday monitors, evaluates, and adjusts, as appropriate, the security program in light of:

- a) Any relevant changes in technology and any internal or external threats to Workday or the Customer Data;
- b) Security and data privacy regulations applicable to Workday; and
- c) Workday's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements, and changes to information systems.

AGREEMENT FOR PEACE OFFICER ASSIGNMENT

THIS AGREEMENT ("Agreement") is entered into upon approval and signature of the Parties, by and between the **CITY OF SACRAMENTO**, a municipal corporation and charter City, hereinafter referred to as the "City," and the **SACRAMENTO CITY UNIFIED SCHOOL DISTRICT**, a local public entity, hereinafter referred to as the "District." The City and the District hereinafter may be referred to collectively as the "Parties" or in the singular as "Party," as the context requires.

RECITALS

The City and the District have entered into this Agreement with reference to the following facts and circumstances:

- A. The District desires to contract with City for assignment of City Police Officers to provide security services at various District school campuses.
- B. The Parties intend that the City Police Officers assigned to the District will provide a school-based protective services security team.
- C. The parties intend that during the summer vacation period, the City Police Officers will be reassigned from the District school campuses to the City.
- D. The Parties previously entered into an agreement, which expires on June 30, 2014.

AGREEMENT

NOW, THEREFORE, BASED UPON FOREGOING RECITALS WHICH THE PARTIES AGREE TO BE TRUE AND CORRECT, IT IS MUTUALLY AGREED AS FOLLOWS:

1. STATEMENT OF INTENT AND RULE OF CONSTRUCTION

By entering into this Agreement, the Parties intend not to violate or cause a violation of the terms of collective bargaining or other labor agreements to which either may be a party, nor the policies, rules and regulations governing the employees of either Party hereto. If any provision of this Agreement is inconsistent with such collective bargaining or other labor agreements, or of such policies, rules and regulations, then the applicable provisions of such collective bargaining or other labor agreements, and of such policies, rules and regulations shall take precedence for purposes of the construction and interpretation of this Agreement.

2. TERM

This Agreement shall be effective from July 1, 2014, through June 30, 2016, unless sooner terminated pursuant to the provisions of this Agreement.

3. SCOPE OF WORK

City agrees to assign seven (7) officers (collectively, the "Police Officers") as the minimum staffing level under this Agreement. The Police Officers shall work under the supervision of a Supervising Sergeant assigned to the Youth Services Unit. The Police Officers shall be selected by a panel consisting of representatives of the City of Sacramento Police Department and District personnel (the "Joint Panel"). The Police Officers, as selected by the Joint Panel, will be assigned by the City to the District for the term of this Agreement, unless any one or more of them are replaced by other officers selected by said panel.

The Police Officers assigned to the District shall provide foot and vehicle patrol and other security protection services on school campuses as agreed upon by the Parties. The Police Officers may issue citations or make arrests for crimes, write reports as directed by the District, and other related duties. Notwithstanding the foregoing, the Police Officers may pursue a criminal suspect if they witness a crime in progress. The Police Officers shall perform other specific tasks as agreed upon between the Parties, provided the Police Officers shall not be required to perform tasks beyond the authority vested in them pursuant to applicable law. The Police Officers shall be authorized to take control of crisis situations pursuant to the policies and procedures of the Sacramento Police Department. A general description of the Basic Functions of the Police Officers is attached hereto as Exhibit A and incorporated herein by this reference.

4. PEACE OFFICER ASSIGNMENTS

All Police Officers assigned to the District shall be limited to on-duty officers selected by the Joint Panel. All Police Officers must successfully complete a District orientation and training program before their assignment to the District becomes permanent. All Police Officers shall meet the requirements of Education Code section 38001.5 unless a court of competent jurisdiction determines that said statute does not apply to the officers. A Police Officer may be reassigned to another assignment upon the recommendation of a school principal and the approval of the Supervising Sergeant, which approval shall not be unreasonably withheld. If such reassignment results in a Police Officer being removed from a District assignment, the City shall make all reasonable efforts to expeditiously replace said officer. The Supervising Sergeant and the Police Officers shall have full authority to act to discharge their law enforcement duties pursuant to the policies and practices of the Sacramento Police Department. If circumstances permit, District personnel shall be consulted with respect to the handling of certain situations, provided that nothing in this Agreement shall restrict the discretion of the Supervising Sergeant and the Police Officers in their law enforcement activities.

The City shall retain the full responsibility and authority to direct and control the activities of the Police Officers and supervise and discipline the Police Officers in accordance with the collective bargaining agreement between the City and the Sacramento Police Officers Association then in effect. Notwithstanding the foregoing, the Police Officers shall cooperate with the District relating to any event or activity which may involve a Police Officer assigned to the District, including, without limitation, conferring with any student, parent, faculty and school administrator. If a problem arises concerning the performance of duties by a Police Officer, the principal or his/her designee shall state such concerns in writing directed to the District's Associate Superintendent of Capital Asset Management Services or his or her designee. The Associate Superintendent shall establish and implement a process to address the concerns with the Supervising Sergeant and the subject officer.

The Police Officers shall be afforded reasonable time to address collective bargaining agreement issues affecting the officers, provided that said officers shall use reasonable efforts to schedule such activity so as not to cause an unreasonable interruption of service to his or her school assignment.

The City shall retain the right to approve requests for sick leave, vacation, or other absences. In the event that a Police Officer will be absent for a period longer than one (1) week while on an approved sick leave of absence or approved time off (whether leave time, parental leave, vacation time, CTO, or other arrangement is utilized to accomplish such leave), the City shall assign another officer to provide services hereunder on a temporary basis; provided, however, that the one (1) week period under subsection (i) above shall be extended to two (2) weeks if the facts and circumstances at the time of an absence are such that the Supervising Sergeant is not given reasonable prior notice that an Officer's absence would exceed one (1) week. Said replacement officers, in the sole judgment of the City, shall be qualified to perform services hereunder. The City will attempt in good faith if possible not to schedule more than one officer out on leave or vacation at the same time. City agrees that during the District summer vacation period the Police Officers will be reassigned from District school campuses to the City. During the time periods when the Police Officers are reassigned to the City, the District will not be billed for their services.

5. SUPERVISING SERGEANT

The Police Officers' supervising sergeant (the "Supervising Sergeant") shall have direct supervision and control over the Police Officers assigned to the District. The Supervising Sergeant, at the District's request, shall also assist and advise the District with respect to public safety and protection issues. The Supervising Sergeant will coordinate with the City Police Department and, if appropriate, the County Sheriff's Department, regarding the investigation of crimes reported on District facilities, and may conduct investigations as requested by the District. The Supervising Sergeant has overall supervision of the Citywide School Resource Officer Program and as such is complementary to this agreement. The Supervising Sergeant shall be reassigned from duties under this Agreement either upon the reasonable request of the District or upon

the mutual consent of the District and City.

6. PLACE, TIME AND HOUR OF ASSIGNMENT

The Police Officers assigned to the District shall report to the Supervising Sergeant at a location determined by the City and Superintendent or his/her designee. The schedule for City Police Officer duties for the District shall be as designated by the Supervising Sergeant in consultation with the Superintendent or his/her designee. The work schedules of the Police Officers shall be subject to the restrictions of the collective bargaining agreements between the City and the Sacramento Police Officers' Association then in effect. The Police Officers shall work as many hours in a single workday as is requested by the Supervising Sergeant. The District may request the Police Officers to work overtime during any given week, subject to the provisions of applicable collective bargaining agreements, Fair Labor Standards Act, and other applicable laws and policies. The District will only be responsible for payment of overtime that results directly from campus activity, or is previously authorized by the District. The overtime compensation to be paid to the Police Officers are set forth in the table set forth in Exhibit B which is attached hereto and incorporated herein by this reference.

7. VEHICLES AND EQUIPMENT

Except as otherwise provided in this Agreement, the City shall furnish all equipment which may be required to support the Police Officers assigned to the District under this Agreement; in the event the City is required to provide new, additional, or replacement equipment, the District shall reimburse the City for actual replacement cost(s). In addition, the City shall furnish each Police Officer with a vehicle which is equipped and maintained pursuant to City standards and policies, equipment for the vehicles, and maintenance for the vehicles. The City shall charge the District for the vehicles, equipment for the vehicles, and maintenance for the vehicles at the rates set forth in Exhibit B which is attached hereto and incorporated herein by this reference. The District shall not acquire any legal interest in the vehicles or the equipment for the vehicles furnished by the City by virtue of this Agreement.

8. ADHERENCE TO THE DISTRICT RULES

At all times during the performance of this Agreement, the Police Officers shall adhere and obey all of the District's rules and regulations pertaining to the District's operations of its schools, unless otherwise authorized by the Superintendent or his/her designee or unless such compliance is not practicable due to exigent circumstances.

9. CONSIDERATION

The District agrees to pay the City for the services provided under this Agreement pursuant to the rates set forth in Exhibit B, which is attached hereto and incorporated herein by reference. The Parties may amend this Agreement in response to changes to collective bargaining agreements resulting in increases or decreases to the rates set

forth in Exhibit B, pursuant to Section 21 of this Agreement.

The Salary and Benefit rate set forth in Exhibit B is based on the costs of full-time, on-duty officers, exclusive of the District's summer break when the Police Officers are reassigned from the District school campuses to the City. The costs in the Salary and Benefit rate include the straight time costs for sick leave, vacation, holidays, retirement, insurance, Medicare, and incentives.

The Overtime rate set forth in Exhibit B is set at one and one-half times the hourly base salary rate, plus workers compensation, unemployment costs and Medicare. The overtime costs for the police services shall be billed for the actual number of hours worked by the Police Officers.

Unplanned overtime costs resulting from duties directly related to the School Resource Officer Program will be billed to SCUSD. Any overtime costs billed to the SCUSD for planned extracurricular school activities will be agreed upon in negotiation between SCUSD and the Sacramento Police Department.

The Fleet Maintenance rate set forth in Exhibit B includes the annual cost to operate and maintain a vehicle plus fuel costs, exclusive of the District's summer break when the Police Officers are reassigned from the District school campuses to the City.

The District represents and warrants that as of the commencement of the term of this Agreement, it has duly appropriated funds to pay its obligations hereunder or that it will during the term hereof use its best efforts to obtain appropriation of sufficient funds to discharge its obligations hereunder.

10. METHOD OF PAYMENT

City shall invoice the District in three separate invoices for the services of each Police Officer and the vehicle costs in accordance with Exhibit B, and the terms of this Agreement. The billing periods and estimated invoice amounts for the years covered by this Agreement are set forth in Exhibit B.

Payment of each approved invoice shall be made by the District within thirty (30) calendar days after receipt of an invoice. All invoices and payments shall be made in arrears. If the District disputes any item on an invoice for reasonable cause, the District may deduct that disputed item from the payment, but shall not delay payment for the undisputed portions. The amounts and reasons for such deductions shall be documented to City within thirty (30) calendar days after receipt of invoice by the District. The District shall assign a sequential reference number to each deduction. Within fifteen (15) days after the date the District submits documentation of any deduction taken, the Parties shall meet and confer in a good faith attempt to resolve the dispute over the invoice. In the event that Parties are unable to resolve such dispute, the Parties shall submit the dispute to an independent mutually-agreed upon arbitrator. Said arbitrator shall resolve the dispute based upon a reasonable interpretation of this Agreement, the subject invoice, the documentation provided by the District, and such

other information deemed by said arbitrator to be relevant to the dispute. The arbitrator may resolve the dispute by way of mediation or binding decision.

Unless otherwise agreed, payment against invoice shall be delivered by first class mail through the facilities of the U.S. Post Office, postage prepaid, addressed to the applicable Party in the manner set forth in Section 19.

11. INDEPENDENT CONTRACTOR

In the performance of services under this Agreement, the City, the Police Officers shall act as independent contractors and not as employees of the District. Nothing herein shall be construed or deemed to create the relationship of employer/employee or principal/agent as between the District and the Police Officers assigned under this Agreement. Directions issued by the District to the Police Officers only relates to the objectives to be achieved and not the actual means to accomplish such objectives. City shall assume responsibility for federal and state income tax withholding for their employees, including but not limited to the Federal Income Tax (FIT), State Income Tax (SIT), Federal Insurance Contributions Act (FICA), State Unemployment Insurance (SUI), and State Disability Insurance (SDI), and any other deductions from income that City is required to make as the employer of the Police Officers.

12. NO JOINT VENTURE

This Agreement shall not create among the Parties a joint venture, partnership, joint powers authority, or any other relationship of association.

13. WORKERS' COMPENSATION

The District's responsibility for compensation under this Agreement shall be limited to the provisions of Section 9 and to the salary rates of compensation as set forth in Exhibit B, and the District shall not be responsible for providing workers' compensation insurance or any other protective insurance coverage or employment benefit that is based upon the relationship of employer and employee.

14. INDEMNITY

District shall assume the defense of and indemnify and hold harmless City from and against all actions or claims against City, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by City by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the City, its officers, agents or employees and except for actions or claims alleging dangerous conditions of City property which arise out of the acts or failure to act by the City, its officers, agents or employees which are not created by a District employee or District invitee.

City shall assume the defense of and indemnify and hold harmless District from and against all actions or claims against District, its officers, agents or employees from any and all loss, including attorneys' fees, sustained by District by virtue of any damages to any person(s), firm or corporation who may be injured by or to any property that may be damaged arising out of the performance of this agreement, except for actions or claims alleged to have occurred in full, or in part, as a result of active negligence by the District, its officers, agents or employees and except for actions or claims alleging dangerous condition of District property which arise out of the acts or failure to act by the District, its officers, agents or employees which are not created by a City employee or City invitee.

The indemnification provisions contained in this Agreement include but are not limited to any violation of applicable law, ordinance, regulation or rule, including where the claim, loss, damage, charge or expense was caused by deliberate, willful, or criminal acts of either party to this Agreement, or any of their agents, officers or employees or their performance under the terms of this Agreement.

It is the intent of the parties that where negligence or responsibility for injury or damages is determined to have been shared, principles of comparative negligence will be followed and each party shall bear the proportionate cost of any loss, damage, expense and liability attributable to that party's negligence.

Each party shall establish procedures to notify the other party, where appropriate, of any claims, administrative actions or legal actions with respect to any of the matters described in this indemnification section. The parties shall cooperate in the defense of such actions brought by others with respect to the matters covered in this agreement. Nothing set forth in this Agreement shall establish a standard of care for or create any legal rights for any person not a party to this Agreement.

The indemnity provisions of this Agreement shall survive the expiration or earlier termination of this Agreement.

15. INSURANCE

City Insurance. City, at its sole cost and expense and for the full term of this Agreement shall obtain and maintain at least all of the following minimum insurance requirements. All or a portion of the required insurance may be satisfied through the use of a self-insurance program or pooled insurance, if any. The City must provide an affidavit of self-insurance, or pooled insurance if any.

A. Comprehensive General Liability

A policy with a minimum limit of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage, providing at least all of the following minimum coverages:

- 1) Premises Operations
- 2) Blanket Contractual

3) Personal Injury

B. Workers' Compensation and Employers' Liability

A policy written in accordance with the laws of the State of California and providing coverage for any and all employees of the City.

- 1) This policy shall provide coverage for Workers' Compensation (Coverage A) with statutory limits.
- 2) This policy shall also provide coverage of \$100,000 Employers' Liability (Coverage B).

C. Comprehensive Business Auto

A policy with a minimum of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage. Coverage shall be applicable (without deductibles) to any and all leased, owned, hired, or non-owned vehicles used in pursuit of any of the activities associated with this agreement.

D. Special Provisions

The foregoing requirements as to the types and limits of insurance coverage to be maintained by City, and any approval of said insurance by the District, or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by City pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

District Insurance. District, at its sole cost and expense and for the full term of this Agreement shall obtain and maintain at least all of the following minimum insurance requirements. All or a portion of the required insurance may be satisfied through the use of a self-insurance program. The District must provide an affidavit of self-insurance, or pooled insurance, if any.

A. Comprehensive General Liability

A policy with a minimum limit of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage, providing at least all of the following minimum coverages:

- 1) Premises Operations
- 2) Blanket Contractual
- 3) Personal Injury

B. Workers' Compensation and Employers' Liability

A policy written in accordance with the laws of the State of California and

providing coverage for any and all employees of the District.

- 1) This policy shall provide coverage for Workers' Compensation (Coverage A) with statutory limits.
- 2) This policy shall also provide coverage of \$100,000 Employers' Liability (Coverage B).

C. Comprehensive Business Auto

A policy with a minimum of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage. Coverage shall be applicable (without deductibles) to any and all leased, owned, hired, or non-owned vehicles used in pursuit of any of the activities associated with this agreement.

D. Special Provisions

The foregoing requirements as to the types and limits of insurance coverage to be maintained by District, and any approval of said insurance by the City, or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by District pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

All insurance requirements shall be met by all parties prior to the commencement of any of the activities required of the parties under this Agreement.

16. HEALTH AND SAFETY

City shall comply with all applicable Federal, state and local requirements pertaining to health and safety protection of the Police Officers.

17. TERMINATION

Either Party shall have the right to terminate this Agreement at any time by giving a written notice of termination to the other Party. The other Party shall have the right to specify the effective date of such termination, which, however, shall not be less than thirty (30) days after the date of said notice. If either Party gives such notice of termination to the other Party, the other Party shall immediately cease rendering Services pursuant to this Agreement. In the event of such termination, City shall be paid for its services performed to the effective date of such termination. The foregoing notwithstanding, neither of the Parties waives their right to recover damages against the other for breach of this Agreement, including, without limitation, any amount necessary to compensate one Party for all detriment proximately caused by the other Party's failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom.

18. THIRD PARTY OBLIGATIONS

City shall be solely liable to third parties with whom it enters into contracts to effectuate the purposes of this Agreement. City shall pay directly such parties for all amounts due under said arrangement. The Parties specifically do not intend to enter into this Agreement for the benefit of any person or entity that is not a named party hereto.

19. NOTICES

Any written communication required during the administration of this Agreement, including notice of termination or cancellation, shall be addressed to the respective Party as follows:

TO DISTRICT: Sacramento City Unified School District
(Acting Superintendent Dr. Sara Noguchi)
5735 47TH Ave, Sacramento, CA 95834
Phone: (916) 643-7400

TO CITY: Sacramento Police Department
ATTN: Lieutenant Lisa Hinz
5770 Freeport Blvd., Suite 100
Sacramento, CA 95822
Phone: (916) 808-1055
Fax: (916) 808-0818

Any Party who desires to change its address for notice may do so by giving notice as set forth herein.

20. NON-WAIVER

Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.

21. MODIFICATION

No waiver, alteration, modification, or termination of this Agreement shall be valid unless made in writing and duly signed by the Parties hereof.

22. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

23. CAPTIONS

The headings or captions to the sections of this Agreement are not a part of the Agreement and shall have no effect upon the construction or interpretation of any part thereof.

24. SEVERABILITY

If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in full force and effect.

25. AMBIGUITIES

Each of the Parties has carefully reviewed this Agreement and has agreed to each term of this Agreement. No ambiguity shall be presumed to be construed against either Party.

26. SUCCESSORS AND ASSIGNS

All rights of each Party under this Agreement shall inure to the benefit of its successors in interest and assigns; all obligations and burdens assumed under this Agreement by each Party shall bind the successors in interest and assigns of each Party.

27. GOVERNING LAW

The interpretation and enforcement of this Agreement shall be governed by the laws of the State of California, the state in which the Agreement is signed. The Parties agree that venue for any legal action concerning any dispute arising under this Agreement shall be a court of competent jurisdiction located in Sacramento County, California.

28. INTEGRATION

This Agreement embodies the entire agreement of the Parties in relation to the scope of services herein described, and no other agreement or understanding verbal or otherwise, exists between the Parties.

29. PERSONNEL AND OTHER CONFIDENTIAL RECORDS

The District acknowledges that the Police Officers are subject to the California Public Safety Officers Bill of Rights (Government Code sections 3300, et seq.) The District shall not take any action that may lead to punitive action against the Police Officers, but shall address its concerns to the City for handling consistent with the Public Safety Officers Bill of Rights.

Personnel records, including records concerning the performance of the Police Officers, together with complaints made against the Police Officers are confidential pursuant to Evidence Code section 832.7 and Evidence Code sections 1043 and 1046, and the District shall not disclose such records. Any request for disclosure of such records shall be treated as a request for disclosure of confidential records pursuant to the following paragraph.

Each Party shall not disclose records received from the other Party, which has been designated as confidential, including personnel records or student records pursuant to FERPA and California Education Code Section 49073 *et seq.* In the event a Party receives a request for disclosure of such confidential records, whether under the California Public Records Act, a duly-issued subpoena, or otherwise, said Party shall tender the request to the other Party who shall be responsible for addressing said request, including the defense of its claim of confidentiality. The Party asserting its claim of confidentiality shall hold harmless and defend the Party receiving such request from any liability, claim, loss, cost, attorney's fees and damages, as adjudged by a court of competent jurisdiction, arising out of a refusal to disclose such confidential records.

30. DISPUTE RESOLUTION

With respect to any breach or dispute arising under this Agreement, the Parties shall meet and attempt, in good faith and in using their best and reasonable efforts, to resolve the same. If such breach or dispute is not resolved by the Parties, then the Parties shall meet and attempt to agree on an appropriate mode of resolving the dispute or breach, e.g. arbitration, mediation or other forms of alternative dispute resolution.

31. AUTHORITY

The signers of this Agreement have the capacity and are authorized to execute this Agreement as the representatives of their respective Parties, and to bind said Parties to the terms hereof. This Agreement is subject to the approval by the each Party's governing body.

The Parties have entered into this Agreement as of the day and year first hereinabove appearing.

CITY OF SACRAMENTO, a Municipal Corporation and Charter City

By: _____
John F. Shirey
City Manager

Attest: _____
CITY CLERK

Approved as to Form:

By: _____
DEPUTY CITY ATTORNEY

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, a local public agency

By: _____
Ken A. Forrest, Chief Business Officer

[Print/type title of signer for District]

SCHOOL RESOURCE OFFICER

BASIC FUNCTION

The School Resource Officer (SRO) will work closely with school staff in identifying specific problems and focus on long-term solutions. The SRO will establish and maintain constant contact with the school administration and respond to any school safety issues. This relationship will provide for comprehensive and immediate accessibility to police resources.

REPRESENTATIVE DUTIES

The SRO will maintain a highly visible and open presence on each campus to encourage positive student interaction. Each officer will closely monitor the various functions within the school and youth community. The SRO should also be present at any school function that has the potential for violence or criminal activity. It is recommended that each officer develop a service-relationship with the principals of the local feeder schools. Additionally, off-campus duties can include picking up truants and transporting them back to campus, and networking (Community Oriented Policing) with community businesses and neighbors.

The SRO will work closely with any conflict resolution or truancy program at each site. They may train students in conflict resolution, restorative justice, and crime awareness.

The SRO will establish a schedule of presentations and training to students, school staff, and parents, as requested, on school safety and crime prevention issues. They will act as a coordinator for presentation requests outside of the officer's expertise.

The SRO will act as an intelligence gatherer and liaison officer for the school site and the Police Department and will bridge the gap between community and school related law enforcement problems. The officer will work on prevention, intervention, and suppression of all the drug and/or gang activity occurring in and around the schools.

The SRO should follow-up on investigations of crimes that occur on or near the school campuses when possible. The officer should endeavor to identify physical changes in the environment that may reduce crime in and around the school.

The SRO will have the capabilities for rapid, mutual-aid support from other government agencies. They will assist the school administration from other government agencies. They will assist the school administration in developing school policies that address crime and recommend procedural changes. The SRO will read and analyze their school's Emergency Preparedness plan.

The SRO will solve conflicts among youth groups within the school environment. They will operation under the philosophy of community oriented policing and problem solving on school campuses and surrounding neighborhoods.

EXHIBIT A

There are three (3) times that have been determined as “critical” at the high school campuses. These times are: before school, during lunch, and after school. Therefore, the Officer’s presence on the campus during these times is essential. Exceptions to this may include an emergency call to another school or an emergency in the nearby community.

SCHOOL RESOURCE SERGEANT

The Supervising Sergeant’s role in the SRO program is extremely important. The District will rely on this Sergeant to communicate the needs of the District to the Officers. Additionally, the Sergeant will share the Officers’ needs and concerns with the District liaison. The following is a list of the areas where the Sergeant can assist District:

- Visit all school sites and becoming acquainted with their administrators
- Collaborating with the high school principals on strategic development of SROs
- Providing liaison with needed special divisions (e.g., bomb squad, CSI, SWAT, etc.)
- Initiating any needed training for officers or safety bulletins for schools
- Coordinating summer training for Officers and school staff
- Consulting with the site principals regularly as to the performance of the SROs
- Coordinating grievance procedures with the Safe Schools Manager

EXHIBIT B

SACRAMENTO UNIFIED SCHOOL DISTRICT

Description / Rank	Cost	Quantity	Fiscal Year 2015			Fiscal Year 2016			Total
			Sep-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Sep-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	
Salaries & Benefits			\$374,455	\$280,841	\$280,841	\$374,455	\$280,841	\$280,841	\$1,872,276
Police Officer	\$134,691	7	\$314,279	\$235,709	\$235,709	\$314,279	\$235,709	\$235,709	\$1,571,394
Police Sergeant	\$180,529	1	\$60,176	\$45,132	\$45,132	\$60,176	\$45,132	\$45,132	\$300,882
Overtime*			\$34,623	\$25,968	\$25,968	\$34,623	\$25,968	\$25,968	\$173,117
Police Officer	\$65.22	1300	\$33,912	\$25,434	\$25,434	\$33,912	\$25,434	\$25,434	\$169,561
Police Sergeant	\$88.90	20	\$711	\$533	\$533	\$711	\$533	\$533	\$3,556
Fleet Maintenance	\$14,400	8	\$38,400	\$28,800	\$28,800	\$38,400	\$28,800	\$28,800	\$192,000
TOTAL			\$447,479	\$335,609	\$335,609	\$447,479	\$335,609	\$335,609	\$2,237,393

*Overtime Hours are estimates only and will be billed at actual # of hours worked

SERVICES AGREEMENT

Date: June 20, 2014 **Place:** Sacramento, California

Parties: Sacramento City Unified School District, a political subdivision of the State of California, (hereinafter referred to as the "District"); and Vision 2000, (hereinafter referred to as "Contractor").

Recitals:

A. The District is a public school district in the County of Sacramento, State of California, and has its administrative offices located at the Serna Center, 5735 47th Avenue, Sacramento, CA 95824.

B. The District desires to engage the services of the Contractor and to have said Contractor render services on the terms and conditions provided in this Agreement.

C. California Government Code Section 53060 authorizes a public school district to contract with and employ any persons to furnish to the District, services and advice in financial, economic, accounting, engineering, legal, or administrative matters if such persons are specially trained, experienced and competent to perform the required services, provided such contract is approved or ratified by the governing board of the school district. Said section further authorizes the District to pay from any available funds such compensation to such persons as it deems proper for the services rendered, as set forth in the contract.

D. The Contractor is specially trained, experienced and competent to perform the services required by the District, and such services are needed on a limited basis.

In consideration of the mutual promises contained herein, the parties agree as follows:

ARTICLE 1. SERVICES.

The Contractor hereby agrees to provide to the District the services as described below ("Services"):

Planning, facilitating and implementation of 2014 Summer Math & Reading Academy at California State University, Sacramento, for approximately 300 students.

ARTICLE 2. TERM.

This Agreement shall commence on June 20, 2014, and continue through August 20, 2014, unless sooner terminated, as set forth in Article 10 of this Agreement, provided all services under this Agreement are performed in a manner that satisfies both the needs and reasonable expectations of the District. The determination of a satisfactory performance shall be in the sole judgment and discretion of the District in light of applicable industry standards, if applicable. The term may be extended by mutual consent of the parties on the same terms and conditions by a mutually executed addendum.

ARTICLE 3. PAYMENT.

District agrees to pay Contractor for services satisfactorily rendered pursuant to this Agreement as follows:

Flat Rate: The total payment to Contractor, including travel and other expenses, shall be Ninety Four Thousand, Six Hundred Twenty One Dollars and 80/100 (\$94,621.80).

Payment shall be made within 30 days upon submission of periodic invoice(s) to the attention of Lisa Allen, Chief of Schools, Sacramento City Unified School District, P. O. Box 246870, Sacramento, California 95824-6870.

ARTICLE 4. EQUIPMENT AND FACILITIES.

District will provide Contractor with access to all needed records and materials during normal business hours upon reasonable notice. However, District shall not be responsible for nor will it be required to provide personnel to accomplish the duties and obligations of Contractor under this Agreement. Contractor will provide all other necessary equipment and facilities to render the services pursuant to this Agreement.

ARTICLE 5. WORKS FOR HIRE/COPYRIGHT/TRADEMARK/PATENT

The Contractor understands and agrees that all matters specifically produced under this Agreement that contain no intellectual property or other protected works owned by Contractor shall be works for hire and shall become the sole property of the District and cannot be used without the District's express written permission. The District shall have the right, title and interest in said matters, including the right to secure and maintain the copyright, trademark and/or patent of said matter in the name of the District. The Contractor consents to the use of the Contractor's name in conjunction with the sale, use, performance and distribution of the matters, for any purpose in any medium.

As to those matters specifically produced under this Agreement that are composed of intellectual property or other protected works, Contractor must clearly identify to the District those protected elements included in the completed work. The remainder of the intellectual property of such completed works shall be deemed the sole property of the District. The completed works that include both elements of Contractor's protected works and the District's protected works, shall be subject to a mutual non-exclusive license agreement that permits either party to utilize the completed work in a manner consistent with this Agreement including the sale, use, performance and distribution of the matters, for any purpose in any medium.

ARTICLE 6. INDEPENDENT CONTRACTOR.

Contractor's relationship to the District under this Agreement shall be one of an independent contractor. The Contractor and all of their employees shall not be employees or agents of the District and are not entitled to participate in any District pension plans, retirement, health and welfare programs, or any similar programs or benefits, as a result of this Agreement.

The Contractor and their employees or agents rendering services under this agreement shall not be employees of the District for federal or state tax purposes, or for any other purpose. The Contractor acknowledges and agrees that it is the sole responsibility of the Contractor to report as income its compensation from the District and to make the requisite tax filings and payments to the appropriate federal, state, and/or local tax authorities. No part of the Contractor's compensation shall be subject to withholding by the District for the payment of social security, unemployment, or disability insurance, or any other similar state or federal tax obligation.

The Contractor agrees to defend, indemnify and hold the District harmless from any and all claims, losses, liabilities, or damages arising from any contention by a third party that an employer-employee relationship exists by reason of this Agreement.

The District assumes no liability for workers' compensation or liability for loss, damage or injury to persons or property during or relating to the performance of services under this Agreement.

ARTICLE 7. FINGERPRINTING REQUIREMENTS.

Education Code Section 45125.1 states that if employees of any contractor providing school site administrative or similar services may have any contact with any pupils, those employees shall be fingerprinted by the Department of Justice (DOJ) before entering the school site to determine that they have not been convicted of a serious or violent felony. If the District determines that more than limited contact with students will occur during the performance of these services, Contractor will not perform services until all employees providing services have been fingerprinted by the DOJ and DOJ fingerprinting clearance certification has been provided to the District.

District has determined that services performed under this Agreement will result in limited contact with pupils. Contractor is required to comply with the conditions listed in Exhibit A, Contractor's Certification of Compliance. If the Contractor is unwilling to comply with these requirements, the Contractor's employees may not enter any school site until the Contractor provides the certification of fingerprinting clearance by the DOJ for employees providing services. These requirements apply to self-employed contractors.

ARTICLE 8. MUTUAL INDEMNIFICATION.

Each of the Parties shall defend, indemnify and hold harmless the other Party, its officers, agents and employees from any and all claims, liabilities and costs, for any damages, sickness, death, or injury to person(s) or property, including payment of reasonable attorney's fees, and including without limitation all consequential damages, from any cause whatsoever, arising directly or indirectly from or connected with the operations or services performed under this Agreement, caused in whole or in part by the negligent or intentional acts or omissions of the Parties or its agents, employees or subcontractors.

It is the intention of the Parties, where fault is determined to have been contributory, principles of comparative fault will be followed and each Party shall bear the proportionate cost of any damage attributable to fault of that Party. It is further understood and agreed that such indemnification will survive the termination of this Agreement.

ARTICLE 9. INSURANCE.

Prior to commencement of services and during the life of this Agreement, Contractor shall provide the District with a copy of its policy evidencing its comprehensive general liability insurance coverage in a sum not less than \$1,000,000 per occurrence. Contractor will also provide a written endorsement to such policy naming District as an additional insured, and such endorsement shall also state "Such insurance as is afforded by this policy shall be primary, and any insurance carried by District shall be excess and noncontributory." If insurance is not kept in force during the entire term of the Agreement, District may procure the necessary insurance and pay the premium therefore, and the premium shall be paid by the Contractor to the District.

ARTICLE 10. TERMINATION.

The District may terminate this Agreement without cause upon giving the Contractor thirty days written notice. Notice shall be deemed given when received by Contractor, or no later than three days after the day of mailing, whichever is sooner.

The District may terminate this Agreement with cause upon written notice of intention to terminate for cause. A Termination for Cause shall include: (a) material violation of this Agreement by the Contractor; (b) any act by the Contractor exposing the District to liability to others for personal injury or property damage; or (c) the Contractor confirms its insolvency or is adjudged a bankrupt; Contractor makes a general assignment for the benefit of creditors, or a receiver is appointed on account of the Contractor's insolvency.

Ten (10) calendar days after service of such notice, the condition or violation shall cease, or satisfactory arrangements for the correction thereof be made, or this Agreement shall cease and terminate. In the event of such termination, the District may secure the required services from another contractor. If the cost to the District exceeds the cost of providing the service pursuant to this Agreement, the excess cost shall be charged to and collected from the Contractor. The foregoing provisions are in addition to and not a limitation of any other rights or remedies available to the District. Written notice by the District shall be deemed given when received by the other party or no later than three days after the day of mailing, whichever is sooner.

ARTICLE 11. ASSIGNMENT.

This Agreement is for personal services to be performed by the Contractor. Neither this Agreement nor any duties or obligations to be performed under this Agreement shall be assigned without the prior written consent of the District, which shall not be unreasonably withheld. In the event of an assignment to which the District has consented, the assignee or his/her or its legal representative shall agree in writing with the District to personally assume, perform, and be bound by the covenants, obligations, and agreements contained in this Agreement.

ARTICLE 12. NOTICES.

Any notices, requests, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, or on the day after dispatching by Federal Express or another overnight delivery service, and properly addressed as follows:

District:
Sacramento City Unified School District
PO Box 246870
Sacramento CA 95824-6870
Attn: Kimberly Teague, Contract Specialist

Contractor:
Vision 2000
8 Park Sierra Lane
Sacramento, CA 95864
Attn: Hazel Mahone

ARTICLE 13. ENTIRE AGREEMENT.

This Agreement contains the entire agreement between the parties and supersedes all prior understanding between them with respect to the subject matter of this Agreement. There are no promises, terms, conditions or obligations, oral or written, between or among the parties relating to the subject matter of this Agreement that are not fully expressed in this Agreement. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations under this Agreement be waived, except by written instrument signed by the party to be otherwise expressly permitted in this Agreement.

ARTICLE 14. CONFLICT OF INTEREST.

The Contractor shall abide by and be subject to all applicable District policies, regulations, statutes or other laws regarding conflict of interest. Contractor shall not hire any officer or employee of the District to perform any service covered by this Agreement. If the work is to be performed in connection with a Federal contract or grant, Contractor shall not hire any employee of the United States government to perform any service covered by this Agreement.

Contractor affirms to the best of their knowledge, there exists no actual or potential conflict of interest between Contractor's family, business or financial interest and the services provided under this Agreement. In the event of a change in either private interest or services under this Agreement, any question regarding possible conflict of interest which may arise as a result of such change will be brought to the District's attention in writing.

ARTICLE 15. NONDISCRIMINATION.

It is the policy of the District that in connection with all services performed under contract, there will be no discrimination against any prospective or active employee engaged in the work because of race, color, ancestry, national origin, handicap, religious creed, sex, age or marital status. Contractor agrees to comply with applicable federal and California laws including, but not limited to, the California Fair Employment and Housing Act.

ARTICLE 16. ATTORNEY'S FEES.

In the event of any action or proceeding brought by one party against the other party under this Agreement, the prevailing party shall be entitled to recover its attorney's fees and reasonable costs in such action or proceeding in such an amount as the court may judge reasonable.

ARTICLE 17. SEVERABILITY.

Should any term or provision of this Agreement be determined to be illegal or in conflict with any law of the State of California, the validity of the remaining portions or provisions shall not be affected thereby. Each term or provision of this Agreement shall be valid and be enforced as written to the full extent permitted by law.

ARTICLE 18. RULES AND REGULATIONS.

All rules and regulations of the District's Board of Education and all federal, state and local laws, ordinance and regulations are to be strictly observed by the Contractor pursuant to this Agreement. Any rule, regulation or law required to be contained in this Agreement shall be deemed to be incorporated herein.

ARTICLE 19. APPLICABLE LAW/VENUE.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. If any action is instituted to enforce or interpret this Agreement, venue shall only be in the appropriate state or federal court having venue over matters arising in Sacramento County, California, provided that nothing in this Agreement shall constitute a waiver of immunity to suit by the District.

ARTICLE 20. RATIFICATION BY BOARD OF EDUCATION.

This Agreement is not enforceable and is invalid unless and until it is approved and/or ratified by the governing board of the Sacramento City Unified School District, as evidenced by a motion of said board duly passed and adopted.



Executed at Sacramento, California, on the day and year first above written.

**SACRAMENTO CITY
UNIFIED SCHOOL DISTRICT**

VISION 2000

By: _____
Ken A. Forrest
Chief Business Officer

By: _____
Hazel Mahone

Date

Date

EXHIBIT A

CONTRACTOR CERTIFICATION of COMPLIANCE

Fingerprinting: Education Code section 45125.1 provides that any contractor providing school site administrative or similar services to a school district must certify that employees who may come into contact with pupils have not been convicted of a serious or violent felony as defined by law. Those employees must be fingerprinted and the Department of Justice (DOJ) must report to the Contractor if they have been convicted of such felonies. No person convicted may be assigned to work under the contract. Depending on the totality of circumstances including (1) the length of time the employees will be on school grounds, (2) whether pupils will be in proximity of the site where the employees will be working and (3) whether the contractors will be working alone or with others, the District may determine that the employees will have only limited contact with pupils and neither fingerprinting nor certification is required.

The District has determined that section 45125.1 is applicable to this Agreement, and that the employees assigned to work at a school site under this Agreement will have only limited contact with pupils, provided the following conditions are met at all times:

1. Employees shall not come into contact with pupils or work in the proximity of pupils at any time except under the direct supervision of school district employees.
2. Employees shall use only restroom facilities reserved for District employees and shall not use student restrooms at any time.
3. Contractor will inform all employees who perform work at any school or District site of these conditions and require its employees, as a condition of employment, to adhere to them.
4. Contractor will immediately report to District any apparent violation of these conditions.
5. Contractor shall assume responsibility for enforcement of these conditions at all times during the term of this Agreement.

If, for any reason, the Contractor cannot adhere to the conditions stated above, the Contractor shall immediately so inform the District and shall assign only employees who have been fingerprinted and cleared for employment by the Department of Justice. In that case, the Contractor shall provide to the District the names of all employees assigned to perform work under this Agreement. Compliance with these conditions, or with the fingerprinting requirements, is a condition of this Agreement, and the District reserves the right to suspend or terminate the Agreement at any time for noncompliance.

Authorized Signature of Contractor

Date

Printed Name/Title



Budgetary Quotation

Prepared for

Ken Forrest
Chief Business Officer
by

Allan Booth
Questica Inc.

2-May-2014





2-May-2014

Ken Forrest
Chief business Officer
Sacramento City Unified School District

Questica is pleased to present this information package to the Sacramento City Unified School District. Our Questica Budget product represents a proven COTS (commercial off-the-shelf) solution - designed specifically for the unique needs of the Public Sector. At Questica, we own and implement our own product, we are not implementers of a 3rd party product, and as a result we have full control over all the resources from all areas within our organization. We are an agile organization with control over all aspects of software development, implementation, sales, support and ultimate customer satisfaction.

Questica Budget (formerly TeamBudget) is well known in the Public Sector community for its ability to allow for a logical development of the budget, in an intuitive and secure environment. Questica Budget consists of three primary modules; Operating, Salaries/Position Planning and Capital which are all web based - ideal for collaborative budgeting. Operating, Salaries/Position Planning modules are included in this proposal.

We understand it's more than just software.

We hope you find this document informative. We appreciate the opportunity, and encourage you to contact us with any questions or comments you may have.

With Regards,

Allan Booth
Account Representative
905.634.0110 x 545
aboath@questica.com



Turning Objectives into Outcomes

2-May-2014

1 of 6

Executive Summary

Not too big, not too small – as a company, Questica is not only the leading budgeting software provider to the public sector, but also the largest independent budget software company. Questica represents the largest group of budget software experts in North America dedicated to serving the public sector. We have the resources and the right people to do the job, and do it quickly. We offer ‘one-stop shopping’ for Development, Professional Services, Operations, Sales, and ongoing Support from one central location (nothing is outsourced). At Questica, we help public sector entities prepare and manage their budgets – that’s all we do. Period.

Accounting and HR Integration: Integration with your Escape System is a key element of a successful solution. With over 350 successful integrations to date, we have a proven integration methodology and the required experience to work seamlessly with your existing technology. Questica will guarantee a successful integration between our Questica Budget and your Escape system. Not only do we guarantee the integration between the systems, we are offering the integration at a fixed price.

Questica Customer Satisfaction: Each year Questica surveys our customers for feedback on Customer Support and Product satisfaction related issues. The most recent survey was performed in the spring/summer of 2013. As with many software companies, we use the Net Promoter Score, or ‘NPS’ to evaluate ourselves and gauge overall customer satisfaction. (See: http://en.wikipedia.org/wiki/Net_Promoter). It is a management tool and customer loyalty metric that can be used to gauge the fidelity of a firm's customer relationships. An NPS that is positive (i.e., higher than zero) is felt to be good, and an NPS of +50 is excellent.

The Questica NPS Score for 2013 was 48.

Integrated Workflow: Questica Budget improves the efficiency of the budgeting process by automatically notifying users via e-mail when their participation is required. As the budget is promoted through the different stages, (department data entry, manager approved, Board approved, etc.) user permissions (security settings) are triggered, providing the re-assurance that only the appropriate people can modify or view the budget at each stage of its development.

Reporting: Questica Budget includes over 90 reports out-of-the-box ready for use. Questica Budget also provides a robust Ad Hoc reporting solution that allows analysts and users the flexibility to easily design their own reports. The Ad hoc report writing tool is designed for non-technical users who desire quick access to design and create their own reports. It includes an intuitive user interface. Users drag and drop the information they want to see into a report design window.

Flexibility: Questica Budget was designed to be more than a budgeting tool. It was designed to be easily customized and modified to suit the specific needs of any organization. Using easily customizable screens and the ability to define custom business rules, Questica Budget can provide unique functionalities such as Key Performance Indicators/Service Level Measurements, and Strategic Budgeting.

Microsoft Gold Certified: Questica has obtained Microsoft Gold Certified Status, a premium certification level with Microsoft. Additionally, Questica has had both Questica Budget and its SQL Server components tested by VeriSign, a well-known and respected third party testing agency.



Turning Objectives into Outcomes

Questica Budget Price Quote

Quotation ID#: 2-May-2014

Software-as-a-Service (SaaS) Model

Description	Monthly Cost	Annual	5 Year Term
Software as a Service			
SaaS Software Subscription 250 Operating User Seats 50 Capital User Seats 50 Salary Module Seats Allocations Module (Questica provides server, database, operating system, monthly management, Questica Budget, all Microsoft DB & OS licenses, and software maintenance)	\$ 7,500	\$ 90,000	\$ 450,000
Total YR1 SaaS Subscription			\$ 90,000
Incremental Cost Per User -Monthly (ICPU)	\$ 60	\$ 724	
Professional Services (Per Statement of Work)			
Planning & Analysis		Included	
Installation		Included	
Data Load & Verify		Included - see notes	
Accounting Integration		Included	
Customizations		Included	
Customized Reports		Not included	
Custom Report Views		Not included	
Training		Included	
Project Management		Included	
Total Professional Services:			\$ 82,600
Travel expenses, if applicable		Not Included	
Total Travel Expenses:			-
Grand Total			\$ 172,600



Turning Objectives into Outcomes

2-May-2014

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Pricing Notes

Quotation ID#: 2-May-2014

Pricing valid though: BUDGET QUOTATION ONLY

- Above pricing in US Dollars
- Terms of Payment:
 - SaaS Subscription – Payable annually, on a pre-paid basis.
 - Professional Services:
 - 50% earlier of 60 days from contract signing or install at customer site
 - 50% earlier of 120 days from contract signing or delivery of data import
- Applicable Tax Extra
- Data imports based on standard Excel Import Template (Questica provided)
- GL Accounting System Integration Connector to: Escape
 - Actual costs integration
 - Budget export to Escape
 - HR Integration
- Custom reports “may” be required but are not included in this quotation.
 - Note: Ad Hoc reporting is not considered custom – Ad hoc reporting is included
- All licensing including Server Operating Licenses, MS-SQL server licenses and product licenses are included.
- Travel costs, if applicable will be charged back at cost (airfare, hotels, car rental, etc.) plus a \$75. Per Diem for food and incidentals.
 - Travel time if applicable will be billed at a rate of \$175/hr to a max of \$500 each way.
 - We do not anticipate the need to travel, unless requested.



Turning Objectives into Outcomes



Quotation General Terms and Conditions

Quotation ID: 2-May-2014

General Terms and Information:

Terms of Service: The services and any related software are provided under the License and Service Agreement which is hereby deemed to be fully incorporated into this quotation, whether or not attached hereto. By executing this quotation below, Customer acknowledges a) having been provided a copy of the License and Service Agreement as Exhibit A to this quotation, and b) having read the License and Service Agreement and Agrees to all its terms. Terms, provisions, or conditions on any purchase order, acknowledgement, or other business form or writing that Customer may use in connection with the provision of Services (or software) by Questica will have no effect on the rights, duties, or obligations of the parties hereunder, regardless of any failure of Questica to object to such terms, provisions, or conditions.

Taxes: The pricing on this quotation is exclusive of all sales, use or other taxes, customs duties and similar levies, if any, payable in or to any jurisdiction or authority whatsoever. Such taxes (other than the taxes on the net income of Questica) shall be the responsibility of the Customer.

Payment: Payment is required in the currency quoted. Unless detailed otherwise in this quotation, Terms are Net-30 days from the later of a) the date of receipt of invoice, or b) the invoice date.

Maintenance and Support: This quotation may include Annual Product Maintenance and Support. Its cost is calculated as 23% of the current cost of licensed software, prior to discounts. This service (as detailed in the attached License and Service Agreement) is purchased on an annual basis from the date the software is purchased. If payment of the annual fee is not received by Questica before the first business day of the next additional year, Questica's obligation to provide the maintenance and support services shall be terminated. Questica may, in its sole discretion, increase the Annual Product Maintenance Fee upon 30 days prior written notice. If may elect not to increase its maintenance and support rate in any year, however no such waiver shall preclude Questica from applying the escalation to any subsequent year or part of a year, and from making the subsequent application as if all subsequent escalation had been duly made over the period since the last increase.

Acceptance of Custom Work: This quotation may include the development of Product Customization, Custom Reporting or Data import services as detailed in an attached Scope of Work. Within fifteen (15) business days from the delivery of each individual Custom Work, the Customer/Licensee shall, in its sole discretion, review the Product Customization and notify Questica whether it finds the Customizations satisfactory or unsatisfactory. If its determined that the Customizations are unsatisfactory, then it shall state in writing the reasons for its determination, including identifying any nonconformance with the Licensee's specifications or expectations. Questica will promptly correct the deficiencies and reinstall the Customizations, and the approval procedure shall be reapplied until Licensee finally declares the Customizations satisfactory. In the absence of a written response within 15 Business Days after the delivery of the Customizations or once the Licensee has declared the Customizations satisfactory, the Customizations shall be considered 'Accepted'.

Consulting, Training or Implementation Time Invoicing: Only activities approved in an approved Scope of Work shall be invoiced. A mutually determined change control mechanism will be used to accommodate modifications to the Scope of Work.

Travel Costs: Unless noted otherwise, this quotation does not include any travel, lodging, or on-site expenses. If such travel is required and subsequently authorized, Questica's standard travel and per diem rates shall apply. Air Travel, Rental Car (with associated fuel and parking costs), and Lodging costs shall reimbursed at cost. Questica is not responsible for unpredictable (including Commercial Airline Travel) delays which may increase travel cost.



Turning Objectives into Outcomes

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Acceptance

Quote ID#: 2-May-2014

Authorized Signature: BUDGETARY QUOTATION

Authorized Name: _____

Organization Name: _____

Date: _____

Upon accepting this offer, please fax back all pages of the signed quotation and include an authorized purchase order.
Fax number: 1-866-520-8514.

QUESTICA, INC.

Authorized Signature: _____

Authorized Name: _____

Organization Name: Questica, Inc.

Date: _____



Turning Objectives into Outcomes

2-May-2014

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**Sacramento City Unified School District
Workday Implementation
Statement of Work**

June 13, 2014

CedarCrestone, Inc.

1255 Alderman Drive
Alpharetta, GA 30005

Marty Hellenberg

Director, Public Sector Accounts

Office: 678.256.2207

Mobile: 303.596.2605

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This document was prepared for the exclusive use of the designated recipient and contains
proprietary and confidential information of CedarCrestone, Inc.



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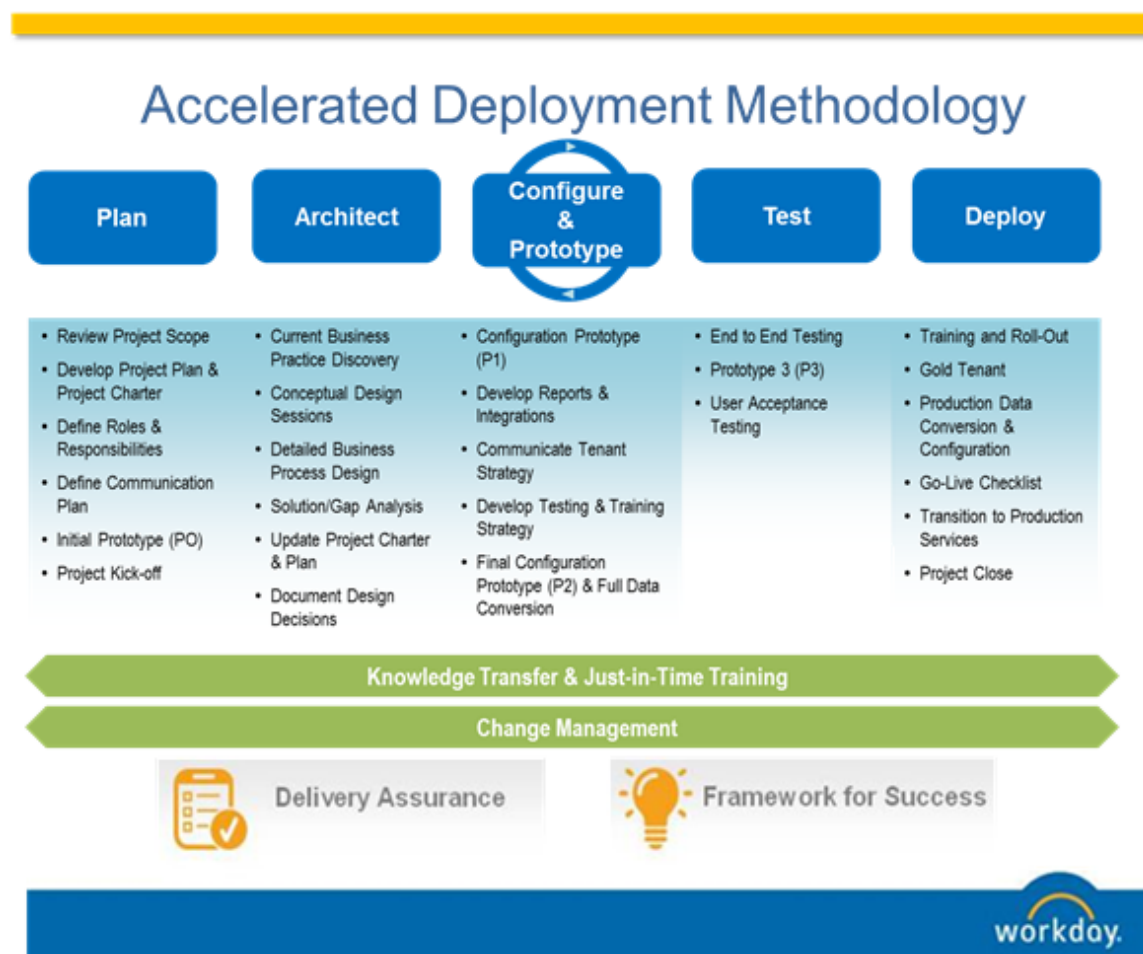
STATEMENT OF WORK

June 13, 2014

This Statement of Work ("SOW") is executed under the terms and conditions of the current Master Services Agreement dated June 13, 2014 between **Sacramento City Unified School District** (the "District"), and **CedarCrestone, Inc.** ("CedarCrestone"), which is incorporated herein by reference (the "Agreement"). In the event of a conflict in terms between this SOW and the Agreement, the terms of this SOW shall prevail. All capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement. Any specification, design, user requirements document, installation checklist, etc., attached hereto and explicitly referenced herein shall be part of this SOW, provided such documents are in writing and signed by an authorized representative of each party.

1. SCOPE

The scope of this Statement of Work is for services for the deployment of the Workday Human Capital Management (HCM), Payroll, and Financials solutions. These services will span approximately thirteen (13) months from the start date including one (1) month of production support. These services include stages of the deployment as defined in the Workday Accelerated Deployment Methodology. CedarCrestone is committed to the District's successful deployment of the Workday solution. Our Workday methodology is strictly modeled after Workday's deployment methodology. Workday's Accelerated Deployment Methodology is a deliverables-based approach that is supported by a comprehensive toolkit of planning documents, activities, configuration templates, and techniques to implement Workday applications effectively. The application of this methodology to the unique business needs of the District will be supported through business process analysis by CedarCrestone consultants with experience and expertise in public sector and K12 organizations.



As described in the questionnaire completed by the District, the scoping session held on May 20, 2014, and subsequent communications, the features and functions which will be included in the deployment are listed below.

1.1. FUNCTIONAL SCOPE

	Human Capital Management (HCM)
	Compensation
	Benefits
	Payroll
	Time Tracking
	Absence Management
	Talent Management
	Financial Accounting
	Banking and Settlement
	Customer Accounts and Contracts
	Supplier Accounts
	Procurement
	Business Assets
	Expenses
	Standard Reports
Product/Functionality:	
<p>CedarCrestone will design and configure generally available functionality as prioritized by the District. The configuration of each component listed above will be prioritized and designed during the initial stages of the project. The District will strive to reduce and align the number of plans, codes, business process steps, and other configurations that are currently different across the departments, unions, and other areas within the District.</p>	
Deployment includes:	
<ul style="list-style-type: none"> • Core HR - Setup including tenant configuration for the United States. Active employee count of 4,681 (including contingent workers) • Organizations - Supervisory Org Setup, up to 500 Supervisory Orgs, up to 300 Cost Centers, up to 4 pay groups, up to 20 business unit org Structures, and up to 4 custom organization types, up to 5 unions, single retiree organization, up to 80 locations, up to 10 related organization type hierarchies including location hierarchies • Jobs and Positions – Single staffing model, up to 500 job profiles, up to 100 job families, and 1 management level hierarchy, multiple assignments • Compensation – Up to 50 grades and grade profiles. Up to 4 allowance plans. • Benefits - Includes up to 15 benefit plans, up to 5 benefit groups, up to 10 eligibility rules, and up to 2 passive events. All employee transactions will be manually entered in Keenan based on inability to integrate with Keenan after initial load. • Payroll – 1 FEIN, up to 100 earnings and deductions codes, 1 bank account, 1 state (California) and 2 pay cycles. Includes up to 3 parallel tests. • Time Tracking – Up to 100 time codes, up to 10 employee population subsets (including 5 unions) • Absence – Up to 25 time off plans, leave types, includes FMLA and California Family Rights Act requirements • Performance Management – Up to 3 performance review templates, with customized start 	

- performance review business process, 1 individual development plan or 1 performance improvement plan or 1 disciplinary action plan
- Assess Talent – Configuration of the 3 talent attributes, minor adjustments to the optimized business process
 - Financial Accounting – 1 country (United States), 1 company, up to 300 cost centers, 1 accounting book, State of California mandated accounting structure, budget checking at fund, location, and discretionary/non-discretionary levels, up to 250 posting rules, up to 10 recurring journal entries. All allocations will occur in other functional areas.
 - Banking and Settlement – Up to 5 financial institutions and bank accounts, blank check stock, ACH, wire, check payment types, positive pay, BAI2 bank reconciliation
 - Customer Accounts and Contracts – Centralized customer account process, up to 100 invoices per month, standard revenue recognition process, up to 1,000 customers
 - Supplier Accounts – Centralized invoice entry/processing, electronic non-matched invoice approval process, 1099 process, up to 5,000 supplier accounts
 - Procurement – Up to 3 punch outs to existing suppliers with Workday punchout experience, NIGP category codes, up to 100 supplier contracts, decentralized receiving, up to 500 requisitioners
 - Business Assets – 1 asset book, approximately 10,000 tracked assets, approximately 500 depreciable assets, straight line depreciation method, up to 30 spend categories
 - Expenses – 1 procurement card (US Bank), up to 10 custom validations,
 - English language support only.
 - Configurable Security – Assignment of workers to Workday standard roles
 - Standard reports – Conduct reporting workshop to assist in identification of reporting requirements and review report Workday custom report writer with District reporting team.

Not in Scope:

- Items provided by a 3rd party as a part of their processing
- Succession planning
- Recruiting
- Grants
- Projects
- Budget preparation
- Inventory (future functionality)
-

1.2. TECHNICAL SCOPE

	Data Migration
	Integrations
	Custom Reports
Data Migration includes:	
<ul style="list-style-type: none"> • Core worker data for active employees and terminated worker data for up to one year to include most recent position and compensation • Relevant seniority dates and years of service • Most recent compensation amount and grade for core employee population • Teacher contract balances, pay goal balances, and contract pay information • Current year benefits enrollments for active employees 	

- Payroll - Current State, Federal and Local Tax Withholding Elections, Withholding Orders, Active balances for W2 purposes and any other balances associated with payroll that are applicable in Workday
- Leave balances for active employees (based on plans in-scope) including FMLA
- Active teacher licenses and certifications
- Financial Accounting - Beginning balances for financial accounts
- Customers with active balances and active Customer Contracts
- Suppliers with active balances for 1099 purposes
- Procurement – Purchase orders with open encumbrances to be carried forward into the fiscal year starting July 1, 2015
- Assets in place as of current year

Integrations:

The following integrations will be evaluated during the initial stages of the project to determine need, type of integration (e.g. Cloud Connect, Enterprise Integration Builder, and Workday Studio), timing, direction, and general level of complexity. CedarCrestone has provided an account of 1,250 hours that will be assigned on an integration by integration basis to complete the highest prioritized integrations during the project. Once the account of hours has been assigned to complete the highest prioritized integrations, any remaining integrations will need to be developed by the District or will require additional CedarCrestone hours and cost above those in this statement of work.

- County Office of Education
 - Banking information
- COBRA to Conexia
- Payroll ACH file to payroll vendors
- CalPERS
- CalSTRS
- Keenan Benefits
- SubFinder
- SearchSoft
- Banking interfaces
 - Payroll ACH
 - PCard to Expenses
 - BAI2 reconciliation file
 - Positive pay
- School Dude
- TransTraks
- eTriton
- e-Builder
- Infinite Campus
- Learning Management system (solution TBD)
- Active Directory
- Workday Cloud Connect integrations based on final District benefit plans (number and type

to be determined)

Custom Reports:

As Workday's customers will need to identify, evaluate, design, develop, test, and deploy reports after the initial system has been deployed, the Workday methodology recommends that customer personnel take primary responsibility for writing required custom reports. Workday training on the report writing tools is required to fulfill this role. CedarCrestone has included up to 100 hours of time to support the District's report writers with knowledge transfer and troubleshooting services.

Not in Scope:

- Items provided by a 3rd party as a part of their processing
- Historical data migration

1.3. CHANGE MANAGEMENT AND TRAINING

CHANGE MANAGEMENT

Change Agent Readiness and Engagement
Transformation Strategy
High-Level Communication Plan
Impact Assessment

The CedarCrestone Change Management Lead will prepare for and conduct the following activities in collaboration with the District Change Management Lead:

Change Agent Team – these individuals play a critical role by facilitating communication in their respective functional areas and throughout the organization. This team assists with end user communications and change management activities.

Transformation/Change Strategy – identifies and conveys the specific goals and objectives for addressing change and continuity for the District's Workday Project.

High-Level Communication Plan – This plan will address the high-level requirements of the District's diverse user population. Sections of the plan may be designed and developed to address each of the District's user communities so that the respective Change Agents may oversee delivery of each required communication event.

Impact Assessment – assesses the business process changes that will affect the end-user population. To enable individuals to transition to the new structure in a manner that imposes the least amount of disruption to the District, we incorporate the information into the communication and training strategies so that impacts are introduced in a manner that is participatory and involves two-way communications.

END USER TRAINING

Training Needs Assessment
Training Strategy
Training Curriculum
Pilot Training
Ongoing Training Strategy

CedarCrestone's approach to **end-user training** views Train-the-Trainer as the capstone to learning activities focused on the District's Workday educators throughout the project lifecycle and beyond. Many times, organizations identify end-user delivery educators just prior to go-live; however, we base our approach on having a clear, documented strategy, inclusive of an educator engagement plan to allow these individuals to build capabilities and become educators of the District's Workday functionality. CedarCrestone will work with the District to define the Train-the-Trainer strategy and its components as a part of the overall training plan. By acquiring this knowledge these individuals can provide the support necessary both during and after go-live. CedarCrestone's train-the-trainer approach to end user training includes the following:

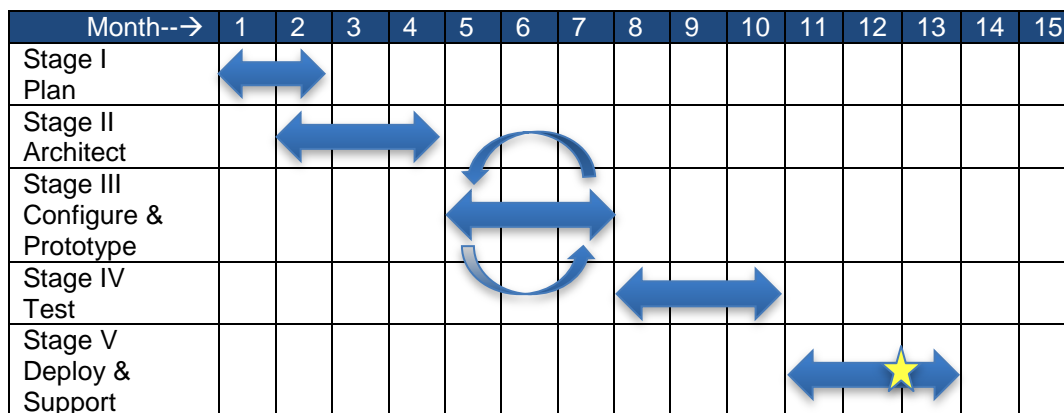
- **Training Needs Assessment:** The goal of any successful training program is to help users gain knowledge before they start to use a new tool or participate in a new process, therefore CedarCrestone's approach begins with a training assessment to understand history, current tools, and successes in training the District's end users. Training needs are determined by completing an assessment of the organization and evaluating the scope of the Workday project. This assessment feeds into the overall Training Strategy.
- **Training Strategy:** Based on the training needs assessment results, CedarCrestone creates a training strategy for the end users. The Training Strategy outlines the training methods for each user group along with timelines and deliverables. Included in the Training Strategy is the identification of in-house users who will perform in the role of an educator and provide support for newer users. Whether educators come from IT, the business, or are project personnel, they must take an early and active role to build a robust understanding of Workday, business processes, and to acquire the needed instructional facilitation skills. CedarCrestone will prepare the identified District users to perform in the role of a District educator. The strategy uses the Workday Adoption Toolkit (WAT) as a cornerstone of knowledge and information, while looking at the specific needs of the organization with the District's team to determine the best overall approach. Changes such as business processes, functionality, and even role changes are taken into consideration while creating the training strategy.
- **Training Curriculum:** The end user training curriculum and supporting courseware developed for the project focuses on impacted job roles, reinforced by the underlying business processes. Specifically, the basis of the curriculum considers the varied learning styles of adults in an effort to maximize the return that the user will derive from the training activity. The curriculum is a detailed listing and narrative that describes each end-user course.
- **Training Material Development:** CedarCrestone follows Workday's standard approach for training content development and supports the District's participation in the development/customization of training materials. In order to support the implementation and subsequent Workday releases, and based on the defined curriculum, CedarCrestone will provide knowledge transfer and guidance for up to 3-4 individuals in the use of the Workday Adoption Toolkit so that the District will gain an understanding and working knowledge of the Toolkit. In some cases, pre-built training materials may not exist in the Workday Adoption Toolkit and will need to be created. CedarCrestone will provide samples of training materials used on other Workday projects to expedite the development timeframe. Training content will exist in multiple learning formats, including MS PowerPoint® presentations, classroom exercises, quick reference job aids, and training videos.
- **Pilot Training:** Pilot Training is a key component of the Train-the-Trainer program and provides the opportunity to validate that the training materials and delivery meet the District's requirements. It provides the District Workday educators the opportunity to deliver training to a group of peers and make modifications before delivering training to the larger end user community. The individuals noted above will review all materials with the District's trainers, who then will participate in Pilot training (or practice delivery

sessions) which is facilitated by CedarCrestone. A CedarCrestone consultant serves as a mentor and assists in the delivery of these practice training sessions. To the extent possible within the project's schedule, Pilot Training may be delivered as a preparatory event for User Acceptance Testing.

- **Training Delivery:** the District's Workday educators deliver training as required to enable individuals to perform their new roles and responsibilities in Workday. Training materials used for end-user training classes will be developed by individuals named by the District project team (see Training Material Development section above). The role in the organization and the changes to business process for that role will determine the method of training delivery.
- **Ongoing Training Strategy:** After Workday is deployed there is still a need for training - both for new users, and to accommodate new functionality. CedarCrestone will work with the District to develop the ongoing training strategy to support user adoption.

2. TIMELINE

The expected timeline is a 14-month timeline from project start to go-live with one month of post-production support. The start date will be on or around August 1, 2014 with a go-live on or before October 1, 2015 followed by post-production support. This timeline is based upon CedarCrestone's understanding of the District's scope, internal staffing levels, need for change management, and our experience on other Workday projects. The final timeline, tasks, and stage durations will be completed during the Plan stage of the project. The sample graphical timeline of the engagement is listed below.



3. DELIVERABLES

The following table summarizes the deliverables by phase and the owners and contributors for each deliverable. The Owner of a deliverable is defined as the individual(s) who is/are responsible for organizing, defining and creating the deliverable. A Contributor is defined as the individual(s) who work under the direction of the Deliverable Owner to assist in the preparation of the deliverable. Within a Shared Deliverable the individual(s) will work under the guidance of the Project Managers to contribute all or a portion of the Deliverable based on the Project Managers' direction. The list of deliverables includes:

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Stage 1 - Plan			

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Project Charter	Provides authorization for the Project and identifies project goals, objectives, scope, governance structure, roles and responsibilities.	District	CedarCrestone
Project Management Plan	Project work plan for the Project management activities and related monitoring of the related project activities	CedarCrestone	District
Communication Plan	CedarCrestone will provide the District with a Communication Plan template as a starting point that outlines the communication events that will be deployed to raise awareness and invite user engagement. The template is pre-populated with a baseline of events. CedarCrestone will work with the District to update the plan with District-specific events and the timeline of events.	District and CedarCrestone (Shared)	
Initial Deployment Data Gathering Workbook	Review workbook used to gather the District information for inclusion in Initial Prototype tenant. Update as needed.	CedarCrestone	District
Integration Scope Discovery	Identify and document high-level integration requirements.	CedarCrestone	District
Functional Scope Discovery	Identify and document the Workday process the client intends to utilize in initial and future phases. This includes reviewing the functional scope in the SOW and On Demand Education (ODE).	CedarCrestone	District
Initial Prototype Tenant	P0 (zero): Initial prototype tenant used to kick-start the discovery and design activities. Contains a subset of the District data loaded into the environment (Data Load #1).	CedarCrestone	District
Project Kickoff	Introduces team members and executive sponsors. Overview of project goals, review of scope and high-level timeline. Initial Prototype demonstration, identification of project roles and responsibilities.	District and CedarCrestone (Shared)	
Gate and Acceptance Review / Stage Sign-Off	Execution of the Acceptance Process for stage gate reviews.	District and CedarCrestone (Shared)	
Stage 2 - Architect			
Current Business Process Discovery	Gather information about the District's current business practices and policies. Review and update the discovery questionnaire based on these discovery sessions.	CedarCrestone	District
Architect Major Functionality	Provide an overview of the core concepts; identify any potential functional gaps; analyze the configuration of core functionality; determine the impact of design decisions on the deployment.	CedarCrestone	District
Architect Business Processes and Roles	Introduce the business process framework and design business processes and organizational roles.	CedarCrestone	District

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Configuration Design	More detailed design sessions to gather configuration data.	CedarCrestone	District
Architect Integrations	Define and document integration requirements including data mapping, functional requirements and process flows for packaged and custom integrations.	CedarCrestone	District
Architect Data Elements	Update deployment data gathering workbook to include all data elements for tenant builds in this stage.	CedarCrestone	District
Workday Delivery Assurance Checkpoint – Integration Design Review	Workday's Delivery Assurance team reviews the documented integration designs.	Workday Delivery Assurance	District CedarCrestone
Workday Delivery Assurance Checkpoint – Business Process Review	Workday's Delivery Assurance team reviews the documented business process designs.	Workday Delivery Assurance	District CedarCrestone
Stage Gate and Acceptance Review / Stage Sign-Off	Execution of the Acceptance Process for stage gate reviews.	District and CedarCrestone (Shared)	
High Level Training Strategy	This MS Word document summarizes the overall plan for training delivery to the end-user population. It captures training objectives, documents key requirements for materials, identifies training locations, training delivery methods, and identifies challenges and the timeline for training delivery. CedarCrestone begins the development of the strategy using a template and continuously updates the strategy as information becomes available through the Configure & Prototype stage when it is completed.	District and CedarCrestone (Shared)	
Stage 3 – Configure & Prototype			
Tenant Management Plan	Define the plan for managing each tenant.	CedarCrestone	District
Configured Prototype	P1 - Configured tenant based on the decisions made in the Architect state. Data load #2.	District and CedarCrestone (Shared)	
Report Workshop	One report workshop conducted on how to develop reports	CedarCrestone	District
Developed Integrations	Integrations developed and unit tested.	CedarCrestone	District
Workday Delivery Assurance Checkpoint – Configuration Review, Integration Build Review	The Workday Delivery Assurance team reviews the configuration and integration build to validate that the system setup can be supported in the production system.	Workday Delivery Assurance	District CedarCrestone

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Test Plan and Test Scenarios	Test plan will define testing, purposes, responsibilities, guidelines, and other information specific to each round of testing to occur in the Test Stage. Define all test scenarios to be validated during testing. CedarCrestone will provide the District with test plans and scenarios from the Workday deployment guide as a starting point.	District and CedarCrestone	
Impact Assessment	This MS Word document is an assessment of the business process changes that will affect the end-user population. Information is incorporated into the communication and training strategies so that impacts are introduced in a manner that is participatory and involves two-way communications. CedarCrestone completes this assessment using a variety of methods – document review of fit-gaps, interviews with the District and CedarCrestone team members, etc.	CedarCrestone	District
Training Needs Assessment	This is an ongoing process where the information learned is captured in an MS Word document that ultimately feeds updates to the Training Strategy. Information captured includes but is not limited to the identification of current tools and methods used to deploy training, successes in training the District's end users that can be leveraged, potential challenges that may not be solved by training (i.e., adjustments that need to be made to policies), etc.	CedarCrestone and the District (Shared)	
Training Curriculum	This MS Word document is a detailed narrative that describes each end-user course (i.e., Manager Self Service Support for Administrative Assistants). Each course in this document contains information related to the duration of the course, how the course is delivered, where the course will be delivered, and what will be covered in the course. CedarCrestone begins with a template that is customized specifically to the District's business processes.	District and CedarCrestone (shared)	
Final Configuration Prototype	P2 – Full data (data load # 3) will be executed to convert all employee / payroll / human resources data to prepare a Workday tenant for testing. The District is responsible for validating its accuracy.	District and CedarCrestone (Shared)	
Stage Gate and Acceptance Review / Stage Sign-Off	Execution of the Acceptance Process for stage gate reviews.	District and CedarCrestone (Shared)	
Stage 4 - Test			

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Completed Smoke Tests	Completed test cycle to ensure the testing tenants are complete by executing short tests to ensure all key functional areas are working correctly. The District security team validates security provisioning is in place for testers.	CedarCrestone	District
Completed End-to-End Testing	Completed test cycle to ensure the flow of end-to-end processes between multiple functions and third party integrations.	District	CedarCrestone (support)
Completed User Acceptance Testing	Series of testing scenarios conducted by a select group of users to provide final validation that the configured system is ready for Production. A User Test Condition list will be created to ensure all criteria are tested.	District	CedarCrestone (support)
Training Material	This deliverable will take on a variety of formats ranging from videos, frequently asked question documents, presentations, and exercise guides. The Workday Adoption Toolkit (WAT) of materials will form the baseline for this content and will be supplemented by the creation of other materials when WAT materials do not exist.	District	CedarCrestone
Stage Gate and Acceptance Review / Stage Sign-Off	Execution of the Acceptance Process for stage gate reviews.	District and CedarCrestone (Shared)	
Stage 5 - Deploy			
Training Delivery	This deliverable will take on a variety of formats using synchronous (District-led training via classroom, webinars) and asynchronous (self-paced via videos, user guides, job aids, etc.) methods.	District	CedarCrestone (support)
Final Data Migration and Configuration	All configuration and data migrations are completed based on data load #4 (Gold tenant). Validated by the District.	CedarCrestone	District
Validate Pre-Production Tenant	All configuration and data migrations are verified (Gold tenant).	District	CedarCrestone
Workday Delivery Assurance Checkpoint - Final Configuration Review	Final Workday review to validate that the system setup can be supported in the production environment.	Workday Delivery Assurance	District CedarCrestone (shared)
Completed Go-Live Checklist	Completed Workday Go-Live checklist completed with required information prior to Delivery Assurance Review.	CedarCrestone	District
Workday Delivery Assurance Checkpoint – Go-Live Checklist Review	Workday Delivery Assurance reviews the Deployment Plan with the project team.	Workday Delivery Assurance	District CedarCrestone Shared

DELIVERABLE NAME	DESCRIPTION	OWNER	CONTRIBUTOR
Ongoing Training Strategy	This MS Word document outlines options for future training opportunities related to sustaining self-sufficiency. CedarCrestone begins with a pre-populated template that is customized to address the specific needs of the District, including but not limited to how training for new employees will be addressed by the District.	CedarCrestone and the District (Shared)	
Transition to Workday Production Support	CedarCrestone meets with Workday to transfer Client's deployments to the Workday Production Support Team.	Workday Delivery Assurance and the District (shared)	CedarCrestone
Stage Gate and Acceptance Review / Project Sign-Off	Execution of the Acceptance Process for project completion.	the District and CedarCrestone (shared)	

4. DISTRICT RESOURCES – ROLES AND RESPONSIBILITIES

Based upon the scope and timeline, the following table describes the roles and responsibilities as well as the time allocations for the District project team members. The assignment of named resources and final time allocations will be determined during the plan stage of the deployment using the project staffing tool and the project plan developed jointly by the CedarCrestone and the District Project Managers.

DISTRICT ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
LEADERSHIP & MANAGEMENT		
Executive Sponsor/ Executive Committee	<ul style="list-style-type: none"> Responsible for championing the project Ensures that the appropriate resources are available for the project Works with the project manager to resolve escalated issues in a time-effective manner Signs off on key deliverables throughout the project Acts as an active and visible resource on the project Participates in regularly scheduled Steering Committee meetings to ensure the project is meeting the goals and time-frames outlined at the beginning of the project 	5 to 10 people at 5 - 10% - 100 – 200 hours per person
Project Manager	<ul style="list-style-type: none"> Responsible for managing the project to completion Develops, manages, and maintains the Project Work Plan in partnership with CedarCrestone 	1 person at 100% - 1,920 hours

DISTRICT ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
	Project Manager <ul style="list-style-type: none"> Manages the issue and key decision log Sets deadlines and evaluates milestones Assigns responsibilities Escalates issues to the Steering Committee that may impact the go-live date 	
FUNCTIONAL		
Functional Lead	<ul style="list-style-type: none"> Leads the functional team for a specific functional area(s), e.g., Talent Management Coordinates activities with the CedarCrestone Solution Architect / Principal Consultants and other District functional resources Attends business process analysis sessions to identify opportunities for improvement, areas for standardization, unique variances and potential gaps in functionality Performs functional lead responsibilities such as: <ul style="list-style-type: none"> Communicates business requirements Validates architecture and design Identifies data to be converted Cleanses data Validates data conversions Performs configuration Tests business processes and configuration Develops customer-specific training and documentation Gathers reports and defines reporting requirements 	4 people at 75% each: HCM / Benefits / Talent – 1,440 hours Payroll / Time / Absence / Compensation – 1,440 hours Financials – 1,440 hours Procurement / Suppliers / Expenses – 1,440 hours
Subject Matter Experts (SMEs)	<ul style="list-style-type: none"> Resources representing specific schools / departments / areas of functional expertise Perform subject matter expert responsibilities such as: <ul style="list-style-type: none"> Identify data to be converted Cleanse data Validate data conversions Test business processes and configuration Develop customer-specific training and documentation Provide functional knowledge and expertise on requirements Gather reports 	Final subject matter expert allocation to be determine during plan stage. Estimated SME resources and allocations: HCM – 768 hours Benefits – 384 hours Talent – 192 hours Compensation – 384 hours Time Tracking – 384 hours Payroll – 768 hours Absence – 384 hours

DISTRICT ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
		Financials – 768 hours Supplier Accounts – 576 hours Procurement – 576 hours Banking – 384 hours Customer Accounts – 192 hours Expenses – 384 hours Assets – 384 hours
Testing Lead	<ul style="list-style-type: none"> Defines the Testing Strategy and Testing Plan (with support from CedarCrestone) Coordinates all testing activities including the creation of test scripts and executing testing To populate 	1 person – 100% (starting in Configure and Prototype but primarily Test stage) – 480 hours
Workday Application Security Administrator	<ul style="list-style-type: none"> Defines and updates security groups Defines and maintains domains and business process security policies Tests security group membership Analyzes and audits security policies and procedures Activates pending security policy changes 	1 to 2 people – approx. 50% (all stages except planning) – 960 total hours
TECHNICAL		
Integration Developers	<ul style="list-style-type: none"> Responsible for providing technical knowledge and expertise related to the District's integration requirements Test integrations Validate that the customer's environment can support the integrations 	1 to 2 people – approx. 50% (all stages except planning) – 1,080 total hours Workday Tools 1 person – approx. 25% (all stages except planning) – 360 hours
Data Migration Lead	<ul style="list-style-type: none"> Responsible for providing technical knowledge and expertise related to current systems used by the District. Assist with data mapping Extract data from legacy systems Lead data validation activities 	1 to 2 people at approx. 75% - 1,440 total hours
CHANGE MANAGEMENT		
Change Management and Communication Lead	<ul style="list-style-type: none"> Leads the Change Agent Network Assists with the development of the Change Management Strategy and Communications Plan 	1 person at 75% (all stages) – 1,440 hours

DISTRICT ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
	<ul style="list-style-type: none"> Leads the change management and communication plan execution Assists with the impact analysis Assists with the Training Assessment and Training Strategy 	
Change Agents (role may be combined with the Trainer role)	<ul style="list-style-type: none"> Change Lead/Agents for specific schools and/or departments Support execution of the change management plan for the school / department Assist with identifying key transformational changes for the school / department and ensures these changes are incorporated into communication and training plans Coordinate change activities through the Change Management and Communication Lead 	<p>The number of resources needed to fill this role will depend on the number of locations and the impact the new system will have at each location. CedarCrestone will work with the District Change and Project Leadership to determine how many people and which locations each person will represent / be assigned to in the plan stage of the project. Each resource will require an allocation of approximately 25%</p>
Trainers	<ul style="list-style-type: none"> Assist with the development of the training curriculum Develop training documentation including optimizing Workday's training tools where applicable Conduct end user training 	<p>The number of trainers is dependent on the final scope of training. Change Agents or Subject Matter Experts can be assigned to this role.</p> <p>Trainers will need to be dedicated at 100% during the Test and Deploy stages</p>
REPORTING		
Report Developers	<ul style="list-style-type: none"> Develop and test custom reports in accordance with functional requirements 	1 to 2 people at 50% - 960 total hours

5. CEDARCRESTONE RESOURCES – ROLES AND RESPONSIBILITIES

The CedarCrestone deployment team roles, responsibilities, and initial allocations are documented below. CedarCrestone will work with the District to manage the allocations of resources as needed to support project needs.

CEDARCRESTONE ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
LEADERSHIP & MANAGEMENT		
Executive Sponsor	<ul style="list-style-type: none"> Responsible for being the point of contact representing CedarCrestone management team Works with the Project Manager so that escalated issues do not impact the project timeline Participates in regularly scheduled Steering Committee meetings, which ensure that the project team is being held accountable for dates and commitments agreed to in the Project Work Plan Maintains an ongoing relationship with the customer's executive contacts 	1 person – As needed
Engagement Manager	<ul style="list-style-type: none"> Responsible for managing the overall project to completion Defines project standards, policies and procedures to be used across projects Monitors compliance with these project management standards, policies, procedures, and templates via project reviews and assessments Develops manages, and maintains the project plan Performs financial management across the project Manages the project issues, risks and key decision log Sets priorities and deadlines and evaluates milestones Assigns responsibilities Provides project health reports to upper management and Workday on a regular basis Escalates issues to the Executive Steering Committee that may impact the go-live date Participates in internal review meetings, which help ensure the project is meeting deadlines and mitigating risk. Interacts with Workday Delivery Assurance, Product Strategy and Development 	1 person at 90 - 100% - 2,000 hours
Functional		
Solution Architects	<ul style="list-style-type: none"> Responsible for leading workshops during the Architect stage and ensuring business processes are designed 	HCM / Benefits / Talent: 1 person at 25% - 520 hours

CEDARCRESTONE ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
	<p>from a cross-functional perspective</p> <ul style="list-style-type: none"> Provides a framework for explaining the impact of key design decisions Articulates the impact of the Workday Roadmap to customer requirements 	<p>Payroll / Time / Absence / Compensation: 1 person at 50% - 1,040 hours</p> <p>Financials (all areas): 1 person at 40% - 832 hours 2 people at 10% each for Architect stage only – 416 total hours</p>
Principal Consultant	<ul style="list-style-type: none"> Responsible for working with the District to design business processes Gathers functional and reporting requirements Maps client data to Workday Configures Workday according to customer requirements Documents any areas where requirements are not met Supports testing, data conversion, and integration development efforts Escalates issues that may impact the go-live date to the Project Manager Deliver one reporting workshop 	<p>HCM / Benefits / Talent: 1 person at 90% - 1,872 hours</p> <p>Payroll / Time / Absence / Compensation: 1 person at 90% - 1,872 hours</p> <p>Procurement / Supplier Accounts / Expenses: 1 person at 75% - 1,560 hours</p> <p>Financial Acctg / Customer Accounts / Banking / Assets: 1 person at 100% - 2,080 hours</p>
Technical		
Integration Architect	<p>The Integration Architect is responsible for the overall strategy, design and development of the Workday integrations.</p> <p>Responsibilities include the following:</p> <ul style="list-style-type: none"> Plan, lead and facilitate integration workshop(s) during the Architect stage. Develop high-level integration strategy and design. Provide Project Work Planning details for the Project Work Plan. Provide guidance on integration design decisions and downstream impacts for integrations. Provide oversight during the Configure & Prototype phase to verify the design principles are followed. Communicate design standards to developers to provide consistency across integrations. Provide guidance to integration consultants and District team members Prepare documentation for the tenant review. Liaise between the project team and Workday 	<p>1 person at 15% - 313 hours</p>

CEDARCRESTONE ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
	<p>development team on any integration issues, as well as upcoming changes.</p> <ul style="list-style-type: none"> Coordinate the resolution of issues during testing and deployment for integrations for which Team CCI is responsible. Provide knowledge transfer to the District integration team members. 	
Integration Consultants	<p>Works with the Team CCI functional consultants and the District Development team and Subject Matter Experts to gather and document integration requirements.</p> <p>Responsibilities include the following:</p> <ul style="list-style-type: none"> Responsible for leading integration workshop(s) Plans, leads and facilitates integration workshop(s) during the early stages of the project to provide: Support the design, configuration and testing of Workday integrations in scope for the implementation. Document design decisions for integrations assigned to Team CCI. Develop and unit test Workday integrations assigned to Team CCI. Support the District with the development and testing of integrations assigned to the District. Work with the District team to resolve issues. Provide knowledge transfer to the District integration team members. 	1 person at 45% - 937 hours
Data Migration Consultant	<ul style="list-style-type: none"> Responsible for migrating customer data into Workday Resolves data related issues during conversions 	1 person at 50% – 1,040 hours
PRIME Solutions (Change Management)		
Change Management Lead	<ul style="list-style-type: none"> Coach and Mentor to the District's Change Management Lead(s) Facilitates design, development and execution of the Change Management Strategy Facilitates design, development and execution of Communication Plan Conducts the Impact Assessment Conducts the Training Needs Assessment Facilitates design, development and execution of Training Strategy and Plans Conducts Go-Live Readiness Assessment (in collaboration with the project team) Facilitates the execution of Knowledge Transfer Plan (in collaboration with the project team members) 	1 person at 35% - 790 hours

CEDARCRESTONE ROLE	RESPONSIBILITIES	ESTIMATED RESOURCES
	<ul style="list-style-type: none"> Leads the Lessons Learned session 	

6. ASSUMPTIONS

- Overall project management responsibility will be shared between CedarCrestone and the District. The District will provide an executive sponsor, project manager, and leads to coordinate project activities with the CedarCrestone Project Leadership. The District Project Manager will be 100% dedicated to the project and a CedarCrestone Project Manager will be 90-100% dedicated to the project for the duration of the project.
- The District Executive Sponsor will provide guiding principles to the team. The approach will use the default business processes. The District Executive Sponsor is responsible for the development of any end user departmental policies, procedures, and user manuals.
- The District will provide CedarCrestone consultants with reasonable facility access, working space, equipment and office support.
- The CedarCrestone Team will be reliant on the District Executive Sponsor and other project participants for a number of critical tasks including (i) Subject Matter Expert (SME) support, (ii) prompt review and sign-off of deliverables, (iii) prompt decision making, and (iv) adoption of and standardization of standard process definitions.
- The District Executive Sponsor will establish an Executive Committee for the Project that will serve as the escalation point for issues that cannot be resolved at the Project Team level. CedarCrestone and Executive Sponsor(s) will participate on the Executive Committee.
- CedarCrestone will conduct project kick-off meetings with the Executive Committee and the Executive Sponsor's authorized project team members, which will initiate a Planning phase in which all project milestones are identified and agreed upon and documented as part of an overall Project Management Plan. Additionally, critical path items and the timelines associated with each stage will be outlined by CedarCrestone using CedarCrestone's project methodology and approved by the District Executive Sponsor.
- CedarCrestone Project Sponsor and the District Executive Sponsor will be visible and accessible to the joint Project Management team to provide direction, guidance, and rapid decision-making. CedarCrestone and the District Executive Sponsor will meet with the joint Project Management Team throughout the project.
- The District Project Leadership will provide a plan of action for critical functional and technical issues within two (2) business days following identification of such issues. Issues not responded to within the allotted time will be immediately escalated to the District Executive Sponsor for resolution. The CedarCrestone Project Manager must promptly bring up any issue(s) or delays that occur due to lack of Customer resources so as to avoid schedule impact.
- The District Executive Sponsor and CedarCrestone will establish a Project Change Control process for the project. This process will be used to govern changes to the Statement of Work.
- The District Executive Sponsor will have primary responsibility for standardization decisions and process acceptance for the project, with the support of CedarCrestone functional and technical resources. The District resources will be highly knowledgeable of the District business processes, have the appropriate skill sets, be available as required, and be empowered to make decisions regarding the design.

11. It is the District's responsibility to document, communicate, and obtain approval for all project decisions made by District subcontractors.
12. The District Resource Assumptions:
 - The District will dedicate a sufficient number of its best-suited internal resources to the project in accordance with the resource requirements outlined in above.
 - The District's functional and technical staff will be committed to the project and the associated changes to their job functions.
 - The District project personnel will participate in accordance with time allocation stated in this statement of work and will remain assigned to the project as long as they remain active employees.
 - The District resources that are dedicated to the project will have their daily responsibilities appropriately prioritized to meet the project requirements and objectives.
 - Lack of performance by the District or CedarCrestone resources that negatively impacts the project may require replacement of said resources. The District and CedarCrestone agree that if mutually agreed upon, a replacement resource will be identified and assigned within 5 business days after identification/agreement.
13. The District shall provide input, review, and participation during performance of the Services, including subject matter experts that will be available to participate in workshops and scheduled meetings.
14. The District shall ensure that its employees make time available, and provide CedarCrestone personnel access to key users and technical personnel within the District organization as it relates to the performance of Services.
15. CedarCrestone consultants will perform services in a combination of locations including the District's office, in CedarCrestone's Solution Center and remotely.
16. The District will provide remote connectivity consistent with its security process and procedure to be used during the project.
17. The District will own responsibility for completeness and accuracy of all data provided. Audit reports will be run once the data is in Workday and the District will need to sign off that they accept the data migrated.
18. The District will be responsible for any 3rd party communications to complete integrations.
19. Four (4) builds are included during the project: Initial Tenant (P0), Configuration & Prototype Tenant (P1), Final Configuration/Parallel Tenant (P2) and Gold Tenant. Each build will last two (2) to three (3) weeks.
20. CedarCrestone will audit training classes provided to the District employees. Training classes must be held, the District employees must attend, and sign off from CedarCrestone based on this training for go-live will be required.
21. The District shall be responsible for establishing and following such change control procedures as it deems appropriate for this engagement. CedarCrestone shall be entitled to rely on any proper change order given to it by the District, although their use is not required for a District change order to be effective, examples of change order documents are attached as Exhibit A.
22. Our timeline assumes a project start date on or around August 1, 2014 for a go live including Payroll on or before October 1, 2015.
23. Functional configuration is detailed in the functional scope section of this proposal.

24. Data extraction from legacy system will be performed by the District.
25. The District will be responsible for all data cleansing.
26. CedarCrestone acknowledges the integrations listed in the technical scope section and we have provided 1,250 hours of integration support/development. CedarCrestone will work with the District so that at the conclusion of system testing, the District will take ownership of the integrations.
27. The District firewall will be configured correctly to make the necessary inbound and outbound calls for the necessary integrations.
28. There will be a SFTP server configured and available for use with the external vendor systems.
29. Existing Cloud Connects will be utilized where applicable.
30. CedarCrestone assumes that the District will leverage Workday processes "out of the box" and the hours estimated for Business Process Configuration includes standard configuration. The District will provide resource(s) to be designated as a business process administrator. This resource will attend required Workday training.
31. CedarCrestone assumes that the District is responsible for the delivery of end-user training.
32. CedarCrestone assumes that the District will provide up to 3-4 individuals to customize the Workday Adoption Toolkit materials and develop any new materials as needed for end-user training materials. CedarCrestone will provide guidance on using the Toolkit.
33. CedarCrestone assumes that the identified District educators will engage with the change management and training program from the early onset of the project.
34. CedarCrestone assumes that the District will provide an individual to serve in the role of the District's Change Management and Training Lead and that this individual will direct and guide the District's Change Agent Team.
35. CedarCrestone assumes the District Change Management and Training Lead will play a key role with a focus on the people side of user adoption, including changes to business processes, job roles, and organization structures.
36. The District will be responsible for leading and executing all testing activities within the Test stage of the project with knowledge support from CedarCrestone consultants. All executed testing scenarios must be approved prior to moving into the Deployment stage. Any changes after the scheduled completion of the test stage and approval of testing activities that impact the project timeline will require a change order.
37. The District will be responsible for all parallel testing reconciliations including those that involve paper based processes in the District's current payroll process.
38. The CedarCrestone scope includes four tenant builds which include data migration and configuration to support project needs. A build does not include copies of existing tenants for different uses on the project (e.g. integration development, sandbox, testing etc.). If the District requires additional builds during the project, a change order will be required.

7. PRICING

The rate for CedarCrestone's services will be \$160 per hour for CedarCrestone resources and \$232 per hour for Solution Architects provided by Workday. Services rates do not include travel related expenses. Services will be billed two times per month for hours worked during the previous billing period. Estimated hours for the project are listed below. CedarCrestone and the District have established a budget that is detailed below that will be jointly managed during the

project. The budget will include services hours/cost and related travel expenses. Any efforts beyond the budget that are required to complete the project or perform services outside of the scope documented within this statement of work will not be expended without prior written approval from the District. Any reduction of CedarCrestone hours based upon changes to scope, the District taking responsibility for configurations / CedarCrestone tasks etc., will be documented, and mutually agreed upon by the District and CedarCrestone.

CedarCrestone Workday Deployment Services	Hours	Rate	Cost
Engagement Manager			
Solution Architect – HCM			
Solution Architect – Financials			
Solution Architect – Financials (Workday)			
Solution Architect – Payroll			
Consultant – HCM			
Consultant – Payroll			
Consultant – Procure to Pay			
Consultant – Financials			
Data Migration Lead			
Integration Lead			
Integration Consultant			
Change Management Lead			
Services Subtotal:			
Estimated Travel Expenses:			
Total CedarCrestone Services:			
Workday Delivery Assurance*:			
Workday Project Team Training*:			
Workday Premium Support*:			
Total Estimated Services:			

*Workday Delivery Assurance, Project Team Training, and Premium Support are not included within CedarCrestone's agreement or statement of work with the District. The District will need to contract with Workday directly for these services. Pricing for the services has been included here to allow the District to understand the overall project related budget.

Travel is estimated at 50% of total project hours and will be billed two times per month. Travel expense invoices will be based upon actual travel expenses incurred. CedarCrestone consultants will follow CedarCrestone's travel policy.

The District agrees to provide CedarCrestone with a minimum of ten (10) business days advance notice of an unscheduled SOW termination or staffing reduction. In the event the District provides less than ten (10) business days' notice, CedarCrestone reserves the right to invoice the District for sixteen (16) hours of consulting services per consultant released. In the event of cancellation, the District shall also be responsible for all non-refundable advance purchase airline tickets purchased within 15 business days of notification. CedarCrestone shall not make any additional purchases nor incur any additional expense upon receipt of any notice of termination or staffing reduction as it relates to any Consultant referenced in any such notice.

Schedules, Exhibits and Attachments: These terms are used interchangeably and refer to the following referenced documents. This SOW specifically excludes any document not referenced herein.

The authorized representatives of the parties have signed this Statement of Work.

Sacramento City Unified School District

CedarCrestone, Inc.

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

Exhibit A

C.1 CEDARCRESTONE SIMPLE CHANGE ORDER	
DATE SUBMITTED: ____ / ____ / ____	
MASTER SERVICE AGREEMENT REFERENCE NUMBER:	<u>CedarCrestone</u>
STATEMENT OF WORK REFERENCE NUMBER:	<u>CedarCrestone</u>
REQUEST SUBMITTED BY:	____, _____, <u>CedarCrestone</u>
CHANGE ORDER NARRATIVE:	
THE PURPOSE OF THIS CHANGE ORDER IS:	
THE IMPACT AND/OR COSTS ASSOCIATED WITH THIS CHANGE ORDER ARE ESTIMATED AS FOLLOWS:	
ATTACHMENTS, SCHEDULES OR TABLES:	
This Change Order shall constitute an amendment to, and shall be deemed part of, the terms and conditions of the Statement of Work titled _____.	
The authorized representatives of the parties have signed this Change Order.	

C.1 CEDARCRESTONE SIMPLE CHANGE ORDER

CEDARCRESTONE

CLIENT

CedarCrestone, Inc.

**The
District**

By:

By:

Name:

Name:

Title:

Title:

Date:

Date: