

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

545



**FROM:** Department of Mental Health

**SUBMITTAL DATE:**  
February 27, 2014

**SUBJECT:** Ratify the Agreement with Kronos, Inc. for Electronic Time and Attendance System.  
(District: All) [\$50,000 ongoing] Federal and State

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and execute the one year Professional Service Agreement with Kronos, Inc. for an upgrade and maintenance of electronic time and attendance system in the amount of \$127,930, which contains an option to renew the agreement for one year periods through June 30, 2018.
2. Authorize the Chairman of the Board to sign the Professional Service Agreement with Kronos, Inc.
3. Authorize the Purchasing Agent to administer the terms of the Professional Service Agreement and sign the Services Scope Statement, additional licenses and annual maintenance fee agreements.
4. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 to sign renewals, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates through June 30, 2018.

(Continued on Page 2)

*[Signature]*  
\_\_\_\_\_  
Jerry Wengerd, Director  
Department of Mental Health

JW:DC

| FINANCIAL DATA                                 | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost:                    | POLICY/CONSENT<br>(per-Exec. Office)  |
|--|----------------------|-------------------|-------------|----------------------------------|---|
| <b>COST</b>                                    | \$ 127,930           | \$ 50,000         | \$ 327,930  | \$ 50,000                        | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| <b>NET COUNTY COST</b>                         | \$ 0.00              | \$ 0.00           | \$ 0.00     | \$ 0.00                          |   |
| <b>SOURCE OF FUNDS:</b> State 89%, Federal 11% |                      |                   |             | <b>Budget Adjustment:</b> NO     |   |
|  |                      |                   |             | <b>For Fiscal Year:</b> FY 13/14 |   |

**C.E.O. RECOMMENDATION:**

APPROVE

BY:

*[Signature]*  
Jennifer L. Sargent

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None  
Date: March 11, 2014  
xc: Mental Health, Purchasing

Kecia Harper-Ihem  
Clerk of the Board  
By: *[Signature]*  
Deputy

Prev. Agn. Ref.: 07/15/08 item 3.46 | District: ALL | Agenda Number:

FORM APPROVED COUNTY COUNSEL  
BY: *[Signature]* 3-3-14  
DATE  
ELENA M. BOEVA  
Departmental Concurrence  
Purchasing: *[Signature]*  
Mark Seiler, Assistant Director

A-30  
 Positions Added  
 4/5 Vote  
 Change Order

3-18

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FORM 11: Ratify the Agreement with Kronos, Inc. for Electronic Time and Attendance System.**

(District: All) [\$50,000 ongoing] Federal and State

**DATE:** February 27, 2014

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary (continued)**

Kronos is the electronic time keeping system utilized by the Department of Mental Health (DMH) to track all of the department employees for payroll purposes. Under the current Kronos agreement, the DMH is allotted 1,200 user software licenses with the proprietary Kronos software.

The DMH must continue to pay the Kronos annual maintenance fee every year in order to maintain the software. Additionally, the DMH is requesting to update the existing Kronos 5.1 software to 7.0 due to end of life of the current software. Finally, the DMH has utilized all existing software licenses. Without additional user licenses, the DMH cannot add new employees to the Kronos time keeping system, and must use paper time sheets for new employees. Approval of this Form 11 makes provisions for the DMH to purchase products (licenses, upgrades, etc.) and to obtain additional services as needed to meet the Fair Labor Standard Act (FLSA), and maintain an effective, efficient, electronic time keeping system.

**Impact on Citizens and Businesses**

The Kronos time keeping system has no impact on citizens or business, Kronos is explicitly used as an internal time keeping system for DMH employees.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

The cost to upgrade the existing Kronos system and pay the annual maintenance for FY13/14 is \$127,930. If the department were to implement a new time keeping system, the estimated first year cost to implement a new system would be approximately \$761,000.

**Contract History and Price Reasonableness**

In January of 1995, the DMH purchased, installed, and implemented the current Kronos Time and Attendance System. The contract was awarded through a competitive bid process (RFP) to the lowest responsible and responsive bidder, Kronos, Inc. On July 15, 2008, (3.46), the Board of Supervisors ratified the DMH agreement with Kronos for FY 08/09, with annual renewals through June 30, 2013.

It is the intent of the County of Riverside to conduct a Request for Proposal (RFP) for a county-wide time and attendance system. The DMH will participate in this county-wide RFP process. In the interim, the DMH is requesting the authority to renew the Kronos agreement in order to maintain a time keeping system to meet the department needs.

This Professional Service Agreement (PSA) has taken longer than normal to complete due to extensive negotiations that occurred between Kronos management, Kronos sales force, Human Resources, DMH Management, Riverside County Counsel, Purchasing and Kronos attorneys.

**PROFESSIONAL SERVICE AGREEMENT**

**for**

**PROFESSIONAL SERVICES/SOFTWARE LICENSE/SOFTWARE MAINTENANCE AND UPGRADE SERVICES**

**between**

**COUNTY OF RIVERSIDE**

**and**

**KRONOS INCORPORATED**



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This Agreement is made and entered into by and between KRONOS, INC, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

**1. Description of Services**

**1.1** CONTRACTOR shall provide all services as outlined and specified in Attachment I, **Statement of Work**, consisting of fourteen (14) pages at the prices stated in Exhibit A, Payment Provisions, consisting of one (1) page.

**1.2** CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform in conformance to and consistent with the standards of firms/professionals in the same discipline in the State of California.

**1.3** CONTRACTOR is not to perform services or provide products outside of the Agreement.

**1.4** COUNTY and CONTRACTOR agree that the terms and conditions set forth in this Agreement shall apply to all CONTRACTOR Equipment, Software, Professional and Educational Services, Support, and such other CONTRACTOR offerings, as specified on an order form (an "Order Form") signed by the parties which expressly references this Agreement (or is signed contemporaneously hereto).

**1.5 PROFESSIONAL SERVICES WARRANTY**

CONTRACTOR warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that CONTRACTOR breaches this warranty, and COUNTY so notifies CONTRACTOR within 30 days of receipt of invoice for the applicable services, the COUNTY's sole remedy and CONTRACTOR'S exclusive liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to COUNTY.

**1.6 CONTRACTOR PROFESSIONAL/EDUCATIONAL SERVICES POLICIES**

CONTRACTOR'S then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased under the applicable Services Scope Statement or Statement of Work. A copy of the current policies is attached hereto as an Exhibit B to this Agreement and incorporated herein by this reference. Kronos reserves the right to update these policies at any time, with no material diminution in service. The current version can be found on the Customer Portal of the Kronos website. In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

CONTRACTOR and COUNTY hereby agree that the terms and conditions of this Agreement apply to any Order Form executed by CONTRACTOR and COUNTY which expressly references this Agreement (including any Order Form signed contemporaneously with this Agreement regardless of the appearance of any express reference to this Agreement). Either party may discontinue use of this Agreement for future orders upon thirty (30) days prior written notice to the other party, provided however that any Order Form signed by the parties prior to the effective date of such notice shall remain in effect unless otherwise specifically terminated in accordance with the terms of this Agreement. CONTRACTOR may require additional terms and conditions for the sale or license of products or services not contemplated by this Agreement provided that no such additional terms and conditions shall be binding upon COUNTY without COUNTY's prior written consent. Notwithstanding, CONTRACTOR will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. All orders are subject to the approval of CONTRACTOR'S corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form

shall supersede the pre-printed terms of any COUNTY purchase order or other COUNTY ordering document, and no such COUNTY pre-printed terms shall apply to the items ordered.

**2. Period of Performance**

**2.1** This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through June 30<sup>th</sup>, 2014, with the option to renew for five (5) years, each year shall be renewable in one year increments by written amendment, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

**3. Compensation**

**3.1** The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit A, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed \$127,930 including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. The payment of \$127,930.00 will entitle the COUNTY to 286 hours of work by Kronos personnel, which is the good faith best estimate of both parties for the number of hours necessary to complete the engagement laid out in the Statement of Work. Should the scope of the project change, such that additional hours would be required to complete the full implementation, the parties will negotiate in good faith a Change Order pursuant to Section 7.2. The decision to pursue such a Change Order is within the sole discretion of the COUNTY. Processing of the Change Order would require a mutually agreed amendment to this Agreement. Unless otherwise specifically stated in Exhibit A, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement. CONTRACTOR will invoice COUNTY for products upon Delivery.

**3.2** No price increases will be permitted during the first year of this Agreement. Additional quantities of any product listed on the Order Form may be purchased at the unit price stated on the Order Form for the twelve months following execution of this Agreement. At any time, the COUNTY is entitled to make purchases through the Government Services Administration (GSA).

**3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR and COUNTY shall pay the invoice within thirty (30) days from the date of electronic delivery of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Riverside County Department of Mental Health  
4095 County Circle Drive  
Riverside, CA 92503

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

**3.4** KnowledgePass annual subscription.

COUNTY shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. CONTRACTOR will send COUNTY a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if COUNTY pays such invoice before the end of the initial term or any renewal term.

**3.5** The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment; however this will not relieve the COUNTY of the obligations stated in Section 8.4. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated.

#### **4. License Terms**

##### **4.1. GENERAL LICENSE TERMS**

CONTRACTOR owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without CONTRACTOR'S written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price COUNTY pays for a copy of the Software constitutes a license fee that entitles COUNTY to use the Software as set forth below. CONTRACTOR grants to COUNTY a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by CONTRACTOR by written notice to COUNTY upon any material breach of this Agreement by COUNTY which remains uncured for a period of thirty (30) days after such written notice from CONTRACTOR. Upon such termination of this license by CONTRACTOR, COUNTY will have no further right to use the Software and will return the Software media to CONTRACTOR and destroy all copies of the Software (and related documentation) in COUNTY'S possession or control. This license is subject to all of the terms of this Agreement.

##### **4.2. FEE BASED LIMITATIONS**

COUNTY recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by COUNTY. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. COUNTY agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of COUNTY'S own business. COUNTY agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until COUNTY pays the applicable fee for such increase/upgrade. COUNTY may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. COUNTY may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of CONTRACTOR.

##### **4.3. OBJECT CODE ONLY**

COUNTY may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include

components owned by third parties. Such third party components are deemed to be Software subject to this Agreement. COUNTY shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software.

#### 4.4. PERMITTED COPIES

COUNTY may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the CONTRACTOR iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the COUNTY.

#### 4.5. UPDATES

In the event that CONTRACTOR supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

#### 4.6. FIRMWARE

COUNTY may not download firmware updates for the CONTRACTOR Equipment unless COUNTY is maintaining such Equipment under a support plan with CONTRACTOR. If COUNTY is not maintaining the Equipment under a support plan with CONTRACTOR, CONTRACTOR shall have the right to verify COUNTY's CONTRACTOR Equipment to determine if COUNTY has downloaded any firmware to which COUNTY is not entitled. If COUNTY has downloaded firmware for the CONTRACTOR Equipment to which COUNTY is not entitled, COUNTY shall be responsible to pay CONTRACTOR for such updated firmware in accordance with CONTRACTOR'S then-current support policies.

#### 4.7 TRAINING POINTS

Training Points which are purchased by COUNTY may be redeemed for an equivalent value of instructor-led training sessions offered by CONTRACTOR. Available instructor-led sessions are listed at <http://COUNTY.CONTRACTOR.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other CONTRACTOR products and/or services. CONTRACTOR will invoice COUNTY for the Training Points identified in the Order Form upon execution of such Order Form with payment due upon the payment terms indicated in such Order Form.

#### 4.8 ACCEPTANCE/PRE-EMPLOYEE ROLLOUT OF SOFTWARE

For COUNTY's initial purchase of each Equipment and Software product CONTRACTOR shall provide an acceptance test period (the "Test Period") that commences on Installation of software, . "Installation" shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on COUNTY's server(s); and c.) implementation team training, if any, is complete. The parties agree that Installation shall be completed before roll out of the software. During the Test Period, COUNTY shall determine whether the Equipment and Software meet the CONTRACTOR published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If COUNTY has not given CONTRACTOR a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If COUNTY provides a Deficiency Statement within the Test Period, CONTRACTOR shall have 30 days to correct the deficiency, and COUNTY shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment



or Software does not meet the Specifications at the end of the second 30 day period, either COUNTY or CONTRACTOR may terminate this Agreement. Upon any such termination, COUNTY shall return all Equipment and Software (and related documentation) to CONTRACTOR, and CONTRACTOR shall refund any monies paid by COUNTY to CONTRACTOR for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

## **5. Software Support Services**

### **5.1 SUPPORT OPTIONS**

COUNTY may select, as indicated on an Order Form, a Software support purchase options ("Service Type") offered by the local CONTRACTOR entity responsible for supporting the CONTRACTOR Software installed within the geographical territory of such local CONTRACTOR entity. Each Service Type provides for different service coverage periods ("Service Coverage Period") and/or service offerings ("Service Offerings") as specified herein and in the applicable CONTRACTOR Support Service Policies (defined below). COUNTY must purchase the same Service Type for all of the Software specified on the Order Form, (however, if COUNTY is purchasing support services for Visionware Software, COUNTY may only purchase Gold Service Type for the Visionware Software). All Updates shall be provided via remote access. COUNTY may purchase support services for Equipment pursuant to the terms and conditions of this Agreement and Exhibit A, Equipment Support Addendum, if and as such offerings are available within the CONTRACTOR territory corresponding to the Equipment's location.

### **5.2 EXTENDED SUPPORT PROGRAM (DELL SERVERS)**

COUNTYs purchasing the Extended Support Program (as indicated on the Order Form) for their Dell servers purchased from CONTRACTOR shall receive a specialized, bundled set of CONTRACTOR Support Services. Because of the specialized nature of these services, the terms and conditions located at <http://www.Kronos.com/Legal/SupplementalTerms.aspx> shall supersede the provisions of this Agreement for the Extended Support Program.

### **5.3 TERM OF SOFTWARE SUPPORT**

Unless otherwise indicated on the Order Form, support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall automatically renew for additional one year terms on the anniversary date of its commencement date, unless either party notifies the other in writing thirty (30) days prior to that anniversary renewal date. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by CONTRACTOR with thirty (30) days advance written notice to COUNTY. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 3% over the prior year's annual support fee.

### **5.4 SERVICE OFFERINGS**

For all Service Types, COUNTY shall be entitled to receive:

**5.4.1** Updates for the Software (not including any Software for which CONTRACTOR charges a separate license fee), provided that COUNTY's operating system and equipment meet minimum system configuration requirements, as reasonably determined by CONTRACTOR. If COUNTY requests CONTRACTOR to install such Updates or to provide retraining, COUNTY agrees to pay CONTRACTOR for such installation or retraining at CONTRACTOR'S then-current time and materials rate.

**5.4.2** Telephone and/or electronic access to the CONTRACTOR Global Support Center for the logging of requests for service during the Service Coverage Period.

**5.4.3** Web-based support including access to Software documentation, FAQ's, access to CONTRACTOR knowledge base, COUNTY forums, and e-case management. Such offerings are subject to modification by CONTRACTOR.

**5.4.4** Web-based remote diagnostic technical assistance which may be utilized by CONTRACTOR to resolve Software functional problems and user problems during the Service Coverage Period.

**5.4.5** Access to specialized content as and when made available by CONTRACTOR such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

#### **5.5 ADDITION OF SOFTWARE**

Additional Software purchased by COUNTY during the initial or any renewal term shall be added to this Agreement at the same support option as the then current Software support coverage in place under these terms. COUNTY agrees to pay the charges for such addition, and any such addition shall be automatically renewed as provided in these terms.

#### **5.6 RESPONSIBILITIES OF COUNTY**

COUNTY agrees (i) to provide CONTRACTOR personnel with full, free and safe access to Software for purposes of support, including use of CONTRACTOR'S standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than CONTRACTOR without prior written authorization from CONTRACTOR. Failure to utilize CONTRACTOR'S remote access technology may delay CONTRACTOR'S response and/or resolution to COUNTY'S reported Software problem. If COUNTY requires the use of a specific remote access technology not specified by CONTRACTOR, then COUNTY must purchase the Plus option to receive support and provide CONTRACTOR personnel with full, free and safe access to the remote access hardware and/or software.

#### **5.7 DEFAULT**

COUNTY shall have the right to terminate CONTRACTOR support services in the event that CONTRACTOR is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, CONTRACTOR shall refund to COUNTY on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. CONTRACTOR reserves the right to terminate or suspend support service in the event the COUNTY is in default under this Agreement with CONTRACTOR and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that COUNTY ceases to do business as a going concern or has its assets assigned by law.

#### **5.8 WARRANTY**

CONTRACTOR warrants that all support services shall be performed in a professional and competent manner.

#### **5.9 CONTRACTOR SUPPORT SERVICE POLICIES**

CONTRACTOR'S then-current Support Services Policies shall apply to all Support Services purchased. A copy of the current policies is attached hereto as an Exhibit C to this Agreement and incorporated herein by this reference. Kronos reserves the right to update these policies at any time, with no material diminution in service. The current version can be found on the Customer Portal of the Kronos website. In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

**6. Knowledgepass Education Subscription:**

The parties hereby agree that the following terms shall apply to COUNTY's purchase of the CONTRACTOR KnowledgePass Education Subscription only, if specified on the Order Form:

**6.1 Scope:** The KnowledgePass Education Subscription is available to COUNTYs who are licensing CONTRACTOR'S Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with CONTRACTOR. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by CONTRACTOR (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

**6.2 Term of Subscription:** The KnowledgePass Education Subscription shall run co-terminously with COUNTY's Software Support, and shall renew for additional one (1) year terms provided COUNTY renews its KnowledgePass Education Subscription as provided below.

**6.3 Limitations:** COUNTY recognizes and agrees that the KnowledgePass Content is copyrighted by CONTRACTOR. COUNTY is permitted to make copies of the KnowledgePass Content provided in \*pdf form solely for COUNTY's internal use and may not disclose such KnowledgePass Content to any third party other than COUNTY's employees. COUNTY may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of CONTRACTOR, provided that COUNTY may download and modify contents of Training Kits solely for COUNTY's internal use.

**6.4 Train-the-Trainer Program (TTT):** Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers a maximum of six (6) COUNTY employees and who completes the TTT Program.

**7 Alteration or Changes to the Agreement**

**7.1** The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement on behalf of COUNTY. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, by mutual agreement of COUNTY AND CONTRACTOR, and the Agreement shall be modified by written amendment accordingly.

**7.2** Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

**8. Termination**

**8.1.** COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

**8.2** If CONTRACTOR fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure, COUNTY will provide CONTRACTOR with notice of the defect. CONTRACTOR will have an opportunity to escalate the issue to management of both parties and cure the defect. If within thirty (30) days of the initial notice, COUNTY is not satisfied, it may terminate this Agreement for CONTRACTOR's default. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

**8.3** After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any, reports or other documentation in progress, at the state they exist upon termination.

**8.4** After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement plus compensation for any materials provided by CONTRACTOR in accordance with Section 8.3(b) plus compensation for any materials provided by CONTRACTOR in accordance with Section 3 above and at the rates set forth in Exhibit A.

**8.5** CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

**8.6** CONTRACTOR is debarred from the System for Award Management (SAM). If the agreement is federally or State funded, CONTRACTOR must notify the COUNTY immediately of the debarment. Reference: (System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

**8.7** The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

**9. Ownership/Use of Contract Materials and Products**

CONTRACTOR shall own all right, title and interest, including copyrights and patent rights, in and to any and all Work Product provided to COUNTY hereunder and to ideas, concepts, expertise, programs, systems, methodologies, data or other materials that are developed by CONTRACTOR under the Agreement. COUNTY is granted a non-exclusive, perpetual, fully paid-up, royalty-free, non-transferable, world-wide license to use, modify, and copy the Intellectual Property solely for its internal business operations. Each party shall own all rights, title and interest, in any and all of its ideas, concepts, expertise, programs, systems, methodologies, data or other materials that it acquired or developed prior to the Agreement, and neither party will acquire any right, title, or interest by virtue of its performance under the Agreement in the intellectual property rights to any hardware or software of the other party.

**10. Conduct of Contractor**

**10.1** The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

**10.2** The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

**10.3** The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

**11. Inspection of Service; Quality Control/Assurance**

**11.1** All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement. The COUNTY may also terminate this Agreement for default and pursue its remedies at law with respect to any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

**11.2** CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

**11.3** COUNTY's rights under section 11 shall not include access to CONTRACTOR'S premises without CONTRACTOR's agreement, or access to CONTRACTOR's computer systems.

**12. Independent Contractor**

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by

reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

**13. Subcontract for Work or Services**

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

**14. Disputes**

**14.1** The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

**14.2** Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

**15. Licensing and Permits**

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

**16. Use By Other Political Entities**

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County; however, if such entities have contracted separately with CONTRACTOR at different prices, this section 16 shall not entitle such entities to an adjustment in pricing. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

**17. Non-Discrimination**

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

**18. Records and Documents**

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

**19. Confidentiality**

**19.1** The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

**19.2** The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

**19.3** This subparagraph is subject to the requirements of the California public records laws. The Software (and Software documentation), and the Specifications shall be deemed to be CONTRACTOR'S Confidential Information. COUNTY shall protect the Confidential Information of CONTRACTOR with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

**19.4** This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without

violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence; or (e) was required to be disclosed by applicable law; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure.

**20. Personal Data Processing And Security**

**20.1** As used in this section, "Personal Data" means any information provided by COUNTY and defined by applicable data protection laws or regulations ("Data Protection Laws") as data relating to a person for the purposes of such Data Protection Laws.

**20.2** CONTRACTOR agrees that all Personal Data is and will remain the exclusive property of COUNTY and that all such Personal Data shall be considered COUNTY's Confidential Information under this Agreement. CONTRACTOR agrees to implement and maintain reasonable technical and organizational measures designed to guard against: (i) unauthorized or unlawful access to, or processing of, Personal Data; and, (ii) accidental loss or destruction of, or damage to, Personal Data in the possession and control of CONTRACTOR, including its subcontractors.

**20.3** COUNTY and CONTRACTOR each agree to comply with its respective obligations under all applicable Data Protection Laws. COUNTY acknowledges that under applicable Data Protection Laws COUNTY is and remains at all times the controller of the Personal Data and CONTRACTOR is and remains at all times a processor of Personal Data on behalf of COUNTY when performing services requested by COUNTY.

**20.4** COUNTY agrees that it shall not give CONTRACTOR access to any Personal Data unless necessary for CONTRACTOR to perform the services as described this Agreement. COUNTY hereby expressly authorizes: (i) such Personal Data to be accessed by or transferred to CONTRACTOR, its employees, agents, subcontractors and affiliates worldwide as reasonably required to provide such services; and, (ii) CONTRACTOR'S processing of such Personal Data for the purpose of providing such services, or as otherwise required by Data Protection Laws (collectively "Authorized Use"). COUNTY represents and warrants to CONTRACTOR: (i) that COUNTY has the right to disclose and provide the Personal Data for CONTRACTOR'S Authorized Use; (ii) that the transfer to, retention of, and Authorized Use of any Personal Data by CONTRACTOR is legally permissible under applicable Data Protection Laws; and, (iii) that COUNTY has obtained consent from its employees and other subjects of such Personal Data for such transfer, retention, and Authorized Use to the extent required under applicable Data Protection Laws.

**21. Administration/Contract Liaison**

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.



**22. Notices**

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

**COUNTY OF RIVERSIDE**  
DEPARTMENT OF MENTAL HEALTH  
4095 COUNTY CIRCLE DRIVE  
RIVERSIDE, CA 92503

**CONTRACTOR**  
KRONOS INCORPORATED  
297 BILLERICA ROAD  
CHELMSFORD, MA 01824

**23. Force Majeure**

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

**24. EDD Reporting Requirements**

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

**25. INTELLECTUAL PROPERTY INDEMNIFICATION**

CONTRACTOR agrees to indemnify COUNTY and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of patents or copyrights issued by any country that is a signatory to the Berne Convention asserted against COUNTY by virtue of COUNTY's use of the Software as delivered and maintained by CONTRACTOR, provided that: i) CONTRACTOR is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) COUNTY reasonably cooperates with CONTRACTOR in connection with the foregoing and provides CONTRACTOR with all information in COUNTY's possession related to such claim and any further assistance as reasonably requested by CONTRACTOR. CONTRACTOR will have no obligation to indemnify COUNTY to the extent any such claim is based on the use of the Software with software or equipment not supplied by CONTRACTOR. Should any or all of the Software as delivered and maintained by CONTRACTOR become, or in

CONTRACTOR'S reasonable opinion be likely to become, the subject of any such claim, CONTRACTOR may at its option: i) procure for COUNTY the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to COUNTY. In such event of termination, COUNTY shall be entitled to a pro-rata refund of all fees paid to CONTRACTOR for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order.

**26. Hold Harmless/Indemnification**

**26.1** CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, based or asserted upon any negligence or willful misconduct of CONTRACTOR, its officers, employees, subcontractors, agents or representatives relating to property damage, bodily injury, death, or other elements arising out of CONTRACTOR'S performance under this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

**26.2** With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

**26.3** CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

**26.4** The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

**26.5** In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

**27. LIMITATION OF LIABILITY**

COUNTY'S EXCLUSIVE REMEDIES AND CONTRACTOR'S SOLE LIABILITY FOR ANY CONTRACTOR BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR CONTRACTOR'S INDEMNIFICATION OBLIGATIONS SET FORTH IN THIS AGREEMENT, IN NO EVENT SHALL CONTRACTOR'S OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A COUNTY, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL CONTRACTOR OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY

LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR COUNTY'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

**28. Insurance**

**28.1** Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

**A. Workers' Compensation:**

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

**B. Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

**C. Vehicle Liability:**

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

**D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DOCTORS, AND LAWYERS).** Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of

Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

**E. General Insurance Provisions - All lines:**

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the COUNTY Risk Manager. If the COUNTY Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence, each such retention shall have the prior written consent of the COUNTY Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the COUNTY Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the COUNTY Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to request that CONTRACTOR adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the COUNTY Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate. Such request not to be unreasonably rejected.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

**29. General**

**29.1** Neither party shall delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of the other party, except that either party may assign this Agreement to a successor in interest. In the event that COUNTY objects to the CONTRACTOR's successor in interest, the COUNTY may terminate this Agreement on thirty (30) days' notice. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

**29.2** Any waiver by either party of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of either party to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing either party from enforcement of the terms of this Agreement.

**29.3** CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

**29.4** CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

**29.5** Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest.

**29.6** The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

**29.7** CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures to the extent such policies and procedures have been clearly communicated to CONTRACTOR in sufficient time prior to their application, and provided that CONTRACTOR is given opportunity to offer reasonable objections. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

**29.8** CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

**29.9** CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

29.10 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

29.11 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

**COUNTY:**

COUNTY OF RIVERSIDE  
BOARD OF SUPERVISORS  
4080 Lemon Street, 5<sup>th</sup> Floor  
Riverside, CA 92501

**CONTRACTOR:**

KRONOS INCORPORATED  
297 BILLERICA ROAD  
CHELMSFORD, MA 01824

Signature: Jeff Stone

Print Name: JEFF STONE

Title: CHAIRMAN, BOARD OF SUPERVISORS

Dated: MAR 11 2014

Signature: Alyce Moore

Print Name: Alyce Moore

Title: Vice President, General Counsel

Dated: 2/27/14

**ATTEST:**

Kecia Harper-Ihem, Clerk of the Board

Rapun Rose  
Deputy

FORM APPROVED COUNTY COUNSEL  
BY: Elena M. Boeva 3-3-14  
ELENA M. BOEVA DATE

EXHIBIT - A  
SUMMARY OF COST

| ITEM                                      | COST OF SERVICE |
|---|-----------------|
| Upgrade Workforce Central from 5.1 to 7.0 | \$75,790.00     |
| Additional Licenses<br>(120 additional)   | \$14,962.00     |
| Annual Maintenance Agreement              | \$37,178.00     |
| Total                                     | \$127,930.00    |

EXHIBIT B  
PROFESSIONAL AND EDUCATIONAL SERVICES POLICIES

Professional and Educational Services Engagement Policies

The following are intended to provide the policies under which Kronos Professional and Educational Services will operate during the course of a customer engagement:

**Professional Services:**

1. Kronos will provide Customers with a Professional Services Estimate or Statement of Work that outlines the project deliverables and provides an estimate for the project scope and cost required to complete the engagement, based upon preliminary information provided by Customer.
2. Kronos and Customer agree that given the use of estimated times; the Assess Phase of the engagement will be used to determine whether modifications to project scope and cost are required.
3. Any such modification to project scope and cost will be supported through the generation of a Kronos Change Order that is signed by the Customer (see Change Order Process below).
4. The original project scope and cost of an engagement will apply until, and if, the Customer signs a Change Order.
5. The Professional Services Estimate or Statement of Work is valid for one year from the date of signature.
6. Kronos will invoice the Customer on a monthly basis for all Professional Services provided during the previous month.
7. Professional Services work will be conducted during normal business hours, 8:00 AM – 5:00 PM, Monday through Friday.
8. All Professional Services work scheduled to start outside of normal business hours will be billed in full at a premium rate described below. For work to be performed After Hours, on Holidays, or on Weekends, an approved Change Order will be required prior to scheduling (see Change Order Process below). Customers will be charged as follows:
  - a. All Professional Services will be scheduled and billed in 4 hour increments with a minimum charge of 4 hours.
  - b. After Hours
    - i. All scheduled work will be billed at 1.5 times the current contract rate by role.
    - ii. After Hours are 5:00 PM – 8:00 AM, Monday through Thursday.
  - c. Weekend
    - i. All scheduled work will be billed at 2.0 times the current contract rate by role.
    - ii. Weekend is 5:00 PM Friday– 8:00 AM Monday.
  - d. Holiday
    - i. All scheduled work will be billed at 2.0 times the current contract rate by role.
    - ii. Holiday is recognized Kronos Holiday (see below).
  - e. Onsite Support requiring Travel:
    - i. All travel time (portal to portal) will be billed at the current contract rate by role.
    - ii. Expense reimbursement is pursuant to the agreement covering such Professional Services between the customer and Kronos.
9. Kronos requires notification for the cancellation or rescheduling of Kronos personnel. Customer will be charged for failure to meet the following notification requirements:
  - a. 2 business days prior to scheduled work — 50% of planned charges are invoiced for scheduled work.
  - b. 1 business day prior to scheduled work — 100% of planned charges are invoiced for scheduled work.
  - c. Business days are Monday, Tuesday, Wednesday, Thursday, and Friday, excluding holidays.

Here is an example:

- o Work is scheduled for Wednesday, 1p – 5p (4 hours)



o Customer cancels on:

- Friday — no penalty
- Monday — 50% of planned charges are invoiced (2 hours)
- Tuesday — 100% of planned charges are invoiced (4 hours)

Here is a holiday example:

o Work is scheduled for Wednesday, 1p – 5p (4 hours)

o Customer cancels on:

- Thursday — no penalty
- Friday — 50% of planned charges are invoiced (2 hours)
- Monday— holiday; doesn't count as "business day"
- Tuesday — 100% of planned charges are invoiced (4 hours)

Kronos Professional Services recognizes the following holidays:

- o New Year's Day
- o President's Day
- o Memorial Day
- o Independence Day
- o Labor Day
- o Thanksgiving Day and the day after
- o Christmas Day

#### Change Order Process

1. All changes to the original, signed Professional Services Estimate or Statement of Work will be initiated by the Kronos Project Manager and reflected through the use of a Change Order, approved and signed by the Customer.
2. A change of project scope and cost, resulting in a Change Order, could result from: an increase or change to project deliverables, customer allocated time, customer scheduling changes, technology limitations.
3. The last authorized Professional Services Estimate or Statement of Work, including any previously approved Change Orders, will prevail until amended by a subsequent approved Change Order.
4. Unless otherwise addressed within these policies, the hourly rate(s) quoted within a Change Order for work to be performed within normal business hours will be consistent with that contained within the original Professional Service Estimate or Statement of Work, if such Change Order is executed during the course of the original engagement, or within one (1) year of the signing of the original Professional Services Estimate or Statement of Work, whichever is earlier.
5. In instances where specialized resources are requested, but not contained within the original Professional Services Estimate or Statement of Work, the quoted rate will be established at Kronos' then current rate for such requested services.

#### Travel

1. Travel expenses will be charged pursuant to the agreement covering such Professional Services between the customer and Kronos.
2. In certain instances specialized resources may be used that require the payment of airfare, lodging and related travel expenses. Customers shall be made aware of any such instance during the sales or Change Order process.
3. Customer is responsible for travel costs for employees attending training at a Kronos location.
4. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.

#### Educational Services

1. All Instructor-led Educational Services classes will be held at a Kronos facility, or via the Kronos Virtual Classroom (if offered in that modality), unless Customer has purchased onsite location training.
2. Kronos requires notification of cancellation from an Instructor-led class. Customer will be charged for training upon failure to meet the following notification requirements:
  - a. For any PUBLIC course held in the traditional classroom or in the virtual classroom:  
Attendees must cancel at least five business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
  - b. For any PRIVATE course held at a customer site, in the traditional classroom, or in the virtual classroom:

Attendees must cancel at least ten business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.

3. Kronos reserves the right to cancel classes up to five business days before the scheduled start date for public courses held in a Kronos Traditional Classroom (KTC) and up to two business days before the scheduled start date for public courses held in a Kronos Virtual Classroom (KVC) due to lack of enrollment or any other unforeseen circumstances.

4. Educational Services purchases are valid for one (1) year from the date of signature. Educational Service purchased but not used within this one-year period will expire.

5. All training course delivery scheduled to start outside of normal business hours will be billed in full at a premium rate described below. Customers will be charged as follows:

a. After Hours

There will be a 1.5 times premium in either per student public or per class private day rates.

After Hours are 5:00 PM – 8:00 AM, Monday through Thursday.

b. Weekend

There will be a 2.0 times premium in either per student public or per class private day rates.

Weekend is 5:00 PM Friday – 8:00 AM Monday.

c. Holiday

There will be a 2.0 times premium in either per student public or per class private day rates.

Holiday is recognized Kronos Holiday (see below).

d. Onsite Support requiring Travel:

All travel time (portal to portal) will be billed at the current contract rate by role.

Expense reimbursement is pursuant to the agreement covering such Educational Services between the customer and Kronos.

Travel

1. Travel expenses will be charged pursuant to the agreement covering such Professional Services between the customer and Kronos.

2. In certain instances specialized resources may be used that require the payment of airfare, lodging and related travel expenses. Customers shall be made aware of any such instance during the sales or Change Order process.

3. Customer is responsible for travel costs for employees attending training at a Kronos location.

4. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.

Other Policies

1. Kronos personnel working at the Customer site shall have access to necessary infrastructure (servers, network, etc.).

2. In instances where Kronos personnel are working remotely access will be granted through the use of industry standard tools (DTS, GoToMyPC, PCAnywhere, etc.).

3. Customer agrees to not hire any Kronos employee who has performed services under the Agreement for a period of one-year after the completion of such services.

4. All required system administration, maintenance, backups, tuning, etc., is the responsibility of the Customer.

5. Customer Data: To perform the implementation and to provide support after completion, Kronos may need to access and retain information regarding your employees and business organization. Kronos will take all reasonable steps to limit and safeguard the security of this information. We may make recommendations to enhance your organization's procedures for securing your data — these recommendations are intended to enhance the security of any sensitive information that is provided to us. However, there are no guarantees that they will ensure the security of your information, nor should Kronos' actions be viewed as the only safeguards necessary. The security of your data is ultimately your responsibility.

EXHIBIT C  
SUPPORT SERVICES POLICIES  
**Software and Equipment Support Services Policies**

Product Coverage

For each installation, Customers must purchase the same software support service type for all software and must purchase the same equipment support service type for all equipment of the same type. The latest Supported Product List is available on the Customer Portal.

Workforce Central suite

Kronos only provides service packs for the current release and the two immediately prior releases of the Software. We currently come out with new releases every eighteen months. Resolution of an issue may require that you upgrade to the current release of the Software.

For Workforce Payroll, when service packs are no longer provided Kronos will provide two quarterly legislative updates to provide you with additional time to upgrade.

Workforce Analytics (WFAN) – supported components include:

All procedures and Database Objects associated with the Workforce Analytics databases.

All WFAN for Healthcare Reports accessible through the "WFAN Advanced Reporting" link from the SharePoint Home Page that were delivered through the Core Product.

All Analysis Services Cubes found in the Workforce Analytics databases.

Timekeeper Central

Kronos only provides "defect repairs" for the current release of the Software.

Kronos defines Version, Release, and Service Pack as follows:

Version: A software product upgrade that includes major new features or functionality.

Release: A software product upgrade that includes minor new features or functionality.

Service Pack: One or more defect repairs bundled into a single update. Service packs are cumulative — Service Pack N will, at minimum, include all of the changes delivered in Service Pack N-1.

*The software product hierarchy is: Version . Release . Service Pack*

Updates

Customers electing to undergo a major platform upgrade migration (i.e. from Timekeeper Central to Workforce Central suite or from OptiLink version 6 to OptiLink Plus version 7) are required to purchase the licenses to the new version at the applicable license fees.

Support Exclusions

Support service does not include service to the Software resulting from, or associated with:

1. Any cause external to the Software including, but not limited to, electrical work, fire, flood, water, wind, lightning and transportation, or any act of God; or
2. Customer's failure to continually provide a suitable installation environment as specified in Kronos' specifications; or
3. Customer's improper use, management or supervision of the Software or other failure to use the Software in accordance with Kronos' specifications; or
4. Customer's repair, attempted repair or modification of the Software without prior authorization from Kronos; or
5. Customer's use of the Software for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos; or
6. Customer's computer or operating system malfunctions; or

7. Services required for application programs and/or conversions from products or software not supplied by Kronos; or
8. Reprogramming, including reconfiguration of the Software or the rebuilding of Customer's database.

In addition to the Support exclusions above the following **Services are NOT covered by your Kronos Support Service Agreement** and are subject to the applicable Kronos Service rates.

1. Configuration Changes, Reprogramming, New Programming such as, but not limited to, Work Rules, Pay Rules, Accrual Rules, Profiles, Dashboards and Fields
2. Creating New Schedules
3. Terminal Programming and Cold Start
4. Pay Period Changes
5. Programming, modifying, implementing, training or troubleshooting the following:
  - a. Data integration interfaces (i.e. Connect, Integration Manager, Analytics)
  - b. Custom Reports
  - c. Custom Application extensions
6. Editing Process Manager templates and creating new templates
7. Installing or reinstalling Applications such as, but not limited to,
  - a. Adding a Workstation
  - b. Moving the Application
  - c. Reinstalling following a Hard Drive Crash
  - d. Service Packs
8. Database Administration Maintenance or Services such as, but not limited to,
  - a. Database maintenance scripts
  - b. Writing or customizing database scripts for data reporting and/or retrieval
  - c. Performance Tuning
  - d. Sizing
  - e. Disaster Recovery
  - f. Database backup strategy and/or setup
9. Establishing a Non-Production Environment such as, but not limited to,
  - a. Test environments, i.e., application servers, database servers
  - b. K-Demo
10. Troubleshooting Environmental Issues such as, but not limited to,
  - a. Operating System
  - b. Network Issues
  - c. Firewalls
  - d. Servers
  - e. Workstations
  - f. Single Sign On
11. Custom Reports or Custom Application Extensions
12. Implementation or configuration services related to upgrading product such as, but not limited to,
  - a. Software implementation
  - b. Porting custom software (i.e., reports)
  - c. Change management

- d. Training
  - e. New functionality deployment
  - f. Application interfaces
13. Service to Kronos custom software is not provided, unless otherwise specified on the applicable Order Form for such custom software.
  14. Importing new data i.e. from acquisitions or purchasing of another company.
  15. Load balancing configuration
  16. Virtual server configuration

Support Discontinuance — End of Service Life

Kronos may discontinue support for the Software upon 30 days written notice to Customer, or at the anniversary date of the relevant support Agreement, whichever is longer. If such support is discontinued during the initial or any renewal term of the relevant support Agreement, the remaining value of the Agreement will be left as a credit on the account to be applied against any future invoices.

Reinstatement of Support Services

In the event that Customer allows Software or Equipment support services to lapse or if Customer did not originally purchase Software or Equipment support services and wishes to reinstate or procure such services, Customer must pay (i) the support services fees at list price for such lapsed or unprocured time period for when the products were not on support; and (ii) the annual support services at the then current list price for the applicable product(s) plus twenty per cent (20%) of the support services fees.

| Service | Coverage   | Period |
|---------|--|--------|
| Local*  | business hours, Monday through Friday, excluding Kronos holidays, with access to Kronos' technical support staff — <b>Gold or Gold Plus Support</b> . *Please check Contact Us on the Customer Portal for the specific business hours of coverage at your location from your Support Services group. |        |

Support Services groups:

|           |  |
|-----------|--|
| Australia | 8:00 a.m. - 5:00 p.m. local time                   |
| Canada    | 8:00 a.m. - 8:00 p.m. local time                   |
| China     | 9:00 a.m. - 6:00 p.m. local time                   |
| India     | 9:00 a.m. - 6:00 p.m. local time                   |
| Mexico    | 9:00 a.m. - 6:00 p.m. Mexico Central Standard Time |
| UK        | 8:00 a.m. - 5:00 p.m. UK time                      |
| US        | 8:00 a.m. - 8:00 p.m. local time                   |

**24 hours a day**, seven days a week, 365 days a year, with access to Kronos' technical support staff — **Platinum or Platinum Plus Support**

Priority Based Support

Kronos provides support on a "priority" basis. As such, customers with the most critical request(s) will be serviced first. Kronos Global Support has set up the following guidelines to assess the priority of each service request:

**High Priority:** A critical customer issue with no available workaround where the system or a module may be down, experiencing major system degradation, data corruption or other related factors resulting in the customer not being able to process their payroll such as:

- Unable to sign-off Time Cards
- Totals are not accurate
- Unable to collect punches from terminals
- Unable to access a critical application function such as scheduling

No workaround is available.

**Medium Priority:** A serious customer issue which impacts ability to utilize the product effectively such as:

- Intermittent or inconsistent functionality results or data accuracy — accrual balances not matching pay codes but balances are accurate
- Data display inaccuracies or inconsistencies across multiple tasks
- System performance is inconsistent or fluctuates

A workaround is available.

**Low Priority:** Non-critical problem generally Use and Usability issues and or "how to" questions such as:

- How do I set up a holiday pay rule?
- How do I run a report?
- How often should database maintenance be executed?

A workaround is available on the customer portal.

Response Time

Response time shall mean from the time the case priority is set by Kronos' Support Center until a Kronos support representative contacts the Customer to begin service. Kronos utilizes a priority based support focus. Customers with the most critical request will be serviced in accordance with the following guidelines:

| Priority | Gold    | Platinum |
|----------|---------|----------|
| High     | 2 hours | 1 hour   |
| Medium   | 4 hours | 4 hours  |
| Low      | 8 hours | 8 hours  |

All response times are business hours.

The above are only guidelines and may be modified, for a particular incident, based on joint agreement between the customer and Kronos.

e.g., If a Gold support customer's case is logged at 4:55 p.m., local time, with a "Medium Priority" designation, Kronos would respond before 8:55 a.m., local time, the next business day (Monday–Friday for Gold Support customers).

Critical Outages

Kronos Global Support will provide continuous effort on all high priority events through either bug identification, the development of a workaround or problem resolution. If this effort goes beyond normal hours, the case may be passed to the after hours team or to the mission critical support engineer on duty. *On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with the Kronos Global Support engineer during this period. Support outside the scope of the services agreement is billable.*

Technical Escalation

Our case resolution process is a Team based approach structured around specific products of the Application suite and staffed by Support Engineers covering the full spectrum of skill sets and technical expertise. The Teams are empowered to

dynamically apply the appropriate resources to a case based on severity and complexity to ensure the fastest resolution time possible.

The Teams are also integrated with the Development Engineering staff and engage their assistance and technical guidance when necessary and/or directly escalate depending on case severity and time to resolve considerations.

For situations that contain multiple cases an Account Manager may be assigned to act as a single point of contact and communication regarding case resolution status, action plan development, resource integration and implementation coordination. The Account Manager remains engaged until the situation has been successfully remediated.

#### Management Escalation

Customers may, at any time, ask to speak to a Kronos manager if they experience dissatisfaction with the level of service received with respect to a specific case or service in general. To contact a Kronos Global Support manager, please telephone your Kronos Support Services center and ask to speak to a manager. Phone numbers are listed on the Customer Portal.

#### Software Support Services and Features

Kronos provides different levels of support offerings through our Platinum *Plus*, Platinum, Gold *Plus*, and Gold support services.

#### Platinum Plus Support Service

Platinum Plus Support customers have access to the same features as the Platinum Support customers and access to the Technical Account Manager (TAM). The TAM is a seasoned service professional that will draw upon a vast knowledge of Kronos products and services to provide you with proactive, consultative expertise. For Platinum Plus customers, a TAM is available *24 hours per day, 7 days per week*. Platinum Plus customers can designate *5 named contacts*, and also enjoy one on-site visit per year.

#### Platinum Support Service

Platinum Support customers have access to the same service features as Gold Support customers and the following additional entitlements:

- 24 x 7 x 365 telephone access to Kronos Global Support
- Access to Senior Support Engineers
- Response time of 1 hour or less for High, 4 hours or less for Medium, and 1 business day or less for Low Priority calls.

Platinum Support customers also have the option of upgrading to Platinum Plus.

#### Gold Plus Support Service

Gold Plus Support customers have access to the same features as the Gold Support customers and access to the Technical Account Manager (TAM). The TAM is a seasoned service professional that will draw upon a vast knowledge of Kronos products and services to provide you with proactive, consultative expertise. For Gold Plus customers, a TAM is available from *8:00 a.m.–8:00 p.m., local time, Monday–Friday*. Gold Plus customers can designate *2 named contacts*.

#### Gold Support Service

Gold Support offers a very well-rounded support program. Included is free access to Kronos Global Support from 8:00 a.m. to 8:00 p.m. local time, as well as the following entitlements noted below. Gold Support customers also have the option of upgrading to Gold Plus.

**SuperSearch** (Available to all Support Agreement customers)

The Search engine searches the following data sources\* and includes Basic and Advanced filters to search by product.

- Knowledge base
- Documentation (Manuals and User Guides)
- Service packs
- Customer forums
- Technical Advisories and Technical Insiders
- Frequently asked questions (FAQs)

\*Access to data sources is limited by type of support service.

**Technical Advisories** (Available to all Support Agreement customers)

Kronos Global Support Center personnel are a valuable source of knowledge and experience. That's why we give you access to the same vast repositories of information that they use. You have access to these technical alerts located on the Kronos customer portal. *Please sign up for email alerts to get notified of the release of new technical advisories on the Kronos customer portal.*

**Service Case Studies** (Available to Gold and Platinum level customers)

When you want an in-depth understanding of technology and how Kronos applications incorporate that technology, you'll enjoy reading and learning from these case studies.

**Learning Quick Tips** (Available to Gold and Platinum level customers)

Enjoy the convenience of web-based, self-paced recorded training modules for your Kronos application. These training recordings are short in duration and you can take them anytime and anywhere that you have access to the Web.

**Technical Insider** (Available to Gold and Platinum level customers)

Learn from the experts here at Kronos and become an expert yourself. The Technical Insider offers best practices, procedures, and tools and is available through our customer portal.

**Brown Bag Sessions** (Available to Gold and Platinum level customers)

Experience training over the Internet on a variety of topics pertaining to your Kronos system. Kronos Global Support offers these Brown Bag workshops in a structured online format without costly travel or interruption to your busy schedule. These sessions are one hour in length and are FREE for all Kronos customers with Gold or Platinum support agreements.

**HR and Payroll Answerforce** (Available to Gold and Platinum level customers)

HR and Payroll Answerforce enables you to facilitate communication between employees, managers and HR professionals. It provides managers and employees with current HR information they need to make effective decisions. Experience an award-winning user interface which delivers up-to-date human resources, employee benefits, compensation, employment and regulatory information directly to your desktop.

**SHRM e-Learning** (Available to Gold and Platinum level customers)

SHRM e-Learning is an online educational environment that delivers just-in-time training to HR professionals through a series of HR-related mini-courses. Browse the courses in the SHRM e-learning catalog <http://www.shrm.org/elearning/> to



create a learning journey that is unique to you. SHRM e-Learning courses are facilitated by leading industry experts and presentations range from sixty to ninety minutes in length.

**Interactive Forms** (Available to Platinum level customers)

Instant access to a comprehensive and easy-to-use library of HR and Employment & Payroll Tax forms and instructions. You can access, fill out, save, print, and maintain over 730 HR forms and 2500 Payroll forms.

**Service Packs** (Available to all Support Agreement customers)

Kronos Support Services entitles all customers who purchase a support agreement to the latest available product version upgrades, updates and enhancements, and documentation released during the agreement period, available on CD or downloadable from the Kronos customer portal. Protecting your investment is where our coverage for you begins as you embark on your journey to increased knowledge and improved business performance.

This service feature entitles you to the latest available product releases, updates/patches and legislative updates for the Workforce Payroll™ module. For many products, the latest support releases (service packs) or legislative updates are posted on the customer portal for you to download and install. *Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.*

**Knowledge Base** (Available to all Support Agreement customers)

Accessed by our customers thousands of times per month, this online database currently contains thousands of answers to questions about Kronos products. Type in a question and the knowledge base suggests a solution. It is tightly integrated with our Global Support case management system and captures the real-world experience of our support engineers. The knowledge base is constantly updated. When our support engineers encounter and resolve new situations, they can automatically submit new solutions to the knowledge base.

**Frequently Asked Questions** (Available to all Support Services customers)

Conveniently organized and continuously populated from the knowledge base, FAQs truly represent those issues that customers ask about most. Before querying the knowledge base, try the FAQs to find your answers or get ahead of issues you may not be aware of.

**eCase management** (Available to all Support Agreement customers)

For your convenience, we give you direct access to our electronic case management system. Make your own notes to help explain what you are encountering. Your case is formally assigned a number and subject to all the normal tracking and routing mechanisms. Cases are reviewed Monday–Friday, during the business hours of your Kronos support center, excluding Kronos holidays. Should you require assistance outside the described hours, please telephone your Kronos support center.

**Documentation** (Available to all Support Agreement customers)

Online access to documentation for most of Kronos' products, for example:

- Installation guides
- Configuration guides
- Database administrators guides
- User guides
- System administrators guides
- Database views reference guides.

**Customer Forums** (Available to all Support Agreement customers)

Our Customer forums provide a unique opportunity to connect with other Kronos customers and to benefit from their real-world experiences. Organized by product platform and using threaded messaging, the Forums allow you to post questions to other forum visitors — or provide advice to someone else's query. A chance to go beyond simple product "how to," many customers have commented on how the forums have helped them gain a broader understanding of how to leverage their Kronos applications.

**Remote Support** (Available to all Support Agreement customers)

A web-based screen-sharing application that enables Kronos to support you by empowering our support representatives to remotely view your computer. By connecting through the Internet or via intranets and extranets, support representatives will work in real time with your users and quickly escalate to desktop sharing, which features mutual mouse and keyboard control and whiteboard capability.

**Per-event Software Service**

Customers seeking support outside their service coverage period or Services that are not covered by your Support service or Customers without a Support Agreement on Active Product will be charged at the current Kronos hourly rate.

|  | Software/Equipment |
|--|--------------------|
|  | Phone Support      |
| Day and Time (local time)              | Minimum Hours      |
| Monday–Friday<br>8:00 a.m.–5:00 p.m.   | 2                  |
| Monday–Thursday<br>5:01 p.m.–7:59 a.m. | 4                  |
| Friday–Monday<br>5:01 p.m.–7:59 a.m.   | 8                  |

**Conditions:**

1. Time billed is minimum billable hours and then one hour increments.
2. The 8:00 a.m.–5:00 p.m. minimum billable hours apply to software support calls received prior to 5:00 p.m. local time Monday–Friday.
3. The response time for customers without a support agreement is within two business days.
4. Customers with a Support Agreement receive a 50 percent reduction from the minimum amount of hours.
5. Per-event rates are not discountable.

Equipment / Hardware Support Services

Depot Exchange Service

The premium hardware service option: Kronos sends a replacement unit on an advance exchange basis by next-business day delivery if request is received prior to 2:00 p.m. Kronos recommends that Depot Exchange customers procure the appropriate number of spare units to maintain adequate coverage while a unit is out of service.

How it works:

- You contact Kronos to troubleshoot the problem. If unable to resolve the issue, you are issued a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
- You install your spare unit from your inventory.
- Kronos sends a replacement unit on an advance exchange basis by next-business day delivery if request is received prior to 2:00 p.m.
- Upon receipt of replacement, you send the terminal needing service back to the Kronos Equipment Services Center.

Availability:

Currently ONLY available in Australia, Canada, China, Mexico, New Zealand, and United States.

Conditions:

- Batching (defined as 2 or more terminals) voids the turn-around time.
- You will be charged Kronos' current time and materials rate for the installation (professional services) of any software or firmware upgrades, if available, and if requested.
- Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do NOT include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:
  - a. Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;
  - b. Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
  - c. Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
  - d. Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
  - e. Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
  - f. Customer's repair, attempted repair or modification of the Products.
- Terminals are warranted for 90 days from date of shipment.

*This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.*

Depot Repair Service

This service was designed for those who keep their own inventory of spare terminals and options.

How it works:

- You contact Kronos to troubleshoot the problem. If unable to resolve the issue, you are issued a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
- You install your spare unit from your inventory.
- You send the terminal needing service back to the Kronos Equipment Services Center.
- Upon receipt of product, Kronos shall repair the product within ten (10) business days and return to you by regular surface transportation.

Availability:

NOT available from the Australia and China Support Services groups.

Conditions:

- Batching (defined as 2 or more terminals) voids the turn-around time.
- You will be charged Kronos' current time and materials rate for the installation (professional services) of any software or firmware upgrades, if available, and if requested.
- Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do NOT include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:
  - a. Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;
  - b. Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
  - c. Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
  - d. Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
  - e. Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
  - f. Customer's repair, attempted repair or modification of the Products.
- Repairs are warranted for 90 days from date of shipment.

*This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.*

### Device Software Maintenance

Device Software Maintenance is designed for those Kronos customers who choose to manage time clock repair themselves and just want access to device software updates. This service option lets you download equipment service packs from the Customer Portal to ensure that your time clock is always up to date with:

- The latest security enhancements
- Communication protocols
- Fixes and terminal software feature updates
- Compatibility updates with Kronos software or other terminals

Device Software Maintenance is included with Depot Exchange and Depot Repair.

**Device Software Maintenance does NOT include any repair or exchange services.**

How it works:

Go to the Customer portal.

Register or log in to the Customer Portal. An email address and Kronos Solution ID are required to register for access to the customer portal.

Go to the Support page to access the equipment service packs.

Availability:

The Device Software Maintenance offering is available worldwide.

NOT available for the 100, 400, 500, Century and Cyber series terminals

*This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.*

### Per-event Repair Service

Per-event rates apply to customers without an equipment support agreement. The Kronos Equipment Services center will attempt to repair any repairable defective item within 15 business days after receipt at the current Per-event pricing. The product will be returned by regular surface transportation.

How it works:

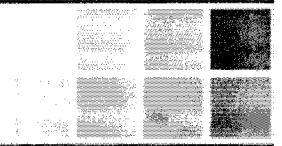
- You contact Kronos to get a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
- You install your spare unit from your inventory
- You send the terminal needing service back to the Kronos Equipment Services Center.
- Upon receipt of product, Kronos shall repair the product within fifteen (15) business days and return to the customer by regular surface transportation.

### **Conditions:**

- Batching (defined as 2 or more terminals) voids the turn-around time.
- You will be charged Kronos' current time and materials rate for the installation (professional services) of any software or firmware upgrades, if available, and if requested.
- Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do NOT include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:
  - a. Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;

- b. Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
  - c. Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
  - d. Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
  - e. Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
  - f. Customer's repair, attempted repair or modification of the Products.
- Repairs are warranted for 90 days from date of shipment.

*This service does NOT include access to equipment service packs / firmware updates.*



## Attachment I

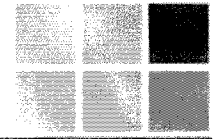
# Services Scope Statement

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Riverside County Mental Health - 6037343

For the Upgrade of WFC

|                        |                                |                                     |            |
|------------------------|--------------------------------|-------------------------------------|------------|
| <b>Sales Executive</b> | Mary Johnson                   | <b>Presales Consultant</b>          |            |
| <b>Expiration Date</b> | 2014-04-06 00:00:00            | <b>Service Portfolio Consultant</b> | Joe Onufer |
| <b>Customer Name</b>   | Riverside County Mental Health | <b>File Name Control ID</b>         | 2014-2921  |
| <b>SSS Create Date</b> | 2014-01-06 16:57:00            | <b>Revision #</b>                   | 1          |
| <b>Project Type</b>    | Upgrade                        | <b>Status</b>                       | Pending    |



# 1. PROJECT SCOPE

This Services Scope Statement (also known as the "SSS") documents the agreement between Kronos Incorporated and Riverside County Mental Health concerning the services to be performed by Kronos, including the deliverables, the costs of the project, the responsibility of each party and how the project will be managed.

## 1.1. PROJECT OVERVIEW

Kronos Remote Professional Services to upgrade WFC v5.0 to v7.0 for 1320 Riverside County Mental Health employees. Also included in scope is the configuration of 5 Genies and assessment and reconfiguration of up to 4 pay rules.

## 1.2. PRODUCT SUMMARY

The following products are considered in scope for the services and fees defined within this document, unless otherwise noted below. Additional products and/or licenses may incur additional fees.

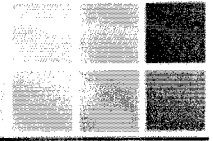
| Product                       | Implementation Type   | Version |
|-------------------------------|-----------------------|---------|
| Workforce Timekeeper          | Upgrade with Features | 7.0     |
| Workforce Employee            | Upgrade               | 7.0     |
| Workforce Manager             | Upgrade               | 7.0     |
| Workforce Integration Manager | New                   | 7.0     |
| Workforce Record Manager      | Upgrade               | 7.0     |

## 1.3. PROJECT DURATION

Depending upon Riverside County Mental Health resource availability and project task capability, the duration of the project may need to be extended. This will increase the number of hours required for tasks that are performed on a weekly basis such as managing project communications, managing/updating project plans, facilitating project meetings and updating project status reports.

|                               |          |
|-------------------------------|----------|
| Estimated Duration of Project | 10 weeks |
|-------------------------------|----------|





## 2. PROJECT GUIDELINES

### 2.1. CHANGE CONTROL

If the Scope of Services defined in this document changes at any time during the course of this project, Kronos and Riverside County Mental Health will review and adjust the scope and budget of services through standard Kronos change control procedures.

Please review the Kronos Change Control Policy:

<http://www.kronos.com/professionalservicesengagementpolicies.aspx>

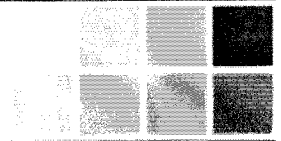
### 2.2. CUSTOMER APPROVAL OF SERVICE DELIVERABLES

As part of the project, service deliverables may be provided to Riverside County Mental Health for approval and/or acceptance. Delays in customer approval/acceptance of deliverables will result in an extension of the project timeline and may result in additional services being required. To avoid project delays and increased costs, Riverside County Mental Health should expect to approve/accept deliverables or provide written notification of errors to Kronos within five (5) business days after receipt of the deliverable. Following the receipt of a revised deliverable, Riverside County Mental Health will then have an additional five (5) business days to report that all errors have been resolved and provide deliverable acceptance.

### 2.3. ENGAGEMENT RECOMMENDATIONS

Riverside County Mental Health is responsible for developing their workforce management policies and for documenting and disseminating business procedures and policy changes to support the Kronos system prior to Kronos implementing the policies. The Riverside County Mental Health Project Team will attend appropriate Kronos training prior to and while participating in the implementation. Riverside County Mental Health understands that Kronos recommends setup of both a DEVELOPMENT and PRODUCTION environment.

Commitment from Riverside County Mental Health upper management is crucial to the success of the project. Kronos assumes Riverside County Mental Health will assign a Project Executive Sponsor. The Executive Sponsor is responsible for implementing the necessary change management for Riverside County Mental Health to embrace using an automated Workforce Management system and for ensuring the Project Team is appropriately staffed, made available and is executing their tasks according to the Project Plan.



### 3. PROJECT MANAGEMENT

#### 3.1. PROJECT PLANNING AND MANAGEMENT

Kronos will deliver a project workbook or checklist and facilitate periodic status meetings.

| Project Management Description            |                            |
|---|----------------------------|
| Remote Delivered Project Support Services | Average 7.5 hours per week |

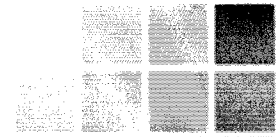
### 4. KRONOS UPGRADE PROCESS

#### 4.1. UPGRADE PHASES AND ACTIVITIES

Below is a high-level summary of general upgrade phases and activities, including Kronos and Riverside County Mental Health responsibilities. The Kronos and Riverside County Mental Health Project Managers will work to coordinate and schedule these and any additional project-specific activities as part of the Plan phase of the project.

| Plan Phase Activities   | Resources Responsible               |
|---|-------------------------------------|
| Project Initiation Call/ Sales to Service Call                            | Kronos PM                           |
| Introduction Call with the Customer                                       | Kronos PM, Kronos Lead TC, Customer |
| Technical Environment Discover (part of Intro Call)                       | Kronos PM, Kronos Lead TC, Customer |
| Provide Technical Readiness Call Agenda and Finalize Date                 | Kronos PM                           |
| Provide Interface Assessment Agenda and Finalize Date                     | Kronos PM                           |
| Provide KnowledgePass™ Upgrade Learning Path                              | Kronos PM                           |
| Engage Education Services for End User Upgrade Education Package          | Kronos PM                           |
| Review Training Schedule based on Classes outlined in SOW (if applicable) | Kronos PM                           |
| Create Initial Project Schedule   | Kronos PM                           |
| <b>Milestone: Customer Assessment Readiness</b>                           |                                     |

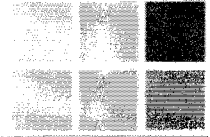
| Assess Phase Activities   | Resources Responsible |
|---|-----------------------|
| Server environment available and Pre-Requisites have been installed | Customer IT           |
| Schedule Technical Readiness Call with Lead TC                      | Kronos PM             |



| Assess Phase Activities  | Resources Responsible    |
|--|--------------------------|
| Schedule Interface Assessment with Interface AC  | Kronos PM                |
| Conduct Technical Readiness Call with Customer <ul style="list-style-type: none"> <li>• Discuss Test Upgrade Date</li> <li>• Verify Software Downloads</li> <li>• Verify Licenses</li> </ul> | Kronos Lead TC, Customer |
| Conduct System Check (may be part of TRC)  | Lead TC, Customer        |
| Conduct Interface Assessment   | Kronos IC, Customer      |
| Confirm Test Upgrade Date  | Kronos PM, Customer PM   |
| Review Project Schedule (and Training Plan, if applicable)   | Kronos PM, Customer PM   |
| Enroll Customer in Courses based on agreed-upon Training Plan  | Kronos PM                |
| Assessment of New Features (if applicable)   | Kronos AC                |

| Solution Build Phase Activities   | Resources Responsible |
|---|-----------------------|
| Perform Test Upgrade  | Kronos TC             |
| Test Clock Communications   | Kronos TC             |
| AC Configuration Test Upgrade <ul style="list-style-type: none"> <li>• Implement new features, if applicable</li> <li>• Configuration of Clocks and Testing</li> <li>• Configuration of Standard Navigators, if applicable</li> <li>• Validation of Test Upgrade</li> </ul> | Kronos AC             |
| Interface Test Upgrade <ul style="list-style-type: none"> <li>• Upgrade and deploy interfaces</li> </ul>  | Kronos IC             |
| Kronos Unit Testing   | Kronos Team           |
| Attend Training Courses based on agreed-upon Training Plan  | Customer Testing Team |
| Review Project Schedule   | Kronos PM             |

| Test and Certify Phase Activities   | Resources Responsible |
|---|-----------------------|
| Test Workshop & System Overview <ul style="list-style-type: none"> <li>• Review New Features (ex. Navigator)</li> <li>• Review Testing Checklist</li> </ul> | Kronos AC, Customer   |
| Validate Test Clock with Upgraded System  | Customer, Kronos AC   |



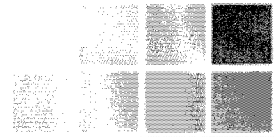
| Test and Certify Phase Activities                          | Resources Responsible |
|--|-----------------------|
| Customer Validation  | Customer              |
| Interface Testing Workshop                                 | Kronos IC, Customer   |
| Kronos Unit Testing  | Kronos Team           |
| Attend Training Courses based on agreed-upon Training Plan | Customer Testing Team |
| Review Project Schedule                                    | Kronos PM             |
| <b>Milestone: Solution Acceptance</b>                      |                       |

| Deploy and Support Phase Activities  | Resources Responsible |
|--|-----------------------|
| Deployment Readiness <ul style="list-style-type: none"> <li>Internal Project Team Go-Live Prep Call</li> <li>Go-Live Readiness Call / Review Deployment Checklist</li> </ul> | Customer, Kronos Team |
| Perform Production Upgrade   | Kronos TC             |
| Post-Upgrade Validation  | Kronos AC, Kronos IC  |
| Customer Validation  | Customer              |
| Go-Live Support <ul style="list-style-type: none"> <li>Payroll Processing Support</li> </ul>   | Kronos Team           |
| Transition / Project Close   | Kronos PM, Customer   |
| <b>Milestone: Production</b>   |                       |

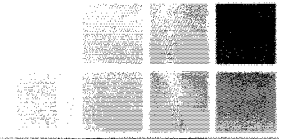
## 5. PROJECT SCOPE DETAIL

### 5.1. APPLICATION BUILDING BLOCKS

| General Information                          |            |
|--|------------|
| Number of Employees in Project Scope         | 1320       |
| Number of Sites (facilities, locations etc.) | 1          |
| Decentralized                                | No         |
| Unions                                       | No         |
| Number of Managers that will be supported    | 200        |
| Workforce Central Technology Factors         |            |
| Total number of environments                 | 2          |
| The database platform will be                | SQL Server |



| <b>Workforce Timekeeper</b>   |      |
|---|------|
| This product will be implemented in phase   | 1    |
| Number of Employees within Scope  | 1320 |
| <b>Workforce Timekeeper Professional Services Scope</b>   |      |
| <ul style="list-style-type: none"> <li>• 1 Standard Upgrade</li> <li>• 1 Workforce Central Core Technical Upgrade</li> <li>• 1 Workforce Central Architecture Review with Record Retention Configuration</li> <li>• 1 Workforce Central Basic Hardware Sizing</li> <li>• 1 Workforce Central Upgrade – Go-Live Support</li> <li>• 2 Environments: Workforce Central Upgrade</li> <li>• Reconfigure up to 4 pay rules/work rules</li> <li>• Configure up to 5 Genies</li> <li>• 1 Delegate Authority</li> <li>• 1 Alerts Package</li> <li>• 4 Workforce Worksheet Workstations</li> <li>• 3 Navigator Roles</li> </ul> |      |
| <b>Workforce Integration Manager</b>  |      |
| This product will be implemented in phase   | 1    |
| Number of Employees within Scope  | 1320 |
| <b>Integrations In Scope</b>  |      |
| <ul style="list-style-type: none"> <li>• 1 Integration Assessment</li> <li>• 3 Interfaces to be Upgraded</li> </ul>   |      |
| <b>Workforce Record Manager</b>   |      |
| This product will be implemented in phase   | 1    |
| Number of Employees within Scope  | 1320 |
| <b>Workforce Record Manager Professional Services Scope</b>   |      |
| <ul style="list-style-type: none"> <li>• 1 Standard Upgrade</li> </ul>  |      |



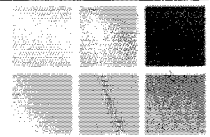
## 6. EDUCATIONAL SERVICES

### 6.1. INTRODUCTION

As part of your overall solution, Kronos Educational Services are included to help secure maximum user adoption. Kronos Educational Services has included an education strategy to train the implementation, functional and technical project team members and end users. The curriculum is structured by employee job role to ensure that each member of your team who interacts with the application has a clear learning path designed to develop knowledge in a logical sequence.

### 6.2. EDUCATIONAL SERVICES IN SCOPE

| Educational Service                                  | Description  |
|--|--|
| <b>Project Team Training</b>                         | Includes product classes designed for key project team members based on individual job roles. All course delivery is purchased via training points to allow you to plan and budget training for your organization, yet give you flexibility to select specific courses to meet your implementation and continuing education needs. Training points can be used toward instructor-led training in the virtual classroom, in the traditional classroom, and for onsite training. Online course descriptions include course objectives, course pre-requisites and the training point value. Each course has a point value that equals the price of the class. Pricing for public classes, both virtual and in a Kronos classroom, is based on one student per paid seat. Pricing for private classes is based on a per day rate for a specified number of students. Additional fees may be incurred if students exceed the specified number. The total training points and associated cost will be reflected on your Sales Agreement. |
| <b>KnowledgePass Education Services Subscription</b> | KnowledgePass is an online educational portal that provides 24/7 anytime-anywhere access to in-depth training content to help your employees maximize productivity and achieve their goals from implementation to optimization. Gain instant access to helpful tutorials, job aids, in-depth, hands on tools, webinars, and educational documents to help your team succeed.   |
| <b>WTK 7.0 Train-the-Trainer – Private</b>           | The Train-the-Trainer program is designed to help you successfully deliver Kronos Workforce Timekeeper software training to manager end users in your organization. Components of this offering include guidance on developing your Kronos training program, participation for up to five students in a private half-day WTK 7.0 Managing Timecards and Schedules class and a private half-day consulting session with a Kronos Certified Instructor. Participants are provided access to adaptable course content that covers common WTK tasks for managers. A KnowledgePass™ subscription is required to access courseware materials.  |
| <b>Auditorium Style End User Training</b>            | Auditorium-style end user training focuses on educating groups of new users on the tasks specifically targeted to their job role in the Kronos system. The training is delivered in a webinar or auditorium-style setting, up to 3 two-hour sessions per day and up to 30 participants per   |



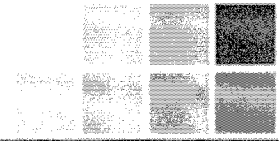
| Educational Service | Description   |
|---------------------|---|
|                     | <p>session. The instructor will demonstrate each task and allow time for questions. A customer SME is recommended to participate and answer specific business process questions. The deliverable(s) for this training will be assembled from Kronos standard job aid content. Duration of the training session may vary based on the tasks to be covered.</p> |

### 6.3. PROJECT TEAM TRAINING

| Course Name  | # of Seats/Qty. | Unit of Measure | Points | Total Points |
|--|-----------------|-----------------|--------|--------------|
| <b>Upgrading to Workforce Timekeeper 7.0</b>           |                 |                 |        |              |
| WFC 7.0 New Features Overview Project Team & Admin     | 1               | Unlimited       | 0      | 0            |
| Workforce Central Preparing to Upgrade                 | 1               | Unlimited       | 0      | 0            |
| WTK 6.0/6.1/6.2/7.0 New Features Overview Project Team | 1               | Unlimited       | 0      | 0            |
| WTK Assessing the Impact of Pay Rule Changes           | 1               | Unlimited       | 0      | 0            |
| <b>Workforce Timekeeper 7.0</b>                        |                 |                 |        |              |
| WTK 7.0 Managing Timecards & Preparing for Payroll     | 2               | Seat            | 1000   | 2000         |
| WFC 7.0 Administering the Application                  | 1               | Seat            | 1200   | 1200         |
| WTK 7.0 Configuring & Managing Pay Rules               | 1               | Seat            | 2400   | 2400         |
| WFC 7.0 Architecture & Technology                      | 1               | Seat            | 1300   | 1300         |

### 6.4. END USER AUDITORIUM STYLE TRAINING

| Course Name  | # of Seats/Qty. | Unit of Measure | Points       | Total Points |
|--|-----------------|-----------------|--------------|--------------|
| <p>Onsite Auditorium Style End User Training: WTK 7.0 Tailored Managing Timecards Class (does not include scheduling):</p> <ul style="list-style-type: none"> <li>3 days onsite auditorium-style training, 3, 2-hour sessions per day</li> <li>Total of 9 sessions for up to 30 participants per session, for a total of 270 Timekeepers</li> <li>Instructor demonstration using Kronos standard materials and training environment</li> <li>Riverside County MHD to provide training facility to accommodate up to 30 participants, display screen for instructor laptop and internet access to Kronos</li> </ul> | 30 per session  | PTS             | 3000 per day | 9000         |



| Course Name   | # of Seats/Qty | Unit of Measure | Points | Total Points |
|---|----------------|-----------------|--------|--------------|
| training environment<br>• Kronos instructor to meet with Riverside County MHD prior to the first session to identify course content to be included and excluded from delivery |                |                 |        |              |
| Instructor Preparation & Set-up   | 1              | 1500            | 1500   | 1500         |

## 6.5. END USER TRAINING – Train-the-Trainer and Employee Training Kits

| Service Name   | Quantity | Unit of Measure |
|--|----------|-----------------|
| WTK 7.0 Train-the-Trainer Private 0-5000, Up to 5 participants   | 1        | Program         |
| WTK 7.0 Train-the-Trainer Private Extra Participant              | 1        | Seat            |
| WFC 7.0 Employee User Adoption Kit                               | 1        | Unlimited       |
| WFC 7.0 Upgrading to the Employee Navigator Training Kit         | 1        | Unlimited       |
| WFC 7.0 Timestamp & Timecard Entering Time Employee Training Kit | 1        | Unlimited       |

**Note:** Instructor travel and expenses will be invoiced separately

## 7. PROJECT COSTS AND RATE SCHEDULES

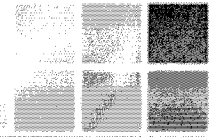
### 7.1. PROFESSIONAL SERVICES - BY ROLE

| Role                   | Quantity   | Unit of Measure | Part Number | Rate     | Total              |
|------------------------|------------|-----------------|-------------|----------|--------------------|
| Project Manager        | 75         | HR              | 9990002-ONL | \$190.00 | \$14,250.00        |
| Application Consultant | 108        | HR              | 9990002-ONL | \$190.00 | \$20,520.00        |
| Integration Consultant | 40         | HR              | 9990002-ONL | \$190.00 | \$7,600.00         |
| Technology Consultant  | 56         | HR              | 9990002-ONL | \$195.00 | \$10,920.00        |
| <b>Totals:</b>         | <b>279</b> |                 |             |          | <b>\$53,290.00</b> |

### 7.2. EDUCATIONAL SERVICES

| Product Name                 | Part Number | Quantity | Unit of Measure | Rate       | Total      |
|------------------------------|-------------|----------|-----------------|------------|------------|
| KnowledgePass™               | 8602748-001 | 1        | EA              | \$2,100.00 | \$2,100.00 |
| Project Team Training Points | BAYG-ILT    | 6900     | PTS             | \$1.00     | \$6,900.00 |





| Product Name                                | Part Number | Quantity | Unit of Measure | Rate   | Total              |
|---|-------------|----------|-----------------|--------|--------------------|
| End User Auditorium Style Training          | BAYG-ILT    | 10500    | PTS             | \$1.00 | \$10,500.00        |
| WTK 7.0 TTT Private 0-5000 (5 participants) | BAYG-ILT    | 2500     | PTS             | \$1.00 | \$2,500.00         |
| Additional Participant 7.0 TTT - Private    | BAYG-ILT    | 500      | PTS             | \$1.00 | \$500.00           |
| <b>Total Estimated Educational Services</b> |             |          |                 |        | <b>\$22,500.00</b> |

### 7.3. EDUCATIONAL SERVICES SUMMARY

| Description                                 | Total              |
|---|--------------------|
| Project Team Training                       | \$6,900.00         |
| End User Training                           | \$13,500.00        |
| KnowledgePass™ Subscription                 | \$2,100.00         |
| <b>Total Estimated Educational Services</b> | <b>\$22,500.00</b> |

### 7.4. SOLUTION SUMMARY

| Service Type                      | Estimated Cost     |
|-----------------------------------|--------------------|
| Professional Services             | \$53,290.00        |
| Educational Services              | \$22,500.00        |
| <b>Total Estimated Investment</b> | <b>\$75,790.00</b> |