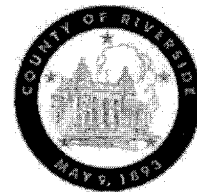


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.50
(ID # 4468)

MEETING DATE:

Tuesday, June 20, 2017

FROM : EXECUTIVE OFFICE AND HUMAN RESOURCES, AUDITOR-CONTROLLER :

SUBJECT: EXECUTIVE OFFICE/HUMAN RESOURCES/AUDITOR-CONTROLLER: Approve and Execute the Agreement with Workday, Inc. for Human Capital Management System for five (5) years with one (1) additional five (5) year renewal, All Districts. Total Cost \$32,375,416; Department Budgets 100% (Vote Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Master Subscription Agreement between the County of Riverside and Workday, Inc. for Human Capital Management Subscription Services for \$2,611,949 annually for five (5) years, with the option to renew for five (5) additional years with a five (5) percent increase, or \$2,742,546 annually and authorize the Chairman of the Board of Supervisors to execute said Agreement;

ACTION: Policy

Paul Angulo, Director of Auditor Controller

6/15/2017

Dave Rogers, Chief Information Officer

6/15/2017

Michael Stock, Assistant CFO/Director of Human Resources

6/15/2017

George A. Johnson, County Executive Officer

6/15/2017

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: June 20, 2017
xc: EO, HR, Auditor, RCIT, Purchasing

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Approve the Professional Services Agreement between the County of Riverside and Workday, Inc. for implementation services to deploy the Human Capital Management Subscription Services in fifteen (15) months with a not to exceed total of \$4,033,225 and authorize the Chairman of the Board of Supervisors to execute said Agreement;
3. Approve the financing of \$10,586,751 with IBM Credit Financing which includes the implementation costs, first two years of training and subscription, project management costs and financing interest and direct the Executive Office to return to the Board with the Master Lease Agreement for execution as approved by County Counsel, and;
4. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to: sign amendments that do not change the substantive terms of the Agreement; and sign amendments to the compensation provisions that do not exceed 10% annually for either agreement.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$435,452	\$1,874,214	\$ 32,375,416	
NET COUNTY COST				
SOURCE OF FUNDS: Department Budgets 100%			Budget Adjustment:	
			For Fiscal Year: 2018-2027	

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND:

Summary

The County's current on premise Human Resources Management System software Oracle PeopleSoft has come to the end of its useful life on the current version, which was deployed in 2008. The software provider has released updated versions of the software, however, the significant upgrade costs and resource-intensive upgrade deployment activities have been unable to be accomplished. Additionally, other approaches to HRMS software now include cloud-based systems that are viable for County business operations. The County is faced with the decision of having to upgrade and change its current Human Capital Management System (HCMS) because the system will no longer be supported by the current vendor. Because this type of change to a countywide system involves significant costs, the County researched and began a process to identify options for its approach to the Human Capital Management (HCM) system. An optimal solution was sought to cover all human resources requirements including talent management, recruitment, onboarding, time and labor, payroll and employee benefits administration.

An analysis of the current system revealed that functionality is very limited and the vendor (Oracle PeopleSoft) is no longer supporting the current version of the system. Additionally, RCIT has limited resources to support the existing system or to expand on supporting additional HR service modules. The risk of a system failure will increase in the coming months, and without continuous investment in keeping the system up to date. In addition, the current system

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lacks functionality for Human Resources Department business process requirements such as supporting mobile devices, and a significant number of customizations exist that have become burdensome to maintain. Every upgrade requires reconfiguring the customizations for the new version. Estimates to perform these tasks ranged from \$5 million per year and higher. Even with the upgrade of the current version, the County would have had to undertake a considerable effort to put in place any new functionality.

With the assistance of primary stakeholders that included the Auditor Controller's Office, Human Resources Department and RCIT, the Executive Office directed a team to undertake a project to research leading business practices and the best software solutions for a HCM system. This effort is consistent with the Board's policy to utilize information technology management systems to meet the County's business needs and improve the delivery of services to the citizens of Riverside County.

During the research phase, KPMG was added to the project team to guide the project and assist the County with the review and the value analysis of several different options. Based on the team's research, the County identified that adopting the Software as a Service (SaaS) model for its HRMS platform would be the best solution. The selection of this model was primarily based on:

- The ability to standardize the business practices of the County to vendor and public sector best practices;
- Savings offered by the cloud-based model where infrastructure of the system is managed by the vendor;
- Elimination of the burdensome upgrade process and associated upgrade deployment and project management cost;
- The ability to always remain current with the version of the software because the vendor releases new features on a more frequent schedule to all customers on the cloud-based platform;
- Reduced need of County of Riverside programming staff to maintain ongoing operation of the system; and
- The ability to secure a fixed price model for the project to afford the county better planning of budgets.

The team identified leading vendors that could provide the SaaS model and began the review of their product capabilities. After various demonstrations and the conclusions of the evaluations, the project team recommends awarding Workday to provide the county with a new a human capital management system. The system will be comprised of the following modules: Core Human Capital Management, Benefits, Compensation, Absence, Talent, Onboarding, Time Tracking, Recruiting, and Payroll. The total contract with Workday for the cloud-based software service and associated implementation services is \$31.3M (implementation, training and subscription). Typically, these types of projects would require payment from current funding while the project is accomplished; however, Workday has provided a financing option through

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IBM Credit Financing that will provide a five-year financing plan at a fixed interest rate of approximately ranges from 2.23% to 2.26% based on schedule. The Executive Office recommends financing the start-up costs of implementation, first two years of training and subscription, and project management costs for a total of \$10,586,751 with IBM Credit Financing.

The Executive Office and project team also recommends that due to size and complexity of this project that there is a need to subcontract for project management. This role will assist in implementing the project and any changes required for the county. The estimated cost for project management is approximately \$562,980 and it is included in the finance cost with IBM.

Impact on Residents and Businesses

The citizens will benefit from the County having software that will provide efficiencies and cost saving in the range of \$70-80 million over the next 10 years and will result in significant soft cost savings. This will allow departments to benefit from up to date human resources management system capabilities that will help to relieve administrative burdens of existing business processes. The implementation of a SaaS solution will also provide prospective employees with a smooth onboarding experience.

SUPPLEMENTAL:

Additional Fiscal Information:

Because Workday is a cloud solution, it is also easier, quicker, and less costly to implement and operate than traditional on premise enterprise systems. KPMG conducted a value analysis to determine the cost to maintain the current on premise Human Capital Management system and concluded that moving to this new system would be the most cost effective choice for the county. The estimated total cost of operations to maintain the current Oracle PeopleSoft system through 2022 would be \$231.6 million. The estimated total cost of operations through 2022 for Workday would be \$206.6 million resulting in an estimated savings of \$25 million over 5 years. In other words, the cost of the system itself is projected to cost departments less than the current OASIS system. Also, the increased labor costs throughout the County and the range of \$45-55 million. RCIT will pick up the cost of the lease payment for FY 2017/18. Future year lease payments and Workday subscription costs will be charged through a rate structure similar to the one being used for PeopleSoft.

Total Project Cost includes the following:

Implementation	\$ 4,033,225
Project Management Costs	562,980
Training/Learning	451,360
Subscription	26,772,475
Interest for Financing	555,376
Total Project Cost	\$ 32,375,416

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Contract History and Price Reasonableness

KPMG developed an assessment approach for the evaluation of the vendors that focused on key elements of: functional capabilities, technical capabilities, current user references and total cost of HR, payroll and IT costs over a ten-year period. The evaluation team consisted of technical and functional stakeholders from the Executive Office, Auditor-Controller's Office, the Human Resources Department, and RCIT.

The team evaluated the leaders in the SaaS model and reviewed the HCM solutions offered by three (3) leading HCM vendors. The primary stakeholders developed specific use cases for the vendors to respond to and the vendors were provided the County's security criteria. The evaluation team held separate sessions with each vendor to review their approach to data security, system availability and system backup approaches. Vendors were also allowed to present additional capabilities of their SaaS model. Each vendor was asked to provide three (3) references preferably from the public sector. Vendors were provided a pricing template to ensure that each vendor supplied proposed costs in a format that allowed clear comparison between each of them. Vendors provided initial pricing and were given opportunities for best and final offers. With KPMG's assistance with negotiations, initial offers to final offers were reduced by 14 - 32%.

Based on meeting the use cases criteria, functionality, technical approach, security criteria, references, and the final pricing, Workday presented the overall best solution at a project cost of \$31,257,060 (implementation, training and subscription). The County will utilize the National Cooperative Purchasing Alliance (NCPA) contract award with Workday for the HCM procurement. Riverside County Ordinance 459.5 provides for utilization of cooperative purchasing arrangements to obtain volume discounts from the efforts of statewide and/or nationwide solicitations.


On July 30, 2015, NCPA released a formal RFP#16-15 for Cloud Administrative Solutions that was advertised in USA Today as well as on the NCPA website. The solicitation was delivered to 22 vendors, of which four (4) vendors responded to the solicitation. The bidders were evaluated based on pricing, ability to service the contract, references, technology, and value added products and services. NCPA awarded Workday contract #11-15 from October 1, 2015 to October 31, 2017 with the option to renew for three (3) additional one (1) year periods.

The pricing and terms from the NCPA contract provided the base contract pricing for the HCM procurement. Workday has arranged for financing through IBM Credit Financing, which will provide a five-year financing schedule at a fixed interest rate of approximately ranges from 2.23% to 2.26% based on lease schedule. The Executive Office will return to the Board for approval of the master lease financing agreement with IBM. The tentative financing plan will provide for the first payment on the project on 01/31/2018 and last payment will be due on 07/31/2022.

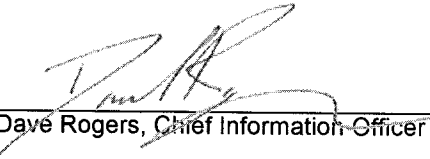
SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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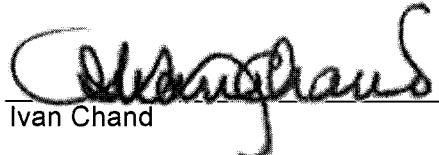

Susana Garcia-Bocanegra 6/15/2017


Lisa Brandl, Director of Purchasing and Fleet Services 6/13/2017


Michael Stock, Assistant CEO/Director of Human Resources 6/13/2017


Gregory V. Priarios, Director County Counsel 6/15/2017


Dave Rogers, Chief Information Officer 6/14/2017


Ivan Chand 6/5/2017



Contract between County of Riverside and Workday

This Contract, between County of Riverside (the "County") and Workday, Inc. ("Workday"), is binding among and between these parties as of the date of the County's signature.

Whereas,

The County has, through a competitive selection process, selected Workday as the vendor for a Human Capital Management solution and is also engaging Workday for the deployment of the Human Capital Management solution.

THEREFORE, in consideration of the good and valuable consideration as set forth below, the parties agree as follows:

2. CONTRACT DOCUMENTS: Workday and the County are agreeing to two separate contracts, one for the Human Capital Management solution and one for professional services associated with deployment of the Human Capital Management solution.

- i. The Human Capital Management solution contract consists of:
 - A. Master Subscription Agreement including the Workday SLA Service Credit Exhibit
 - B. Workday Security Exhibit (no signature required)
 - C. Workday Production Support and Service Level Availability Policy (SLA) (no signature required)
 - D. Data Processing Exhibit (no signature required)
 - E. Executed Business Associate Agreement
 - F. Order Forms #00124266.0 (the Subscription Order Form) and #00127166.0 (the Training Order Form) describing the Service to be rendered, the time of performance for such Service, and the fees for such Service. For clarity, any future Order Forms entered into by the parties will require individual signature by each party.

- ii. The professional services agreement for deployment of the Human Capital Management solution consists of:
 - A. Professional Services Agreement including the Professional Services Security Exhibit
 - B. Executed Business Associate Agreement (Exhibit E to the Human Capital Management Solution)
 - C. Statement of Work #00126955.0 (the Deployment SOW) describing the professional services to be rendered, the time of performance for such professional services, and the fees for such professional services. For clarity, any future Statements of Work entered into by the parties will require individual signature by each party.

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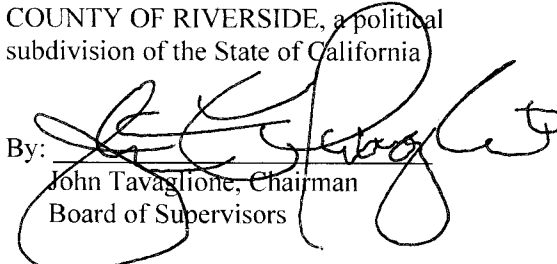


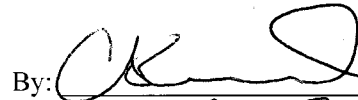
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IN WITNESS WHEREOF, the parties' authorized signatories have duly executed this Agreement as of the Effective Date.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

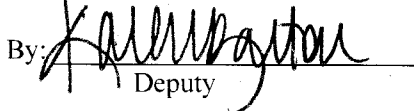
WORKDAY, INC., a Delaware
corporation

By: 
John Tavaglione, Chairman
Board of Supervisors

By: 
Name: Carol Richwood
Title: Vice President, Finance

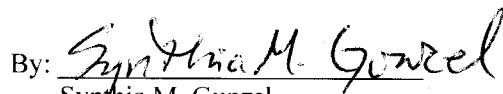
Approved as to Legal Form by:

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

(Seal)

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Synthia M. Gunzel
Supervising Deputy County Counsel



MASTER SUBSCRIPTION AGREEMENT

This Master Subscription Agreement, effective as of the later of the dates beneath the parties' signatures below ("**Effective Date**"), is by and between **Workday, Inc.** ("**Workday**") a Delaware corporation with offices at 6230 Stoneridge Mall Road, Pleasanton, CA 94588 and **County of Riverside** ("**Customer**"), a political subdivision of the State of California with offices at County Administration Center, Riverside, CA 92501. As Workday provides a subscription Service to which Customer intends to subscribe, this Agreement establishes the business relationship and allocation of responsibilities regarding the Service and the parties therefore agree as follows:

1. Provision of Service.

1.1 Workday Obligations. During the Term of this Agreement, Workday shall make the Service and Improvements available to Customer in accordance with the Documentation, the SLA and pursuant to the terms of this Agreement. Workday shall not use Customer Data except to provide the Service, or to prevent or address service or technical problems, verify Service Improvements, in accordance with this Agreement and the Documentation, or in accordance with Customer's instructions and shall not disclose Customer Data to anyone other than Authorized Parties in accordance with this Agreement. Workday will provide service credits to Customer according to the *Workday SLA Service Credit Exhibit* attached hereto.

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

1.3 Agreement. This Agreement consists of the following documents:

- (A) Master Subscription Agreement including the Workday SLA Service Credit Exhibit
- (B) Workday Security Exhibit (no signature required)
- (C) Workday Production Support and Service Level Availability Policy (SLA) (no signature required)
- (D) Data Processing Exhibit (no signature required)
- (E) Executed Business Associate Agreement
- (F) Executed Order Forms describing the Service to be rendered, the time of performance for such Service, and the fees for such Service



MASTER SUBSCRIPTION AGREEMENT

2. Fees.

2.1 Invoices & Payment. Subscription Service Fees and all other fees due hereunder will be invoiced to Customer in the United States and payment will be remitted by Customer from the United States. Customer's obligation for payment of this Agreement beyond its current fiscal year end (June 30) is contingent upon and limited by the availability of Customer funding from which payment can be made. All fees due hereunder (except fees subject to good faith dispute) shall be due and payable within forty-five (45) days of invoice date. Workday may send all Customer invoices electronically (by email or otherwise). All fees are quoted and payable in United States Dollars and are based on access rights acquired and not actual usage. In no event shall Customer be obligated to pay any fee not set forth in the relevant Order Form or, unless otherwise set forth in the relevant Order Form, reimburse Workday for any costs or expenses incurred by Workday unless otherwise preapproved by Customer in writing. Customer shall provide Workday with complete and accurate billing and contact information including a valid email address. Upon Workday's request, Customer will make payments via electronic bank transfer. All remittance advice and invoice inquiries can be directed to Accounts.Receivable@workday.com.

2.2 Non-cancelable & non-refundable. Except as specifically set forth to the contrary under Section 6.2 "Warranty Remedies", Section 7.1 "Indemnification by Workday", Section 9.2 "Termination", Section 10.14 "Availability of Funds" and under the SLA, all payment obligations under any and all Order Forms are non-cancelable and all payments made are non-refundable. No legal liability on the part of the Customer shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, Customer shall immediately notify Workday in writing; and Customer shall have the right to terminate this Agreement. Workday is under no obligation to provide the Service if Customer lacks funds to pay for it.

2.3 Overdue Payments. In the event that California enacts a prompt payment law applicable to Customer, that law shall govern overdue payments. In the absence of such law, any payment not received from Customer by the due date may accrue (except with respect to charges then under reasonable and good faith dispute), at Workday's discretion, late charges at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, starting on the 61st day after the date the invoice is received until it is paid.

2.4 Non-Payment and Suspension of Service. If Customer's account is more than thirty (30) days past due (except with respect to charges subject to a reasonable and good faith dispute), in addition to any other rights or remedies it may have under this Agreement or by law, Workday reserves the right to suspend the Service upon thirty (30) days written notice, without liability to Customer, until such amounts are paid in full. Such notice shall clearly and prominently state that the Service is at risk of suspension and shall not solely take the form of an invoice with an overdue notice.

2.5 Taxes. *This section applies only if Customer has not provided Workday with a tax exemption certificate authorized and honored by applicable taxing authorities that covers all Transaction Taxes.* Subscription Services Fees and all other fees invoiced pursuant to this Agreement do not include in its price any transaction taxes, which may include local, state, provincial, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including, but not limited to, value-added taxes ("VAT"), excise, use, goods and services taxes ("GST/HST"), consumption taxes or similar taxes (collectively defined as "Transaction Taxes"). Subscription Service Fees and all other fees invoiced pursuant to this Agreement are payable in full and without reduction for Transaction Taxes and/or foreign withholding taxes (collectively defined as "Taxes"). Customer is responsible for paying all Taxes imposed on the Service or any other services provided under this Agreement. If Workday has a legal obligation to pay or collect Taxes for which Customer is responsible under this Agreement, the appropriate amount shall be computed based on Customer's address listed in the first paragraph of this Agreement which will be used as the ship-to address on the Order Form, and invoiced to and paid by Customer, unless Customer provides Workday with a valid tax exemption certificate authorized by the appropriate taxing authority.

2.6 Employee Count Verification. Workday may periodically confirm the number of Employee records on its hosted servers and will work with Customer to resolve any discrepancy from the subscription levels on applicable Order Form(s).



MASTER SUBSCRIPTION AGREEMENT

Customer will pay Workday the fees set forth on the applicable Order Form(s) if the number of Employees exceeds the number of permitted Employees. Upon request from Workday, Customer will make an annual report to Workday of its number of Employees as set forth on the applicable Order Form(s).

3. Proprietary Rights.

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

3.2 Grant of Rights. Workday hereby grants Customer (for itself and those of Customer's Affiliates and Authorized Parties for whom Customer enables access to the Service) a non-exclusive, non-transferable, right to use the Service and Documentation, solely for the internal business purposes of Customer and its Affiliates and solely during the Term, subject to the terms and conditions of this Agreement within scope of use defined in the relevant Order Form. The Service is provided in U.S. English. Workday has translated portions of the Service into other languages. Customer and its Authorized Parties may only use the translated portions of the Service for the number of languages listed in the applicable Order Form.

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

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

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

3.6 Aggregated Statistical Information. Workday owns the aggregated and statistical data derived from the operation of the Service, including, without limitation, the number of records in the Service, the number and types of transactions, configurations, and reports processed in the Service and the performance results for the Service (the "Aggregated Statistical Information"). Nothing herein shall be construed as prohibiting Workday from utilizing the Aggregated Statistical Information for purposes of operating Workday's business, provided that Workday's use of Aggregated Statistical Information will not reveal the identity of Customer or its Personal Data to any third party.

4. Confidentiality.

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

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

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4.3 Compelled Disclosure. A disclosure by one party of Confidential Information of the other party to the extent required by Law shall not be considered a breach of this Agreement, provided the party so compelled promptly provides the other party with prior notice of such compelled disclosure (to the extent legally permitted) and provides reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure. For purposes of this section, a request to Customer for documents or information other than Customer Data pursuant to the California Public Records Act will be considered a compelled disclosure. All parties acknowledge that Customer may not make any assertion of exemption on behalf of Workday in response to a Public Records Act request. In addition, Customer may disclose Order Forms and this Agreement in accordance with requirements for publication of items that will be on the Customer's Board of Supervisor's agenda. Such disclosure may take the form of a website-accessible posting of those documents.

4.4 Special Access by Law Enforcement and for Oversight. Customer is a public sector entity subject to oversight by other public sector entities and potentially by the federal government. The parties agree that to the extent that law enforcement officials or entities with appropriate oversight authority request access to the Service for the purpose of viewing or retrieving Customer Data or confirming how Customer processes Customer Data, Customer may grant such access either by permitting representatives of such entities to observe Customer's use of the Service or by granting such representatives temporary status as an Authorized Party.

4.5 HIPAA. In accordance with the policies of its Board of Supervisors, Customer has determined that the Customer Data is likely to contain information subject to the Health Insurance Portability and Accountability Act privacy rules. Accordingly, the parties have executed a Business Associate Agreement contemporaneously with this Agreement. In the event that there is subsequent legislation, regulation, or judicial interpretation requiring changes to the Business Associate Agreement, the parties will negotiate in good faith to amend the Business Associate Agreement to comply with applicable provisions of HIPAA and any implementing regulations.

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

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

5. Customer Data.

5.1 Protection and Security. During the Term of this Agreement, Workday shall maintain a formal security program materially in accordance with industry standards that is designed to: (i) ensure the security and integrity of Customer Data; (ii) protect against threats or hazards to the security or integrity of Customer Data; and (iii) prevent unauthorized access to Customer Data. Such security program will conform to the *Workday Security Exhibit* attached hereto, and is further described in Workday's most recently completed Service Organization Control 1 (SOC1) and Service Organization Control 2 (SOC2) audit reports or industry-standard successor reports. The most recently completed, as of the Effective Date, SOC1 and SOC2 audit reports are referred to as the "Current Audit Reports". Each year, Workday will retain a nationally recognized public accounting firm to produce such an audit report relating to the Service at Workday's cost. In no event during the Term shall Workday materially diminish the protections provided by the controls set forth in Workday's Security Exhibit and the Current Audit Reports. Workday will promptly remediate any material deficiencies identified in the Current Audit Report. Upon Customer's request, Workday will provide Customer with a copy of Workday's then-current SOC1 and SOC2 audit reports or comparable



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industry-standard successor report prepared by Workday's independent third party auditor. Workday is self-certified to the EU-U.S. Privacy Shield Framework maintained by the U.S. Department of Commerce ("Privacy Shield") and will remain certified for the Term of the Agreement provided that the Privacy Shield is recognized by the European Commission as a legitimate basis for the transfer of Personal Data to an entity located in the United States. The *Data Processing Exhibit* attached hereto will apply to the processing of Personal Data (as defined in the Data Processing Exhibit). Workday designs its Service to allow Customers to achieve differentiated configurations, enforce user access controls, and manage data categories that may be populated and/or made accessible on a country-by-country basis. Customer understands that its use of the Service and compliance with any terms hereunder does not constitute compliance with any Law. Customer understands that it has an independent duty to comply with any and all Laws applicable to it.

5.2 Unauthorized Disclosure. If either party believes that there has been a Security Breach, such party must promptly notify the other party, unless legally prohibited from doing so, within forty-eight hours or any shorter period as may be required by Law. Additionally, each party will reasonably assist the other party in mitigating any potential damage. Each party shall bear the costs of such remediation or mitigation to the extent the breach or security incident was caused by it except as such costs may be allocated pursuant to Section 5.3. As soon as reasonably practicable after any such Security Breach that is not clearly attributable to Customer or its Authorized Parties, Workday shall conduct a root cause analysis and, upon request, will share the results of its analysis and its remediation plan with Customer.

5.3 Workday Remediation of Certain Unauthorized Disclosures. In the event that any unauthorized access to or acquisition of Personal Data is caused by Workday's breach of its security and/or privacy obligations under this Agreement, Workday shall pay the reasonable and documented costs incurred by Customer in connection with the following items: (a) costs of any required forensic investigation to determine the cause of the breach, (b) providing notification of the security breach to applicable government and relevant industry self-regulatory agencies, to the media (if required by applicable Law) and to individuals whose Personal Data may have been accessed or acquired, (c) providing credit monitoring service to individuals whose Personal Data may have been accessed or acquired for a period of one year after the date on which such individuals were notified of the unauthorized access or acquisition for such individuals who elected such credit monitoring service, and (d) operating a call center to respond to questions from individuals whose Personal Data may have been accessed or acquired for a period of one year after the date on which such individuals were notified of the unauthorized access or acquisition. NOTWITHSTANDING THE FOREGOING, OR ANYTHING IN THE AGREEMENT TO THE CONTRARY, WORKDAY SHALL HAVE NO RESPONSIBILITY TO PAY COSTS OF REMEDIATION THAT ARE DUE TO RECKLESS MISCONDUCT, GROSS NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD BY CUSTOMER OR ITS EMPLOYEES, AGENTS OR CONTRACTORS.

6. Warranties & Disclaimers.

6.1 Warranties. Each party warrants that it has the authority to enter into this Agreement and, in connection with its performance of this Agreement, shall comply with all Laws applicable to it related to data privacy, international communications and the transmission of technical or personal data. Workday warrants that during the Term (i) the Service shall perform materially in accordance with the Documentation; (ii) the functionality of the Service will not be materially decreased during the Term; and (iii) to the best of its knowledge, the Service does not contain any Malicious Code. Workday further warrants that it will not knowingly introduce any Malicious Code into the Service. Malicious Code, no matter how introduced, will be remedied in accordance with Section 6.2. In addition to the foregoing, Workday shall comply with all applicable federal, state and local employment laws, government regulations or orders. In addition, Workday represents and warrants that it will not discriminate against any employee or applicant for employment because of race, color, religion, disability, sex, national origin, age, veteran status, genetic information or any other unlawful criterion and that it shall comply with all applicable laws against discrimination and all applicable rules, regulations and orders issued thereunder or in implementation thereof, including, to the extent that Workday is a subcontractor on a federal contract, the Equal Opportunity Clauses set forth in 41 C.F.R. §§ 60-1.4(a), 60-300.5(a), and 60-741.5(a), as well as the employee notice found at 29 C.F.R. Part 471, Appendix A to Subpart A are incorporated by reference herein. These regulations prohibit discrimination against



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qualified individuals on the basis of protected veteran status or disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

6.2 Warranty Remedies. In the event of a breach of the warranty set forth in Section 6.1 (i) or (ii), or upon the discovery of Malicious Code in the Service, (a) Workday shall correct the non-conforming Service at no additional charge to Customer, or (b) in the event Workday is unable to correct such deficiencies after good-faith efforts, Workday shall refund Customer amounts paid that are attributable to the defective Service from the date Customer first reported the applicable deficiencies to Workday through the date that such deficiencies are remedied. To receive the refund remedy, Customer must promptly report deficiencies in writing to Workday, but no later than thirty (30) days following the first date the deficiency is identified by Customer, but Customer's failure to notify Workday within such thirty (30) day period shall not affect Customer's right to receive the remedy in Section 6.2(a) unless Workday is somehow unable, or impaired in its ability to, correct the deficiency due to Customer's failure to notify Workday within the thirty (30) day period. Notice of breaches of the warranty in Section 6.1(i) or (iii) shall be made through Workday's then-current error reporting system; notices of breaches of any other warranty shall be made in writing to Workday in accordance with the Notice provisions of this Agreement. The remedies set forth in this subsection 6.2 shall be Customer's sole remedy and Workday's sole liability for breach of the warranties in Section 6.1 unless the breach of warranty constitutes a material breach of the Agreement and Customer elects to terminate the Agreement in accordance with Section 9.2 (Termination).

6.3 DISCLAIMER. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 6 AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WORKDAY MAKES NO WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICE AND/OR RELATED DOCUMENTATION. WORKDAY DOES NOT WARRANT THAT THE SERVICE WILL BE ERROR FREE OR UNINTERRUPTED. THE LIMITED WARRANTIES PROVIDED HEREIN ARE THE SOLE AND EXCLUSIVE WARRANTIES PROVIDED TO CUSTOMER IN CONNECTION WITH THE PROVISION OF THE SERVICE.

7. Indemnification

7.1 Intellectual Property Indemnification by Workday. Workday shall defend, indemnify and hold Customer and Affiliates, their respective directors, officers, governing boards, elected or appointed officials, agents, employees, and representatives, (individually and collectively, the "Indemnitees") harmless against any loss, damage or costs (including reasonable attorneys' fees) in connection with claims, demands, suits, or proceedings ("Claims") made or brought against Customer by a third party alleging that the use of the Service as contemplated hereunder infringes any third party's Intellectual Property Rights; provided, however, that Customer: (a) promptly gives written notice of the Claim to Workday; and (b) provides to Workday, at Workday's cost, all reasonable assistance. Workday shall not be required to indemnify Customer to the extent that the alleged infringement arises from: (w) modification of the Service by Customer, its Employees, or Authorized Parties in conflict with Customer's obligations or as a result of any prohibited activity as set forth herein; (x) use of the Service in a manner inconsistent with the Documentation; (y) use of the Service in combination with any other product or service not provided by Workday; or (z) use of the Service in a manner not otherwise contemplated by this Agreement. If Customer is enjoined from using the Service or Workday reasonably believes it will be enjoined, Workday shall have the right, at its sole option, to obtain for Customer the right to continue use of the Service or to replace or modify the Service so that it is no longer infringing. If neither of the foregoing options is reasonably available to Workday, then use of the impacted portions of the Service may be terminated at Workday's option if and only if Workday is terminating use of the impacted portions of the Service to all other Workday customers affected by the Claim and Workday's sole liability (other than its obligation to defend and indemnify as set forth in this section 7) shall be to refund any prepaid fees for the Service that were to be provided after the effective date of termination, as well as any fees paid by Customer attributable to the enjoined portions of the Service for the period of time Customer was enjoined from use of the Service. In



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addition, Workday will not object to Customer's participation in the defense against any proposed injunction which would impact Customer's ability to utilize the Service.

7.2 With respect to indemnified Claims under Section 7.1, Workday shall in its defense of the Customer pay all cost and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards. With respect to any action or claim subject to indemnification herein by Workday, Workday shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Customer; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Workday's indemnification to Indemnitees as set forth herein.

7.3 Workday's obligation hereunder shall be satisfied when Workday has provided to Customer the appropriate form of dismissal or settlement relieving the applicable Indemnitees from any liability for the action or claim involved.

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

7.5 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 if and only if California Civil Code Section 2782 applies to this Agreement. Such interpretation shall not relieve Workday from indemnifying the Indemnitees to the fullest extent allowed by law.

8. Limitation of Liability.

8.1 **Limitation of Liability.** TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO (i) WORKDAY'S INDEMNIFICATION OBLIGATIONS IN SECTION 7, (ii) RECKLESS MISCONDUCT, GROSS NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD, (iii) WORKDAY'S REMEDIATION OBLIGATIONS IN SECTION 5.3; (iv) CLAIMS FOR BODILY INJURY, DEATH OR DAMAGE TO TANGIBLE PERSONAL PROPERTY TO THE EXTENT RESULTING FROM THE ACTIONS OF WORKDAY, ITS EMPLOYEES, ITS VENDORS, ITS AGENTS, OR ITS SUBCONTRACTORS) OR (v) CUSTOMER'S PAYMENT OBLIGATIONS, EACH PARTY IS RESPONSIBLE FOR ITS ACTS AND OMISSIONS EXCEPT AS LIMITED IN THIS SECTION 8; HOWEVER:

(a) IN NO EVENT SHALL CUSTOMER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE FEES ACTUALLY PAID OR PAYABLE BY CUSTOMER UNDER THIS AGREEMENT OR THE SERVICE FROM WHICH THE CLAIM AROSE DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE (OR, FOR A CLAIM ARISING BEFORE THE FIRST ANNIVERSARY OF THE EFFECTIVE DATE, THE AMOUNT PAID OR PAYABLE FOR THE FIRST TWELVE (12) MONTH PERIOD)

(b) IN NO EVENT SHALL WORKDAY'S AGGREGATE LIABILITY FOR ITS PERFORMANCE OR BREACH OF THIS AGREEMENT (INCLUDING ALL EXHIBITS) WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE FEES ACTUALLY PAID OR PAYABLE BY CUSTOMER UNDER THIS AGREEMENT DURING THE IMMEDIATELY PRECEDING TWENTY-FOUR (24) MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE (OR, FOR A CLAIM ARISING BEFORE THE FIRST ANNIVERSARY OF THE EFFECTIVE DATE, THE AMOUNT PAID OR PAYABLE FOR THE FIRST TWENTY-FOUR (24) MONTH PERIOD)

(c) **Definition and Restoration of Aggregate Liability.** Aggregate Liability shall be determined on the basis of the Order Form from which the Claim arose, except that if an Order Form is to add additional Authorized Parties to an existing subscription for Services, the Aggregate Liability for that Service will be all current Order Forms for the applicable Service. Accordingly, when a new Order Form for a subsequent subscription to the Service is executed, Aggregate Liability for claims

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arising out of the Services provided under that Order Form will be governed by the fees stated on of that Order Form. In addition, if, at any time during the Term, a party has suffered damages, to the extent resulting from the other party's breach of this Agreement in an aggregate amount exceeding one hundred (100%) of the limitation found in Sections 8.1(a) or (b) as applicable, then the non-breaching party may provide the breaching party with a written notice proposing that the amount available for recovery under limitation of liability be reset to the original amount for that Order Form (a "Refresh Proposal"). The breaching party may accept or reject a Refresh Proposal in its reasonable business discretion. If the breaching party fails to accept a Refresh Proposal in writing within thirty (30) calendar days after its receipt thereof, the non-breaching party may by written notice terminate this Agreement as a whole (including all Order Forms), effective as of the date specified in its notice of termination, without obligation to pay any termination fee or similar charge other than to pay for (or provide) the Services prior to the effective date termination. For clarity, Workday's obligations under Section 5.3, if applicable, do not reduce Workday's aggregate liability under Section 8.1(b).

8.2 Exclusion of Damages. EXCEPT WITH RESPECT TO AMOUNTS TO BE PAID BY EITHER PARTY PURSUANT TO A COURT AWARD (OTHER THAN A DEFAULT JUDGMENT) OR SETTLEMENT AS WELL AS THE DEFENSE COSTS UNDER THE INDEMNIFICATION OBLIGATIONS NO MATTER HOW SUCH DAMAGES MAY BE CHARACTERIZED, AND THE LOSS OF CUSTOMER DATA DUE TO THE FAILURE OF WORKDAY TO ADHERE TO ITS DATA BACKUP AND RESTORATION PROTOCOLS AS DESCRIBED IN THE SLA AND SECURITY EXHIBITS, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, OR FOR ANY LOST PROFITS, LOSS OF USE, COST OF DATA RECONSTRUCTION, COST OR PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICE, INCLUDING BUT NOT LIMITED TO THE USE OR INABILITY TO USE THE SERVICE, ANY INTERRUPTION, INACCURACY, ERROR OR OMISSION, EVEN IF THE PARTY FROM WHICH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS OR SUBCONTRACTORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES. CUSTOMER WILL NOT ASSERT THAT ITS PAYMENT OBLIGATIONS AS SET FORTH IN AN ORDER FORM ARE EXCLUDED AS WORKDAY'S LOST PROFITS.

8.3 DIRECT DAMAGES. SUBJECT TO SECTION 8.1 AND NOTWITHSTANDING SECTION 8.2 ABOVE, THE PARTIES AGREE THAT WITH RESPECT TO WORKDAY'S BREACH OF ITS CONFIDENTIALITY OR DATA SECURITY OBLIGATIONS SET FORTH IN THIS AGREEMENT, THE FOLLOWING SHALL BE CONSIDERED DIRECT DAMAGES AND WORKDAY SHALL REIMBURSE CUSTOMER FOR REASONABLE COSTS AND EXPENSES ACTUALLY PAID TO THIRD PARTIES FOR: (i) FINES AND PENALTIES IMPOSED BY GOVERNMENTAL AUTHORITY ARISING FROM SUCH BREACH; AND (iii) LEGAL FEES, INCLUDING REASONABLE ATTORNEY'S FEES, TO DEFEND AGAINST THIRD PARTY CLAIMS ARISING FROM SUCH BREACH AND FOR CLAIMS DEFENDED BY CUSTOMER, AMOUNTS PAID TO AFFECTED THIRD PARTIES AS DAMAGES OR SETTLEMENTS ARISING FROM SUCH BREACH.

9. Term & Termination.

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

9.2 Termination. Subject to Customer's transition rights defined in this Section 9, either party may terminate this Agreement: (i) upon thirty (30) days prior written notice to the other party of a material breach by the other party if such breach remains uncured at the expiration of such notice period; or (ii) immediately in the event the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit



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of creditors. Customer may terminate this Agreement pursuant to Section 10.14 of this Agreement. In the event the Agreement is terminated, all Order Forms are simultaneously terminated. Upon any termination by Customer pursuant to this section, Workday shall refund Customer any prepaid fees for the affected Service that were to be provided after the effective date of termination.

9.3 Dispute Resolution. The parties agree that they would prefer to resolve disputes rather than invoke their termination rights under this Agreement. Prior to the initiation of any legal proceeding other than one for equitable relief as described in subsection (d) below, the parties shall first attempt to resolve their dispute informally, as follows:

(a) Within five (5) business days following the written request of a party, designated individual(s) from Workday and Customer shall meet to resolve such dispute.

(b) The representatives referred to in paragraph (a) shall meet as often as the parties reasonably deem necessary in order to gather and furnish to the other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of formal legal proceedings. The specified format for the discussions will be left to the discretion of the designated representatives, but may include the preparation of agreed upon statements of fact or written statements of position. The Parties contend that provisions in California Evidence Code Section 1152 apply to negotiations. (c) If the representatives referred to in paragraph (a) above are unable to resolve the dispute within thirty (30) business days after the dispute is escalated to them, then either Party may escalate the dispute to the President of Workday and the County Executive Officer, or his designee of Customer, for their review and resolution. After such meeting if no resolution has been determined, the aggrieved party may pursue any such remedies as are available to such party at law or in equity.

(d) The provisions of this Section 9.3 shall not be construed to prevent a party from instituting, and a party is authorized to institute, judicial or other proceedings either to (i) seek injunctive relief or (ii) avoid the expiration of any applicable legal or contractual limitations period.

(e) Each of the parties agrees to continue performing its obligations under this Agreement and all related agreements while any dispute is being resolved except to the extent that the issue in dispute precludes performance (a dispute over payment shall not be deemed to preclude performance). Failure to pay undisputed invoices is not a dispute and Workday is entitled to exercise its contractual remedies in the event of such failure.

9.4 Effect of Termination. Upon any termination of this Agreement, and following any Transition Period Customer shall, as of the date of such termination, immediately cease accessing and otherwise utilizing the applicable Service (except as permitted under the section entitled "Retrieval of Customer Data") and Workday Confidential Information. Termination for any reason shall not relieve Customer of the obligation to pay any fees accrued or due and payable to Workday prior to the effective date of termination and termination for any reason other than for Workday's uncured material breach or the reasons set forth in Section 2.2 shall not relieve Customer of the obligation to pay all future amounts due under all order forms.

9.5 Retrieval of Customer Data. Upon written request by Customer made prior to any expiration or termination of this Agreement, Workday will make Customer Data and configuration data available to Customer through the Service solely for purposes of Customer retrieving Customer Data and configuration data for a period of up to sixty (60) days after such request is received by Workday. After such sixty (60) day period, Workday will have no obligation to maintain or provide any Customer Data and shall thereafter, unless legally prohibited, delete all Customer Data by deletion of Customer's Tenant; provided, however, that Workday will not be required to remove copies of the Customer Data from its backup media and servers until such time as the backup copies are scheduled to be deleted, provided further that in all cases Workday will continue to protect



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the Customer Data in accordance with this Agreement. The foregoing deletion obligation will be subject to any retention obligations imposed on Workday by Law. Additionally, during the Term of the Agreement, Customers may extract Customer Data using Workday's standard web services.

9.6 Transition Period before Final Termination. Upon any termination of the Agreement, Workday shall, upon Customer's request, continue to provide the Service to Customer (except where Workday is enjoined) pursuant to the terms of this Agreement for a transitional period of up to one (1) year (the "Transition Period"). Access to the Service during the Transition Period will be subject to the fees set out in the applicable Order Form, prorated on a monthly basis and payable in advance, based on the annual fees for the Service during calendar period of the Transition Period if the Order Form has fees for such calendar period, and for any portion of the Transition Period not covered by pre-negotiated fees on the Order Form, based upon the annual fees for the twelve month period immediately preceding the termination date plus an additional five percent (5%). During the Transition Period, Workday will provide cooperation and assistance as Customer may reasonably request to support an orderly transition to another provider of similar software, services, or to Customer's internal operations. Such cooperation and assistance will be limited to consulting regarding the Workday Service and will be subject to a fee based on Workday's then-current rates for consulting services and such services will be set out in a statement of work to a professional services agreement between the parties. Notwithstanding the foregoing, in the event of termination of this Agreement by Workday for breach by Customer, Workday may withhold the provision of transition Services and condition further performance upon (i) payment of undisputed fees then owed, (ii) prepayment of fees for further services, and (iii) receipt by Workday of an officer's certificate from Customer certifying ongoing compliance with the terms of this Agreement during the Transition Period.

9.7 Surviving Provisions. The following provisions of this Agreement shall not survive and will have no further force or effect following any termination or expiration of this Agreement and any Transition Period: (i) Section 1.1 "Workday Obligations"; (ii) Section 3.2 "Grant of Rights"; and (iii) any Order Form(s). All other provisions of this Agreement shall survive any termination or expiration of this Agreement.

10. General Provisions.

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

10.2 Insurance. Workday will maintain during the entire Term of this Agreement, at its own expense, the types of insurance coverage specified below, on standard policy forms and with insurance companies with at least an A.M. Best Rating of A- VII authorized to do business in the jurisdictions where the Workday Services are to be performed. Failure to maintain the required insurance policies shall be a material breach of this Agreement.

- (a) Workers' Compensation insurance prescribed by applicable local law and Employers Liability insurance with limits not less than \$1,000,000 per accident/per employee. This policy shall include a waiver of subrogation in favor of Customer
- (b) Business Automobile Liability covering all vehicles that Workday owns, hires or leases with a limit of no less than \$1,000,000 (combined single limit for bodily injury and property damage) for each accident. This policy shall include a waiver of subrogation in favor of Customer.
- (c) Commercial General Liability insurance including Contractual Liability Coverage, with coverage for products liability, completed operations, property damage and bodily injury, including death, with an aggregate limit of no



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less than \$2,000,000 and a per occurrence limit of no less than \$1,000,000. This policy shall include Customer as an additional insured with respect to the provision of services provided under this Agreement. This policy shall include a waiver of subrogation in favor of Customer.

- (d) Technology Professional Liability Errors & Omissions policy (which includes Cyber Risk coverage and Computer Security and Privacy Liability coverage) with a limit of no less than \$10,000,000 per occurrence and in the aggregate covering claims involving infringement of intellectual property, including infringement of copyright, trademark, trade dress, invasion of privacy violations, and claims involving information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
- (e) Crime policy with a limit of no less than \$5,000,000 per occurrence and in the aggregate and naming Customer (as its interests may appear) as a loss payee.
- (f) Excess Liability/Umbrella coverage with a limit of no less than \$9,000,000 per occurrence and in the aggregate (such limit may be achieved through increase of limits in underlying policies to reach the level of coverage shown here). This policy shall include Customer as an additional insured with respect to the provision of services provided under this Agreement. This policy shall include a waiver of subrogation in favor of Customer.

Where there is a waiver of subrogation or additional insured status for Customer, "Customer" 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. Upon Customer's request, Workday agrees to deliver to Customer a certificate(s) of insurance evidencing the coverage specified in this Section. Such certificate(s) will contain a thirty (30) day prior notice of cancellation provision and notes indicating that all subrogation waivers and additional insured status agreed herein are included in the policies. Upon request by Customer, Workday will hold a web-based session to allow Customer to review the endorsements showing additional insured status and waivers of subrogation. Workday will be solely responsible for any deductible or self-insurance retentions. Such insurance coverage will be primary and any other valid insurance existing will be in excess of such primary insurance policies. The required insurance coverage and limits of liability set forth above shall not be construed as a limitation or waiver of any potential liability of satisfaction of any indemnification/hold harmless obligation of Workday.

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

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

10.4 Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. None of the provisions of this Agreement shall be considered waived by either party unless such waiver is specifically specified in writing. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.

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10.5 Force Majeure. Neither party shall be liable for any failure or delay in performance under this Agreement for causes beyond that party's reasonable control and occurring without that party's fault or negligence, including, but not limited to, acts of God, acts of government, flood, fire, civil unrest, acts of terror, strikes or other labor problems (other than those involving Workday or Customer employees, respectively), and/or, where Workday is in compliance with its security and backup obligations under this Agreement, computer attacks or malicious acts, such as attacks on or through the Internet, any Internet service provider, telecommunications or hosting facility. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused. Each party will reasonably endeavor to resume its performance under this Agreement as soon as possible following a *force majeure* situation and Workday will expend the same level of effort to resume performance to Customer that it expends for its other similarly-situated customers.

10.6 Assignment. Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, either party may assign this Agreement in its entirety (including all Order Forms) without consent of the other party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets (an "M&A assignment") so long as the assignee agrees to be bound by all of the terms of this Agreement and all past due fees are paid in full. In the event of an M&A assignment, the non-assigning party shall be entitled to request that the assignee entity provide adequate assurances that it has the requisite personnel, assets, expertise, and experience to provide the Service and comply with this Agreement. Failure to provide such assurances may be treated as a material breach of this Agreement. Any attempt by a party to assign its rights or obligations under this Agreement other than as permitted by this section shall be void and of no effect. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.

10.7 Governing Law; Waiver of Jury Trial. This Agreement shall be governed exclusively by the internal laws of the State of California without regard to its conflicts of laws rules. The parties agree the venue of any dispute will be the State and Federal courts for the County of Riverside, California.

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

10.9 Federal Government End Use Provisions (if applicable). Workday provides the Service, including related software and technology, for federal government end use solely in accordance with the following: Government technical data and software rights related to the Service include only those rights customarily provided to the public as defined in this Agreement. This customary commercial license is provided in accordance with FAR 12.211 (Technical Data) and FAR 12.212 (Software) and, for Department of Defense transactions, DFAR 252.227-7015 (Technical Data – Commercial Items) and DFAR 227.7202.3 (Rights in Commercial Computer Software or Computer Software Documentation). If a government agency has a "need for" right not conveyed under these terms, it must negotiate with Workday to determine whether there are acceptable terms for transferring additional rights. A mutually acceptable addendum specifically conveying such rights must be executed by the parties in order to convey such rights beyond those set forth herein.

10.10 Use by other Entities. The parties agree that other public entities, including state agencies, local governments, local school systems, courts, and public institutions of higher education may utilize the terms of this Agreement to purchase services from Workday. The parties understand that pricing is specific to utilization metrics and the choice of Workday Service components and that other entities will not necessarily pay the same price as Customer. Any such other entity shall be responsible for complying with its relevant procurement rules and regulations. Customer will in no way whatsoever incur any liability to Workday, such entities, or others in relation to specifications, delivery, payment, or any other aspect of actions or



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omissions by such entities. An entity wishing to utilize this Agreement will execute its own Order Form which references this Agreement and incorporates it by reference or may, at its option, choose to have a copy of this Agreement executed in its own name.

10.11 Publicity. Except as set forth herein, Workday shall not use Customer's name, logos or trademarks, without the prior written consent of Customer, in any written press releases, advertisements and/or marketing materials. Notwithstanding the foregoing, Workday may use Customer's name but not its logo in lists of customers and on its website, including, but not limited to, Workday's community portal; however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from Workday. For the avoidance of doubt, this section does not prohibit Workday from referencing Customer's name in a verbal format. Workday may utilize Customer's logo only as specifically authorized by Customer in writing by its purchasing agent or designee; such authorization may take the form of an email.

10.12 Code of Conduct. Workday uses commercially reasonable efforts to ensure that Workday complies with its code of conduct. As of the Effective Date, Workday's code of conduct is accessible via the link shown below:

<http://www.workday.com/Documents/pdf/investor/ir-code-of-conduct-2014-05-13.pdf>

10.13 Miscellaneous. This Agreement, including all exhibits and addenda hereto and all Order Forms, constitutes the entire agreement between the parties with respect to the subject matter hereof. Current copies of Workday's SLA, Security Exhibit, and Data Processing Exhibit are attached, but in each case, the parties recognize that these Exhibits reflect standard Workday policies and may change over time, subject to the requirement in Section 6.1(ii) that changes will not materially degrade the Service or security of the Service and the requirement that the Customer will not be subject to any additional obligations as a result of the changes. Material degradation of the Service includes, but is not limited to, any decrease in the commitment as to uptime percentage in the SLA or an increase in maintenance windows of more than twenty (20) percent. In the event of a conflict or where an Order Form provides more specific detail than this Agreement, the provisions of an Order Form shall take precedence over provisions of the body of this Agreement and over any other Exhibit or Attachment provided, however, that the Agreement shall take precedence with respect to all sections unless the Order Form clearly states that it shall take priority and the Order Form was signed by Customer's signatory. Each of the attached Order Forms is a separately executed agreement subject to this Agreement that may be separately amended without amending this Master Subscription Agreement. This Agreement supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted. The Board of Supervisors of the County of Riverside is the only authorized Customer representative who may at any time, by written order, alter this Agreement on behalf of the Customer. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect. Notwithstanding any language to the contrary therein, no terms or conditions stated in a Customer purchase order or in any other Customer order documentation shall be incorporated into or form any part of this Agreement, and all such terms or conditions shall be null and void. This Agreement may be executed in counterparts, which taken together shall form one binding legal instrument. The parties hereby consent to the use of electronic signatures in connection with the execution of this agreement, and further agree that electronic signatures to this agreement shall be legally binding with the same force and effect as manually executed signatures, provided that such signatures must be made using a technology designed for electronic signatures and a mere email which appears to state consent to an agreement or action shall not be considered an electronic signature.

10.14 Availability of Funds. For each succeeding fiscal period: (a) Customer agrees to make a good faith effort to include in its budget request appropriations sufficient to cover Customer's obligations under the Agreement; and (b) Customer agrees



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to use all reasonable and lawful means to secure these appropriation. Customer reasonably believes, barring unforeseen circumstances or events, that sufficient funds will lawfully be appropriated to satisfy its obligations under this Agreement. The Parties hereto recognize and understand that the consideration hereunder originates from county, state and/or federal sources, and therefore Customer shall have the right to terminate this Agreement (i) if such funding is insufficient, reduced or otherwise becomes unavailable, based on Customer's annual fiscal budget, or (ii) if any law, rule or regulation precludes, prohibits or materially adversely impairs Customer's ability to continue this Agreement, in which case it need not seek funds. If Customer is appropriated insufficient funds to continue payments under this Agreement Customer may terminate this Agreement by giving Workday not less than thirty (30) days' prior written notice. Upon termination Customer will remit all amounts due and all costs reasonably incurred through the date of termination and, to the extent of lawfully available funds, through the end of the then-current fiscal period, providing Service will continue through the end of the then-current fiscal period and for the full duration of any subsequent Transition Period for which funds are available. Upon Workday's reasonable request, Customer will provide Workday with information as to funding status for its next subscription payment(s).

10.15 Audit Financial Billing. During the Term of this Agreement but not more frequently than once per year, Workday shall make available to Customer or its chosen independent third-party auditor (or federal or state department auditor having monitoring or reviewing authority over Customer), for examination those financial books, records, and files of Workday that are necessary for Customer to verify Workday's charges for the Service provided under any Order Form(s) issued hereunder. Workday shall be subject to examination and/or audit to the extent set forth in law and shall comply with all program and fiscal reporting requirements set forth by law as described more fully in the Data Processing Exhibit. Workday shall maintain complete and accurate records as is reasonably necessary to substantiate such charges for at least five (5) years after such charges are invoiced. Customer shall provide Workday with reasonable notice prior to conducting such financial audit and the parties shall mutually agree upon the timing of such financial audit which shall be conducted in a manner that is least disruptive to Workday's business operations. Such right shall not extend to or require on-site audits of Workday's operations or third-party hosting facilities, disclosure of any confidential information of any other Workday customer, or Workday's payroll records or other financial records not related to Service fees invoiced to Customer.

10.16 California Labor Code Requirements. Workday is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Workday agrees to fully comply with such Prevailing Wage Laws, if applicable. Workday shall defend, indemnify and hold Customer, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon Workday and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors for work performed in California.

10.17 Verification of Employment Eligibility. By executing this Agreement, Workday verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

10.18 Equal Opportunity Employment. Workday represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of, as applicable under the law of the jurisdiction where employment occurs, race, religion, color, national origin, ancestry, sex, age, or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.



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10.19 Limitation of Agreement. This Agreement is limited to and includes only the services and work described herein.

10.20 Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than Customer and Workday.

10.21 Severability. The unenforceability, invalidity, or illegality of provision(s) of this Agreement shall not render the remaining provisions unenforceable, invalid, or illegal.

10.22 Customer's Right to Employ Other Consultants. Customer reserves its right to employ other entities in connection with this Agreement and other projects.

10.23 Prohibited Interests. Workday represents that it has not employed nor retained any company or person, other than a bona fide employee working solely for Workday, to solicit or secure this Agreement. Further, Workday represents that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Workday, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this representation, Customer shall have the right to rescind this Agreement without liability. Upon Customer's request, Workday will include the following statement on Order Forms that are not executed contemporaneously with this Agreement, "Workday represents that it has not employed nor retained any company or person, other than a bona fide employee working solely for Workday, to solicit or secure this Order Form. Further, Workday represents that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Workday, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Order Form.

11. Definitions.

"Affiliate" means any entity which was created or derived its current separate legal status from the Customer, may be staffed or managed, in part or in whole, by employees of the Customer, whereby such employees act ex officio for the Affiliate pursuant to state law, directly or indirectly controls, is controlled by, or is under common control by either party or in the case of Customer, Affiliate also means any special district or local government entity to which Customer provides payroll or human resources services. For purposes of the preceding sentence, "control" means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

"Agreement" has the meaning set forth in Section 1.3. Only Order Forms that are mutually executed or attached to an executed purchase order are part of this Agreement.

"Authorized Parties" means Customer's or an authorized Affiliate's Employees and third party providers authorized to access Customer's Tenants and/or to receive Customer Data by Customer (i) in writing, (ii) through the Service's security designation, or (iii) by system integration or other data exchange process.

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

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



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

“Documentation” means Workday’s electronic Administrator Guide for the Service (formerly known as the User Guide), which may be updated by Workday from time to time.

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

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

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

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

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

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

“Personal Data” means any information that is related to an identified or identifiable individual and has been provided by Customer or its Affiliates as Customer Data within the Workday Service to enable Workday to Process the data on its behalf.

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

“Security Breach” means (i) any actual or reasonably suspected unauthorized use of, loss of, access to or disclosure of, Customer Data; provided that an incidental disclosure of Customer Data to an Authorized Party or Workday, or incidental access to Customer Data by an Authorized Party or Workday, where no reasonable suspicion exists that such disclosure or access involves theft, or is fraudulent, criminal or malicious in nature, shall not be considered a “Security Breach” for purposes of this definition, unless such incidental disclosure or incidental access triggers a notification obligation under any applicable Law and (ii) any security breach (or substantially similar term) as defined by applicable Law.

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



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“**SLA**” means the *Workday Production Support and Service Level Availability Policy*, which may be updated by Workday from time to time. No update shall materially diminish Workday’s responsibilities under the Workday Production Support and Service Level Availability Policy.

“**Subscription Service Fee**” means all amounts invoiced and payable by Customer for the Service.

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

“**Tenant Base Name**” is a naming convention that will be used in all of the tenant URLs provided by Workday, as specified in Customer’s initial Order Form subscribing to the Service, and which shall remain constant throughout the Term.

“**Term**” has the meaning set forth in Section 9.1.

[Signature Block on Next Page]



MASTER SUBSCRIPTION AGREEMENT

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

CUSTOMER:

WORKDAY:

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

WORKDAY, INC., a Delaware
corporation

By: 

John Tavaglione, Chairman
Board of Supervisors

By: 

Name: Carol Richwood
Title: Vice President, Finance

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 

Deputy

(Seal)

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 

Synthia M. Gunzel
Supervising Deputy County Counsel



MASTER SUBSCRIPTION AGREEMENT

WORKDAY SLA SERVICE CREDIT EXHIBIT

In the event of a failure by Workday to meet the Service Availability and Service Response minimums as set forth in the SLA, as Customer's sole and exclusive financial remedy for such failure, at Customer's request, Workday shall provide service credits in accordance with the following:

- a. First month of missed availability or response minimum: The parties shall meet to discuss possible corrective actions
- b. Second month in any rolling six (6) month period: 10% of the Subscription Fee paid for the applicable month for the affected Service application
- c. Third month in any rolling six (6) month period: 20% of the Subscription Fee paid for the applicable month for the affected Service application
- d. Fourth month in any rolling six (6) month period: 30% of the Subscription Fee paid for the applicable month for the affected Service application
- e. Fifth month in any rolling six (6) month period: 40% of the Subscription Fee paid for the applicable month for the affected Service application
- f. Sixth month in any rolling six (6) month period: 50% of the Subscription Fee paid for the applicable month for the affected Service application
- g. More than three months in any rolling six (6) month period: Within sixty (60) days following the date that Workday notifies Customer of such failure through its posted SLA attainment information Customer shall have the option to terminate the entire Agreement and upon such termination Customer shall receive a refund of all prepaid subscription fees that are unearned as of the date such termination is effective.
- h. If more than one of the above (a through g) is triggered, Customer will be eligible for the greater amount for the applicable month only. Credits shall be deducted from subsequent invoices for subscription fees or other fees or, upon expiration or termination of the Agreement, paid to Customer directly.



Security Exhibit

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

Workday's security program is designed to:

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

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

1. **Security Awareness and Training.** A mandatory security awareness and training program for all members of Workday's workforce (including management), which includes:
 - a) Training on how to implement and comply with its Information Security Program;
 - b) Promoting a culture of security awareness through periodic communications from senior management with employees.
2. **Access Controls.** Policies, procedures, and logical controls:
 - a) To limit access to its information systems and the facility or facilities in which they are housed to properly authorized persons;
 - b) To prevent those workforce members and others who should not have access from obtaining access; and
 - c) To remove access in a timely basis in the event of a change in job responsibilities or job status.
3. **Physical and Environmental Security.** Controls that provide reasonable assurance that access to physical servers at the production data center is limited to properly authorized individuals and that environmental controls are established to detect, prevent and control destruction due to environmental extremes. These controls include:
 - a) Logging and monitoring of unauthorized access attempts to the data center by the data center security personnel;
 - b) Camera surveillance systems at critical internal and external entry points to the data center;
 - c) Systems that monitor and control the air temperature and humidity at appropriate levels for the computing equipment; and
 - d) Uninterruptible Power Supply (UPS) modules and backup generators that provide back-up power in the event of an electrical failure.
4. **Security Incident Procedures.** A security incident response plan that includes procedures to be followed in the event of any security breach of Customer Data or any security breach of any application or system directly associated with the accessing, processing, storage, communication or transmission of Customer Data. Such procedures include:
 - a) Roles and responsibilities: formation of an internal incident response team with a response leader;
 - b) Investigation: assessing the risk the incident poses and determining who may be affected;



Security Exhibit

- c) Communication: internal reporting as well as a notification process in the event of unauthorized disclosure of Customer Data in accordance with the Master Agreement;
 - d) Recordkeeping: keeping a permanent record of what was done and by whom to help in later analysis and possible legal action; and
 - e) Audit: conducting and documenting root cause analysis and remediation plan.
5. **Contingency Planning/Disaster Recovery.** Policies and procedures for responding to an emergency or other occurrence (for example, fire, vandalism, system failure, pandemic flu, and natural disaster) that could damage Customer Data or production systems that contain Customer Data. Such procedures include:
- a) Data Backups: A policy for performing periodic backups of production file systems and databases according to a defined schedule;
 - b) Disaster Recovery: A formal disaster recovery plan for the production data center, including:
 - i) Requirements for the disaster plan to be tested on a regular basis, currently twice a year; and
 - ii) A documented executive summary of the Disaster Recovery testing, at least annually, which is available upon request to customers.
 - c) Business Continuity Plan: A formal process to address the framework by which an unplanned event might be managed in order to minimize the loss of vital resources.
6. **Audit Controls.** Hardware, software, and/or procedural mechanisms that record and examine activity in information systems that contain or use electronic information, including appropriate logs and reports concerning these security requirements.
7. **Data Integrity.** Policies and procedures to ensure the confidentiality, integrity, and availability of Customer Data and protect it from disclosure, improper alteration, or destruction.
8. **Storage and Transmission Security.** Technical security measures to guard against unauthorized access to Customer Data that is being transmitted over a public electronic communications network or stored electronically. Such measures include requiring encryption of any Customer Data stored on desktops, laptops or other removable storage devices.
9. **Secure Disposal.** Policies and procedures regarding the disposal of tangible property containing Customer Data, taking into account available technology so that Customer Data cannot be practicably read or reconstructed.
10. **Assigned Security Responsibility.** Assigning responsibility for the development, implementation, and maintenance of its Information Security Program, including:
- a) Designating a security official with overall responsibility;
 - b) Defining security roles and responsibilities for individuals with security responsibilities; and
 - c) Designating a Security Council consisting of cross-functional management representatives to meet on a regular basis.
11. **Testing.** Regularly testing of the key controls, systems and procedures of its information security program to validate that they are properly implemented and effective in addressing the threats and risks identified. Such testing includes:
- a) Internal risk assessments;
 - b) ISO 27001 certification; and



Security Exhibit

- c) SSAE Type II (or successor standard) audits twice annually.
12. **Monitoring.** Monitoring the network and production systems, including error logs on servers, disks and security events for any potential problems. Such monitoring includes:
- a) Reviewing changes affecting systems handling authentication, authorization, and auditing;
 - b) Reviewing privileged access to Workday production systems; and
 - c) Engaging third parties to perform network vulnerability assessments and penetration testing on a regular basis.
13. **Change and Configuration Management.** Maintaining policies and procedures for managing changes to production systems, applications, and databases. Such policies and procedures include:
- a) A process for documenting, testing and approving the promotion of changes into production;
 - b) A security patching process that requires patching systems in a timely manner based on a risk analysis; and
 - c) A process for Workday to utilize a third party to conduct web application level security assessments. These assessments generally include testing for:
 - i) Cross-site request forgery
 - ii) Improper input handling (e.g. cross-site scripting, SQL injection, XML injection, cross-site flashing)
 - iii) XML and SOAP attacks
 - iv) Weak session management
 - v) Data validation flaws and data model constraint inconsistencies
 - vi) Insufficient authentication
 - vii) Insufficient authorization
14. **Program Adjustments.** Workday monitors, evaluates, and adjusts, as appropriate, the security program in light of:
- a) Any relevant changes in technology and any internal or external threats to Workday or the Customer Data;
 - b) Security and data privacy regulations applicable to Workday; and
 - c) Workday's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements, and changes to information systems.



Workday Production Support and Service Level Availability Policy (SLA)

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

1. Technical Assistance Terms:

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

2. Service Availability:

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

Service Availability is calculated per month as follows:

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

Definitions:

- **Total** is the total minutes in the month
- **Unplanned Outage** is total minutes unavailable in the month outside of the Planned Maintenance window
- **Planned Maintenance** is total minutes of planned maintenance in the month.

Currently, Planned Maintenance is four (4) hours for weekly maintenance, plus four (4) hours for monthly maintenance, plus four (4) hours for quarterly maintenance. Workday's current weekly maintenance begins at 2:00 am (Eastern) on Saturday; monthly maintenance begins at 6:00 am (Eastern) on Saturday; and quarterly maintenance begins at 10:00 am (Eastern) on Saturday. All times are subject to change upon thirty (30) days' notice provided in the Workday Community (<https://community.workday.com>) and any such change shall not lengthen the duration of the associated maintenance window.

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

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

3. Workday Feature Release and Service Update Process:

Periodically, Workday introduces new features in the Workday Service with enhanced functionality across Workday applications. Features and functionality will be made available as part of a major feature release ("Feature Release") or as part of weekly service updates ("Service Updates"). Feature Releases will take place approximately twice per year. The frequency of Feature Release availability may be increased or decreased by Workday at Workday's discretion. Specific information and timelines for Feature Releases and Service Updates can be found on the Workday Community (<https://community.workday.com>). Feature Releases will be performed during a weekend within any Planned Maintenance.



Workday Production Support and Service Level Availability Policy (SLA)

4. Service Response:

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

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

5. Disaster Recovery:

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

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

6. Case Submittal and Reporting:

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

7. Severity Level Determination:

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

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

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

In the event of a Severity Level 1 or 2 issue, if Customer is not satisfied with the progress of the case, Customer may escalate the case to Workday support management using the escalation process defined for Named Support Contacts. Upon escalation, Workday support senior management is notified and a Workday escalation manager is assigned to work with Customer until the escalation is resolved.



Workday Production Support and Service Level Availability Policy (SLA)

Severity Level 1:

- **Definition:** The Workday Service is unavailable or a Workday issue prevents timely payroll processing, tax payments, entry into time tracking and/or financials closing (month-end, quarter-end or year-end).
- **Workday Response Commitment:** Workday will respond within thirty (30) minutes of receipt of case and Workday shall remain accessible for troubleshooting from the time a Severity 1 issue is logged until such time as it is resolved.
- **Resolution:** Workday will work to resolve the problem until the Service is returned to normal operation. Customer will be notified of status changes.
- **Escalation:** If the problem has not been resolved within one (1) hour, Workday will escalate the problem to the appropriate Workday organization. The escalated problem will have higher priority than ongoing support, development or operations initiatives.
- **Customer Response Commitment:** Customer shall remain accessible for troubleshooting from the time a Severity 1 issue is logged until such time as it is resolved.

Severity Level 2:

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

Severity Level 3:

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



Workday Production Support and Service Level Availability Policy (SLA)

Severity Level 4:

- **Definition:** The Workday Service contains an issue that may disrupt important business processes where a workaround is available or functionality is not imperative to Customer's business operations.
- **Workday Response Commitment:** Workday will respond within twenty-four (24) hours of receipt of case.
- **Resolution:** If resolution requires a Workday issue fix, Workday will add the issue fix to its development queue for future Update and suggest potential workaround until the problem is resolved in a future Update. Customer will be notified of status changes.
- **Escalation:** If progress is not being made to Customer's satisfaction, Customer may request that Workday escalate the problem to the appropriate Workday organization.
- **Customer Response Commitment:** Customer will respond to Workday requests for additional information and implement recommended solutions in a timely manner.

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

- **Definition:** Non-system issues such as Named Support Contact change, requests for SLA reports or business documents, etc. Questions about configuration and functionality should be addressed to the Workday Community. If necessary to open a Support case requesting assistance, Severity 5 should be used.
- **Workday Response Commitment:** Workday will respond within twenty-four (24) hours of receipt of case.
- **Resolution Commitment:** Workday will respond to request. Customer will be notified of status changes.
- **Escalation:** If progress is not being made to Customer's satisfaction, Customer may request that Workday escalate the problem to the appropriate Workday organization.
- **Customer Commitment:** Customer will respond to Workday requests for additional information in a timely manner.

9. Workday Support Scope:

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

10. Workday Web Services API Support:

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

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



DATA PROCESSING EXHIBIT

This Data Processing Exhibit (“DPE”) forms part of the Master Subscription Agreement between Workday and Customer (the “Agreement”) under which Workday provides the Workday Service to Customer.

Designated Data Center Location: United States

1. Definitions

Unless otherwise defined below, all capitalised terms have the meaning given to them in the Agreement and/or exhibits thereto.

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

“**Affiliates**” has the same meaning as in the Agreement.

“**Contingent Worker**” for the purposes of this DPE only, means: (i) an individual (who is not a direct employee of Workday or a Workday Affiliate) that is directly engaged by Workday or a Workday Affiliate (not employed through another entity) to perform any of Workday’s obligations under the Agreement or this DPE; or (ii) an individual who is engaged by Workday or a Workday Affiliate to perform any of Workday’s obligations under the Agreement or DPE but employed through a staffing firm entity where such entity is in the business of providing staffing augmentation but does not undertake responsibility for the direct supervision of the individual. For the purpose of this DPE, Contingent Workers shall be treated like Workday employees and Workday shall be liable for the acts and omissions of any Contingent Workers to the same extent as if the acts or omissions were performed by Workday.

“**Customer**” has the same meaning as in the Agreement.

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

“**Customer Data**” has the same meaning as in the Agreement.

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

“**Data Processor**” means the entity which Processes Personal Data on behalf of the Data Controller.

“**Data Protection Directive**” means the Data Protection Directive 95/46/EC, or any successor legislation imposing equivalent obligations, including the General Data Protection Regulation (EU) 2016/679.

“**Data Protection Laws**” means all data protection laws applicable to the Processing of Personal Data under this DPE, including local, state, national and/or foreign laws, treaties, and/or regulations, laws of the European Union, the European Economic Area and implementations of the Data Protection Directive into national law.

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

“**EEA**” means the European Economic Area.

“**Personal Data**” means any Customer Data that is related to an identified or identifiable person.

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

“**Service**” has the same meaning as in the Agreement.



DATA PROCESSING EXHIBIT

“Subprocessor” means a Workday Affiliate or third-party entity which is not a Contingent Worker engaged by Workday or a Workday Affiliate as a Data Processor. For the avoidance of doubt, a co-location data center facility with physical access to the hardware containing Customer Data is not a Subprocessor under this DPE provided that the co-location data center and its personnel are not provided access to the Customer Data stored on such hardware.

“Valid Transfer Mechanism” means a data transfer mechanism recognized by the European Commission as a legitimate basis for the transfer of Personal Data outside the EEA.

2. Processing Personal Data

2.1 Scope and Role of the Parties. This DPE applies to the Processing of Personal Data by Workday to provide the Service, as described in the Agreement. For the purposes of this DPE, Customer and its Affiliates are the Data Controller(s) and Workday is the Data Processor, Processing Personal Data on Customer’s behalf.

2.2 Instructions for Processing. Workday shall Process Personal Data in accordance with and only to the extent required by Customer’s instructions. The Agreement and this DPE are Customer’s instructions to Workday for Processing Personal Data in connection with the Service. Customer may provide additional instructions to Workday to the extent such instructions are consistent with the terms and scope of the Agreement and this DPE.

2.3 Extra-Contractual Instructions. If Customer’s additional instructions are not consistent with the terms or the scope of the Agreement and this DPE, they are considered **“Extra-Contractual Instructions.”** Customer agrees Workday is not obligated to perform Extra-Contractual Instructions. Customer further agrees Workday may require negotiation of additional terms and fees to perform Extra-Contractual Instructions.

2.4 Relief from Liability. Customer agrees that Workday shall be entitled to relief from liability in circumstances where a Data Subject makes a claim or complaint with regards to Workday’s actions to the extent that such actions directly result from following Customer’s instructions.

2.5 Compliance with Laws. Workday shall comply with all Data Protection Laws applicable to Workday in its role as a Data Processor Processing Personal Data. For the avoidance of doubt, Workday is not responsible for complying with Data Protection Laws applicable to Customer or Customer’s industry such as those not generally applicable to online service providers. Customer shall comply with all Data Protection Laws applicable to Customer as a Data Controller.

3. Subprocessors

3.1 Use of Subprocessors. Customer acknowledges and agrees that Workday and Workday Affiliates may engage Subprocessors to Process Personal Data. Any such Subprocessor will be permitted to Process Personal Data only to deliver the services Workday or the Workday Affiliate has retained them to provide, and will be prohibited from Processing Personal Data for any other purpose. Prior to giving any Subprocessor access to Personal Data, Workday or the Workday Affiliate shall ensure that such Subprocessor has entered into a written agreement requiring that the Subprocessor abide by terms no less protective than those provided in this DPE. Workday shall be liable for the acts and omissions of any Subprocessors to the same extent as if the acts or omissions were performed by Workday.

3.2 Notification of New Subprocessors. Workday makes available to Customer through Workday’s customer website a list of Subprocessors authorized to Process Personal Data (**“Subprocessor List”**) and provides Customer with a mechanism to obtain notice of any updates to the Subprocessor List. At least thirty (30) days prior to authorizing any new Subprocessor to Process Personal Data, Workday shall provide notice to Customer by updating the Subprocessor List. Upon Customer request, Workday will make available to Customer a summary of the data processing terms. For the avoidance of doubt, the data processing terms for Workday Affiliates are those set forth in this DPE.

3.3 Subprocessor Objection Right. To the extent Customer is established within the EEA or Switzerland, or where required by Data Protection Laws applicable to Customer, the terms of this Section 3.3 shall apply. If Customer has reasonable grounds to object to Workday’s use of a new Subprocessor then Customer shall promptly, but in no case later than fourteen (14) days following Workday’s notification pursuant to Section 3.2 above, provide notice to Workday. Should Workday choose to retain the objected-to Subprocessor, Workday will notify the Customer at least fourteen (14) days before authorizing the Subprocessor to Process Personal Data and then the Customer may immediately discontinue using the relevant portion(s) of the Service and may terminate the relevant portion(s) of the Service within



DATA PROCESSING EXHIBIT

thirty (30) days. Upon any termination by Customer pursuant to this section, Workday shall refund Customer any prepaid fees for the terminated portion(s) of the Service that were to be provided after the effective date of termination.

4. Data Center Location and Data Transfers

4.1 Storage of Customer Data. Customer Data will be housed in data centers located in the Designated Data Center Location set forth herein unless the parties otherwise expressly agree in writing.

4.2 Access to Customer Data. To provide the Service as described in the Agreement, Workday and its Subprocessors will only access Customer Data from (i) countries in the EEA, (ii) countries formally recognized by the European Commission as providing an adequate level of data protection (“**Adequate Countries**”) and (iii) the United States provided Workday makes available to Customer a Valid Transfer Mechanism. When Workday or its Subprocessors access Customer Data from outside the Designated Data Center Location for the purposes set forth above, Customer agrees that Customer Data may be temporarily stored in that country; however, Customer Data will also continue to be stored in a data center in the Designated Data Center Location.

4.3 Privacy Shield. Workday, Inc. is self-certified to the EU-U.S. Privacy Shield Framework maintained by the U.S. Department of Commerce (“**Privacy Shield**”) and complies with its requirements for handling, collecting and transferring Personal Data from covered jurisdictions to the United States in connection with the Service. Workday will remain certified for the term of the Agreement provided that the Privacy Shield is recognized as a Valid Transfer Mechanism.

4.4 Additional Transfer Mechanisms. If a data transfer mechanism Workday offers its customers is no longer recognized as a Valid Transfer Mechanism, and/or where Workday commits to a substitute or additional Valid Transfer Mechanism, Workday shall notify Customer of the Valid Transfer Mechanisms Workday is offering its customers through a communication to Workday’s general customer base, such as notification through Workday’s customer website.

5. Rights of Data Subjects

5.1 Correction, Deletion or Blocking. Workday will, as necessary to enable Customer to meet its obligations under applicable Data Protection Laws, either (i) provide Customer with the ability to correct, delete or block Personal Data within the Service; or (ii) make such corrections, deletions, or blockages on Customer’s behalf if such functionality is not available within the Service (with the choice between (i) and (ii) being at Workday’s discretion).

5.2 Access to Personal Data. To the extent information relating to a Data Subject is not accessible to Customer through the Service, Workday will, as necessary to enable Customer to meet its obligations under applicable Data Protection Laws, provide reasonable assistance to make such information available to Customer through the Workday support and Customer Audit Program.

5.3 Handling of Data Subject Requests. For the avoidance of doubt, Customer is responsible for responding to Data Subject requests for access, correction, deletion or blocking of that person’s Personal Data (“**Data Subject Request**”). If Workday receives a Data Subject Request, Workday shall promptly redirect the Data Subject to Customer.

5.4 Data Portability. During the term of the Agreement, Customer may extract Customer Data in accordance with the relevant provisions of the Agreement

6. Government Access Requests

Unless prohibited by applicable law or a legally-binding request of law enforcement, Workday shall promptly notify Customer of any request by government official, data protection supervisory authority or law enforcement authority for access to or seizure of Personal Data.

7. Workday Personnel

Workday shall take reasonable steps to require screening of its personnel who may have access to Personal Data, and shall require such personnel to receive appropriate training on their responsibilities and sign confidentiality agreements with Workday. Such confidentiality obligations shall survive the termination of employment.



DATA PROCESSING EXHIBIT

8. Security

8.1 Unauthorised Disclosure. Workday shall promptly notify Customer of any unauthorised disclosure of Personal Data in accordance with the relevant provisions of the Agreement.

8.2 Security Program. Workday maintains a comprehensive, written information security program that contains administrative, technical, and physical safeguards that are appropriate to (i) the size, scope and type of Workday's business; (ii) the amount of resources available to Workday; (iii) the type of information that Workday will store; and (iv) the need for security and confidentiality of such information. Workday's security program will be maintained in accordance with the Security Exhibit attached to the Agreement.

9. Audit

Customer agrees that, except as otherwise provided in this Section, Workday's then-current SOC 1 and SOC 2 audit reports (or comparable industry-standard successor reports) and/or Workday's ISO 27001 and ISO 27018 Certifications will be used to satisfy any audit or inspection requests by or on behalf of Customer, and Workday shall make such reports available to Customer. In the event that Customer, a regulator, or data protection authority requires additional information or an audit related to the Service, such information and/or audit shall be made available in accordance with Workday's Customer Audit Program.

10. Return and Deletion of Customer Data

Workday shall return and delete Customer Data in accordance with the relevant provisions of the Agreement.

11. Additional Products

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

12. Additional European Terms

To the extent Customer has Data Subjects in the EEA or Switzerland, the terms in this Section will apply.

12.1 Duration of Data Processing. The duration of Processing Personal Data shall be for the term of the Agreement.

12.2 Scope and Purpose of Data Processing. The scope and purpose of Processing of Personal Data is to perform the Service, as described in this DPE and the Agreement.

13. General Provisions

13.1 Customer Affiliates. Customer is responsible for coordinating all communication with Workday on behalf of its Affiliates with regard to this DPE.

13.2 Disclosure of DPE Terms. Customer or its Affiliates may only disclose the terms of this DPE to a data protection regulatory authority to the extent required by law or regulatory authority, such as notifications or approvals. Furthermore, Customer shall take reasonable endeavours to ensure that data protection regulatory authorities do not make this DPE public, including:

- i. marking copies of this DPE as "Confidential and Commercially Sensitive";
- ii. requesting return of this DPE once the regulatory notification has been completed or approval granted; and
- iii. requesting prior notice and consultation before any disclosure of this DPE by the regulatory authority.



DATA PROCESSING EXHIBIT

13.3 Termination. The term of this DPE will end simultaneously and automatically with the termination of the Agreement, but Workday will continue to protect Personal Data in accordance with the terms of this DPE until all Personal Data is deleted from Workday's systems.

13.4 Conflict. This DPE is subject to the non-conflicting terms of the Agreement. With regard to the subject matter of this DPE, in the event of inconsistencies between the provisions of this DPE and the Agreement, the provisions of this DPE shall prevail with regard to the parties' data protection obligations.

13.5 Customer Affiliate Enforcement. Customer's Affiliates may enforce the terms of this DPE directly against Workday, subject to the following provisions:

- i. the Customer will bring any legal action, suit, claim or proceeding which that Affiliate would otherwise have if it were a party to the Agreement (each an "**Affiliate Claim**") directly against Workday on behalf of such Affiliate, unless if the applicable Data Protection Laws to which the relevant Affiliate is subject requires that the Affiliate itself bring or be party to such Affiliate Claim; and
- ii. for the purpose of any Affiliate Claim brought directly against Workday by Customer on behalf of such Affiliate in accordance with this Section, any losses suffered by the relevant Affiliate may be deemed to be losses suffered by Customer.

13.6 Remedies. Customer's remedies (including those of its Affiliates making an Affiliate Claim directly against Workday in accordance with Section 12.5 above) with respect to any breach by Workday of the terms of this DPE will be subject to any aggregate limitation of liability that applies to the Customer under the Agreement.

13.7 Miscellaneous. The section headings contained in this DPE are for reference purposes only and shall not in any way affect the meaning or interpretation of this DPE.



EXHIBIT E

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (this "*Agreement*") is by and between **County of Riverside** ("*Covered Entity*") and **Workday, Inc.** ("*Business Associate*") and becomes effective on the later of the dates beneath the parties' signatures below ("*Effective Date*"). This Agreement supplements, and is made part of the Service Arrangement (defined below).

WHEREAS, Business Associate provides services for Covered Entity pursuant to the Master Subscription Agreement executed contemporaneously with this Agreement (the "*Service Arrangement*") under which Covered Entity may disclose Protected Health Information (defined below) to Business Associate to enable Business Associate to perform services for Covered Entity whereby Business Associate provides Covered Entity with the infrastructure and Covered Entity is responsible for entering their data, configuring the service, and safeguarding the data;

WHEREAS, Covered Entity acknowledges that it shall only enter Protected Health Information into the Service (defined below) that it may create, maintain, or receive in its role as an employer using the Service and that Covered Entity acknowledges that this Agreement does not cover any other data, including but not limited, to clinical data; and

WHEREAS, the parties desire to comply with the Health Insurance Portability and Accountability Act of 1996 ("*HIPAA*") and the Final Rule for Standards for Privacy of Individually Identifiable Health Information adopted by the United States Department of Health and Human Services and codified at 45 C.F.R. part 160 and part 164, subparts A & E (the "*Privacy Rule*"), the HIPAA Security Rule, codified at 45 C.F.R. Part 164 Subpart C and Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("*HITECH*") including C.F.R. Sections 164.308, 164.310, 164.312 and 164.316.

NOW THEREFORE, the parties to this Agreement hereby agree as follows:

1. Definitions.

The following terms have the meaning indicated:

Agreement: this Business Associate Agreement.

Breach: shall have the same definition as in 45 C.F.R. §164.402.

Business Associate: for purposes of this Agreement shall mean the entity identified as "Business Associate" in the introduction of this Agreement.

Covered Entity: for purposes of this Agreement shall mean the entity identified as "Covered Entity" in the introduction of this Agreement.

Customer Data: the electronic data or information submitted by Covered Entity or Authorized Parties to the Service, as defined in the Service Arrangement.

Data Aggregation: the combining of PHI, which is created or received by Business Associate in its capacity as business associate from Covered Entity, by Business Associate with the PHI received by Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.

Disclosure: the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information.



HIPAA Rules: the administrative simplification provision of the Health Insurance Portability and Accountability Act enacted by the United States Congress and its implementing regulations, including the Standards for Privacy of Individually Identifiable Health Information and the Security Rule.

HITECH Act: the Health Information Technology for Economic and Clinical Health Act enacted by the United States Congress, which is Title XIII of the American Recovery & Reinvestment Act, and its implementing regulations.

Individual: the person who is the subject of PHI.

Protected Health Information ("PHI"): individually identifiable health information that is provided to Workday as Customer Data, which is transmitted or maintained by electronic media or any other form or medium with the exception of individually identifiable information listed in 45 C.F.R. §160.103 (Protected health information)(2). PHI shall include "electronic protected health information" or "EPHI" as defined in 45 C.F.R. §160.103.

Required by Law: mandate contained in law that compels an entity to make a use or disclosure of PHI and that is enforceable in a court of law.

Secretary: the Secretary of Health and Human Services ("HHS") or any other officer or employee of HHS to whom the authority involved has been delegated.

Security Incident: the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information or interference with system operations in information or interference with system operations in an information system.

Security Rule: Security Standards for the Protection of Electronic PHI.

Subcontractor: a person to whom Business Associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of Business Associate, and which will have access to Customer Data. Business Associate represents that for purposes of this Agreement, Business Associate's Affiliates and contingent workers are considered members of the workforce of Business Associate and are required to comply with this Agreement; A co-location data center which has no access to PHI is not a Subcontractor under this Agreement.

Service: Workday's software-as-a-service applications as described in the Service Arrangement.

Unsuccessful Security Incident: any attempts of bypassing the Business Associate's security system including, but not limited to, pings, password-based attacks, unsuccessful log-on attempts and other attacks on Business Associate's firewall, so long as no such incident results in unauthorized access, Use or Disclosure of PHI.

Use: with respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.

2. Obligations of Business Associate.

2.1 Permitted Uses and Disclosures of Health Information. Business Associate agrees to not Use or Disclose PHI other than as permitted or required by this Agreement and the Service Arrangement, or as required by law. The restrictions on Business Associate's Use or Disclosure of Customer Data found in the Service Arrangement apply to PHI.

2.2 Safeguards. Business Associate agrees to use appropriate safeguards to prevent Use or Disclosure of the PHI other than as provided for by this Agreement. Business Associate agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI as required by the Security Rule.



2.3 Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

2.4 Use of Subcontractors and Agents. Business Associate agrees to ensure that any Subcontractor that creates, receives, maintains or transmits PHI on behalf of the Business Associate abide by no less protective terms than those provided in this Agreement to safeguard the PHI in compliance with the applicable provisions of the HIPAA Rules and HITECH Act. In the event that Business Associate becomes aware that a subcontractor is in breach of its obligations, it will require cure of such breach.

2.5 Availability of Internal Practices, Books, and Records. Business Associate agrees to make internal practices, books, and records, relating to the Use and Disclosure of PHI received from or created or received by Business Associate on behalf of Covered Entity available to the Secretary, in a time and manner reasonably designated by Covered Entity or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Rules and HITECH Act.

2.6 Accounting of Disclosures. Business Associate shall document Disclosures of Customer Data and agrees to provide to Covered Entity, in time and manner reasonably designated by the Covered Entity, information collected in accordance with Service Arrangement, to permit Covered Entity to respond to a request by an Individual for an accounting of Business Associate's disclosures of PHI in accordance with 45 CFR §164.528. If an Individual submits a request for accounting directly to the Business Associate, the Business Associate shall promptly redirect the Individual to the Covered Entity.

2.7 Access. Business Associate makes available all PHI entered into the Service to Covered Entity through the Service. Accordingly, all individuals who request access to their PHI directly from Business Associate will be redirected to Covered Entity's system administrator to which the Covered Entity shall respond in accordance with the requirements of 45 C.F.R. §164.524.

2.8 Amendment. Business Associate makes available all PHI entered into the Service to Covered Entity through the Service. Covered Entity is exclusively responsible for responding to requests by Individuals for amendments to their PHI in accordance with 45 C.F.R. §164.526 by accessing an individual's PHI within the Service to make any amendments. Accordingly, all individuals who request Business Associate to make amendments to their PHI directly will be redirected to Covered Entity's system administrator.

2.11 Reporting.

(A) Breach: The Service Arrangement, at Section 5.2, has a general notice obligation for reporting security breaches. In addition, if based on 45 C.F.R. §164.402, Business Associate determines there has been a Breach resulting in unauthorized access to unsecured PHI, it agrees to notify Covered Entity. Business Associate's notification to Covered Entity hereunder shall be made without unreasonable delay, but no later than sixty (60) calendar days after discovery of the Breach, except where a law enforcement official has notified Business Associate that a notification would impede a criminal investigation or cause damage to national security. If applicable and to the extent known, reports of a Breach by Business Associate to Covered Entity shall include a written notification of information, including:

- (i) The number of individuals, or reasonable estimate of such number, affected by the Breach, as applicable;
- (ii) The identification of each individual whose unsecured PHI has been or is reasonably believed to have been accessed, acquired, Used, or Disclosed during the Breach;
- (iii) A description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
- (iv) A description of the types of unsecured PHI that were involved in the Breach (such as full name, social security number, date of birth, claims or health care services information, etc.);
- (v) Any steps Business Associate believes Covered Entity should inform individuals to take to protect themselves from potential harm resulting from the Breach;
- (vi) Identification of an individual who can provide additional information concerning the Breach; and



(vii) A brief description of the steps the Business Associate is taking to investigate the Breach, to mitigate harm to individuals, and to protect against further breaches.

(B) *Security Incidents*: Business Associate agrees to notify Covered Entity of any Security Incidents of which Business Associate becomes aware in accordance with 45 C.F.R. §164.314(a)(2)(i)(C), provided that notice is hereby deemed given for Unsuccessful Security Incidents and no further notice of Unsuccessful Security Incidents shall be given to Covered Entity.

(i) Business Associate's notification of successful Security Incidents to Covered Entity shall be made without unreasonable delay, but no later than sixty (60) calendar days after discovery, to facilitate Covered Entity's response to Security Incidents as required by 45 C.F.R. §164.308(a)(6)(ii) or to facilitate Covered Entity's response to any other reporting obligation required by law.

(ii) Business Associate shall keep a log of all Security Incidents and their outcomes.

(C) *Liability*: Business Associate's reporting obligations should not be construed as an acknowledgement by Business Associate of any fault or liability with respect to any Use, Disclosure, Security Incident, or Breach.

2.12 HITECH Act Compliance. With respect to any business associate functions, Business Associate shall comply with the provisions of the HIPAA Rules that are made applicable to business associates by the HITECH Act.

2.13 Service Arrangement Applies. This Agreement in no way diminishes Business Associate's obligations under the Service Arrangement, including but not limited to Sections 5.1, 6.1, and the Data Processing Exhibit to the Service Arrangement.

2.14 To the extent the Business Associate is to carry out a Covered Entity's obligation under the 45 CFR Part 164 Subpart E (Privacy Rule), comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligation.

3. Permitted Uses and Disclosures by Business Associate.

3.1 Performance of Services. Except as otherwise limited in this Agreement, Business Associate may Use or Disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Service Arrangement, provided that such Use or Disclosure would not violate the HIPAA Rules or the HITECH Act if done by Covered Entity.

3.2 Proper Management and Administration. Except as otherwise limited in this Agreement, Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate. Additionally, except as otherwise limited in this Agreement, Business Associate may Disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and Used or further Disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

3.3 Data Aggregation. To the extent permitted by the Service Arrangement or as otherwise agreed, in writing, between the parties, Business Associate may Use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR §164.504(e)(2)(i)(B) relating to the health care operations of the Covered Entity.

4. Obligations of Covered Entity.

4.1 Limitations in Notice of Privacy Practices. Covered Entity has an independent obligation to comply with applicable law, including, but not limited to, its notices of privacy practices. Business Associate's obligations under this Agreement are not modified unless the parties have negotiated terms for Extra-Contractual Instructions as provided in the Data Processing Exhibit of the Service Arrangement. To the extent any limitation(s) in Covered Entity's notice of privacy practices may affect Business Associate's use or disclosure of PHI, Covered Entity will notify Business Associate and if the parties are unable to reach an agreement for Extra-Contractual Instructions, Covered Entity may terminate this Agreement and the relevant portions of the Service upon written notice to the Business Associate, provided the limitation in the privacy practices stated in the notice is required by law.



4.2 Revocations, Changes, and Restrictions. Business Associate's obligations under this Agreement are not modified unless the parties have negotiated terms for Extra-Contractual Instructions as provided in the Data Processing Exhibit of the Service Arrangement. To the extent any revocations, changes, and restrictions on the use or disclosure of PHI may affect Business Associate's use or disclosure of such information, Covered Entity will notify Business Associate and if the parties are unable to reach an agreement for Extra-Contractual Instructions, Covered Entity may terminate this Agreement and the relevant portions of the Service upon written notice to the Business Associate, provided that the Covered Entity is required by law to abide by such revocation, change or restriction.

4.3 Safeguards. Covered Entity is responsible for implementing appropriate privacy and security safeguards in order to protect its PHI in accordance with the HIPAA Rules and the HITECH Act. Covered Entity's decisions about what privacy and security safeguards to use within the Service provided under the Service Arrangement are outside the scope of this Agreement.

4.4 Impermissible Requests. Covered Entity shall not request or cause Business Associate to Use or Disclose PHI in any manner that would not be permissible under the HIPAA Rules or the HITECH Act if done by Covered Entity, provided that, to the extent permitted by the Service Arrangement or other written agreement between the parties, Business Associate may Use or Disclose PHI to provide Data Aggregation services to the Covered Entity in accordance with Section 3.3 or for Business Associate's proper management and administrative activities in accordance with Section 3.2.

5. **Term and Termination.**

5.1 Term of Agreement. The Term of this Agreement shall begin as of the Effective Date of the Service Arrangement and shall terminate simultaneously and automatically with the termination of the Service Arrangement.

5.2 Termination for Breach or Default of Obligation. Either Party may terminate this Agreement and the Service Arrangement in the event of a material breach or default of any obligation that is not cured within thirty (30) calendar days of written notice of such breach or default.

5.3 Retrieval of PHI or Retention when Return or Destruction of PHI is Infeasible. Upon termination of the Service Arrangement, for any reason, Business Associate shall allow Covered Entity to retrieve all PHI received from Covered Entity in accordance with the terms of the Service Arrangement. This provision shall apply to PHI that is in the possession of Subcontractors or agents of Business Associate. After the contractually agreed upon period for Covered Entity to retrieve the PHI expires, Business Associate will have no obligation to maintain or provide PHI provided to Business Associate as Customer Data and may thereafter, unless legally prohibited, delete all PHI. For so long as Business Associate maintains PHI, it shall extend the protections of this Agreement to all PHI provided as Customer Data and limit further Uses and Disclosures of such PHI to those purposes that make the deletion infeasible.

5.4 Surviving Provisions. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

6. **Miscellaneous.**

6.1 HIPAA Rules and HITECH Act. A reference in this Agreement to a section in the HIPAA Rules and the HITECH Act means the section as in effect or as amended.

6.2 Amendments. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the HIPAA Rules and the HITECH Act.

6.3 Interpretation. Any ambiguity in this Agreement shall be resolved to permit compliance with the HIPAA Rules and HITECH Act.

6.4 Modification. Modification of the terms of this Agreement shall not be effective or binding upon the parties unless and until such modification is committed to writing and executed by the parties hereto.

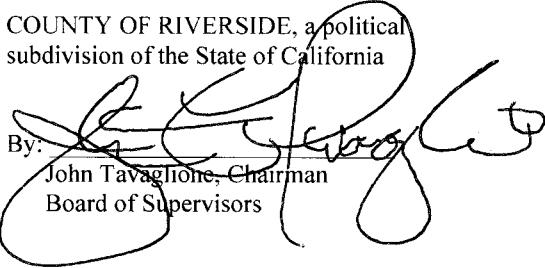


- 6.5 Updates. The Parties may update or modify the terms of this Agreement by mutual written Amendment signed by both Parties.
- 6.6 Waiver. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.
- 6.7 Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything in this Agreement confer, upon any person other than the Parties, and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever except as otherwise expressly stated in the Service Arrangement and this Agreement.
- 6.8 Safeguarding Responsibility. Business Associate is solely responsible for all decisions made by Business Associate regarding safeguarding of PHI. Similarly, Covered Entity is solely responsible for all decisions made by Covered Entity regarding safeguarding of PHI.
- 6.9 Severability. Should any provision of this Agreement be found invalid or unenforceable, it shall be deemed severable and the balance of the Agreement shall continue in full force and effect as if the unenforceable provision had never been made a part hereof.
- 6.10 Governing Law. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the laws of the State of California, including all matters of construction, validity and performance.
- 6.11 Communication between Parties. All notices required or permitted to be given hereunder shall be sent by certified or regular mail, addressed to the other party at its respective address as shown on the signature page, or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing. Initial notices may be by telephone or email so long as a written follow-up is sent by mail.
- 6.12 Primacy. This Agreement, including such portions as are incorporated by reference herein, constitutes the entire agreement by, between and among the parties, and such parties acknowledge by their signature hereto that they do not rely upon any representations or undertakings by any person or party, past or future, not expressly set forth in writing herein. In addition, this Agreement is binding upon the parties hereto, and their respective legal representatives, trustees, receivers, successors, and permitted assignees.
- 6.13 Limitation of Liability. The parties understand and agree that any breach of this Business Associate Agreement is subject to the aggregate limitation of liability set forth in the Service Arrangement between the parties. A breach of this Business Associate Agreement does not give rise to any separate or additional liability provision.



IN WITNESS WHEREOF, the parties' authorized signatories have duly executed this Agreement.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

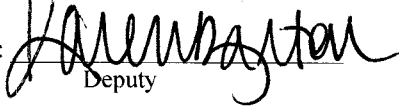
By: 
John Tavaglione, Chairman
Board of Supervisors

WORKDAY, INC., a Delaware
corporation

By: 
Name: BARBARA COSGROVE
Title: CHIEF PRIVACY OFFICER

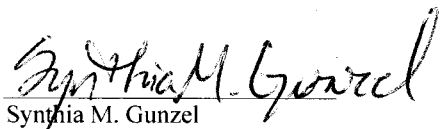
Approved as to Legal Form by:

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

(Seal)

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Cynthia M. Gunzel
Supervising Deputy County Counsel



**ORDER FORM # 00124266.0
TO MASTER SUBSCRIPTION AGREEMENT (“MSA”)**

Customer Name	County of Riverside
MSA Effective Date	See MSA executed herewith
Order Effective Date	The later of the dates beneath the parties’ signatures below
Order Term	July 1, 2017 through June 30, 2022
Order Term in Months	60
Currency	USD
Total Subscription Fee	13,059,745

Payment #	Payment Due Date	Payment Amount
1	July 1, 2017	2,611,949
2	July 1, 2018	2,611,949
3	July 1, 2019	2,611,949
4	July 1, 2020	2,611,949
5	July 1, 2021	2,611,949
Total Subscription Fees		13,059,745

Permitted Baseline FSE Worker Count by SKU		Permitted Baseline FSE Worker Count for Order Term
SKU	Service	
HCM	Human Capital Management	20,022
CCB	Cloud Connect for Benefits	19,947
USP	Payroll for United States	19,947
TT	Time Tracking	13,000
REC	Recruiting	19,947

Annual Subscription Fee per Additional FSE Worker by SKU	
HCM	47.25
TT	21.21
CCB, USP, REC (combined)	69.70

Language Translations	Number of Language Translations
Number of languages	All Available

Number of Named Support Contacts	6
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Tenant Base Name	countyofriverside
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Customer Contact Information	Billing	Customer Support
Contact Name	Ivan Chand	Ivan Chand
Street Address	County Administration Center	County Administration Center
City/Town, State/Region/County, Zip/Post Code, Country	Riverside CA 92501 United States	Riverside CA 92501 United States
Phone/Fax #	(951) 955-1136	(951) 955-1136
Email (required)	ichand@rivco.org	ichand@rivco.org

This Order Form is only valid and binding on the parties when executed by both parties and is subject to the additional terms in the above-referenced MSA and in Addendum A attached hereto. Customer is purchasing the Service that is



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currently available. High level descriptions of the Workday Service SKUs are found on Addendum B attached hereto. The Service is further described in the Documentation. All remittance advice and invoice inquiries can be directed to Accounts.Receivable@workday.com.

THE VALIDITY OF THIS ORDER FORM IS CONDITIONED ON WORKDAY RECEIVING A FULLY SIGNED COPY OF THIS ORDER FORM NO LATER THAN 5:00 PM PACIFIC TIME ON JUNE 27, 2017. TO DELIVER THE ORDER FORM TO WORKDAY, PLEASE PROVIDE A SIGNED COPY TO YOUR MAIN WORKDAY CONTACT.

IN WITNESS WHEREOF, this Order Form is entered into and becomes a binding part of the above-referenced MSA as of the Order Effective Date.



**ADDENDUM A
ADDITIONAL ORDER FORM TERMS**

1. General. Unless otherwise defined herein, capitalized terms used in this Order Form have the same meaning as set forth in the referenced MSA between Workday and Customer (the “Agreement”). In the event of a conflict between the terms of this Order Form and the terms of the Agreement, the terms of this Order Form shall prevail. References to “Annual” or “Year” in this Order Form mean the consecutive 12-month period during the Order Term. The right to use the “Service” that is granted to Customer hereunder is limited to those SKUs listed on the Order Form. The total Subscription Fee for the use of the Service during the Order Term is only for the stated permitted number of Employees. The Service is provided in U.S. English. Customer and its Authorized Parties may only use the translated portions of the Service for the number of languages listed in this Order Form to the extent Workday has translated portions of the Service into other languages (if and when available), and the same languages must be used for all Service applications subscribed to. The rights for the number of Employees set forth on this Order Form cannot be decreased during the Order Term. Except as stated herein, the Service may be used by Customer on a worldwide basis, subject to export regulations. Workday makes country-specific features available only in accordance with the Documentation. USP is limited to use in the United States. CCB is limited to use in the United States and Canada.

2. FSE Workers and Growth. The maximum number of Full-Service Equivalent Workers (“FSE Workers”) for which the Service may be used by Customer and which are included in the Subscription Fee is as set forth in this Order Form. The number of FSE Workers is calculated by first multiplying the number of workers in each category of workers by the applicable percentage rate specified below and then adding the resulting numbers for each category of worker together for a total sum.

Sample Total FSE Worker Calculation:

Worker Category	Applicable Number	Applicable Percentage	FSE Worker Calculation
Full-Time Employees	19,800	100.0%	19,800
Part-Time Employees	110	25.0%	28
Associates	950	12.5%	119
Former Workers with Access	3,000	2.5%	75
Totals:	23,860		20,022

The Service may be used by Customer only for the following categories of Employees/Workers:

“**Full-Time Employee**” is an employee of Customer regularly scheduled for more than twenty hours per week regardless of the method of payment or actual hours worked, whether or not such employee is eligible to receive employee benefits in accordance with Customer’s internal standard practices. A Full-Time Employee will be considered non-temporary if they are hired to work for a period of more than 3 months in a given year.

“**Part-Time Employee**” is an employee of Customer regularly scheduled for twenty hours per week or less regardless of the method of payment or actual hours worked, whether or not such employee is eligible to receive employee benefits in accordance with Customer’s internal standard practices. A Part-Time Employee will be considered non-temporary if they are hired to work for a period of more than 3 months in a given year.

“**Associate**” is an individual not counted as a Full-Time or Part-Time Employee but in one of the following categories: temporary employees, independent contractors and affiliated non-employees including, but not limited to, volunteers and vendors.

“**Former Worker With Access**” is a former worker that continues to have access to the Service through the Employee Self-Service features.



Information related to former employees, consultants, contingent workers, independent contractors and retirees in the form of static, historical records may be maintained in the Service but shall be excluded from the calculation of FSE Workers unless self-service access to the record through the Service is provided to the individual.

Customer may increase the permitted number of FSE Workers during the Order Term (each an “Additional FSE Worker”) by providing written notice to Workday and paying Workday a Subscription Fee for Additional FSE Workers for any such increased use of the particular Service category in accordance with the rate table in this Order Form. No later than October 31st each year, Customer must report to Workday the actual number of FSE Workers as of October 15th and specify the number in each worker category. If the actual number of FSE Workers is higher than the number of permitted FSE Workers stated in this Order Form, Customer will be invoiced for the applicable Subscription Fees for Additional FSE Workers for such overage for the full annual period of this Order Form that is in progress as of October 15th. The Subscription Fee for Additional FSE Workers is calculated by multiplying the increase in the number of FSE Workers for each particular Service category by the applicable fee. For the avoidance of doubt, the total Subscription Fees set forth herein for the Order Term will be due even if the actual number of FSE Workers falls below the stated number of permitted FSE Workers. Subscription Fees for Additional FSE Workers are due within thirty (30) days of the invoice date. An Order Form will be required for FSE Worker increases.

3. Renewal. By providing written notice to Workday prior to the end of the Order Term, Customer may elect to continue use of the Service by renewing this Order Form for a single five-year renewal term beginning at the end of the Order Term (“Renewal Term”) at the stated rate(s):

Annual period beginning at the end of the Order Term (each a Renewal Year)	Applicable Annual Renewal Subscription Fees (based on an increase of 3% plus CPI)
Renewal Year 1	Base Subscription Fee x (1.03 + CPI)
Renewal Year 2	Renewal Year 1 Subscription Fee
Renewal Year 3	Renewal Year 1 Subscription Fee
Renewal Year 4	Renewal Year 1 Subscription Fee
Renewal Year 5	Renewal Year 1 Subscription Fee

The Base Subscription Fee upon which the Annual Renewal Subscription Fee is calculated is the total Subscription Fee for the Order Term divided by the number of full months in the Order Term multiplied by 12. The Base Subscription Fee covers only the number of FSE Workers in the Permitted Baseline FSE Worker Count set forth on this Order Form. In addition to the Annual Renewal Subscription Fees, Customer will pay any applicable Subscription Fees for Additional FSE Workers for each Renewal Year based on the New Permitted FSE Workers as of the FSE Count Date just prior to the start of the applicable Renewal Term. For the Renewal Term, the Subscription Fee per Additional FSE Worker rate will be the average of the increased annual rate for the Renewal Years (reflecting the same percentage rate that the annual Subscription Fee increased from the Base Subscription Fee for the corresponding Renewal Year as shown in the table above but taken as an average to be applicable for the entire Renewal Term). Fees for each Renewal Year are due by the first day of the corresponding Renewal Year. Renewals will be documented with a new Order Form.

“CPI” means the Consumer Price Index rate established by the United States Department of Labor for All Urban Consumers, US City Average, All Items (change in annual average) for the calendar year preceding the beginning of the Renewal Term, if a positive number.

4. Service Credits. Workday will provide SLA Service Credits as set forth in the Agreement.

5. Option to Acquire Additional Service Applications. At any time prior to December 31, 2019, (the “Option Expiration Date”), Customer may acquire a subscription for the specific applications listed below for at least the minimum permitted number of FSE Workers as set forth below at the annual subscription fee rate set forth below. Customer agrees that the number of Permitted FSE Workers for the Core Financials, Learning, Planning and Procurement applications will always be equal to the then-current number of Permitted FSE Workers for HCM. Any standard applicable terms of subscription for the Service applications acquired will apply. If Customer elects to



exercise its option under this section, Customer will provide Workday with written notice by the Option Expiration Date and an Order Form replacing and superseding this Order Form, executed and effective on or before the Option Expiration Date, will be used to formally document the subscription. All additional Services subscriptions will end on the same date as this Order Form unless the parties mutually agree to a later end date for the entire subscription.

SKU	Service	Minimum Number of Permitted FSE Workers	Fees per Additional FSE Workers (Annualized Rate)
LRN	Learning	Same as HCM (minus Former Workers with Access)	\$15.39
FIN	Core Financials	Same as HCM (minus Former Workers with Access)	\$51.31
PLN	Planning	Same as HCM (minus Former Workers with Access)	\$15.39
PRO	Procurement	Same as HCM (minus Former Workers with Access)	\$15.39



ADDENDUM B WORKDAY SERVICE SKU DESCRIPTIONS

Customer may use only the Service SKUs subscribed to as listed on page 1 of the Order Form. Workday Service SKU descriptions for applications not subscribed to by Customer are provided for reference only and are subject to change.

Human Capital Management

Workday HCM supports an organization in organizing, staffing, paying, and developing its global workforce. Workday HCM includes Global Human Resources Management (Workforce Lifecycle Management, Organization Management, Compensation, Business Asset Tracking, Absence, and Employee Benefits Administration) and Global Talent Management (Goal Management, Performance Management, Succession Planning, and Career and Development Planning). Workday HCM includes connectors that facilitate integration to select Workday partners that provide capabilities including: recruiting, learning, time and attendance, and user account provisioning (LDAP/Active Directory).

Cloud Connect for Benefits

Cloud Connect for Benefits extends Workday HCM by providing integration to a growing catalog of benefits providers, including: health insurance, health and flexible spending accounts, retirement savings plans, life insurance, AD&D insurance, and COBRA administrators.

Workday Payroll for US

Workday Payroll for US supports the creation and management of Payroll for U.S. employees. Configure earnings, deductions, accumulations, and balances. Identify tax authorities each company wishes to withhold for. Manage worker tax data, payment elections, involuntary withholding orders, and payroll input. Calculate, review/audit, and complete payrolls and settlement runs. Configure and calculate payroll commitments. Workday Payroll includes connectors that facilitate integration to select Workday partners that provide capabilities, including: time and attendance, tax filing, check printing, and direct deposit.

Workday Payroll for Canada

Workday Payroll for Canada supports the creation and management of Payroll for Canadian employees. Configure earnings, deductions, accumulations, and balances. Identify tax authorities each company wishes to withhold for. Manage worker tax data, payment elections, income withholding orders, and payroll input. Calculate, review/audit, and complete payrolls and settlement runs. Create record of employment data. Workday Payroll includes connectors that facilitate integration to select Workday partners that provide capabilities, including: time and attendance, tax filing, check printing, and direct deposit.

Workday Payroll for the United Kingdom

Workday Payroll for the United Kingdom supports the creation and management of Payroll for United Kingdom employees. Configure earnings, deductions, accumulations, and balances. Manage worker payment elections and payroll input. Calculate, review/audit, and complete payrolls and settlement runs. Identify company tax data. Manage worker tax, national insurance, student loan and court order deductions and statutory payments associated to birth and adoption. Manage standard employee tax reporting including RTI.

Workday Payroll for France

Workday Payroll for France supports the creation and management of Payroll for French employees. Configure earnings, deductions, accumulations, and balances. Calculate, review/audit, and complete payrolls and settlement runs. Manage URSSAF, pôle emploi and ARRCO-AGIRC contributions, loans and advances, and withholding orders deductions. Create and manage Healthcare/Disability/Contingency “Prévoyance” contributions. Manage DSN reporting.



Cloud Connect for Third-Party Payroll

Cloud Connect for Third-Party Payroll extends Workday HCM by providing integrations to third-party payroll providers and aggregators. Also includes the Payroll Connector (generic integration template that provides a starting point for integration to a third party payroll provider).

Time Tracking

Workday Time Tracking supports an organization in collecting, processing, and distributing time data for its global workforce. Workday Time Tracking module includes the following capabilities: basic time scheduling, time entry (hourly, time in/time out), approvals, configurable time calculation rules, and reporting.

Projects

Projects enables organizations to create and manage projects, initiatives, and other types of work. This includes the ability to build project plans and utilize project breakdown structures that include phases, tasks, and milestones as well as plan, staff, and track projects, initiatives, and work efforts.

Project Billing

Project Billing enables organizations to bill clients for specific projects. This includes the ability to configure billing rates and rules, to review and approve billable transactions, and to invoice the customer.

Learning

Workday Learning supports an organization in training and developing its workforce. This includes the ability to manage, organize and deliver learning content, and to leverage Workday HCM data to create targeted learning campaigns. A variety of learning content is supported - including but not limited to video, packaged third-party content, and user-generated content. Workday Learning also offers the ability to manage certifications and instructor-led course enrollments, and to gather feedback and analytics relating to the learning experience.

Expenses

Workday Expenses supports employee expense processing. Workday Expenses includes self-service and administrative functions to support employee expense reporting and reimbursement, including expense reports, global expense rules, approvals, reimbursement, credit card integration, and spend analytics. Workday Expenses includes connectors that facilitate integration to partners that provide capabilities, including: corporate card transactions, and support for 'punchout' to suppliers.

Procurement

Workday Procurement includes procure to pay functionality to address spend for goods, contingent workers, and deliverable services. Manage suppliers, supplier contracts, requisitions, purchase and change orders, receipts, and goods and services sourcing. Maintain purchase items, catalogs, and a supplier portal. Track and analyze time, activity, and spend. Create receipt accruals for approved, but not yet invoiced receipts. Workday Procurement includes connectors that facilitate integration to partners that provide capabilities, including: corporate card transactions, and support for 'punchout' to suppliers.

Inventory

Workday Inventory provides basic functionality for goods procured, stored, consumed and replenished within an organization. Workday Inventory includes the ability to define and place inventory in storage locations, count physical inventory and make necessary adjustments, value items in inventory, assign and manage different units of measure and replenish inventory using automatic re-order points. Workday Inventory is designed for tracking of internally used goods only and does not support use cases for external distribution (e.g., to customers or distributors).

Financial Performance Management

Workday Financial Performance Management provides financial consolidation, financial reporting and management reporting. Workday Financial Performance Management includes a connector that facilitates integration of accounting entries from third-party accounting and general ledger systems. Workday Financial Performance Management enables organizations to perform planning, budgeting, and forecasting for workforce and financial



purposes including the ability to create baseline budgets, planning models, and forecast scenarios. Workday Financial Performance Management may not be used as a transaction system and does not include contracts, billing, business asset accounting or tracking, cash management, customer accounts, revenue recognition, or supplier accounts.

Core Financials

Workday Core Financials provides traditional financial management and accounting functionality, including financial management, accounting and reporting, financial consolidation, supplier accounts, customer accounts, business assets, cash management, budgets, contracts, billing, and revenue recognition. Core Financials includes connectors that facilitate integration to select Workday partners that provide capabilities, including: customer relationship management, electronic payments, and customer payments via credit card.

Grants Management

Workday Grants Management enables organizations to administer and report on awards from the federal government, foundations, or other funding institutions. Workday Grants Management includes functionality to track and manage sponsors, awards, grants, and grant hierarchies. It also includes capabilities to calculate facilities and administration costs, and to bill and report to sponsors.

Planning

Workday Planning enables organizations to perform planning, budgeting, and forecasting for workforce and financial purposes. Workday Planning includes the ability to create baseline budgets, planning models, and forecast scenarios.

Recruiting

Workday Recruiting supports an organization in its talent acquisition process. It is designed to help hiring managers and recruiters identify, hire and onboard the right talent for their business. Workday Recruiting supports the hiring process, including pipeline management, requisition management, job posting distribution, interview management, offer management, as well as supports local data compliance and pre-employment activities. Workday Recruiting also offers hiring teams tools to proactively source, nurture and track internal and external prospective candidates throughout the recruiting process.



00127166.0 – Confidential
RIVCO-20851-001-06/27

**ORDER FORM # 00127166.0
TO MASTER SUBSCRIPTION AGREEMENT (“MSA”)**

Customer Name	County of Riverside
MSA Effective Date	See MSA executed herewith
Order Effective Date	The later of the dates beneath the parties’ signatures below
Currency	USD
Total Training Fees	301,305

Payment #	Payment Due Date	Payment Amount
1	Due in accordance with the MSA, invoiced upon Order Effective Date	181,261
2	Due on first anniversary of the Order Term Start Date	30,011
3	Due on second anniversary of the Order Term Start Date	30,011
4	Due on third anniversary of the Order Term Start Date	30,011
5	Due on fourth anniversary of the Order Term Start Date	30,011
Total Subscription Fees		301,305

SKU	Training Offering	Price Per TC	Quantity	Training Fees
TC	Training Credits (prepaid)	550	275	151,250

SKU	Training Offering	Annual Rate	Years	Quantity	LOD Fees for Order Term
LODHCM10	Learn On-Demand – HCM Library 10 Initial Users	5,000	5	1	25,000
LODPAY10	Learn On-Demand - Payroll/Absence/Time Tracking Library 10 Initial Users	5,000	5	1	25,000
LODTECH10	Learn On-Demand – Cross-Application Technology Library 10 Initial Users	5,000	5	1	25,000
Total LOD Fees for Order Term					75,000
LOD Order Term: July 1, 2017 through June 30, 2022					

SKU	Training Offering	Total Number of FSE Workers	AK Fees for Order Term
AK	Adoption Kit	20,022	75,055
AK Order Term: July 1, 2017 through June 30, 2022			

The link to the LOD and Adoption Kit offerings will be delivered to the respective LOD and Adoption Kit Named User designated below. The Customer is responsible for providing accurate email addresses below.

Customer Contact Information	Billing	LOD Named User/ Training Coordinator	Adoption Kit Named User
Contact Name	Ivan Chand	Ivan Chand	Ivan Chand



**00127166.0 – Confidential
RIVCO-20851-001-06/27**

Street Address City/Town, State/Region/ Zip/Post Code Country	County Administration Center Riverside CA 92501 United States	County Administration Center Riverside CA 92501 United States	County Administration Center Riverside CA 92501 United States
Phone/Fax #	(951) 955-1136	(951) 955-1136	(951) 955-1136
Email (required)	ichand@rivco.org	ichand@rivco.org	ichand@rivco.org

This Order Form is only valid and binding on the parties when executed by both parties and is subject to the additional terms in the above-referenced MSA and in Addendum A attached hereto. All remittance advice and invoice inquiries can be directed to Accounts.Receivable@workday.com.

IN WITNESS WHEREOF, this Order Form is entered into and becomes a binding part of the above-referenced MSA as of the "**Order Effective Date**", defined above.



**ADDENDUM A
ADDITIONAL ORDER FORM TERMS – TRAINING**

Unless otherwise defined herein, capitalized terms used in this Order Form have the same meaning as set forth in the referenced MSA. In the event of a conflict between the terms of this Order Form and the terms of the MSA, the terms of this Order Form shall prevail.

1. Training Terms. The Training Credits purchased under this Order Form expire eighteen (18) months from the Order Effective Date. Each Training Credit may be used for either: (i) one day of in person attendance for one attendee to a Workday classroom training course at a designated Workday facility, (ii) one day of in person attendance for one attendee to a Workday instructor-led onsite training course at a Customer facility, or (iii) two days of virtual (online remote) attendance for one registered attendee to a Workday virtual instructor-led training course. The registered attendee shall not permit others to participate. Customer may not register for and apply Training Credits to training until such Training Credits are purchased pursuant to an Order Form. Customer may not retroactively apply subsequently purchased Training Credits to training for which registration occurred before the applicable Order Effective Date. If Customer registers for training without an adequate prepaid Training Credit balance, Workday list prices will apply. The number of Training Credits required for an attendee to attend a specific course varies by the duration of the course (in days). Specific offerings and the requisite number of Training Credits for attendance are set forth in Workday’s current training catalog. Any Customer request for a cancellation of a class enrollment must be submitted as a Training Case via the Customer Center by the Customer Training Coordinator at least seven (7) full calendar days prior to the scheduled start date of the class. Cancellation requests received less than seven (7) calendar days prior to the scheduled start date will not be honored and are subject to the full training fee.

2. Training Credit Bulk Purchase Option. Workday’s discounted bulk purchase rates will be applied to the cumulative number of Training Credits purchased during a rolling 12-month period provided Customer prepaays for all such purchases. Discounted rates will not be applied retroactively for previously purchased Training Credits. Any a la carte training purchases, including purchases of courses from the Learning Management System (LMS) course list, will not count toward the cumulative number of Training Credits purchased for the purpose of bulk purchase rates. The following rates apply to the bulk purchases made within the 12-month period following the Order Effective Date:

Prepaid Training Credits Acquired	Rate Per Training Credit
0 – 25	USD \$ 650
26 – 50	USD \$ 630
51 – 75	USD \$ 610
76 – 100	USD \$ 590
101-249	USD \$ 570
250+	USD \$ 550

3. On-Site Training Terms. On-site training at Customer’s site is subject to Workday’s approval and the following terms. Customer will provide the required training facility in accordance with the Workday-provided specifications for room set-up, hardware and Internet connectivity requirements. Each attendee will have an individual workstation complete with Internet connectivity. On-site training fees will be billed in advance or Customer may utilize Training Credits purchased on a previous Order Form if fully paid. In addition to the applicable fees for the Training Credits, Customer will be responsible for the reasonable and actual travel and living expenses incurred by the instructor(s) which will be invoiced after the session. On-site training not completed in the period scheduled will not be refunded, nor will it be applied to any other Workday service offering. The minimum and maximum number of students for any on-site training is thirteen (13) minimum and eighteen (18) maximum.

4. Learn On-Demand Terms. The first **Learn On-Demand** (“LOD”) SKU of each Library purchased by Customer is for ten (10) Named Users. Each “**5 Additional Users**” SKU is for five (5) additional Named Users for the stated Library. A “**Library**” is a bundle of specific, related training concepts. Library offerings currently include: (i) “HCM”, (ii) “Cross Application Technology”, (iii) “Financials”, (iv) “Workday Payroll”, and (v) “Education & Government”. A “**Named User**” is an eligible Employee of Customer for which Customer has provided Workday a valid name and e-mail address. Each Named User will be assigned a password granting the Named User access to the LOD. Named Users may not be substituted



without the prior written consent of Workday, which will not be unreasonably withheld. Each Named User may access all of the LOD content within a specific Library during the stated number of years above

5. Adoption Kit Terms. The Adoption Kit includes: (i) all content listed in the applicable overview provided therewith as well as any additional content made generally available by Workday during the Adoption Kit Order Term, (ii) a facilitators guide, (iii) an FAQ, (iv) videos, and (v) sample internal marketing materials. During the Adoption Kit Order Term, Workday hereby grants to Customer a non-exclusive, nontransferable license to use, copy, customize and create derivative works of the Adoption Kits solely for the purpose of internally distributing the relevant Adoption Kit material to promote internal use of the Service by Customer's Employees. Customer shall reproduce all Workday proprietary rights notices and headings on any copies, in the same manner in which such notices were set forth in or on the original. Customer is solely responsible for the accuracy of any modifications or customizations of the Adoption Kits made by it. Subject to Workday's underlying intellectual property rights in the Adoption Kits and the Service, Customer owns all improvements and other materials that Customer may develop, make or conceive, either solely or jointly with others (but not with Workday), whether arising from Customer's own efforts or suggestions received from any source other than Workday, that relate to the Adoption Kits ("Adoption Kit Improvements"). Customer grants to Workday a royalty-free, irrevocable license to use, copy, distribute, and create derivative works of any and all Adoption Kit Improvements. Customer agrees that Adoption Kit Improvements may include Workday Confidential Information that is subject to the nondisclosure and use restrictions set forth in the MSA. Customer agrees that it will not assert a claim for, or file suit for, or take any other action in furtherance of any alleged or actual infringement or misappropriation of the rights in or associated with any Adoption Kit Improvements should Workday create similar materials independently.

6. Miscellaneous Training Terms. Workday training is for use by Customer Employees and Authorized Parties only and for purposes consistent with the MSA. In no event will Customer allow third parties to access or use Workday training or related materials, including, but not limited to, other existing or potential Workday customers or partners. Workday training classes and courses may not be videotaped, recorded, downloaded or duplicated without Workday's prior written consent. This Order Form is non-cancelable and associated fees are non-refundable and non-transferable, and cannot be used as a credit toward any other amounts due to Workday. Customer will pay for all classroom and virtual training courses attended by Customer's Employees and Customer's Authorized Parties. Workday may utilize an external learning management system for training enrollment and tracking of course attendance. Customer understands that any such system is not part of the Workday Service.



PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“**Agreement**” or “**PSA**”), effective as of the later of the dates beneath the parties’ signatures below (“**Effective Date**”), is by and between **Workday, Inc. (“Workday”)** a Delaware corporation with offices at 6230 Stoneridge Mall Road, Pleasanton, CA 94588 and **County of Riverside (“Customer”)**, a political subdivision of the State of California with offices at County Administration Center, Riverside, CA 92501. Whereas, Workday offers professional services in conjunction with its hosted application service; Customer desires to obtain such professional services; and this business relationship and the allocation of responsibilities are set forth in this Agreement. Therefore, the parties agree as follows:

1. Agreement and Services.

1.1 This Agreement consists of the following documents:

- A. Professional Services Agreement including the Professional Services Security Exhibit
- B. Executed Business Associate Agreement
- C. Executed Statements of Work describing the professional services to be rendered, the time of performance for such professional services, and the fees for such professional services

1.2 **Professional Services to be provided by Workday.** Workday shall perform the services (“Professional Services”) in the form, type and manner provided in one or more statements of work that refer to this Agreement and upon execution by the parties are made a part hereof (each a “Statement of Work” or “SOW”).

2. Fees and Expenses.

2.1 **Invoices & Payment.** Customer shall pay Workday Professional Services Fees at the rates set forth in the applicable Statement of Work. Professional Services Fees and all other fees due hereunder will be invoiced to Customer in the United States and payment will be remitted by Customer from the United States. Unless stated otherwise in the applicable SOW, fees will be invoiced monthly in arrears. Customer’s obligation for payment of this Agreement beyond its current fiscal year end (June 30) is contingent upon and limited by the availability of Customer funding from which payment can be made, but Customer shall not seek to deny payment for professional services performed during a prior fiscal year with available funds for an invoice that was received or payable in a subsequent fiscal year. All fees due hereunder (except fees subject to good faith dispute) shall be due and payable within thirty (45) days of invoice date. Workday may send all Customer invoices electronically (by email or otherwise). All fees are quoted and payable in United States Dollars. In no event shall Customer be obligated to pay any fee not set forth in the relevant Statement of Work or this Agreement. Customer shall provide Workday with complete and accurate billing contact information including a valid email address. Upon Workday’s request, Customer will make payments via electronic bank transfer. All remittance advice and invoice inquiries can be directed to Accounts.Receivable@Workday.com.

2.2 **Expenses.** Except where an SOW indicates that pricing is inclusive of travel and living expenses, Customer shall reimburse Workday for all reasonable and necessary travel and living expenses incurred by Workday in the performance of the Professional Services under this Agreement. Upon Customer’s written request, Workday will submit supporting expense documentation and copies of receipts to Customer for expenses over Twenty-Five United States Dollars (\$25). The parties shall work together in good faith to identify ways to minimize travel costs, such as use of Customer-negotiated hotel rates.

2.3 **Non-cancelable & non-refundable.** Except as specifically set forth to the contrary under Section 6.2 “**Warranty Remedies**”, Section 7.1 “**Infringement**”, or under the applicable Statement of Work, all payment obligations for Professional Services actually provided to Customer under any and all Statements of Work are non-cancelable and amounts paid are non-refundable. No legal liability on the part of the Customer shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for



PROFESSIONAL SERVICES AGREEMENT

any reason, Customer shall immediately notify Workday in writing; and Customer shall have the right to terminate this Agreement. Workday is under no obligation to provide the professional services if Customer lacks funds to pay for them.

2.4 Overdue Payments. In the event that California enacts a prompt payment law applicable to Customer, that law shall govern overdue payments. In the absence of such law, any payment not received from Customer by the due date may accrue (except with respect to charges then under reasonable and good faith dispute), at Workday's discretion, late charges at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, starting on the 61st day after the date the invoice is received until it is paid.

2.5 Possible Suspension of Professional Services. If Customer's account is more than thirty (30) days overdue (except with respect to charges then under reasonable and good faith dispute), in addition to any other rights or remedies it may have under this Agreement or by law, Workday reserves the right to cease providing Professional Services to Customer, without liability to Customer, until such amounts are paid in full.

2.6 Taxes. *This section applies only if Customer has not provided Workday with a tax exemption certificate authorized and honored by applicable taxing authorities that covers all Transaction Taxes.* All Professional Services Fees invoiced pursuant to this Agreement are payable in full and without reduction for Transaction Taxes and/or foreign withholding taxes (collectively defined as "Taxes"). Customer is responsible for paying all Taxes imposed on the Service provided under this Agreement. Workday's Professional Services Fees do not include in its price any Transaction Taxes, which can include local, state, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including, but not limited to, value-added, excise, use, goods and services taxes, consumption taxes or similar taxes (collectively defined as "Transaction Taxes"). If Workday has a legal obligation to pay or collect Taxes for which Customer is responsible under this Agreement, the appropriate amount shall be computed based on Customer's address listed in the first paragraph of this Agreement which will be used as the ship-to address on the SOW, and invoiced to and paid by Customer, unless Customer provides Workday with a valid tax exemption certificate authorized by the appropriate taxing authority.

3. Ownership.

3.1 Workday Ownership. All right, title and interest to all recommendations, ideas, techniques, know-how, designs, programs, development tools, processes, integrations, enhancements, and other technical information developed by Workday in the course of performing Professional Services, or co-developed by the parties hereunder, including all trade secrets, copyrights and other Intellectual Property Rights pertaining thereto (together the "Workday Intellectual Property") vests in Workday. Nothing contained in this Agreement shall be construed as transferring any such rights to Customer or any third party except as expressly set forth herein.

3.2 License to the Workday Intellectual Property. Subject to Section 3.1 above, Workday grants to Customer a royalty-free, nontransferable and nonassignable term license to access and to use the Workday Intellectual Property that Workday incorporates into a Deliverable provided to Customer hereunder. Customer may only use the Deliverables in connection with its authorized use of the Workday Service, as such is defined pursuant to the separate and independent Master Subscription Agreement between the parties and only during the Term set forth therein.

3.3 Customer Ownership. All Customer Confidential Information, and all PII supplied by or PII input by Customer or Customer authorized third parties, shall be, and remain, the property of Customer. Subject to Workday's underlying Intellectual Property Rights, all right, title and interest in any Custom Integration developed solely by Customer shall vest in Customer. Customer agrees that it will not assert a claim for, or file suit for, or take any other action in furtherance of any alleged or actual infringement or misappropriation of the rights in or associated with any Custom Integration should Workday create any similar integration independently.



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4. **Insurance.** Workday will maintain during the entire Term of this Agreement, at its own expense, the types of insurance coverage specified below, on standard policy forms and with insurance companies with at least an A.M. Best Rating of A- VII authorized to do business in the jurisdictions where the Workday Services are to be performed. Failure to maintain the required insurance policies shall be a material breach of this Agreement
- (a) Workers' Compensation insurance prescribed by applicable local law and Employers Liability insurance with limits not less than \$1,000,000 per accident/per employee. This policy shall include a waiver of subrogation in favor of Customer
 - (b) Business Automobile Liability covering all vehicles that Workday owns, hires or leases with a limit of no less than \$1,000,000 (combined single limit for bodily injury and property damage) for each accident. This policy shall include a waiver of subrogation in favor of Customer.
 - (c) Commercial General Liability insurance including Contractual Liability Coverage, with coverage for products liability, completed operations, property damage and bodily injury, including death, with an aggregate limit of no less than \$2,000,000 and a per occurrence limit of no less than \$1,000,000. This policy shall include Customer as an additional insured with respect to the provision of services provided under this Agreement. This policy shall include a waiver of subrogation in favor of Customer.
 - (d) Technology Professional Liability Errors & Omissions policy (which includes Cyber Risk coverage and Computer Security and Privacy Liability coverage) with a limit of no less than \$10,000,000 per occurrence and in the aggregate covering claims involving infringement of intellectual property, including infringement of copyright, trademark, trade dress, invasion of privacy violations, and claims involving information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.
 - (e) Crime policy with a limit of no less than \$5,000,000 per occurrence and in the aggregate and naming Customer (as its interests may appear) as a loss payee.
 - (f) Excess Liability/Umbrella coverage with a limit of no less than \$9,000,000 per occurrence and in the aggregate (such limit may be achieved through increase of limits in underlying policies to reach the level of coverage shown here). This policy shall include Customer as an additional insured with respect to the provision of services provided under this Agreement. This policy shall include a waiver of subrogation in favor of Customer.

Where there is a waiver of subrogation or additional insured status for Customer, "Customer" 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. Upon Customer's request, Workday agrees to deliver to Customer a certificate(s) of insurance evidencing the coverage specified in this Section. Such certificate(s) will contain a thirty (30) day prior notice of cancellation provision and notes indicating that all subrogation waivers and additional insured status agreed herein are included in the policies. Upon request by Customer, Workday will hold a web-based session to allow Customer to review the endorsements showing additional insured status and waivers of subrogation. Workday will be solely responsible for any deductible or self-insurance retentions. Such insurance coverage will be primary and any other valid insurance existing will be in excess of such primary insurance policies. The required insurance coverage and limits of liability set forth above shall not be construed as a limitation or waiver of any potential liability of satisfaction of any indemnification/hold harmless obligation of Workday.



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5. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance..
6. **Confidential Information.**
- 6.1 **Confidentiality.** A party shall not disclose or use any Confidential Information of the other party except as reasonably necessary to perform its obligations or exercise its rights pursuant to this Agreement, except with the other party's prior written permission.
- 6.2 **Protection.** Each party agrees to protect the Confidential Information of the other party in the same manner that it protects its own Confidential Information of like kind, except as specified in Section 5.3, but in no event using less than a reasonable standard of care.
- 6.3 **Compelled Disclosure.** A disclosure by one party of Confidential Information of the other party to the extent required by Law shall not be considered a breach of this Agreement, provided the party so compelled promptly provides the other party with prior notice of such compelled disclosure (to the extent legally permitted) and provides reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure. For purposes of this section, a request to Customer for Workday's Confidential Information pursuant to the California Public Records Act will be considered a compelled disclosure. All parties acknowledge that Customer may not make any assertion of exemption on behalf of Workday in response to a Public Records Act request. In addition, Customer may disclose SOWs and this Agreement in accordance with requirements for publication of items that will be on the Customer's Board of Supervisor's agenda. Such disclosure may take the form of a website-accessible posting of those documents.
- 6.4 **Special Access by Law Enforcement and for Oversight.** Customer is a public sector entity subject to oversight by other public sector entities and potentially by the federal government. The parties agree that to the extent that law enforcement officials or entities with appropriate oversight authority request access to the Professional Services Data, Customer's initial response will be to provide access to such data through Customer's existing solutions or the Workday Service.
- 6.5 **HIPAA.** Customer has determined that the Professional Services Data is likely to contain information subject to the Health Insurance Portability and Accountability Act privacy rules. Accordingly, the parties have executed a Business Associate Agreement contemporaneously with this Agreement. In the event that there is subsequent legislation, regulation, or judicial interpretation requiring changes to the Business Associate Agreement, the parties will negotiate in good faith to amend the Business Associate Agreement to comply with applicable provisions of HIPAA and any implementing regulations.
- 6.6 **Remedies.** If a party discloses or uses (or threatens to disclose or use) any Confidential Information of the other party in breach of confidentiality protections hereunder, the other party shall have the right, in addition to any other remedies available to it, to injunctive relief to enjoin such acts, it being acknowledged by the parties that any other available remedies are inadequate.
- 6.7 **Exclusions.** Confidential Information shall not include any information that: (i) is or becomes generally known to the public without breach of any obligation owed to the other party; (ii) was known to a party prior to its disclosure by the other party without breach of any obligation owed to the other party; (iii) was independently developed by a party without breach of any obligation owed to the other party; or (iv) is received from a third party without breach of any obligation owed to the other party. PII shall not be subject to the exclusions set forth in this Section.
- 6.8 **Workday Remediation of Certain Unauthorized Disclosures.** In the event that any unauthorized access to or acquisition of PII is caused by Workday's breach of obligations under this Agreement, Workday shall pay the reasonable and documented costs incurred by Customer in connection with the following items: (a) costs of any required forensic investigation to determine the cause of the breach, (b) providing notification of the security breach to applicable government and relevant industry self-regulatory agencies, to the media (if required by applicable Law) and to individuals whose PII may have been accessed or acquired, (c) providing credit monitoring service to individuals whose PII may have been accessed or acquired for a period of one year after the date on which such individuals were notified of



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the unauthorized access or acquisition for such individuals who elected such credit monitoring service, and (d) operating a call center to respond to questions from individuals whose PII may have been accessed or acquired for a period of one year after the date on which such individuals were notified of the unauthorized access or acquisition. NOTWITHSTANDING THE FOREGOING, OR ANYTHING IN THE AGREEMENT TO THE CONTRARY, WORKDAY SHALL HAVE NO RESPONSIBILITY TO PAY COSTS OF REMEDIATION THAT ARE DUE TO RECKLESS MISCONDUCT, GROSS NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD BY CUSTOMER OR ITS EMPLOYEES, AGENTS OR CONTRACTORS

7. Warranties & Disclaimers.

7.1 Warranties. Each party warrants that it has the authority to enter into this Agreement and, in connection with its performance of this Agreement, shall comply with all Laws applicable to it related to data privacy, international communications and the transmission of technical or personal data. Workday warrants that (i) it shall perform the obligations described in each Statement of Work in a professional and workmanlike manner.; (ii) to the best of Workday's knowledge, the Deliverable(s) does not contain any Malicious Code; and (iii) Workday will not knowingly introduce any Malicious Code into the Deliverable(s). In addition, Workday represents and warrants that it will not discriminate against any employee or applicant for employment because of race, color, religion, disability, sex, national origin, age, veteran status, genetic information or any other unlawful criterion and that it shall comply with all applicable laws against discrimination and all applicable rules, regulations and orders issued thereunder or in implementation thereof, including, to the extent that Workday is a subcontractor on a federal contract, the Equal Opportunity Clauses set forth in 41 C.F.R. §§ 60-1.4(a), 60-300.5(a), and 60-741.5(a). as well as the employee notice found at 29 C.F.R. Part 471, Appendix A to Subpart A are incorporated by reference herein. These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

7.2 Warranty Remedies. In the event of a breach of the foregoing warranty, set forth in Section 6.1 (i), (ii) and (iii), Workday shall (a) correct the non-conforming Professional Service or Deliverable at no additional charge to the Customer or (b) in the event Workday is unable to correct such deficiencies after good-faith efforts, refund Customer prorated amounts paid for the defective Professional Service or Deliverable. To receive warranty remedies, Customer must promptly report deficiencies in writing to Workday, but no later than thirty (30) days after the first date the deficiency is identified by Customer. The remedies set forth in this subsection shall be Customer's sole remedy and Workday's sole liability for breach of these warranties unless the breach of warranty constitutes a material breach of the Agreement and Customer elects to terminate the Agreement in accordance with the Section entitled "Termination for Cause."

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

8. Indemnifications.

8.1 Infringement Indemnification. Workday shall defend, indemnify and hold Customer harmless against any loss, damage or costs (including reasonable attorneys' fees) in connection with claims, demands, suits, or proceedings ("Claims") made or brought against Customer by a third party alleging that the use of any Deliverable as provided to Customer under this Agreement or any SOW hereto and used in accordance with this Agreement and Documentation,



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infringes any third party's Intellectual Property Rights; provided, that Customer (a) promptly gives written notice of the Claim to Workday; (b) gives Workday sole control of the defense and settlement of the Claim (provided that Workday may not settle any Claim unless it unconditionally releases Customer of all liability); and (c) provides to Workday, at Workday's cost, all reasonable assistance. Notwithstanding the foregoing, Workday shall not be required to indemnify Customer to the extent the alleged infringement: (x) is based on information or requirements furnished by Customer, (y) is the result of a modification made by a party other than Workday, or (z) arises from use of a Deliverable in combination with any other product or service not provided by Workday. If Customer is enjoined from using the Deliverable or Workday reasonably believes it will be enjoined, Workday shall have the right, at its sole option, to obtain for Customer the right to continue use of the Deliverable or to replace or modify the Deliverable so that it is no longer infringing. If neither of the foregoing options is reasonably available to Workday, then this Agreement may be terminated at either party's option and Workday's sole liability shall be to refund any fees paid by Customer for such Deliverable.

8.2 Additional Indemnification. Workday shall indemnify, hold harmless and defend the Customer and County Affiliates (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) from any liability whatsoever, based or asserted to the extent arising from the acts or omissions of Workday, its officers, employees, subcontractors, agents or representatives resulting in real or tangible property damage, bodily injury, or death .

8.3 With respect to indemnified Claims under Section 7.1 or 7.2, Workday shall in its defense of the Customer pay all cost and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards. With respect to any action or claim subject to indemnification herein by Workday, Workday shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Customer; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Workday's indemnification to Indemnitees as set forth herein.

8.4 Workday's obligation hereunder shall be satisfied when Workday has provided to Customer the appropriate form of dismissal or settlement relieving the applicable Indemnitees from any liability for the action or claim involved.

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

8.6 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 if and only if California Civil Code Section 2782 applies to this Agreement. Such interpretation shall not relieve Workday from indemnifying the Indemnitees to the fullest extent allowed by law.

9. Limitation of Liability.

9.1 LIMITATION OF LIABILITY. EXCEPT AS LIMITED BY THIS SECTION 8, EACH PARTY IS RESPONSIBLE FOR ITS OWN ACTS OR OMISSIONS. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO (i) WORKDAY'S INDEMNIFICATION OBLIGATIONS IN SECTION 7, (ii) RECKLESS MISCONDUCT, GROSS NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD, (iii) WORKDAY'S REMEDIATION OBLIGATIONS IN SECTION 5.6; (vi) ASE SET FORTH IN SECTION 8.2 BELOW OR (v) CUSTOMER'S PAYMENT OBLIGATIONS, EITHER PARTY'S MAXIMUM LIABILITY FOR ANY ACTION, REGARDLESS OF THE FORM OF ACTION, WHETHER IN TORT OR CONTRACT, ARISING UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AMOUNT OF FEES PAID BY CUSTOMER UNDER THE SPECIFIC STATEMENT OF WORK. THE PROFESSIONAL SERVICES PROVIDED BY WORKDAY ARE ADVISORY ONLY AND NO SPECIFIC RESULT IS ASSURED OR GUARANTEED.

9.2 SPECIAL LIMITATION FOR UNAUTHORIZED DISCLOSURE OF PROFESSIONAL SERVICES DATA. WORKDAY'S MAXIMUM LIABILITY FOR BREACH OF THIS AGREEMENT RESULTING IN THE UNAUTHORIZED DISCLOSURE OF PROFESSIONAL SERVICES DATA OR BREACH OF ITS SECURITY, PRIVACY AND/OR CONFIDENTIALITY OBLIGATIONS UNDER THIS AGREEMENT (INCLUDING THE COST TO DEFEND THIRD PARTY CLAIMS CAUSED BY SUCH BREACH) SHALL NOT EXCEED THE GREATER OF



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(I) THE AMOUNT OF FEES PAID BY CUSTOMER UNDER THE SPECIFIC STATEMENT OF WORK OR (II) SUBSCRIPTION FEES ACTUALLY PAID BY CUSTOMER IN CONSIDERATION FOR WORKDAY'S SERVICE DELIVERY UNDER THE MASTER SUBSCRIPTION AGREEMENT BETWEEN THE PARTIES FOR THE WORKDAY SERVICE RELATED TO THE PROFESSIONAL SERVICES DATA DURING THE IMMEDIATELY PRECEDING TWENTY-FOUR MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE (OR, FOR A CLAIM ARISING BEFORE THE SECOND ANNIVERSARY OF THE EFFECTIVE DATE, THE AMOUNT PAID FOR THE FIRST TWENTY-FOUR MONTH PERIOD). **This limitation applies only to unauthorized disclosure of Professional Services Data. If, during the course of performance of the Professional Services, Workday causes an unauthorized disclosure of Customer's data in the Workday Service, such claim shall be resolved pursuant to the Master Subscription Agreement between the parties.**

9.3 EXCLUSION OF DAMAGES. EXCEPT WITH RESPECT TO AMOUNTS TO BE PAID BY WORKDAY PURSUANT TO A COURT AWARD OR SETTLEMENT AS WELL AS THE DEFENSE COSTS UNDER THE INDEMNIFICATION OBLIGATIONS NO MATTER HOW SUCH DAMAGES MAY BE CHARACTERIZED, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, OR FOR ANY LOST PROFITS, LOSS OF DATA OR USE, COST OR PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE PROFESSIONAL SERVICES, EVEN IF THE PARTY FROM WHICH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS OR CONTRACTORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES. CUSTOMER WILL NOT ASSERT THAT ITS PAYMENT OBLIGATIONS AS SET FORTH IN A SOW ARE EXCLUDED AS WORKDAY'S LOST PROFITS.

9.4 DIRECT DAMAGES. SUBJECT TO SECTION 8.1 AND 8.2 AND NOTWITHSTANDING SECTION 8.3 ABOVE, THE PARTIES AGREE THAT WITH RESPECT TO WORKDAY'S BREACH OF ITS OBLIGATIONS SET FORTH IN THIS AGREEMENT, THE FOLLOWING SHALL BE CONSIDERED DIRECT DAMAGES AND WORKDAY SHALL REIMBURSE CUSTOMER FOR REASONABLE COSTS AND EXPENSES ACTUALLY PAID TO THIRD PARTIES FOR: (i) AMOUNTS PAID TO AFFECTED THIRD PARTIES AS DAMAGES OR SETTLEMENTS ARISING FROM SUCH BREACH; (ii) FINES AND PENALTIES IMPOSED BY GOVERNMENTAL AUTHORITY ARISING FROM SUCH BREACH; AND (iii) LEGAL FEES, INCLUDING REASONABLE ATTORNEYS' FEES, TO DEFEND AGAINST THIRD PARTY CLAIMS ARISING FROM SUCH BREACH.

10. Term & Termination.

10.1 Term. The term of this Agreement shall commence on the Effective Date hereof and end upon termination in accordance herewith.

10.2 Termination by Customer. Except as set forth in a Statement of Work, Customer may terminate this Agreement or any Statement of Work at any time by giving Workday fifteen (15) days prior written notice of termination.

10.3 Termination by Workday. Except as set forth in a Statement of Work, Workday may terminate this Agreement or any Statement of Work by giving Customer fifteen (15) days prior written notice in the event: (i) Customer repeatedly fails to perform its obligations under this Agreement or a Statement of Work resulting in the inability of Workday to meet its obligations and time frame commitments, or (ii) it is determined that the information provided by Customer, or lack thereof, to Workday during the discovery stage is materially inaccurate.

10.4 Termination for Cause. Either party may terminate this Agreement or any Statement of Work for cause: (i) upon thirty (30) days prior written notice to the other party of a material breach by the other party if such breach remains uncured at the expiration of such notice period; or (ii) immediately in the event the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors.



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10.5 Dispute Resolution. The parties agree that they would prefer to resolve disputes rather than invoke their termination rights under this Agreement. Prior to the initiation of any legal proceeding other than one for equitable relief as described in subsection (d) below, the parties shall first attempt to resolve their dispute informally, as follows:

(a) Within five (5) business days following the written request of a party, designated individual(s) from Workday and Customer shall meet to resolve such dispute.

(b) The representatives referred to in paragraph (a) shall meet as often as the parties reasonably deem necessary in order to gather and furnish to the other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of formal legal proceedings. The specified format for the discussions will be left to the discretion of the designated representatives, but may include the preparation of agreed upon statements of fact or written statements of position. The Parties contend that provisions in California Evidence Code Section 1152 apply to negotiations..

(c) If the representatives referred to in paragraph (a) above are unable to resolve the dispute within thirty (30) business days after the dispute is escalated to them, then either Party may escalate the dispute to the President of Workday and the County Executive Officer, or his designee of Customer, for their review and resolution. After such meeting if no resolution has been determined, the aggrieved party may pursue any such remedies as are available to such party at law or in equity.

(d) The provisions of this Section 9.3 shall not be construed to prevent a party from instituting, and a party is authorized to institute, judicial or other proceedings either to (i) seek injunctive relief or (ii) avoid the expiration of any applicable legal or contractual limitations period.

(e) Each of the parties agrees to continue performing its obligations under this Agreement and all related agreements while any dispute is being resolved except to the extent that the issue in dispute precludes performance (a dispute over payment shall not be deemed to preclude performance). Failure to pay undisputed invoices is not a dispute and Workday is entitled to exercise its contractual remedies in the event of such failure.

10.6 Effect of Termination. In the event that this Agreement is terminated, Workday shall immediately cease performance of all Professional Services and Customer shall pay Workday within thirty (30) days after the date of termination for all Professional Services performed by Workday and travel & living expenses incurred up to the cessation of such Professional Services.

10.7 Surviving Provisions. All provisions of this Agreement shall survive any termination or expiration of this Agreement, except for: section 1, and section 3.2, and the SOW's shall have no further force or effect.

11. Workday Roles. Each Workday team member's involvement will vary by task as defined in the project plan for each Statement of Work. Each Statement of Work will define the resource level and rates relevant to the work efforts defined in the Statement of Work. The Workday team listing does not preclude other Workday personnel from being involved in a project described in a Statement of Work, nor does it assure involvement of all those listed.

12. Change Order Process. During a project in a Statement of Work, new information may surface that may necessitate a change in business requirements resulting in a change in project scope and, therefore, changes in the estimated level of effort, project timeline, or Workday Service features. Upon Customer's request, such changes, and the associated fees for additional Professional Services to be provided, will be described in a document (a "Change Order"). Due to the complexity of some project Change Orders, Workday may bill the Customer for the time required to scope and estimate the requested change. Workday will advise Customer of the cost estimate if such a charge will apply. A completed Change Order includes the requested change, the impact on the current engagement under the applicable Statement of Work, and the estimated resources and time to complete the Professional Services for the work described in the Change Order. Workday will submit the Change Order to Customer for review and approval. Proposed Change



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Orders will remain valid for a period of ten (10) business days from the date of submission, unless Customer requires Board of Supervisors approval for the Change Order, in which case the parties will establish a validity date consistent with the Board of Supervisors meeting schedule. If Customer does not approve the Change Order within the ten (10) business days (or the extended period if there is Board of Supervisors approval required), and Workday has not extended the period of validity in writing, the Change Order will automatically expire. Upon receipt of written approval, Workday will begin performing the Professional Services described in the Change Order according to the agreed-upon schedule under the applicable Statement of Work as may be modified by the Change Order. The Board of Supervisors and the County's Purchasing Agent and/or his designee are the only authorized Customer representatives who may at any time, by written order, alter this Agreement on behalf of Customer. 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, and the Agreement shall be modified by written amendment accordingly. The parties agree that the Change Order process will be used for any situation where either party believes there is a need for an equitable adjustment.

13. General.

13.1 Relationship of the Parties. Workday is, for purposes relating to this Agreement, an independent contractor. This Agreement does not create nor is it intended to create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties. There are no third-party beneficiaries to this Agreement.

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

13.3 Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. None of the provisions of this Agreement shall be considered waived by either party unless such waiver is specifically specified in writing. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity. The Board of Supervisors of the County of Riverside is the only authorized Customer representative who may at any time, by written order, alter this Agreement on behalf of the Customer.

13.4 Force Majeure. Neither party shall be liable for any failure or delay in performance under this Agreement for causes beyond that party's reasonable control and occurring without that party's fault or negligence, including, but not limited to, acts of God, acts of government, flood, fire, civil unrest, acts of terror, strikes or other labor problems (other than those involving Workday or Customer employees, respectively). Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused. Each party will reasonably endeavor to resume its performance under this Agreement as soon as possible following a *force majeure* situation and Workday will expend the same level of effort to resume performance to Customer that it expends for its other similarly-situated customers.

13.5 Assignment. Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, either party may assign this Agreement in its entirety (including all SOWs) without consent of the other party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets (an "M&A assignment") so long as the assignee agrees to be bound by all of the terms of this Agreement and all past due fees are paid in full. In the event of an M&A assignment, the non-assigning party shall be entitled to request that the assignee entity provide adequate assurances that it has the requisite personnel, assets, expertise, and experience to provide the Service and comply with this Agreement. Failure to provide such assurances may be treated as a material breach of this Agreement. Any attempt by a party to assign its rights or obligations under this Agreement other than as permitted by this section shall be void and of no effect. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.



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13.6 Governing Law. This Agreement shall be governed exclusively by the internal laws of the State of California without regard to its conflicts of laws rules. The parties agree the venue of any dispute will be the State and Federal courts for the County of Riverside, California.

13.7 Use of Subcontractors. In the course of providing the Professional Services and/or Deliverables hereunder, Workday may, in its discretion, draw on the resources of and subcontract to third parties (“Subcontractors”). In such instances, Customer agrees that Workday may provide information Workday receives in connection with this Agreement to the applicable Subcontractors for the purpose of the Professional Services and related administration. In addition, excluding claims for bodily injury or death of any person or damage to real and/or tangible personal property caused by recklessness and/or willful misconduct, Customer agrees not to bring or enforce a claim of any nature relating to this Agreement or any of the Professional Services or Deliverables against any Workday Subcontractor, nor any partner, principal or personnel of such Workday Subcontractor.

13.8 Entire Agreement. This Agreement, including all exhibits and addenda hereto and all SOWs and Change Orders, constitutes the entire agreement between the parties with respect to the subject matter hereof. In the event of a conflict, the provisions of an SOW shall take precedence over provisions of the body of this Agreement and over any other exhibit or Attachment. This Agreement supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted. To the extent of any conflict or inconsistency between the provisions in the body of this Agreement and any exhibit or addendum hereto or any Statement of Work, the terms of such exhibit, addendum or Statement of Work shall prevail. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect. Notwithstanding any language to the contrary therein, no terms or conditions stated in a Customer purchase order or in any other Customer order documentation shall be incorporated into or form any part of this Agreement, and all such terms or conditions shall be null and void. This Agreement may be executed in counterparts, which taken together shall form one binding legal instrument. The parties hereby consent to the use of electronic signatures in connection with the execution of this agreement, and further agree that electronic signatures to this agreement shall be legally binding with the same force and effect as manually executed signatures.

13.9 Availability of Funds. For each succeeding fiscal period: (a) Customer agrees to make a good faith effort to include in its budget request appropriations sufficient to cover Customer's obligations under the Agreement; and (b) Customer agrees to use all reasonable and lawful means to secure these appropriation. Customer reasonably believes, barring unforeseen circumstances or events, that sufficient funds will lawfully be appropriated to satisfy its obligations under this Agreement. The Parties hereto recognize and understand that the consideration hereunder originates from county, state and/or federal sources, and therefore Customer shall have the right to terminate this Agreement (i) if such funding is insufficient, reduced or otherwise becomes unavailable, based on Customer's annual fiscal budget, or (ii) if any law, rule or regulation precludes, prohibits or materially adversely impairs Customer's ability to continue this Agreement, in which case it need not seek funds. If Customer is appropriated insufficient funds to continue payments under this Agreement Customer may terminate this Agreement by giving Workday not less than thirty (30) days' prior written notice. Upon termination Customer will remit all amounts due and all costs reasonably incurred through the date of termination and, to the extent of lawfully available funds, through the end of the then-current fiscal period, providing Service will continue through the end of the then-current fiscal period and for the full duration of any subsequent Transition Period for which funds are available. Upon Workday's reasonable request, Customer will provide Workday with information as to funding status for its next subscription payment(s).

13.10 Audit Financial Billing. During the Term of this Agreement but not more frequently than once per year, Workday shall make available to Customer or its chosen independent third-party auditor (or federal or state department auditor having monitoring or reviewing authority over Customer), for examination those financial books, records, and files of Workday that are necessary for Customer to verify Workday's charges for the Service provided under any SOW(s) issued hereunder. Workday shall be subject to examination and/or audit to the extent set forth in law and shall



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comply with all program and fiscal reporting requirements set forth by law as described more fully in the Data Processing Exhibit. Workday shall maintain complete and accurate records as is reasonably necessary to substantiate such charges for at least five (5) years after such charges are invoiced. Customer shall provide Workday with reasonable notice prior to conducting such financial audit and the parties shall mutually agree upon the timing of such financial audit which shall be conducted in a manner that is least disruptive to Workday's business operations. Such right shall not extend to or require on-site audits of Workday's operations or third-party hosting facilities, disclosure of any confidential information of any other Workday customer, or Workday's payroll records or other financial records not related to Service fees invoiced to Customer.

13.11 California Labor Code Requirements. Workday is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Workday agrees to fully comply with such Prevailing Wage Laws, if applicable. Workday shall defend, indemnify and hold Customer, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon Workday and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors for work performed in California.

13.12 Verification of Employment Eligibility. By executing this Agreement, Workday verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

13.13 Equal Opportunity Employment. Workday represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of, as applicable under the law of the jurisdiction where employment occurs, race, religion, color, national origin, ancestry, sex, age, or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

13.14 Limitation of Agreement. This Agreement is limited to and includes only the services and work described herein.

13.15 Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than Customer and Workday.

13.16 Severability. The unenforceability, invalidity, or illegality of provision(s) of this Agreement shall not render the remaining provisions unenforceable, invalid, or illegal.

13.17 Customer's Right to Employ Other Consultants. Customer reserves its right to employ other entities in connection with this Agreement and other projects.

13.18 Prohibited Interests. Workday represents that it has not employed nor retained any company or person, other than a bona fide employee working solely for Workday, to solicit or secure this Agreement. Further, Workday represents that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Workday, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this representation, Customer shall have the right to rescind this Agreement without liability. Upon Customer's request, Workday will include the following statement on SOWs that are not executed contemporaneously with this Agreement, "Workday represents that it has not employed nor retained any company or person, other than a bona fide employee working solely for Workday, to solicit or secure this SOW. Further, Workday represents that it has not paid nor has it agreed to pay any company or person, other than a bona



PROFESSIONAL SERVICES AGREEMENT

vide employee working solely for Workday, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this SOW.

14. Definitions.

“Confidential Information” means (a) Personally Identifiable Information; (b) each party’s business or technical information, including but not limited to any information relating to software plans, designs, documentation, training materials, costs, prices and names, finances, marketing plans, business opportunities, personnel, research, development or know-how that is designated by the disclosing party as "confidential" or "proprietary" or the receiving party knows or should reasonably know is confidential or proprietary; and (c) the terms, conditions and pricing of this Agreement (but not its existence or parties).

“Configured Integration” means any standard Workday-supported integration or interface between third party applications or service providers and the Workday Service, which are subscribed to by Customer as part of the Workday Service. Configured Integrations are part of the Workday Service and, as such, are provided with ongoing support by Workday in accordance with Workday’s then-current Production Support and Service Level Availability Policy.

“Custom Integration” means any integration or interface between third party applications or service providers and the Workday Service that are developed either (i) by Customer, (ii) by a partner or third party acting on Customer’s behalf pursuant to a separate and independently executed third party agreement, or (iii) by Workday pursuant to a Statement of Work. Custom Integrations are deployed, maintained and supported by Customer and are not part of the Workday Service.

“Deliverables” means the training, specifications, configurations, implementation, data conversions, workflow, custom developed programs, performance capabilities, and any other activity or document to be completed during the course of Professional Services for delivery to Customer.

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

“Laws” means any local, state, national and/or foreign law, treaties, and/or regulations applicable to a respective party.

“Personally Identifiable Information” or “PII” means any and all individually identifying information related to former, current or prospective employees, consultants, contingent workers, independent contractors or retirees of Customer that is accessed, disclosed, provided, obtained, created, generated, scanned, entered, collected or processed in connection with the Professional Services.

“Professional Services Fees” means all amounts invoiced and payable by Customer for Professional Services.”

“Workday Service” means Workday’s software-as-a-service applications provided to Customer pursuant to the separate and independent Master Subscription Agreement between the parties.

“Workday Web Services” are an industry-standard set of integration services that enable the exchange of data between the Workday Service and third-party systems used by Workday customers.



PROFESSIONAL SERVICES AGREEMENT

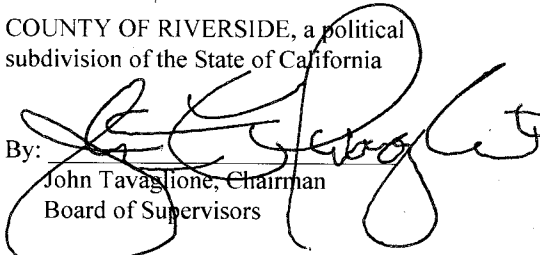
IN WITNESS WHEREOF, the parties' authorized signatories have duly executed this Agreement as of the Effective Date.

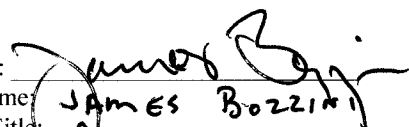
CUSTOMER:

WORKDAY:

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

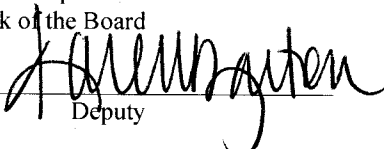
WORKDAY, INC., a Delaware
corporation

By: 
John Tavaglione, Chairman
Board of Supervisors

By: 
Name: JAMES BOZZINI
Title: COO

ATTEST:

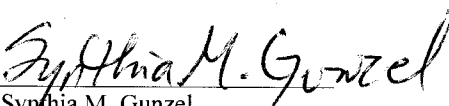
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

(Seal)

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 
Synthia M. Gunzel
Supervising Deputy County Counsel



PROFESSIONAL SERVICES AGREEMENT

Professional Services Security Exhibit

This Professional Services Security Exhibit sets forth the controls that Workday has in place to protect Professional Services Data that is provided to Workday.

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

Workday's Professional Services security program is designed to:

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

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

- 1) Security Awareness and Training – A mandatory security awareness and training program for all members of Workday's workforce (including management), which includes:
 - a) Training on how to implement and comply with its Information Security Program;
 - b) Promoting a culture of security awareness through periodic communications from senior management with employees.
- 2) Access Controls - Policies, procedures, and logical controls:
 - a) To limit access to its information systems and the facility or facilities in which Workday's SFTP Server is housed to properly authorized persons;
 - b) To prevent those workforce members and others who should not have access from obtaining access; and
 - c) To remove access in a timely basis in the event of a change in job responsibilities or job status.
- 3) Physical and Environmental Security – Controls that provide reasonable assurance that access to physical servers at the production data center and the facility housing Workday's SFTP Server, if applicable, is limited to properly authorized individuals and that environmental controls are established to detect, prevent and control destruction due to environmental extremes. These controls include:
 - a) Logging and monitoring of unauthorized access attempts to the data center by the data center security personnel;
 - b) Camera surveillance systems at critical internal and external entry points to the data center;
 - c) Systems that monitor and control the air temperature and humidity at appropriate levels for the computing equipment; and
 - d) Uninterruptible Power Supply (UPS) modules and backup generators that provide back-up power in the event of an electrical failure.
- 4) Security Incident Procedures – A security incident response plan that includes procedures to be followed in the event of a Security Breach of Professional Services Data. Such procedures include:
 - a) Roles and responsibilities: formation of an internal incident response team with a response leader;
 - b) Investigation: assessing the risk the incident poses and determining who may be affected;



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- c) Communication: internal reporting as well as a notification process in the event of unauthorized disclosure of Professional Services Data;
 - d) Recordkeeping: keeping a record of what was done and by whom to help in later analysis and possible legal action; and
 - e) Audit: conducting and documenting root cause analysis and remediation plan.
- 5) Contingency Planning – Policies and procedures for performing periodic backups of Professional Services Data on Workday’s SFTP server, if applicable, according to a defined schedule.
- 6) Audit Controls – Hardware, software, and/or procedural mechanisms that record and examine activity in a Workday SFTP Server containing Professional Services Data, including appropriate logs and reports concerning these security requirements.
- 7) Data Integrity – Policies and procedures to ensure the confidentiality, integrity, and availability of Professional Services Data and protect it from disclosure, improper alteration, or destruction.
- 8) Storage and Transmission Security – Technical security measures to guard against unauthorized access to Professional Services Data that is being transmitted over a public electronic communications network or stored electronically. Such measures include requiring encryption of any Professional Services Data stored on desktops, laptops or other removable storage devices.
- 9) Secure Disposal – Policies and procedures regarding the secure disposal of tangible property containing Professional Services Data, taking into account available technology.
- 10) Assigned Security Responsibility – Assigning responsibility for the development, implementation, and maintenance of its Information Security Program, including:
- a) Designating a security official with overall responsibility;
 - b) Defining security roles and responsibilities for individuals with security responsibilities; and
 - c) Designating a Security Council consisting of cross-functional management representatives to meet on a regular basis.
- 11) Testing – Regularly testing the key controls, systems and procedures of its information security program to validate that they are properly implemented and effective in addressing the threats and risks identified.
- 12) Monitoring – Monitoring the Workday SFTP Server for any potential problems. Such monitoring includes:
- a) Reviewing changes affecting systems handling authentication, authorization, and auditing;
 - b) Reviewing privileged access to Workday’s SFTP Server; and
 - c) Engaging third parties to perform network vulnerability assessments and penetration testing on a regular basis.
- 13) Change and Configuration Management – Maintaining policies and procedures for managing changes Workday makes to production systems, applications, and databases. Such policies and procedures include:
- a) A process for documenting, testing and approving the promotion of changes into production;
 - b) A security patching process that requires patching systems in a timely manner based on a risk analysis; and
 - c) A process for Workday to utilize a third party to conduct web level security assessments on the SFTP Server. These assessments generally include testing, where applicable, for:
 - i) Services scanning
 - ii) Vulnerability scanning
 - iii) Improper input handling (e.g. cross-site scripting, SQL injection, XML injection, cross-site flashing)
 - iv) XML and SOAP attacks
 - v) Weak session management
 - vi) Data validation flaws and data model constraint inconsistencies
 - vii) Insufficient authentication



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viii) Insufficient authorization

- 14) Program Adjustments – Workday monitors, evaluates, and adjusts, as appropriate, the security program in light of:
- a) Any relevant changes in technology and any internal or external threats to Workday or the Professional Services Data;
 - b) Security and data privacy regulations applicable to Workday; and
 - c) Workday’s own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements, and changes to information systems.
- 15) Devices -- All laptop and desktop computing devices utilized by Workday and any subcontractors in providing the Professional Services:
- a) will be equipped with a minimum of AES 128 bit full hard disk drive encryption;
 - b) will have up to date virus and malware detection and prevention software installed with virus definitions updated on a regular basis; and
 - c) shall maintain virus and malware detection and prevention software so as to remain on a supported release. This shall include, but not be limited to, promptly implementing any applicable security-related enhancement or fix made available by supplier of such software.

Definitions

“**Professional Services Data**” means data that is provided to Workday under a Professional Services engagement with Workday for the purpose of being input into the Workday Service.

“**Security Breach**” means (i) any actual or reasonably suspected unauthorized use of, access to or disclosure of, Professional Services Data in that party’s direct control or possession; provided that an incidental disclosure of Professional Services Data to an Authorized Party or Workday, or incidental access to Professional Services Data by an Authorized Party or Workday, where no reasonable suspicion exists that such disclosure or access involves theft, or is fraudulent, criminal or malicious in nature, shall not be considered a “Security Breach” for purposes of this definition, unless such incidental disclosure or incidental access triggers a notification obligation under any applicable Law and (ii) any security breach (or substantially similar term) as defined by applicable Law.

“**SFTP Server**” means a Secure File Transfer Protocol server provided and controlled by Workday to transfer the Professional Services Data between Customer and Workday for implementation purposes.

**PROFESSIONAL SERVICES SECURITY EXHIBIT**

This Professional Services Security Exhibit sets forth the controls that Workday has in place to protect Professional Services Data that is provided to Workday.

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

Workday's Professional Services security program is designed to:

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

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

- 1) Security Awareness and Training – A mandatory security awareness and training program for all members of Workday's workforce (including management), which includes:
 - a) Training on how to implement and comply with its Information Security Program;
 - b) Promoting a culture of security awareness through periodic communications from senior management with employees.
- 2) Access Controls - Policies, procedures, and logical controls:
 - a) To limit access to its information systems and the facility or facilities in which Workday's SFTP Server is housed to properly authorized persons;
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- 3) Physical and Environmental Security – Controls that provide reasonable assurance that access to physical servers at the production data center and the facility housing Workday's SFTP Server, if applicable, is limited to properly authorized individuals and that environmental controls are established to detect, prevent and control destruction due to environmental extremes. These controls include:
 - a) Logging and monitoring of unauthorized access attempts to the data center by the data center security personnel;
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 - a) Roles and responsibilities: formation of an internal incident response team with a response leader;
 - b) Investigation: assessing the risk the incident poses and determining who may be affected;
 - c) Communication: internal reporting as well as a notification process in the event of unauthorized disclosure of Professional Services Data;

**PROFESSIONAL SERVICES SECURITY EXHIBIT**

- d) Recordkeeping: keeping a record of what was done and by whom to help in later analysis and possible legal action; and
 - e) Audit: conducting and documenting root cause analysis and remediation plan.
- 5) Contingency Planning – Policies and procedures for performing periodic backups of Professional Services Data on Workday’s SFTP server, if applicable, according to a defined schedule.
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- 10) Assigned Security Responsibility – Assigning responsibility for the development, implementation, and maintenance of its Information Security Program, including:
- a) Designating a security official with overall responsibility;
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 - c) Designating a Security Council consisting of cross-functional management representatives to meet on a regular basis.
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 - vi) Data validation flaws and data model constraint inconsistencies
 - vii) Insufficient authentication
 - viii) Insufficient authorization



PROFESSIONAL SERVICES SECURITY EXHIBIT

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

“**Professional Services Data**” means data that is provided to Workday under a Professional Services engagement with Workday for the purpose of being input into the Workday Service.

“**Security Breach**” means (i) any actual or reasonably suspected unauthorized use of, access to or disclosure of, Professional Services Data in that party’s direct control or possession; provided that an incidental disclosure of Professional Services Data to an Authorized Party or Workday, or incidental access to Professional Services Data by an Authorized Party or Workday, where no reasonable suspicion exists that such disclosure or access involves theft, or is fraudulent, criminal or malicious in nature, shall not be considered a “Security Breach” for purposes of this definition, unless such incidental disclosure or incidental access triggers a notification obligation under any applicable Law and (ii) any security breach (or substantially similar term) as defined by applicable Law.

“**SFTP Server**” means a Secure File Transfer Protocol server provided and controlled by Workday to transfer the Professional Services Data between Customer and Workday for implementation purposes.



Statement of Work to Professional Services Agreement

Customer Name	County of Riverside
Workday Entity Name	Workday, Inc.
PSA Effective Date	See PSA executed herewith.
SOW Effective Date	The later of the dates beneath the parties' signatures below
Currency	USD
Project Name	Riverside County HR/Payroll System Replacement

Customer Contact Information	Billing Contact	Project Contact
Contact Name	Ivan Chand	Ivan Chand
Street Address	County Administration Center	County Administration Center
City/Town, State/Region/County, Zip/Post	4080 Lemon St. Riverside, CA	4080 Lemon St. Riverside, CA
Code, Country	92501 USA	92501 USA
Phone/Fax #	(951) 955-1136	(951) 955-1136
Email	ichand@rivco.org	ichand@rivco.org

Primary Location for Onsite Work	
Contact Name	Ivan Chand
Street Address	County Administration Center
City/Town, State/Region/County, Zip/Post	4080 Lemon St. Riverside, CA 92501 USA
Code, Country	
Phone/Fax #	(951) 955-1136
Email	ichand@rivco.org

This Statement of Work (this "SOW") is entered into as of the SOW Effective Date listed above and is governed by and made a part of the Professional Services Agreement between the Workday customer listed above ("Customer") and the **Workday** entity listed above ("Workday") (herein the "Agreement" or "PSA"). In the event of a conflict between the terms of this SOW and the terms of the Agreement, the terms of this SOW shall prevail. All capitalized terms not otherwise defined herein shall have the same meaning as in the Agreement.

1. General

This SOW details the Professional Services that Workday will perform for Customer for the deployment of the Workday Service including the Workday deliverables, project milestones, pricing, and payment schedules during the project. The Parties acknowledge that additional SOWs may be entered into between the Parties at such time as additional efforts are initiated. If Customer wishes to secure additional services to implement additional functionality not included in the scope of this SOW, Workday will provide a proposal for such services and develop a separate Statement of Work or change order subject to the Change Order Process defined in the Agreement. The Professional Services will be performed either at Customer location or within a Workday office. Workday anticipates that the majority of the work set forth under a Statement of Work will occur on Workday premises, unless otherwise mutually agreed upon by Customer and Workday.



2. Workday Methodology and Project Scope

Workday follows the methodology described in Appendix A. The project scope has been defined as a result of several discussions with Customer and is detailed in the Workday scope section also included in Appendix A. Any feature or functionality not explicitly identified in the scope section is considered out of scope for this project.

3. Fees and Payment

Workday shall provide to Customer the Professional Services as set forth herein, on a fixed fee basis. Customer shall pay fees in the currency indicated above and the currency outlined in this SOW supersedes any other currencies quoted. Customer shall pay to Workday the Professional Services fees inclusive of travel and living expenses incurred by Workday in connection with the provision of the Professional Services in accordance with the Workday provided invoice. Invoicing will occur in accordance with the payment table below. Invoices are due in accordance with the PSA. All remittance advice and invoice inquiries can be directed to Accounts.Receivable@workday.com. All change orders resulting in additional hours added to the project may be added into the next monthly invoice, as appropriate.

The estimated fees due Workday for the Professional Services under this SOW are set forth below. The parties agree that the compensation reflects a fixed fee approach. Project related travel expenses are included in the estimated fees and, therefore, will not be billed separately or additionally.

During the course of completing the work outlined within this SOW, Workday will assign and staff available resources best suited to complete the activities and deliverables. Estimates provided in this SOW may vary slightly if the Professional Services Resource assigned to complete the work differs from what was originally anticipated.

Payment	Invoice Date	Weighting	Cumulative	Payment Amount
Payment 1 – Completion of Plan Stage	11-Sep-17	5.7%	5.7%	\$228,963.74
Payment 2	23-Oct-17	11.1%	16.8%	\$447,013.68
Payment 3 – Completion of Architect Stage	4-Dec-17	11.1%	27.8%	\$447,013.68
Payment 4	8-Jan-18	10.3%	38.2%	\$417,108.45
Payment 5	12-Feb-18	10.3%	48.5%	\$417,108.45
Payment 6 – Completion of Configure & Prototype Stage	19-Mar-18	10.3%	58.9%	\$417,108.45
Payment 7	23-Apr-18	8.8%	67.7%	\$356,891.29
Payment 8 – Completion of Test Stage	28-May-18	8.8%	76.6%	\$356,891.29
Payment 9 – Completion of Parallel Support Stage	9-Jul-18	6.3%	82.9%	\$255,027.80
Payment 10	6-Aug-18	6.9%	89.7%	\$276,500.54
Payment 11 – Completion of Deploy Stage	3-Sep-18	6.9%	96.6%	\$276,500.54
Payment 12 – Completion of Post Production Support	1-Oct-18	3.4%	100.0%	\$137,096.91
Total Payment for Deployment:				\$4,033,224.80

Fees for any change orders provided under this SOW shall be based on Discounted Professional Services Hourly Rates as listed below:

Professional Services Resource	Standard Hourly Rate (inclusive of travel expenses)	Discounted Hourly Rate (inclusive of travel expenses)
Managing Partner	\$517.50	\$472.50
Project Director	\$477.25	\$435.75
Delivery Assurance Manager	\$437.00	\$399.00



Professional Services Resource	Standard Hourly Rate (inclusive of travel expenses)	Discounted Hourly Rate (inclusive of travel expenses)
Delivery Assurance Consultant	\$408.25	\$372.75
Sr. Principal Consultant	\$408.25	\$372.75
Sr. Engagement Manager	\$391.00	\$357.00
Engagement Manager	\$362.25	\$330.75
Principal Consultant	\$356.50	\$325.50
Senior Consultant	\$333.50	\$304.50
Consultant	\$270.25	\$246.75
Associate Consultant*	\$207.00	\$207.00

* Rates not eligible for a discount, and effective immediately on new estimates

The parties acknowledge and agree that the Discounted Professional Services Hourly Rates set forth above shall be in effect for Customer through the earlier of the completion of the deployment project or Twelve (12) months following this SOW Effective Date. Thereafter Workday's then-current rates will apply.

4. Issue Escalation

Issue escalation is jointly owned by Customer and Workday Project Managers. All project issues will be tracked within a consolidated risk and issues log, will be assigned a resolution owner and will include a due date for resolution. Those issues that cannot be rectified by the project team will be escalated. The Customer Project Manager is the escalation point for all employees of Customer assigned to the project. Workday's Engagement Manager is the escalation point for all employees of Workday assigned to the project. If the issue cannot be resolved by the Customer Project Manager and/or the Workday Engagement Manager the issue will be brought to the Steering Committee. The Steering Committee shall be responsible for ensuring the timely resolution of all issues. If follow up meetings are needed to drive to a resolution, those meetings will be scheduled outside of the Steering Committee meeting. The additional meeting(s) shall be focused on obtaining direction from the appropriate people within each organization. Once an issue resolution has been identified, the resolution shall be documented and will be included within the risk and issues log. All issues that have been escalated to the Steering Committee will have a status included in the next regularly scheduled meeting until resolution has been reviewed and approved by the Steering Committee.

If there is an issue involving either the Customer's Project Manager or Workday's Engagement Manager, the Steering Committee members will contact their peers to resolve issues.

5. Project Change Controls

Change is an inevitable part of a project but the parties shall work jointly to analyze each change for its impact on the project objectives and scope.

The purpose of a contract change management procedure is to manage change requests so that approved changes will be controlled, ensuring the project remains on schedule, within budget and provides the agreed deliverables.

The primary objectives of contract change management are to:

- manage each change request from initiation through to closure;
- process change requests based upon direction from the appropriate authority;
- communicate the impact of changes to appropriate personnel; and
- Allow small changes to be managed with a minimum of overhead.



The use of the formal contract change management procedure will be required when any changes are discovered or requested which impact previously reviewed, approved and published project deliverables and/or timelines. The documentation and tracking of all change requests will be managed pursuant to the Change Order process defined in the Agreement.

A multi-tiered approach will be used to approve change requests:

- The Customer Project Manager will analyze and decide to proceed with changes if the changes do not impact scope, budget or schedule or result in an increase in risk for the project.
- Changes that do impact scope, budget or schedule will be forwarded to the Steering Committee for review.
- The Steering Committee will advise the Customer Executive Sponsor of any changes. The Customer Executive Sponsor will make the final decision of approving or rejecting any changes, based upon the information provided by the Project Manager and the input and recommendations of the Steering Committee.

The parties acknowledge and agree that the avoidance of project delays is material to Customer's use of Professional Services and Workday's ability to provide the Professional Services. In the event of any material project delay due to the fault of Customer, Workday, or causes not in the control of either party, the parties will attempt to mitigate the effects of such delay. Either party may convene a Steering Committee meeting to resolve such delays and to develop a mutually agreed solution. The Steering Committee will take into consideration the cause of the delay and negotiate in good faith. In the event that the Steering Committee determines there are project impacts including but not limited to changes in project scope, estimated level of effort, project timeline, project resource commitments, or estimated professional services fees and/or expenses, a mutually agreed upon change order will be entered into, pursuant to the Change Order Process defined in the Agreement.

6. Expiration of Offer

The offer set forth in this SOW is valid only through **June 27, 2017** ("SOW Offer Expiration Date"), and in the event this Statement of Work is not executed by such date, the offer may be rescinded, in which case all terms are null and void, and neither party shall have any obligation in relation hereto.

Appendix A:

Workday Methodology and Project Scope

1. Workday Roles

Workday project team roles and responsibilities included in this SOW are described below. The extent of each Workday team member's involvement will vary by task as defined in the project plan. Hours estimates, by resource and project stage are defined in the Estimated Fees section. Workday will notify Customer of any change in the Workday team mix that may be necessary from time to time.

Roles	Responsibilities
Project Director	Works to ensure the appropriate Workday resources are available for the project, working with the Workday Engagement Manager to resolve any escalated issues in a time-effective manner and conducting final review of key deliverables throughout the project. The Executive Sponsor must be an active and visible resource on the project. Provides direction to Workday deployment team(s) for critical deliverables, milestones, issues and project risks. The Project Director may also assist in managing executive stakeholder engagement for multi-functional (e.g. HCM and Financial) projects.
Engagement Manager	In collaboration with the Customer Project Manager(s), the Engagement Manager guides the Workday deployment using Workday's standard methodology. Engagement Managers are responsible for staffing Workday resources to execute the project plan, schedule, and budget as well as to mitigate project risk and resolve any issues that may arise.
Work Stream Architect	Work stream architects are responsible for the architecture and support of the work stream requirements and team.
Work Stream Lead	<p>Work stream leads are responsible for configuring/developing/guiding the Customer's solution for a work stream. Work stream leads will guide the Customer work stream lead and the overall project through the Architect, Configure & Prototype, Test, and Deploy methodology stages for the work stream.</p> <ul style="list-style-type: none"> • Work stream lead roles and responsibilities include: <ul style="list-style-type: none"> • Advise and / or manage scope, configurations, development and resolution of issues • Support unit testing • Perform knowledge transfer to Customer work stream leads • Provide assistance and guidance to Customer work stream leads during Configuration & Prototype, System Testing, User Acceptance testing, Deployment and Production support
Test Work Stream Advisor	Support the Customer's Testing work stream lead in regards to Workday best practice iterative testing approach.
Delivery Assurance Team	The Delivery Assurance Team conducts Project Initiation, Configuration and Integration Reviews at major project milestones (aka checkpoints). Workday will utilize proprietary tools in the performance of these reviews wherever possible.



2. Customer Roles

Customer will assume responsibility for the following roles and tasks:

Roles	Responsibilities
Executive Sponsor	The Executive Sponsor is responsible for ensuring appropriate customer resources are available for the project, working with the Workday project manager(s) to resolve escalated issues in a time-effective manner and signing off on key deliverables throughout the project. The Executive Sponsor must be an active and visible resource on the project.
Project Director	Often called Program Director this role provides direction to Customer deployment team(s) for critical deliverables, milestones, issues and risks leveraging their extensive experience and network. May also assist in managing executive stakeholder engagement for multi-functional (e.g. HCM, Financials) projects.
Project Manager	<p>The Program/Project Manager(s) ("Project Manager") is responsible for managing the project to completion. The Project Manager is responsible for tasks including: performs a variety of tasks including:</p> <ul style="list-style-type: none"> • co-developing, managing and maintaining the project plan, • managing the issue and key decision log; • setting deadlines and evaluating milestones; • assigning customer project responsibilities; • providing project status update to Project Executive Sponsors and Steering Committee members on a regular basis. The Project Manager also escalates issues that may impact the go-live date to the Steering Committee. Project Manager will assist Work stream Leads as required with project stream activities and deliverables including but not limited to status reports, issue logs, escalations, etc. <p>• Project Management will include all non-Workday components of the program as follows:</p> <ul style="list-style-type: none"> • Program costing and reporting for all Customer costs, logistics and Customer resources • Customer stream and project task coordination • Track all project issues and risks and assign owners and due dates for resolution • Program Change Management • Managing and controlling all streams and activities of the program to minimize potential impact to the Workday deployment. Typically, these will consist of: <ul style="list-style-type: none"> • Graphical Timeline of Program – separate and independent from Workday Graphical Timeline • High Level Program Plan and streams as needed for non-Workday components
Work Stream Design Lead	Drives customer process, policies and integration of the Workday solution in customer's environment.
Project Change Manager	Responsible for facilitating project and end user adoption of the Workday Service within Customer's user community including communication and training. Some responsibilities may include enterprise-wide communication of the project, developing training strategies and plans, and ensuring that Customer's users are ready and willing to adopt the Workday Service upon deployment of the new system.
Work Stream Lead(s)	Work Stream Lead is assigned by Customer to be responsible for scoping functional and technical areas in scope on the project (e.g. HCM, Financial Accounting, Integrations, Data Conversion, Testing, etc.). Responsibilities include the following:



Roles	Responsibilities
	<ul style="list-style-type: none"> • Drive all functional/technical decisions for that Work stream – and/or escalate to Customer decision makers or Steering Committee to obtain decisions. • Gather requirements from all other areas within the organization • Serve as Change Management liaison • Establish test scenarios or cases and work with Customer’s assigned testing resources to ensure timely execution of solution testing • Work in conjunction with the Workday Work Stream Lead in the configuration of the system. Complete hands on activities as assigned. • Actively participate in receiving knowledge transfer from the Workday Work Stream Lead to ensure self-sufficiency to support issue resolution by start of UAT. Assume training for all other Customer resources in their respective areas of responsibility. • Manage third party vendors (e.g. integrations) as required • Serve as a single point of contact on the Customer side to coordinate integration activities and technical resources.
Data Work Stream Lead	Leader of the Customer’s data extraction and transformation activities, they are responsible for coordination of delivering customer data into the different prototypes.
Test Work Stream Lead	<p>Test Work Stream Lead responsibilities include:</p> <ul style="list-style-type: none"> • Establish tools and repositories for storage, and tracking of execution of testing scenarios or cases • Establish workflows and update system security to enable routing to Workday consultants • Establish all management reports to track testing execution, and quality analysis • In collaboration with Customer Project Manager, establish criteria for success and go/no go criteria • Obtain any Workday mandatory performance testing to include in testing strategy and execution. • Work with other Work Stream leads to establish timely baseline for all test cases and scenarios. • Develop test strategy and resource plan during the Plan Stage of the project.
Security Work Stream Lead	<p>The Security Work Stream Lead is responsible for the entire Workday security configuration. Included in the responsibilities is the creation, maintenance, and editing of on-going system roles utilized by Customer. The Workday Security Work Stream Lead is responsible for determining what roles employees will be granted in Workday, performing periodic audits to ensure users are regularly reviewed and providing guidance on system security capabilities.</p> <p>Security Work Stream Lead responsibilities include the following representative activities:</p> <ul style="list-style-type: none"> • Provisioning (i.e., granting access to tenant for those beyond deployment consultants). Access to the system for the Customer will be granted through Security work stream lead and is the resource that will be identified at the start of the project. • Completing all required training
Project Internal Audit Representative	The Project Internal Audit Representative collaborates with Customer Work Stream Leads to review the Customer’s Checkpoints, Security and SOX requirements as required by the project. The Internal Audit Representative also reviews project documentation, product configuration, business processes, etc., to help ensure project quality. The Project Internal Audit is also available to provide guidance to the project team members upon request and during the delivery of the diagnostic reviews.



3. Estimated Customer Project Staffing

The table below provides an estimate of the project resources required by Customer for the project. In the table provided below, each role must be identified with a participant's name before the kickoff meeting. This will ensure that all roles have been filled and participants have been notified of their role. Workday will work with Customer to address any concerns that may arise when identifying participants and understanding their level of participation.

Workday Roles	Plan	Architect	Configure & Prototype	Test & Parallel	Deploy	Post Production	Percentage of FTE
Project Director	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Delivery Assurance Consultant	0.03	0.05	0.08	0.02	0.10	0.00	0.05
Engagement Manager	0.93	0.81	0.80	0.80	0.70	0.70	0.80
Principal Consultant	0.22	1.00	0.54	0.46	0.57	0.28	0.55
Sr Consultant	0.29	1.93	2.25	1.59	2.04	0.93	1.66
Consultant	0.27	0.86	1.56	0.90	0.89	0.20	0.92
Sr Associate/Associate	0.15	0.60	0.91	0.56	0.62	0.20	0.58
Steering Committee Meetings	As Needed						
Customer Roles							
Project Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Business Analysts / SME's	3.25	6.50	6.00	5.25	4.00	2.75	5.00
Technical Analysts	0.75	2.00	2.00	2.00	1.50	1.50	1.75
Testing Lead	0.00	0.00	0.50	0.75	0.00	0.00	0.25
Integration Specialists	1.00	1.75	1.75	1.75	1.00	1.00	1.50
Steering Committee Meetings	As Needed						

4. Deliverables

The Workday deployment methodology consists of five stages: Plan, Architect, Configure & Prototype, Test and Deploy. The following section describes the deliverables that will be created in each stage. The time required to complete these deliverables is based on the contents of the Project Scope section of this document. Based on a projected project start date of July 17, 2017, the estimated duration and estimated completion dates of each Project Stage is listed below, pending timely execution of the contract and availability of resources and training:

	Plan	Architect	Configure & Prototype	Test	Parallel Support	Deploy	Production Support
Estimated Duration	8 Weeks	12 Weeks	15 Weeks	10 Weeks	6 Weeks	8 Weeks	4 Weeks
Estimated Completion	9/11/17	12/4/17	3/19/18	5/28/18	7/9/18	9/3/18	10/1/18

The above projected project start date notwithstanding; the actual project start date will occur no less than ten (10) business days after the SOW Effective Date unless agreed to in writing between Customer and Workday. If the actual project start date occurs later than July 17, 2017, the estimated completion dates of each Project Stage in the table above shall be adjusted accordingly.



Plan

The objectives of the Plan stage are to further define the overall project scope and to develop the procedures and mechanisms required to plan and control the project. This stage sets the overall direction and approach for managing the project. This stage formally documents the detailed overall project scope to facilitate its execution through a project plan. The Plan stage also defines the team members, roles and responsibilities, and the communication plan that will be used throughout the project. This stage concludes with a kickoff meeting for the project team. The following are the deliverables associated with this stage:

Deliverable	Description	Primary Owner(s)
Project Start-Up	Identify and gather project artifacts required to initiate the project including orienting the customer to the project approach, reviewing scope and establishing the project controls and tools.	Workday Engagement Manager
Customer Training	Establish a training plan to support the Workday deployment.	Customer Project Manager
Project Planning Initiation	Activities required to initiate the project include: <ul style="list-style-type: none"> • Draft Customer Project Plan • Draft Tenant Management Plan • Conduct project work stream sessions including Foundation, Functional, Reporting, Integration, Testing, Data Conversion • Conduct Project Kick-off Meeting 	Customer Project Manager and Workday Engagement Manager
Foundation Tenant Build	Conduct data analysis, collection and configuration activities to prepare Customers' deployment tenant for the Architect Stage.	Workday Engagement Manager
Project Initiation Checkpoint	Workday's Delivery Assurance team reviews the project initiation documents to determine whether the defined scope, tasks and timelines are reasonable and align to the Workday Deployment Methodology.	Delivery Assurance Workday Engagement Manager

Architect

The Architect stage of a Workday deployment enables Customer and Workday project team members to come to a common understanding of enterprise-wide configuration requirements and business process definitions. Following the kickoff meeting, Workday consultant(s) will work with Customer to create a detailed inventory of business processes, configuration requirements, and integration requirements that are applicable across the enterprise. The project plan will be finalized and resource loaded based on the decisions made during Customer design sessions. Customer project team members should plan to complete Workday Fundamentals training prior to the beginning of this stage. It is during this stage that design workshops will be used to drive the business decisions necessary to successfully implement Workday. Customer's attendance at training will help to expedite the decision-making process.

The following are the deliverables associated with this stage:

Deliverable	Description	Primary Owner(s)
Architect Workshops	A series of workshops to determine the Customer's requirements and make design and configuration decisions for <ul style="list-style-type: none"> • Foundational Architecture • Functional Configurations • Business Process • Integration • Reporting • Data Conversion 	Workday Consultant and Customer Work Stream Lead
Architect Documents	Collect, complete and review deployment workbooks for configurations, data conversions, design decisions and business requirements.	Workday Consultant and Customer Work Stream Lead



Deliverable	Description	Primary Owner(s)
Test Preparation (for configuration & prototype)	Customer creates test scenario documents to support the Configuration Unit Test	Customer Work Stream Leads
Finalized Project Planning Documents	Finalize following: <ul style="list-style-type: none"> • Project Plan including Resource Management Plan • Tenant Management Plan • Finalize Scope (Functional, Business Process, Integration, Data Conversion and reports). 	Workday Project Manager and Customer Project Manager
Configuration Tenant Build	Tenant build to capture output of architect stage in preparation of customer confirmation session, additional configuration activities and unit testing.	Workday Consultant
Integration Approach Review Checkpoint	Workday's Delivery Assurance team reviews the approach for integrations in scope and determines which integrations will require build reviews. The integration approach is then discussed in a meeting with the Engagement Manager, Workday Consultants and Customer	Delivery Assurance

Configure & Prototype

The Configure & Prototype stage will complete the configuration of the Workday Service based on the design decisions and requirements. Integration, data conversion and reporting development will advance. Customers will confirm configurations and complete unit testing. Customer prepares for testing activities and the End-to-End Tenant is built to support the Test Stage.

The following are the deliverables associated with this stage:

Deliverable	Description	Primary Owner(s)
Customer Confirmation Sessions	A series of sessions to confirm the Architect Design utilizing the Configuration Tenant	Workday Work Stream Lead, Customer Work Stream Leads
Configuration Unit Test	Conduct unit testing of configurations; Workday validates unit testing is completed.	Customer Work Stream Lead Workday Project Manager
Reports Build & Unit Test	Based on scope and identified to be completed by Workday, reports required for Go Live are developed and unit tested.	Workday Work Stream Lead, Workday Consultant
Integrations Build & Unit Test	Based on scope, and identified to be completed by Workday, integrations required for Go Live will be developed and unit tested.	Workday Work Stream Lead Workday Consultant
End User Training Plan	Customer creates their Training strategy identifying who will be trained, how they will be trained, the materials that need to be developed, and when and where the training will take place. Workday will review the training strategy.	Customer Project Manager Workday Project Manager
Test Preparation	Customer creates Testing strategy and Test Scenario documents to support the Testing cycles. Roles and responsibilities will be identified as	Customer Work Stream Leads



Deliverable	Description	Primary Owner(s)
	well as the process for managing issues. Testing Strategy is reviewed by Workday.	Workday Project Manager
End to End Tenant Build	Tenant build to capture output of Configuration and Prototype Build to support end to end testing focused on validating configurations, business processes, integrations, data conversation and reporting to validate production like processing.	Workday Work Stream Lead, Customer Project Manager
Configuration Prototype Build Review Checkpoint	Delivery Assurance Team will review the End to End Tenant and document the findings in the Configuration Review Template for review by the Project Team including Consultant, Engagement Manager, and Customer. Workday will utilize proprietary tools in the performance of these reviews wherever possible.	Delivery Assurance
Integration Build Review Checkpoint	Workday's Delivery Assurance team reviews the development of Workday built integrations identified in the Approach review as requiring a build review. Workday will utilize proprietary tools in the performance of these reviews wherever possible. The integration builds are then discussed in a consolidated meeting with the Engagement Manager, Consultants and Customer.	Delivery Assurance

Test

The following are the deliverables and activities associated with this stage:

Deliverables and Activities	Description	Primary Owner(s)
End to End Testing	Customer conducts testing of Workday solution including configurations, business processes, data conversations, integrations and reports to demonstrate how Workday will function in production. Workday will provide standard end to end test scenarios that customer will modify to their requirements. Workday will provide guidance to support testing.	Customer Work Stream Lead Workday Project Manager
Parallel Tenant Build	A parallel tenant is configured to support Payroll parallel testing if Workday payroll or a payroll interface is in scope.	Workday Work Stream Lead(s)
User Acceptance Testing	A select group of customer end users conduct testing with defined scenarios to confirm the operation of the Workday. Formal sign off by Customer is required. Workday will provide guidance to support testing.	Customer Work Stream Lead Workday Project Manager
Payroll Parallel Review (Payroll Only)	Delivery Assurance Team evaluates the design and configuration as it relates to the readiness for Parallel testing and documents the findings in the Configuration Review Template for review by the Consultant, Engagement Manager, and Customer. Workday will utilize proprietary tools in the performance of these reviews wherever possible.	Delivery Assurance
Payroll: Parallel Testing	A parallel test of Workday Payroll or Payroll interface compared to the customer's legacy Payroll system to be completed by customer. Workday will provide guidance to support customer tests.	Customer Work Stream Lead(s) Workday Project Manager
Regression Testing	If new Workday release occurs during the project, customer will be required to test new release to confirm project configuration and business processes perform as expected. Workday provides guidance to support testing.	Customer Work Stream Lead(s) Workday Project manager
Cutover Plan	A plan of the cutover from legacy applications to the Workday service, including overall planning, production support and detailed checklist.	Workday Project Manager;



Deliverables and Activities	Description	Primary Owner(s)
		Customer Project Manager
End User Training Materials	Customer develops end-user training aids tailored to the Customer's specific Workday architecture and business processes.	Customer Project Manager; Customer Work Stream Lead(s)

Deploy

Upon completion of test deliverables, the project is ready to move to production. This stage includes the completion of final training for Customer's end users, transaction entry into the legacy system(s) is stopped, the final data load(s) into the Workday service are executed and the Go-Live Checklist is completed.

The following deliverables are associated with this stage:

Deliverable	Description	Primary Owner(s)
End User Training	Execution of the training strategy defined in the Configure & Prototype stage. Ensure appropriate policies and procedures are updated as needed.	Customer Project Manager
Gold/Pre-Production Tenant Build	Final configuration and full data conversion load(s) are completed. Customer reviews and approves all data converted into Gold/pre-production tenant. Perform any manual configuration changes.	Customer Project Manager Workday Consultant(s)
Go-live	Customer approves and signs off on go-live activities, detailed in the Go Live Checklist. Workday Project Manager validates completion.	Customer Project Manager Workday Project Manager
Final Configuration Review Checkpoints	Workday's Delivery Assurance team reviews the final configured application and documents the findings in the Configuration Review Template for review by Consultant, Engagement Manager, and Customer. Workday will utilize proprietary tools in the performance of these reviews wherever possible.	Delivery Assurance Consultant
Post Production Data Conversion	Complete in post-production data conversion as identified in the Go Live Checklist.	Workday Work Stream Lead Workday Work Stream Lead
Production Support	Workday production support begins once the Workday Service has been moved into production. For a period of approximately two – six (2-6) weeks following Customer's move to production or through the first month-end close, Workday will provide part-time Consulting and Engagement Management support to answer questions and make sure Customer is able to use the Workday Service successfully.	Workday Work Stream Lead

5. General Project and Stage Assumptions

The estimated fees and timeline for this Project are based on the following General Project Assumptions and the Project Stages Assumptions stated below. If any of these assumptions are not met, Workday will (i) promptly advise Customer



in writing; (ii) use reasonable efforts to mitigate delays and additional costs or fees; and (iii) increase its fees to reflect the additional services rendered as a result of Customer's failure to meet the identified assumptions.

Project Management

1. Workday estimates that the services included in this SOW will be performed approximately 75% offsite and 25% onsite at a Customer location. Requests by Customer for additional onsite time that would increase travel expenses incurred by Workday will require a change order(s) subject to the Change Order Process defined in the Agreement.
2. Customer will provide adequate workspace and network connections when services are performed onsite.
3. Customer will make good faith efforts and take reasonable actions necessary to meet all dates set forth in the project plan.
4. Customer will be responsible for all end-user training on the use of the Workday Service.
5. Customer is responsible for the timely coordination of internal resources necessary to conduct all required workshops.
6. Customer will actively participate in all design workshops required for Workday to obtain any functional design decisions and technical integration specifications necessary to configure the Workday Service.
7. Change Management functions to inform, educate and train Customer employees about the Workday Service features are outside the scope of this SOW.
8. Customer's IT organization is responsible for workstation compliance to Workday's minimum technical requirements, as provided by Workday.
9. Workday's delivered Optimized Business Processes will be the starting point for the business process workshop activities.
10. Five (5) deployment tenants are included in the scope of this SOW for Phase 1 Go Live. If additional tenants are required to support Customer's subsequent phases, project conversion or training requirements, additional tenant fees will apply.
11. Workday will perform five data loads during the project. (A data load will be defined as a series of steps and events at established points within the project methodology. Each data load may require multiple attempts based on data quality and successful loading). Additional data loads will require additional fees.
12. This SOW assumes one primary source system for Customer's data conversion requirements, assumed to be Customer's PeopleSoft HCM 9.0 system.
13. If the project start date is delayed by Customer for any reason, Customer understands that Workday's ability to staff the engagement and meet the target go-live date could be at risk. Workday will work closely with Customer to identify the impacts of any delays and will discuss available options before coming to agreement on the next steps.
14. If Customer cannot meet set completion dates for deliverables and milestones, Workday reserves the right to revisit and revise the project's estimated costs, completion date and approach to completing the project.
15. In support of the estimated project start date and target go live date; this SOW must be executed no later than the Expiration of Offer, as defined in section 6 of the SOW.
16. It is the goal of both Workday and Customer to achieve a successful deployment. If a problem is identified which cannot be resolved through configuration, the parties will follow the change order process and, if necessary, the dispute resolution process to find a solution that best meets Customer's needs.

Plan

Assumptions

1. Customer will assign an experienced Project Manager to manage Customer's roles and activities for this project.

2. Customer's Project Manager will assume his/her role within six (6) business days of the actual project start date.
3. Customer will assign an Executive Sponsor to participate in Steering Committee meetings and be available to resolve issues impacting the success of the project.
4. Customer will have knowledge of or provide documentation that reflects existing business processes.
5. The Delivery Assurance checkpoint for the Project Plan Review will be completed before moving to the next stage of the project.
6. Customer will complete Workday training prior to beginning the Architect Stage.

Architect

Assumptions

7. Business processes will be designed by both Workday and the Customer resources during the business process design sessions. Through a series of collaborative workshops, each business process is detailed in a design document. In the Configure and Prototype stage, business processes will be configured in the Workday Service based on the design decisions. Any requested deviation from the designs may impact project cost and timeline.
8. Workday and Customer project teams will work together to prioritize each business process, integration, data elements for conversion and reports to be included in the design, and will mutually agree upon the full project scope, with consideration given to timeline and budget.
9. Customer project team will use the associated workshops to validate and refine Customer business processes and obtain acceptance of the Workday Service from their internal stakeholders and business process owners.
10. Customer intends to standardize business processes, business practice, and business policy across the enterprise, where possible.
11. Workday estimates are based on utilizing the Workday Optimized Business Processes. If the Workday Optimized Business Practices are not appropriate for Customer, as to be determined by Customer, a Change Order for additional Professional Services may be required.
12. Customer will participate in integration design workshops and provide the necessary technical specifications for all Workday configured or custom integrations defined in this Appendix A as in scope.
13. Knowledge Transfer of the Workday Service will occur during the configuration review workshop, detailed discussions and other reviews as identified by the project team.
14. The Delivery Assurance Configuration Prototype Review checkpoints must be completed prior to moving to the next stage of the project.
15. Customer will participate in Delivery Assurance review meetings with the Delivery Assurance consultants.

Configure & Prototype

Assumptions - Configuration

1. Prototype configuration activities will primarily be completed off site by the Workday team members.
2. Customer business analysts will complete unit tests prior to the decision of moving into Test stage.
3. The Test stage cannot be entered into without the completion and approval of the Configuration Prototype Review and the Integration Approach Review by Delivery Assurance.

Assumptions - Data Conversion

1. Workday will provide templates with appropriate descriptions for data conversion.



2. Customer is responsible for extracting data from its legacy systems.
3. Customer is responsible for ensuring data is cleansed and duplicate values removed.
4. Customer is responsible for populating the supplied Deployment Data Gathering Workbooks in the prescribed format.
5. Once the data is loaded, Customer is responsible for verifying the accuracy of the data and providing corrected data.
6. Failure to complete a successful data load after three attempts may result in a change order to continue the process and may impact the go-live date.

Test

Assumptions

1. Customer is responsible the development of the Test Strategy and user test scenarios and scripts. Workday will provide standard test scenarios to be used as a foundation; however, Customer will need to create detailed test scenarios/cases based on their user requirements and system configuration.
2. Customer is responsible for completing hands-on testing activities.
3. Knowledge transfer to Customer for the Workday Service will occur during End to End testing, and include detailed discussions and other reviews as identified by the project team.

Deploy

Assumptions

1. Customer will restrict non-essential transactions and configuration in the system (s) they are converting from during a pre-defined period of time identified in the project plan to minimize the impact to the move to production and post-production activities.
2. Knowledge transfer of system usage and administration to Customer is complete and the customer Workday support team is operating independently with minimal part time support of Workday consultants.
3. Changes to the Workday Service in production will be made by Customer with support by the Workday consultants.
4. The Delivery Assurance final configuration checkpoints must be completed prior to moving the tenant into production.
5. Customer will participate in Delivery Assurance review meetings with the Delivery Assurance consultants.

Integrations

Assumptions

1. Workday will lead all design and development efforts for Configured and/or Custom Integrations assigned to Workday as defined in the scope section of this SOW.
2. Workday will provide functional data mapping expertise and produce field mapping documents for each Configured Integration.
3. Workday will configure and unit test Configured Integrations planned for deployment.



4. Use of Workday Configured Integrations assumes that no new development of the interface specification is required.
5. Where changes are required for Customer's integration platform or internal system, Customer must provide their experienced resources and the Customer will be responsible for making the changes. Workday integration estimates do not account for any effort required on Customer's technology environment to complete integrations.
6. Customer is responsible for development and testing of each Custom Integration as specified in the scope section of this SOW.
7. Customer must ensure data is verified as accurate, all duplicates removed and all data validated.
8. If Customer identifies data issues they will provide corrected data to be loaded and ensure integration testing is completed prior to go-live.
9. Customer agrees to make available appropriate Customer technical and functional resources to assist with discovery, data mapping, data validation, testing, and user acceptance testing activities with each supported interface.
10. Customer will coordinate data transfer and integration testing with external vendors identified to insure timely response in working with Workday consultants.

6. Project Risks

Workday has identified, as most significant, the following Project Risks for this deployment:

1. Change Management is critical to the success of any deployment. Customer must establish a change management leader early in the project to ensure that the communication and education relating to the Workday Service is provided.
2. Participation of Customer global business process owners, subject matter experts and business analysts are vital to the success of the Workday deployment. Customer must identify individuals from each geographic area or business unit who possess the correct business knowledge, process knowledge and/or industry knowledge to include on the project team.
3. Timely decision making is critical to the progress and ultimate success of the deployment. When a decision cannot be made through consensus, the project management team will escalate the decision through the appropriate channels to have a resolution. If key decisions cannot be made in a timely manner, the deployment timeline, cost, and/or resources may be impacted.
4. Many project delays can be attributed to challenges in cleansing and converting Customer data. Customer must prioritize this Project activity as soon as is reasonably possible after the project commencement in order to reduce any negative impact to the Project Timeline.

Reporting

Assumptions

1. Conduct Reporting Design Session(s).
2. Assist the Customer in the identification of reports required for Go-Live.
3. Assess Customer identified reports critical to Go-Live and determine if the requirements can be completed with a Standard Report from the Workday Standard Reports List.
4. Provide Customer an estimate for all reports that cannot be created with Standard Report.
5. Provide knowledge transfer for the duration of the project to Customer on the best way to utilize reporting capabilities with Workday.



- 6. If Customer requires additional assistance from Workday, above and beyond the number of hours allocated in this SOW, to build the reports or other related activities, a Change Order will be created and presented to the Customer.
- 7. Reports are limited to then-available report data sources and custom report fields.

Workday Scope

Project Scope:

A. Product/Functionality: Workday Professional Services will design and configure generally available functionality as prioritized by Customer. The configuration of each component listed below will be prioritized and designed during the early stages of the project. The listed processes are representations of key business processes to be designed and configured. The final list will be determined during the Plan and Architect Stages of the project, with appropriate consideration given to project time-line, resources and budget. For lifecycle deployment projects, the specific business processes that will be reviewed & modified as part of this scope are listed in the scope assumptions section listed below.

B. Functional Configuration and Setup

Please refer to Appendix B for a detailed description of each functional component below

Human Capital Management (HCM)	Scope Assumptions
Core HR	Setup including tenant configuration, worker data 1 country
Supervisory Organizations	Supervisory, 8 companies, 5 matrix orgs, 3 custom orgs types up to 100 of each type, 500 cost centers, 15 regions, 25 business units, 9 unions, 8 pay groups, 5 retiree orgs, up to 10 related org type hierarchies (including location hierarchies). Out of Scope - funds, grants
Staffing Models/Job Profiles	Multiple staffing models, up to 20 job family groups, 100 job families, Up to 2000 job profiles, 1 management level hierarchy, 50 work shifts, 50 work functions.
Business Processes	Business Process Framework, manager and employee self-service.
Onboarding	Revamp Onboarding Business Process setup, using e-Verify integration
Workforce Planning	Workforce Plan with > 3 dimensions
Union Setup	Only worker data. Up to 9 unions. Union dues have added eligibility rules in payroll. Worker data, Compensation, Absence and Benefits change as union workers progress in their careers. Worker data, comp (step/grade) and Benefits (in Payroll) change as union workers progress. Union dues have additional business processes to be configured. Some unions may not be eligible for enrollment instead they have default benefits based



	on career progression these eligibility rules need to be configured in Payroll.
Compensation (Core Configuration)	Customer has multiple jobs in their current system, Customer will convert an additional job via the iLoad spreadsheet, all benefits and absences are based on primary job, single paygroup, single company, single paycheck. Additionally, the customer will be assigning employees to retirees and eMeritus on separate iLoads.
Compensation (Bonus Configuration)	Single currency, includes up to 20 grades and grade profiles, up to 10 allowance plans. No stock plans or steps.
Compensation (Merit Configuration)	1 Bonus plan
Compensation (Bonus Processing)	1 Merit plan. Complexity of field configuration.
Compensation (Merit Processing)	1 Bonus plan
Compensation (Consolidated Bonus, Merit and & Stock Processing)	1 Merit plan
Benefits	Up to 10 Benefit groups, up to 60 Benefit plans, flex credits, domestic partners and children, 2 rate banding, COBRA, 2 enrollment event rule, 5 cross plan rules, 5 passive events Out of Scope - enrollment event text, retiree benefits, grandfathered plans.
Absence Management	Configuration of up to 7 time off plans with complex accruals and where the accrual & time off type assignment to the plan is singular (i.e. not more than one accrual or time off type per time off plan). Configuration of 3 Leave Types with non-delivered LOA Rules.
Talent (Employee Review Framework)	1 performance review template, with customized start performance review business process.
Talent (Performance Management - Goals and Competencies Configuration)	Ad-hoc Goals, 1 rating scale for Goals 1 Proficiency Scale for Competencies, Management/Grade Behaviors
Talent (Assess Talent Configuration)	Configuration of the 4 talent attributes, minor adjustments to the optimized business process, inclusion of the business process in the start talent review process
Talent (Skills and Experience - Worker Configuration)	Configuration of up to 4 of the Skills & Experiences types (even mix of basic sections with no setup tables and types with setup tables, not competencies), minor adjustments to optimized business processes, and using self-service to have the worker update their information.
Talent (Skills and Experience - Job Profile Configuration)	Configuration of up to 3 of the Skills & Experiences types (called qualifications, not including competencies) for top level job
Job Requisitions (Core Configuration)	Configuration of 3 BPs, Job Requisition, Close Job Requisition, Freeze Job Requisition, Set up job requisition reasons Out of Scope - Does not include loading job reqs



Data Conversion (Recruiting - Open Requisitions Conversion)	Out of Scope
Recruiting (Core Configuration)	1 internal & 1 external career center, 4-8 candidate & hiring process & approval routing across all business units, geographies, departments, units, geographies, departments, Up to 15 candidate application questionnaires (one questionnaire per job requisition no more than 25 questions)
Recruiting (Offer Letters Configuration)	3-5 job offer letters, English only
Recruiting - Core Configuration: Extra external career center(s)	Configuration for 1 Additional Career Site
Job offer letters	1-10 job offer letters, English only
Data Conversion - (Recruiting - Candidate Conversion)	Out of Scope
Time Tracking (Core Configuration)	Up to 1 country; Up to 9 unions or bargaining agreements; Up to 350 time entry codes; Time is entered to support both payroll and projects; Both Workday Payroll and Payroll integration(s) are in scope; Up to two categories of online time entry methods: calendar entry, HVTE, or check in/check out via Workday's web clock AND one inbound integration (TCE integration or time block connector); Up to fifty calculation scenarios, including biweekly overtime and shift based calculations; Schedule assignments up to fifty schedules, including rotating schedules; Premiums or penalties based on schedule adherence
Time Tracking Reporting	Delivered WDSETUP audit reports and alerts for payroll admins plus up to 10 additional custom time tracking reports for admins, managers, or timekeepers
Payroll	Scope Assumptions
US Payroll (Core Configuration)	Up to 750 earnings and deductions, 8 federal IDs, 1 state, 1 Bank, Up to 2 parallel tests and 2 external GL systems. Includes expats and wage attachments. Assumes many complex pay calculations, first of year go live and tax filing provider is already in place
PAY/DC SCOPE	
Payroll Data Conversion Builds	3 Data Conversion builds for a Phase 1 US Only type deployment of 10K to 50K Active workers and <5K Current Year Term Employee(s), ten (10) Quarters to load for Go Live.
US Payroll (History Load)	Up to 3 test and production loads for quarter-end, go-live.
HCM Cross Functional	
Configurable Security	Up to 1 custom security group, minor changes to security policies.
Mobile for HCM	Mobile functionality for up to 10 distinct security groups. The following functionality is included in



	the deployment package: Director, Organization Swirl, Workfeed, Personal Notes, Delivered Dashboards (Compensation and Benefits, Workforce Planning, Talent Management, Financials). Includes delivered reports only (no custom reports)
Training (Additional Knowledge Transfer)	Up to 20 additional knowledge transfer hours
HCM/PAY REPORTING	
<i>Scope Assumptions</i>	
Additional HCM/PAY Delivered Reports	6 to 15 Delivered Workday reports (Incl. Report Requirements, Development, Test, Deploy and Functional Knowledge Transfer)

C. Integrations

There are three types of integrations within the Workday environment:

- i. Workday Packaged Integrations
- ii. Generic Connector & Custom Integrations
- iii. Workday Partner Integrations – *not in scope for this SOW*

A fourth category is provided for Customers to secure Workday professional services delivery guidance and advice, on customer-owned integration deliverables on the Workday Integration platform; see (iv) Customer Delivery Assistance.

This section of the Statement of Work is intended to itemize only those integrations upon which a material amount of Workday professional services will be utilized. Integrations that are expected to be built and deployed solely by the Customer (and without consulting assistance secured in category iv), may not be documented in this SOW.

I. Packaged Integrations:

The following table lists all integrations to be delivered for which Workday Integration end-to-end product exists with the specific named third-party vendor.

ID	Workday Packaged Integration	Primary Responsibility	Estimated Workday Professional Services effort (Configuration, testing, and deployment)
1.	United Healthcare - Enrollment (Outbound)	Workday	N/A
2.	Kaiser - Enrollment (Outbound)	Workday	N/A
3.	Delta Dental - Enrollment (Outbound)	Workday	N/A
4.	ASI Flex - Enrollment (Outbound)	Workday	N/A
5.	VSP - Enrollment (Outbound)	Workday	N/A
6.	E-IWO - Electronic Withholding Orders (Outbound)	Workday	N/A
7.	Union Bank - ACH Direct Deposit (Outbound)	Workday	N/A
8.	eVerify - I9 Verification (Bi-Directional)	Workday	N/A
9.	SSA SSNVS - Verification Service (Outbound)	Workday	N/A
Total Estimated Hours:			N/A

Assumptions:



- Packaged integrations are available in Workday Service before the project kickoff date.
- Unless specified otherwise, all integrations are assumed to be single direction, point-in-time exports or imports of data on either a full-sync or changes-only basis.
- Packaged integrations may export only net-change over a change-detection timeframe. Fuller history of all transactions in a timespan may require a custom integration to be delivered, subject to change order.
- If the packaged integration does not fulfill the customer's requirements, a custom integration or integrations may be required instead. This may be subject to a change order since custom integrations may require increased effort to implement.
- Packaged Integrations may require a subscription to or a contract from Third Party Providers. Customer is responsible for subscription, and any contract required with third party providers to use Workday packaged integrations. Workday integration consultants will facilitate communication with vendors and configure and test such third party packaged integrations during deployment phases.

II. Generic Connector & Custom Integrations:

The following table lists all integrations to be delivered for which generic Workday Integration Connectors exist, and will be used alone or in conjunction with custom pre or post-processor within Workday, to achieve end-to-end integration.

ID	Workday Custom Integrations	Primary Responsibility	Estimated Workday Professional Services effort	Additional Assistance hours from WD if Customer Responsible
1.	CEB SHL Talent Management - Assessments (Bi-Directional)	Workday	N/A	N/A
2.	Talemetry - Job Posting Aggregator (Outbound)	Workday	N/A	N/A
3.	Skill soft - Worker Data (Outbound)	Workday	N/A	N/A
4.	Skill soft - Foundational Data (Outbound)	Workday	N/A	N/A
5.	Skill soft - Courses Completed (Inbound)	Workday	N/A	N/A
6.	Kronos - Integration Set (TBD)	Workday	N/A	N/A
7.	PeopleSoft FIN - Payroll Actuals to GL (Outbound)	Workday	N/A	N/A
8.	PeopleSoft FIN - Foundational Data (Outbound)	Workday	N/A	N/A
9.	CALPERS - Retire Enrollment (Outbound)	Workday	N/A	N/A
10.	CALPERS - Payroll Contributions (Outbound)	Workday	N/A	N/A
11.	CALPERS - Health Enrollment (Outbound)	Workday	N/A	N/A
12.	CALPERS - CALPERS ID (Inbound)	Workday	N/A	N/A
13.	Standard Insurance - Worker Data (Outbound)	Workday	N/A	N/A
14.	Standard Insurance - Payroll Input (Inbound)	Workday	N/A	N/A
15.	Standard Insurance - Payroll Contributions (Outbound)	Workday	N/A	N/A
16.	Sedgewick - Payroll Input (Inbound)	Workday	N/A	N/A
17.	VALIC - Worker Data (Outbound)	Workday	N/A	N/A
18.	VALIC - Payroll Input (Inbound)	Workday	N/A	N/A
19.	VALIC - Payroll Contributions (Outbound)	Workday	N/A	N/A



ID	Workday Custom Integrations	Primary Responsibility	Estimated Workday Professional Services effort	Additional Assistance hours from WD if Customer Responsible
20.	Nationwide - 457 / 401a Worker Data (Outbound)	Workday	N/A	N/A
21.	Nationwide - 457 / 401a Payroll Input (Inbound)	Workday	N/A	N/A
22.	Nationwide - 457 / 401a Payroll Contributions (Outbound)	Workday	N/A	N/A
23.	VEBA - Worker Data (Outbound)	Workday	N/A	N/A
24.	US Bank - Worker / Eligibility Data (Outbound)	Workday	N/A	N/A
25.	AON - Worker / Eligibility Data (Outbound)	Workday	N/A	N/A
26.	COBRA - Initial Rights (Outbound)	Workday	N/A	N/A
27.	COBRA - Qualifying Events (Outbound)	Workday	N/A	N/A
28.	Accurate - Background Check (Bi-Directional)	Workday	N/A	N/A
29.	Kronos (Terminals) - Positive Punch Time (Inbound)	Workday	N/A	N/A
30.	Kronos (Terminals) - Worker Data (Outbound)	Workday	N/A	N/A
31.	Kronos (Terminals) - Foundation Data (Outbound)	Workday	N/A	N/A
32.	Union Bank - Positive Pay (Outbound)	Workday	N/A	N/A
33.	SEIU - Union Deductions (Inbound)	Workday	N/A	N/A
34.	SEIU - Union Contributions (Outbound)	Workday	N/A	N/A
35.	LIUNA - Union Deductions (Inbound)	Workday	N/A	N/A
36.	LIUNA - Union Contributions (Outbound)	Workday	N/A	N/A
37.	United Way - Charitable Deductions (Inbound)	Workday	N/A	N/A
38.	Identity Management - Integration Set (TBD)	Customer	N/A	N/A
39.	BASE - Compensation Data (Outbound)	Customer	N/A	N/A
40.	Data Warehouse - TBD (TBD)	Customer	N/A	N/A
41.	Exclusive Care - Non-834 Enrollment (Outbound)	Customer	N/A	N/A
42.	Scan - Non-834 Enrollment (Outbound)	Customer	N/A	N/A
43.	Capitol Administrator - Non-834 Enrollment (Outbound)	Customer	N/A	N/A
44.	Medical Eye Services - Non-834 Enrollment (Outbound)	Customer	N/A	N/A
45.	Agency Web - Positive Punch Time (Inbound)	Customer	N/A	N/A
46.	Agency Web - Worker Data (Outbound)	Customer	N/A	N/A
47.	Agency Web - Foundation Data (Outbound)	Customer	N/A	N/A
48.	Union Bank - Child Support (Outbound)	Customer	N/A	N/A