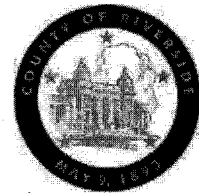


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
3.22  
(ID # 5370)

**MEETING DATE:**

Tuesday, October 3, 2017


**FROM : PURCHASING:**

**SUBJECT: PURCHASING AND FLEET SERVICES and RIVERSIDE COUNTY INFORMATION TECHNOLOGY:** Approval of the Agreement with Jaggaer for a countywide eProcurement/Contract Management System for six years, the Agreement with Huron for implementation services, and with IBM Credit for financing. [All Districts] [Total Cost: \$7,076,797] Department Budgets 100% (Vote on Separately)

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

1. Approve the Contract between the County of Riverside and SciQuest Inc. dba Jaggaer ("Jaggaer"), including the Participating Addendum to the WSCA/NASPO Master Service Agreement and the Order Form for Subscription Services with Jaggaer for eProcurement/contract management cloud-based services for six years for an aggregate total of \$4,393,664;
2. Approve the Statement of Work Agreement with Jaggaer for implementation of the eProcurement cloud-based services for a total of \$406,400;
3. Approve the Professional Services Agreement with Huron Consulting Services, LLC, for implementation, configuration, and training services for the eProcurement/contract management system for a total of \$1,068,231;
4. Authorize the Chairman of the Board to execute the Contract, Participating Addendum, Order Form, Statement of Work, and Professional Services Agreement on behalf of the County;

**ACTION:**

  
Teresa Summers, Director of Purchasing 9/25/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Washington 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: October 3, 2017  
xc: Purchasing, RCIT

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:

5. Approve the financing of \$2,682,451 and the Lease/Purchase Supplement (#040379) to the Lease/Purchase Master Agreement No. 072514789G with IBM Credit, LLC for financing of the eProcurement/contract management system which includes the implementation costs and the first two years of subscription costs and authorize the Chairman of the Board to sign all related financing documents on behalf of the County;
6. Authorize the Purchasing Agent, in accordance with Ordinance 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 Agreements; and sign amendments to the compensation provisions that do not exceed a total aggregate of 10% of the subscription and implementation costs.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 195,684	\$ 351,694	\$7,076,797	
<b>NET COUNTY COST</b>				
			<b>Budget Adjustment:</b>	<b>No</b>
			<b>For Fiscal Year:</b>	<b>2018-2023</b>

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

**BACKGROUND:**

**Summary**

During the last two years, Central Purchasing has conducted internal reviews of procurement processes and looked for opportunities for efficiencies and collaboration with county departments. Processes and procedures have been modified, however an ongoing challenge is the lack of an eProcurement system sufficient to manage and support procurement activities throughout county departments. Current challenges include: no central repository of contracts, lack of contract management tools, manual paper processes for requesting approval of purchases, spreadsheets utilized to track contract spend, no auto alerts on approaching approved contract spend or when contracts are due to expire; double registration of vendors trying to do business with the county; no analytic capabilities to track spend with vendors by categories; and no single ordering portal for county employees to procure from awarded contracts ensuring contract pricing is being utilized.

The development of a procurement technology roadmap to e-Procurement began with the review of leading procurement vendors. With the assistance of RCIT and various county departments, vendor reviews were conducted and demonstrations held on product capabilities. Eleven departments participated in the initial review of the product, thereafter twelve departments attended onsite and/or WebEx sessions, and a department head presentation was conducted on the system capabilities and benefits. The solution was approved by the Technology Standards Oversight Committee (TSOC) on September 6, 2017. Based on the input from the review group and the approval of TSOC, Purchasing and RCIT recommend the purchase of the Jaggaer cloud-based eProcurement system to address the multiple procurement and contract management needs of the county.

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

This is a cloud-based eProcurement system with unlimited access which will include the purchase of five modules: 1) Total Supplier Manager, 2) Sourcing Director, 3) Total Contract Manager, 4) Spend Director, and 5) Accounts Payable Director. The eProcurement system will eliminate various manual and duplicative procurement process throughout the county, deliver a necessary contract management tool, provide for workflow approval with mobile capabilities, and provide user friendly reporting tools and dashboards to track total spend by vendor and product categories. The new system will also provide benefits to vendors doing business with the county. The system will provide one portal for registering with the county; in today's environment, vendors are currently required to register in two systems in order to respond to bids and receive payment from the county. The system will also provide for electronic receipt of invoices and allow vendors to check payment status.

As departments have specific business needs, the system will provide the ability for each department to setup their own approval workflow, create contract templates and forms unique to their organization, and customize the ordering portal to services and commodities that are specific to the department. Additionally the system will allow departments the ability to track revenue agreements. Each department will be involved in setting up the system features to fit their business needs. The Auditor Controller Office will be an integral partner on the efforts of setting up the vendor portal and the necessary vendor registration information, communication features, and the portal to provide for the electronic transmitting of invoices. The system will also assist in tracking vendor prompt payment discounts.

It will provide for operational efficiencies and eliminate manual processes that will enable resource reductions or reallocation. The exact cost savings achieved will be determined by the department as they eliminate manual processes and increase efficiencies. The discipline of the departments will provide the opportunity for savings.

As this is a cloud-based eProcurement solution – also known as a Software as a Service (SaaS) model, Jaggaer will be responsible for all system support and upgrades as part of the subscription service; SaaS models avoid the cost, maintenance, and upgrades of traditional on premise system infrastructure. Jaggaer will be responsible for all system support and RCIT will be responsible for supporting the interface between the eProcurement solution and the PeopleSoft Financial system, which is the county's financial platform. The system will require the addition of one additional position to RCIT to support the net new interface for this system. Purchasing will be the point of contact for all departments on the utilization and application of the eProcurement solution.

The implementation timelines is nine to thirteen months for the first 4 modules and four months for the fifth module: the implementation timeline is dependent upon participation of all county departments. As departments will be rolled out in waves into the new system, the

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

goal is to have four modules implemented by December 2018, with completion of the fifth module fully implemented within the same fiscal year.

**Impact on Residents and Businesses**

The utilization of the eProcurement system will provide a user-friendly portal for vendors to register to do business with the county. It will also allow for vendor invoice receipt through electronic data interchange (EDI) and allow the vendor to track payment status. The system will provide a vendor communication portal to request updates to information including vendor insurance certification, contact, and diversity information.

With the eProcurement system, Riverside County will have the ability to report on procurement activities, including spend against contracts and spend by product categories. Departments will be directed to contract pricing through the ordering environment ensuring utilization of the best price. The system workflow approval processes will provide efficiencies to county processes by eliminating various manual routing processes throughout departments for approval of procurements as well as manual tracking of spend against contracts.

**SUPPLEMENTAL**

**Additional Fiscal Information:**

The following chart identifies the costs for the countywide eProcurement system.

	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Total
Jaggaer Subscription Costs	\$470,552	\$589,804	\$833,327	\$833,327	\$833,327	\$833,327	\$4,393,664
Implementation Costs:							
Jaggaer	\$203,200	\$203,200					\$406,400
Huron, Inc.	\$597,439	\$470,792					\$1,068,231
Contingency (10% of implementation costs)	\$80,065	\$67,399					\$147,464
Total Implementation:							\$1,622,095
Total Implementation and Subscription Costs							\$6,015,759
RCIT Staff	\$95,684	\$151,694	\$154,728	\$157,823	\$160,979	\$164,199	\$885,107
Subtotal	\$1,446,940	\$1,482,889	\$988,055	\$991,150	\$994,306	\$997,526	\$6,900,866
Financing Costs							175,931
Total Costs with Financing							\$7,076,797

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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Total vendor costs over six years including implementation, annual subscription costs, training and project contingency is \$6,015,759. Estimated staff support over six years is \$885,107 and financing costs are \$175,931 for a total six-year cost of \$7,076,797 for this countywide eProcurement system.

Financing has been secured to defer implementation costs of \$1,622,095, first year subscription costs of \$470,552, and second year subscription costs of \$589,804 for a total to be financed of \$2,682,451. IBM Credit Financing will provide a blended fixed interest rate of 2.46% over five years. Interest costs related to the financing amounts to \$175,931 for a total of \$2,858,382.

The tiered financing approach provides a mechanism for Purchasing, RCIT and the Executive Office to address the FY17/18 costs and allow departments to plan for a FY18/19 cost allocation to support the system. The recommended cost allocation method to departments will be based on total purchase order (PO) count.

The following chart identifies the finance costs incurred in each fiscal year along with staff and ongoing subscription costs.

	17/18	18/19	19/20	20/21	21/22	22/23	Total
Finance Costs	\$100,000	\$200,000	\$730,966	\$730,966	\$730,966	\$365,484	\$2,858,382
RCIT Staff Costs	\$95,684	\$151,694	\$154,728	\$157,823	\$160,979	\$164,199	\$885,107
Subscription Costs			\$833,327	\$833,327	\$833,327	\$833,327	\$3,333,308
	\$195,684	\$351,694	\$1,719,021	\$1,722,116	\$1,725,272	\$1,363,010	<b>\$7,076,797</b>

Purchasing and Fleet Services continues to implement procurement mechanisms that provide cost savings such as the Staples Business Advantage program which has generated a 15% reduction in office supplies to departments since last fiscal year, the State Travel Program that provides negotiated contract pricing generating up to 20-30% cost savings on travel expenses, and the U.S. Communities cooperative agreement with Amazon Business to provide contract pricing for a variety of commodities offered through Amazon.

Purchasing will continue to promote the reuse of surplus equipment and supplies to help avoid purchase costs of new items. Items will continue to be posted on the Purchasing Intranet site to encourage reuse in lieu of new purchases. Purchasing is also coordinating with KPMG to identify opportunities to combine like purchases achieving economies of scale in order to obtain deeper discounts. Purchasing will continue to look for additional opportunities to reduce service and equipment costs to county departments.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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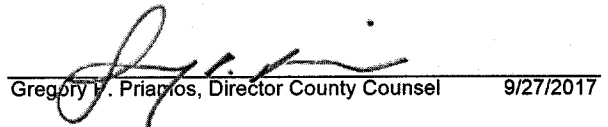
During ongoing discussions of the eProcurement solution with county personnel, specific departments have indicated an interest in utilizing an inventory module for the replenishment of stock items departments maintain to support their operations. With RCIT's participation, further evaluation of department requirements and business needs will occur and if an analysis identifies the purchase of an inventory replenishment module is beneficial to operations, only the departments requesting the system will share the cost of the module subscription service and implementation costs. Estimated costs for the optional inventory replenishment module is one-time costs of \$100,000 for implementation and \$65,000 in annual subscription costs. This cost is not included in the above \$7,076,797 cost and will not be incurred until further analysis is conducted.

**Contract History and Price Reasonableness:**

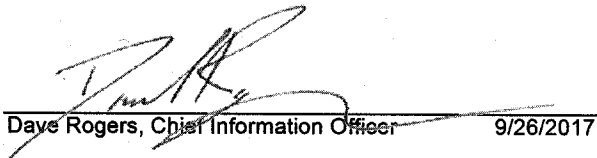
The Jaggaer subscription based solution is available from a competitively bid award through the National State Association of State Procurement Officials (NASPO) cooperative purchasing agreement. The NASPO award was based on a competitive process with the evaluation of fifteen eProcurement solutions and the single award to Jaggaer (formerly SciQuest). The NASPO contract pricing provides the base discounts of 42% off subscription list price with a first year discount of 2.5% for the modules, and a 30% discount on implementation costs. Deeper discounts were negotiated by Riverside County Purchasing resulting in an additional 13% discount on subscription services. Jaggaer will provide the subscription and specific implementation services, and coordinate with an implementation partner for pre-implementation activities, system configurations, and training. Huron Consulting Services, an authorized and certified Jaggaer implementation partner through the NASPO agreement, will be the joint implementation partner for the eProcurement solution/contract management system.

  
Michael Stock, Assistant CEO/ Director of Human Resources

9/26/2017

  
Gregory V. Priarios, Director County Counsel

9/27/2017

  
Dave Rogers, Chief Information Officer

9/26/2017



SciQuest is now JAGGAER. A New Name for a New Era.

## **CONTRACT BETWEEN COUNTY OF RIVERSIDE AND SCIQUEST INC. DBA JAGGAER**

**Riverside Contract Number: PUARC-20871-001-06/23**

**Contract Documents:** County of Riverside and JAGGAER are agreeing to the following eProcurement solution.

The contract consists of the following documents:

- A. WSCA/NASPO Master Service Agreement
  - Attachment A:** Participating Addendum (signature required)
  - Attachment B:** Participating Entity Data Security Schedule including Exhibit I
- B. Order Form (signature required)
- C. Statement of Work (signature required)
  - Exhibit A:** Integration via Integration-as-a-Service
  - Exhibit B:** Implementation Overview
- D. Optional Solutions and Implementation Scope

OCT 08 2017 3.22

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

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

By: [Signature]  
John F. Tavaglione, Chairman  
Board of Supervisors

Dated: OCT 08 2017

**SciQuest Inc. dba JAGGAER**

By: [Signature]  
James H. Hysong  
Vice President of Finance

Dated: 9/19/17

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: [Signature]  
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By: [Signature]  
Synthia Gunzel,  
Deputy County Counsel

Initials: CN  
JAGGAER Legal



**MASTER AGREEMENT FOR ePROCUREMENT SERVICES  
(Hosted Software-as-a-Service)**

by and among

**SciQuest, Inc.**

and

**The State of Colorado**

**The National Association of State Procurement Officials, Inc.**  
on its own behalf and on behalf of

**The Western States Contracting Alliance**

**WSCA/NASPO Agreement #W33-2010**

**State of Colorado CMS #33858**

**State of Colorado Price Agreement #92004YYY01M/WSCA**

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### Exhibits

- Exhibit A (WSCA Terms and Conditions)
- Exhibit B (Form of Participating Addendum)
- Exhibit C (Support and Maintenance Services)
- Exhibit D (Supplier Enablement Services)
- Exhibit E (Form of Statement of Work)
- Exhibit F (Form of Order Form)
- Exhibit G (Form of Affiliate Agreement)
- Exhibit H (Form of Option Letter)
- Exhibit I (Current Pricing and Discounts)
- Attachment AA (Request for Proposal)
- Attachment BB (Contractor's Response)

**THIS MASTER SERVICES AGREEMENT FOR ePROCUREMENT SERVICES (Hosted Software-as-a-Service)** (this "**Master Agreement**") is entered into by and among SciQuest, Inc., a Delaware corporation ("**Contractor**"), and the National Association of State Procurement Officials, Inc. ("**NASPO**"), for itself and on behalf and for the benefit of the Western States Contracting Alliance ("**WSCA**"), and the State of Colorado, acting by and through the State Purchasing Office, Department of Personnel and Administration ("**Lead State**"). Each of the Contractor, NASPO, WSCA, and Lead State individually shall be referred to herein as a "**Party**" and collectively, as the "**Parties**."

- A. WHEREAS**, NASPO is a non-profit association made up of the directors of the central purchasing offices in each of the 50 states, the District of Columbia, and the territories of the United States;
- B. WHEREAS**, WSCA, a NASPO affiliate, is a cooperative group-contracting consortium for state government departments, institutions, agencies and political subdivisions (e.g., colleges, school districts, counties, cities) for the states of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming;
- C. WHEREAS**, pursuant to §24-110-201, Colorado Revised Statutes, the Chief Procurement Official, as defined in §II below, of Lead State is authorized to enter into a cooperative group-contracting consortium;
- D. WHEREAS**, Contractor provides electronic procurement services and support through hosted Software-as-a-Service computer programs; and
- E. WHEREAS**, Contractor, NASPO, WSCA, and Lead State wish to enter into a multi-state cooperative agreement for the creation of a multi-state centralized electronic procurement system and the provision of related services to NASPO, WSCA, their participating members, including Lead State, and other entities approved by their participating members.

**NOW THEREFORE**, in consideration of the premises, covenants, and mutual promises contained in this Master Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

**I. Effective Date**

This Master Agreement shall not be enforceable until it has been (i) executed by the Parties, (ii) approved by the WSCA Directors, as defined in §II below, as conclusively evidenced by their written approval hereof, and (iii) approved and signed by the Colorado State Controller (the "Effective Date"). The Parties shall not be bound and Contractor shall not be entitled to receive payment or reimbursement for any performance hereunder, including but not limited to, costs or expenses incurred prior to the Effective Date.

**II. Definitions**

- A. Defined Terms**. The following terms as used herein shall be construed and interpreted as follows:

"Additional Term" means any additional or renewal term of any Participating Addendum or Affiliate Agreement following the expiration of the initial term or a previous Additional Term of such Participating Addendum or Affiliate Agreement.

"Affiliate" means a Political Subdivision, Non-Government Entity, Institution of Higher Education, or State Agency authorized by the laws and the Chief Procurement Official of the State of a Participating Entity to purchase Services pursuant to an Affiliate Agreement. An Affiliate purchasing Services or Subscriptions under an Affiliate Agreement is an Authorized Purchaser.

"Affiliate Agreement" means a bilateral agreement between an Affiliate and Contractor, issued under and incorporating the terms and conditions of a Participating Addendum, substantially in the form of **Exhibit G** (Form of Affiliate Agreement), and the exhibits and attachments thereto, setting forth the different or additional terms and conditions applicable to purchases by an Affiliate under the Participating Addendum.

"Authorized Purchaser" means a Participating Entity, a State Agency, or an Affiliate purchasing Subscriptions and/or Services under a Purchasing Document.

"Authorized Purchaser Data" means all Confidential Information of an Authorized Purchaser and other data generated, uploaded or transmitted by an Authorized Purchaser using the Contractor Applications.

"Chief Procurement Official" means the head of the centralized procurement authority of a WSCA/NASPO Member. The Chief Procurement Official for the Lead State is the Director of State Purchasing, Colorado Department of Personnel and Administration.

"Confidential Information" means Government Entity Confidential Information, Non-Government Entity Confidential Information, and/or Contractor Confidential Information, each as defined in **§XIV** of this Master Agreement.

"Contractor Application" means on-demand, web-based software hosted and operated by Contractor on computer servers and made available to Authorized Purchasers over the Internet by Subscription.

"Contractor Documentation" means all documents, other than Deliverables under a Service Order, and any and all operator's and user's manuals, training materials, guides and other materials for use in connection with and for the operation of Subscriptions and/or Services that are to be delivered by Contractor under a Service Order.

"Contractor's Response" means Contractor's response to the RFP, dated December 17, 2010, including its Best and Final Offer, dated April 28, 2011, as set forth in **Attachment BB**.

"CRS" means the Colorado Revised Statutes.

"Deliverable" means a Service, document, or material that Contractor is required to deliver to an Authorized Purchaser under a Service Order, including, but not limited to, formal plans for communication, risk management, change management, program management, and

performance management and other written materials, as set forth in a Service Order.

"Effective Date" is defined in §I of this Master Agreement.

"End User" means an employee, agent, representative, or subcontractor of an Authorized Purchaser who is authorized by the Authorized Purchaser to use a Contractor Application and for whom Contractor has issued a user identification and password. A Supplier providing supplier data to Contractor for use in an electronic catalog is not an End User.

"Exhibit" means any of the following exhibits and attachments attached hereto and incorporated by reference herein: **Exhibit A** (WSCA Terms and Conditions); **Exhibit B** (Form of Participating Addendum); **Exhibit C** (Support and Maintenance Services); **Exhibit D** (Supplier Enablement Services); **Exhibit E** (Form of Statement of Work); **Exhibit F** (Form of Order Form); **Exhibit G** (Form of Affiliate Agreement); **Exhibit H** (Form of Option Letter); **Exhibit I** (Current Pricing and Discounts); **Attachment AA** (Request for Proposal #RFP-TS-00003-11); and **Attachment BB** (Contractor's Response).

"Government Entity" means a state, the District of Columbia, or a territory of the United States or a State Agency, Institution of Higher Education, or Political Subdivision.

"Initial Term" means the original five (5) year term of this Master Agreement.

"Institution of Higher Education" means an institution of higher education established and supported by the laws of a state in such manner as may be prescribed by law.

"Master Agreement" means this Master Agreement for eProcurement Services (Hosted Software-as-a-Service), its terms and conditions, exhibits and attachments, documents incorporated by reference under the terms of this Master Agreement, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law and Fiscal Rules, and State Controller Policies.

"Non-Government Entity" means a non-profit, cooperative or other entity, other than a State Agency, Institution of Higher Education, or Political Subdivision, authorized under the laws and approved by the Chief Procurement Official of a WSCA/NASPO Member, to participate in cooperative contracts and to make purchases under a Purchasing Document.

"Notice" means a written notice required under this Master Agreement, delivered in accordance with §XXV (Notices and Representatives) below.

"Order Form" means the ordering document, substantially in the form of **Exhibit F** (Form of Order Form), pursuant to which an Authorized Purchaser shall purchase and Contractor shall provide Subscriptions and/or Services. All Subscriptions to Contract Applications will be purchased under Order Forms.

"Participating Addendum" means a bilateral agreement executed by a Participating Entity and Contractor, substantially in the form of **Exhibit B** (Form of Participating Addendum), and the exhibits and attachments thereto, incorporating by reference the terms and conditions of this Master Agreement

and setting forth the different or additional terms and conditions applicable to purchases by Authorized Purchasers under the Participating Addendum.

"Participating Entity" means WSCA, NASPO, or a WSCA/NASPO Member that has executed a Participating Addendum. A State Agency, Institution of Higher Education or Political Subdivision authorized by a WSCA/NASPO Member to enter into a Participating Addendum in lieu of the WSCA/NASPO Member also is a Participating Entity. A Participating Entity ordering Subscriptions and/or Services under a Service Order also is an Authorized Purchaser.

"Political Subdivision" means a political subdivision of a WSCA/NASPO Member as defined under the laws applicable to such WSCA/NASPO Member.

"Professional Services" means implementation, training, consulting, data migration, conversion, integration, technical support, and/or other services provided by Contractor pursuant to an SOW.

"Purchasing Document" means a Participating Addendum, an Affiliate Agreement, or a Service Order.

"Renewal Term" means an additional five (5) year term of this Master Agreement following the expiration of the Initial Term or a previous renewal term, as authorized under an Option Letter, substantially in the form of **Exhibit H** (Form of Option Letter).

"RFP" means that certain Request for Proposal for eProcurement Services #RFP-TS-00003-11, issued on behalf of the State of Colorado, the Western States Contracting Alliance and other Authorized Entities, dated October 15, 2010, as modified by Modification #1, dated November 10, 2010, Modification #2, dated November 25, 2010, Modification #3, dated December 3, 2010, and Modification #4, dated December 3, 2010.

"Service Level Agreement" or "SLA" means the minimum levels of performance contained in **Exhibit C** (Support and Maintenance Services) in areas that include, but are not necessarily limited to support services, help desk hours and incident response times. SLAs for metrics specific to the Services or Subscriptions purchased under a Purchasing Document will be contained in the Purchasing Document.

"Service Order" means a bilateral agreement between Contractor and an Authorized Purchaser, issued under a Participating Addendum or an Affiliate Agreement, consisting of an Order Form and/or a SOW, and the exhibits and attachments thereto. A Service Order incorporates by reference the terms and conditions of the Participating Addendum or Affiliate Agreement under which it is issued.

"Services" means the Support and Maintenance Services, Supplier Enablement Services, Professional Services, and such other services as may be contemplated under this Master Agreement.

"Specifications" means technical and other specifications set forth in this Master Agreement, Purchasing Documents, and the specifications set forth in the Contractor Documentation provided by Contractor prior to, concurrently with, or after the Effective Date.

"State Agency" means any department or agency of a WSCA/NASPO Member, not including Political Subdivisions and Institutions of Higher Education.

"Statement of Work" or "SOW" means a separate statement of work, substantially in the form of **Exhibit E** (Form of Statement of Work), agreed upon by Contractor and an Authorized Purchaser, which sets forth the respective obligations of the parties under a Service Order. Services will be purchased pursuant to a Statement of Work.

"Subcontractor" means a third-party engaged by Contractor to aid in performance of Contractor's obligations. International Business Machines Corporation, a New York corporation, and Binary Fountain, Inc., a Virginia corporation, have been engaged to serve as Subcontractors under this Master Agreement. Additional Subcontractors may be approved by a Participating Entity in a Participating Addendum or by an Affiliate in an Affiliate Agreement.

"Subscription" means the right to access and use a Contractor Application during a Subscription term set forth in a Service Order, and includes, but is not limited to, the right to access and use any new feature functionality, enhancements, and other changes, which are logical improvements to a Contractor Application that Contractor makes generally available on a commercial basis, without charge, to any other subscriber of the Contractor Application during the term of the Subscription, together with all Contractor Documentation provided by or otherwise required for such access and use.

"Subscription Fees" means the fees payable by an Authorized Purchaser for a Subscription, in accordance with **Exhibit I** (Current Pricing and Discounts), as set forth in the applicable Order Form.

"Supplier" is defined in **Exhibit D** (Supplier Enablement Services) to this Master Agreement.

"Supplier Enablement Services" means the services provided by Contractor to an Authorized Purchaser and its Suppliers to enable the Suppliers to incorporate their respective product information and pricing into an electronic catalog, as more fully described in **Exhibit D** (Supplier Enablement Services).

"Support and Maintenance Services" means the maintenance, hosting and support services provided by Contractor in connection with a Contractor Application, as more fully described in **Exhibit C** (Support and Maintenance Services).

"WSCA Directors" means the Chief Procurement Officials of the WSCA states.

"WSCA/NASPO Contract Administrator" means the individual selected by WSCA and NASPO from time to time to administer this Master Agreement.

"WSCA/NASPO Member" means a state, the District of Columbia, or a territory of the United States.

- B. Additional Defined Terms. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in **Exhibit C** (Support and

Maintenance Services), **Exhibit D** (Supplier Enablement Services), or **Exhibit E** (Form of Statement of Work).

### III. Transaction Documents

- A. Master Agreement. This cooperative Master Agreement sets forth the terms and conditions pursuant to which WSCA, NASPO, or a WSCA/NASPO Member may enter into a Participating Addendum for the purchase of Subscriptions and Services authorized under this Master Agreement.
- B. Participating Addendum. A WSCA/NASPO Member wishing to participate in this cooperative Master Agreement shall do so by entering into a Participating Addendum with Contractor, substantially in the form of **Exhibit B** (Form of Participating Addendum). A Participating Addendum requires the written approval of the WSCA/NASPO Contract Administrator. The Participating Addendum incorporates by reference the terms and conditions of this Master Agreement and sets forth the specific terms and conditions applicable to Authorized Purchasers purchasing under the Participating Addendum. A Participating Addendum clarifies the operation of the Master Agreement for the parties to the Participating Addendum. The scope of a Participating Addendum shall not exceed the scope of this Master Agreement. A Participating Addendum shall have an initial term of five (5) years or as otherwise provided in the Participating Addendum. Unless provided to the contrary in a Participating Addendum, the Participating Entity may renew the term of its Participating Addendum for one additional term of five (5) years during each renewal term of this Master Agreement, provided that the total of the initial term and all renewal terms of a Participating Addendum shall not exceed fifteen (15) years in the aggregate. In the event the Master Agreement expires or otherwise is terminated prior to the expiration or termination of a Participating Addendum (i) the Participating Addendum shall remain in full force and effect for the remainder of its then current term, but shall not be renewed for any subsequent terms and (ii) the terms of this Master Agreement shall continue to be incorporated by reference into such Participating Addendum and shall remain in full force and effect solely for such purposes. A Participating Entity wishing to purchase Subscriptions and/or Services from Contractor shall do so by the issuance of one or more Service Orders under its Participating Addendum.
- C. Affiliate Agreement. An Affiliate wishing to purchase Services under a Participating Addendum shall do so by entering into an Affiliate Agreement with Contractor, in accordance with terms and conditions of the Participating Addendum under which it is issued. An Affiliate Agreement sets forth the specific terms and conditions applicable to the Affiliate and clarifies the operation of the Affiliate Agreement for the parties to the Affiliate Agreement. An Affiliate Agreement is subject to and incorporates the terms and conditions of the Participating Addendum under which it is issued; provided, however, that the Affiliate shall be solely responsible for its obligations under the Affiliate Agreement and the Participating Entity shall have no liability with respect thereto. Each Affiliate Agreement shall have a term of five (5) years or as otherwise provided in the Participating Addendum under which it is issued. Unless provided to the contrary in such Participating Addendum, an Affiliate may renew the term of its Affiliate Agreement for one additional term of five (5) years during



each renewal term of the Participating Addendum under which it is issued, provided, that the total of the initial term and all renewal terms of an Affiliate Agreement shall not exceed fifteen (15) years in the aggregate. In the event a Participating Addendum expires or otherwise is terminated prior to the expiration or termination of an Affiliate Agreement (i) the Affiliate Agreement shall remain in full force and effect for the remainder of its then current term, but shall not be renewed for any subsequent renewal terms and (ii) the terms of the Participating Addendum shall continue to be incorporated by reference into such Affiliate Agreement and shall remain in force and effect solely for such purposes. An Affiliate may purchase Services and Subscriptions under an Affiliate Agreement by the issuance of one or more Service Orders.

- D. Service Order. An Authorized Purchaser wishing to purchase Services and Subscriptions under a Participating Addendum or an Affiliate Agreement shall do so by entering into one or more Service Orders with Contractor, in accordance with the terms and conditions of the Participating Addendum or Affiliate Agreement under which the Service Order is issued. A Service Order shall consist of an Order Form and/or a SOW executed by the Authorized Purchaser and Contractor, which expressly incorporates and is governed by the terms and conditions of the Participating Addendum or Affiliate Agreement under which it is issued. A Service Order shall specify the Subscriptions and/or Services purchased under the Service Order. A Service Order and any additions or amendments thereto shall be accomplished as provided in the Participating Addendum or Affiliate Agreement under which the Service Order is issued. The scope or term of a Service Order shall not exceed the scope or term of the Participating Addendum or Affiliate Agreement under which it is issued. If permitted under applicable law, the term of a Service Order may extend beyond the expiration or sooner termination of the Participating Addendum or Affiliate Agreement under which it is issued, but shall not be renewed or extended after the expiration or sooner termination of the term or any renewal term of such Participating Addendum or Affiliate Agreement.

#### IV. Term and Early Termination

- A. Initial Term. The Initial Term of this Master Agreement shall commence on the Effective Date and shall terminate on the fifth (5<sup>th</sup>) year anniversary of the Effective Date, unless extended or sooner terminated as specified herein.
- B. Option to Extend. The term of this Master Agreement may be renewed by the Parties for up to two (2) Renewal Terms of five (5) years each on the same terms and conditions and subject to the same discounts set forth herein; provided, however, that the pricing to which such discounts shall be applied during any renewal term shall be as set forth in §IX (Pricing and Payment) below. The total duration of this Master Agreement, including the exercise of all options under this section, shall not exceed fifteen (15) years in the aggregate. If WSCA, NASPO, and Lead State wish to exercise this option, the WSCA/NASPO Contract Administrator shall provide Notice to Contractor at least sixty (60) days prior to the end of the then current term or renewal term of the Master Agreement, in form substantially equivalent to **Exhibit H** (Form of Option Letter). If Contractor agrees to the renewal, Contractor shall sign and return a copy of such Option Letter to the WSCA/NASPO Contract Administrator and the provisions of the

Option Letter shall become part of and be incorporated into this Master Agreement.

- C. Extension of Participating Addenda. During any Renewal Term of this Master Agreement, a Participating Entity may renew the term of its Participating Addendum, as provided in such Participating Addendum, on the terms and conditions and subject to the adjustments set forth herein and in the Option Letter creating the Renewal Term.
- D. Early Termination. In the event the term or any renewal term of this Master Agreement terminates for any reason prior to its stated expiration date, (i) each Participating Addendum currently in effect at the time of such termination shall remain in effect for the outstanding term of such Participating Addendum in accordance with **§III(B)** above. A Participating Addendum shall not be renewed following the termination or expiration of this Master Agreement.

## V. **Phased Implementation**

Contractor shall provide the Subscriptions and Services contemplated under this Master Agreement pursuant to the specifications set forth herein, in individual Participating Addenda and Affiliate Agreements and in the Service Orders issued thereunder. Implementation of this Master Agreement shall be performed in the following three (3) phases:

- A. Phase 1. Phase 1 shall be performed under a Participating Addendum between Contractor and WSCA, pursuant to which Contractor shall design and implement the Cooperative Market Center of the States ("CMCS"), a web-hosted "shopping cart" style electronic catalog containing the products available under WSCA contracts, as described in the applicable Service Order. The CMCS shall be available for use by all WSCA/NASPO Members, and by those parties authorized to purchase under WSCA/NASPO contracts, through their current systems without the installation of any proprietary software, integration or interface. The CMCS shall meet the requirements set forth in this Master Agreement and the Participating Addendum between WSCA and Contractor. Phase 1 shall be implemented concurrently with Phase 2 described in **§V(B)** below.
- B. Phase 2. Phase 2 shall be performed under individual Participating Addenda between Contractor and each of the states of Colorado, Nevada, Oregon and Washington (the "Core States"), pursuant to which Contractor shall configure and implement Contractor Applications for each of the Core States. The Participating Addendum between Contractor and Lead State shall be executed concurrently with the execution of this Master Agreement and shall be implemented concurrently with Phase 1 described in **§V(A)** above. Following the effective date of the Participating Addendum with Lead State, each of the other Core States may enter into an individual Participating Addendum setting forth the terms and conditions applicable to such Core State.
- C. Phase 3. The WSCA Directors, in their sole discretion, may extend the opportunity to participate in this Master Agreement to other WSCA/NASPO Members at any time. Individual Participating Addenda with other

WSCA/NASPO Members may be executed in phases consistent with the readiness of such other WSCA/NASPO Members.

## VI. Standard of Performance

- A. Performance. Contractor shall perform all of its obligations hereunder in accordance with the standards of care, skill and diligence customary in Contractor's industry, trade, or profession and in the sequence and manner set forth herein and in each Purchasing Document.
- B. Standards. Upon written request, Contractor shall provide to the WSCA/NASPO Contract Administrator or to the designated representative of an Authorized Purchaser, a copy of the most recent SAS 70 Report of the control objectives and control activities of Contractor's North Carolina operations. When available, and upon written request of the WSCA/NASPO Contract Administrator or the designated representative of an Authorized Purchaser, Contractor shall provide to the WSCA/NASPO Contract Administrator or an Authorized Purchaser representative, a copy of the Statement on Standards for Attestation Engagements No. 16 Report ("SSAE 16 Report") of Contractor's North Carolina operations. The attestation standard for reporting on Contractor and other similar organizations is transitioning from SAS 70 to SSAE 16.

## VII. Subscriptions and Services

- A. Subscriptions.
  - i. Grant of License. Upon the payment by an Authorized Purchaser of the required Subscription Fees under an Order Form, Contractor shall grant to such Authorized Purchaser and such Authorized Purchaser shall accept, for the Subscription term set forth in such Order Form, a non-exclusive, non-transferable license to use and access through the Internet, solely for Authorized Purchaser's procurement activities in the ordinary course of business, the Contractor Applications set forth in such Order Form. Any rights not granted to an Authorized Purchaser hereunder or under an applicable Order Form shall be reserved to Contractor.
  - ii. Access and Use. Access and use of Contractor Applications under an Order Form shall be limited to the number of End Users set forth in such Order Form. Each Authorized Purchaser shall register user names and passwords for all of its End Users through the applicable Contractor Application. A single user name and password shall not be used by more than one End User. Authorized Purchasers shall not perform any load testing with respect to the Contractor Applications without Contractor's prior written consent. Contractor reserves the right to audit its own records for the purpose of determining whether Authorized Purchasers are in compliance with the obligations under this §VII(A)(ii).
  - iii. Accuracy of Information. Each Authorized Purchaser shall, and shall direct its registered End Users to, use commercially reasonable efforts to support the accuracy, legality, and appropriateness of information

uploaded and business transacted in connection with the Contractor Applications.

- iv. Restrictions. Authorized Purchasers shall not permit persons or entities other than End Users to use the Contractor Applications and shall not use the Contractor Applications on behalf of such persons or entities. Other than with respect to WSCA/NASPO Members, an entity, organization, division or unit that is not integrated into an Authorized Purchaser's financial management system shall not be considered to be a part of such Authorized Purchaser, and an Authorized Purchaser shall not designate End Users on behalf of any such entity, organization, division or unit or otherwise use the Contractor Applications on behalf of any such entity, organization, division or unit. With respect to any WSCA/NASPO Member that is an Authorized Purchaser, no Affiliate (other than a State Agency) of a WSCA/NASPO Member shall be considered to be a part of such WSCA/NASPO Member, and such WSCA/NASPO Member shall not designate End Users on behalf of any Affiliate (other than a State Agency). An Authorized Purchaser shall not rent, lease, sublicense, grant a security interest in, or otherwise transfer its right to use and possess a Contractor Application, in whole or in part.
- v. Noncompliance. The failure of an Authorized Purchaser to comply with any provision of this **§VII(A)** with respect to a Contractor Application shall constitute a material breach of the Service Order under which the Contractor Application was licensed.

**B. Services.**

- i. Support and Maintenance Services. Contractor shall provide the maintenance and support services set forth in **Exhibit C** (Support and Maintenance Services) to this Master Agreement during the term of each Subscription purchased under a Service Order, including but not limited to help desk support services provided by Contractor staff speaking English as a first language and with experience in resolving issues for all implemented functionality.
- ii. Supplier Enablement Services. Contractor shall provide the Supplier Enablement Services set forth in **Exhibit D** (Supplier Enablement Services) to each Authorized Purchaser as provided in a Service Order.
- iii. Modifications. Contractor, from time to time and in its sole discretion, may modify the Support and Maintenance Services and/or the Supplier Enablement Services; provided that such modification shall apply to all of Contractor's customers equally. If such modification would materially diminish the Services provided to an Authorized Purchaser, Contractor shall provide the WSCA/NASPO Contract Administrator and such Authorized Purchaser at least sixty (60) days prior Notice identifying the proposed modification and the proposed effective date thereof. A modification that materially diminishes the Services provided to an Authorized Purchaser shall not be implemented by Contractor without the consent of such Authorized Purchaser. All modifications shall be

applicable to all outstanding Service Orders on the same basis. A material diminishment of the Support and Maintenance Services without the consent of an Authorized Purchaser shall constitute a breach of this Master Agreement and of such Authorized Purchaser's Purchasing Documents, subject to the provisions of §XXI (Breach) below.

- iv. Professional Services. Contractor shall provide the Professional Services set forth in a Service Order in accordance with the terms thereof and the terms and conditions of the Participating Addendum or Affiliate Agreement under which such Service Order is issued.
- C. Acceptance. An Authorized Purchaser shall accept or reject the Services and Deliverables provided under a SOW in accordance with the acceptance or rejection criteria set forth in the SOW.
- D. Affiliates. Contractor shall make Services and Subscriptions available to Affiliates on the same basis it makes them available to Authorized Purchasers under a Participating Addendum.
- E. Termination. Upon termination or expiration of a Service Order: (i) Contractor shall terminate the Authorized Purchaser's access to all Contractor Applications and cease providing Services to the Authorized Purchaser; (ii) the Authorized Purchaser shall immediately cease any and all use of and access to any Contractor Applications; (iii) each party to the Service Order receiving Confidential Information of the other party shall return all such Confidential Information in its possession to the disclosing party; and (iv) Contractor shall electronically transmit all Authorized Purchaser Data to the Authorized Purchaser in accordance with §VII(F) below.
- F. Transition Assistance. Upon expiration or termination of all or a part of the Subscriptions or Services being provided under a Service Order, Contractor shall electronically transmit all Authorized Purchaser Data to the Authorized Purchaser under the Service Order in the manner set forth in the applicable Purchasing Documents. If the Purchasing Documents fail to specify the manner of electronic transmission, all Authorized Purchaser Data shall be transmitted in accordance with Contractor's standard export protocols. Upon successful transfer of all Authorized Purchaser Data to the Authorized Purchaser, Contractor shall delete such Authorized Purchaser Data from Contractor's servers and will provide a written affidavit, signed by a Contractor executive, confirming that such Authorized Purchaser Data has been removed from Contractor's servers.

## VIII. Specifications

The Subscriptions and Services provided by Contractor under this Master Agreement shall comply with the requirements and specifications set forth in this Master Agreement. In addition, the Subscriptions and Services provided to an individual Authorized Purchaser shall comply with the requirements and specifications set forth in the Purchasing Documents to which the Authorized Purchaser is a party. Contractor's failure to meet the requirements or specifications of a Service Order shall constitute a breach of such Service Order. Service requirements and specifications shall include, but are not limited to the following:

- A. Functional Requirements. Contractor's Subscriptions and Services shall meet the functional requirements set forth in §4.2.1 of and Exhibit F (Functional Requirements) to **Attachment AA** (Request for Proposal) in all material respects, except as otherwise provided in Appendix 1 to **Attachment BB** (Contractors' Response).
- B. Service and Support Requirements. Contractor shall offer the Services and shall meet the service, support, and maintenance requirements set forth in §4.2.2 of **Attachment AA** (Request for Proposal) in all material respects, except as otherwise provided in Appendix 1 to **Attachment BB** (Contractors' Response), including without limitation, implementation Services, training Services and live Help Desk support.
- C. Technical Requirements. Services and Subscriptions provided by Contractor shall meet the technical requirements set forth in §4.2.3 of **Attachment AA** (Request for Proposal) in all material respects, except as otherwise provided in Appendix 1 to **Attachment BB** (Contractors' Response), including, but not limited to architecture, security, maintenance and upgrades,
- D. Implementation Requirements. Implementation requirements shall be provided in each individual Service Order, providing the distinct set of implementation tasks required to accomplish a specific end result and including the implementation requirements set forth in §4.2.4 of **Attachment AA** (Request for Proposal), as applicable.
- E. Service Level Agreements. The Subscriptions and Services provided by Contractor to an Authorized Purchaser shall meet the Service Level Agreements set forth in **Exhibit C** (Support and Maintenance Services) and such other Service Level Agreements as may be set forth in a Service Order or other applicable Purchasing Document.
- F. Authorized Purchaser Systems. The provision of Services and Subscriptions by Contractor, as contemplated in this Master Agreement, does not require access by Contractor to the computer systems or servers of Authorized Purchasers and such access is not authorized under this Master Agreement.

## IX. Pricing and Payment

- A. Initial Terms Of Participating Addenda and Affiliate Agreements.
  - i. First Twelve Month Period. For each Participating Addendum or Affiliate Agreement entered into by Contractor and a Participating Entity or Affiliate, as applicable, during the first twelve (12) month period of the Initial Term, Contractor shall provide Subscriptions and Services to the Authorized Purchasers under such Participating Addenda or Affiliate Agreements at the rates set forth in **Exhibit I** (Current Pricing and Discounts), subject to discount as set forth in **Exhibit I**, The rates applicable to the Participating Addendum or Affiliate Agreement at the time of its execution shall remain fixed during the entire initial term of the Participating Addendum or Affiliate Agreement.

- ii. Subsequent Twelve Month Periods. Prior to the commencement of each subsequent twelve (12) month period of the Initial Term and each Renewal Term of this Master Agreement, Contractor may increase the rates charged for Services and Subscriptions to Authorized Purchasers under Participating Addenda or Affiliate Agreements entered into by Contractor and a Participating Entity during such twelve (12) month period; provided, that (a) Contractor shall provide prior Notice of any increase to the WSCA/NASPO Contract Administrator at least thirty (30) days prior to the commencement of such twelve (12) month period, and (b) the increase for any twelve (12) month period shall not exceed five percent (5%) of the rates charged by Contractor during the previous twelve (12) month period, and (c) the rate of increase for any twelve (12) month period shall not exceed the applicable rate of increase in Contractor's list prices for the Contractor Applications. The rates applicable to a Participating Addendum or Affiliate Agreement at the time of its execution shall remain fixed during the entire initial term of the Participating Addendum or Affiliate Agreement.
- B. Additional Terms of Participating Addendum or Affiliate Agreement. The rates applicable to any Additional Term shall be no more than one hundred ten percent (110%) of the price for the immediately preceding initial term or Additional Term of the applicable Participating Addendum or Affiliate Agreement.
- C. Payments. Contractor shall initiate a payment request by submitting an invoice to an Authorized Purchaser in the form and manner set forth in the Purchasing Documents under which the payment is requested. Payments may be made through the use of a procurement card, state warrant, or other method agreed to by the parties to the applicable Purchasing Documents. Advance payments allowed under Purchasing Documents between Contractor and a Government Entity shall comply with the laws, rules, requirements and policies applicable to the Government Entity.
- D. Interest. Authorized Purchasers shall fully pay each invoice within 45 days of receipt thereof if the amount invoiced represents performance by Contractor previously accepted by the Authorized Purchaser. Uncontested amounts not paid by an Authorized Purchaser within 45 days shall bear interest on the unpaid balance beginning on the 46<sup>th</sup> day at a rate not to exceed one (1) percent per month, or such lower rate as may be authorized by the laws of the WSCA/NASPO Member applicable to the Authorized Purchaser; provided, however, that interest shall not accrue on unpaid amounts that are subject to a good faith dispute. Contractor shall invoice an Authorized Purchaser separately for accrued interest on delinquent amounts. The billing shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.
- E. Travel Expenses. Contractor shall be entitled to reimbursement for travel expenses, as identified in a Purchasing Document or approved in advance in writing by the Authorized Purchaser, at the then current reimbursement amounts approved for the Authorized Purchaser's own employees, in accordance with the rules and regulations of the Authorized Purchaser. Contractor shall provide a

detailed itemization of expenses, including descriptions, amounts and dates, and receipts as required by the rules and regulations of the Authorized Purchaser.

- F. Non-Appropriation. If state or federal funds are used to fund a Service Order between Contractor and a Government Entity, in whole or in part, the performance of the Government Entity under such Service Order shall be contingent upon the continuing availability of such funds, in accordance with the governmental laws, rules and regulations applicable to such Government Entity and as set forth in the applicable Purchasing Documents. If state or federal funds are not appropriated, or otherwise become unavailable to fund a Service Order, the Government Entity may terminate the Service Order immediately, without further liability, in accordance with the terms of this Master Agreement, the Service Order, and applicable Purchasing Documents.
- G. Erroneous Payments. At the discretion of an Authorized Purchaser, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Contractor, may be recovered from Contractor by deduction from subsequent payments under a Purchasing Document or other contracts, grants, or agreements between Contractor and the Authorized Purchaser, or by other appropriate methods and collected as a debt due to such Authorized Purchaser. Such funds shall not be paid to any person or entity other than the Authorized Purchaser.

## X. **Subscription and Service Warranty**

- A. Contractor Applications. Contractor warrants that for the entire term of each Contractor Application Subscription: (i) the Contractor Application media provided to the Authorized Purchaser shall be free from defects in materials and workmanship under normal use and (ii) each Contractor Application shall perform substantially in accordance with and as specified in this Master Agreement and in the Purchasing Documents under which the Subscription is purchased. Contractor does not warrant that the functions contained in a Contractor Application will meet the requirements of an Authorized Purchaser (unless such requirements have been specified in this Master Agreement or in the Purchasing Documents under which the Contractor Application is licensed) or that the Contractor Applications will operate uninterrupted or error free.
- B. Limited Warranty. THE WARRANTY SET FORTH ABOVE IS A LIMITED WARRANTY AND IS THE ONLY WARRANTY MADE BY CONTRACTOR WITH RESPECT TO THE CONTRACTOR APPLICATIONS AND THE SERVICES LICENSED HEREIN. EXCEPT AS EXPRESSLY SET FORTH IN THIS MASTER AGREEMENT OR IN ANY PURCHASING DOCUMENT, CONTRACTOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR TITLE, AND CONTRACTOR HEREBY DISCLAIMS THE SAME.
- C. Exceptions. CONTRACTOR'S WARRANTY OBLIGATIONS SHALL NOT APPLY TO A CONTRACTOR APPLICATION IF THE FAILURE OF SUCH



CONTRACTOR APPLICATION TO PERFORM IN ACCORDANCE WITH ITS SPECIFICATIONS IS CAUSED BY: (i) THIRD PARTY SOFTWARE LICENSED OR OTHERWISE USED BY AUTHORIZED PURCHASER, OTHER THAN THIRD PARTY SOFTWARE PROVIDED OR RECOMMENDED BY CONTRACTOR; (ii) AUTHORIZED PURCHASER'S USE OF, OR ACCESS TO, THE CONTRACTOR APPLICATION OTHER THAN AS SET FORTH IN THIS MASTER AGREEMENT OR ANY PURCHASING DOCUMENT; OR (iii) UNAUTHORIZED MODIFICATIONS MADE TO THE CONTRACTOR APPLICATION BY AN AUTHORIZED PURCHASER.

**XI. Rights in Data, Documents and Computer Software**

**A. Licenses.** This Master Agreement contemplates the licensing of Contractor's Applications pursuant to Subscriptions and the provision of Services related to the configuration, implementation, maintenance and support thereof. This Master Agreement does not contemplate the sale, assignment, or transfer of any software. Contractor, and its third-party licensors shall retain all right, title and interest, including all patent, copyright, trade secret and other intellectual property rights, in and to the Contractor Applications. Except for the Subscriptions granted under Purchasing Documents, nothing in this Master Agreement shall give an Authorized Purchaser any right, title or interest in or to the Contractor Applications.

**B. Ownership.** As between an Authorized Purchaser and Contractor:

**i. Contractor Applications.** Contractor shall be the sole and exclusive owner of all right, title and interest in and to the Contractor Applications, as well as all alterations, modifications, additions, and derivative works made with respect to the Contractor Applications. Except as expressly permitted or required hereby: (a) Authorized Purchasers shall have no right or license to the Contractor Applications; and (b) Authorized Purchasers shall not use, reproduce, publish or make available to others, modify, or create any derivative works of, all or any part of the Contractor Applications or Contractor Documentation.

**ii. Authorized Purchaser Data and Deliverables.** Each Authorized Purchaser shall be the sole and exclusive owner of all right, title and interest in and to its Authorized Purchaser Data and the Deliverables produced under its respective Purchasing Documents. Except as expressly permitted or required herein or in an applicable Purchasing Document: (a) Contractor shall have no right or license to the Deliverables; and (b) Contractor shall not use, reproduce, publish, or make available to others, modify or create any derivative works of, all or any part of the Authorized Purchaser Data and Deliverables, except as authorized in this Master Agreement or applicable Purchasing Documents or approved in writing by the owner of the Authorized Purchaser Data and Deliverables.

**iii. Rights of Licensees.** This Master Agreement sets forth the rights of Authorized Purchasers in the Contractor Applications. Nothing in any Purchasing Document shall in anyway enlarge or extend an Authorized

Purchaser's license rights with respect to the Contractor Applications and Contractor Documentation delivered by Contractor to the Authorized Purchaser under a Purchasing Document.

- iv. Trademarks. All trademarks, service marks, trade names, and logos of Contractor appearing on or within the Contractor Applications or any materials used in connection with Support and Maintenance Services are the property of Contractor and Authorized Purchasers shall not use them without Contractor's prior written approval.

## XII. Reporting

- A. Reports and Notices. Contractor shall provide to the WSCA/NASPO Contract Administrator the reports and notices set forth in this §XII in accordance with the provisions hereof. Contractor shall provide to each Participating Entity representative identified in a Participating Addendum such additional reports and notices as may be required therein.
  - i. Litigation. Within ten (10) days after being served with any pleading in a legal action filed with a court or administrative agency related to this Master Agreement, which could reasonably be expected to affect Contractor's ability to perform its obligations hereunder, Contractor shall notify the WSCA/NASPO Contract Administrator of such action and deliver copies of such pleadings to the WSCA/NASPO Contract Administrator. Within ten (10) days after being served with a pleading in a legal action filed with a court or administrative agency related to a Purchasing Document, which could reasonably be expected to affect Contractor's ability to perform its obligations under such Purchasing Document, Contractor shall notify the WSCA/NASPO Contract Administrator and the Participating Entity representative identified in the Participating Addendum under which the affected Purchasing Documents were issued.
  - ii. Subcontracts. Copies of any and all subcontracts entered into by Contractor solely for the purpose of performing its obligations hereunder or under any Purchasing Document shall be submitted to the WSCA/NASPO Contract Administrator upon request. Any and all subcontracts entered into by Contractor solely related to its performance hereunder shall provide that such subcontracts shall be governed by the laws of the State of Colorado. Any and all subcontracts entered into by Contractor solely related to its performance under a Purchasing Document shall provide that such subcontracts shall be governed by and comply with the laws governing the Participating Addendum under which the Purchasing Document was issued.
  - iii. Quarterly Reports. Contractor shall submit quarterly volume reports to the WSCA/NASPO Contract Administrator by the last day of the month immediately following the end of each calendar quarter (January 31, April 30, July 31 and October 31), containing the following information: (a) the quarter for which the report was prepared; (b) a summary of all invoices issued to Authorized Purchasers within such quarter that are issued ,

including all invoices issued under Participating Addenda and/or Affiliate Agreements; (c) the identification of each Authorized Purchaser, including Affiliates, by legal entity name, address, contact person, contact phone number, invoice number, total invoiced dollar amount and date of invoice; (c) the itemized published list pricing, discounted pricing and calculated savings for each invoice. Contract shall provide a copy of each invoice issued under a Participating Addendum or Affiliate Agreement upon the request of the WSCA/NASPO Contract Administrator.

- iv. American Recovery and Reinvestment Act of 2009 ("ARRA"). If or when Contractor is notified by an Authorized Purchaser that a specific purchase or purchases are being made with ARRA funds, Contractor agrees to comply with the data element and reporting requirements as currently defined in Federal Register Vol. 74 #61, Pages 14824-14829 (or subsequent changes or modifications to those requirements as published by the Federal OMB). An Authorized Purchaser is responsible for informing Contractor as soon as the Authorized Purchaser is aware that ARRA funds are being used for a purchase. Contractor shall provide the required report to the Authorized Purchaser with the invoice presented to the Authorized Purchaser for payment. Contractor, as it relates to purchases under this Master Agreement, is not a subcontractor or subgrantee, but simply a provider of goods and related services.

- B. Non-Compliance. Contractor's failure to provide reports and Notices to the WSCA/NASPO Contract Administrator in a timely manner in accordance with the provisions of this Master Agreement shall constitute a breach hereof and may result in termination as provided in **§XXII** (Remedies) below. Contractor's failure to provide reports and Notices to a representative identified in a Participating Addendum in a timely manner in accordance with the provisions of this Master Agreement and such Participating Addendum shall constitute a breach of such Participating Addendum and may result in termination of the Participating Addendum as provided herein or in such Participating Addendum.

### **XIII. Contractor Records**

- A. Maintenance. Contractor shall make, keep, maintain, and allow inspection and monitoring by the WSCA/NASPO Contract Administrator of a complete file of all material records, documents, communications, notes, and other written materials, electronic media files, and communications, pertaining in any manner to the Subscriptions and Services provided under any Purchasing Document. Contractor shall maintain such records until the last to occur of: (i) a period of three years after the date this Master Agreement expires or is sooner terminated; (ii) a period of three years after the date the applicable Purchasing Document expires or is sooner terminated; or (iii) the resolution of any pending matters hereunder or under any Purchasing Document (collectively, the "Record Retention Period").
- B. Inspection. Contractor shall permit the WSCA/NASPO Contract Administrator to audit, inspect, examine, excerpt, copy and/or transcribe Contractor's records described in **§XIII(A)** above during the Record Retention Period or until final payment is made under all Purchasing Documents, whichever is later, to assure

compliance with the terms hereof. Contractor shall permit each Authorized Purchaser to audit, inspect, examine, excerpt, copy and/or transcribe Contractor's records described in §XIII(A) above applicable to those Purchasing Documents to which the Authorized Purchaser is a party during the Record Retention Period.

- C. Monitoring. Contractor shall permit the WSCA/NASPO Contract Administrator, the federal government, any state, and any governmental agency having jurisdiction, in their sole discretion, to monitor all activities conducted by Contractor pursuant to the terms of this Master Agreement using any reasonable procedure, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, formal audit examinations, or any other procedures. All monitoring controlled by the WSCA/NASPO Contract Administrator or a state or other Government Entity, in its capacity as Participating Entity or Authorized Purchaser, shall be performed in a manner that shall not unduly interfere with Contractor's general business operations or performance hereunder.

#### XIV. Confidential Information

Each Party to this Master Agreement and each party to a Purchasing Document shall comply with the provisions of this §XIV if it becomes privy to the Confidential Information of another Party or party in connection with its performance hereunder or thereunder.

- A. Defined. "Confidential Information" means all confidential information of a Party to this Master Agreement or a party to a Purchasing Document, whether in paper or electronic format, disclosed to a receiving Party or party (a "Recipient") that is designated in writing as confidential at the time of disclosure. Confidential Information shall not include information required to be disclosed pursuant to the open records statutes of the laws of a WSCA/NASPO Member governing this Master Agreement or any Purchasing Document. The disclosure of information under this Master Agreement shall be subject to the Colorado Open Records Act, CRS §24-72-200.1, et seq. The disclosure of information under a Participating Addendum shall be subject to the open records statutes of the jurisdiction of the Participating Entity that is a party to such Participating Addendum.
- i. Government Entity Confidential Information. Government Entity Confidential Information means the Confidential Information of a Government Entity, as defined herein, in the Purchasing Documents to which the Government Entity is a party, and in accordance with the laws, regulations and policies applicable to the Government Entity. Confidential Information of a Government Entity may include, but is not necessarily limited to, state records, personnel records, and information concerning individuals, including names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles, credit card information, driver's license numbers, medical data, law enforcement records, agency source code or object code, agency security data, or information identifiable to an individual that relates to any of these types of information.

- ii. Non-Government Entity Confidential Information. Non-Government Entity Confidential Information means all Confidential Information of a Non-Government Entity, whether in paper or electronic format, disclosed in writing to a Recipient party that is designated in writing as confidential at the time of disclosure.
- iii. Contractor Confidential Information. Contractor Confidential Information means all confidential information of Contractor, whether in paper or electronic format, disclosed to a Recipient that is designated in writing as confidential at the time of disclosure. Confidential Information related to Contractor's customer lists, customer information, products, product development, technical information, pricing information, pricing methodologies, or information regarding Contractor's financial condition, business planning or business operations shall be deemed Confidential Information to the extent such information is not subject to disclosure under the open record statutes of the laws of a WSCA/NASPO Member..
- iv. Exceptions. Confidential Information shall not include information that: (a) was generally available to the public at the time it was disclosed, or becomes generally available to the public through no fault of the Recipient; (b) was known to the Recipient at the time of disclosure as shown by written records in existence at the time of disclosure; (c) was developed independently by the Recipient prior to the disclosure, as shown by written records in existence prior to the disclosure; (d) is disclosed with the prior written approval of the disclosing Party or party (a "Disclosing Party"); (e) becomes known to the Recipient from a source other than the Disclosing Party without breach of this Master Agreement or any Purchasing Document, and in a manner which is otherwise not in violation of the Disclosing Party's rights; (f) is disclosed as required under the open records statutes applicable to the Recipient; or (g) is disclosed pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the Recipient shall attempt to provide reasonable advance notice to enable the disclosing Party to seek a protective order or otherwise prevent such disclosure.

**B. Obligations of the Parties.** Each Party to this Master Agreement and each party to a Purchasing Document receiving Confidential Information of a disclosing Party shall (i) treat as confidential all Confidential Information provided by the Disclosing Party in compliance with applicable laws, regulations, and state cyber-security procedures concerning the confidentiality of information; (ii) not use such Confidential Information except as expressly permitted under the terms of this Master Agreement or a Purchasing Document, or as otherwise previously authorized in writing by the Disclosing Party; (iii) implement reasonable procedures to prohibit the disclosure, unauthorized duplication, reverse engineering, disassembly, decompiling, misuse or removal of such Confidential Information; and (iv) not disclose such Confidential Information to any third party, except as permitted under **§XIV(A)(iv)** above. Without limiting the foregoing, each party shall use at least the same degree of care to prevent the disclosure of the Confidential Information of a Disclosing Party as it uses to prevent the disclosure of its own Confidential Information, and shall in any event use no less than a reasonable degree of care.

- C. Notification. Each Recipient of the Confidential Information of a Disclosing Party shall notify its agents, employees, Subcontractors and assigns who are authorized to use or reasonably may be expected to come into contact with the Confidential Information that each is subject to the confidentiality requirements set forth herein and in the applicable Purchasing Documents.

## XV. Protected Public Documents

- A. Use, Security, and Retention. Government Entity Confidential Information shall not be distributed or sold to any third party or used by Contractor or its agents in any manner, except as authorized by this Master Agreement and approved in writing by an authorized representative of Lead State, or by a Purchasing Document and approved in writing by the authorized representative identified in the Purchasing Documents applicable to such Government Entity. Contractor shall provide and maintain a secure environment that ensures confidentiality of all Government Entity Confidential Information wherever located. Government Entity Confidential Information shall not be retained in any files or otherwise by Contractor or its agents, except as permitted in this Master Agreement and approved in writing by an authorized representative of Lead State or, in a Purchasing Document and approved by the authorized representative identified in the Purchasing Documents applicable to such Government Entity.
- B. Third Party Requests. Any request or demand by a third party for Government Entity Confidential Information in the possession of Contractor shall be immediately forwarded to an authorized representative of the Government Entity to which the Government Entity Confidential Information belongs.
- C. Protected Public Documents. Disclosure of protected public records of a Government Entity or other Government Entity Confidential Information by Contractor for any reason may be cause for legal action by third parties against Contractor, the disclosing Government Entity, or their respective agents. Contractor shall indemnify, save, and hold harmless the disclosing Government Entity, Lead State, WSCA, and NASPO, and their respective employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees pursuant to this §XV.

## XVI. Conflicts of Interest

Contractor shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Contractor's obligations under this Master Agreement or any Purchasing Document. Contractor acknowledges that even the appearance of a conflict of interest is harmful to the interests of the Parties to this Master Agreement and the parties to Purchasing Documents. Absent prior written approval from the WSCA/NASPO Contract Administrator, with respect to this Master Agreement, or the authorized representative of the Authorized Purchaser identified in the affected Purchaser Documents, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations hereunder or any

Purchasing Document. If a conflict or appearance exists, or a conflict of interest may exist, Contractor shall submit to WSCA/NASPO Contract Administrator and such Authorized Purchaser representative, if applicable, a disclosure statement setting forth the relevant details for the consideration of the WSCA/NASPO Contract Administrator and such Authorized Purchaser representative, if applicable. Failure to promptly submit a disclosure statement or to follow the direction of the WSCA/NASPO Contract Administrator in regard to an apparent conflict with this Master Agreement constitutes a breach hereof. Failure to promptly submit a disclosure statement or to follow the direction of the Authorized Purchaser's representative with respect to any Purchasing Documents constitutes a breach of such Purchasing Documents, unless provided to the contrary in such Purchasing Documents.

## **XVII. Representations and Warranties**

Contractor makes the following specific representations and warranties, each of which was relied on by Lead State, NASPO and WSCA in entering into this Master Agreement. Except as expressly stated to the contrary, the representations and warranties made by Contractor hereunder are continuing representations and warranties and shall apply to and be true and correct on the date of execution of each Purchasing Document entered into by Contractor pursuant to this Master Agreement as though newly made on the execution thereof.

**A. Contractor Applications.** Contractor warrants that each Contractor Application shall operate in substantial conformity with the requirements and specifications applicable to such Contractor Application, as set forth in **§VIII (Specifications)** above and in the then current published functional specifications for such Contractor Application available to Authorized Purchasers and End Users through such Contractor Application. Contractor represents and warrants that it has and during the term of this Master Agreement shall have all rights required to use and to allow Authorized Purchasers to use all licensed software incorporated as a part of the Contractor Applications

**B. Licenses, Permits, Authorizations.** Contractor represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have and maintain, at its sole expense, all licenses, certifications, approvals, insurance, permits, and other authorizations required by law ("Required Authorizations") to perform its obligations hereunder. Contractor further represents and warrants that as of the effective date of each Purchasing Document it shall have, and at all times during the term of such Purchasing Document shall maintain, all Required Authorizations necessary to perform its obligations under such Purchasing Document. Contractor shall obtain and maintain all Required Authorizations, without reimbursement by any other Party to this Master Agreement or any party to a Purchasing Document or other adjustment in funds under any Purchasing Document. Additionally, all employees, agents, and Subcontractors of Contractor performing Services under this Master Agreement or any Purchasing Document shall hold all required licenses or certifications, if any, to perform their responsibilities. Contractor, if a foreign corporation or other foreign entity transacting business in the jurisdiction of an Authorized Purchaser, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in such jurisdiction and shall designate a registered agent in such state to accept service

of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Contractor to properly perform the terms of this Master Agreement or a Purchasing Document is a material breach by Contractor and constitutes grounds for termination of this Master Agreement or such Purchasing Document.

- C. Legal Authority. Contractor represents and warrants that it possesses the legal authority to enter into this Master Agreement and during the term of this Master Agreement shall possess the legal authority to enter into each Purchasing Document and that it has taken and shall take all actions required by its procedures, and by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Master Agreement and each authorized signatory under a Purchasing Document to execute such Purchasing Document, or any part hereof or thereof, and to bind Contractor to the terms hereof or thereof. If requested by the WSCA/NASPO Contract Administrator or by any Authorized Purchaser, Contractor shall provide the WSCA/NASPO Contract Administrator or the designated representative of such Authorized Purchaser with proof of Contractor's authority to enter into this Master Agreement or any applicable Purchasing Document within fifteen (15) days of receiving such request.

## **XVIII. Insurance**

Contractor and its Subcontractors shall obtain and maintain insurance as specified in this section at all times during the term of this Master Agreement and each Purchasing Document. All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Contractor and the WSCA/NASPO Contract Administrator. Any additional policies evidencing the insurance coverage required under a Purchasing Document shall be issued by insurance companies satisfactory to Contractor and the Authorized Purchaser under such Purchasing Document.

- A. Contractors and Subcontractors. Contractor shall, and shall require each contract with a Subcontractor providing Services in connection with this Master Agreement or a Purchasing Document to provide insurance requirements substantially similar to the following:

- i. Worker's Compensation. Worker's Compensation Insurance as required by applicable legal requirements in the jurisdiction of the Authorized Purchaser, and Employer's Liability Insurance covering all of Contractor or Subcontractor employees acting within the course and scope of their employment.
- ii. General Liability. Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$2,000,000 general aggregate; (c) \$1,000,000 products and completed operations aggregate; and (d) \$50,000 any one fire.



- iii. Automobile Liability. Automobile Liability Insurance covering any auto (including hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.
  - iv. Additional Insureds. WSCA, NASPO and Lead State shall be named as additional insureds on all Commercial General Liability and Automobile Liability Insurance policies (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent) required of Contractor and any Subcontractors hereunder. Each Participating Entity and each Authorized Purchaser shall be added as an additional insured on all Commercial General Liability and Automobile Insurance upon the execution of a Purchasing Document by Contractor and such Participating Entity or Authorized Purchaser.
  - v. Primacy of Coverage. Coverage required of Contractor and Subcontractor shall be primary over any insurance or self-insurance program carried by a Party to this Master Agreement or any Participating Entity or Authorized Purchaser.
  - vi. Cancellation. The above insurance policies shall include provisions providing Contractor (a) fifteen (15) days prior notice of cancellation or non-renewal in the event of non-payment of premiums and (bi) thirty (30) days prior notice for cancellation for any other reason and Contractor shall forward such notice to the WSCA/NASPO Contract Administrator in accordance with §XXV (Notices and Representatives) within seven (7) days of Contractor's receipt of such notice.
  - vii. Subrogation Waiver. All insurance policies in any way related to this Master Agreement or any Purchasing Document and secured and maintained by Contractor or its Subcontractors as required herein or therein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Contractor, the Parties to this Master Agreement, the parties to any Purchasing Document, and their respective agencies, institutions, organizations, officers, agents, employees, and volunteers.
- B. Certificates. Contractor and all Subcontractors shall provide certificates showing insurance coverage required hereunder to the WSCA/NASPO Contract Administrator within seven (7) business days of the Effective Date. No later than fifteen (15) days prior to the expiration date of any such coverage, Contractor and each Subcontractor shall deliver to WSCA/NASPO Contract Administrator or, in the case of Subcontractors, to Contractor certificates of insurance evidencing renewals thereof. In addition, upon request by the NASPO/WSCA Contract Administrator at any other time during the term of this Master Agreement or any subcontract solely related to this Master Agreement and/or any Purchasing Document, Contractor and each Subcontractor shall, within ten (10) days of such request, supply to the WSCA/NASPO Contract Administrator evidence satisfactory to the WSCA/NASPO Contract Administrator of compliance with the provisions of this §XXXVIII. At the request of the designated representative identified in a Purchasing Document, Contractor and any

Subcontractor providing Services under such Purchasing Document shall provide to such representative certificates showing insurance coverage required under such Purchasing Document.

## **XIX. Indemnification**

- A. General.** Contractor shall indemnify, save, and hold harmless the other Parties to this Master Agreement and each party to a Purchasing Document (each an "Indemnified Party" and collectively, the "Indemnified Parties"), and their respective employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any negligent act or omission by Contractor, or its employees, agents, Subcontractors, or assignees pursuant to the terms of this Master Agreement; provided, however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., the governmental immunity statutes applicable to any other Indemnified Party, or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as now or hereafter amended.
- B. Intellectual Property.** Contractor shall defend, indemnify and hold harmless the Indemnified Parties, from and against any and all claims, suits, proceedings, losses, damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and related costs) arising out of any claims, demands, suits or proceedings brought by a third party alleging that the Contractor Applications infringe upon any patent, copyright or trademark or misappropriate any trade secret or other intellectual property rights of any third party. Contractor shall have no obligation to indemnify an Indemnified Party to the extent that any alleged infringement arises out of (a) the use of the Contractor Applications in combination by the Indemnified Party with other data, products, software, processes or materials not provided or authorized by Contractor; (b) the modification of the Contractor Applications by a party other than Contractor; or (c) any unauthorized use of the Contractor Applications. Should any of the Contractor Applications as used by an Indemnified Party, or in Contractor's commercially reasonable opinion be likely to infringe, Contractor shall, at its option and sole expense: (i) procure for the Indemnified Party the right to continue to use the Contractor Applications, (ii) modify the Contractor Applications to eliminate any such claim that might result from their use, provided such modification does not adversely affect the functional capabilities of the Contractor Applications or (iii) replace the Contractor Applications with equally suitable, compatible and functionally equivalent non-infringing Contractor Applications at no additional charge to the Indemnified Party. If none of these options is commercially practicable, then this Master Agreement and any Purchasing Document may be terminated by any of the Parties hereto or parties thereto without further obligation or liability on the part of any of them, except that Contractor agrees to promptly refund to each Authorized Purchaser the fees paid by such Authorized Purchaser for the portion of any Subscription term for which the Contractor Applications would no longer be available to such Authorized Purchaser.

- C. Notice and Defense. The Indemnified Party promptly shall notify Contractor of a claim under this §XIX; provided, however, that failure to do so shall not preclude the Indemnified Party's right to indemnification if such failure does not materially prejudice Contractor's ability to defend the claim. If such failure materially prejudices Contractor's ability to defend, the Indemnified Party's right to indemnification shall be diminished to the extent of the prejudice. Contractor shall control the defense and/or settlement of the claim and shall have the right to compromise or settle such claim for money damages, at Contractor's expense. Any other compromise or settlement shall require the consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned, or delayed. Contractor shall reimburse the Indemnified Party for the Indemnified Party's reasonable, direct out-of-pocket expenses, as incurred, including, without limitation, attorneys' fees and related costs, incurred (i) as a result of participation in the defense at Contractor's request or (ii) in connection with the defense of the claim if Contractor fails to assume control and vigorously pursue the defense of the claim. The Indemnified Party may participate in the defense and/or settlement with counsel of its own.

## XX. Responsibilities of the Parties

Each Party to this Master Agreement and each party to a Purchasing Document shall be responsible for the actual physical damages directly caused by the negligent acts or omissions of its respective employees, agents, or Subcontractors in the course of its performance under this Master Agreement or any Purchasing Document involving personal injury or death to persons or loss or damage to personal tangible property.

## XXI. Breach

- A. Master Agreement. In addition to any breach specified in other sections of this Master Agreement, any of the following also shall constitute a breach hereunder: (i) the failure of a Party to perform any of its material obligations hereunder, in whole or in part or in a timely or satisfactory manner, after taking into account any applicable notice and cure periods; (ii) a material breach by Contractor of a Purchasing Document, as determined under such Purchasing Document; and (iii) the institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within twenty (20) days after the institution or occurrence thereof (collectively, "Bankruptcy").
- B. Purchasing Documents. In addition to the breaches specified in a Purchasing Document, the following shall constitute a breach under each Purchasing Document: (i) the failure of any party to such Purchasing Document to perform any of its material obligations thereunder, in whole or in part or in a timely or satisfactory manner, after taking into account any applicable notice and cure periods set forth in such Purchasing Document or (ii) Contractor's Bankruptcy.
- C. Notice and Cure Period. In the event of a breach, Notice of such shall be given in writing by the aggrieved Party to this Master Agreement to the breaching Party or by the aggrieved party to a Purchasing Document to the other party thereto. If such breach is not cured within thirty (30) days of receipt of written notice, or if a

cure cannot be completed within thirty (30) days, or if cure of the breach has not begun within thirty (30) days and pursued with due diligence, the non-breaching Party to this Master Agreement or non-breaching party to a Purchasing Document may exercise any of the applicable remedies set forth in **§XXII** (Remedies) below. Notwithstanding anything to the contrary herein, a Government Entity, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate any Purchasing Document to which it is a party, in whole or in part, if reasonably necessary to preserve public safety or to prevent immediate public crisis.

## **XXII. Remedies**

- A. Termination. If a Party to this Master Agreement is in breach under any provision hereof, the aggrieved Party shall have all of the applicable remedies listed in this **§XXII** in addition to all other remedies set forth in other sections of this Master Agreement, following the Notice and cure period set forth in **§XXI** (Breach) above. If a party to a Purchasing Document is in breach under any provision thereof, the aggrieved party shall have all of the applicable remedies listed in this Master Agreement, in addition to such other remedies as may be set forth in the Purchasing Document. An aggrieved Party under this Master Agreement or an aggrieved party under a Purchasing Document may exercise any or all of the remedies available to it hereunder or thereunder, in its sole discretion, concurrently or consecutively.
- i. Cause and/or Breach. An aggrieved Party to this Master Agreement may terminate this Master Agreement by written Notice if the breaching Party commits a material breach of this Master Agreement. An aggrieved party to a Purchasing Document may terminate such Purchasing Document by written Notice if the breaching party to such Purchasing Document commits a material breach of such Purchasing Document.
  - ii. Master Agreement. To the extent specified in any termination Notice delivered with respect to this Master Agreement or any Purchasing Document, Contractor shall not incur further obligations or render further performance hereunder or thereunder, as applicable, past the effective date of a termination Notice.
  - iii. Purchasing Documents. To the extent specified in any termination Notice delivered with respect to a Purchasing Document, Contractor shall terminate outstanding orders and subcontracts with third parties under such Purchasing Document. However, Contractor shall complete and deliver to the aggrieved party under the terminated Purchasing Document all Services not cancelled by the termination Notice and may incur obligations as are necessary to do so within the terms hereof and the terms of the Purchasing Document. The aggrieved party to such Purchasing Document shall reimburse Contractor only for accepted performance up to the date of termination.
  - iv. Damages and Withholding. Subject to **§XXIII** (Limitation of Liability) below and notwithstanding any other remedial action by a breaching Party hereunder, each breaching Party shall remain liable to each non-

breaching Party for any damages sustained by such non-breaching Party by virtue of any breach hereunder. Subject to §XXIII (Limitation of Liability) below and to any applicable terms under a Purchasing Document and notwithstanding any other remedial action by a breaching party under such Purchasing Document, each breaching party shall remain liable to the non-breaching party under such Purchasing Document for any damages sustained by such non-breaching party by virtue of any breach thereunder.

**B. Other Remedies**

- i. Contractor Applications. In the event of breach by Contractor of its representations and warranties with respect to a Contractor Application under §X(A) (Subscription and Service Warranty) or §XVII(A) (Representations and Warranties) above, Contractor shall, at Contractor's sole option, and as sole and exclusive remedy (a) repair the applicable Contractor Application, (b) terminate the Purchasing Document under which the breach occurred and refund to the Authorized Purchaser a sum equal to the Subscription Fees paid for the period during which the Contractor Applications were rendered unusable, prorated on a monthly basis, or (c) with the consent of the Authorized Purchaser terminate the Subscription under which the breach occurred and refund to the Authorized Purchaser the Subscription Fees paid with respect to such Subscription for the period during which the Contractor Application was rendered unusable, prorated on a monthly basis.
- ii. Services. In the event of breach by Contractor of its representations or warranties with respect to Services, under this Master Agreement or any Purchasing Document, the other Parties to this Agreement or the Authorized Purchaser that is a party to the Purchasing Document under which the breach occurred may exercise one or more of the following remedies: (a) suspend Contractor's performance with respect to all or any portion of the Purchasing Document pending necessary corrective action as specified by the Authorized Purchaser without entitling Contractor to an adjustment in price/cost or performance schedule; (b) withhold payment to Contractor until corrections in Contractor's performance are satisfactorily made and completed; and (c) require Contractor to re-perform the breaching Services.
- iii. Removal. Notwithstanding any other provision herein or in a Purchasing Document, an Authorized Purchaser may demand immediate removal of any of Contractor's employees, agents, or Subcontractors whom Authorized Purchaser deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to such Purchasing Document is deemed to be contrary to the public interest or Authorized Purchaser's best interest.

**XXIII. Limitation of Liability**

- A. Consequential and Other Damages. None of the Parties to this Master Agreement, the parties to any Purchasing Document, or their respective affiliates,

directors, officers, employees, agents or subcontractors, shall be liable to the any other Party or party, or their respective Affiliates, for any indirect, incidental, special, consequential, punitive or exemplary damages or liability (including reasonable attorneys' fees) that result from or are related to this Master Agreement, any Purchasing Documents or any or their respective exhibits or attachments, whether in contract or tort or under any other theory of liability, even if the other Party, party, or respective Affiliate has been informed of the possibility of such damages or liability.

- B. Maximum Liability.** Except for amounts owed to Contractor by an Authorized Purchaser, as authorized under an applicable Purchasing Document, the aggregate liability of any party related to or arising out of such Purchasing Document, or any of its respective exhibits or attachments, whether in contract, tort or under any other theory of liability, shall not exceed the aggregate amounts payable to Contractor by the Authorized Purchaser under such Purchasing Document in the 24 months preceding the event giving rise to such damages. The limitations of liability under this section shall not apply to any obligations and liabilities arising from death, personal injury, damage to tangible property or intellectual property infringement. The aggregate liability of any Party related to or arising out of this Master Agreement or its respective exhibits or attachments, shall be limited to whether in contract, tort or under any other theory of liability, shall not exceed \$500,000.00. None of WSCA, NASPO, or the Lead State shall have any liability under any Purchasing Document or its respective exhibits or attachments under any theory of liability

#### **XXIV. Governmental Immunity**

Liability for claims for injuries to persons or property arising from the actions or inactions of a Government Entity shall be controlled and limited by the laws of the jurisdiction applicable to such Government Entity, as set forth in the Purchasing Documents to which such Government Entity is a party. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees under this Master Agreement and under any Purchasing Document to which it is a party is controlled and limited by the provisions of the Governmental Immunity Act §24-10-101, et seq. and the risk management statutes, CRS §24-30-1501, et seq., as amended.

#### **XXV. Notices and Representatives**

Each individual identified below is the principal representative of the designating Party. All Notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of a hard-copy Notice, Notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written Notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

**A. Lead State:**

Tom Spiker
State Purchasing Office
Colorado Department of Personnel and Administration
633 17 <sup>th</sup> Street
Suite 1600
Denver, CO 80202
tom.spiker@state.co.us

with a copy to the WSCA/NASPO Contract Administrator.

**B. WSCA/NASPO Contract Administrator:**

Jack Gallt
AMR Management Services
201 East Main
Suite 1405
Lexington, KY 40507
jgallt@amrms.com

**C. Contractor:**

Jennifer Kaelin
Vice President of Finance
SciQuest, Inc.
6501 Weston Parkway
Suite 200
Cary, NC 27513
jkaelin@sciquest.com

**XXVI. Miscellaneous**

**A. Assignment and Subcontracts.**

- i. **By Contractor.** Contractor's rights and obligations hereunder are personal and shall not be transferred, assigned or subcontracted without the prior, written consent of the WSCA/NASPO Contract Administrator. Contractor's rights and obligations under each Purchasing Document are personal and shall not be transferred, assigned or subcontracted without the prior, written consent of the Authorized Purchaser's representative identified in the applicable Purchasing Document. Any attempt at assignment, transfer, subcontracting without such consent shall be void. All assignments, subcontracts, or Subcontractors approved hereunder are subject to all of the provisions hereof. All assignments, subcontracts, or Subcontractors approved by an Authorized Purchaser designated representative under a Purchasing Document shall be subject to all of the

provisions hereof and thereof. Contractor shall be solely responsible for all aspects of subcontracting arrangements and performance.

ii. By Lead State. Lead State, in its sole discretion and at any time, may transfer or, assign all of its rights and obligations under this Master Agreement to WSCA or, upon prior written consent of the WSCA Directors, to any other WSCA Member, and upon such transfer, shall have no further rights or obligations under this Master Agreement, except as may be set forth in any separate Purchasing Documents entered into by Lead State on its own behalf. Lead State shall provide Notice to the other Parties of such assignment, specifying the effective date thereof.

B. Binding Effect. Except as otherwise provided in §XXVI(A) above, all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

C. Captions. The captions and headings in this Master Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts. This Master Agreement may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding. This Master Agreement represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

F. Jurisdiction and Venue. All suits or actions related to this Master Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver. All suits or actions related to a Purchasing Document shall be filed and proceeding held in the state and venue of the Authorized Purchaser to such Purchasing Document, as set forth in such Purchasing Document.

G. Modification.

i. By the Parties. Except as specifically provided in this Master Agreement, modifications of this Master Agreement shall not be effective unless agreed to in writing by the Parties in an amendment to this Master Agreement, properly executed and approved in accordance with applicable Colorado State law and Fiscal Rules. Modifications permitted under this Addendum, other than contract amendments, shall conform to the Policies of the Office of the Colorado State Controller, including, but not limited to, the policy entitled MODIFICATIONS OF CONTRACTS - TOOLS AND FORMS.



- ii. By Operation of Law. This Master Agreement is subject to such modifications as may be required by changes in federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Addendum on the effective date of such change, as if fully set forth herein.
  - iii. Of Purchasing Documents. Modifications of a Participating Addendum shall be governed by such Participating Addendum. Modification of a Service Order or Affiliate Agreements shall be governed by the Participating Addendum under which such Service Order or Affiliate Agreement is issued.
- H. Order of Precedence. The provisions of this Master Agreement shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Master Agreement, and its exhibits and attachments, including, but not limited to, those provided by Contractor, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:
- i. A Participating Addendum;
  - ii. An Affiliate Agreement, if applicable;
  - iii. A Service Order issued under a Participating Addendum or Affiliate Agreement;
  - iv. The provisions of the main body of this Master Agreement;
  - v. **Exhibit A** (WSCA Terms and Conditions);
  - vi. **Exhibits C** (Support and Maintenance Services) and **D** (Supplier Enablement Services);
  - vii. **Exhibit I** (Current Pricing and Discounts);
  - viii. **Attachment AA** (Request for Proposal);
  - ix. **Attachment BB** (Contractors Best and Final Offer); and
  - x. **Attachment BB** (Contractor's Proposal).
- I. Severability. Provided this Master Agreement can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof, provided that the Parties can continue to perform their obligations under this Addendum in accordance with its intent.
- J. Survival of Certain Agreement Terms. Notwithstanding anything herein to the contrary, **§§II** (Definitions), **IV** (Term and Early Termination), **XIV**, (Confidential Information), **XXIII** (Limitation of Liability), **XXIV** (Governmental Immunity), and **XXVI** (Miscellaneous) of this Master Agreement shall survive termination of this Master Agreement and shall be enforceable by each Party, as applicable.
- K. Taxes. Provisions applicable to Participating Entities and Authorized Purchasers that are exempt from federal, state, and/or local government taxes with respect to purchases or services shall be set forth in each Participating Addendum, to the extent applicable, Lead State is exempt from all federal excise taxes under IRC

Chapter 32 (No. 84-730123K) and from all state and local government sales and use taxes under CRS §§39-26-101 and 201, et seq., and the application of such exemptions shall be set forth in the Participating Addendum entered into by the Lead State.

- L. Third Party Beneficiaries. Except the extent that the terms and conditions of this Master Agreement are incorporated into Purchasing Documents, (i) enforcement of this Master Agreement and all rights and obligations hereunder are reserved solely to the Parties and (ii) any services or benefits which third parties receive as a result of this Master Agreement are incidental to this Master Agreement, and do not create any rights for such third parties. Enforcement of any Purchasing Document and all rights and obligations thereunder are reserved solely to the parties to such Purchasing Document and any services or benefits which third parties receive as a result of such Purchasing Document are incidental thereto and do not create any rights for third parties.
- M. Waiver. Waiver of any breach under a term, provision, or requirement of this Master Agreement or any Purchasing Document, or any right or remedy hereunder or thereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.
- N. Publicity. None of the Parties to this Master Agreement or the parties to any Purchasing Document may issue any press release regarding this Master Agreement or such Purchasing Document without the prior written consent of the other Parties hereto or parties thereto. Contractor may include the name and logo of an Authorized Purchaser in Contractor's lists of customers to the extent specifically authorized in the Participating Addendum under which a Purchasing Document is issued or in the Purchasing Documents executed by the Authorized Purchaser.
- O. Independent Contractor. Contractor shall perform its duties hereunder and under each Purchasing Document as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of any other Party to this Master Agreement or any other party to a Purchasing document. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through any other Party to this Master Agreement or party to a Purchasing Document and such Parties hereunder and parties thereunder shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Master Agreement or any Purchasing Document. Contractor shall not have authorization, express or implied, to bind the other Parties to this Master Agreement or any party to a Purchasing Document to any agreement, liability or understanding, except as expressly set forth herein or therein. Contractor shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the WSCA/NASPO Contract Administrator or the

identified representative under a Purchasing Document, and (iii) be solely responsible for its acts and those of its employees and agents.

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THE PARTIES HERETO HAVE EXECUTED THIS MASTER AGREEMENT

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

<p><b>CONTRACTOR:</b> <b>SciQuest, Inc.</b> Name: Rudy Howard Title: Chief Financial Officer</p> <hr/> <p>Signature</p> <p>Date:</p> <hr/>	<p><b>LEAD STATE:</b> <b>STATE OF COLORADO</b> <b>John Hickenlooper, GOVERNOR</b> Department of Personnel &amp; Administration, Division of Finance and Procurement</p> <hr/> <p>By: Kathy Nesbitt, Executive Director</p> <p>Date:</p> <hr/>
<p><b>NASPO:</b> <b>National Association of State Procurement Officials, Inc.</b> Name: Greg Smith Title: President</p> <hr/> <p>Signature</p> <p>Date:</p> <hr/>	<p><b>LEGAL REVIEW:</b> <b>John W. Suthers,</b> <b>Colorado Attorney General</b></p> <p>By: _____</p> <p>(Assistant) Attorney General</p> <p>Date:</p> <hr/>
<p><b>APPROVED BY:</b> <b>Western States Contracting Alliance</b> Name: Greg Smith Title: WSCA Chair</p> <hr/> <p>Signature</p>	

Date:	
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**ALL CONTRACTS REQUIRE APPROVAL by the STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Master Agreement is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

**STATE CONTROLLER**

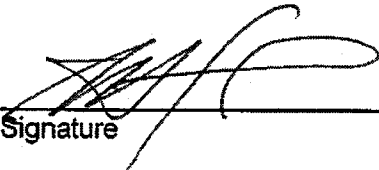
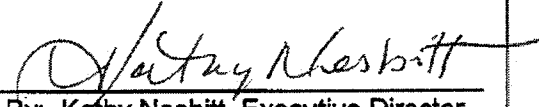
**David J. McDermott, CPA**

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

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

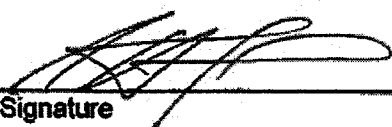

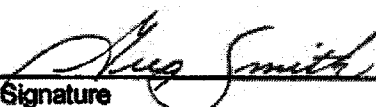
THE PARTIES HERETO HAVE EXECUTED THIS MASTER AGREEMENT

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

<p><b>CONTRACTOR:</b> SciQuest, Inc. Name: Rudy Howard Title: Chief Financial Officer</p> <p> Signature</p> <p>Date: <u>JUNE 30, 2011</u></p>	<p><b>LEAD STATE:</b> STATE OF COLORADO John Hickenlooper, GOVERNOR Department of Personnel &amp; Administration, Division of Finance and Procurement</p> <p> By: Kathy Nesbitt, Executive Director</p> <p>Date: <u>6.30.11</u></p>
<p><b>NASPO:</b> National Association of State Procurement Officials, Inc. Name: Greg Smith Title: President</p> <p>Signature</p> <p>Date:</p>	<p><b>LEGAL REVIEW:</b> John W. Suthers, Colorado Attorney General</p> <p>By: _____ (Assistant) Attorney General</p> <p>Date:</p>
<p><b>APPROVED BY:</b> Western States Contracting Alliance Name: Greg Smith Title: WSCA Chair</p> <p>Signature</p> <p>Date:</p>	

**THE PARTIES HERETO HAVE EXECUTED THIS MASTER AGREEMENT**

**Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

<p><b>CONTRACTOR:</b> <b>SciQuest, Inc.</b> Name: Rudy Howard Title: Chief Financial Officer</p> <p> Signature</p> <p>Date: <u>JUNE 30, 2011</u></p>	<p><b>LEAD STATE:</b> <b>STATE OF COLORADO</b> <b>John Hickenlooper, GOVERNOR</b> Department of Personnel &amp; Administration, Division of Finance and Procurement</p> <p>By: Kathy Nesbitt, Executive Director</p> <p>Date: _____</p>
<p><b>NASPO:</b> <b>National Association of State Procurement Officials, Inc.</b> Name: Greg Smith Title: President</p> <p> Signature</p> <p>Date: <u>6-30-11</u></p>	<p><b>LEGAL REVIEW:</b> <b>John W. Suthers,</b> <b>Colorado Attorney General</b></p> <p>By: _____ (Assistant) Attorney General</p> <p>Date: _____</p>
<p><b>APPROVED BY:</b> <b>Western States Contracting Alliance</b> Name: Greg Smith Title: WSCA Chair</p> <p> Signature</p> <p>Date: <u>6-30-11</u></p>	



**ALL CONTRACTS REQUIRE APPROVAL by the STATE CONTROLLER**

**CRS §24-30-202 requires the State Controller to approve all State Contracts. This Master Agreement is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.**

**STATE CONTROLLER**

**David J. McDermott, CPA**

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

*Robert Jones*

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

*6-30-11*

**Attachment A:  
PARTICIPATING ADDENDUM**

to

Master Price Agreement by and among SciQuest, Inc. and  
the State of Colorado, the National Association of Procurement Officials, and  
the Western States Contracting Alliance

This Participating Addendum is entered into by the County of Riverside (the "Participating Entity") and SciQuest, Inc. dba JAGGAER ("Contractor", and together with the Participating Entity, the "Addendum Parties"), pursuant to that certain Master Price Agreement for eProcurement Services (Hosted Software-as-a-Service), dated June 30, 2011, by and among Contractor and the State of Colorado and the National Association of State Procurement Officials, Inc. ("NASPO"), on its own behalf and on behalf of the Western States Contracting Alliance ("WSCA"), WSCA/NASPO Agreement #W33-2010 (together with its exhibits and attachments, the "Master Agreement"). The underlying procurement for these Services was led by the State of Colorado on behalf of NASPO and WSCA and the WSCA/NASPO Members, for use by Participating Entities and those Authorized Purchasers approved by the Chief Procurement Official of a Participating Entity to utilize state contracts. Notwithstanding that the underlying procurement for the Services was led by the State of Colorado, the Master Agreement is currently administered by the State of Utah on behalf of NASPO and WSCA and the WSCA/NASPO Members. This Participating Addendum is entered into pursuant to and incorporates by reference the terms and conditions of the Master Agreement. This Participating Addendum and the exhibits attached hereto are collectively referred to as the "Addendum".

In consideration of the premises, covenants and mutual promises contained in this Addendum, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Addendum Parties hereby agree as follows.

1. Scope: The scope of this Addendum shall be limited to the scope of the Master Agreement. The purpose of this Addendum is to create a statewide centralized electronic procurement system providing more efficient delivery of state procurement services through the use of technology.
2. Participation: Use of the Master Agreement by an Authorized Purchaser is subject to the approval of the State Chief Procurement Official of the Participating Entity. Issues of interpretation and eligibility for participation are solely within the authority of the Participating Entity's Chief Procurement Official.
3. Modifications to Master Agreement: Modifications to the Master Agreement and additional terms and conditions specific to this Addendum are attached hereto and incorporated herein as **Schedule A**.
4. Primary Contacts: The primary contacts for this Addendum shall be the individuals identified below or such other individuals as may be identified from time to time in a Notice sent by a designating party to the other parties set forth below:

**Contractor**

**Name:** Jed Hysong, Vice President of Finance  
**Address:** 3020 Carrington Mill Blvd., Suite 100  
Morrisville, NC 27560

**Telephone:** (919) 659-2100  
**E-mail:** jhysong@jaggaer.com

**Participating Entity**

**Name:** Teresa Summers, Interim Director Purchasing and Fleet Services  
County of Riverside

**Address:** 2980 Washington Street, Riverside CA 92504  
**Telephone:** (951) 955-4937  
**E-mail:** TeresaSummers@rivco.org

5. Subcontractors: All assignments, subcontracts, or Subcontractors approved by Contractor or the Participating Entity are subject to all of the provisions hereof. Contractor shall be solely responsible for all aspects of subcontracting arrangements and performance. Authorized Subcontractors under this Addendum are set forth in the Master Agreement.

6. Contract Instructions: All Service Orders issued under this Addendum shall be substantially in the form set forth in Exhibits E (Form of Statement of Work) and F (Form of Order Form) to the Master Agreement. The Authorized Purchaser entering into a Service Order shall be solely responsible therefore and the Participating Entity shall not be responsible for or liable under any Service Order, unless the Participating Entity is the Authorized Purchaser under the Service Order. Each Order Form or Statement of Work issued under this Addendum shall contain the following:

- (a) A statement indicating that the Statement of Work or Order Form is subject to the terms of the Addendum;
- (b) The name, address, contact, and phone number for the Authorized Purchaser;
- (c) The Contractor Applications to which the Authorized Purchaser is subscribing;
- (d) A description of the Services to be provided; and
- (e) The payment amounts and terms for the Subscriptions and Services.

All Service Orders shall be forwarded to Contractor through Contractor's Vice President of Finance at the following address:

Address Contracts to:

**Name:** Jed Hysong, Vice President of Finance  
**Address:** 3020 Carrington Mill Blvd., Suite 100  
Morrisville, NC 27560  
**Telephone:** (919) 659-2100  
**E-mail:** jhysong@jaggaer.com

All payments shall be remitted to Contractor at the following address:

**Name:** Jed Hysong, Vice President of Finance  
**Address:** 3020 Carrington Mill Blvd., Suite 100  
Morrisville, NC 27560  
**Telephone:** (919) 659-2100  
**E-mail:** [jhysong@jaggaer.com](mailto:jhysong@jaggaer.com)

This Addendum and the Master Agreement, set forth the entire agreement between the Addendum Parties with respect to the subject matter hereof and all previous communications, representations or agreements, whether oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein. Terms and conditions inconsistent with, contrary, or in addition to the terms and conditions of this Addendum and the Master Agreement, shall not be added to or incorporated into this Addendum or the Master Agreement by any subsequent contract or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Master Agreement shall prevail and govern in the case of any inconsistent or additional terms within the jurisdiction of the Participating Entity.

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IN WITNESS WHEREOF, the Addendum Parties have executed this Addendum as of the date of execution by both Addendum Parties below.

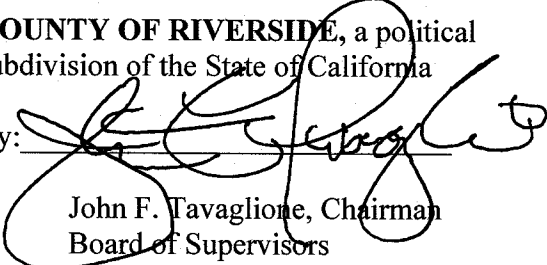
THE PARTIES HERETO HAVE EXECUTED THIS PARTICIPATING ADDENDUM

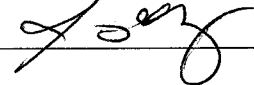
\* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

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

SciQuest Inc. dba JAGGAER

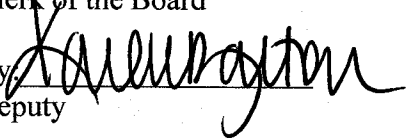
By:   
John F. Favaglione, Chairman  
Board of Supervisors

By:   
James H. Hysong  
Vice President of Finance

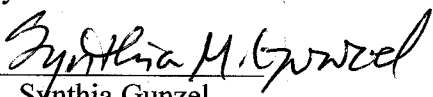
Dated: OCT 08 2017

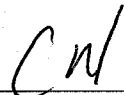
Dated: 9/19/17

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By:   
Synthia Gunzel,  
Deputy County Counsel

Initials:   
JAGGAER Legal

## Attachment B:

## PARTICIPATING ENTITY DATA SECURITY SCHEDULE

This Participating Entity Data Security Schedule ("Schedule") is attached and subject to the terms and conditions of the Participating Addendum (the "**Addendum**"), between The County of Riverside, California ("**Participating Entity**") and SciQuest, Inc. dba JAGGAER ("**Contractor**"). Capitalized terms used but not defined in this Annex shall have the respective meanings set forth in the Addendum.

- 1 **Participating Entity Data.** "Participating Entity Data" shall mean Participating Entity's data that is generated, uploaded or transmitted by Participating Entity's users using the Contractor software applications. Participating Entity owns all right, title and interest in, and to, all Participating Entity Data. Participating Entity Data is deemed Confidential Information under the Addendum.
- 2 **Use of Participating Entity Data.** Contractor will access and use Participating Entity Data only as is necessary for Contractor to perform its obligations under the Addendum, in strict accordance with Contractor's published privacy policies and in compliance with applicable data protection and privacy laws. As between CONTRACTOR and Participating Entity, all Participating Entity Data is and will remain the exclusive property of Participating Entity.
- 3 **Security.** During the Term of this Addendum, Contractor shall maintain a formal security program materially in accordance with industry standards that is designed to: (1) ensure the security and integrity of Participating Entity's Data; (2) protect against threats or hazards to the security and integrity of Participating Entity's Data; (3) prevent the unauthorized access to Participating Entity's Data; and (4) promptly remediate any threats of and actual unauthorized access and disclosures of Participating Entity's Data and any material deficiencies identified in a SOC audit report. A description of the security measures employed by Contractor to protect Participating Entity Data is attached hereto as Exhibit 1 and at any time upon Participating Entity's request during the term of the Addendum, Contractor shall provide it then-current security measures.
- 4 **Access Limitations.** Contractor will restrict access to Participating Entity Data only to those employees who have a need to know or otherwise access the Participating Entity Data to enable Contractor to perform its obligations under the Addendum. Contractor must perform a background check on all employees and ensure all employees are bound in writing by obligations of confidentiality sufficient to protect the Participating Entity Data.
- 5 **Security Breach.** A "Security Breach" means a suspected or actual use, misuse, acquisition, compromise, loss, destruction, alteration, or disclosure of, or unauthorized access to, Participating Entity Data. In the event that Contractor experiences a Security Breach, Contractor shall (i) notify Participating Entity within forty-eight (48) hours of determination that a Security Breach has occurred, (ii) execute Contractor's standard incident response plan, a copy of which is available upon Participating Entity's request, (iii) take immediate steps to mitigate with diligence and in good faith, and preserve evidence of, the Security Breach at Contractor's sole cost and expense and in accordance with applicable law and (iv) provide a detailed description of the incident, the Participating Entity Data accessed and the status of Contractor's investigation and mitigation efforts. Contractor's customer support organization will be available to Participating Entity to provide updates and answer any questions regarding any Security Breach. Contractor agrees to cooperate with diligence and in good faith with Participating Entity in connection with any Security Breach, including any investigation, reporting, disclosure or other obligations required by applicable law or regulation.
- 6 **Indemnification; Remedies.** In addition to its other indemnification obligations under the Addendum, to the extent any Security Breach of Participating Entity Data results from any failure by Contractor to comply with its obligations under the Addendum (including this Schedule) or applicable law, Contractor shall pay, or reimburse Participating Entity for (i) Participating Entity's actual, out-of-pocket costs related to any notification, reporting, communications, credit monitoring and other redress activities required under applicable law or (ii) any damages and fines incurred by Participating Entity resulting from Contractor's failure to comply.



**Order Form**

**Client: County of Riverside**

**Order Form Information**

Subscription Term Start Date: 9/21/2017  
 Subscription Term End Date: 6/30/2023

**Billing Contact Information**

Name: Teresa Summers  
 Address: 4080 Lemon St  
 County Administrative Center Riverside,  
 CA 92501-3609

Offer Valid Through: 10/3/2017

Proposed By: Andy Higgins  
 Quote No: Q-00246

**Scope of Access: Per the scope in the agreement**

Billing Frequency: Annual  
 Payment Terms: Net 30  
 Currency: USD

Email: [teresasummers@rivco.org](mailto:teresasummers@rivco.org)  
 Phone: 951 955-4928

**Year 1**

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$62,346.00
Sourcing Director - eSourcing RFx	1.00	\$57,002.00
Spend Director Enterprise Unlimited Suppliers	1.00	\$228,886.00
Additional Instance	1.00	\$6,235.00
ERP Integration as a Service (IaaS)	1.00	\$9,797.00
MBU License	1.00	\$56,409.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$0.00
Total Supplier Manager	1.00	\$39,189.00
Total Supplier Manager - On-Boarding	1.00	\$10,688.00
<b>Year 1 TOTAL:</b>		<b>\$470,552.00</b>

**Year 2**

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$63,945.00
Sourcing Director - eSourcing RFx	1.00	\$58,464.00
Spend Director Enterprise Unlimited Suppliers	1.00	\$228,886.00
Additional Instance	1.00	\$6,395.00
ERP Integration as a Service (IaaS)	1.00	\$10,049.00
MBU License	1.00	\$57,855.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$113,055.00
Total Supplier Manager	1.00	\$40,194.00



Product	Quantity	Customer Unit Price
Total Supplier Manager - On-Boarding	1.00	\$10,962.00
<b>Year 2 TOTAL:</b>		<b>\$589,805.00</b>

Year 3

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$63,945.00
Sourcing Director - eSourcing RFx	1.00	\$58,464.00
Spend Director Enterprise Unlimited Suppliers	1.00	\$469,510.00
Additional Instance	1.00	\$6,395.00
ERP Integration as a Service (IaaS)	1.00	\$10,049.00
MBU License	1.00	\$57,855.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$115,954.00
Total Supplier Manager	1.00	\$40,194.00
Total Supplier Manager - On-Boarding	1.00	\$10,962.00
<b>Year 3 TOTAL:</b>		<b>\$833,328.00</b>

Year 4

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$63,945.00
Sourcing Director - eSourcing RFx	1.00	\$58,464.00
Spend Director Enterprise Unlimited Suppliers	1.00	\$469,510.00
Additional Instance	1.00	\$6,395.00
ERP Integration as a Service (IaaS)	1.00	\$10,049.00
MBU License	1.00	\$57,855.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$115,954.00
Total Supplier Manager	1.00	\$40,194.00
Total Supplier Manager - On-Boarding	1.00	\$10,962.00
<b>Year 4 TOTAL:</b>		<b>\$833,328.00</b>

Year 5

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$63,945.00
Sourcing Director - eSourcing RFx	1.00	\$58,464.00





Product	Quantity	Customer Unit Price
Spend Director Enterprise Unlimited Suppliers	1.00	\$469,510.00
Additional Instance	1.00	\$6,395.00
ERP Integration as a Service (IaaS)	1.00	\$10,049.00
MBU License	1.00	\$57,855.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$115,954.00
Total Supplier Manager	1.00	\$40,194.00
Total Supplier Manager - On-Boarding	1.00	\$10,962.00
<b>Year 5 TOTAL:</b>		<b>\$833,328.00</b>

Year 6

Product	Quantity	Customer Unit Price
JAGGAER University - Base Annual Subscription	12.00	\$0.00
Total Contract Manager - Procurement and Non-Monetary (SaaS)	1.00	\$63,945.00
Sourcing Director - eSourcing RFx	1.00	\$58,464.00
Spend Director Enterprise Unlimited Suppliers	1.00	\$469,510.00
Additional Instance	1.00	\$6,395.00
ERP Integration as a Service (IaaS)	1.00	\$10,049.00
MBU License	1.00	\$57,855.00
Accounts Payable Director: Receiving & Invoicing & Matching	1.00	\$115,954.00
Total Supplier Manager	1.00	\$40,194.00
Total Supplier Manager - On-Boarding	1.00	\$10,962.00
<b>Year 6 TOTAL:</b>		<b>\$833,328.00</b>

This Order Form is subject to WSCA/NASPO Master Agreement #W33-2010 (the "Master Agreement") and the Participating Addendum between SciQuest, Inc. dba JAGGAER and County of Riverside

**Terms and Conditions.**

Under this Order Form, Contractor (as defined in the Master Agreement) grants to the Authorized Purchaser that is a party to the Addendum a non-exclusive, non-transferable license to use and access through the Internet, solely for Authorized Purchaser's procurement activities in the ordinary course of business, the Contractor Applications as set forth below during the Subscription Term.

**Special Terms and Conditions.**

The following terms applicable to this Order Form ("Special Terms and Conditions") amend and supersede those portions of any section of this Order Form that deal with the subject matter as provided for below. In addition, in the event of a conflict between these Special Terms and Conditions and the terms contained in a prior order form, addendum or other document mutually signed by the parties, these Special Terms and Conditions shall control:

Payment Schedule



	Annual Subscription Fee	Period	Due Date
Year 1	\$470,552	Effective date - 06/30/18	Upon execution of Order Form
Year 2	\$589,805	07/01/18 - 06/30/19	06/30/18
Year 3	\$833,328	07/01/19 - 06/30/20	06/30/19
Year 4	\$833,328	07/01/20 - 06/30/21	06/30/20
Year 5	\$833,328	07/01/21 - 06/30/22	06/30/21
Year 6	\$833,328	07/01/22 - 06/30/23	06/30/22

Upon expiration of Subscription Term under this Order Form, pricing may be updated thereafter on the first day of any successive year during any renewal Subscription Term, by up to four percent (4%) annually, provided that the renewal Subscription Term is for a five (5) year period.

Client has agreed to the following:

- Client will participate in conferences and trade shows and present where appropriate, including but not limited to JAGGAER's annual user conference.
- JAGGAER will issue a joint press release with Client within thirty (30) days of executing this Order Form, subject to Client's prior written approval of the content.
- Client will collaborate with JAGGAER on one (1) "White Paper" annually, for the term of the Agreement, with the topic of such paper to be mutually agreed upon by the parties.
- Client will collaborate with JAGGAER on one (1) annual webinar for the term of the Agreement, with the topic of such webinar to be mutually agreed upon by the parties.
- Client will serve as a reference for JAGGAER's current and prospective customers.
- Client will provide JAGGAER a limited revocable license to use Client's name in a customer list for the term of the Agreement.

Reference Contract Number: PUARC-20871-001-06/23

**Purchase Order Information.** Is a Purchase Order required for the purchase or payment of the Subscriptions on this Order Form?

Yes. If yes, please enter PO number: \_\_\_\_\_

No.



IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political SciQuest Inc. dba JAGGAER  
subdivision of the State of California

By: [Signature]  
John F. Tavaglione, Chairman  
Board of Supervisors

Dated: OCT 08 2017

By: [Signature]  
James H. Hysong  
Vice President of Finance

Dated: 9/19/17

ATTEST:

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

APPROVED AS TO FORM:

Gregory P. Priamos County Counsel

By: [Signature]  
Synthia Gunzel,  
Deputy County Counsel

Initials: CN  
JAGGAER Legal

THANK YOU FOR YOUR BUSINESS!



**Statement of Work**  
**Client: County of Riverside, CA**

Client hereby orders from SciQuest, Inc. dba JAGGAER ("JAGGAER") the services described in this statement of work ("SOW"). This SOW is issued under and incorporates the Agreement in effect between the parties. "Agreement" shall mean the terms and conditions, master subscription agreement or other similar agreement governing the purchase of JAGGAER Applications and/or Services signed by and between Client and JAGGAER, or its applicable Affiliate, as same may be/have been amended by the parties from time to time. Upon signature by Client, this SOW shall become legally binding (the "Effective Date"), unless this SOW is rejected by JAGGAER. JAGGAER may reject this SOW if changes have been made to this SOW.

- 1. Introduction.** Under this SOW, JAGGAER shall provide Client services to implement the JAGGAER software applications designated in this SOW (the "JAGGAER Applications") in accordance with the scope described in this SOW (the "Services"). Additionally, JAGGAER will support the HURON ("Partner") implementations of Total Contract Manager and Sourcing Director specifically, which are both managed under a separate SOW. Support of these partner-led implementations from a JAGGAER services perspective are described below in an effort to reinforce the continuity of the overall project.
- 2. Services Provided on a Fixed-Fee Basis.** JAGGAER shall provide the Services on a fixed fee basis per the schedule below. Fees shall be due and payable thirty (30) days from the date of the invoice. The services fee is all-inclusive of travel and expenses for JAGGAER team members to support the scoped onsite visits. If additional travel is needed, it will be subject to the Change Control Process as defined in section 8 of this SOW. If Client cancels scheduled event with planned travel less than three (3) days prior to date of trip, Client will be billed a cancellation fee of \$2,500 and will incur any travel change fees incurred as a result of the last minute change. Client and JAGGAER will mutually agree upon the start date for this Project, which will be no later than six months from the effective date of this SOW.

Payment is due on earlier of milestone completion or date	Fee
Mobilization Phase (Due upon Effective Date of SOW)	\$ 162,560.00
Due November 17, 2017 (coincides with completion of initial "Configuration Workshop", as defined in Section 4 of this SOW)	\$ 40,640.00
Due February 16, 2018 (coincides with completion of Total Supplier Manager Solution Acceptance, as defined in Section 7c of this SOW)	\$ 40,640.00
Due March 16, 2018 (coincides with completion of Sourcing Director Solution Acceptance, as defined in Section 7c of this SOW)	\$ 40,640.00
Due April 20, 2018 (coincides with completion of Total Contract Manager Solution Acceptance, as defined in Section 7c of this SOW)	\$ 40,640.00
Due June 30, 2018 (coincides with completion of Spend Director/eProcurement Solution Acceptance, as defined in Section 7c of this SOW)	\$ 40,640.00
Due October 19, 2018 (coincides with completion of Accounts Payable Director Solution Acceptance, as defined in Section 7c of this SOW)	\$ 40,640.00
<b>Total</b>	<b>\$ 406,400.00</b>



**Statement of Work**  
**Client: County of Riverside, CA**

**3. Deliverables.**

**a. JAGGAER Applications.** The following JAGGAER Applications will be Implemented by JAGGAER under this SOW:

JAGGAER Applications	Any add-on functionality
Total Supplier Manager (TSM) <ul style="list-style-type: none"> <li>Onboarding</li> </ul>	Does not include Supplier Performance, Dynamic Qualification, or Tier 2 Reporting functionality
Spend Director / eProcurement (ePro) <ul style="list-style-type: none"> <li>Shopping</li> <li>Requisition Approvals</li> <li>Order Delivery</li> <li>Contract Compliance Tracker</li> <li>Multiple Business Units</li> </ul>	N/A
Accounts Payable Director (AP) <ul style="list-style-type: none"> <li>Receiving</li> <li>Invoicing</li> <li>Supplier Portal</li> </ul>	N/A

**b. JAGGAER Applications delivered by partnership with Partner (Details in Separate SOW).** The following JAGGAER Applications will be implemented by Partner as described in a separate SOW:

JAGGAER Applications delivered by HURON	Any add-on functionality
Sourcing Director (SD) <ul style="list-style-type: none"> <li>Sourcing/Bidding Events</li> </ul>	Does not include configuration of Reverse Auction functionality
Total Contract Manager (TCM) <ul style="list-style-type: none"> <li>Repository</li> <li>Authoring</li> </ul>	Includes configuration in support of monetary and non-monetary contracts

**c. Scope.** The following JAGGAER Services will be in-scope for this implementation and will be conducted over several stages:

**i. Stage 1: Total Supplier Manager**

a. JAGGAER Onboarding implementation, as defined in the Configurations section of this SOW (3e).

**ii. Stage 2: Sourcing Director**

a. JAGGAER support of Partner implementation, including sourcing and bidding event functionality, as defined in a separate SOW.

**iii. Stage 3: Total Contract Manager**

a. JAGGAER support of Partner implementation, including repository and authoring functionality, as defined in a separate SOW.

**iv. Stage 4: Spend Director / eProcurement**

a. JAGGAER implementation, as defined in the Configurations section of this SOW (3e).

**v. Stage 5: Accounts Payable Director**

a. JAGGAER implementation, as defined in the Configurations section of this SOW (3e).



## Statement of Work

Client: County of Riverside, CA

- vi. **Overall Stage Order** can be adjusted to support Client's business requirements and rollout strategy with mutual agreement from Client, Partner, and JAGGAER. This project assumes multiple application rollout as well as concurrent and/or staggered implementations to support Client requirements. As part of the Project Planning Phase, the Project teams will discuss and confirm a mutually agreed upon rollout schedule to support resourcing availability and Client requirements. Determination of stage order can be confirmed in the planning phase of this project, but the individual stage completions must adhere to the overall project duration timeline. Any changes that do not support this structure will be documented via the Change Control Process as defined in section 8 of this SOW.
  
- d. **Environments.** JAGGAER will (i) deliver and configure one test environment to test the configurations and integrations selected by Client and one production environment for Client to conduct production transactions in the JAGGAER Applications and (ii) enable all integrations in both environments. Client shall continue to have access to the test environment after completion of the Services and during the term of its Agreement with JAGGAER. Any implementation by JAGGAER of any additional environments is subject to additional fees.
  
- e. **Configurations.** The JAGGAER Applications contain a variety of configuration options. JAGGAER's Services include reviewing the configuration options available to Client in the JAGGAER Applications and assisting Client in determining which configuration options best match Client's business processes during the Configuration Phase of the project. In addition to helping Client determine the most appropriate configuration options for Client, and implementing the specific configurations agreed upon during the Configuration Workshop and Configuration Sessions, JAGGAER will train Client on how to evaluate and make configuration changes, so that Client has the ability to adjust configurations after completion of the Services and at any time during the term of its Agreement with JAGGAER. JAGGAER will provide configurations based on its best-practices, standard scope of configuration described below (the "Standard Configuration Scope"). Any additional configurations outside of the Standard Configuration Scope may be subject to additional fees.

JAGGAER will work with Client to configure and provide an initial structural setup that supports business unit and departmental access. This access enables users within to the organization to utilize the agreed upon initial configuration as developed in this implementation. JAGGAER will also provide training to Client on how to evaluate and make configuration changes to allow Client to manage customization in support of future departmental or business unit requirements that may vary from the mutually agreed upon configuration prepared for Go-Live.

i. **TOTAL SUPPLIER MANAGER (Onboarding Only) Configuration Details:**

1. **Registration Profiles.** Configure up to two (2) registration profiles. JAGGAER to provide education on how to create additional profiles.
2. **Registration Questions.** JAGGAER to educate customers on how standard registration questions are managed in the Solution. JAGGAER to create up to ten (10) custom registration questions.
3. **Supplier Email Communications.** Configure one (1) user created email and educate Client on how to update and manage email communications.
4. **Supplier Portal.** JAGGAER to provide initial configuration of the Supplier Portal including branding options such as logo, theme colors, and messaging to suppliers.
5. **User Roles.** Configure up to three (3) roles related to Total Supplier Manager.
6. **Workflow.** JAGGAER to configure up to ten (10) workflow steps to manage the registration approval process.
7. **Key Master Data Load:**
  - a. **Suppliers.** JAGGAER will perform a one-time load of suppliers in Client's Production site and a subset in Client's Test site.
  - b. **Users.** JAGGAER will perform a one-time load of users in Client's Production site and a subset in Client's Test site.



**Statement of Work**  
**Client: County of Riverside, CA**

**ii. TOTAL CONTRACT MANAGER Configuration Details:**

1. Configuration details for this partner-led implementation are defined in a separate SOW

**iii. SOURCING DIRECTOR Configuration Details:**

1. Configuration details for this partner-led implementation are defined in a separate SOW

**iv. SPEND DIRECTOR / EPROCUREMENT Configuration Details:**

**1. Shopping:**

- a. Shopping. Configure the solution to enable shopping for goods and services including configuration of the Purchasing Showcase.
- b. Branding. Configure initial site branding including color theme, client logo, site name, Login URL, and organization message.
- c. General Settings. JAGGAER to work with Client to configure general application and shopping settings.
- d. Forms. Configure up to three (3) custom forms and educate Client on process and permissions needed to create additional forms.
- e. User Roles. Configure up to five (5) roles related to Spend Director.
- f. Key Master Data Load:
  - i. Suppliers. JAGGAER will perform a one-time load of suppliers in Client's Production site and a subset in Client's Test site.
  - ii. Users. JAGGAER will perform a one-time load of users in Client's Production site and a subset in Client's Test site.

**2. Requisition Approvals:**

- a. Approvals. Configure the Solution to enable purchase requisition and purchase order approval and notification processing through workflow.
- b. Workflow. Configure up to fifteen (15) workflow steps associated and educate customer how Advanced Dynamic Workflow can be used to manage approval updates.
- c. Purchasing Documents. Configure the Purchase Requisition document.
- d. Forms. Configure up to five (5) custom forms and educate Client on process and permissions needed to create additional forms.
- e. User Roles. Configure up to five (5) user roles.
- f. Key Master Data Load:
  - i. Account Codes. JAGGAER will perform a one-time load of account codes in Client's Production site and a subset in Client's Test site.
  - ii. Commodity Codes. JAGGAER will perform a one-time load up to 1,500 commodity codes in Client's Production site and a subset in Client's Test site.

**3. Order Delivery:**

- a. Order Distribution. Configure the solution to enable order distribution through the appropriate channels for the Client (fax, email, manual, cXML, supplier portal delivery).
- b. General Settings. Configure organization-wide settings for order distribution and educate client how to manage supplier-specific settings and manage order failures
- c. Purchasing Documents. Configure the Purchase Order document.

**4. Contract Compliance Tracker:**

- a. Contract Compliance. Configure the solution to enable contract compliance functionality.
- b. General Settings. JAGGAER to work with Client to configure contract shopping settings.
- c. Key Master Data Load:



**Statement of Work**  
**Client: County of Riverside, CA**

- i. Contracts. JAGGAER will perform a one-time load up to 1,500 contracts in Client's Production site and a subset in Client's Test site.
5. Multiple Business Units:
- a. Business Units. Configure the solution to enable multiple business unit functionality.
  - b. General Settings. JAGGAER to work with Client to configure business unit settings.
  - c. Key Master Data Load:
    - i. Business Units. JAGGAER will perform a one-time load up to 1,500 business units in Client's Production site and a subset in Client's Test site.
- v. ACCOUNTS PAYABLE DIRECTOR Configuration Details:
- 1. Receiving:
    - a. Configure the Solution to enable receiving (desktop and/or central)
    - b. Configure general receiving settings to support Client requirements
    - c. Configure receipt entry and available options
    - d. User Roles. Configure up to two (2) roles related to invoice functionality
  - 2. Invoice Creation:
    - a. Invoicing. Configure the Solution to enable purchase order invoices and non-PO invoice creation (if desired), both manually and electronically (if applicable).
    - b. General Settings. JAGGAER to work with customer to configure general payables settings to support Client requirements
    - c. Supplier Portal. Configure the Supplier Portal to enable supplier registration and communication regarding invoices. JAGGAER to configure initial branding, including color theme, logo and name, and messaging to suppliers.
    - d. Email configuration. Configure up to two (2) emails sent to suppliers regarding registration and/or invoice communications.
    - e. User Roles. Configure up to three (3) roles related to invoice functionality
    - f. Workflow. Configure up to three (3) workflow steps associated with invoice creation and transmission to the Client's ERP system.
    - g. Configure up to five (5) custom fields on Invoice document
    - h. Purchase order document layout modifications, if required
    - i. Requisition document layout modifications, if required
    - j. Up to one (1) document to support invoices
    - k. Up to one (1) document to support credit memos
  - 3. Invoice Matching and Approvals:
    - a. General Settings. JAGGAER to work with customer to configure general invoice approval and matching settings to support Client requirements.
    - b. Matching and Tolerances. Configure Advanced Dynamic Matching (ADM) for up to five (5) options and educate Client on managing and updating ADM options
    - c. User Roles. Configure up to five (5) roles related to invoice approvals and matching processes.
    - d. Workflow. Configure up to ten (10) additional workflow/review steps associated with invoice workflow. Educate customer on workflow configuration is used to manage approval updates.
    - e. Modification to the non-invoice application settings, where applicable based on requirements, including:
    - f. Up to five (5) custom fields on Purchase Requisition and/or Purchase Order
    - g. Up to ten (10) Purchase Requisition and/or Purchase order workflow steps





**Statement of Work**  
**Client: County of Riverside, CA**

- h. Up to three (3) forms to accommodate new business processes, including a check request form
- i. Purchase order document layout modifications
- j. Requisition document layout modifications
- k. Updates to one (1) document to support invoices
- l. Updates to one (1) document to support credit memos

**f. Loading Client Data into the JAGGAER Applications.** JAGGAER will load the Client's data into the JAGGAER Applications in accordance with its standard, best practices data load scope as described above in section 3e (the "Standard Data Load Scope"). Any data load activities in addition to the Standard Data Load Scope may be subject to additional fees.

**g. Integrations.** JAGGAER will provide the integrations between the JAGGAER Applications and Client's internal systems listed below, in accordance with the implementation methodology and services descriptions referenced below (the "Standard Integrations Scope"). JAGGAER will enable integrations based on its best-practices and standard scope of integrations described at <https://www.jaggaer.com/integration-via-integration-service>. In the event Client wishes to add any additional integrations, swap any integrations, request any modifications to JAGGAER's integration methodology or otherwise request Services outside of the Standard Integrations Scope, additional fees may apply.

Integrations	Integration Method
Bi-Directional Supplier Synchronization (TSM)	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Account Code Synchronization	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Account Code Relationship Synchronization	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Purchase Order Export	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Purchase Requisition Validation	Integration-as-a-Service (IaaS) with PeopleSoft ERP
User Profile Synchronization (Import)	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Advanced Dynamic Workflow Synchronization	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Invoice Export	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Invoice Payment Status Update	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Single Sign-On Integration	Via Azure Active Directory / ADFS
Electronic Signature Integration (TCM)	Via DocuSign or Adobe Sign
Invoice Import Integration (for tracking contract spend at line level)	Integration-as-a-Service (IaaS) with PeopleSoft ERP
Purchase Order Import Integration (for tracking contract spend at line level)	Integration-as-a-Service (IaaS) with PeopleSoft ERP

- h. Project Methodology.** JAGGAER will provide the implementation Services in accordance with its project methodology as described in the Implementation Overview document.
- i. Project Training.** JAGGAER will conduct (or support Partner in delivering) a Product Orientation for each module, which provides a base understanding of the Solution. This training is limited to no more than twelve (12) participants and no longer than three (3) hours in duration. JAGGAER will also provide Iterative Product Education sessions which provide a hands-on approach to the Client's Solution education and proficiency in administering the Solution. These informal training opportunities occur through Project working sessions via the JAGGAER Professional Services team. Training topics and agenda will be mutually agreed upon between JAGGAER and the Client.



**Statement of Work**  
**Client: County of Riverside, CA**

4. **Roles and Responsibilities Chart; Additional Deliverables; Estimated Phase and Project Duration.** JAGGAER will provide the following deliverables for each Stage of the project. Stages may include multiple product combinations as agreed to in the Planning Phase. JAGGAER Project Manager will confirm project plan based on these discussions.

Mobilization Phase		Client	JAGGAER ePro, AP, TSM	JAGGAER TCM, SD
	Reserve project resources and commence preliminary planning prior to Client engagement		Lead	Lead
Planning Phase	Estimated Duration Per Project Plan	Client	JAGGAER ePro, AP, TSM	JAGGAER TCM, SD
	Confirm partner readiness for engagement and ensure preparation efforts are consistent for all parties		Lead	Lead
	Complete Client business processes and data questionnaire to enable JAGGAER to provide Client an initial configuration of the JAGGAER Applications in the test environment for Client's review (" <b>Initial Configuration</b> ")	Lead	Support	Support
	Confirm product implementation order with guidance from JAGGAER and Partner to ensure resource availability, to support project planning, to enable event scheduling, and to establish project organization; and communicate this direction at the earliest possible date in the Planning Phase	Lead	Support	Support
	Support partner during Planning Phase implementation activities, with respect to Total Contract Manager and Sourcing Director, and provide consultation and guidance as necessary		N/A	Support
	Conduct project kickoff planning session with team members to review project schedule and management (" <b>Project Kickoff Meeting</b> ")	Support	Lead	Support
	Provide Client overview of the functionality of the JAGGAER Applications		Lead	Support
	Provide Client (i) Gantt chart of project showing detailed timeline and activities (" <b>Project Plan</b> ") and (ii) and an implementation workbook to document Client's business processes and decisions regarding how the JAGGAER Applications should be configured to best match Client's business processes (" <b>Implementation Workbook</b> ")		Lead	Support
	Using JAGGAER's best practices and input as a starting point, develop plan for how Client will replace Client's existing business processes	Lead	Support	Support
	Using JAGGAER best practices and input as a starting point, develop plan for how the JAGGAER Applications will be rolled out to Client's users	Lead	Support	Support
	Provide Initial Configuration based on Client's feedback regarding its business processes		Lead	Support
Configuration Phase	Estimated Duration Per Project Plan	Client	JAGGAER ePro, AP, TSM	JAGGAER TCM, SD
	Review Initial Configuration with Client, review best practices configuration options and obtain Client's feedback on its business process and how the Initial Configuration should be adjusted to best match Client's business processes (" <b>Configuration Workshop</b> ").	Support	Lead	Support
	Support partner during Configuration Phase implementation activities, with respect to Total Contract Manager and Sourcing Director, and provide consultation and guidance as necessary		Support	Support
	Provide Client a best practices validation sample test plan and testing guide, which Client may supplement with additional test scenarios, based on additional feedback and support from JAGGAER		Lead	Support
	Configure and develop integration in JAGGAER test environment, if applicable	Support	Lead	Lead
	Configure and develop integration in Client test environment(s), if applicable	Lead	Support	Support
	Conduct series of iterative working sessions to: (1) continue to adjust configurations to best match Client's business processes and (2) train Client on how to configure the	Support	Lead	Support



**Statement of Work**  
**Client: County of Riverside, CA**

JAGGAER Applications, so that Client may continue to adjust configurations as needed based on its organizational and users' needs (" <b>Configuration Sessions</b> ")				
Configure JAGGAER Applications in test environment, based on Configuration Workshop and Configuration Sessions		Support	Lead	Support
Provide subset of Client data per the Standard Data Load Scope to JAGGAER in specified format		Lead	Support	Support
Load subset of Client's data into the JAGGAER Applications in the test environment		Support	Lead	Support
Provide Client detailed walk through of newly configured JAGGAER Applications		Support	Lead	Support
Complete Implementation Workbook, which Client may continue to rely on as guide during both implementation and production to understand configuration decisions		Support	Lead	Support
<b>Validation Phase</b>	<b>Estimated Duration Per Project Plan</b>	<b>Client</b>	<b>JAGGAER ePro, AP, TSM</b>	<b>JAGGAER TCM, SD</b>
Kick off Client's user validation testing of the configurations chosen by Client to best match Client's business processes (" <b>Validation Testing</b> ")		Support	Lead	Support
Support partner during Validation Phase implementation activities, with respect to Total Contract Manager and Sourcing Director, and provide consultation and guidance as necessary		Support	Support	Support
With JAGGAER's support and guidance, finalize the Validation Testing plan with the specific workflows and integrations from the Implementation Workbook, so that Client may fully validate that the configurations best match Client's business processes		Lead	Support	Support
Completion of Validation Testing		Lead	Support	Support
Deliver plan to migrate the JAGGAER Applications configured for Client from the test environment to the production environment		Support	Lead	Support
Finalize plan to roll out JAGGAER Applications to Client's users		Lead	Support	Support
Migrate the JAGGAER Applications configured for Client into a production environment		Support	Lead	Support
Provide full set of Client data per the Standard Data Load Scope to JAGGAER in specified format		Lead	Support	Support
Load full set of Client's data per the Standard Data Load Scope into the JAGGAER Applications in the production environment		Support	Lead	Support
<b>Go-Live Phase</b>	<b>Estimated Duration: Per Project Plan</b>	<b>Client</b>	<b>JAGGAER ePro, AP, TSM</b>	<b>JAGGAER TCM, SD</b>
Complete controlled live testing of the JAGGAER Applications, using actual production data, as an additional quality check		Lead	Support	Support
Support partner during Go-Live Phase implementation activities, with respect to Total Contract Manager and Sourcing Director, and provide consultation and guidance as necessary		Support	Support	Support
Deploy JAGGAER Applications to a control group selected by Client, with support from JAGGAER		Lead	Support	Support
Deploy JAGGAER Applications to all Client users, with support from JAGGAER, including project management support, ongoing guidance and feedback, providing best practices options, providing standard training materials and standard roll out communications to Client's user base		Lead	Support	Support
Provide Extended Care Client support as needed during engagement. A period of four (4) weeks will be factored into the Go-Live Phase duration for Extended Care support.		Support	Lead	Support
Transition Client to JAGGAER Customer Support; set up Customer Support Portal for Client		Support	Lead	Support
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**Statement of Work**  
**Client: County of Riverside, CA**

<b>PROJECT DURATION (STAGE 1)</b>	<b>Estimated: Up to Sixteen (16) Weeks</b>
<b>PROJECT DURATION (STAGE 2)</b>	<b>Estimated: Up to Fourteen (14) Weeks*</b>
<b>PROJECT DURATION (STAGE 3)</b>	<b>Estimated: Up to Eight (8) Weeks*</b>
<b>PROJECT DURATION (STAGE 4)</b>	<b>Estimated: Up to Thirty-Two (32) Weeks</b>
<b>PROJECT DURATION (STAGE 5)</b>	<b>Estimated: Up to Twelve (12) Weeks</b>
<b>TOTAL PROJECT DURATION:</b>	<b>Up to Seventy (70) Weeks*</b>

*\*Project Duration Estimates are dependent upon decisions made during the Planning Phase. The Total Project Duration assumes that Client will perform concurrent implementations with some products, and JAGGAER project team will work with Client to take advantage of efficiencies in implementing certain products together. HURON, as a JAGGAER partner, will manage the Total Contract Manager and Sourcing Director implementations with support from JAGGAER. These project elements are described in a separate Statement of Work. Any variances from this timeline will be managed via the Change Control Process, as described in section 8 of this SOW, with mutual agreement from JAGGAER, HURON, and Client.*

**5. Project Duration; Cooperation.**

**a. Project Completion Date.** The total project completion duration set forth above is subject to Client's timely completion of its responsibilities under this SOW, the Services not exceeding the scope of the SOW and any items out of JAGGAER's reasonable control. In the event JAGGAER is delivering multiple JAGGAER Applications to Client, individual JAGGAER Applications may be implemented concurrently, sequentially or in parallel as determined in the Planning Phase of the Project. The duration of the project will be delivered in consecutive weeks unless mutually agreed. The duration for each stage is inclusive of services to support partner-led implementation work for Total Contract Manager & Sourcing Director, as described in a separate SOW. A two-week buffer may be included between stages for organizational purposes. Total project duration is not to exceed seventy (70) weeks, and any adjustments to this duration will be handled via the Change Control Process, as described in section 8 of this SOW.

**b. Cooperation.** Client and JAGGAER agree to cooperate reasonably and in good faith with the other, as well as with designated partner participants (i.e., HURON), in the performance of their responsibilities under this SOW, and acknowledge that delays may otherwise result. Client agrees to provide, or provide access to, the following: (i) complete and accurate information and data from its employees and agents; (ii) coordination of onsite, online and telephonic meetings; and (iii) a system administrator resource to be Client's primary user and administrator of the JAGGAER Applications during the project.

**6. Location of Services.** All Services will be delivered remotely, except for the following activities to be conducted onsite for this project: Six (6) Onsite Trips are in scope for this SOW. Included are: One (1) Pre-Implementation Planning Session (up to 2 days); Two (2) Initial Configuration Workshops (up to 2 days); Two (2) End-to-End Product Walkthrough sessions (up to 2 days); and One (1) additional onsite session in support of Client project goals (up to 2 days). JAGGAER Project Team can adjust onsite activities as needed in support of the agreed upon rollout schedule and project plan, as long as the number of overall trips is not exceeded.



**Statement of Work**  
**Client: County of Riverside, CA**

**7. Deliverables; Acceptance.**

- a. **Deliverables.** As described in Section 3 ("Deliverables") and Section 4 ("Roles and Responsibilities Chart; Additional Deliverables; Estimated Phase and Project Duration"), JAGGAER will deliver: (i) access to the JAGGAER Applications in test and production environments; (ii) configurations to the JAGGAER Applications; (iii) Client data loading; (iv) integrations; (v) training materials, if applicable; and (vi) the Project Plan, Implementation Workbook and other project guides and materials (collectively, the "Deliverables").
- b. **Acceptance.** As part of the Services, JAGGAER will provide each Deliverable for Client's review, testing, input and feedback, often on an iterative basis. Client, in turn, shall review or test Deliverables pursuant to any applicable criteria or testing agreed upon by the parties for such Deliverable, and provide JAGGAER its input and feedback. If Client wishes JAGGAER to make adjustments to a Deliverable and/or, in its reasonable and good faith judgment, determines that any Deliverable does not meet the applicable requirements set forth for such Deliverable in the SOW, Client shall notify JAGGAER within ten (10) business days after JAGGAER's submission of the Deliverable to give written notice to JAGGAER specifying any requested adjustments. Each Deliverable shall be deemed accepted by Client unless notice is provided to JAGGAER within ten (10) business days after JAGGAER's submission of the Deliverable. Upon Client's written notice, JAGGAER shall, within ten (10) business days (i) carefully consider and review all input and feedback received from Client, (ii) use reasonable efforts to incorporate all such Client input and feedback into the Deliverables and, to the extent Client has identified any failure to meet the applicable requirements set forth for such Deliverable in the SOW, (iii) promptly cure any such deficiencies within ten (10) business days of such notice and then resubmit the Deliverable for further review and acceptance testing in the same manner. Should any Deliverable fail to satisfy the applicable requirements after the resubmission of such Deliverable to Client, Client may again reject the Deliverable and return it to JAGGAER for further cure and resubmission. Client shall provide JAGGAER a written acceptance of each Deliverable promptly upon acceptance. Failure to reject a Deliverable within the applicable acceptance period shall be deemed acceptance of such Deliverable.
- c. **Solution Acceptance Documentation.** For the purposes of this Statement of Work, JAGGAER and Client will provide written documentation in support of solution acceptance. Upon Solution Acceptance, client shall have full access to the Solution in the Production environment. Solution Acceptance requires Client's formal acceptance of the deliverable(s) below via a signed Deliverable Acceptance Form (Appendix A), which Client shall not unreasonably withhold:
1. Configuration and Deployment. JAGGAER has enabled Client's Production Environment according to the Solution Specification documents.
  2. User Acceptance Testing (UAT) and UAT Adjustments Complete. Client has completed UAT, and JAGGAER has completed any documented, in-scope adjustments to the Solution.

The carrying out of transactions in the application's Production Environment will constitute acceptance.

8. **Change Control Process / Changes to Scope.** Any changes to the scope of Services under this SOW, including any additional integrations, additional data load activities, project delays (not caused by JAGGAER or outside of JAGGAER's reasonable control), may result in additional fees and shall be made by written change order or amendment to the SOW signed by an authorized representative of each party prior to implementation of such changes.

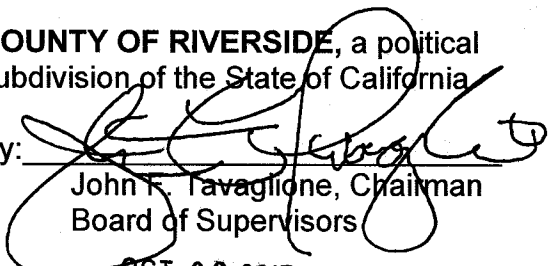



Statement of Work  
Client: County of Riverside, CA

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

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

SciQuest, Inc. dba JAGGAER

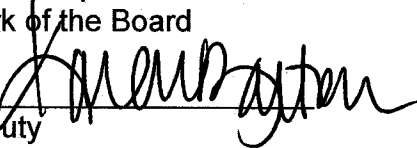
By:   
John T. Tavaglione, Chairman  
Board of Supervisors

By:   
Name: James H. Hysong  
Title: Vice President of Finance

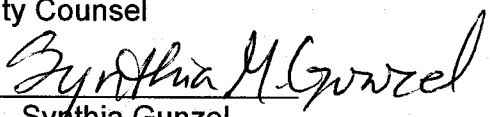
Dated: OCT 03 2017

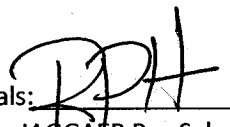
Dated: 9/19/17

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By:   
Synthia Gunzel,  
Deputy County Counsel

Initials:   
JAGGAER Pre-Sales



Statement of Work  
 Client: County of Riverside, CA

## Appendix A: SAMPLE JAGGAER Deliverable Acceptance Form

<b>Client:</b>	<<Client Name>>
<b>Client Project Manager</b>	<<Client Project Manager Name>>
<b>Project Name:</b>	<<Project Name>>
<b>Project Number:</b>	<<SciQuest Project Number>>
<b>Deliverable:</b>	Solution Acceptance

### Signatures

The Deliverables listed above are formally accepted by Client. This is a <<SAMPLE>> version of the document.

**Client Signature** <<SAMPLE>>                      <<SAMPLE>>                      Date Accepted <<SAMPLE>>

**Client Name and Title (Printed)**                      <<SAMPLE>>                      Date Signed <<SAMPLE>>  
 <<SAMPLE>>

<<SAMPLE>>

<<SAMPLE>>

<<SAMPLE>>

**JAGGAER Signature** <<SAMPLE>>                      <<SAMPLE>>                      Date Accepted <<SAMPLE>>

**JAGGAER Name and Title (Printed)**                      <<SAMPLE>>                      Date Signed <<SAMPLE>>  
 <<SAMPLE>>



**Statement of Work**  
**Client: County of Riverside, CA**

## Appendix B: Definitions

Below are general definitions for JAGGAER projects. Only terms used in this SOW apply.

- A. Affiliate – A certified partner of JAGGAER, or one that supports JAGGAER Services team or Client team in support of the deliverables outlined in the Statement of Work, either named or unnamed.
- B. Application – A robust, JAGGAER solution designed and configured to meet a Client's business requirements as supported by the Statement of Work. Each Application contains specific functionality components to meet Client requirements based on agreed upon scope.
- C. Basecamp - An online Project collaboration tool that enables the ability to monitor and manage Project activity, milestones, tasks, documents and communications.
- D. Business Scenario - A business process that defines a task required to achieve a specific business objective by role.
- E. Business Scenario Document - A set of Client business scenarios that identifies the Client's proposed requirements.
- F. Change Control Process – A process to support management for any changes to scope of services listed in a given SOW that may come up during an implementation. These changes may result in additional fees and shall be documented via a written change order or amendment to the SOW signed by an authorized representative of each party prior to implementation of such changes.
- G. Configuration Phase – Commonly referred to as the "build" phase, this timeframe occurs after the planning phase and before validation begins. The components of this phase include the integration workshop, the focus group(s), and the finalization of the solution.
- H. Configuration Session – During the project, JAGGAER will facilitate several remote and/or onsite meetings to identify Client business requirements, review best practice business scenarios, evaluate client specific solutions, discuss questions and answers, and review integrations (if applicable). These meetings are referred to as configuration sessions as they are mostly functional in nature.
- I. Configuration Workshop – During the Configuration Phase the JAGGAER project team will review the initial configuration with Client, review best practices configuration options and obtain Client's feedback on its business process and how the initial configuration should be adjusted to best match Client's business processes. This is usually accomplished as a workshop either onsite or remotely with mutual participation from Client and JAGGAER project core team members.
- J. Deliverable - Those items and services to be delivered under the SOW by JAGGAER.
- K. Extended Care - JAGGAER offers an optional extended care service with a dedicated JAGGAER representative supporting your system administrator. This service provides additional one on one training to administer the solution, updates and adjustments to the solution that have been uncovered through LIVE use, plus guidance on ability to add workflow configuration and document format changes.
- L. Environment - Represents use of JAGGAER Applications through a unique URL, intended for a customer's testing, training, or production use.
  - i. Test Environment ("Test") - An environment used for initial configuration and testing during the Project and is available to the Client on an ongoing basis post production.
  - ii. Training Environment - An environment used for Solution training and end-user rollout. This environment is typically configured post-validation and is available to the Client on an ongoing basis post production.
  - iii. Production Environment - A separate environment used to conduct all production transactions.





**Statement of Work**  
**Client: County of Riverside, CA**

- M. Focus Groups and Configuration Sessions - This represents one or more event in the Project in which business scenarios are presented to the client and business requirements gathered to enable Solution configuration.
- N. Go-Live Phase – Occurring after the validation phase is completed in the test environment, this phase is evidenced by two primary components, including: production validation (UAT), production activation and live testing
- O. Implementation Workbook – A document that contains project timeline, sprint plan, solution log, key decisions, focus group scenarios, integration status, validation test cases, and configuration manager information that is utilized by the JAGGAER project manager in support of visibility, collaboration, and communication during JAGGAER implementations.
- P. Integration -Integrations are application interfaces between the Solution and the Client's internal systems. There are several integration approaches that can be included as part of a project, including:
  - i. JAGGAER Standard XML/Delimited Flat File - This approach involves the Client converting the business documents from and to the JAGGAER defined XM/Delimited Flat File standard using the Client selected technology. This approach requires that the Client can send and receive JAGGAER defined XML documents via HTTPS post or Delimited Flat File via Secure FTP.
  - ii. Integration as a Service - This refers to the middleware solution used to perform the interface mapping and validation. This approach involves the Client utilizing the middleware infrastructure hosted by JAGGAER. JAGGAER will convert the business documents from the Client specific document format to the JAGGAER defined XML standard.
  - iii. JAGGAER Integration Kit - This approach involves the Client implementing JAGGAER middleware on servers inside the Client environment/firewall. JAGGAER will convert the business documents from the Client specific document format to the JAGGAER defined XML standard.
- Q. Integration Specification - The functional specifications for any required integration with the Solution. NOTE: This is only applicable if there are integrations as part of the Project.
- R. Key Master Data - This is the data set that includes entities such as suppliers, users, and contracts.
- S. Planning Phase – This timeframe begins after mobilization of resources is complete and ends when the configuration phase begins. There are three primary components of the Planning Phase including project initiation, project planning, and project team alignment.
- T. Project - Client Solution implementation
- U. Prototype Solution - This represents the initial configuration of the Solution, which is presented to the Client during the Configuration phase of the project.
- V. Purchasing Showcase – The system provides a configurable dashboard that visibly displays an individual Client's supplier catalogs for purchasing, customer forms, and other elements that intuitively connect users with organization approved buying avenues.
- W. Services - The professional services provided by JAGGAER during the Project.
- X. Solution - The JAGGAER Applications acquired by Client pursuant to the Order Form.
- Y. Solution Log - The list of configuration changes, training considerations and process considerations requested by Client to the prototype solution presented during the Focus Group(s). The Solution Log will define the considerations and both in-scope and out-of-scope requests.
- Z. Solution Specification - The implementation requirements consisting of the Solution Log, Business Scenario Document, and Integration Specification (if applicable).
- AA. Sprint Plan -This document outlines the timeline and key activities for the Project implementation, typically in two-week work allocations.



**Statement of Work**  
**Client: County of Riverside, CA**

- BB. System Testing - In this first testing cycle, the solution is validated as a whole, from log-in to log-out, including fully configured integrations (if applicable). This is also called end-to-end testing and requires adequate planning and resources from the client.
- CC. User Acceptance Testing ("UAT") - In this final phase of testing, the Client performs testing in the Production environment with involvement from the user community. UAT is the responsibility of the Client.
- DD. User Role – A configurable element of each module that provides the users (i.e. shoppers, requesters, approvers, etc.) with defined parameters to achieve certain functionality in the system. JAGGAER will help setup and define user roles initially during implementation, and then help to train Client on how to achieve adjustments going forward.
- EE. Validation Phase – Once the solution has been configured, a solution validation kickoff takes place and the project team begins validation. This phase includes four primary components, including solution preparation, integration development, test planning, and solution validation testing. Upon concluding validation efforts, the solution is migrated from the test environment to production, and the Go-Live phase begins.

# Exhibit A:

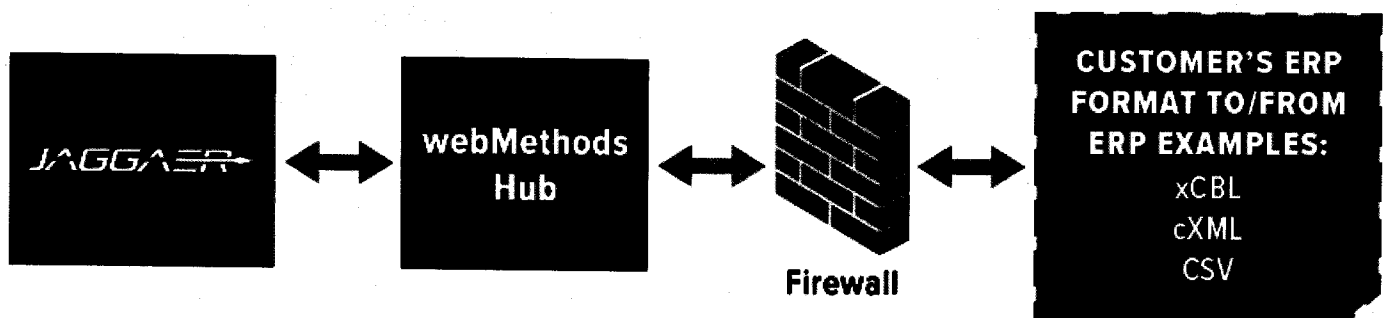
## INTEGRATION VIA INTEGRATION-AS-A-SERVICE

JAGGAER's Integration-as-a-Service (IaaS) utilizes a web services hub to connect source-to-settle business automation solutions to Client's existing ERP and business applications. The use of web services allows Clients to quickly adopt new technology with less risk and reduced redundancy.

All inbound and outbound messages to and/or from the ERP are in native formats. JAGGAER manages all mappings through its technology, so Clients can reduce the cost of information technology resources.

IaaS is powered by industry leading middleware providers, offering robust capabilities and functionality. This service is delivered through a hosted hub that provides the following benefits:

- Custom mapping between customer file formats and the required JAGGAER-specific XML format
- Data validation routines implementation if necessary
- Error handling implementation to ensure delivery of business documents
- Insulates customers from version and system upgrades



Integration-as-a-Service leverages the Client's existing middleware or messaging infrastructure to send a non-J

IaaS reduces costs, because no additional hardware or software is required to enable integration between JAGGAER and the Client's on-premise applications. This methodology provides the most adaptable approach to integration and relieves the customer's Information Technology (IT) resources of heavy lifting associated with message mapping. Specifically, Integration-as-a-Service provides the following benefits:

- Minimizes IT resource involvement during implementation.

- IT resources are not required to code the mapping or transform data files.
- Minimizes ongoing maintenance costs.
- Customer cost is reduced by eliminating ongoing maintenance. JAGGAER maintains unique data mapping.

## JUMP TO A SECTION

- **Integration Method and Approach**
- **Client Responsibilities**
- **JAGGAER Responsibilities**
- **Deliverables**
- **Integration Point(s)**

## INTEGRATION METHOD AND APPROACH

Client will send/receive JAGGAER messaging utilizing JAGGAER's Integration-as-a-Service (<laaS) offering unless otherwise noted herein. laaS-based integrations include the following basic assumptions:

The principles of JAGGAER's methodology include:

- JAGGAER will configure the application to enable the applicable integration(s).
- JAGGAER will develop a mapping and validation service that will convert the mutually agreed upon message format to the JAGGAER required format.
- Client will work with JAGGAER to determine the mutually agreed upon file format and frequency.

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## CLIENT RESPONSIBILITIES

In support of the deployment of integrations with the JAGGAER application, the Client is responsible for the following:

- Obtain input from the necessary technical resources for the development of the integration specification and design
- Make knowledgeable technical resources available for integration development and testing
- Make the necessary Client environments available
- **Migrate client-side integration configurations** between Client environments
- Perform and validate the firewall configuration required for JAGGAER integration. The required configuration is to open a specific set of well-known ports to inbound traffic from a specific list of static IP addresses.

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# JAGGAER RESPONSIBILITIES

In support of the deployment of integrations with the JAGGAER application, JAGGAER is responsible for the following:

- Facilitate the design of the integration.
- Provide an integration specification.
- Provide confirmation on the functionality during testing.
- Support Client during integration testing and issue resolution.
- Migrate JAGGAER application integration configurations between JAGGAER environments.
- Provide best practice guidance and expertise.
- Provide FTP server for file transmission, if needed.

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## DELIVERABLES

- Technical Kickoff
- Integration Specification(s)
- Integration(s) enabled in all applicable environments as defined in the Statement of Work for the Project.

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## INTEGRATION POINTS

JAGGAER integrations include:

### USER AUTHENTICATION/MANAGEMENT

Integration	Description	System
Single Sign-on (SSO) via available methods (CAS, SAML, LDAP, LoginXML)	SSO enables the Client users to maintain their access and authentication in one system, and in many cases to use one central login portal to access many applications.	Client System
User Import / Synchronization	Import detailed user profile data from the Client ERP, or other, system to the JAGGAER application.	Client System

### APPROVAL MANAGEMENT

Integration	Description	System
-------------	-------------	--------

Advanced Dynamic Workflow (ADW) Synchronization	Import Client approval rules and assigned approvers from your ERP system to the JAGGAER application for use in Advanced Dynamic Workflow.	Client System
---	---	---------------

## SPEND DIRECTOR

Integration	Description	System
Account Code Synchronization	Import chart of accounts values from the Client system to the JAGGAER application.	Client System
Asynchronous Purchase Requisition Validation	Import parent-child relationships between custom field values.	Client System
Purchase Order Export (including PO Changes)	Export Purchase Orders from the JAGGAER application to the Client ERP system.	Client System
<b>Additional Integrations</b>		
Purchase Order Import	Import Purchase Orders that are created in the Client ERP system to the JAGGAER application for order delivery to suppliers.	Client System
Purchase Order Status Import	Import Purchase Order status (e.g. closed, canceled) and limited additional data from the Client system.	Client System
Purchase Requisition Export	Export Purchase Requisition data from the JAGGAER application to a Client system for review or storage	Client System
Purchase Requisition Import	Import Purchase Requisition data that was created in a Client system to the JAGGAER application. This is commonly used to leverage the approval process for requests created in third-party applications.	Client System
Shipping / Billing Address Synchronization	Synchronize BillTo and ShipTo addresses from the Client ERP system to the JAGGAER application.	Client System
Item Master Synchronization	Synchronize item master data between JAGGAER's Virtual Item Master module and a Client's item management system.	Client System
Contract Item Import	Import contract header and line-item data from a Client system to the JAGGAER application.	Client System

## SPEND DIRECTOR (ECATALOG)

Integration	Description	System
Punchout via Standard cXML/oXML from Client procurement system	Provides user access via a punch-out interface, utilizing the cXML standard or Oracle Native cXML standard, from the Client's ERP system to the JAGGAER application	Client System
Item Master Synchronization	Synchronize item master data between JAGGAER's Virtual Item Master module and a Client's item management system.	Client System
Contract Item Import	Import contract header and line-item data from a Client system to the JAGGAER application	Client System

## ACCOUNTS PAYABLE DIRECTOR

Integration	Description	System
Invoice Export	Export invoices and credit memos from JAGGAER application to the Client ERP system. If the Client is matching invoices in the JAGGAER application, this integration is commonly known as the "ok-to-pay" file	Client System
Invoice Payment Status Update	Transmit invoice status (e.g. pay status) information from the Client ERP system to the JAGGAER application.	Client System
<b>Additional Integrations</b>		
Receipt Export	Export receipt data entered into the JAGGAER application to the Client ERP system for the purpose of matching or record-keeping outside of the JAGGAER application.	Client System
Receipt Import	Import receipt data from a Client system (e.g. 3rd party receiving application) to the JAGGAER application for the purpose of matching.	Client System
OCR Invoice Import	Transmit scanned invoices/credit memos and invoice data from a Client system (e.g. OCR software) to the JAGGAER for review and processing.	Client System
Invoice Validation	Determine the validity of a PO or non-PO invoice based on its content. For example, the Client ERP system can determine the available budget, account code validity, and data accuracy by processing the invoice validation message from JAGGAER AP Director. The ERP system can then reply with a response to approve, return, or reject the invoice.	Client System

## TOTAL CONTRACT MANAGER

<b>Integration</b>	<b>Description</b>	<b>System</b>
<b>Electronic Signature Integration</b>	Provides integration between the JAGGAER application and supported eSignature software provider.	DocuSign / Adobe Sign
<b>Additional Integrations</b>		
Contract Export	Export contract data from the JAGGAER application to a Client system.	Client System
Contract Import	Import contracts from a Client system to the JAGGAER application.	Client System
Contract Validation	Validate contract data against a Client system (e.g. ERP system, data warehouse, or third-party contract management system).	Client System
Salesforce Integration	Provides standard integration between the JAGGAER application and Salesforce.com.	Salesforce.com

## SUPPLIER MANAGEMENT

<b>Integration</b>	<b>Description</b>	<b>System</b>
<b>Bi-Directional Supplier Integration</b>	Transmit supplier data from the JAGGAER application the Client system. Supports a response message from the Client system with Client-specific unique identifiers.	Client System
<b>Supplier Synchronization</b>	Import supplier data into the JAGGAER application from a Client ERP system.	Client System

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## INDIRECT SOLUTIONS



Spend Analytics (<https://www.jaggaer.com/solutions/indirect/spend-analytics/>)  
Contract Management (<https://www.jaggaer.com/solutions/indirect/contract-management/>)  
Savings Management (<https://www.jaggaer.com/solutions/indirect/savings-management/>)  
Sourcing (<https://www.jaggaer.com/solutions/indirect/sourcing/>)  
eProcurement (<https://www.jaggaer.com/solutions/indirect/eprocurement/>)  
Accounts Payable (<https://www.jaggaer.com/solutions/indirect/accounts-payable/>)  
Inventory Control (<https://www.jaggaer.com/solutions/indirect/inventory-control/>)  
Supplier Management (<https://www.jaggaer.com/solutions/indirect/supplier-management/>)

## DIRECT SOLUTIONS

Supply Chain Management (<https://www.jaggaer.com/solutions/direct/supply-chain-management/>)  
Quality Management (<https://www.jaggaer.com/solutions/direct/quality-management/>)  
Project Management (<https://www.jaggaer.com/solutions/direct/project-management/>)  
Data Management (<https://www.jaggaer.com/solutions/direct/data-management/>)

## RESOURCES

Customer Support (<https://www.jaggaer.com/service-support/customer-support/>)  
Supplier Support (<https://www.jaggaer.com/service-support/supplier-support/>)  
Supplier Login (<http://solutions.sciquest.com/apps/Router/SupplierLogin>)  
JAGGAER University (<http://university.jaggaer.com/>)  
JAGGAER Blog (<https://www.jaggaer.com/blog/>)  
Privacy Policy (<https://www.jaggaer.com/privacy-policy/>)  
Site Map (<https://www.jaggaer.com/site-map/>)

## COMPANY

Leadership (<https://www.jaggaer.com/company/leadership/>)  
Awards (<https://www.jaggaer.com/company/awards/>)  
News (<https://www.jaggaer.com/news/>)  
Careers (<https://www.jaggaer.com/company/careers/>)  
Events (<https://www.jaggaer.com/news/events/>)  
Press Releases (<https://www.jaggaer.com/news/press-releases/>)  
Contact Us (<https://www.jaggaer.com/contact-us/>)

## CONTACT US

Sales: +1 (919) 659-2600 (tel:1-919-659-2600)  
Support: +1 (800) 233-1121 (tel:1-800-233-1121)

## Exhibit B: Implementation Overview

JAGGAER provides comprehensive implementation and integration services for the delivery of its solutions. This document provides **preliminary** information regarding the implementation of JAGGAER business automation solutions. As you continue to work with JAGGAER this information will be refined.

JAGGAER will work closely with you to determine the optimal business automation solution, and subsequently provide a **Statement of Work** to meet the organization's specific needs.

Included in the document:

- **JAGGAER Solution Methodology**
- **Overview of Proposed Service Offering**
- **Services Details for Your Project**
- **Project Roles and Responsibilities: Resource Information**
- **Training Overview**

## JAGGAER Solution Methodology

*What does an implementation look like with JAGGAER?*

JAGGAER's established, proven solution methodology **decreases risks** and helps ensure **maximum return on investment (ROI)**.

JAGGAER and its customers are mutually responsible for a successful project by establishing solid project organization and execution of agreed implementation plans. JAGGAER's project and technical management methodologies provide distinct advantages to the customer by combining proven business automation software with a disciplined solution management approach.

JAGGAER has developed a comprehensive implementation methodology and continues to improve and enrich its established procedures. The end result is an enhanced process that allows the customer to optimize project scheduling and delivery through a team approach, managing the costs of the total solution and minimizing ongoing support and maintenance costs.

**The principles of JAGGAER's methodology include:**

- **Tightly controlled project scope**, providing effective cost and schedule management
- Execution of the project using a **phased approach** designed to minimize risk and disruption to current operations
- Use of JAGGAER's intellectual capital, assets and property to ensure **high-quality deliverables** and improve the speed of the implementation
- Use of **established training programs** and approaches that provide the right level of training services for the customer

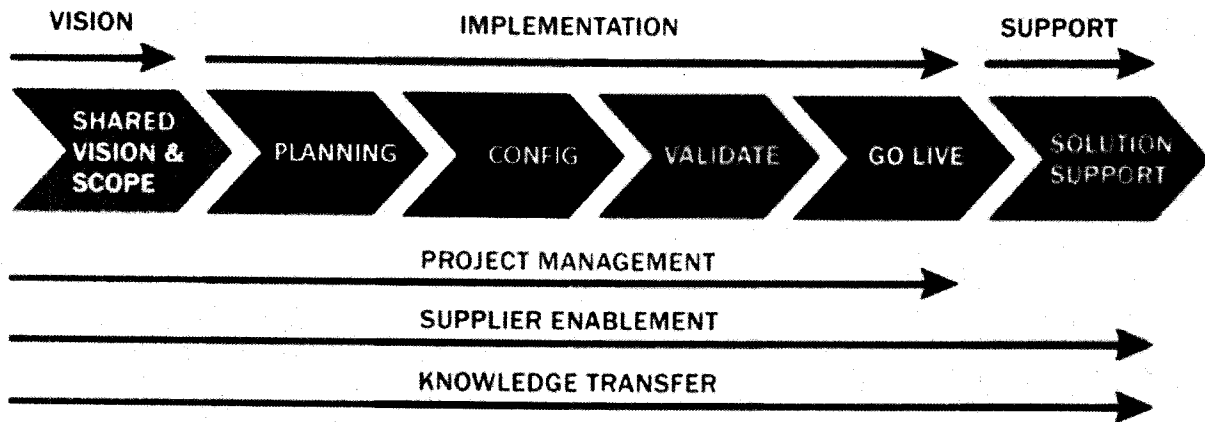
**The benefits of JAGGAER's solution methodology include:**

- **World class project management** throughout the lifecycle of the implementation to drive thorough project planning, milestones, issue resolution and task management

- Creation of a **collaborative and transparent project environment** with the customer
  - Customer “buy-in” is established by involving members of the user community early in the implementation thus increasing success rate through user adoption.
  - Visibility of all project activity is established and maintained through a collaborative Web-based tool.
- A focus on involving **real people, showing real scenarios and using real data** during training and focus groups, which enables customers to understand the relevance to their environment and processes.
- **Accelerated learning** that empowers the customer to be self-sufficient
  - Focus groups involving key stakeholders are used to gather business requirements and drive understanding of future processes to avoid costly and time-consuming changes later in the project and reveal opportunities that might otherwise be lost.
  - JAGGAER provides access to the solution early in the implementation to support a real-time “hands-on” versus conceptual approach to learning.
  - The solution design and build process is iterative and collaborative, enabling the customer to stay engaged throughout the implementation.
- **Delivery of a solution at Go-Live** which the user community has already approved

### Solution Methodology Phases

JAGGAER’s methodology is based on forming a partnership with the customer and guiding the team through a well-defined solution process, executed by JAGGAER’s Global Professional Services team. JAGGAER employs a six-phase process for projects, as illustrated in the figure below.





## Project Phase 1: Shared Vision and Scope

*The key objective of the Shared Vision and Scope Phase is to create a business case for the project, confirm executive participation, and define the success strategy.*

The Shared Vision and Scope Phase sets the high-level strategic direction for the rest of the project. Typically, the customer completes this phase prior to or in parallel with the sales process, clearly identifying the business justification for the project. In addition, this phase should ensure that the customer organization has the necessary executive sponsorship in all affected areas that are required to make the project a success.

Finally, the Shared Vision and Scope Phase begin to lay the groundwork for the project scope by outlining the success strategy for achieving the defined ROI. For example, is the ROI based on projections for hard-dollar contract savings? If so, what steps are needed to ensure that those contract savings can be achieved?

Alternatively, is a large portion of the ROI based on process efficiencies within one or more departments? If so, what are the critical success factors for achieving these efficiencies?

Each project has its own, unique business case and success strategy. Having these clearly defined and understood by the core project team is paramount to success.



## Project Phase 2: Planning

*There are three primary components of the Planning phase, including Project Initiation, Project Planning, and Core Project Team Alignment.*

### Project Initiation

The purpose of this initial step is to engage the entire core project team to foster ownership and accountability. The project initiation step lays the groundwork for the entire project. During the project initiation step, the customer and JAGGAER establish the core project teams and kick off the project.

The most important part of project initiation is confirmation of the customer's business objectives, goals and strategy. These priorities are the metric by which subsequent decisions made during the engagement can be judged. Every core project team is faced with decisions that need to be made regarding how to configure and implement the solution. These decisions need to be made based on the priorities established at the beginning of the project by the executive sponsors. The goal of project initiation is to ensure that all team members fully understand and buy into these priorities.

As part of the overall project communication plan, JAGGAER establishes a single point of contact for the customer team to facilitate coordination of actions and plans. The JAGGAER methodology includes a formal communication plan, and acceptance and change control processes, which is reviewed in the kickoff meeting with all participants.

## Project Planning

The customer and JAGGAER team gain alignment around project objectives, goals, timeline and scope during this step.

During the project planning step, the customer and JAGGAER review the business drivers for the project and the planned strategy for achieving them. Project success metrics, project risks, in-scope and out-of-scope business processes, change management strategy and deployment strategy discussions are also initiated at this point.

JAGGAER works with the customer to define an initial project plan and confirm that the team has a thorough understanding of standard project operating procedures based on the scope defined in the statement of work. (e.g., acceptance criteria, change control process).

## Project Team Alignment

This step is used to align the project team members (Client and JAGGAER core project team members, plus sponsors and extended stakeholders) around the objectives of the project, the capabilities of the solution, and the methodology that will be applied to realize the project's success.

During the project team alignment step, the official project kickoff is conducted including the JAGGAER core project team, customer core project team, customer project sponsors and customer extended stakeholders. The objective of this phase is to communicate the following to the full team:

- The business objectives and business strategy
- Definition of the team roles and responsibilities
- The project timeline outline and when each role will be required during the project
- The metrics that will be used to measure the overall success of the project
- The overall project scope

Communication to all members of the project team—early and often throughout the project—is essential to achieve team alignment and buy-in.



## Project Phase 3: Configuration

*There are three primary components of the Configuration phase, including Integration Workshop, Focus Group, and Finalize Solution.*

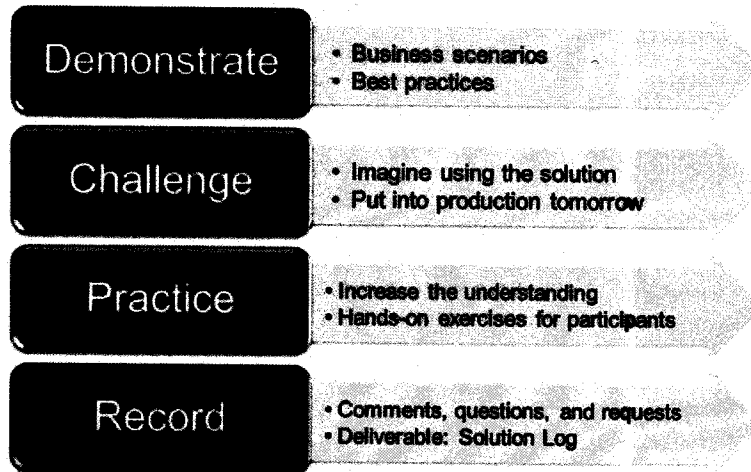
### Integration Workshop

Members of the core project team collaborate in a workshop to develop a fully integrated prototype solution.

The customer and JAGGAER initiate the preliminary integration activities to establish basic connectivity and to ensure data is flowing between the various systems as part of the integration workshop. The integration workshop is an introduction to the solution for the core project team and a vehicle for gathering requirements to establish a fully integrated solution in preparation for the focus group step. Upon completion of the workshop, members of the team work together to develop the initial prototype solution.

## Focus Group

JAGGAER uses the focus group to introduce real users to the application and to gain their feedback. The focus group entails a JAGGAER consultant demonstrating business scenarios applicable to your organization to these users and challenging you to imagine using the solution on a day-to-day basis.



Since a new application introduces new processes, users are introduced to our proposed processes for performing their daily tasks with this focus group. By demonstrating these scenarios, we can validate if these processes will prove successful for your organization.

During the focus group session, the customer has the opportunity to review a close-to-final solution. The customer provides feedback—if any—on why the solution cannot be placed into production immediately. This feedback is then documented in the solution log by JAGGAER. At this point, the customer has the opportunity to begin hands-on validation of both the process and administration scenarios.

## Finalize Solution

JAGGAER and the customer engage in a post-focus group discussion to finalize the integration and business process scenarios.

After the focus group, JAGGAER works with the customer to finalize the solution log, the business scenario document and the integration specification. These documents then require sign-off from the customer to conclude the Configuration Phase.



## Project Phase 4: Validate

*There are four primary components of the Validate phase, including Solution Preparation, Integration Development, Test Planning, and Solution Validation Testing.*

### Solution Preparation

JAGGAER and the customer configure the customer-specific JAGGAER solution within the test environment.

The final configuration is placed into the customer's test environment in preparation for solution validation testing. JAGGAER and the customer also load all data such as users, workflow approvers, suppliers, accounting information, addresses and custom fields.

### **Integration Development**

The JAGGAER and customer core project teams work together to develop customer-specific integration components within the test environment. The in-scope integration development is completed by JAGGAER and the customer. Depending on the final scope of the project, this development may include configuration of the solution to enable the integrations and development in support of customer business requirements.

### **Test Planning**

Testing is an important aspect of the project. The test planning process is initiated early in the project and is finalized in this step.

Testing is a critical part of any successful implementation. JAGGAER works with the customer to develop a detailed test plan that clearly defines the goals and objectives. A typical plan includes the participants, the testing approach, the timeline for when scenarios will be complete, and roles and responsibilities for all team members involved.

### **Solution Validation Testing**

The customer core project team performs integrated testing on the solution to validate the design using actual business scenarios.

Solution validation testing is an extended period of time that starts immediately after the focus group. The extended testing period gives the customer adequate time to validate all business scenarios and make required adjustments. The following are some key activities performed during this phase:

- Validate integration components, configurations and business scenarios
- Execute business scenarios based on the test plan
- Conduct regular meetings to ensure the testing of scenarios is tracking to the plan and to review reported issues or questions
- Update the solution based on the testing results
- Update the training documents to reflect the processes utilizing the solution



## **Project Phase 5: Go Live**

*There are two primary components of the Go Live phase, including Production Validation (UAT), Production Activation and Live Testing.*

### **Production Validation (UAT)**

JAGGAER and the customer conduct formal user acceptance testing with selected members of the user community.

Production validation (UAT) allows the user community to confirm that the production solution meets their business needs. Prior to starting the review, the customer (with assistance from JAGGAER) confirms that test plans are in place to address a wide range of implementation issues and develops a solution acceptance test plan to test the application's functionality.

To kick off the production validation, JAGGAER provides training for the customer's UAT participants in the proper operation of the solution.

### **Production Activation and Live Testing**

These testing activities represent the final stage of the project. It is important to communicate the solution rollout to all groups and individuals impacted by the project. Depending on the solution being rolled out, Live Testing can include sending out live orders, completing contract negotiations and workflow, etc.

Following the completion of testing, JAGGAER works with the customer to activate the solution into production. Typically, this involves migrating all of the desired configuration options into the production environment and confirming integration.

When the solution is first activated in production, the customer conducts live testing. Depending on the solution being rolled out, live testing can include sending out live orders, completing contract negotiations and workflow, etc. Live testing is a controlled event that is monitored for success. Once validated, the solution is ready for go-live.

Services following go-live may include one or more days of post-production support and possibly additional training services, depending on the size of the engagement.

Once the solution is in production, the customer's focus shifts to deployment and rollout activities to the user community.



### **Project Phase 6: Solution Support**

*When the production environment has stabilized, the project transitions day-to-day operations to JAGGAER Customer Support.*

JAGGAER's core project team facilitates a formal hand-over from implementation to its Customer Support team, who provide ongoing maintenance and support.

After the solution has been deployed, the customer assigns resources on an ongoing basis to support and maintain the solution.

### **Post-Production Business Review**

Post-production business reviews are conducted to ensure a successful rollout of the solution.

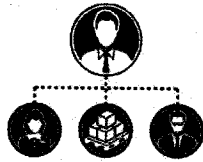


JAGGAER conducts post-production business review sessions. These sessions will be conducted three to six months after live order testing. The purpose of the post-production business review sessions is to:

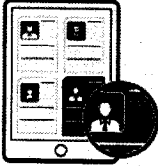

- Discuss the status of the customer's rollout



- Discuss status and/or determine the resolution path for any remaining Severity 2, 3 or 4 issues that were identified in UAT and which did not prevent the customer from production rollout
- Identify new issues that may have surfaced in the early weeks of production rollout and determine the resolution path

**Overview of Proposed Service Offering** - Below is an overview of the products and integration recommended for Riverside County.

	<p><b>Supplier Management Solution:</b></p> <ul style="list-style-type: none"> <li>• Total Supplier Manager             <ul style="list-style-type: none"> <li>- Supplier Onboarding: Onboarding</li> </ul> </li> </ul> <p><b>Integration Points</b></p> <ul style="list-style-type: none"> <li>• Bi-Directional Supplier Integration (via IaaS)</li> <li>• Single Sign On (All Products)             <ul style="list-style-type: none"> <li>- ( Via Azure Active Directory / ADFS )</li> </ul> </li> </ul> <p><b>Training</b></p> <ul style="list-style-type: none"> <li>• Standard Total Supplier Manager Remote Orientation</li> <li>• Virtual Learning Management System Training Seats (2 per module as defined in Order Form)</li> </ul>
 	<p><b>P2P Solution (eProcurement &amp; Accounts Payable):</b></p> <ul style="list-style-type: none"> <li>• Shopping: Spend Director</li> <li>• Approvals: Requisition Manager</li> <li>• PO Distribution: Order Manager</li> <li>• Receiving, Invoicing, and Supplier Portal: Accounts Payable Director</li> </ul> <p><b>Integration Points</b></p> <ul style="list-style-type: none"> <li>• Account Code Synchronization (via IaaS)</li> <li>• Account Code Relationship Synchronization (via IaaS)</li> <li>• Supplier Synchronization (via IaaS)</li> <li>• Purchase Order Export (via IaaS)</li> <li>• Purchase Requisition Validation (Budget Check) (via IaaS)</li> <li>• User Profile Synchronization (Import) (via IaaS)</li> <li>• Advanced Dynamic Workflow Synchronization (via IaaS)</li> <li>• Invoice Export (via IaaS)</li> <li>• Invoice Payment Status Update (via IaaS)</li> </ul> <p><b>Training</b></p> <ul style="list-style-type: none"> <li>• Standard eProcurement Product Orientation</li> <li>• Standard AP Director Product Orientation (<i>to be combined with eProcurement orientation</i>)</li> <li>• Virtual Learning Management System (LMS) Training Seats (2 per module as defined in Order Form)</li> </ul>

	<p><b>Sourcing / Bidding Management Solution</b></p> <ul style="list-style-type: none"> <li>• <b>JAGGAER to provide partner support for HURON-led Sourcing Director implementation</b></li> <li>• Sourcing Management: Sourcing Director</li> <li>• Does Not Include configuration for Reverse Auction functionality</li> </ul> <p><b>Training</b></p> <ul style="list-style-type: none"> <li>• Standard Sourcing Director Remote Orientation</li> <li>• Virtual Learning Management System Training Seats (2 per module as defined in Order Form)</li> </ul>
	<p><b>Contract Management Solution:</b></p> <ul style="list-style-type: none"> <li>• <b>JAGGAER to provide partner support for HURON-led Total Contract Manager implementation*</b></li> <li>• Contracting: Total Contract Manager             <ul style="list-style-type: none"> <li>- Contract Repository and Authoring</li> </ul> </li> </ul> <p><b>Integration Points</b></p> <ul style="list-style-type: none"> <li>• *TCM Integration points delivered by JAGGAER</li> <li>• Electronic Signature (DocuSign or Adobe Sign)</li> <li>• Invoice Import (via IaaS) for tracking line item contract spend</li> </ul> <p><b>Training</b></p> <ul style="list-style-type: none"> <li>• Standard TCM Product Orientation</li> <li>• Virtual Learning Management System Training Seats (2 per module as defined in Order Form)</li> </ul>

## Key Assumptions

Below are key assumptions related to the implementation of the proposed JAGGAER Business Automation Solutions:

### General Assumptions:

- **This is overview implementation information** and will be reviewed and refined in detail as additional discussions and discovery occurs. The Statement of Work will account for all scope and implementation elements.
- Services contained in this estimate will be implemented in multiple stages with finalization determined by Client and JAGGAER during the planning process.
- Implementation duration is budgeted for a maximum of **seventy (70) calendar weeks in total**. Depending on Client resourcing availability, project duration can be adjusted in support of Client timeline and goals.

- This estimate assumes concurrent, staggered, and/or phased implementation with up to five stages
  - Stage 1 (Total Supplier Manager) Up to 16 weeks
  - Stage 2 (Total Contract Manager) Up to 14 weeks\*
  - Stage 3 (Sourcing Director) Up to 8 weeks\*
  - Stage 4 (eProcurement & Accounts Payable) Up to 32 weeks
  - Stage 5 (Accounts Payable Director) Up to 12 weeks
  - Implementation Order can be adjusted with mutual agreement by Client and JAGGAER. The above recommendations are based on best practice and past experience with similar sized organizations. Order will be confirmed during the Planning Phase of our project together.
  - \*Project Duration Estimates are dependent upon decisions made during the Planning Phase. The Total Project Duration assumes that Client will perform concurrent implementations with some products. Further, JAGGAER core project team will work with Client to take advantage of efficiencies in implementing certain products together. HURON, as a JAGGAER Partner, will manage the Total Contract Manager and Sourcing Director implementations with support from JAGGAER. These project elements are described in a separate Statement of Work. Any variances from this timeline will be managed via the change control process with mutual agreement from JAGGAER, HURON, and Client.
- The Client's core project team will be empowered to make policy and process decisions on behalf of the organization.
  - Client is responsible for providing the functional and technical expertise for Client's Financial/ERP system, as well as any other applications in-scope.
  - Client will develop test scripts for all validation efforts (Solution Validation, User Acceptance).
  - Client will be responsible for all Training and Change Management within their organization
  - Client will complete the JAGGAER Pre-Project Questionnaire prior to project kickoff
  - Client will meet all JAGGAER timing requirements for an on-schedule delivery

**Not included with these services:**

- Deployment to departments/business units beyond the Post Implementation support
- Configuration of a separate environment (outside of Test and Prod)
- Integration to Client systems (other than those specifically stated in this document)

## Implementation Services for Project (GENERAL)

Below is an outline of the **general implementation services** provided for the proposed JAGGAER Business Automation Solutions.

### Project Management and Support

- **Project Management** for the lifecycle of the project
- For each project, conduct an initial **Planning/Kickoff Meeting** to review the timeline, scope, and resources.
- Conduct regularly scheduled project status meetings (typically weekly or bi-weekly).
- Post Implementation Support provided through JAGGAER Customer Support and JAGGAER Client Partner program.

### Solution Building

- JAGGAER will provide the client with a "Best Practice" configuration.
- For each project, conduct **Focus Groups** or **Configuration Sessions** to identify requirements.
  - Review best practice business scenarios
  - Evaluate the client specific solution and business scenarios
  - Review integrations (*if applicable*)
- **Solution Specification** Documentation includes:
  - Business Scenario document
  - Solution Log
- **Solution Build**, with application configured per the Solution Specification Documentation
- JAGGAER to provide two environments for customer:
  - **Test environment** – Configuration of this site initiates very early in the project, and is used during focus groups/configuration session and solution building.
  - **Production environment** – Created and configured for User Acceptance Testing and for usage post Go-Live.

### Solution Validation Testing

- **Support the development of a Test Plan** prior to the start of the Solution Validation Testing (for each project).
- Conduct a **Solution Validation Testing meeting** to gain alignment with the test plan and key activities with the participants.
- Support during Solution Validation Testing

### Production Readiness and User Acceptance Testing (UAT)

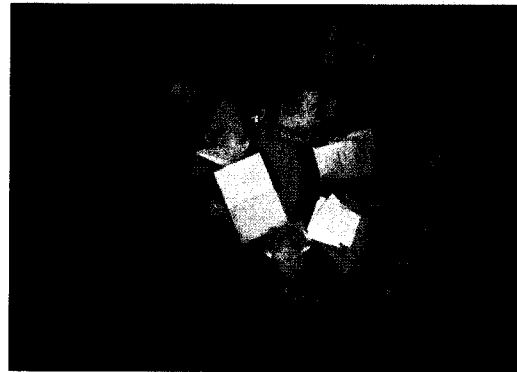
- Configuration of the Production Site, to be used for user acceptance testing
- Deliver overview of configured site (demonstration)
- Providing support for User Acceptance Testing
- Perform in-scope UAT adjustments
- Production Readiness

- Cut-over to full production
- Acceptance upon completion of User Acceptable Testing and adjustments
- Post-production support

## Project Roles and Responsibilities: Resource Information

JAGGAER and the customer are jointly responsible for establishing **three work groups** to support the project implementation. The specific team and organization will be determined as part of the project scoping process.

Resource planning is a key component of Successful implementation and project rollout.



### Core Project Team

The customer core project team members consists of a project manager, JAGGAER system administrator, ERP technical lead, ERP functional expert, process owner and business owner, supplier enablement lead (for procurement), contract manager, trainer and other identified representatives from the customer's stakeholder teams as required by the customer. This team is defined at the start of the project.

The JAGGAER core project team members consist of consultants that will fulfill the roles of project manager, solution consultant, technical consultant and supplier enablement lead.

The customer's project manager assumes the role of project lead and is assisted by JAGGAER's project manager, who has overall responsibility for the activities associated with the JAGGAER product implementation across the customer's sites.

### Extended Project Team

The customer is responsible for selecting an extended cross-functional team that participates in the focus group and defines business scenarios on behalf of the users. The participants should be subject matter experts who are knowledgeable in the customer's workflow processes, policies and technical environment affected by the implementation of the new solution.

The selected subject matter experts should be able to influence integration decisions and champion recommended changes resulting from the workshops. The extended project team is required throughout the process at the request of the core project team and is involved in the validation of the solution.

### Project Management Board

The project management board is composed of selected customer information systems and purchasing executives and includes an executive level representative from JAGGAER. Together this group provides

oversight and direction on business issues, change management and organizational and policy issues affecting the use of the solution. The board meets at regularly scheduled intervals, typically at the end of each major project milestone and upon request of the core project team.

### Project Roles and Responsibilities: Customer

The table below illustrates the typical roles and responsibilities for the customer’s core project team members.

**NOTE:** Multiple project resources can be filled by a single individual where skillset and bandwidth allow.

Resource	Responsibilities
<b>Project Management Board</b> As needed time commitment	<ul style="list-style-type: none"> <li>• Participants: Executive sponsors, Business Owner</li> <li>• Provide guidance, escalation path and timely resolution for project issues and key decisions</li> </ul>
<b>Project Manager</b> .5 to 1 FTE	<ul style="list-style-type: none"> <li>• Coordinate client resources and single point of contact for JAGGAER</li> <li>• Coordinate daily project planning, issue resolution and execution</li> <li>• Status reporting and appropriate escalation to the Executive team</li> </ul>
<b>Solution Administrator</b> .5 to 1 FTE	<ul style="list-style-type: none"> <li>• Responsible for updating and maintaining the configuration</li> <li>• Provides guidance to client’s internal support and is the technical liaison with JAGGAER</li> </ul>
<b>Business and/or Process Owners</b> .25 to .5 FTE	<ul style="list-style-type: none"> <li>• Responsible for all business process and policy issues</li> <li>• Responsible for process redesign and change management</li> </ul>
<b>Technical Resources</b> ~ 2 FTE for project, ~.25 to .5 post Go Live	<ul style="list-style-type: none"> <li>• Provide input into the technical solution design</li> <li>• Develop integrations as required. Perform joint integration testing with JAGGAER</li> </ul>
<b>Training/Change Management</b> .5 FTE depending on rollout approach	<ul style="list-style-type: none"> <li>• Deploy application and train end users</li> <li>• Change management activities during project and rollout</li> </ul>
<b>Contract Owners/ Legal</b> .25 to .5 FTE	<ul style="list-style-type: none"> <li>• Serve as panelist for focus groups, participate in functional solution validation</li> <li>• Involved in contract-related activities</li> </ul>
<b>Extended Stakeholders</b> 4-6 people 1-2 hours per week	<ul style="list-style-type: none"> <li>• Provide input to the solution design and business process decisions</li> <li>• Participate in UAT and implement process changes as required</li> </ul>

## Project Roles and Responsibilities: JAGGAER

JAGGAER's Global Professional Services (GPS) team is staffed with a talented group of technology and business professionals who are experts on the JAGGAER solutions, our implementation methodology and toolkit, and most importantly on the processes and challenges faced by our customer base.

The table below illustrates the JAGGAER roles typically engaged in an implementation. The number of hours required for each role varies based on the size and complexity of the implementation.

Resource	Responsibilities
<b>Director of Professional Services</b>	<ul style="list-style-type: none"> <li>• Department and project profitability</li> <li>• Resource planning, recruiting, and staff development and retention</li> <li>• Point of escalation as required</li> <li>• Pre-sales support, including budget estimates and review of all contractual documents</li> </ul>
<b>Professional Services Manager</b>	<ul style="list-style-type: none"> <li>• Overall customer satisfaction, customer relationship management, and engagement management</li> <li>• Allocation of all JAGGAER resources</li> <li>• Timely resolution of escalated issues</li> <li>• Directing other team members in the execution of projects</li> <li>• Providing direction for or directly performing business and technical process consulting, specification development, solution build, solution acceptance testing and solution deployment, as well as cost, schedule, quality, risk, personnel (matrix), communications, procurement, scope and integration management associated with assigned projects</li> </ul>
<b>Project Manager</b>	<ul style="list-style-type: none"> <li>• Successful implementation, on time and on budget</li> <li>• Coordination of all JAGGAER resources</li> <li>• Project planning and project management</li> <li>• Budget and scope control</li> <li>• Weekly status reporting</li> <li>• Issues management and appropriate escalation</li> <li>• Coordination of testing and training</li> <li>• Single point of contact for customer</li> </ul>
<b>Solution Consultant</b>	<ul style="list-style-type: none"> <li>• Functional leadership through delivering product, industry and business process expertise and guidance on best practices</li> <li>• Preparation and leadership of product demonstrations during focus group</li> <li>• Solution configuration, including activating functionality, toggling switches, loading data and developing workflow</li> <li>• Facilitation of internal and external meetings to drive resolution of issues and questions</li> </ul>



Resource	Responsibilities
	<ul style="list-style-type: none"> <li>• Gathering and documentation of business requirements and scenarios.</li> <li>• Delivery of administrative and end-user training sessions</li> <li>• Participation in the all phases of the testing process</li> </ul>
<b>Technical Consultant</b>	<ul style="list-style-type: none"> <li>• Successful technical implementation of configurable applications for customer engagements (on time and on budget)</li> <li>• Integration Workshop planning and execution</li> <li>• Integration Specification documentation</li> <li>• Installation and configuration of any required hardware or software at the customer site</li> <li>• Configuration and validation of the JAGGAER solution</li> <li>• Build and testing of any required integration</li> <li>• Support of testing through issues resolution and coordination</li> </ul>

### Solution Support Roles and Responsibilities: Customer

After the solution has been deployed, the customer can expect to allocate the following resources on an ongoing basis to support and maintain the JAGGAER solution.

Resource	Responsibilities	Typical Level of Effort
Buyers/ Contract Administrators	<ul style="list-style-type: none"> <li>• Lead supplier enablement and catalog configuration efforts</li> <li>• Review and approve price files as needed</li> </ul>	0.25 FTE per commodity (Larger commodity areas may require more resources.)
Project Manager/ Business Analyst	<ul style="list-style-type: none"> <li>• Identify and make configuration changes as business needs require</li> <li>• Administer the application (e.g., permissions, users)</li> <li>• Attend JAGGAER focus groups</li> </ul>	0.25 to 0.5 FTE
Help Desk	<ul style="list-style-type: none"> <li>• Respond to user questions</li> </ul>	0.25 FTE per 1000 users
Trainers	<ul style="list-style-type: none"> <li>• Train new users</li> </ul>	As needed

## Additional Components of the Implementation Process

### Overview of Training Services

*Successful implementations occur when the Client's core project team decision makers clearly understand the capabilities of the system – from the start.*

During implementation, JAGGAER will provide your core project team with extensive training opportunities. Through a **combination of formal and informal training**, JAGGAER ensures solid product knowledge prior to Go-Live. This proven education strategy is key to ensuring successful support and adoption.

The goal of training is to help our customers learn **what they need to**, at the **right time**, through the **appropriate delivery channel**.

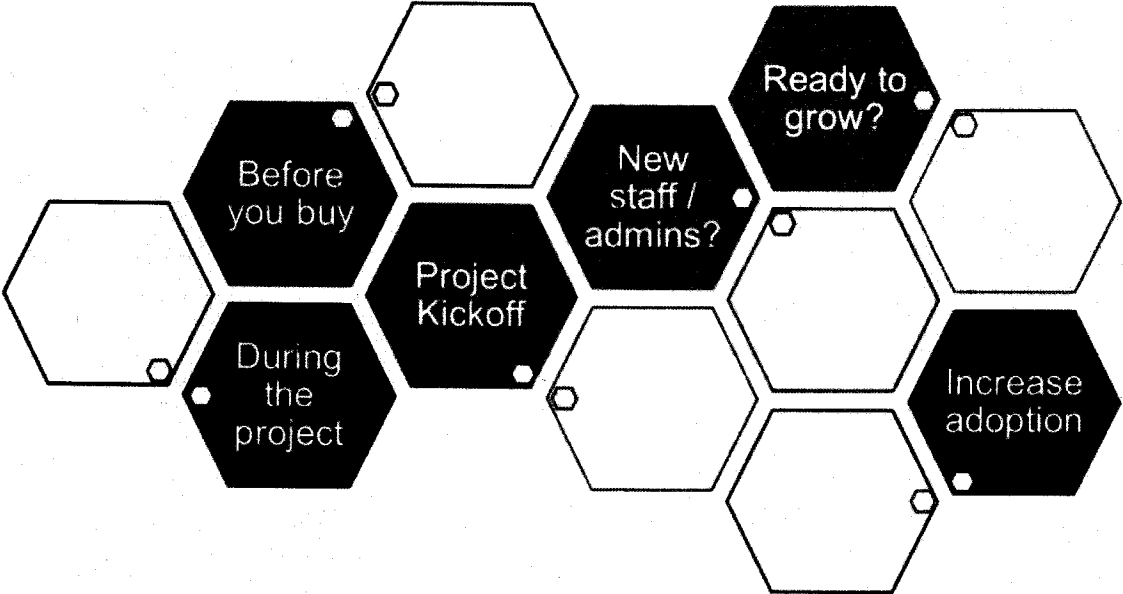
### Key Components of Training:

- **Product Orientation Training** – This training is a great way to kick off each portion of your project. These classes provide foundational product knowledge to the core team. These courses, which are hands-on and typically taught in a training environment, provide an excellent introduction into the JAGGAER solutions!
- **Iterative Learning**– Throughout the implementation process, informal product education will be an integral part of the project sprints. Clear understanding of the functionality and options available is critical. Iterative training is customer-specific, and focuses on both best practices and application knowledge. Providing this information in manageable “chunks” has proven to be a successful method of educating primary system users, who in turn, become the community that supports and embodies the system.
- **JAGGAER University Virtual Training** - These classes focus on specific areas of learning for short periods of time. In addition to a **FREE 101 series** that provides an overview of all product areas, over 50 courses are offered. These sessions are interactive, instructor-led, web-based sessions, lasting approximately two hours. For a full description of classes available and to view calendar, please visit. <http://university.JAGGAER.com>.

### JAGGAER University

In addition to providing training during implementation, JAGGAER University is available to customers post-implementation. The training available can be used to learn **advanced features**, provide quick **ramp-up for new administrators and help desk staff**, or simply as a **refresher**. Additionally, **continuing education credits** that can be applied to the certification program of your choice.

**When is a good time for training?**



**Thank You!**

If you have questions regarding the **Services Summary**, please let us know. We are here to help you.

*The JAGGAER Professional Services Team*