



STATE OF VERMONT  
STANDARD CONTRACT FOR SERVICES  
VERMONT AGENCY OF EDUCATION

## STANDARD CONTRACT FOR TECHNOLOGY SERVICES

1. **Parties.** This is a contract for services between the State of Vermont, Agency of Education (AOE) (hereinafter called "State"), and PowerSchool Group LLC, with a principal place of business at 150 Parkshore Drive, Folsom, California 95630 (hereinafter called "Contractor"). Contractor's form of business organization is a Limited Liability Company. It is Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this contract is services generally on the subject of configuration, limited customization, training, implementation, data migration and support of a Shared School District Data Management System. Detailed services to be provided by Contractor are described in Attachment A.
3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$5,197,822.00.
4. **Contract Term.** The period of Contractor's performance shall begin on April 1, 2018 and end on March 31, 2025. This contract may be renewed for two additional 1-year renewal periods at the discretion of the State.
5. **Prior Approvals.** This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.
6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
7. **Termination for Convenience.** This contract may be terminated by the State at any time by giving written notice at least sixty (60) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.
8. **Attachments.** This contract consists of 127 pages including the following attachments which are incorporated herein:
  - Attachment A – Specifications of Work to be Performed
    - Exhibit 1a – State Functional Requirements
    - Exhibit 1b – State Non-Functional Requirements
    - Exhibit 2 – Uniform Chart of Accounts (UCOA)
    - Exhibit 3 – Preliminary Implementation Master Schedule
    - Exhibit 4 – End User Agreement
    - Exhibit 5 – Statement of Work (SOW)
  - Attachment B – Payment Provisions
  - Attachment C – "Standard State Provisions for Contracts and Grants" a preprinted form (revision date 12/15/2017)
  - Attachment D – Other Terms and Conditions for Information Technology Contracts
  - Attachment E – Contractor's License Agreement
  - Attachment F – Maintenance and Support/Service Level Agreement

COPY

9. **Order of Precedence.** Any ambiguity, conflict or inconsistency between the documents comprising this contract shall be resolved according to the following order of precedence:

- 1) Standard Contract
- 2) Attachment D Other Terms and Conditions for Information Technology Contracts
- 3) Attachment C (Standard State Provisions for Contracts and Grants)
- 4) Attachment A Specifications of Work to be Performed with Exhibits
- 5) Attachment B Payment Provisions
- 6) Attachment F Maintenance and Support/Service Level Agreement
- 7) Attachment E Contractor's License Agreement

**WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT**

By the State of Vermont:

By PowerSchool Group LLC:

Date: March 29, 2018

Date: March 29, 2018

Signature: e-Signed by Rebecca Holcombe  
on 2018-03-29 20:45:12 GMT

Signature: e-Signed by Mark Oldemeyer  
on 2018-03-29 20:51:51 GMT

Name: Rebecca Holcombe

Name: Mark Oldemeyer

Title: Agency of Education Secretary

Title: Chief Financial Officer

## **ATTACHMENT A SPECIFICATIONS OF WORK TO BE PERFORMED**

### **1. PURPOSE**

This Contract sets forth the terms and conditions under which Contractor agrees to provide to the State with a web-based, Contractor-hosted and supported Shared School District Data Management System (SSDDMS) with their Finance/Human Resource (HR)/Enterprise Resource Planning (ERP) solution, eFinancePLUS (the “Solution”) to be configured to support the Vermont Schools’ Uniform Chart of Accounts (UCOA). The Solution shall meet the functional (business) and non-functional (technical) requirements as specified in Attachment A Exhibit 1 and provide the Deliverables as specified in Attachment A section 5.2.

The Contractor shall provide business and technical analysis and design services, technical writing and documentation, application configuration and some custom development, integration support, data conversion and migration support, project and implementation management, hosting, monitoring and ongoing support and maintenance of the infrastructure, the application, and the data repositories, consulting, training, backup and recovery, change management, support of technology updates and upgrades providing engineering and security and other professional services as described herein, (individually and collectively referred to herein as the “Services”), as necessary for the State’s productive use of the Solution as further set forth in this Contract. This Contract specifies the obligations of each party with additional provisions detailed in the attached Attachments and Exhibits.

### **2. EXISTING SYSTEMS.**

The existing systems being replaced in part and/or in whole, are the financial, human resource, payroll, and other related systems use by approximately 60 State of Vermont Supervisory Unions and Supervisory Districts (herein after referred to as SUs or SDs). The SUs/SDs contract directly with their current Solution providers, where in some cases the SU has 2 or more Contractors and/or solutions that may potentially be replaced by the SSDMS. It is estimated that unless mandated and while opt-in is voluntary, the SSDMS will take approximately 3 years to implement among the population of Vermont SUs/SDs.

### **3. OBJECTIVE**

This Contract identifies the tasks required by each party to implement and support the Solution through the following major activities: development of project management planning documentation; business process analysis and documented requirements validation, Solution design, configuration, data migration, integration and testing; deployment and training; operations support and maintenance services, all as detailed herein.

The project will be executed in phases as described herein.

The successful outcome of the project is defined by the following:

- completed in accordance with this Contract and applicable project management planning documentation;
- resolution of all material functional and operational deficiencies prior to deployment in the production environment;
- completed within budget;
- configured to meet all specified requirements and needs of the State including but not limited to, the UCOA structure to support State specific consolidated data collection and reporting;
- the Solution meets and adheres to all requirements and timeframes set forth in service level terms set forth herein;
- the Solution is fully documented, including but not limited to requirements specifications, architecture, design, configuration, operational environment and user manuals; and

- trained State and Field Staff and Stakeholders.

### 3.1. PERIOD OF INSTALLATION AND IMPLEMENTATION AND TRAINING

The period of installation and implementation and training shall begin from the date of execution of this Contract through the completed migration of SUs/SDs into the SSDDMS, or a period of 60 months (whichever occurs first). Support and maintenance shall begin for each SU/SD upon completion of their individual migration into the SSDDMS and shall continue through the Contract Term as the same may be extended by the parties.

3.2. DEFINITIONS. Capitalized terms used in this Contract not specifically defined in the text shall have the following meanings:

- (a) **“Adopting”** means an SU/SD has requested to and/or agreed to migrate their current Finance, Human Resource (HR), and/or Payroll data into the SSDDMS, and thereby agree to the terms and conditions of the End User Agreement between the SU/SD and the Contractor.
- (b) **“Certificate of Acceptance”** means written certification, delivered to Contractor and signed by an authorized representative of the State, stating that any Defects in a particular Phase or the Solution discovered after implementation and testing have been corrected as required under this Contract, and that the Phase complies in all material respects with all of the applicable Requirements.
- (c) **“Certificate of Completion”** means written certification, delivered to the State and signed by an authorized representative of Contractor, stating that any Defects in a particular Phase or the Solution discovered after implementation, testing and Acceptance have been corrected as required under this Contract, and that the Phase or Solution complies in all material respects with all of the applicable Solution Requirements. The State must provide written acceptance to Contractor of any and all Certificates of Completion for them to become effective.
- (d) **“Contractor Personnel”** means and refers to Contractor’s employees and employees of Contractor’s permitted subcontractors or permitted agents assigned by Contractor to perform Services under this Contract.
- (e) **“Defect”** means any failure by the Solution or any Phase or component thereof to conform in any material respect with applicable Requirements.
- (f) **“Defect Correction”** means either a modification or addition that, when made or added to the Solution, establishes material conformity of the Solution to the applicable Requirements, or a procedure or routine that, when observed in the regular operation of the Solution, eliminates the practical adverse effect on the State of such nonconformity.
- (g) **“Documentation”** means any and all descriptions and specifications of the Requirements included herein or created or developed hereunder, operational, functional and supervisory reference guides, manuals and instructive materials, in whatever form and regardless of the media on which it may be contained, stored or transmitted, which is developed, prepared, used or otherwise available from Contractor and/or Contractor’s suppliers, in connection with and applicable to the provision, use, operation and support of the Services hereunder. Documentation shall be sufficient to enable State personnel to understand, operate, use, access, support, maintain, update and modify Services, notwithstanding that Contractor is or may be responsible for any or all of the foregoing obligations. Documentation shall also include all standards applicable to the Services, including those applicable to: (i) Contractor for its own comparable items or services; (ii) the State for its own comparable items or services; and (iii) such standards and

guidelines as the parties mutually agree apply to the Services involved.

- (h) **“End User Agreement (EUA)”** means the binding agreement made by and between the SU/SD and the Contractor, executed by the SUs/SDs authorized representative on the standard EAU set forth in Attachment A Exhibit 4.
- (i) **“Final Acceptance”** means the issuance of Certificate of Acceptance executed by the State which specifies the mutually agreed upon Go Live Date for the Solution.
- (j) **“Facilities”** means the physical premises, locations and operations owned or leased by the State (a “State Facility”) or the Contractor (a “Contractor Facility”), and from or through which the Contractor and/or its permitted contractors will provide any Services.
- (k) **“Go Live Date.”** The date that the all or any part of the entire Solution is first available for use by the State in an operational, non-test environment, utilizing actual production data.
- (l) **“Group.”** A cohort of between 1 and 8 SUs/SDs whose guidance through the Phases from Implementation Planning through Go Live Date are managed simultaneously by the Contractor’s ImplementationTeam.
- (m) **“Non-Adopting SU/SD”** means an SU/SD that has not requested to and/or agreed to migrate their current Finance, Human Resource (HR), and/or Payroll data into the SSDDMS, but whose school finance and personnel data will be incorporated into the data warehouse.
- (n) **“Phases.”** A particular portion of the Solution, as set forth in the Implementation Master Schedule or as may be modified in accordance with this Contract. Unless modified by written agreement of the parties, the project Phases are Implementation Planning, Initiation, Installation and Design, Build and Data Conversion Modeling, Testing and Training, Production Cutover and Post Implementation Support, Ongoing Maintenance.
- (o) **“Requirements”** means the State’s baseline Functional and Technical Requirements attached as Exhibits 1a and 1b to Attachment A of this Contract. These requirements copied here were originally presented as part of the Request for Proposal (RFP), and it is mutually understood by both the Contractor and the State that the use of the word “should,” implies “shall.”
- (p) **“Round.”** The full sequence of phases from Implementation Planning to Production Cutover and Post Implementation Support through which one or more groups of SUs/SDs go live on the solution.
- (q) **“Service Level”** means the specific level of performance Contractor is required to comply with and adhere to in providing the Services in conformity with the Requirements, consistent with the criteria and parameters specified in this Contract. Service Level Terms are set forth in Attachment F to this Contract.

#### 4. PROJECT MANAGEMENT

The scope of work as detailed below describes the services, deliverables and key assumptions. Contractor will develop an overall project schedule that details the tasks, timelines, and deliverables for the fully integrated solution.

##### 4.1. CONTRACTOR PROJECT MANAGEMENT AND SUPPORT

###### 4.1.1 CONTRACTOR’S PROJECT MANAGER

Contractor will designate an individual to serve as the “**Contractor Project Manager**” who will: (i) be a senior employee within Contractor’s organization, with the information, authority and resources available to properly discharge the responsibilities required hereunder; (ii) serve as primary point of contact and the single-point of accountability and responsibility for all Contract-related questions and issues and the provision of Services by Contractor; (iii) have day-to-day responsibility for, and authority to manage, State customer satisfaction; and (iv) devote full time and dedicated efforts to managing and coordinating the Services.

Contractor Project Manager shall be responsible for all tasks necessary to manage, oversee, and ensure success of the project. These tasks include documenting requirements, developing and updating project plans, assigning staff, scheduling meetings, developing and publishing status reports, addressing project issues, risks, and change orders, and preparing presentations for the State.

Contractor Project Manager shall be responsible for the successful delivery of all Contractor tasks and subtasks defined in the Project Management Plan (as defined herein). Progress will be monitored and plans adjusted, as necessary, in project status meetings. The Project Management Plan deliverables (for both State and Contractor tasks) shall be updated by the Contractor, subject to review and approval of the State, and reports printed for each status meeting.

In collaboration with the State’s Project Team, Contractor Project Manager shall be responsible for developing and implementing the following project management documentation:

<b>Deliverable</b>	<b>Description</b>	<b>Update Frequency</b>
Formal Acceptance Criteria	Criteria that establishes what the acceptance and rejection criteria of each document on this list.	One Time
Formal Acceptance Sign Off	Obtain sign-off at the completion of each project deliverable as defined by the formal acceptance criteria.	Once per deliverable
Project Management Plan	The Project Management Plan will dictate specifics on how the project will managed and include the following documentation: <ol style="list-style-type: none"> <li>1. Scope Management Plan (to include Requirements Mgmt, Change Control and Governance Mgmt, and Requirements Mgmt Sections)</li> <li>2. Schedule Management Plan</li> <li>3. Communications Management Plan (to include Organizational Change Mgmt and Stakeholder Mgmt sections)</li> <li>4. Risk and Issue Management Plan</li> <li>5. Quality Management Plan (including Testing Mgmt and metrics)</li> </ol>	One Time and updated as needed
Change Requests	Formal document which outlines any changes to the Contract scope, schedule, budget, and resources.	As needed
Change Requests Log	Tracks the specific change requests approved and their impact to the project scope, budget and schedule.	As needed
Risk Log	A log of all risks (opened or closed) that could impact the project. Risks should be outlined by their impact and their potential to occur. All risks should have an owner.	As needed and ongoing
Risk/Issue/Action Items/Decision Log	A Log of open and resolved/completed risks and issues, action items and decisions made.	As needed and ongoing

Requirements Documents	Finalized list of the project business/functional and technical/non-functional requirements, to be approved by the State. The approach is dictated by the Requirements Management Plan (see Project Management Plan), and can include supplemental documents (i.e. process flows, process changes, user stories, business rules, etc.). These state the business need at a high level.	
Test Plans	A description of the testing approach, participants, sequence of testing and testing preparations	One time, but may be updated along the way.
Test Cases & Results	The specific test cases to be tested and the testing results. Test Cases tie back to the project requirements (to ensure each one has been met).	Create once then update with results
Implementation Master Schedule	The IMS outlines how the project will go-live and will include a project plan for the exact events that need to occur, assigned resources that need to do them, and the timeframe for when they need to get done. (See Section 4.4 for more detail.)	Once and updated biweekly at a minimum
Project Status Reports	Provides an update on the project health, accomplishments, upcoming tasks, risks and significant issues. The Status Report and the project color being report shall be developed in consultation with the State business lead and State project manager, as set forth in greater detail in Section 4.2.2.	Weekly
Project Phase Audit/Gate Check	At the end of each Phase, the Contractor Project Manager shall submit an audit of all deliverables and milestones achieved during the Phase to the State Project manager for review.	Once per phase.
Meeting Agenda/ Minutes	All scheduled meetings will have an agenda and minutes. The minutes shall contain risk issues, action items, and decision logs. Minutes shall be transcribed over to the main logs.	Per occurrence
End of Project Metrics	These are metrics that reflect how well the project was performed. Metrics will be outlined in the Quality Management Plan	One time
Lessons Learned	A compilation of the lessons learned. Lessons learned shall be collected from each of the State and Contractor project team members to get a full 360 degree view of the project in retrospect.	One time
Closeout Report	This report will include all the lessons learned, project metrics, and a summary of the project's implementation and outcome in operation.	One time

Contractor shall use State templates for the foregoing, unless otherwise approved by the State. The State Project Manager shall be responsible for the review and acceptance of project management documentation.

Contractor Project Manager shall assist the State Project Manager (upon request) in creating materials for periodic presentations to State project sponsors and key stakeholders. Contractor Project Manager may be required to present information to, and answer questions from, State stakeholders at these presentations.

#### 4.1.2 PROJECT MANAGEMENT AND SUPPORT

The Contractor will apply Project Management Institute's (PMI's) Project Management Body of Knowledge (PMBOK) principles to ensure on-time and within-budget delivery of the Solution, while meeting all of the Requirements in this Contract. The State will approve all project management methods and tools used during the project. These project management methods and tools are considered project deliverables.

#### 4.1.3 KEY PROJECT STAFF

Contractor will perform and support the Services consistent with this Contract and the Solution Requirements. Contractor Personnel will be properly educated, trained and qualified for the Services they are to perform and Contractor will put appropriate training in place to meet initial and ongoing training requirements of Contractor Personnel assigned to perform Services.

- (a) Contractor shall be responsible, at its own cost and expense, for any and all recruitment, hiring, Contractor-specific training, education and orientation for all Contractor Personnel assigned or to be assigned to perform Services or support the Requirements.
- (b) All Contractor Personnel, in addition to any Contractor security policies and procedures, shall be required to comply with the security requirements in this Contract
- (c) Contractor shall conduct its hiring process in compliance with all applicable Federal and State laws to include, but not be limited to, anti-discrimination laws.
  - (i) **Eligibility for Employment:** Contractor shall verify that all prospective employees are eligible for employment in the United States.
  - (ii) **Criminal Records:** Contractor or an agent of Contractor shall perform criminal background checks on all prospective employees utilizing a national criminal database acceptable to the State. Before any Contractor Personnel begin work on the Services x) such background check shall have returned a "no record" result or, y) to the extent that the result revealed that a felony record or records exist for a given individual, the associated conviction(s) shall be unrelated to the work to be performed as specified under the Equal Employment Opportunities Commission's EEOC Enforcement Guidance regarding the employment of convicted felons issued April 25, 2012. Contractor shall provide the State with notice of proposed Contractor Personnel with felony or misdemeanor convictions that involve a crime against a person; a crime involving the use or misuse of computer network; a crime involving weapons, explosives or arson; a crime involving trade secret/proprietary information; a crime involving theft, dishonesty, embezzlement, breach of fiduciary duty, identity theft, or other financial-related crimes; a felony conviction for drug possession; or a crime involving the distribution or trafficking of illegal drugs and/or controlled substances.
- (d) All Contractor Personnel providing or assigned to provide Services or otherwise in a position to obtain or have access to State or Vermont Schools' Information, shall execute a non-disclosure agreement in a form acceptable to the State.
- (e) The timing for transfer, reassignment or replacement of Contractor Personnel will be coordinated with requirements for timing and other elements of the Services so as to maintain continuity in the performance of the Services and avoid interruption or disruption to the Services or any failures to maintain Service Levels.

Contractor shall assign the following Contractor staff ("Key Project Staff"), to meet the Requirements of this Contract:



<b>Name</b>	<b>Project Role</b>	<b>PowerSchool Role</b>
Lindsey Dorsey	Project Sponsor	Director of Professional Services
Alicia Forward	Project Manager	Project Manager
Ryan Hillabolt	Consultant Lead	Software Consultant
Erin Schill	Consultant Lead	Software Consultant
Mike Samilo	Consultant Lead	Software Consultant
Kevin Kramm	Technical Lead	Installation Engineer

Contractor will cause the Contractor Personnel filling the Key Project Staff positions to devote full time and dedicated effort to the provision of the Services and the achievement of Service Levels required for the Services, unless a lesser allocation during certain Project Phases may be agreed in writing.

#### 4.1.4 KEY PROJECT STAFF CHANGES

Contractor shall not change the project assignment as listed in the table in Section 4.1.3 above for the period of project implementation. Contractor shall not change other members of Key Project Staff without providing the State written justification, a comprehensive transition plan and obtaining prior written approval of the State. State approvals for replacement of Key Project Staff will not be unreasonably withheld.

The replacement of Key Project Staff shall have comparable or greater skills and applied experience than being replaced and be subject to reference and background checks described above. If Contractor removes Key Project Staff for any reason without the State's approval, Contractor agrees to replace the new Key Project Staff member if performance is unacceptable to State and provide the first thirty (30) days of a replacement resource with equivalent skill at no charge.

Notwithstanding the foregoing, the State acknowledges that Key Project Staff may become unavailable due to termination of employment for any reason, through disability or death, illness, or through leave of absence such as FMLA or National Guard duty for example. In such circumstances, Contractor shall promptly notify the State in writing of the impending or actual departure of any Key Personnel and of the qualifications and identity of proposed replacement Key Project Staff. The State has the right to reasonably disapprove of any replacement Key Project Staff.

**4.1.5 CONTROL OF CONTRACTOR PERSONNEL.** Contractor shall be fully responsible for the management, compensation, and performance of all Contractor Personnel, and the filing of any and all returns and reports and the withholding and/or payment of all applicable federal, State, and local wage tax, or employment-related taxes, including, but not limited to, income taxes, gross receipt taxes, taxes measured by income, social security taxes, and unemployment taxes for Contractor and Contractor's employees. Notwithstanding the foregoing, Contractor's employees shall adhere to the State's policies and procedures, of which Contractor is made aware while on State Premises, and shall behave and perform in a professional manner. The State, may, in its reasonable discretion, require Contractor to replace any Contractor Personnel, including but not limited to Key Project Staff, working hereunder who does not adhere to, behave, and perform consistent with the State's policies and procedures, or otherwise engages in unprofessional or unethical conduct, or abuses any illegal substance or alcohol, or engages in illegal activities or consistently underperforms. The State shall provide written notice to Contractor of the requirement of replacement, or with whom there are irresolvable personality conflicts. Contractor shall use reasonable efforts to promptly and expeditiously replace Key Project Staff and replace all other personnel within fifteen (15) business days of receipt of the written notice unless otherwise mutually agreed. The State's right to request replacement of Contractor personnel hereunder relates solely to the

removal of individuals from work on this Contract with the State and does not create an employment relationship. Nothing in this Contract authorizes the State to direct the Contractor's termination of the employment of any individual.

4.1.6 **CONTRACTOR THIRD PARTY CONTRACTS.** The State acknowledges and understands that Contractor will not be entering into any third-party contracts as part of this Implementation or ongoing support to the State for the duration of this contract. The Contractor will contact the State prior to the use of any third-party contracts in support of the State and the SSDDMS for State review and approval.

#### 4.2. PROJECT PLANNING

The State and Contractor Project Managers will arrange for kick-off dates and procedures for managing the project – such as reporting status and resolving issues. This will provide an opportunity to introduce all key members of the project teams and walk through the project management plan and key milestones.

##### 4.2.1. MEETING PROTOCOLS

For regular weekly project status meetings, Contractor Project Manager shall provide a meeting agenda and any handouts at least one business day in advance of the scheduled meeting.

##### 4.2.2. PROJECT DOCUMENT STORAGE

The Contractor and State will establish a SharePoint site, or some other collaboration mechanism, that is accessible to the Contractor, the State, and the adopting SUs/SDs. This will provide a common area for Contractor's project documents, artifacts, and deliverables. Access to all SharePoint sites (or other medium of collaboration) and all project material contained therein shall be delivered to the State upon completion of the project.

##### 4.2.3. STATUS REPORTS

Contractor Project Manager shall provide project documentation and collaboration to meet the State's vendor reporting requirements. If requested, the Contractor shall use the State's Status Report template. If no template is provided to the Contractor, the status information shall include, at a minimum: all planned tasks accomplished for the reporting period; planned tasks that are incomplete, or behind schedule in the previous week (with reasons given for those behind schedule); all tasks planned for the upcoming two weeks; an updated status of tasks (entered into the Master Project Work Plan and attached to the status report – e.g., percent completed, resources assigned to tasks, etc.); and the status of any corrective actions undertaken. The report will also contain items such as the current status of the project's technical progress and contractual obligations; achievements to date; risk management activities; unresolved issues; requirements to resolve unresolved issues; action items; problems; installation and maintenance results; and significant changes to Contractor's organization or method of operation, to the project management team, or to the deliverable schedule, where applicable. For all project services performed on a time and materials basis, as provided herein, the Contractor shall also provide details on staff hours, cost per activity, all expenditures and a summary of services performed for the reporting period.

The State Project Manager and Contractor Project Manager will come to agreement on the exact format of the project documentation and collaboration reports, at or before the project kick-off meeting.

Each report shall include a project dashboard at the top outlining the overall status of the project in terms of the standard triple constraint: cost, time, resources (using a legend or icon of green, yellow, and red based upon the following definitions):

- Green – on track to deliver committed scope by committed deadline with committed resources/funding.
- Yellow – not on track to deliver committed scope by committed deadline with committed resources/funding, but have a plan to get back to green.

- Red – not on track and currently do not have a plan to get back to green. Need project management intervention or assistance.

In the event of yellow or red overall project status, there should be a specific task(s) and/or issue(s) identified as yellow or red which are the root cause of the overall project status being yellow or red. These items shall be presented in sufficient detail to determine the root-cause. The Status Report shall provide a link to the Risks and Issues Log for more detail.

The report shall include a budget section outlining original contract costs by deliverable with billed and paid-to-date information by deliverable and in total.

#### 4.3 IMPLEMENTATION MASTER SCHEDULE

The Contractor has compiled a preliminary “baseline” implementation master schedule (“IMS”) using the best available knowledge at the time of Contract signing which is attached to this Attachment A as Exhibit 2. The Contractor shall update the IMS after execution of this Contract during the Project Development as required pursuant to the terms herein (e.g., updated tasks and task descriptions, updated meeting dates, updated resource assignments, updated milestone dates). Any such changes shall be communicated in writing by the Contractor to the State Contract Manager by executing a new or revised IMS or other documentation acceptable to the State. Such changes are subject to State review and approval. The parties shall work together to implement the IMS changes in accordance with the terms of this Contract; provided, however, in no event shall revisions to the IMS be deemed to amend this Contract. Changes to project scope, term or maximum amount shall require a Contract amendment.

The IMS is an ongoing tool for anticipating and tracking changes to expectations for all project tasks, deliverables and milestones. The complete IMS is an integrated plan – that is, it includes actions and deliverables from all project areas – both Contractor and State. The complete IMS, which includes the detailed tasks and milestones, shall reside in Microsoft Project (.mpp) format (Version 2007 or higher) or SmartSheet, a Project Planning tool that is accessible online with instant updates, and will be shared in the ongoing communication meetings to discuss changes. State shall sign off on all deliverables from each Phase of the IMS before subsequent phase work is initiated. Once sign off is complete, Contractor and State will assess readiness to proceed with next phase.

#### 5. SCOPE OF SERVICES.

**5.1 DESCRIPTION OF SERVICES.** Contractor agrees to provide and shall perform the Services described herein in accordance with and subject to the terms and conditions set forth in this Contract.

#### **5.2 Implementation Phases, Hosting, Support and Data Store Services and System Software.**

The Contractor shall, at a minimum, provide State access to a web-based, Contractor hosted Solution that meets the tools and functionality requirements of the State set forth in Exhibit 1 to this Attachment A. Contractor shall use system development and configuration control methodologies and the desirable sequence of project major Phases as described herein. Deliverables and their estimated dates in the following table shall be further detailed and finalized in the IMS as described in Section 4.3, “Implementation Master Schedule.”

Further definition of the deliverables can be found in the separately attached Statement of Work (SOW) document located in Exhibit 5 of this Attachment A.

<b>Implementation Deliverables for the Discovery Phase</b>				
<b>Phase</b>	<b>Description</b>	<b>Timeframe</b>	<b>Deliverables</b>	<b>State Satisfaction Criteria</b>
<b>Discovery</b>	Define Roadmap	Month 1-2	Demonstration Video Implementation Video Business Process Report Best Practices Guide Preconfigured Environment	Detailed Report and Diagrams of Findings - Inventory of all Processes, Reports, Access, Printers, Security, Interfaces – will include State and local authorities for change requests

<b>Implementation Deliverables for Each Group Within a Round (Up to 8 SUs/SDs per Group)</b>				
<b>Phase</b>	<b>Description</b>	<b>Timeframe</b>	<b>Deliverables</b>	<b>State Satisfaction Criteria</b>
<b>Planning</b>	Project Management	Month 1	Statement of Work Kickoff Meeting Rollout Plan Project Plan Project Budget Communication Plan Risk Management Plan Issues Tracking Log Bi-Weekly Status Call Log	Use State EPMO Templates Initiate Routine PM Activities Complete Kickoff Meeting Detailed Rollout Strategy Clearly Defined Plan
<b>Preparation</b>	Complete System Setup	Month 1-2	Platform Build Installation Report Environment to Login Local Discovery Data Conversion Kickoff	Details of System Installation Smoke Testing Complete
<b>Execution</b>	Data Conversions	Month 2-5	Data Conversion Training Conversion Templates Parallel Payroll Steps	Unlimited Conversion Support Conversion Office Hours User Acceptance Testing Signoff
<b>Confirmation</b>	Perform Training	Month 4-6	Training Agendas Training Documentation Trip Reports	Onsite Training Remote Training Seminar Series Office Hours eLearning AOE Developed Change Control Documentation
<b>Support</b>	Go Live	Month 6-8	Go Live Checklist Go Live Transition Plan Project Closeout Report Post Live Surveys	AOE Owned Communication Plan First Payroll Complete Core Functionality Implemented Add-On Applications Implemented Post Live Signoff

Support for Sites Not Live on eFinancePlus				
Phase	Description	Timeframe	Deliverables	State Satisfaction Criteria
<b>Import Assistance</b>	Pull data into central database	10/2019 – 8/2020	Data Scoping Templates for Uploading Perform Upload Steps for Personnel Data (12/1/19) Correct Errors and Reupload Perform Upload Steps for Financial Data (8/15/20)	Personnel Report (12/1/19) Training on Templates Support until Imports Completed StatBook Report (8/15/20)

### **Hosting services**

The eFinancePLUS solution is delivered via a PowerSchool Hosted Software as a Service (SaaS) offering that provides secure, cloud based access to eFinancePLUS and its related components. PowerSchool provides, maintains, manages and supports the eFinancePLUS solution through a Hosting Infrastructure that includes fully redundant compute resources, multiple levels of data recovery, and perimeter edge security technologies.

As part of the PowerSchool Hosting Solution, a dedicated team familiar with eFinancePLUS and specific infrastructure needs provides systems administration, maintenance, and monitoring of the hosted eFinancePLUS platform and infrastructure operations on a 24x7x365 basis. This PowerSchool Hosting technical staff ensures the eFinancePLUS platform has the current database updates, products updates, and security updates applied as part of the PowerSchool Hosting Solution via regularly scheduled Maintenance Windows.

### **Support services**

Software support is provided via a toll-free number and the PowerSchool customer support website. Support representatives are available to help with questions about our software solutions. The customer support website is open 24/7 for entering cases with assignment to agents the next business day. The PowerSchool support program also includes an enhancement tool that customers may use to request changes to the software. Customer Technical contacts will have access to PowerSchool Hosting technical staff via PowerSchool Support Center, which includes email, chat, and phone support.

### **Operational Data Store (ODS) services**

The PowerSchool Operational Data Store (ODS) is a central database design and set-up service that PowerSchool provides for consolidating data from multiple eFinancePlus instances into a single data repository. The ODS repository provides a reliable, scalable and high-performance platform which can be used for capturing and analyzing data via Cognos at a state or district level. The ODS also includes a mechanism for importing non eFinancePlus district data, which can also be included in any data analysis/reporting exercise.

### **eFinancePLUS functional modules and system software**

eFinancePLUS is fully web-based solution comprised of the following functional modules and system software that can be accessed using Mac or Windows based laptops, personal computers, and mobile devices:

- AESOP Interface,
- Central Receipting,
- Cognos Reporting-Analytics Bundle,
- eFinancePLUS Fund Accounting Base
- eFinancePLUS Human Resources Base
- Employee Access Center,
- Employee Benefits,

- External Applicant Interface,
- Fixed Assets,
- Fixed Assets Communicator,
- Four J's Unlimited User License,
- Kronos Interface,
- Miscellaneous Billing,
- MKS SysAdmin
- Toolkit/Connectivity,
- Mobile Connector,
- Mobile Employee Module,
- Optio,
- Personnel Budgeting,
- Professional Development,
- PunchOut,
- Purchasing Card Interface,
- Recruitment,
- Regulatory Reporting,
- Salary Projections,
- Subfinder Interface,
- TimeClockPLUS Interface,
- Vendor Access Center,
- Vendor Bidding,
- Warehouse Inventory

**5.3. State-Caused Delays.** Contractor acknowledges that the State may not be able to meet the time frames specified in an IMS or that the State may determine that it is necessary to delay and/or modify the timing and sequencing of the implementation as provided in the IMS. While the State is committed to the project and shall use reasonable efforts to provide staff and resources necessary to satisfy all such time frames, the State shall not be held responsible or deemed in default for any delays in Solution implementation provided the State uses its reasonable efforts to accomplish its designated responsibilities and obligations as set forth in the IMS. In addition, the State may, at its option, delay implementation and installation of the Solution, or any part thereof. Notwithstanding any provision to the contrary, if the State Significantly Delays implementation of the Solution, either party may make a Change Request in accordance with Section 8, "Change Order Process," and, if required, an amendment to this Contract. Contractor agrees to adjust the IMS and Payment Milestones deadlines to take into account any State-caused delays; provided, however, that Contractor shall continue to perform any and all activities not affected by such State-caused delay. In the event the State's adjustment to the IMS causes Contractor scheduling conflicts or personnel unavailability, the State and Contractor shall prepare a revised mutually agreeable IMS which may delay the commencement and completion dates of the project and shall take into consideration the readjusted time frames and any necessary resequencing of the activities. Such readjustment, rescheduling or modification of the Project shall be at no additional cost to the State if the delays are less than or equal to thirty (30) days.

For purposes of this Section, a "Significant Delay" shall mean any delay that in itself will cause a slippage of thirty (30) calendar days or more in a Go Live date.

**5.4 Third Party Resources.** From time to time State may request that Contractor obtain and provide to the

State, at the State's expense, third party Resources related to the Services but outside the scope of what Contractor is then obligated to provide hereunder, including the benefit of any volume purchasing discounts, pricing or terms available to the State or its supplier. Contractor shall notify the State at the time of any such request of any relationships Contractor may have with such suppliers that may be of benefit to the State in this respect. To the extent that State may have a more favorable relationship with any third party supplier, upon notice from State, Contractor agrees to consider such Resources from State's designated supplier. Contractor will not add an administrative fee or other markup to any third party Resources it procures on behalf of or for the benefit of State and the Services provided hereunder.

## 6. ACCEPTANCE

**6.1. Acceptance Testing by the State Following Implementation.** After Contractor provides written notice to the State that it has completed a Phase of the Solution, the State shall, in accordance with the Formal Acceptance Criteria agreed to by the parties, and with full cooperation and assistance from Contractor, conduct all such inspections and tests of the Phase as the State may deem necessary or appropriate to determine whether any Defects exist in the Phase as implemented and whether the Phase as installed materially complies with all of the Installation Test Specifications and Phase specifications as set forth in the Requirements and detailed IMS. Such inspections and tests shall be completed within thirty (30) days, per Phase, from the date a notice of completion is issued (the "Acceptance Period"). Contractor shall have thirty (30) days from the date of notification of a Defect by the State to correct all Defects, demonstrate to the State that correction of such Defects has been made, and after so demonstrating correction, shall issue to the State a written Certificate of Completion indicating that no Defects are known to exist in the Phase and/or Solution. The State shall be deemed to have accepted and approved the particular Phase or Solution only upon the States delivery to Contractor of a signed, written Certificate of Acceptance indicating that the Phase or the Solution, as the case may be, as completed, materially performs in accordance with the Requirements. The State shall have ten (10) days from the issuance of the Certificate of Completion to determine whether the Defect has been corrected (the "Correction Period").

If at the end of the Acceptance Period or the Correction Period, the State has not issued a signed Certificate of Acceptance to Contractor for that Phase or the Solution, or issued any rejection, the State shall be deemed to have accepted and approved the particular Phase or Solution and shall immediately issue a signed Certificate of Acceptance to Contractor for that Phase or Solution. Any rejection must be in writing and specify the reason for the rejection and must be based upon the continued existence of a Defect in the Phase or Solution or failure of the Phase or Solution to materially perform in accordance with the Requirements. The Certificate of Acceptance shall not be unreasonably withheld by the State. If a Certificate of Acceptance for a Phase or the Solution is signed and delivered by the State, Contractor shall sign said Certificate, with both parties receiving a copy thereof.

## 7. THIRD PARTY COOPERATION

The State and/or SUs/SDs may hire other independent contractors as it may require to assist with the project. Contractor will cooperate with the third party, including provision of: (i) written Documentation requested by the State or SU/SD; (ii) commercially reasonable assistance and support services to such third party; and (iii) reasonable access to Contractor as necessary for such third parties to perform their work. The State and/or SU/SD shall use reasonable efforts to require such third parties to comply with Contractor's reasonable requirements regarding confidentiality, operations, standards, and security. Contractor shall support and maintain such third party work product, provided the service provider complies with any Documentation applicable to Contractor in respect of the Services involved.

## 8. CONTRACT/PROJECT CHANGE ORDER PROCESS

Changes to a Contract during its term may incur additional costs and possible delays relative to the project schedule, or may result in less cost to the State (for example, the State decides it no longer needs a deliverable in whole or part) or less effort on the part of the Contractor. A Change Order shall define the effort involved in implementing the change, the total cost or associated savings to the State, of implementing the change, and the effect, if any, of implementing the change on the project schedule.

Any change that alters the essential terms of the original contract, including any change that expands or decreases the statement of work, the contract duration, the payment terms and/or the contract maximum amount, shall require a Contract Amendment in accordance with State contracting policies and procedures. Under no circumstances may a Change Order be used where a Contract Amendment is otherwise required pursuant to the Contract Amendments, Approval and Execution process set forth in State Administrative Bulletin 3.5.

Change Orders will be developed jointly and every effort will be made to adhere to the approved Project Plan. The Project Manager for the State and the Project Manager for a Contractor will decide whether a Change Order is necessary. If a Change Order is necessary, the Project Manager for requesting party will prepare a Change Order Request detailing the impacts on scope, schedule, deliverables, resources, and cost. The Change Order Request must be submitted to the non-requesting party for review. The non-requesting party will make its best efforts to either approve or deny the Change Order in writing within (10) business days. In no event shall any delay in the approval or denial of a Change Request constitute a deemed approval by the State.

The State will not pay for the effort involved in developing a Change Order. The Contractor shall bear the cost of estimating the cost or savings, time, and Contractor resources required to implement all Change Order Requests forthcoming from the State during the course of the Project.

All Change Orders that are mutually agreed upon must:

- a. be in writing and describe, with specific reference to the applicable section(s) of the contract, what is being added, deleted or otherwise modified;
- b. be signed by both the State and the Contractor;
- c. include the original contract number and a sequential Change Order number;
- d. include Contractor certifications regarding Taxes, Debarment, and Child Support, as detailed in State Administrative Bulletin 3.5, Section XIII(A)(c); and
- e. be consolidated into a formal Contract Amendment whenever an amendment would otherwise be required by State Administrative Bulletin 3.5.



## ATTACHMENT A – EXHIBIT 1a FUNCTIONAL REQUIREMENTS

Exhibits 1a and 1b to Attachment A of this Contract, as originally submitted as part of the Contractor’s Request for Proposal (RFP) response set forth the functional and non-functional requirements of the Contractor’s eFinancePLUS solution provided to the State. For the avoidance of doubt, the two Essential items noted in the below table of functional requirements as customizable are required by the State and shall be provided to the State at no additional cost. As referenced below within the table of Project Management Documentation, Section 4.1.1, and the Discovery through Preparation Phases in section 5.2, the list of functional and non-functional project requirements will be further finalized and approved by the State. Any additional requirements that may be uncovered after the Discovery Phase must be agreed upon by both parties, and will require a Change Order if it affects project timeline, cost or resources.

The table below lists the State’s Functional Requirements. Within this Excel Document , Bidders are to indicate the “Availability” for each requirement for the proposed solution. A “Bidder Comments” column is to be used to detail any additional information or explanations.

A - Feature is available in the core (“out-of-the-box”) solution.

D - Feature is currently under development (indicate anticipated date of availability in the Bidder comments column).

C - Feature is not available in the core solution, but can provided with customization.

N - Feature is not available.

ID #	Functional Area	Functional Requirement Description	State Priority	Avail-ability	Vendor Comments
1.1	Accounts Payable	The system should have the ability to capture data related to special education and related expenditures by supervisory union and by school district/school.	E	A	
1.2	Accounts Payable	The system should have the ability to expense funds for the invoice amount, recognize a payable in the corresponding fund and automatically liquidate the corresponding encumbrance amount.	E	A	
1.3	Accounts Payable	The system should have the ability to print cash requirements report for the next 90 days including open payables and purchase orders issued.	E	A	
1.4	Accounts Payable	The system should have the ability to set-up recurring monthly payments.	E	A	
1.5	Accounts Payable	The system should have the ability to view a summary vendor aging and drill-down selectively by vendor to see detail items.	E	A	
1.6	Accounts Payable	The system should support user-defined tolerances in the invoice reconciliation process including: invoice quantity different than purchase order.	E	A	
1.7	Accounts Payable	The system should have flexible payment selection and partial payment options to choose payables for all funds or one particular fund.	E	A	
1.8	Accounts Payable	The system should have the ability to create accounts receivable invoices for bill backs during the accounts payable process.	E	A	Accounts Receivable sends refund data to accounts payable
1.9	Accounts Payable	The system should have the ability to automatically assign a unique number to each invoice.	E	A	System guards against duplicate entry.
1.10	Accounts Payable	The system should have the ability to create one-time and recurring vendors.	E	A	
1.11	Accounts Payable	The system should have the ability to create positive pay file at each check run that meets file specification from bank.	E	A	

1.12	Accounts Payable	The system should have the ability to create vendors from within the invoice entry screen.	E	A	
1.13	Accounts Payable	The system should have the ability to cut checks against multiple cash accounts and creating appropriate due to/from entries.	E	A	
1.14	Accounts Payable	The system should have the ability to distribute invoice line items to unlimited distribution account numbers.	E	A	Allows up to 30 lines in practice this is more than sufficient
1.15	Accounts Payable	The system should have the ability to have the system notify the data entry person if budgets are being exceeded or data is being posted outside the current period or current year.	E	A	
1.16	Accounts Payable	The system should have the ability to import YTD 1099 vendor information from legacy system at go live date.	E	A	
1.17	Accounts Payable	The system should have the ability to mark vendors as inactive. The system should have the ability to run a utility to delete inactive vendors.	E	A	
1.18	Accounts Payable	The system should have the ability to print all the standard reports for Warrants, Aging, Open Items, Check Registers.	E	A	
1.19	Accounts Payable	The system should have the ability to print checks on plain paper with the system inserting all logos, signatures and MICR based on appropriate security level.	E	A	
1.20	Accounts Payable	The system should have the ability to print separate checks for a select vendor in a single check run.	E	A	
1.21	Accounts Payable	The system should have the ability to provide 1099 reporting for governmental tax compliance reporting.	E	A	
1.22	Accounts Payable	The system should have the ability to reference a Purchase Order that was issued for a different vendor.	E	A	
1.23	Accounts Payable	The system should have the ability to search vendors by number or name when entering invoices.	E	A	
1.24	Accounts Payable	The system should have the ability to setup 1099 report for vendors with the capability to enter multiple boxes on the 1099 within the same payable. Software does not require separate 1099 vendors.	E	A	
1.25	Accounts Payable	The system should have the ability to setup Purchasing Categories.	E	A	
1.26	Accounts Payable	The system should have the ability to track multiple "remit to" addresses for each vendor.	E	A	
1.27	Accounts Payable	The system should have the ability to Unencumber a previous entered PO by a "Partial or Complete" amount.	E	A	
1.28	Accounts Payable	The system should have the ability to view vendor history and vendor year-to-date totals.	E	A	
2.1	Accounts Receivable	The system should have the ability to conduct remittance processing -- including payment methods and automated processing.	E	A	

3.1	Application Tracking	The system should be equipped with customizable, searchable forms that can be completed online by any contact in the database for self-entered data collection or internal data standardization.	O	A	
3.2	Application Tracking	The system should have the ability to collect self-identification data from candidates to meet compliance requirements.	O	A	
3.3	Application Tracking	The system should have the ability to locate keywords and phrases in job descriptions, notes, resumes and candidate profiles with Boolean or similar logic.	O	A	
3.4	Application Tracking	The system should have the ability to manage contractor assignments and availability.	O	A	
3.5	Application Tracking	The system should have the ability to use the broadly applicable roll-up or drill-down function to group names and positions for sorting, emailing and other group actions.	O	A	
3.6	Application Tracking	The system should provide a user interface that facilitates workflow and other tasks within the HR module and other modules (e.g. drag-and-drop interface for moving candidates from one stage to the next) and initiate subsequent activities (e.g. generate reports, generate tickler items).	E	A	System meets all criteria except drag and drop, stem uses a highlight and execute protocol
4.1	Benefits Administration	The system should enable employees to communicate their benefit choices to their organization, including elections, validations, confirmation statements, and other related content.	E	A	
4.2	Benefits Administration	The system should have the ability to access individual historical earnings, hours, and pension contribution data; consolidate data; or keep per-period history.	E	A	
4.3	Benefits Administration	The system should have the ability to automatically enroll participants and dependents in a specified range of benefit options.	O	A	
4.4	Benefits Administration	The system should have the ability to automatically identify eligible employees and calculate and process retroactive benefits and deductions.	E	A	
4.5	Benefits Administration	The system should have the ability to determine and track employee eligibility, including but not limited to teacher retirement, based on a variety of characteristics.	E	A	The job class provides eligibility groups. Unique requirements are enforced by benefits administrator prior to posting.
4.6	Benefits Administration	The system should have the ability to ensure that any elections or changes are allowed by program's rules.	O	A	The job class provides such control.
4.7	Benefits Administration	The system should have the ability to establish and manage multiple employee benefit programs, including flexible spending accounts and leave accruals for sick/vacation/personal time off (PTO) plans.	E	A	
4.8	Benefits Administration	The system should have the ability to generate and process billings, payments, and adjustments for individuals and groups.	O	A	

4.9	Benefits Administration	The system should have the ability to generate reports for frequently requested information and create customized, ad hoc reports for supervisory union- and school district-specific requirements.	E	A	
4.10	Benefits Administration	The system should have the ability to provide access to complete benefits information and transactions from a single page and with a single sign-on.	E	A	
4.11	Benefits Administration	The system should have the ability to provide employees with online access to their benefits programs, including health, dental, vision, insurance, and savings plans.	E	A	
4.12	Benefits Administration	The system should have the ability to set up rules for special plan provisions, including grandfathered benefits, early retirement window benefits, minimum benefit formulas, and breaks in service.	E	C	eFinancePLUS allows districts to define and track benefits for employees. Benefit details, including grandfathered benefits, are setup in reference tables and then assigned to employees.
4.13	Benefits Administration	The system should have the ability to store effective-dated employment history to track jobs, employment status, salaried or hourly status, union affiliation, etc.	E	A	
4.14	Benefits Administration	The system should have the ability to track all payees (e.g. retirees, beneficiaries, and qualified domestic relations order [QDRO] alternate payees) in one database.	O	A	
4.15	Benefits Administration	The system should have the ability to track and process plans, including but not limited to: FMLA (Family Medical Leave Act), COBRA (Consolidated Omnibus Budget Reconciliation Act), health and life insurance, savings (including 401(k) and 403(b) plans), Section 129 dependent care reimbursement, and Section 457 savings plans.	E	A	
4.16	Benefits Administration	The system should have the ability to use effective-dating to keep a history of plan provisions.	E	A	
4.17	Benefits Administration	The system should have the ability to use passive event processing to trigger events automatically.	O	A	Use of our ad hoc reporting tool. Included in this proposal
5.1	Budgeting	The system should allow yearly allocation adjustments based on enrollment changes.	E	A	
5.2	Budgeting	The system should have the ability to allow for advance set-up of succeeding fiscal year's budget and offer percentage and dollar amount increases/decreases per account.	E	A	

5.3	Budgeting	The system should have the ability to capture notes/comments, specific to year-to-year accounting variances.	E	A	
5.4	Budgeting	The system should have the ability to maintain transaction activity and account balances by location (e.g. school district, school, or other).	E	A	
5.5	Budgeting	The system should have the ability to provide for remote budget preparation and analysis including the ability to populate subsequent year's budgets with budget and/or actual values from the prior year.	E	A	
5.6	Budgeting	The system should have the ability to support both a "hard" or "soft" fiscal year close.	E	A	
5.7	Budgeting	The system should have the ability to support fund accounting.	E	A	
5.8	Budgeting	The system should have the ability to update and edit data within fiscal years during a "soft" close.	E	A	
5.9	Budgeting	The system should provide ability to annualize actual expenses for the current year for comparison purposes.	E	A	
5.10	Budgeting	The system should provide ability to perform "what-if" scenarios to model various approaches to budget prioritization and projections for future years.	E	A	
5.11	Budgeting	The system should provide ability, within the system security definition, to restrict users to accounts over which they have control for purchasing and inquiry purposes.	E	A	
5.12	Budgeting	The system should provide the ability to budget based on a position.	E	A	
5.13	Budgeting	The system should provide the ability to report what percent of the budget has been used by account, required operating activity, department, program, etc.	E	A	
5.14	Budgeting	The system should support the ability to provide multiyear projections out five years.	E	A	
5.15	Budgeting	The system should allow for an unlimited number of budget versions to be open at one time.	E	A	
5.16	Budgeting	The system should allow for up to five, user defined Budget Request approval paths.	E	A	
5.17	Budgeting	The system should have the ability to automatically load approved, finalized budget to General Ledger for next fiscal year.	E	A	
5.18	Budgeting	The system should have the ability to create electronic budget requests.	E	A	

5.19	Budgeting	The system should have the ability to lock specific budget versions, preventing unauthorized changes.	E	A	
5.20	Budgeting	The system should have the ability to maintain an unlimited number of budget versions per fiscal year.	E	A	*99*
5.21	Budgeting	The system should have the ability to optionally require Budget Requests to be approved.	E	A	
5.22	Budgeting	The system should have the ability to project salary costs by employee using a salary schedule or % increase. The system should have the ability to project benefits costs by increasing by dollar amount or percent based on current or projected benefit selection.	E	A	
5.23	Budgeting	The system should have the ability to report using the existing budget version, previous adopted budgets and actual data.	E	A	
5.24	Budgeting	The system should have the ability to store and maintain an unlimited number of fiscal year budgets.	E	A	
6.1	Business Rules	The system should allow AoE to specify global business rules (e.g. which entity types may be allowed to book transactions to certain COA code combinations, or which COA fields/codes may/may not be used in combination).	E	A	
6.2	Business Rules	For "finalized" data, or data ready to submit to the State for review, the system should specify tiers of business rules and edit checks allowing for different follow-up action (e.g. some require commentary, some flag for follow-up) to be applied once data is "finalized" to check that certain categories of revenues/expenses tie out "vertically" and "horizontally". Examples of "horizontal" edit checks and business rules are those that occur between school districts, as well as year over year checks. An example of a between district check would be that all amounts paid by one organization to another would equal the amount received by the other organization. An example of year over year checks would be magnitude checks, where the current year dollar amount is compared to prior year by a certain accounting code. "Vertical" checks are those that occur between nested entities, for example, comparing paid and received amounts between a supervisory union and its affiliated districts.	O	A	
6.3	Business Rules	AoE should have the ability to add/change business rule logic (both global business rules that govern how entities book transactions (6.1), and if part of the solution, also the rules that apply to data that have been submitted to the State for review (6.2))	E	A	

7.1	Chart of Accounts	AoE should be able to make changes (prior to the start of the fiscal year) to the global account code sets, except for those codes/fields that are predetermined to be managed by the districts, and to other centralized metadata (e.g. which codes are open for which types of organizations).	E	A	
7.2	Chart of Accounts	The system should allow a short-cut key tied to a longer COA string.	O	A	
7.3	Chart of Accounts	The system should have the ability to build and maintain multiple hierarchical roll-up structures for each accounting segment (e.g. roll up all object code segments within a program segment; drill up, down or across to any accounting element and pivot the data view).	E	A	
7.4	Chart of Accounts	The system should have the ability to export data with certain characteristics found in one or more Chart of Account strings, as determined at runtime.	E	A	
7.5	Chart of Accounts	The system should have the ability to have multiple description options on a data segment (e.g. short and long descriptions).	E	A	
7.6	Chart of Accounts	The system should have the ability to report expenses allocated based on predetermined and recorded characteristics including student enrollment based on the State of Vermont-defined grade splits (e.g. by individual grade or by categories of grades such as primary (K-5), middle (6,7,8), and secondary (9-12)).	E	A	
7.7	Chart of Accounts	The system should have the ability to use a mix of alpha and numeric characters within the same account segment.	E	A	
7.8	Chart of Accounts	The system should allow for the loading of historical data after it has been cross-walked into the new Vermont UCOA.	E	A	
7.9	Chart of Accounts	The system should support a capability within the Chart of Accounts definition process that supports the segments required of the Vermont AoE Uniform Chart of Accounts.	E	A	
7.10	Chart of Accounts	The system should allow for business rules and account code structures to be managed by AoE while providing some customizability at lower levels of account codes (to be managed by supervisory unions or supervisory districts).	E	A	

8.1	Worksheet Data Collection Tool	Solution should allow for the collection of worksheet data, which is more detailed data (often transactional) that ties to aggregate general ledger data; The meta data and business rules governing this collection would be predetermined but may be updated over time.	O	A	Use attachments, along with user defined fields and screens to capture data or use of our ad hoc reporting tool which is included in this proposal - further clarification may be required.
9.1	Data Repository / Warehouse	Allows for the extraction/querying data via user-specified aggregating and filtering (at the very least: .csv, .xlsx, .xls)	O	A	Use of our ad hoc reporting tool. Included in this proposal
9.2	Data Repository / Warehouse	If we have the capacity to collect worksheet data (defined in item 8.1), then we should have the capacity to store and extract this data in the same fashion as the core data.	O	A	Use attachments, along with user defined fields and screens to capture data or use of our ad hoc reporting tool which is included in this proposal - further clarification may be required.
9.3	Data Repository / Warehouse	Longitudinal repository for school/district/supervisory union data	O	A	Use attachments, along with user defined fields and screens to capture data or use of our ad hoc reporting tool which is included in this proposal - further clarification may be required.
9.4	Data Repository / Warehouse	Longitudinal repository for school/district/supervisory union meta data	O	A	Use attachments, along with user defined fields and screens to capture data or use of our ad hoc reporting tool which is included in this proposal - further clarification may be required.
10.1	Fixed Assets	The system should have the ability to capture bus mileage.	E	A	Capability to add custom field
10.2	Fixed Assets	The system should have the ability to provide complete control of cash flows, budgets.	E	A	



10.3	Fixed Assets	The system should have the ability to track depreciations from start to finish, capturing every aspect of expenditure relating to each stage of the depreciation cycle and maintaining any number of budgets.	E	A	
10.4	Fixed Assets	Fixed Asset software will meet all requirements of GASB Statement 34.	E	A	
10.5	Fixed Assets	The system should have the ability to assign Asset location by at least 4 Location Definitions (e.g. Town, Building, Department, Room).	E	A	
10.6	Fixed Assets	The system should have the ability to calculate depreciation based upon predetermined methods.	E	A	Straight line, double declining balance and 100% methods are supported.
10.7	Fixed Assets	The system should have the ability to create an Asset in the Accounts Payable module at the time of purchase based on defined accounts and threshold amounts and import into the Fixed Assets.	E	A	
10.8	Fixed Assets	The system should have the ability to import an Asset inventory file from Excel or Access.	E	A	
10.9	Fixed Assets	The system should have the ability to interface to the General Ledger module for Depreciation posting.	E	A	
10.10	Fixed Assets	The system should have the ability to produce reports based on user defined formats, selection criteria, and retain format for future use.	E	A	
10.11	Fixed Assets	The system should have the ability to reduce the value of an asset based on disposition of one or more components of that asset.	E	A	
10.12	Fixed Assets	The system should have the ability to setup an unlimited number of Asset Classifications.	E	A	
10.13	Fixed Assets	The system should have the ability to setup an unlimited number of Depreciation and Asset General Ledger accounts.	E	A	
10.14	Fixed Assets	The system should have the ability to track VIN and serial numbers.	E	A	
11.1	Fund Accounting	The system should have the ability to support inter-fund and intra-agency transfers.	E	A	
11.2	Fund Accounting	The system should provide auto-balancing of funds.	E	A	
11.3	Fund Accounting	The system should provide encumbrance accounting abilities (e.g. funds committed for future use).	E	A	
11.4	Fund Accounting	The system should provide for cash and checking account reconciliation.	E	A	

11.5	Fund Accounting	The system should provide inter-period reporting (e.g. reports across different periods).	E	A	
11.6	Fund Accounting	The system should support inter-fund entries (e.g. due to/due from).	E	A	
11.7	Fund Accounting	The system should support the definition and maintenance of funds.	E	A	
12.1	General Ledger	The system should allow for general ledger and subordinate modules to retain data indefinitely in conformance to configured data retention rules (i.e. data is not archived at year end unless such is configured in the system).	E	A	
12.2	General Ledger	The system should be able to be configured to restrict or allow automated corrections/reversals of previously posted transactions.	E	A	
12.3	General Ledger	The system should be compliant with GAAP and GAAFR standards.	E	A	
12.4	General Ledger	The system should execute pre-posting audits or reviews of transaction activity to enforce accuracy.	E	A	
12.5	General Ledger	The system should have the ability to accommodate an unlimited number of accounts within the Chart of Accounts and restrict combinations of segments to only those supported by business rules defined by VT AoE.	E	A	
12.6	General Ledger	The system should have the ability to code or record a transaction as one subject to grade level allocation.	E	A	
12.7	General Ledger	The system should have the ability to create, edit, delete and inactivate accounts.	E	A	
12.8	General Ledger	The system should have the ability to handle accrual, modified accrual, or cash basis accounting.	E	A	
12.9	General Ledger	The system should have the ability to maintain previous fiscal year financial activity and allow for storage of multiple prior years' comparatives.	E	A	
12.10	General Ledger	The system should have the ability to track fiscal-year accounting periods with user-defined begin/end dates.	E	A	
12.11	General Ledger	The system should provide a means of easily selecting one of a range of accounts based on restrictions to that range as determine by business rules applied within the function.	E	A	
12.12	General Ledger	The system should provide automated G/L entries from other system modules.	E	A	

12.13	General Ledger	The system should provide for standard, recurring journal entries that facilitate and make uniform transaction data entry (e.g. codes for standard transactions).	E	A	
12.14	General Ledger	The system should provide support for manual journal entries with restrictions including those for field-level validation (e.g. date checks and balance verification) and compliance with VT AoE-defined business rules.	E	A	
12.15	General Ledger	The system should provide user-defined journals (e.g. manual adjusting entries, transfers from other applications) for special reporting.	E	A	
12.16	General Ledger	The system should support and retain a detailed audit trail of modifications to data stored in the system starting with characteristics for when the data was initially entered and for any subsequent change to that data.	E	A	
12.17	General Ledger	The system should support recurring G/L entries in fixed or variable amounts with rules applied prior to entry.	E	A	
12.18	General Ledger	The reporting system will allow for "Quick Financial Reports" based on the entry of an Account Segment(s) range, Sort Order, Column definition and Date Range.	E	A	
12.19	General Ledger	The system should have the ability for Accounts Segment setup to allow for automatic Due To/From entries.	E	A	
12.20	General Ledger	The system should have the ability to create unlimited Funds, functions, programs, projects, departments, locations and cost centers. With the ability to report on these various segments.	E	A	
12.21	General Ledger	The system should have the ability to do Accrual entries based on an Accrual date.	E	A	
12.22	General Ledger	The system should have the ability to do Reversing Entries by entering a prior or earlier transaction number.	E	A	
12.23	General Ledger	The system should have the ability to maintain perpetual inventories for food, supplies and bus maintenance parts.	E	A	
12.24	General Ledger	The system should have the ability to post entries into a prior period, subsequent period, or year with proper warning messages based on appropriate security access.	E	A	

12.25	General Ledger	The system should have the ability to satisfy GASB 34 financial reporting requirements.	E	A	
12.26	General Ledger	The system should provide checking account reconciliation feature, including importing of checks cleared from bank data.	E	A	
12.27	General Ledger	The system will only allow Valid Segments when setting up new accounts.	E	A	
13.1	Global Features	The system should allow an individual user to work in multiple counting modules concurrently.	E	A	
13.2	Global Features	The system should be able to e-mail data exports and reports directly from the system using the supervisor union, school district or school's email system.	E	A	
13.3	Global Features	The system should be based on a stable and established operating platform.	E	A	
13.4	Global Features	The system should have comment fields maintained across all modules and at all relevant levels.	E	A	
13.5	Global Features	The system should have the ability to allow for automated communication and transfer of data to State reporting system.	O	A	Yes through ODS integration.
13.6	Global Features	The system should have the ability to allow for drill-down capability to the originating entries where pertinent in all modules.	E	A	This drill down functionality is available for all Expenditure, General Ledger and project ledger modules
13.7	Global Features	The system should have the ability to attach supporting documentation (e.g. scanned images of bills, supporting spreadsheets, etc.) to data elements at a variety of levels (e.g. AP vendor, bill, transaction, adjusting entry, etc.).	E	A	
13.8	Global Features	The system should have the ability to automatically produce the VT AoE Reports and upload the reports to the AoE in the appropriate format.	E	A	
13.9	Global Features	The system should have the ability to freeze snapshots of data as reported to State or auditor.	O	A	
13.10	Global Features	The system should have the ability to import from and export to spreadsheet (i.e. Microsoft Excel) and word-processing programs.	E	A	
13.11	Global Features	The system should have the ability to integrate activity within each module to its "parent" module (e.g. Accounts Receivable or Accounts Payable to the General Ledger).	E	A	

13.12	Global Features	The system should have the ability to provide "print preview" screens prior to printing.	E	A	
13.13	Global Features	The system should have the ability to restrict a transaction from being out of balance before allowing the transaction to be posted.	E	A	
13.14	Global Features	The system should have the ability to restrict changes to closed periods to a specified set of users.	E	A	
13.15	Global Features	The system should have the ability to retain history for multiple years.	E	A	The Financial Accounting and Human Resource/Payroll data will build and retain history over time with no practical limit. This information can be referenced online, through the application, for as long as a customer is using the software.
13.16	Global Features	The system should have the ability to support configurable review and approval workflows.	E	A	
13.17	Global Features	The system should have the ability to support defining security groups and assigning users to groups.	E	A	
13.18	Global Features	The system should include a robust and thorough self-help capability (e.g. online help search tool).	E	A	
13.19	Global Features	The system should support "drill-down" capabilities both within reports generated and presented on-screen and within tables of information (e.g. drilling down into a payable to review what expense accounts were impacted).	E	A	This drill down functionality is available on screen and with the ad-hoc report writer.
13.20	Global Features	The system should support a 13th reporting period.	E	A	
13.21	Global Features	The system should support batch posting.	E	A	
13.22	Global Features	The system should support multiple user access, limited by privileges granted through a security module.	E	A	
13.23	Global Features	The system should support multiuser access and concurrent data entry within all modules.	E	A	
13.24	Global Features	The system should support security including, but not be limited to: multi-level security; password protections; ability to control access rights by module, screen, field; ability to control access within the functionality of components and restricts users to read only.	E	A	Field level is utilized to mask data and control account code access.
13.25	Global Features	The system should work under browser-based, thin client architecture with servers located either on	E	A	

		premise or in a state-provided or vendor-provided hosting facility.			
13.26	Global Features	The system, across the various modules supported, should have the ability to share a single repository of data (e.g. a central database) thereby eliminated redundant storage.	E	A	
14.1	Human Resources	The system should allow a manager to approve all HR-related changes with the help of a centralized approval inbox.	E	A	
14.2	Human Resources	The system should allow employees to review Federal, State, and Local tax information as well as other deductions.	O	A	
14.3	Human Resources	The system should allow employees to review their job and compensation information.	O	A	
14.4	Human Resources	The system should allow employees to review their periodic salary and job reviews.	O	A	Alerts and views can be generated with the ad-hoc report writer.
14.5	Human Resources	The system should allow employees to submit changes online which are then reviewed by a manager or appropriate Human Resources individual.	E	A	
14.6	Human Resources	The system should allow employees to view or change their own Bank EFT information.	E	A	
14.7	Human Resources	The system should allow managers to make changes to their HR information through a manager self-service screen.	O	A	
14.8	Human Resources	The system should allow managers to use customize approval workflow management for managers and supervisors.	E	A	
14.9	Human Resources	The system should have the ability to allow defining different employment statuses. For example: regular, contract, on leave, per diem, temp, and volunteer.	E	A	
14.10	Human Resources	The system should have the ability to allow employees to view/change the following data elements, including but not limited to: address, dependents, and contact information.	E	A	
14.11	Human Resources	The system should have the ability to allow extracts of data to meet State reporting requirements.	E	A	

14.12	Human Resources	The system should have the ability to generate HR intake forms and event management forms.	O	A	
14.13	Human Resources	The system should have the ability to print personnel directories (e.g. by supervisory union, school district, or school) with employee address, phone and other information.	E	A	
14.14	Human Resources	The system should have the ability to provide human resource management functions to track applicants, substitute teachers, current employees, assignments, past experience and continuing education.	E	A	
14.15	Human Resources	The system should have the ability to record and store codes associated with various employee types, as defined by the State of Vermont.	E	A	
14.16	Human Resources	The system should have the ability to record providers, rates, and beneficiaries, including spouses, domestic partners, and dependents, and calculate coverages and premiums for employees who hold multiple positions.	E	A	
14.17	Human Resources	The system should have the ability to simulate the financial impact of potential contract salary changes and project the impact based on differing salary increases for certificated and classified positions (e.g. "what-if" scenarios).	E	A	
14.18	Human Resources	The system should have the ability to support automatic encumbering of salary and benefits for new hires, and disencumbering of remaining salary and benefit amounts upon position changes.	E	A	
14.19	Human Resources	The system should have the ability to track classified and certificated non-management, management, confidential, temporary, substitutes, mentor teachers and other employee subgroups and maintain information on same.	E	A	
14.20	Human Resources	The system should have the ability to accrue leave-time by front-loading or prorating methods.	E	A	
14.21	Human Resources	The system should have the ability to assign one or more employees to a position.	E	A	
14.22	Human Resources	The system should have the ability to associate benefits to the appropriate bargaining unit.	E	A	

14.23	Human Resources	The system should have the ability to create an unlimited number of Salary Step Tables.	E	A	
14.24	Human Resources	The system should have the ability to create multiple scenarios for Salary Step Tables to assist in the budgeting and collective bargaining process.	E	A	
14.25	Human Resources	The system should have the ability to define each position within the organization.	E	A	
14.26	Human Resources	The system should have the ability to interface with Budget Development module.	E	A	
14.27	Human Resources	The system should have the ability to maintain an unlimited number of leave plans.	E	A	
14.28	Human Resources	The system should have the ability to maintain complete employee demographics.	E	A	
14.29	Human Resources	The system should have the ability to maintain multiple leave plan years.	E	A	
14.30	Human Resources	The system should have the ability to monitor recertification dates for multiple events.	E	A	
14.31	Human Resources	The system should have the ability to process an employee on one or more school payrolls.	E	A	
14.32	Human Resources	The system should have the ability to produce contract letters, total compensation letters, and open enrollment benefit letters.	E	A	
14.33	Human Resources	The system should have the ability to provide for plan maximums and carryovers (both days and dollars, as applicable).	E	A	
14.34	Human Resources	The system should have the ability to provide for seniority table-based calculation at time of accrual.	E	A	
14.35	Human Resources	The system should have the ability to record education history, including education levels attained.	E	A	
14.36	Human Resources	The system should have the ability to record professional development history, including university courses, seminar credit hours and in-service workshops. Incorporate related activity from Accounts Payable and Budgeting.	E	A	
14.37	Human Resources	The system should have the ability to record substitute activity by position substituted for and/or job number.	E	A	
14.38	Human Resources	The system should have the ability to track course requests, course approvals, completions, and tuition reimbursement (mandatory and optional).	E	A	
14.39	Human Resources	The system should have the ability to track employee certifications.	E	A	



14.40	Human Resources	The system should have the ability to, limited to operator discretion, interface with Payroll module.	E	A	
15.1	Payroll	Payroll encumbrance amount will be available for financial reporting (Salaries and Benefits-FICA, Retirement, Health, Dental, Disability, Life, BOE paid Section 125, EAP).	E	A	
15.2	Payroll	The system should have the ability to automatically post payroll and fringe benefit expenditures to salary and benefit accounts.	E	A	
15.3	Payroll	The system should have the ability to generate district-defined salary grade, step and pay rate tables for classified and certificated employees.	E	A	
15.4	Payroll	The system should have the ability to provide on-line access to employee profile, benefit, deduction and absence information with year-to date totals and available balances.	E	A	
15.5	Payroll	The system should have the ability to support direct deposit to multiple financial institutions using industry standard ACH (Automated Clearing House) protocols.	E	A	
15.6	Payroll	The system should have the flexibility to generate reports that satisfy all current and future federal and state payroll reporting requirements.	E	A	
15.7	Payroll	Employee online access to Payroll check stub, must display current payroll information as well as calendar year and fiscal year to date information for all earnings and deductions associated with the employee, show available leave time by category.	E	A	
15.8	Payroll	The system must meet the requirements of the Vermont State Retirement systems (e.g. Federally-funded teacher positions).	E	A	
15.9	Payroll	The system should have the ability for electronic liability payments for employee deduction vendors (e.g. 403b deductions).	E	A	
15.10	Payroll	The system should have the ability for exception based payroll processing.	E	A	
15.11	Payroll	The system should have the ability for magnetic or electronic filing of Federal and State payroll information including but not limited to ACA reporting.	E	A	
15.12	Payroll	The system should have the ability for unlimited number of Direct Deposits.	E	A	

15.13	Payroll	The system should have the ability for user defined taxation of earnings.	E	A	
15.14	Payroll	The system should have the ability to allow for associating one or more employees to a position and one or more positions to a single employee.	E	A	
15.15	Payroll	The system should have the ability to allow for Electronic Federal Tax Payment System (EFTPS) processing of payroll taxes.	E	A	
15.16	Payroll	The system should have the ability to allow for encumbering of payroll and benefits that is automatically unencumbered with the post of each payroll. Encumbrance amount will be available for financial reporting (Salaries and Benefits-FICA, Retirement, Health, Dental, Disability, Life, Section 125, EAP).	E	A	
15.17	Payroll	The system should have the ability to allow for end of year contract payoff.	E	A	
15.18	Payroll	The system should have the ability to allow for payroll amounts to be based from user defined Salary Step Tables.	E	A	
15.19	Payroll	The system should have the ability to allow for position-based payroll processing (e.g. teachers versus coaches versus substitute teachers).	E	A	
15.20	Payroll	The system should have the ability to allow for unfilled positions.	E	A	
15.21	Payroll	The system should have the ability to allow for unlimited number of positions.	E	A	
15.22	Payroll	The system should have the ability to allow for unlimited number of pretax and post-tax deductions to be associated to an employee. The system should have the ability to enter garnishment deductions as outlined in court order.	E	A	
15.23	Payroll	The system should have the ability to allow positions to be assigned to Collective Bargaining Units.	E	A	
15.24	Payroll	The system should have the ability to allow unlimited 403(b) vendors. Tracking of 403(b) deductions as compared to federal limits by employee.	E	A	
15.25	Payroll	The system should have the ability to associate employees to a Pay Cycle Group.	E	A	

15.26	Payroll	The system should have the ability to associate employer deductions with employees in multiple positions.	E	A	
15.27	Payroll	The system should have the ability to create Positive Pay File at each check run that meets file specification from bank.	E	A	
15.28	Payroll	The system should have the ability to flag employees as inactive.	E	A	
15.29	Payroll	The system should have the ability to have a web-based interface for employees to retrieve payroll information including but not limited to checks and W-2's.	E	A	
15.30	Payroll	The system should have the ability to interface with the Time and Attendance system.	E	A	
15.31	Payroll	The system should have the ability to process Employer Deductions/Expenses and create all associated journal transactions.	E	A	
15.32	Payroll	The system should have the ability to process multiple different payrolls in one batch.	E	A	
15.33	Payroll	The system should have the ability to produce employee-based reports presenting gross pay, deductions, and net pay either for hardcopy check or EFT/direct deposit for a range of payrolls between from to date.	E	A	
15.34	Payroll	The system should have the ability to produce the Federal Forms 940 and 941 in either paper or applicable electronic format.	E	A	
15.35	Payroll	The system should have the ability to prorate salary and benefits by FTE.	E	A	
15.36	Payroll	The system should have the ability to void or correct a payroll check and have the next Electronic Federal Tax Payment System (EFTPS) payment reflect the changes created by the void or correction.	E	A	
16.1	Project/Grant Accounting	The system should have the ability to capture federal grant information.	E	A	
16.2	Project/Grant Accounting	The system should have the ability to create relationships between grants and other transaction dimensions, such as programs, for more efficient tracking of funds.	E	A	
16.3	Project/Grant Accounting	The system should have the ability to monitor and report on a period-by-period, grant-to-date, or grant-life basis.	E	A	

16.4	Project/Grant Accounting	The system should have the ability to provide "actual versus budget" comparisons with detailed summary grant accounting reports.	E	A	
16.5	Project/Grant Accounting	The system should have the ability to provide multi-level query options to validate grant accounting transactions automatically against the budget each time a transaction is entered.	E	A	
16.6	Project/Grant Accounting	The system should have the ability to produce an "Under-Budget" warning as notification of an approaching grant expiration date.	E	A	
16.7	Project/Grant Accounting	The system should have the ability to receive an "Over-Budget" warning to prevent posting a grant accounting transaction that exceeds the budget.	E	A	
16.8	Project/Grant Accounting	The system should have the ability to reconcile grant funds to associated revenues and expenses as well as to the school being served.	E	A	
17.1	Purchasing	The PO system should allow for remote electronic requisitions which can be electronically approved and converted to purchase orders.	E	A	
17.2	Purchasing	The system should have the ability to access a General Ledger Account Balance screen during requisition entry showing Budgeted amounts, paid amounts, open purchase order amounts, requested amounts (requisitions not approved), and Balance Remaining.	E	A	
17.3	Purchasing	The system should have the ability to allow each entity to have their own Range of PO numbers, logos and signatures.	E	A	Separate field is utilized to identify department entry. Duplicate entry is prevented.
17.4	Purchasing	The system should have the ability to allow importing of and purchasing off statewide contracts/terms.	O	A	
17.5	Purchasing	The system should have the ability to automatically create Encumbrances at entry of PO distribution.	E	A	
17.6	Purchasing	The system should have the ability to automatically unencumber at entry of AP invoice.	E	A	
17.7	Purchasing	The system should have the ability to enter next year purchase orders or budget requisitions at any time, regardless of current fiscal year or future budget year.	E	A	
17.8	Purchasing	The system should have the ability to perform Budget Checking on each distribution line entered.	E	A	

17.9	Purchasing	The system should have the ability to print a vendor performance analysis report listing vendor's price, quality and delivery record.	O	A	Reporting is provided, however quality is not tracked
17.10	Purchasing	The system should have the ability to print all standard PO reports including Change Order Registers, Closed PO Registers and Open PO Registers.	E	A	
17.11	Purchasing	The system should have the ability to print purchase orders on plain paper with complete control over the number of copies and appropriate logos and signatures per location based on security permissions.	E	A	
17.12	Purchasing	The system should have the ability to provide multiple purchasing and "deliver to" addresses per vendor.	E	A	
17.13	Purchasing	The system should have the ability to restrict access to Authorized Users and Account Permissions.	E	A	
17.14	Purchasing	The system should have the ability to update purchase orders (amount and account number) with appropriate audit trail.	E	A	
17.15	Purchasing	The system should have the ability to view PO history with drill-down options.	E	A	
17.16	Purchasing	The system should have the ability to warn, prohibit or allow password override of over-budget conditions.	E	A	Based on Account number the system will warn or block an over budget condition from processing
17.17	Purchasing	The system should provide the ability to route requisitions and purchase orders electronically to managers' queues for on-line approvals.	E	A	
17.18	Purchasing	The system should support automatic entry of a contract price into price fields on contract or blanket orders within purchase order entry functions.	E	A	Provided through Punch Out.
17.19	Purchasing	The system should support maintenance of URL links or website addresses to a vendor's website while still recording orders within the purchasing system.	O	A	
17.20	Purchasing	The system should support on-line requisition and purchase order tracking with single or multiple level authorization requirements.	E	A	
18.1	Reporting	AoE should be able to view and extract financial data (read-only) across all locations simultaneously on a predetermined basis (e.g. daily, monthly, quarterly, some alternative defined schedule etc.) by location, function, program, object, level, fund, project, revenue, type, year (at the very least: .csv, .xlsx, .xls).	E	A	

18.2	Reporting	AoE's reporting capabilities should include an option to reflect predetermined internally calculated allocations (e.g. allocate certain program/function from SU level to district or schools levels).	O	A	
18.3	Reporting	AoE should be able to view and extract employee staff category, FTE, and payroll data across all locations simultaneously on a predetermined basis, for example, daily, monthly, quarterly (at the very least: .csv, .xlsx, .xls).	O	A	
18.4	Reporting	The system should have the ability for all users to generate, retain, share and regenerate previous ad-hoc queries.	E	A	
18.5	Reporting	The system should have the ability for the report writer and online query to perform calculations (e.g. comparisons, summaries, user-defined calculations, subtotals, totals, etc.).	E	A	
18.6	Reporting	The system should have the ability to change format of numbers on reports.	E	A	
18.7	Reporting	The system should have the ability to change precision / rounding of numbers in reports and display.	E	A	Use of our ad hoc reporting tool which is included in this proposal.
18.8	Reporting	The system should have the ability to aggregate, include or filter out data based on configurable school grade-level parameters.	E	A	
18.9	Reporting	The system should have the ability to allow scheduling of reports.	E	A	
18.10	Reporting	The system should have the ability to designate or select a printer from a range of printers for printing forms and reports.	E	A	
18.11	Reporting	The system should have the ability to export data, including transactions data, to external sources (e.g. teacher retirement systems).	E	A	
18.12	Reporting	The system should have the ability to export or transfer reports and/or queries to different file types, e.g. text files and/or CSV for State purposes, Excel, Access, PDF, etc.	E	A	
18.13	Reporting	The system should have the ability to extract and/or regenerate state required report data subsequent to a year-end audit being performed.	E	A	

18.14	Reporting	The system should have the ability to generate extracts of expense or disbursements data through end-user defined routines or configurations without technical support intervention and then store the extracted data in a variety of formats (e.g. CSV, Excel, XML).	E	A	
18.15	Reporting	The system should have the ability to include variance notations in State and ad hoc reports.	E	A	
18.16	Reporting	The system should have the ability to indicate budget vs actual, standard debit/credit balance, account type.	O	A	
18.17	Reporting	The system should have the ability to limit report users to only accessing data fields to which they have been given security.	E	A	
18.18	Reporting	The system should have the ability to modify or create new forms as well as have multiple user defined forms (e.g. purchase orders, checks, invoices, receipts, etc.).	E	C	eFinancePLUS includes the Form Manager which supports several formats to choose from for checks and purchase orders, It also allows each district to include logos, district name and address, signatures, bank information and to specify the number of PO copies. If VT AOE wants modifications beyond those available through set up in the Forms Manager or wants to create new forms, the changes can be completed as custom modifications
18.19	Reporting	The system should have the ability to preview, edit and reformat reports before printing.	E	A	
18.20	Reporting	The system should have the ability to produce standard and ad-hoc reports with the ability to have user-defined report layouts, e.g. data content, sort order, filter, etc.	E	A	
18.21	Reporting	The system should have the ability to provide a report writer which has export capabilities for spreadsheets, disk and printer.	E	A	
18.22	Reporting	The system should have the ability to provide periodic updates and revised forms/reports for state and federal report requirements.	E	A	

18.23	Reporting	The system should have the ability to provide standardized reports for each module.	E	A	
18.24	Reporting	The system should have the ability to report variances in account balances from one accounting period to the next.	E	A	
18.25	Reporting	The system should have the flexibility to aggregate and export a .csv file according to the formatting and field order specs for the financial data upload required by the State Longitudinal Data System (SLDS) at the supervisory union, school district, and school/building levels.	E	A	
18.26	Reporting	The system should provide a custom report writer capability, either built within the system or integrated with and report writer external to it, to configure, save and run customized reports.	E	A	
18.27	Reporting	Reporting should allow for School District/AoE/State branding	O	A	Use of our ad hoc reporting tool which is included in this proposal.
18.28	Reporting	Reports should through the duration of the contract meet latest accessibility standards	E	A	
19.1	Security	AoE should NOT be able to make changes to any of the data entered by the schools, districts, or SUs	E	A	
19.2	Security	The system should have the ability to force password changes on an administrator-defined schedule.	E	A	
19.3	Security	The system should have the ability to provide table driven, user and GROUP defined security at the field level based on logon name/password.	E	A	
19.4	Security	The system should have the ability to restrict externals (e.g. payables vendors) from downloading data without prior authorization or approval, if such a capability exists within the system.	E	A	
19.5	Security	The system should utilize SSL (secure sockets layer) or similar encryption of data in transit and at rest.	E	A	
20.1	Student/Trustee Activity	The system should have the ability to create system generated purchase orders by student activity.	E	A	
20.2	Student/Trustee Activity	The system should have the ability to interface Student Activity with applicable modules (e.g. AP, GL).	E	A	
20.3	Student/Trustee Activity	The system should have the ability to print Checks on plain paper with the system inserting all logos, signatures and MICR.	E	A	



20.4	Student/Trustee Activity	The system should have the ability to produce detailed and summary reports by activity for select time periods.	E	A	
20.5	Student/Trustee Activity	The system should have the ability to provide reconciliation capability by bank account.	E	A	
20.6	Student/Trustee Activity	The system should have the ability to track purchase orders, receipts, payments and balances by activity and bank account.	E	A	
20.7	Student/Trustee Activity	Workflow approval for disbursement transactions	E	A	
21.1	Time and Attendance	The system should have the ability to auto-forward, allowing routing of submitted timesheets to an alternate approver.	E	A	
21.2	Time and Attendance	The system should have the ability to generate automatic email reminders to approvers.	E	A	
21.3	Time and Attendance	The system should have the ability to generate automatic email reminders to employees who have not submitted their timesheets.	E	A	
21.4	Time and Attendance	The system should have the ability to generate customized reports to help analyze data and improve departments' performance.	E	A	
21.5	Time and Attendance	The system should have the ability to generate missing timesheet report.	E	A	
21.6	Time and Attendance	The system should have the ability to generate time in/out reports to help track employee working hours.	O	A	
21.7	Time and Attendance	The system should have the ability to integrate time and attendance data with Payroll.	E	A	
21.8	Time and Attendance	The system should have the ability to provide automatic overtime calculations to reduce errors and save time.	E	A	
21.9	Time and Attendance	The system should have the ability to provide customization of calculations to include defined rules, hybrid pay policies, and state and federal laws.	E	A	Basic overtime rules are supported.
21.10	Time and Attendance	The system should have the ability to provide mass approval of timesheets.	O	A	
21.11	Time and Attendance	The system should have the ability to support employees in managing their own time and attendance.	O	A	
21.12	Time and Attendance	The system should have the ability to track and generate notifications to employees late in reporting.	O	A	
21.13	Time and Attendance	The system should have the ability to track employee hours by department, location, or project.	E	A	

21.14	Time and Attendance	The system should have the ability to track or tie back to the source of funds for time.	E	A	
21.15	Time and Attendance	The system should have an integrated absence and substitute teacher management module, or should be fully compatible with an outside absence and substitute teacher management software (e.g. Aesop)	E	A	
22.1	Other	The system should be scalable.	E	A	
22.2	Other	The system should allow for the import of external data of supervisory union/supervisory districts, school districts and/or schools that are not on the system, in the new UCOA format for reporting purposes.	O	A	Use of our Excel import utility - Further clarification may be required.

**ATTACHMENT A – EXHIBIT 1b  
NON-FUNCTIONAL REQUIREMENTS**

The tables below list the State’s Non-Functional Requirements. Indicate if your proposed solution complies in the “Comply” column.

Yes = the solution complies with the stated requirement.  
No = the solution does not comply with the stated requirement.  
N/A = Not applicable to this offering.  
C = Conditional

Describe how the requirement is met in the “Vendor Description of Compliance” column.

Non-Functional Area	ID #	Non-Functional Requirement Description	Comply	Vendor’s Description of Compliance OR For Non-Functional Security Requirements Provide a Description of Applicable Security Processes.	For Non-Functional Security Requirements Provide a Description of Audit/Monitor Process.
Hosting	H1	Any technical solution must be hosted in a data center that meets industry security and disaster recovery standards.	Yes	For details regarding our data center industry standard security and disaster recovery methods, please refer to the Technical Specifications section included with our response.	
Hosting	H2	Any hosting provider must provide for back-up and disaster recovery models and plans as needed for the solution.	Yes	For details regarding our data recovery standards, please refer to the Technical Specifications section included with our response.	
Hosting	H3	Any hosting provider will abide by ITIL best practices for change requests, incident management, problem management and service desk.	Yes	With PowerSchool Hosting, formal processes and procedures are in place for change requests, incident management, problem management and service desk.	
Application Solution	A1	Vendor must provide for the backup/recover, data retention and disaster recovery of any contracted/hosted application solution(s).	Yes	For details regarding our data recovery standards, please refer to the Technical Specifications section included with our response.	
Application Solution	A2	Vendor must provide for application management and design standard of all technology platforms and	Yes	Yes, with PowerSchool Hosting all environments will have application and design standards managed by Powerschool Hosting.	

		environments for the application solution (Development, Staging, Productions, DR, etc.)			
Application Solution	A3	Vendor, including vendor subcontractors, must engage the State of Vermont using Service Level Agreements for system and application performance, incident reporting and maintenance.	Yes	Post bid response and as part of negotiations, an SLA is a now attached to this contract.	
Application Solution	A4	The State and school districts own any data they enter, migrate, or transmit into the solution and the vendor shall upon request, provide the state or school districts with any extracts or copies of data, or allow the state or school districts to extract or copy any and all of such data at any time free of charge.	Yes		
Application Solution	A5	As a contract deliverable, the vendor shall supply an up-to-date data dictionary that represents all data respective of the solution it will provide. The data dictionary must contain the following attributes: (1) The technology (RDBMS platform) that hosts the data source, i.e. Oracle, SQL Server, MySQL, DB2, etc. (2) The location where the data source is hosted (3) Full documentation of	Yes	A detailed data dictionary that indicates all database tables within Microsoft SQL RDMS can be made available upon award of a contract.	

		<p>each table in the data source, including but not limited to the DDL script, and an ERD (4)</p> <p>Thorough descriptions of each column within each table in the data source. In addition to business definitions, column descriptions must include the following detail: schema names; file group names (if applicable); data types; lengths; primary and foreign key constrains; applied formatting; applied calculations; applied aggregations; NULL-ability; default values. (5)</p> <p>Thorough descriptions and documentation of other database objects including but not limited to views, queries, procedural units etc., including but not limited to an ERD for data warehousing or business intelligence components.</p>			
Application Solution	A6	System should through duration of contract meet all relevant accessibility standards for users with disabilities (ADA).	C	<p>Contractor will work with AOE to ensure that the software is compatible with the relevant standards as specified on the state's Accessibility Policy, <a href="http://www.vermont.gov/portal/policies/accessibility.php">http://www.vermont.gov/portal/policies/accessibility.php</a>.</p> <p>For items requiring software modifications, Contractor will work with the AOE to add these items to Contractors development roadmap so that they are included in future releases. Contractor will also work with the AOE on how best to deploy assistive technologies like JAWS.</p>	
Security	S1	Input validation	Yes	Application provides input validation on field entry	
Security	S2	Output encoding	Yes	Output is encoded to prevent XSS.	
Security	S3	Authentication and password management	Yes	The eFinancePLUS platform utilizes Microsoft Active Directory LDAP services for user authentication.	

Security	S4	Session management	Yes	Sessions are managed through cookies and view state. The default session timeout is 15 minutes for business office functions and 20 minutes for self-service functions. The session will timeout if no client request is received for a time period greater than the timeout period. On logout, the session is destroyed.
Security	S5	Access control	Yes	Access controls are handled at the application level and database level. Within the application, users are assigned roles that are associated with a collection of security resources. Security resources can also be assigned directly to user accounts. Additionally, each user has an SQL account that has certain access of database roles and objects.
Security	S6	Cryptographic practices	Yes	With PowerSchool Hosting, all data in transit is encrypted as well as data at rest.
Security	S7	Error handling and logging	Yes	All exceptions are logged to a file and/or the server event log. All multi-step processes are run in a transaction and the data is rolled back if an exception occurs.
Security	S8	Data protection from unauthorized use, modification, disclosure or destruction (accidental or intentional).	Yes	The authorization at the application and database levels prevents unauthorized access to data. The system is configured with transactional logging set to 1 hour (every hour of the half-hour), allowing the district to rollback the database to any of the transactional logging points.
Security	S9	Communication security	Yes	All web-based access to eFinancePLUS is secured via Certificate Authority (CA) issued TLS 1.x certificates that utilizes a 2048-bit RSA key with SHA-256 signatures.
Security	S10	System configuration	Yes	For details regarding our systems security with PowerSchool Hosting, please refer to the Technical Requirements section included with our response.
Security	S11	Database security	Yes	In addition to physical security and operating systems security, our Microsoft SQL database(s) used for eFinancePLUS utilize SQL users, roles, and processes for additional security.
Security	S12	File management	Yes	Each user has a district directory where his/her files are stored. Documents attached to the database are stored in a separate database that has district defined security.
Security	S13	Memory management	C	All of the eFinancePLUS is built in managed code which uses a virtual machine to execute. The virtual machine facilitates the primary task of memory management and garbage collection of unused memory and adding it back to the heap. The eFinancePLUS application is hosted on IIS. For the eFinancePLUS deployment, session expiration is set within IIS to 20 minutes. If an HTTPS request has not been received for a user session in over 20 minutes, then the session will be

				abandoned and the memory allocated for the user session will be reclaimed by the operating system. Our Hosted systems are monitored with a variety of tools, with coverage of compute, memory, storage, application, and database resource usage and performance. These monitoring tools are integrated with our internal notifications and case management system, allowing us to provide proactive response to possible issues.	
Security	S14	Fraud detection	C	PowerSchool supports the most critical processes of managing school data and we are committed to the highest standards of protection. PowerSchool independently verifies the security management system to the internationally recognized standard for security management systems, and holds ISO 27001:2013 certification. To protect and mitigate against fraudulent activity, our data center facilities provider complies with a broad set of international and industry-specific compliance IT security standards including Payment Card Industry Data Security Standards (PCI DSS) to ensure your data is 100% secure. Additionally, all systems incorporate protection and mitigation against malware, viruses, and other malicious activities. Internal and external network segments are separated by extensive security groups with multiple levels of intrusion detection system (IDS) technologies in place to monitor network and system activities for malicious activities, unauthorized intrusion attempts, and policy violations. All activity is extensively monitored 24x7x365 by Powerschool technical staff.	
Security	S15	General coding practices	Yes	The PowerSchool Product Development organization partners with leading independent security service companies to scan software prior to release. Scanning identifies potential security vulnerabilities such as those identified on <a href="http://www.OWASP.org">www.OWASP.org</a> , and issues are then remediated to ensure a clean scan.	
Security	S16	POA&M management	Yes	PowerSchool Group has achieved ISO/IEC 27001:2013 certification.	
Security	S17	Risk Assessment Practices including but not limited to vulnerability assessment and open testing	Yes	PowerSchool Group has achieved ISO/IEC 27001:2013 certification.	
Security	S18	Incident response planning and testing	Yes	PowerSchool Group has achieved ISO/IEC 27001:2013 certification.	
Security	S19	System Security Plan delivery	Yes	PowerSchool Group has achieved ISO/IEC 27001:2013 certification.	
Other Non-Functional Requirements	1	Any changes to agreed-upon vendor staffing, need to be reviewed and approved by state personnel.	Yes		
Other Non-Functional Requirements	2	The State has the right to pay for an audit of the system, or require the vendor to provide proof that testing has been done (e.g.	Yes		

		summary report of testing).			
Other Non-Functional Requirements	3	<p>The vendor should offer at least three opportunities (three different days) for "hands-on training" for each type of user/support staff role. We define "hands-on" as an interactive training in a simulated or actual environment. During these initial trainings vendor support staff should be readily accessible for Q&amp;A. Roles for which training should be provided include but are not limited to, business managers and end users, AoE school finance staff, AoE monitoring staff, and if relevant any Vermont Agency of Digital Services staff. Training should be accessible not only during implementation but also in perpetuity (for new hires, returning users who would like to refresh their knowledge etc.). While on-site training is preferred during implementation, virtual training will be considered, and is okay for training resources after implementation, for on-going training needs.</p>	Yes		



Other Non-Functional Requirements	4	4. The vendor should be first point of contact for all system issues. AoE and the State of Vermont should only be involved in the support of this tool as it relates to reporting code changes and reporting and practice questions. Vendor tech support should be available at least during Vermont working hours (7AM until 5PM Monday through Friday).	Yes		
Other Non-Functional Requirements	5	The State expects reimbursable vendor travel and expense to be priced as a fixed cost and not exceed an agreed-upon budget.	Yes		
Data Compliance	1	Publicly Available Information	Yes	Security can be set to allow read only security is also applied to information on reports and dashboards	
Data Compliance	2	Confidential Personally Identifiable Information (PII)	Yes	Masking of SSN's and other sensitive items controlled by security.	
Data Compliance	3	State/Government Financial Data	Yes	Security can be set to allow read only security is also applied to information on reports and dashboards	
Data Compliance	4	Federal Tax Information	Yes	Information is protected by role based security, only those authorized can view or access information	

**ATTACHMENT A – EXHIBIT 2  
UNIFORM CHART OF ACCOUNTS (UCOA)\***

<http://education.vermont.gov/sites/aoe/files/documents/edu-uniform-chart-of-accounts.xlsx>

**\*Please note: This is the most current and up-to-date version of the UCOA that is available to the State of Vermont as of 3/7/18, updates will be made to this document as needed.**

Task Name	Task Type	Duration	Start	Finish	% Complete	PowerSchool Resource	Resource	Attendees
<b>eFinancePLUS New Implementation - Vermont</b>			<b>4/1/2018</b>	<b>7/31/2019</b>	<b>0%</b>			
<b>Discovery</b>			<b>4/1/2018</b>	<b>6/1/2018</b>	<b>0%</b>			
Signed Master Agreement Processed	Accounting	1 day			0%		State PM	
Sales Handover Meeting	Sales	1 hr			0%		Sales Executive	PowerSchool PM
Welcome Contact: Schedule Kickoff Call	Project Mgmt	1 hr			0%		PowerSchool PM	State PM
Kickoff Call	Project Mgmt	1 hr			0%		PowerSchool PM	State PM
Kickoff Call: Follow up email	Project Mgmt	1 hr			0%		PowerSchool PM	
Implementation Handbook & Questionnaire Delivered	Project Mgmt	0 days			0%		PowerSchool PM	
Implementation Questionnaire submitted to PowerSchool PM	Project Mgmt	5 days			0%		State PM	
Pre-Planning, Gathering Materials	Client Task	5 days			0%		State PM, SU Core Team, District Core Team	
Business Process Review	Consulting - Onsite	4 days			0%		PowerSchool Consultant	State PM, SU Core Team, District Core Team
Business Process Review	Consulting - Onsite	4 days			0%		PowerSchool Consultant	State PM, SU Core Team, District Core Team
Develop Vermont BPR Report	Consulting - Remote	4 days			0%		PowerSchool Consultant	
Review Vermont BPR Report	Consulting - Remote	1 day			0%		PowerSchool Consultant	State PM, SU Core Team, District Core Team
Document Vermont Best Practices Guide	Consulting - Remote	5 days			0%		PowerSchool Consultant	
Setup Preconfigured Vermont Environment	Consulting - Remote	10 days			0%		PowerSchool Consultant	
<b>MILESTONE: All Discovery Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>PowerSchool Consultant</b>	
<b>Round 1</b>			<b>4/1/2018</b>	<b>11/30/2018</b>				
<b>Planning</b>			<b>4/1/2018</b>	<b>5/1/2018</b>	<b>0%</b>			
Signed End User Agreements Processed	Accounting	1 day			0%		State PM	
Planning Meeting	Project Mgmt	0.5 days			0%		PowerSchool PM	Supervisory Union Core Team
Planning Meeting Summary Email	Project Mgmt	0.25 days			0%		PowerSchool PM	
Post-Planning Follow-Up Meeting	Project Mgmt	1 hr			0%		PowerSchool PM	State PM
Project Rollout Development	Project Mgmt	2 days			0%		PowerSchool PM,State PM	
Project Plan Development	Project Mgmt	3 days			0%		PowerSchool PM,State PM	
Project SOW Development	Project Mgmt	1 hr			0%		PowerSchool PM,State PM	
Project Budget Development	Project Mgmt	1 hr			0%		PowerSchool PM,State PM	
Issues Tracking Log Development	Project Mgmt	2 hrs			0%		PowerSchool PM,State PM	
Communication Plan Development	Project Mgmt	2 hrs			0%		PowerSchool PM,State PM	
Risk Management Plan Development	Project Mgmt	1 hr			0%		PowerSchool PM,State PM	
<b>MILESTONE: All Planning Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>PowerSchool PM</b>	
<b>Preparation</b>			<b>4/15/2018</b>	<b>6/15/2018</b>	<b>0%</b>			
Review Operations Project Plan and complete client tasks	Installation	10 days			0%		District IT	
Servers Staged and Ready	Installation	5 days			0%		PowerSchool Engineering, Supervisory Union	
Initial Cloud Services Installation	Installation	7 days			0%		PowerSchool Engineering, Supervisory Union	
Load Preconfigured Vermont environments	Installation	1 day			0%		PowerSchool Engineering	
System turnover to Professional Services for Installation testing	Installation	5 days			0%		PowerSchool Engineering	
System turnover to Client	Installation	1 hr			0%		PowerSchool Engineering	Supervisory Union
<b>MILESTONE: All Preparation Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>PowerSchool Engineering</b>	
<b>Execution</b>			<b>5/1/2018</b>	<b>8/31/2018</b>	<b>0%</b>			
Supervisory Union Training								
Supervisory Union Training and System Configuration	Training - Onsite	10 days			0%		PowerSchool Consultant	Supervisory Unions
Supervisory Union Data Conversion Training	Training - Onsite	5 days			0%		PowerSchool Consultant	Supervisory Unions
Supervisory Union Parallel Payroll Training	Training - Onsite	5 days			0%		PowerSchool Consultant	Supervisory Unions
District Training								
System Administration	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Core Team
FAM (Fund Accounting Management) Overview	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Finance Staff
Chart of Accounts Workshop	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Finance Staff
PUR (Purchasing) Overview	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Finance Staff
Purchasing/Accounts Payable Workshop	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Finance Staff
HRM Overview	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Workshop: Payroll Tables, Deduction, Leave, Pay	Training - Seminar	1 day			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Conversion Orientation Training	Training - Seminar	2 hrs			0%		PowerSchool Consultant	Supervisory Unions, District Core Team
<b>MILESTONE: Budget Prep Data Conversion Prepared</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>Supervisory Unions, District Core Team</b>	
Data Conversion Assistance	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Finance Staff
FAM Phase 1: Profile, Reference Table, Ledgers	Training - Seminar	3 days			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Optio Print Manager Training	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District IT, Core Team
Check stock ordered from Print2Mail or other vendor choice	Client Task	10 days			0%		Supervisory Unions, District Core Team	
Setup for PO, AP, Payroll Optio forms	Client Task	2 days			0%		Supervisory Unions, District Core Team	
<b>MILESTONE: Chart of Accounts Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>Supervisory Unions, District Core Team</b>	
PAY/PER Phase 1: Profile, PAY/PER Tables	Training - Seminar	3 days			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
<b>MILESTONE: Employee Demographic Conversion Templates Complete</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Deduction Conversion Templates Complete</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: HR Reference Tables Templates Complete</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>		<b>Supervisory Unions, District Core Team</b>	
Data Conversion Assistance	Training - Seminar	0.5 days			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
PAY Phase 2: Employee Data Payroll	Training - Seminar	2 days			0%		PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff

PER Phase 2: Employee Data HR	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
PER Phase 3: Attendance Tracking Seminar	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Demographics/Deductions Data verified	Client Task	1 day			0%	Supervisory Unions, District Core Team	
<b>Vendor File Data Conversion Templates Completed</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
Data Conversion Assistance	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
FAM Phase 3A: Purchasing Setup	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
<b>MILESTONE: Database Refresh</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>PowerSchool Engineering</b>	
<b>MILESTONE: All Execution Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>PowerSchool Consultant</b>	
<b>Confirmation</b>			<b>8/1/2018</b>	<b>9/30/2018</b>	<b>0%</b>		
FAM Phase 3B: Purchasing Process	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
Vendor Data verified	Client Task	1 day			0%	Supervisory Unions, District Core Team	
<b>MILESTONE: PO Test Print Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
FAM Phase 4A: AP Setup	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
<b>MILESTONE: Database Refresh</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>PowerSchool Engineering</b>	
FAM Phase 4B: AP Processing	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
<b>MILESTONE: AP Check Test Print Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: PO Test Print on Final PO Form Stock</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: A/P Check Test Print on Final Check Stock</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
FAM Phase 5: Displays and Reports	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
FAM Phase 6: Cutover Procedures	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Finance Staff
Cognos 10 Training	Training - Seminar	2 days			0%	PowerSchool Consultant	Supervisory Unions, District Core Team
FAM: Workflow	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
<b>MILESTONE: Payroll Leave Conversion Templates Complete</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Employee Pay Rates Entry Complete</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
Data Conversion Assistance	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Pay Phase 3/4: Payroll Parallel	Training - Seminar	3 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
<b>MILESTONE: Database Refresh</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Employee Gross to Net Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Payroll Check Test Print Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Direct Deposit Pre-Note Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE: Payroll Parallel Verified</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
PAY 4 Periodic Routines	Training - Seminar	1 day			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
State Regulatory Reporting	Training - Seminar	1.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
Employee Access Center	Training - Seminar	0.5 days			0%	PowerSchool Consultant	Supervisory Unions, District Payroll/HR Staff
FAM Implementation Checklist completed and returned to RPM	Client Task	30 mins			0%	Supervisory Unions, District Core Team	
HRM Implementation Checklist completed and returned to RPM	Client Task	30 mins			0%	Supervisory Unions, District Core Team	
<b>MILESTONE LIVE CUTOVER: Fund Accounting/Purchasing</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
<b>MILESTONE LIVE CUTOVER - Payroll/Human Resources</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>Supervisory Unions, District Core Team</b>	
Client Access and Testing	Client Task	100 days			0%	Supervisory Unions, District Core Team	
<b>MILESTONE: All Confirmation Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>PowerSchool Consultant</b>	
<b>Support</b>			<b>10/1/2018</b>	<b>11/30/2018</b>	<b>0%</b>		
Office Hours	Training - Remote	40 hrs			0%	PowerSchool Consultant	Supervisory Unions, District Staff
Status Updates/Follow-ups and Scheduled Periodic calls	Project Mgmt	20 hrs			0%	PowerSchool PM	State PM
Enter cases on Customer Portal as needed	Client Task	100 days			0%	Supervisory Unions, District Core Team	
Complete first live Payroll	Client Task	2 days			0%	Supervisory Unions, District Core Team	PowerSchool Consultant
Project Close Out Call	Project Mgmt	0.25 days			0%	PowerSchool PM	State PM
Review Outstanding Items, if applicable	Project Mgmt	0.25 days			0%	PowerSchool PM	State PM
Schedule post go live or follow up training	Project Mgmt	0.5 days			0%	PowerSchool PM	State PM
Supersory Union University	Training - TBD	10 days			0%	PowerSchool Consultant	Supervisory Unions
Add-on Application Training as Needed	Training - TBD	0 days			0%	PowerSchool Consultant	Supervisory Unions
<b>MILESTONE: All Support Deliverables sent to Vermont</b>	<b>Milestone</b>	<b>0 days</b>			<b>0%</b>	<b>PowerSchool PM</b>	
<b>Round 2</b>			<b>7/1/2018</b>	<b>2/28/2019</b>			
<b>Planning</b>			<b>7/1/2018</b>	<b>8/1/2018</b>	<b>0%</b>		
<b>Preparation</b>			<b>7/15/2018</b>	<b>9/15/2018</b>	<b>0%</b>		
<b>Execution</b>			<b>8/1/2018</b>	<b>11/30/2018</b>	<b>0%</b>		
<b>Confirmation</b>			<b>11/1/2018</b>	<b>12/31/2018</b>	<b>0%</b>		
<b>Support</b>			<b>1/1/2019</b>	<b>2/28/2019</b>	<b>0%</b>		
<b>Round 3</b>			<b>1/1/2019</b>	<b>8/31/2019</b>			
<b>Planning</b>			<b>1/1/2019</b>	<b>2/1/2019</b>	<b>0%</b>		
<b>Preparation</b>			<b>2/15/2019</b>	<b>3/15/2019</b>	<b>0%</b>		
<b>Execution</b>			<b>3/1/2019</b>	<b>5/31/2019</b>	<b>0%</b>		
<b>Confirmation</b>			<b>5/1/2019</b>	<b>6/30/2019</b>	<b>0%</b>		
<b>Support</b>			<b>7/1/2019</b>	<b>8/31/2019</b>	<b>0%</b>		

**ATTACHMENT A – EXHIBIT 4  
END USER AGREEMENT**

**AGREEMENT TO LICENSE TERMS**

\_\_\_\_\_ (“Licensee” herein) is licensed to use a PowerSchool Licensed Product identified as PowerSchool Shared School District Data Management System (SSDDMS) eFinancePLUS. Licensee has reviewed and agrees to abide by all of the Customer obligations contained in the PowerSchool Licensed Product and Services Agreement (attached as Attachment E) with respect to such Licensed Product except to the extent that such terms are inconsistent or in conflict with any terms of the license secured by the State of Vermont in Contract # 35887, including its attachments A through D and any amendments, in which case, Licensee shall have all the benefits and obligations of the terms.

IN WITNESS WHEREOF, the above identified School District has signed this Agreement to License Terms.

[School District Name]

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**ATTACHMENT A – EXHIBIT 5  
STATEMENT OF WORK (SOW)**

Shared School District Data Management System (SSDDMS)  
Statement of Work & Project Governance

**eFinancePLUS**

Prepared for

**State of Vermont  
Vermont Agency of Education**

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## **1. Executive Summary**

### **A. Introduction**

This document contains the approach and Statement of Work (SOW) for the definition, configuration, and deployment of the eFinancePLUS Software Solution and associated services for the State of Vermont and participating Supervisory Unions (SUs) and Districts.

Instrumental to an effective project is agreement on the overall scope and governance. Not defining or controlling scope adequately on a project is a leading cause of project failure and/or suboptimal results. It can also lead to miscommunication and false expectations to the stakeholders of the project. To help avoid risks on a project relating to ill-defined scope (also known as “scope creep”); a SOW is being prepared as one of the first deliverables on this project.

This is intended to be a planning, control, and governance document, not the detailed requirements or design of the solution. Although a fair amount of detail is provided in this document its intent is to define project boundaries, including roles and responsibilities of the SU(s) and District(s) and PowerSchool. Scope on most projects will evolve as the project progresses. The goal of the SOW is to mitigate the frequency and degree of scope changes. The planning/initiation phase of the project will be the pivotal point of the project where the critical requirements and the implementation strategies discussed in the SOW will be validated through discussions with PowerSchool, the State, the SU(s) and District(s).

Finally, the SOW should be one of the major inputs in developing the overall Project Management Plan in the Planning Phase of the project. All future requested scope changes will be measured against the boundaries (and roles and responsibilities) embodied in the Scope Statement. This principle is not solely targeted at controlling and managing the vendor’s contract (i.e., PowerSchool). It is equally applicable to the SU(s) and District(s) initiated changes; even for situations where there is no impact to the vendor’s contract.

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## 2. Project Criteria for Success

Over 40 years, PowerSchool has performed thousands of implementations for our software solutions nationwide. Our consultants and project managers have a deep understanding of the various challenges that arise during an implementation, and will become an invaluable resource to the SU(s) and District(s). PowerSchool has an outstanding record of successful implementations because we understand both the functional needs that you have as well as the people component of any project.

PowerSchool will provide the overall expertise and management to ensure successful project governance and software implementation across all SU(s) and District(s). We have developed a repeatable implementation approach outlined throughout this document.

### i) Project Goals

- Successful software rollout and adoption rate for SU(s) and District(s)
- Reduce the need for redundant data entry
- Develop consistent ERP processes across all participating SU(s) and District(s)
- Be able to accurately and quickly determine and report on critical financial information
- Use the opportunity this project presents to re-think and improve existing SU(s) and District(s) business processes
- Use the functionality provided within eFinancePLUS to provide a platform for future improvements
- Provide user friendly reporting tools
- Reduce paper forms and manual approval processes
- Complete the project on time and within budget while achieving the scope defined for the project.
- Achieve knowledge transfer for subject matter experts (SMEs) and IT to optimize the solution and have the necessary skills to maintain it over the long-term.
- Accomplish the above goals without customization of commercial software.
- Achieve user adoption of the new system so that the SU(s) and District(s) use of the system is consistent



### 3. OnTrack Implementation Methodology

This section presents an overview of PowerSchool's standard best practices and repeatable model for our successful Implementation Methodology and Approach, OnTrack. The "OnTrack Implementation Methodology" information contained in this section is to be considered confidential and proprietary information.

#### i) What is OnTrack

An OnTrack implementation allows SU(s) and District(s) to gain the robust functionality of the eFinancePLUS applications at great cost and time savings. This is accomplished in several ways:

- PowerSchool will educate SU team members in PowerSchool K-12's implementation methodology
- Your teams will be provided with the simple to use conversion tools to format data from your legacy systems and convert the data into eFinancePLUS
- PowerSchool 's experienced instructors provide a combination of internet-based seminars, one-to-one internet trainings, and on-site training to ensure effective knowledge transfer
- LearningPLUS modules, self-paced, repeatable training sessions are intended to supplement the training and are available directly from the eFinancePLUS menu.

#### ii) How We Assist

Although the SU(s) and District(s) have critical responsibilities during an OnTrack implementation, the PowerSchool team offers guidance and assistance every step of the way:

##### (1) Project Management

PowerSchool will assign a Project Manager as your district's point of contact during the implementation, who will oversee all aspects of the implementation. The PM is responsible for maintaining, providing and ensuring the efficacy of:

- Project collateral (outlined in the Project Governance section)
- Coordinating the project activities and scheduling resources for training
- Conducting project status calls with your district project manager to
  - Prepare for the next training session by reviewing the corresponding agenda, client implementation tasks assigned in consulting reports, and any prerequisites for the next training session per the implementation schedule
  - Review of any critical issues or concerns from previous training session
- The project manager provides implementation planning guidance that begins with a planning meeting to discuss the scope, specific goals for this implementation, scheduling of the project and to address initial questions and concerns
- PowerSchool provides an implementation planning schedule that identifies
  - Best practice sequence of activities
  - Timing of WebEx or on-site trainings
  - When conversions and key milestones are to be completed
  - Prerequisites and recommended attendees for each training session

## (2) Training

PowerSchool provides a variety of committed resources to guide your District through the OnTrack implementation process. The Project Manager and Consultants bring a wealth of experience to provide you with the best quality service and assistance in meeting your District's business goals.

- **On-Site Instructor Led Training** (*Private Instruction*) – An instructor will travel to your location and provide hands-on training in a classroom environment. They will lead you through the software functionality.
- **Virtual One-on-One Classroom** (*Private Instruction*) – During this instructor led training, an instructor will provide specific instruction on given topics with a focus on both the software topics and the specific needs of your organization that are Vermont-specific.
- **Virtual Classroom** (*Multiple Organizations*) – An instructor will provide training on specific topics via distance learning to multiple users from multiple organizations. The instruction will be tailored to be applicable across all participating organizations.
- **LearningPLUS** (*Online Self-Paced Training*) – During this online session, the participant will drive an instruction-based tutorial divided into separate topics by specific processes. This instruction can be taken at any time, allowing the users to self-pace their instruction.
- **Implementation Support** (*Multiple Organizations*) - Staffed with experienced software trainers, the team is set up specifically to assist OnTrack customers with procedural and setup questions. This team will be the second line of support (SU will be the first) for Districts during and post implementation. After this time, we will introduce you to our Customer Support team and ensure you experience a smooth transition.
- **Office Hours** (*Multiple Organizations*) – A software consultant will lead these remote sessions, intended as a venue to ask questions and help you move forward with your implementation.

## (3) Supervisory Union University

PowerSchool is dedicated to providing a full partnership that will ensure success for all participating SU(s) and District(s). The SU University is a support system that will be provided to participating SU's throughout the life of the eFinancePLUS implementations.

The Supervisory Union should be the first level of support for the districts, and the Supervisory Union will submit issues to the Support team. This is to prevent districts from all submitting the same issues and flooding the PowerSchool Support team.

Your SU University will be led by a senior member of the eFinancePLUS Professional Services team. We will provide the SU(s) with tools that will include the following:

- Implementation training agendas and tools
- Configuration, setup and processes necessary to implement eFinancePLUS
- Training handouts and supplements necessary to implement eFinancePLUS
- More comprehensive training on advanced processes in eFinancePLUS

## iii) Implementation Roles and Responsibilities

PowerSchool recommends the following roles and responsibilities for a successful implementation:

## (a) State of Vermont Resources

**Executive Steering Committee or Sponsor**

- Provide executive leadership for promoting the goals of the project
- Ensure resource levels remain adequate during the project
- Promote changing policies and practices to optimize the business processes

- Approve scope and/or contract changes

#### **Project Manager**

- Partners with PowerSchool Project Manager to coordinate and confirm tasks and resources
- Responsible for ensuring all SU and District seminar registration and participation takes place
- Responsible for coordinating each project deliverable attributed to client
- Coordinates SU and District training locations
- Maintains client-side training schedule for the PowerSchool maintained project project plan
- Facilitates resolution for internal project issues
- Communicates priorities to project team members
- Ensures that all aspects of the PowerSchool implementation process are well planned and executed
- Monitors project relative to contract expectations
- Maintains Implementation and Conversion artifacts stored on State web resources
- Escalates critical path support issues and priority project issues to PowerSchool PM
- Organizes successive Rounds and Groups
- Facilitates Vermont Advisory Committees and Working Groups as needed

#### (b) Supervisory Union Resources

##### **Executive Steering Committee or Sponsor**

- Provide executive leadership for promoting the goals of the project
- Ensure resource levels remain adequate during the project
- Promote changing policies and practices to optimize the business processes

##### **SU Lead(s)**

- Attend all trainings
- Learn alongside the districts they support
- Create tickets within PowerSchool support portal
- Coordinate printer setup in each of the districts they represent
- Help translate legacy system to eFinancePLUS
- Provide feedback to the core team on major project deliverables
- Coordinate completion of all technical tasks including Cognos report writing and security
- Complete conversions and data verifications by established timelines
- Work with PowerSchool Consultants on determining best practices
- Work with PowerSchool on understanding system configuration
- Work with PowerSchool to optimally configure eFinancePLUS
- Configure and test interfaces to third party systems
- Complete eFinancePLUS system testing
- Help ensure districts are attending seminar sessions and trainings
- Provide progress updates to the State Project Manager

#### (c) District Resources

##### **District Leads (As Applicable)**

- Attend all trainings
- Communicate challenges to their SU
- Create tickets with respective SU
- Perform all duties related to “go-live,” and sign-off on system
- Complete internal training materials/procedures specific to your District
- Instruct end user training classes if needed
- Manage the end-user training schedule and facilities
- Provide progress updates to their SU

(d) PowerSchool Resources

**Project Manager**

- Partners with State Project Manager to coordinate PowerSchool tasks and resources
- Coordinates PowerSchool training personnel and training dates and times
- Develops & manages implementation schedule
- Coordinates & follows up with internal resources to ensure project is on schedule
- Provides Implementation & Conversion files/updates
- Facilitates bi-weekly touch-base meeting (SUs and districts)
- Manages and helps set client expectations
- Escalates urgent support issues as first point of escalation
- Facilitates resolution for project issues
- Communicates priorities to the PowerSchool Project Team Members
- Assists SUs in maintaining and managing District project deliverables
- Ensures that all aspects of the PowerSchool implementation process are well planned and executed

**PowerSchool Consultants**

- Provide expertise in eFinancePLUS software applications and integration
- Provide guidance on industry best practices
- Guide SUs and Districts in setting up eFinancePLUS to maximize functionality
- Train SUs and Districts on software functionality
- Provide guidance on data conversion spreadsheets and utility use
- Provide input on project status to SUs, Districts and PowerSchool project teams
- Provide on-site and online training, delivering comprehensive overviews of applications
- Provide trip reports following all sessions to review topics covered and capture action items
- Provide follow-up remote implementation support relative to training
- Provide regular office hours for questions from the field

**PowerSchool Technical Lead**

- Provides remote installation of eFinancePLUS
- Provide Support to State for System Administration for servers

#### 4. Commitment to the Project

The key personnel for the SU(s) and District(s) will commit the following level of effort for the project. Level of effort includes time interacting with PowerSchool consultants, completing tasks, and otherwise working on responsibilities outlined in this SOW. Training and commitment assumptions:

- **SU and District Roles and Responsibilities**

- The SUs and Districts may have multiple staff providing the roles outlined above.
- Project Leads will be identified within the SUs and Districts with the requisite skills and leadership authority within the organization to effectively accomplish the goals and complete the scope of the services in this SOW.
- SU(s) and District(s) will participate in regularly scheduled project team calls with PowerSchool's project manager. SU(s) and District(s) core project team in addition to their project manager will attend the call. Call is intended to cover current project status, project schedule, action items from the previous meeting, discussion about critical items, review of project plan, and help desk cases impacting the project. PowerSchool's project manager will send out meeting notes after each session.
- SU(s) and District(s) will make the Project Team members available for meetings, consulting and training sessions, discussions and conference calls upon request by PowerSchool. Project Team members will respond to information requests by PowerSchool staff not to exceed five (5) Business Days unless agreed upon in time to minimize delays in the project.

- **Project Training and Consulting**

- Any future (post go-live) Professional Services quoted are PowerSchool's estimate based on previous engagements of this type.
- Staff with the appropriate skills and experience will be furnished by PowerSchool for each Consulting Session or other review activities, whether on-site or conducted remotely.
- Whenever possible, SU(s) and District(s) and PowerSchool may consider alternative meeting options such as WebEx, Video Conferencing, Remote Desktop and Conference Calls. Making use of this technology during any additionally procured services post go-live will help in reducing travel and expense costs.
- When PowerSchool is on-site, the SU(s) and District(s) Project Team should ideally be located near the PowerSchool project members to facilitate good communication and coordination amongst the team members.
- Adequate training space will be provided by the SU(s) and District(s) for training throughout the project. The training room will consist of enough fully functioning networked computers to meet participant needs.
- Satellite (offsite) training locations will be coordinated for the SU(s) and District(s) by the State. All remote and on-site trainings will take place in group settings in agreed upon satellite locations.
- Each remote participant will log in individually to seminar and WebEx sessions.
- Resources from the SU are required to organize, participate in and facilitate all onsite and remote sessions to ensure efficacy.
- If members of the SU and/or District(s) are not able to attend trainings, the SU and/or District(s) are responsible for engaging and funding additional services from PowerSchool.
- PowerSchool Consultants and Trainers will provide a written training report within 10 business days after each scheduled on-site visit. The training report will include the general topics covered, accomplishments, key decisions made, homework for the SU(s) and District(s), and topics to be covered in next future visit.

- Project schedules, timelines, tasks and costs assume all SU(s) and District(s) assigned tasks are accomplished successfully by prescribed dates.
  
- **Software Assumptions**
  - COA setup, AP, PO and all other forms utilized will be the same across participating SU(s) and District(s).
  - This implementation involves migrating data from potentially multiple systems for each SU and District, including Human Resources, Payroll, and Financial data.

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## 5. Project Governance

### i) Project Schedule

PowerSchool's PM will create a project schedule encompassing the full scope of the project modules to be implemented. PowerSchool's project manager will edit and update as necessary as part of regularly scheduled project management meetings with the SU(s) and District(s) and State Project Manager.

The Project Schedule will contain:

- The overall project rollout plan (rounds and groups)
- Project Trainings and Milestone Checkpoints
- Dates of project activities
- Responsible parties assigned to project tasks
- SU(s) and District(s) acceptance of Milestones through the Milestone Checkpoint Acceptance Form

### ii) Implementation Checklist

PowerSchool's Project Manager and Consultants will use an Implementation Checklist Document. Configuration and testing will be tracked through to completion via the document. During the configuration of eFinancePLUS, consultants will track each to make sure the set-up is completed in the software via the agreed upon SU(s) and District(s)'s business practices. The District(s) Project Lead will be responsible for tracking the same checklist items on his/her end with each participating site.

### iii) Agendas

PowerSchool's project manager will provide agendas prior to any meeting. Agendas will include:

- Meeting objective
- Meeting outcome
- Detailed tasks to be performed
- Recommended participants
- Breakdown of meeting topics

### iv) Status Reports

PowerSchool's project manager will prepare status reports following each status call. Status reports will be used to communicate key project information to SU(s) and District(s) Project Manager and Steering Committee or sponsor(s). Reports may include the following as pertinent:

- Project Status
- Summary of accomplishments
- Late Overdue items
- Status of key milestones
- Project timeline
- Issues/Risks
- Planned risk mitigation strategy
- Progress towards SU(s) and District(s) project goals / criteria of project success

### v) Issues Log

PowerSchool will maintain a list of issues (both open and closed) that have been identified for the project. Any project risks, key decisions, issues, disputes, or late tasks shall be identified on the Issues Log.

The State Project Manager and the PowerSchool Project Manager are responsible for adding items to the issues log. For each identified issue, the following information will be captured:

- Issue Number

- Reported by/date
- Status (i.e. new, open, closed, pending)
- Module
- Priority
- Issue
- Comments
- Findings
- Recommendations
- Resolution Assignment
- Date Closed

The SU(s) and District(s) and PowerSchool project managers will review the Issues Log as part of regularly scheduled project management meetings or more frequently as required. Once the issue has been assigned, the appropriate project team member(s) are responsible for completing the assigned follow-up tasks and resolving the issue by the assigned due date. The SU(s) and District(s) Project Manager or the PowerSchool project manager may choose to escalate an issue following the issue resolution process.

#### vi) Risk Management

At the beginning of the project, PowerSchool will meet with the SU(s) and District(s) to plan the project and identify the key team members. The challenges or project risks that we see with regard to implementations typically involve one of the following areas:

- Lack of, or insufficient State Project Management
- Lack of, or insufficient participation of the SU Lead
- Lack of, or insufficient participation of the District Lead
- Lack of, or insufficient District Communication to their end-users
- Limited staff dedicated to the project

PowerSchool's Project Manager will work hand in hand with the State Project Manager during the initial planning phase to identify critical risks and develop effective risk mitigation strategies. The Risk Mitigation plan is a living plan that should be revisited at regular intervals throughout each project and modified as necessary.

#### vii) Communication

Communication is probably the single most important factor to the success of any project. PowerSchool's PM will develop an effective communication plan that includes processes for disseminating project updates, dealing with escalations and addressing change of scope requests. The first step will be to develop an overarching Communication Plan which would occur during the project initiation phase. PowerSchool's PM would create and execute a communications plan that includes communication frequency, stakeholders and mode of communication.

#### viii) Change Management

Every organization has unique characteristics that make change a critical component to proactively plan for during a project of this size and type. Your organization's culture and history play an important role in the change process. It's important to assess the organization and its readiness for change. The project team and sponsors need to understand the potential obstacles to successfully implementing the change necessary for a successful implementation of eFinancePLUS. As part of the implementation, the SU(s) and District(s) Project Leads will assist the SU(s) and District(s) with the change process. PowerSchool can assist in creation of communication and additional SU(s) and District(s) plans upon request. PowerSchool encourages SU(s) and District(s) to develop a change management strategy which works for their organization. Ultimately, the SU(s) and District(s) will own the process. However, for any project changes affecting to the terms of the Master Contract, the State of Vermont will own and authorize necessary changes.



PowerSchool is able to assist the SU(s) and District(s) with development of the following change management plans as part of this project. Any additional Change Management needs are not currently included in the scope of the contract.

- Communication Plan
- Coaching Plan
- Training Plan

ix) Escalation Procedures

The following issue resolution processes will be used during the Project for all issues identified on the Issues Log and escalated using the Issue Resolution Process.

Step 1: Once the issue has been assigned, the appropriate team member(s) are responsible for completing the assigned follow-up tasks and resolving the issue by the assigned due date. Assigned resources could include the PowerSchool and/or SU(s) and District(s) project team members. In the event that the issue is not resolved by the project team during the time allotted, the issue will be escalated to step 2.

Step 2: If issues are not resolved by the project team and/or the SU(s) and District(s) Project Manager and the PowerSchool Project Manager, the issue will be referred to the SU(s) and District(s) Steering Committee and/or PowerSchool Steering Committee. In the event the issue is not resolved by PowerSchool and the SU(s) and District(s) Steering Committee, the issue will be referred to Step 3.

Step 3: If issues are not resolved by the SU(s) and District(s) Steering Committee Team and/or PowerSchool Steering Committee, such dispute shall then be decided by the SU(s) and District(s) Project Sponsor and PowerSchool Project Sponsor.

All communication regarding the project should be directed to the State Project Manager and the PowerSchool Project Manager in order to maintain consistent communication between the parties. Scheduled calls will be maintained between the Project Manager and the SU(s) and District(s) Project Team. All issues or concerns will be discussed actively and openly between PowerSchool's Project Manager and the State's Project Manager.

x) Project Closing and Review

PowerSchool's PM will ensure that each project Round concludes with a formal project close out and review. This process is essential to ensuring that each round of implementations for the SU(s) and District(s) receive maximum benefit from lessons learned. It is also critical to maximizing the value of the investment made in your eFinancePLUS solution and the services associated with the implementation.

The closeout process involves feedback from the project stakeholders and core project team. Standard components of the project close and review are:

- Project summary
- Original Goals
- Goals Fulfilled
- Feedback – PowerSchool Services
  - Engineering/Cloud Solutions
  - Consulting
  - Support
  - Programming
  - Other
- Outstanding Project Deliverables
- Transition to Ongoing Operations/Support
- Lessons Learned
- Reference Contacts

- Project Sponsor and Leader Acceptance

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## **6. Software Adoption Plan (SAP)**

By adopting a consistent, standardized deployment of the software, SU(s) and District(s) will realize added benefits of optimized implementations and day-to-day operations in addition to the benefits already provided by the eFinancePLUS solution.

Utilizing a standard, recurring training curriculum provides for equally comprehensive training sessions across all phases of the implementation and for all SU(s) and District(s). Using a predetermined configuration streamlines the training and avoids disruptive or unnecessary discussion and training. This results in an overall reduction in training time and increased efficiency.

Deploying a pre-determined Chart of Accounts, software configuration, and process workflows affords the SU(s) and Districts(s) the opportunity to easily and seamlessly train across functional areas. The result is minimization of time- and labor-loss during personnel transitions, onboarding of new employees, and the ability to widely deploy synchronous or a-synchronous internal training models with minimal investment.

By adopting a standardized implementation plan and software configuration, collaboration of an enormous scope becomes possible at a significantly reduced cost:

- SU(s) and District(s) can share Financial Reports, host and participate in collaborative learning sessions, and develop shared eLearning content.
- The formation of a user group(s) specific to the State, SU(s), and constituent districts becomes possible, and the benefits of such conferences are magnified when participants are using identical software packages.
- Customized integration with the State or third-party interfaces can be developed once and deployed state-wide at a substantially lower cost.

A standardized implementation model and pre-determined configuration reduces the amount of “local variety” in settings which cause redundancy in support mechanisms, training, and troubleshooting. These are removed by using a standardized implementation model and pre-determined configuration. This minimizes the number of local modifications which must be explored, understood, and tested before escalating support cases and enables SU(s) to provide a faster response and resolution to tier one support cases. Additionally, standardization and universal adoption of recommended configurations, provides for fewer variations which must be accounted for in creating supplemental collateral for internal support, and consequently higher-quality results will be achieved with fewer resources.

A standardized Chart of Accounts provides a basis for the aforementioned benefits, as does adopting a defined process, consistent across districts, for requisitions, purchase orders, receiving, and accounts payable. However, understanding each district will have needs unique to their locality and size, the standardized eFinancePLUS solution is equipped with flexibility to adapt to local requirements by expanding the Chart of Accounts to a greater degree of granularity and/or by providing for district-defined reference tables and fields, which can be used within each module of the software. The adjustments and local customizations are available without compromising the benefits of adopting standardized components.

## 7. Project Scope Overview

The purpose of this project is to replace your current financial, payroll and human resource applications with a new, integrated solution. The project will be considered successful when installation, configuration, and training of the new suite of applications are placed into production for the first round of implementation(s).

### i) Business Process Review Scope

Discovery is the first phase of the project, and the intent of this phase is to find out as much information as possible on how the SUs and Districts in the state are currently doing business, and document how we will implement eFinancePLUS. The deliverables of the Business Process Review process will include:

- *Business Process Report*

This report will summarize the findings of the onsite weeks, with descriptions of how the SUs and Districts are currently doing business, how we recommend they implement functionality in eFinancePLUS, and decisions that are made on how to get all data into a centralized environment for state reporting. The ultimate goal of the project is to have everyone on a Unified Chart of Accounts, following similar business practices, using the software in a similar way, to make it manageable for the state to report and pull data.

- *Best Practices Guide*

The state will have control over defining certain configuration within the software (i.e. the UCOA), but we do want to allow some local control to the SUs and Districts. The local control allowed needs to be defined clearly as a joint effort of PowerSchool and the State. This document should define (and will be a working document through the implementation) what the State will control and what local control is allowed. For the local control items, this document will outline what our best practices recommendations are, and what types of items need to be approved by the state. This document will work together with the Change Control Process document that the State and PowerSchool will develop together throughout the project. The Change Control Process document will be maintained by the State ongoing.

- *Preconfigured Environment Setup*

After the Business Process Review is complete, PowerSchool will setup a preconfigured environment which has all recommended settings for a Vermont District. This preconfigured environment will be copied for all subsequent installations. Any setup that is defined by the state (i.e. specific parts of the UCOA) should be locked down by security so SUs and Districts cannot change.

As part of the first visit for each Group, the Software Consultant will also gather relevant information specific to that group (i.e. what systems are they currently using, what data they need to convert), and will factor that information in as the implementation progresses.

### ii) Data Conversion Scope

Data conversion is the joint responsibility of the SU(s) and District(s) and PowerSchool. SU(s) and District(s) will be responsible for extracting data from the legacy system. Data conversion templates are provided by PowerSchool and training is provided on how to use the templates. Data conversions and uploads are then verified by the SU(s) and participating District(s). The following key steps are followed as part of our data conversion process.

- Each District will decide what data and how much data to convert based on consultations with the PowerSchool project team and project manager. In some cases it may be more effective to manually enter certain data as a training exercise.
- SU(s) / District(s) take a small subset of data and map it to conform to our supplied templates.
- Once the subset of data is mapped, the SU/district will utilize the conversion toolkit to upload data to eFinancePLUS. This subset of data will be confirmed and validated by the SU and each local district.

- After the subset of data is verified the entire data set will be downloaded from the legacy system, converted through the utility, uploaded to eFinancePLUS, and validated.

The years of historical data the SU and district decide to convert depend on various factors which PowerSchool consultants will assist in determining. We require that you only convert the data necessary for initial go live first, then convert any necessary history after go live.

eFinancePLUS contains standard utilities that support numerous data import and export requirements. To use these standard features, data must be presented in a supported format (such as, CSV XLS). If specific formatting needs, scope, and complexity go beyond the standard format, PowerSchool will work with you to provide design considerations and level-of-effort estimates.

PowerSchool has committed to providing data conversion assistance above the data conversion hours in the project, as is necessary to assist SUs and Districts in their data conversions through July 2019. In addition to the standard bullet items above, PowerSchool will provide specific Data Conversion Office Hours. The intent of these office hours is to assist any districts and SUs that are having difficulty:

- Define what data needs to be pulled from their legacy system
- Format the data into the required excel format
- Run the required data conversion import utilities

The following standard conversion utilities are included with eFinancePLUS:

- Budget Preparation – Accounts, Organization Charts, Budget Prep Expenditure & Revenue Ledgers, General Ledger
- Vendor Database - Customer name and addresses from AP/AR
- Payroll - Payroll history, pay assignments, EFT information, Leave Balances
- Human Resources - Employee master including demographic information and benefit assignments

### iii) Reporting Scope

eFinancePLUS integrates with the Cognos reporting solution, which is a robust tool that allows you to create dashboards, reports, and workflow necessary for K-12 organizations to do business.

Standard Cognos training and report writing will be provided as part of our standard reporting offering. During the project further discussion and discovery will take place by PowerSchool and the SU(s) and District(s) to determine additional reporting needs. The expectation is that PowerSchool and the SU(s) and District(s) will identify reports needed in priority order, and PowerSchool will provide as many of those reports as possible within the hours allotted. SUs will receive the training and tools necessary to write additional reports. Many standard reports are included in the base eFinancePLUS package, these reports are not written in Cognos.

### iv) Workflow Scope

PowerSchool's eFinancePLUS is a fully integrated ERP application and contains several standard workflows within the application. From the General Ledger to the Payroll subsystems, to reporting, all modules are completely integrated within a single database reducing data redundancy and improving accuracy of the data.

Standard workflow training and consulting assistance will be provided as part of our standard workflow offering. Our standard Workflow models are set and configured based on each customer's business practices. PowerSchool works with the SU(s) and District(s) to both configure workflows and to train customer staff to create, maintain, and utilize workflows.

### v) Interface Scope

PowerSchool's eFinancePLUS is a fully integrated ERP application and contains several standard interfaces within the application. From the General Ledger to the Payroll subsystems, to reporting, all modules are completely integrated within a single database reducing data redundancy and improving accuracy of the data.

Third-party Interface configuration is the joint responsibility of the SU(s) and District(s) and PowerSchool. SU(s) and District(s) will be responsible for interface configuration work to/from existing legacy systems.

## vi) Optional Software Modification/Enhancement Requests

PowerSchool offers custom programming as an optional service to its customers. Should you define any necessary program changes, PowerSchool will follow our standard custom development process as follows. SUs/Districts cannot make changes to the software without State approval per the End User Agreement.

1. Obtain the Custom Request Form from your Project Manager.
2. At no cost to you, we will provide a price range for completing the project, based on the information provided to the custom programming team.
3. Upon receipt of written authorization to include a purchase order number, we will prepare a detailed design document containing a fixed cost estimate for programming and delivering the project. This detailed written analysis will be provided for a fee of 25% of the upper range limit of the preliminary estimate. The remainder of the project cost will be invoiced upon delivery.
4. Upon your approval of the specifications and fixed cost estimate, the project will be scheduled for completion. We will inform you of the projected completion date, complete the modification, and test it for anticipated conditions using test data or data you provide.
5. PowerSchool installs the custom software using an Internet connection. We also provide documentation describing the use and features of the custom software, as well as standard technical documentation.

## vii) Version Upgrades Scope

Initial implementation will be on the latest version. Throughout the implementation all SUs/Districts will be implemented on this same version. Optional training for upgrades to newly released versions of eFinancePLUS are not included in the Master Contract nor in this SOW. Upgrades will require a separate upgrade request from the State. Upon receipt by PowerSchool, SUs and Districts will follow the then-current Upgrade Processes outlined by PowerSchool to include:

- Identification of system requirements
- Identification and Statement of Work for custom retrofits, if applicable
- 
- Pricing for optional training and project management services

## viii) Cancellation or Rescheduling Policy

- Our Professional Services cancellation or rescheduling policy requires at least a fourteen (14) day notice to cancel a service after it is authorized. This advance notice is necessary in order that we have time to reschedule our staff for other engagements. Cancellations or reschedules less than fourteen (14) days before the occurrence of any service dates that PowerSchool has scheduled at the client's request will potentially incur nonrefundable expenses that will be deducted from the overall expense allocation for the project.

## ix) Project Skills Required

- **Meetings** - Your PowerSchool project manager will schedule meetings at critical phases of your implementation. These may be 15 minute calls to discuss your next 'homework' assignment or an in-depth consultation on more complex setup items. These calls will also be check points to track your progress and to make sure deadlines are being met. It is critical that the Primary Implementation Contact be prompt and prepared for each meeting.
- **Time and Knowledge** - There is much to do in a short period of time to prepare PowerSchool for your end users to begin using PowerSchool as your primary Financial and Human Resources Management system. You will need to configure PowerSchool with System, District, and Application Setups, import or manually enter data such as security users, employees, vendors, your chart of accounts, budget data, payroll information, deductions, benefits, and more. The work you do or delegate needs to be planned throughout the implementation in order for deadlines

to be met. You may need to expand your implementation team and delegate work. Make sure you have resources available to you who know how the school(s) do business, have Excel experience, know how to manage data and are familiar with your legacy finance and human resources systems.

- **Configuration** - Completing the configuration setup for system, district, and applications(s) is the responsibility of the Primary Implementation Contact with PowerSchool's assistance and should be done in a timely manner to ensure the timeline does not slip.
- **Database and SQL Expertise** – Ideally your core team should include at least one individual with database and SQL expertise. This team member should be comfortable exploring and learning the new database structure in eFinancePLUS and assisting in data conversion verification.
- **Data Conversions** - Shortly after the initial planning meeting with your PowerSchool Project Manager, PowerSchool's data conversion team will host a conversion orientation conference call with the district's core team to explain the conversion process and address initial questions. Your core team should include at least one individual with a strong understanding of your legacy system data elements and purpose, and a technical skill set that facilitates extracting legacy data and formatting for import into the PowerSchool database.
- **Importing** - Extracting, cleansing, importing, and validating data can be very time consuming. Expect to spend the majority of your implementation hours on data and many times it is the cause of not meeting project timelines.
- **Excel Skill Set** - The Primary Implementation Contact MUST have these Excel skills or have personnel available who do: Copy/Paste, Find/Replace, Delete, Save/Save As, Conditional Formatting, Concatenation, Hide/Unhide, Filtering, Sorting, Vlookup, Text to Columns, Left/Right/Mid.
- **Understanding your District's/School(s) Business Processes** - As part of the gathering process, we recommend that you meet with your subject matter experts often so that you have a clear understanding of the current business processes at your school(s) in the following areas: Human Resources, Payroll, Timekeeping, Chart of Accounts, Purchasing, Accounts Payable, Accounts Receivable, Warehousing, Budgeting, and State Reporting.
- **District Reporting Inventory** - Your core team members are advised to review existing critical financial reports used throughout the school district and to determine whether the reports are still needed based on eFinancePLUS functionality and school district usage. Reports should be prioritized, and the most critical ones identified so they may be developed early in the project to ensure their availability at go live and as needed.

**8. Implementation Deliverables and Completion Criteria****A. Security and System Administration****(1) Objectives**

Items	Approach
Application Management	Provide information on software configuration, security users, user privileges and security groups, attachment security, backups, data restores, locking and unlocking the software, and system messages.
User Essentials	Provide information on logging on/off, general navigation, LearningPLUS, customer support, documentation, individual user preferences, panels, notification subscriptions, favorites, and documents.
PowerSource	PowerSchool will review with customer several key PowerSource resources. Provide information on accessing PowerSource, documentation, navigating customer support resources, knowledge base, submitting cases, access to forums, seminar series, enhancement requests, etc.

\*Note - it is strongly encouraged to pay close attention to security and do not allow end users into the system until you are sure that they are set with the correct security and access to the system and data.

**(2) PowerSchool Implementation Responsibilities**

- Review critical system settings with client.
- Provide information regarding Application Hosting setup (for hosted clients only).
- Provide training on the following:
  - How to properly log in and out of the software.
  - How to Navigate, search, and customize the software interface.
  - How to add security users to the software.
  - How to set user permissions using Roles, Resources, and Views.
  - How to initiate backups to disk.
  - How to generate system messages to users.
- Provide an overview of Security Resource and Role functionality.
- Make best practice recommendations on common security roles usage.
- Provide direction on how to access System Administration Manual and LearningPLUS Supplemental Courses.
- Provide direction on how to access PowerSource for additional resources.
- Deliver Training Report.

**(3) Customer Critical Responsibilities**

- Complete Prerequisites for System Administration Training:
  - For hosted clients: Provide PowerSchool a list of all core eFinancePLUS users.
  - All others: Obtain domain and networking login information for core users.
- Attend System Administration training to understand security functionality and setup implications.
- Review security user guides and LearningPLUS training.
- Complete any required system settings that were reviewed but not completed during configuration consultation.
- Evaluate the hierarchy and functional roles for administrative staff.

- Assign staff to the correct security roles utilizing best practice recommendations and security documentation.

(4) Completion Criteria

This activity will be considered complete when:

- The System Administration training is complete.
- The System Administration Training Report is delivered to client.
- Client has completed creation of Security Roles.
- Client has added all end users and associated Resources or Roles and User Views to eFinancePLUS security.
- Client has reviewed the accompanying documentation and training supplements.

B. Fund Accounting

(1) Objectives

Items	Approach
Fund Accounting Overview	Training to provide a high level overview of Fund Accounting Profile, reference tables, ledgers, basic transactions, and reports.
Chart of Accounts Workshop	An interactive workshop to establish the details of the Fund Accounting profile, reference tables and ledgers.
Profile, Reference Tables, and Ledgers	Training for Fund Accounting system setup and configuration, Uniform Chart of Accounts and account structure setup, balance sheet, and ledgers.

(2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.
- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

(3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

(4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.



## C. Budgeting

## (1) Objectives

Items	Approach
Budgeting Setup	Training for Budget Preparation system setup and configuration; discussion of budgeting concepts and processes, budget levels and scenarios, methods of budget entry.
Budgeting Process	Training on entering and editing budgets; applying budget projections; using budget phases and iterations; configuring and processing budget imports; budget administrator functions; and budget reports.

## (2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.
- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

## (3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

## (4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.

## D. Purchasing and Accounts Payable

## (1) Objectives

Items	Approach
Purchasing Overview	Training to provide a high level overview of the Purchasing reference tables, requisition, purchase order and change order processing, approvals and receiving process.
Purchasing and Accounts Payable Workshop	An interactive workshop to discuss procedures for Purchasing, Accounts Payable and to establish the details pertaining to Purchasing and Accounts Payable in the Fund Accounting profile.
Purchasing Setup	Training for purchasing system setup and configuration, vendors, requisition and purchase order approval setup, purchase order layout, client-specific purchasing processes, administrator vs. end-user tasks/processes.
Purchasing Processing	Training for processing requisitions, purchase orders, change orders, approvals, receiving, and reviewing reports and displays associated with the purchasing process. During this phase of training, test printing on finalized forms will occur.
Accounts Payable Setup	Training for Accounts Payable setup and configuration, vendors, setup of accounts payable approvals, accounts payable check layout, client-specific purchasing and A/P processes, administrator vs. end-user tasks/processes.
Accounts Payable Processing	Training for Accounts payable invoice entry, batch invoice processing, accounts payable approvals, vendor payments, voiding checks, closing purchase orders, and displays associated with the purchasing and payables process. During this phase of training, test printing on finalized forms will occur.

## (2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.
- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

## (3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

## (4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.

#### E. General Ledger / Reconciliation

##### (1) Objectives

Items	Approach
General Ledger, Displays, Reports	Training on how to process journal entries, receivables, receipts, period end and reviewing fund accounting displays, reports, and audit trails
Cutover Procedures and Periodic Routines	Training for Cutover procedures for initial go-live, fiscal year end procedures, calendar year end procedures
Reconciliation Setup and Processing	Training on how to clear and unclear vendor checks, process check reconciliation file, create bank transmission file, process a bank reconciliation

##### (2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.
- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

##### (3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

##### (4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.

## F. Human Resources

## (1) Objectives

Items	Approach
Human Resources Overview	Training to provide a high level overview of Human Resources profile, reference tables, employee information and payroll processing.
Payroll Workshop	An interactive workshop to establish detailed codes for the Deduction Codes table, Leave Codes table and Pay Codes table.
HR Profile and Payroll Reference Tables	Training for the Human Resources system configuration, table setup for employee demographic information, tax tables, salary schedules, calendars, direct deposit, deductions, and other personnel and payroll data.

## (2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.
- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

## (3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

## (4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.

G. Employee Demographics

(1) Objectives

Items	Approach
Convert employee demographic data	PowerSchool will provide data conversion templates and training on using the Data Conversion Toolkit.
Complete the setup of required reference tables	PowerSchool will provide training and share best practices on Payroll and Personnel Reference Tables.
Display and report on employee data	Provide training on utilizing available software applications and reporting capabilities.
Employee Payroll Information	Training on how to review converted employee data, setup for adding new employees, searching for and adding employees, terminating employees, displaying employee demographic and payroll data.
Understand the setup and steps for performing personnel action in the software	PowerSchool will provide training on adding and terminating employees, adding relevant setup items, modifying existing employees, and share best practices within the software.

(2) PowerSchool Implementation Responsibilities

- Provide training on the Employee Information areas of the software.
- Provide the Data Conversion Templates.

(3) Customer Critical Responsibilities

- Complete the required demographic data conversions.
- Verify integrity and accuracy of converted data.
- Attend training sessions on Employee Maintenance and Management.
- Continue parallel updates to employee data between eFinancePLUS and legacy system.

(4) Completion Criteria

This activity will be considered complete when:

- The required data conversions are completed.
- Training is provided on Employee Maintenance and Management.
- Converted Employee data have been verified by the customer.

H. Attendance and Leave Processing

(1) Objectives

Items	Approach
Attendance Tracking	Training on how to create employee leave records, build calendars for leave tracking and validation, relevant substitute information, and entering attendance records.

(2) PowerSchool Implementation Responsibilities

- Provide Access to Implementation Seminar Schedule.

- Provide Access to Training Agendas and Supplements.
- Provide Trainings.
- Provide Training Reports.

(3) Customer Critical Responsibilities

- Identify the core team individuals who need to participate in training.
- Review Training Agendas for Training Pre-requisites.
- Ensure completion of prerequisites prior to training session.
- Implementation Seminar Requirements: Register and Attend Seminars.
- Review Training Report, Supplemental Documents and LearningPLUS module.
- Complete assignments.

(4) Completion Criteria

This activity will be considered complete when:

- Training is complete.
- Training Report is delivered to client.
- Client has reviewed the accompanying documentation and training supplements.
- Client has completed assignments.

I. Payroll Processing

(1) Objectives

Items	Approach
Payroll Processing	PowerSchool will provide training and walkthrough assistance on running a payroll.
Payroll Parallel Verification	Customer and PowerSchool will run a parallel payroll in eFinancePLUS and compare to data from the legacy system.
Direct Deposit Verification	A pre-notification file will be generated in eFinancePLUS and the transmitted to the bank.
Payroll Check Test Printing Verification	Test checks will be printed to ensure Optio setup is complete, check formatting is correct, and the printer is properly configured.

(2) PowerSchool Implementation Responsibilities

- Provide training on the payroll process.
- Provide supplemental assistance and training resources on running a payroll in eFinancePLUS.
- Assist with the generation of an ACH pre-notification file.
- Assist with configuring and printing payroll checks during training.

(3) Customer Critical Responsibilities

- Entry of all Pay Rates must be completed (via data entry or Data Conversion Toolkit) prior to training.

- Attend required trainings and actively participate in the Payroll Parallel process.
- Verify all payroll data against parallel payroll run in the legacy system.

(4) Completion Criteria

This activity will be considered complete when:

- Training and supplemental materials on the payroll process have been provided.
- A payroll check has been test-printed.
- An ACH pre-notification file has been accepted by the customer’s bank.
- All payroll data have been reconciled against a parallel payroll in the legacy system.

J. Periodic Routines

(1) Objectives

Items	Approach
Payroll Activities	Training on regular payroll tasks: voiding checks, manual checks, clearing and unclearing checks.
Periodic Processing	Training on payroll routines periodically performed: effective date changes, contract payouts, redistributing payroll charges, etc.
Year-End Processing	Overview training on steps to perform the Human Resources year-end process, W-2 processing, and 1099-R processing.
Payroll Displays & Reports	Overview of deduction and pay rate displays, paycheck worksheet, detailed displays, statutory reports

(2) PowerSchool Implementation Responsibilities

- Provide training on periodic payroll procedures, displays, reports, and routines.

(3) Customer Critical Responsibilities

- Attend required trainings on periodic payroll routines.
- Perform periodic routines in eFinancePLUS concurrent with legacy system processes.

(4) Completion Criteria

This activity will be considered complete when:

- Customer attends training on Periodic Routines.

## K. Regulatory Reporting

## (1) Objectives

Items	Approach
Download and Review Compliance Reporting User Guide	PowerSchool project manager will ensure that customer downloads the most recent Compliance Reporting User Guide for review and guidance.
Review Compliance Mandated District Setup Items and Data	PowerSchool project manager and customer will review the Compliance mandated district setup items along with any data import requirements.
Compliance Mandated District Setup Entry	When configuring district setup in PowerSchool, PowerSchool project manager and customer will ensure that Compliance mandated district setup items are compliant.
Complete Importing and Validation of Compliance Data	PowerSchool will provide an import template for importing required compliance data required by compliance reporting where import programs are available. PowerSchool will assist customer in importing compliance data. PowerSchool will review compliance data validation procedures and methods for fixing data problems.

\*Note1 - Compliance setup is usually only needed for public institutions that need to report to government.

## (2) PowerSchool Implementation Responsibilities

- Ensure customer knows where to find and download the most recent Compliance Reporting User Guide.
- Conduct a meeting with customer to review compliance requirements.
- Work with customer to ensure all compliance mandated setup items have been configured properly in PowerSchool.
- Provide a compliance import template and consulting for importing data required by compliance reporting.
- Assist customer in importing compliance data.
- Review compliance data validation and how to fix or re-import data as needed.

## (3) Customer Critical Responsibilities

- Download the most recent Compliance Reporting User Guide. Review this document in detail for configuration and data needs. Reference Compliance Reporting User Guide moving forward on how to run and complete reporting needs (*compliance reporting will not be covered under this SOW*).
- Attend meeting with PowerSchool project manager to review Compliance.
- Work with PowerSchool project manager to configure all Compliance mandated district/school setup items in PowerSchool.
- Validate Compliance data in PowerSchool.

## (4) Completion Criteria

This activity will be considered complete when:

- Customer downloads the most recent Compliance Reporting User Guide.
- Compliance mandated district/school setup items have been configured properly in PowerSchool.
- Compliance data has been imported into PowerSchool and validated by the customer.



## L. Miscellaneous

## (1) Objectives

Items	Approach
Workflow for Fund Accounting and Human Resources	The PowerSchool project manager and customer will work together to review or configure additional district and school setup items, as stated in this section.
Optional Table Setup	The PowerSchool project manager and customer will work together to review the optional reference tables in the Finance and Human Resources applications, and set up tables required for district operations.
Data Imports	The PowerSchool project manager and customer will work together to import additional data, as stated in this section.

\*Note - this section covers areas of PowerSchool that are not considered core functionality but are important to consider.

## (2) PowerSchool Implementation Responsibilities

- Conduct walk-through of setup items and imports.
- Review customer requirements collected during business review.
- Review compliance requirements as needed.
- Review with customer available documentation on PowerSource.
- Work with customer to review and complete configuration items as needed by District:
  - Local Tax Setup
  - Commodity Codes
  - Stock Numbers
  - FIPS Codes
  - Bargaining Units

## (3) Customer Critical Responsibilities

- Attend walk-through of setup items and imports.
- Review with PowerSchool project manager customer requirements collected during business review.
- Review with PowerSchool project manager available documentation on PowerSource.
- Work with PowerSchool project manager to complete (*or understand how to complete on own*) configuration of above items.

## (4) Completion Criteria

This activity will be considered complete when:

- The PowerSchool project manager and customer review additional setup items and imports.
- Additional setup items have been configured properly in PowerSchool.

## M. Cognos Business Intelligence Reporting

## (1) Objectives

Items	Approach
Report Studio	Explain the fundamentals of Report Studio.
Workspace Advanced	Explain the fundamentals of Workspace Advanced.

## (2) PowerSchool Implementation Responsibilities

- Schedule Training.
- Provide Access to Training Agendas.
- Provide Training Logistical Information Form (*for clients using Preferred Vendor*).
- Provide Training for Report Studio and Workspace Advanced to include:
  - Overview of Interface
  - Basic Navigation
  - Demonstration of methods to build various report types
  - Hands on practice
- Deliver Training Report.

## (3) Customer Critical Responsibilities

- Confirm Training Dates.
- Submit completed Training Logistical Information Form
- Review Agendas.
- Provide Training Location in accordance to requirements for hands on training to include classroom environment with individual PCs with internet access.
- Attend and Participate during Training.

## (4) Assumptions

- The customer has primary responsibility for developing mission critical Cognos Reports prior to Go Live cutover.
  - State will assist in a secondary capacity if necessary.
- The customer may contact PowerSchool for additional resources to provide report writing services.

## (5) Completion Criteria

- This activity will be considered complete when PowerSchool provides final delivery of Training Report.

**ATTACHMENT B  
PAYMENT PROVISIONS**

The maximum dollar amount payable under this contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this contract.

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
  - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
  - b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit detailed invoices that must include the Contract # for this contract. All invoices shall be rendered by the Contractor on the Contractor's standard billhead. All payments are to be based on State of Vermont's acceptance of agreed to fixed-price deliverables, unless otherwise specified in this Attachment B or Attachment A. Each invoice must include: specific deliverable(s) being billed, specific amount retained (10% of deliverable) from each deliverable being billed and a net amount due. Also, included with each invoice, separate from the net amount due, must be a notation of cumulative previously billed and cumulative previously retained.
4. Invoices shall be submitted to the State at the following address:

Agency of Education  
ATTN: Business Office  
219 North Main St, Suite 402  
Barre, VT 05641
5. Unless otherwise specified, Contractor shall submit invoices to the State upon State Acceptance of a deliverable in accordance with the schedule for delivered products, or rates for services performed set forth below.
6. **EXPENSES:** The fee for services shall be inclusive of Contractor expenses.
7. **RETAINAGE:** The State shall retain 10% of each Implementation Deliverable Payment. The State will pay retainage amount when all issues identified in Pre and Post Implementation are resolved to the satisfaction of the State and accepted in accordance with the terms and conditions of the contract.

### 8. Upfront Implementation Costs

Upfront Implementation Costs for the Discovery phase shall be invoiced following the completion of the deliverable and its corresponding satisfaction criteria as defined in Section 5.2 of Attachment A.. Upfront Implementation Costs for the Central Database Design and Setup phase shall be invoiced 90% upon contract execution and 10% upon completion of the deliverable. These are one-time costs, and are not tied to the scaling of service.

Upfront Implementation Costs					
Phase	Description	Timeframe	Deliverables	Price	Invoice
Discovery	Define Roadmap	Month 1-2	Demonstration Video Implementation Video Business Process Report Best Practices Guide Preconfigured Environment	\$60,000	Upon Completion
Central Database Design and Setup				\$136,500	90% upfront, 10% on completion

### 9. Group-based Implementation (First 10 Groups)

Contractor shall submit invoices to the State for Group-Based Implementation deliverables following the completion of each phase. The pricing in the Group-based Implementation matrices below reflect pricing for the first 10 groups. A Group may not be less than a single SU/SD, and may not exceed 8 SUs/SDs.

Should the State not commit to the rollout of all 10 groups prior to 9/30/2019, any unused professional services dollars remaining from the total \$673,130.00 non-refundable commitment shall immediately be re-allocated to a general services bucket, which can be used for any PowerSchool professional services engagement through the life of the initial contract term.

Group-based Implementation (First 10 Groups)					
Phase	Description	Timeframe	Deliverables	Payment & Retainage	Total Price Per Group
Planning	Project Management	Month 1	Statement of Work Kickoff Meeting Rollout Plan Project Plan Project Budget	Initial Payment: \$8,505 Retainage: \$945	\$9,450

			Communication Plan Risk Management Plan Issues Tracking Log Bi-Weekly Status Call Log		
<b>Preparation</b>	Complete System Setup	Month 1-2	Platform Build Installation Report Environment to Login Local Discovery Data Conversion Kickoff	Initial Payment: \$13,235.40 Retainage: \$1,470.60	\$14,706
<b>Execution</b>	Data Conversions	Month 2-5	Data Conversion Training Conversion Templates Parallel Payroll Steps	Initial Payment: \$14,650.20 Retainage: \$1,627.80	\$16,278
<b>Confirmation</b>	Perform Training	Month 4-6	Training Agendas Training Documentation Trip Reports	Initial Payment: \$13,427.10 Retainage: \$1,491.90	\$14,919
<b>Support</b>	Go Live	Month 6-8	Go Live Checklist Go Live Transition Plan Project Closeout Report Post Live Surveys	Initial Payment: \$10,764 Retainage: \$1,196	\$11,960

Total Initial Payment (less retainage) per Group, for first 10 groups	\$ 60,581
Total Retainage per Group, for the first 10 groups	\$ 6,731
<b>Total Cost per Group, for the first 10 groups</b>	<b>\$ 67,313</b>

**10. Group-based Implementation (Groups 11+ Based on Group Size)**

Contractor shall submit invoices to the State for Group-Based Implementation costs following the completion of each phase, once the satisfaction criteria for each phase has been met.

<b>Group-based Implementation (Groups 11+ Based on Group Size)</b>		
<b>Implementation Pricing by Group</b>	<b>Group Total Cost</b>	<b>Cost per SU/SD</b>
Group of 1	\$17,880	\$17,880
Group of 2	\$33,656	\$16,828
Group of 3	\$47,329	\$15,776
Group of 4	\$58,899	\$14,725
Group of 5	\$68,365	\$13,673
Group of 6	\$75,726	\$12,621
Group of 7	\$80,985	\$11,569
Group of 8	\$84,142	\$10,518

<b>Pricing by Phase for Group of 1</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$2,510.00	\$2,259.00	\$251.00
Phase 3: Preparation	\$3,906.00	\$3,515.40	\$390.60
Phase 4: Execution	\$4,324.00	\$3,891.60	\$432.40
Phase 5: Confirmation	\$3,963.00	\$3,566.70	\$396.30
Phase 6: Support	\$3,177.00	\$2,859.30	\$317.70
<b>TOTAL</b>	<b>\$17,880.00</b>	<b>\$16,092.00</b>	<b>\$1,788.00</b>
<b>Pricing by Phase for Group of 2</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$4,725.00	\$4,252.50	\$472.50
Phase 3: Preparation	\$7,353.00	\$6,617.70	\$735.30
Phase 4: Execution	\$8,139.00	\$7,325.10	\$813.90
Phase 5: Confirmation	\$7,459.00	\$6,713.10	\$745.90
Phase 6: Support	\$5,980.00	\$5,382.00	\$598.00
<b>TOTAL</b>	<b>\$33,656.00</b>	<b>\$30,290.40</b>	<b>\$3,365.60</b>
<b>Pricing by Phase for Group of 3</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$6,645.00	\$5,980.50	\$664.50
Phase 3: Preparation	\$10,340.00	\$9,306.00	\$1,034.00
Phase 4: Execution	\$11,445.00	\$10,300.50	\$1,144.50
Phase 5: Confirmation	\$10,490.00	\$9,441.00	\$1,049.00
Phase 6: Support	\$8,409.00	\$7,568.10	\$840.90
<b>TOTAL</b>	<b>\$47,329.00</b>	<b>\$42,596.10</b>	<b>\$4,732.90</b>
<b>Pricing by Phase for Group of 4</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$8,269.00	\$7,442.10	\$826.90
Phase 3: Preparation	\$12,868.00	\$11,581.20	\$1,286.80
Phase 4: Execution	\$14,243.00	\$12,818.70	\$1,424.30
Phase 5: Confirmation	\$13,054.00	\$11,748.60	\$1,305.40
Phase 6: Support	\$10,465.00	\$9,418.50	\$1,046.50
<b>TOTAL</b>	<b>\$58,899.00</b>	<b>\$53,009.10</b>	<b>\$5,889.90</b>
<b>Pricing by Phase for Group of 5</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$9,598.00	\$8,638.20	\$959.80
Phase 3: Preparation	\$14,936.00	\$13,442.40	\$1,493.60
Phase 4: Execution	\$16,532.00	\$14,878.80	\$1,653.20
Phase 5: Confirmation	\$15,152.00	\$13,636.80	\$1,515.20
Phase 6: Support	\$12,147.00	\$10,932.30	\$1,214.70
<b>TOTAL</b>	<b>\$68,365.00</b>	<b>\$61,528.50</b>	<b>\$6,836.50</b>

<b>Pricing by Phase for Group of 6</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$10,631.00	\$9,567.90	\$1,063.10
Phase 3: Preparation	\$16,544.00	\$14,889.60	\$1,654.40
Phase 4: Execution	\$18,312.00	\$16,480.80	\$1,831.20
Phase 5: Confirmation	\$16,784.00	\$15,105.60	\$1,678.40
Phase 6: Support	\$13,455.00	\$12,109.50	\$1,345.50
<b>TOTAL</b>	<b>\$75,726.00</b>	<b>\$68,153.40</b>	<b>\$7,572.60</b>
<b>Pricing by Phase for Group of 7</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$11,370.00	\$10,233.00	\$1,137.00
Phase 3: Preparation	\$17,693.00	\$15,923.70	\$1,769.30
Phase 4: Execution	\$19,584.00	\$17,625.60	\$1,958.40
Phase 5: Confirmation	\$17,949.00	\$16,154.10	\$1,794.90
Phase 6: Support	\$14,389.00	\$12,950.10	\$1,438.90
<b>TOTAL</b>	<b>\$80,985.00</b>	<b>\$72,886.50</b>	<b>\$8,098.50</b>
<b>Pricing by Phase for Group of 8</b>	<b>Group Total Cost</b>	<b>Initial Payment</b>	<b>Retainage</b>
Phase 2: Planning	\$11,813.00	\$10,631.70	\$1,181.30
Phase 3: Preparation	\$18,383.00	\$16,544.70	\$1,838.30
Phase 4: Execution	\$20,347.00	\$18,312.30	\$2,034.70
Phase 5: Confirmation	\$18,649.00	\$16,784.10	\$1,864.90
Phase 6: Support	\$14,950.00	\$13,455.00	\$1,495.00
<b>TOTAL</b>	<b>\$84,142.00</b>	<b>\$75,727.80</b>	<b>\$8,414.20</b>



Support for Sites Not Live on eFinancePlus				
Description	Timeframe	Deliverables		Price
Pull data into central database	10/2019 – 8/2020	Data Scoping Templates for Uploading Perform Upload Steps for Personnel Data (12/1/19) Correct Errors and Reupload Perform Upload Steps for Financial Data (8/15/20)		No additional cost, included in the implementation costs defined above

### 11. Calculating eFinancePlus Annual Subscription Costs

Starting in Year 3, the minimum Annual Subscription Fee shall be no less than the cost of the Annual Subscription Fee for a 30% SU/SD Adoption Rate at the cost set forth in the table below.

The SU Adoption Rate shall be determined by the number of SUs committed to be implemented on eFinancePlus for the applicable year of service divided by the total number of SUs, as provided by the State on or before March 1 of the prior year.

Starting in Year 3, Subscription costs shall be prorated for SUs implemented after the first month of the service year, based on the number of days during the service year they will be considered an adopter. For purposes of clarity and avoidance of doubt, the annual SU adoption rate process for initial invoicing and subsequent SU proration invoicing shall work as follows:

- 1) Prior to the start of Year 3, Customer must notify PowerSchool of the SU Adoption Rate for the following year no later than 3/1 (30 days prior to each 4/1 Anniversary date), which establishes the minimum committed number of SUs and the minimum subscription pricing for that year. Subscription costs for all subsequent SUs shall be invoiced at the established minimum subscription pricing for that year.
- 2) For SUs that begin implementation after 4/1, the additional invoice for each additional SU shall be calculated using the established minimum subscription pricing for that year and shall be prorated daily based on the start date of that SU's implementation kick-off (not the projected go-live date).
- 3) The SU Adoption Rate for the following year shall be recalculated on the next 4/1 anniversary date.
- 4) If applicable, criteria to define and calculate service level credit refunds of the amounts noted in the table below are defined in Attachment F in sections 3.1.9 and 3.2.4.

<b>eFinancePlus Annual Maintenance &amp; Ongoing Support Subscription Costs</b>				
<b>Contract Year</b>	<b>Subscription Cost</b>	<b>Dates of Service</b>	<b>Invoice Date (on or after) First 50%</b>	<b>Invoice Date (on or after) Second 50%</b>
Year 1	\$351,954	4/1/18-3/31/19	4/1/2018	10/1/2018
Year 2	\$637,500	4/1/19-3/31/20	4/1/2019	10/1/2019
Year 3	Based on Adoption Rate	4/1/20-3/31/21	4/1/2020	10/1/2020
Year 4	Based on Adoption Rate	4/1/21-3/31/22	4/1/2021	10/1/2021
Year 5	Based on Adoption Rate	4/1/22-3/31/23	4/1/2022	10/1/2022
Year 6	Based on Adoption Rate	4/1/23-3/31/24	4/1/2023	10/1/2023
Year 7	Based on Adoption Rate	4/1/24-3/31/25	4/1/2024	10/1/2024

<b>Annual Subscription Cost Per SU Based on SU Adoption Rate</b>					
<b>SU Adoption Rate</b>	<b>Cost Per SU Year 3</b>	<b>Cost Per SU Year 4</b>	<b>Cost Per SU Year 5</b>	<b>Cost Per SU Year 6</b>	<b>Cost Per SU Year 7</b>
100%	\$10,943.75	\$11,272.06	\$11,610.22	\$11,958.53	\$12,317.29
90% to 99%	\$12,534.24	\$12,910.27	\$13,297.58	\$13,696.50	\$14,107.40
80% to 89%	\$13,920.45	\$14,338.06	\$14,768.21	\$15,211.25	\$15,667.59
70% to 79%	\$15,116.97	\$15,570.48	\$16,037.59	\$16,518.72	\$17,014.28
60% to 69%	\$16,138.37	\$16,622.53	\$17,121.21	\$17,634.85	\$18,163.90
50% to 59%	\$16,999.29	\$17,509.27	\$18,034.55	\$18,575.58	\$19,132.85
40% to 49%	\$17,714.28	\$18,245.71	\$18,793.08	\$19,356.88	\$19,937.59
30% to 39%	\$18,297.95	\$18,846.89	\$19,412.30	\$19,994.66	\$20,594.50

**Additional Subscription Fees****1) ODS / Database Software License Fees**

<b>Contract Year</b>	<b>Subscription Cost</b>	<b>Dates of Service</b>	<b>Invoice Date (on or after)</b>
Year 1	\$65,000	4/1/18-3/31/19	4/1/2018
Year 2	\$30,000	4/1/19-3/31/20	4/1/2019
Year 3	\$30,000	4/1/20-3/31/21	4/1/2020
Year 4	\$30,000	4/1/21-3/31/22	4/1/2021
Year 5	\$30,000	4/1/22-3/31/23	4/1/2022
Year 6	\$30,000	4/1/23-3/31/24	4/1/2023
Year 7	\$30,000	4/1/24-3/31/25	4/1/2024

**2) Seminar Training Subscription**

<b>Contract Year</b>	<b>Subscription Cost</b>	<b>Dates of Service</b>	<b>Invoice Date (on or after)</b>
Year 1	\$15,187	4/1/18-3/31/19	4/1/2018
Year 2	\$15,187	4/1/19-3/31/20	4/1/2019
Year 3	\$15,187	4/1/20-3/31/21	4/1/2020
Year 4	\$15,187	4/1/21-3/31/22	4/1/2021
Year 5	\$15,187	4/1/22-3/31/23	4/1/2022
Year 6	\$15,187	4/1/23-3/31/24	4/1/2023
Year 7	\$15,187	4/1/24-3/31/25	4/1/2024

**ATTACHMENT C: STANDARD STATE PROVISIONS  
FOR CONTRACTS AND GRANTS  
REVISED DECEMBER 15, 2017**

**1. Definitions:** For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.

**2. Entire Agreement:** This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

**3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial:** This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

**4. Sovereign Immunity:** The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

**5. No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

**6. Independence:** The Party will act in an independent capacity and not as officers or employees of the State.

**7. Defense and Indemnity:** The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys’ fees, collection costs or other costs of the Party or any third party.

**8. Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on

file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

*Workers Compensation:* With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

*General Liability and Property Damage:* With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Each Occurrence

\$2,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$1,000,000 Personal & Advertising Injury

*Automotive Liability:* The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

*Additional Insured.* The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

*Notice of Cancellation or Change.* There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

**9. Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

**10. False Claims Act:** The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

**11. Whistleblower Protections:** The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

**12. Location of State Data:** No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the continental United States, except with the express written permission of the State.

**13. Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or

acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

**14. Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

**15. Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

**16. Taxes Due to the State:**

- A. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
- B. Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- C. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- D. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

**17. Taxation of Purchases:** All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

**18. Child Support:** (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

- A. is not under any obligation to pay child support; or
- B. is under such an obligation and is in good standing with respect to that obligation; or
- C. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

**19. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or

Gratuities”); Section 22 (“Certification Regarding Debarment”); Section 30 (“State Facilities”); and Section 32.A (“Certification Regarding Use of State Funds”).

**20. No Gifts or Gratuities:** Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

**21. Copies:** Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

**22. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party’s principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State’s debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

**23. Conflict of Interest:** Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

**24. Confidentiality:** Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

**25. Force Majeure:** Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) (“Force Majeure”). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

**26. Marketing:** Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

**27. Termination:**

**A. Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.

**B. Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party’s notice or such longer time as the non-breaching party may specify in the notice.

**C. Termination Assistance:** Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

**28. Continuity of Performance:** In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

**29. No Implied Waiver of Remedies:** Either party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

**30. State Facilities:** If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

**31. Requirements Pertaining Only to Federal Grants and Subrecipient Agreements:** If this Agreement is a grant that is funded in whole or in part by Federal funds:

**A. Requirement to Have a Single Audit:** The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends \$500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

**B. Internal Controls:** In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**C. Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

**32. Requirements Pertaining Only to State-Funded Grants:**

**A. Certification Regarding Use of State Funds:** If Party is an employer and this Agreement is a State-funded grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

**B. Good Standing Certification (Act 154 of 2016):** If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify, and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)



ATTACHMENT D  
INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION  
TERMS AND CONDITIONS (rev. 4/27/17)

**1. MODIFICATIONS TO CONTRACTOR DOCUMENTS**

The parties specifically agree that the Contractor Documents are hereby modified and superseded by Attachment C and this Attachment D.

“Contractor Documents” shall mean one or more document, agreement or other instrument required by Contractor in connection with the performance of the products and services being purchased by the State, regardless of format, including the license agreement, end user license agreement or similar document, any hyperlinks to documents contained in the Contractor Documents, agreement or other instrument and any other paper or “shrinkwrap,” “clickwrap,” “browsewrap” or other electronic version thereof.

**2. NO SUBSEQUENT, UNILATERAL MODIFICATION OF TERMS BY CONTRACTOR**

Notwithstanding any other provision or other unilateral license terms which may be issued by Contractor during the Term of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for the products and services being purchased by the State, as applicable, the components of which are licensed under the Contractor Documents, or the fact that such other agreement may be affixed to or accompany the products and services being purchased by the State, as applicable, upon delivery, the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

**3. TERM OF CONTRACTOR’S DOCUMENTS; PAYMENT TERMS**

Contractor acknowledges and agrees that, to the extent a Contractor Document provides for alternate term or termination provisions, including automatic renewals, such sections shall be waived and shall have no force and effect. All Contractor Documents shall run concurrently with the term of this Contract; provided, however, to the extent the State has purchased a perpetual license to use the Contractor’s software, hardware or other services, such license shall remain in place unless expressly terminated in accordance with the terms of this Contract. Contractor acknowledges and agrees that, to the extent a Contractor Document provides for payment terms which differ from the payment terms set forth in Attachment B, such sections shall be waived and shall have no force and effect and the terms in Attachment B shall govern.

**4. OWNERSHIP AND LICENSE IN DELIVERABLES**

**4.1 Contractor Intellectual Property.**

As between the parties, and subject to the terms and conditions of this Contract, Contractor and its third-party suppliers will retain ownership of all intellectual property rights in the Solution, and any and all derivative works made to the Solution or any part thereof, as well as all Work Product provided to the State (“**Contractor Proprietary Technology**”). The State acquires no rights to Contractor Proprietary Technology except for the licensed interests granted under this Contract. The term “**Work Product**” means all other materials, reports, manuals, visual aids, documentation, ideas, concepts, techniques, inventions, processes, or works of authorship developed, provided or created by Contractor or its employees or contractors during the course of performing work for the State (excluding any State Data or derivative works thereof and excluding any output from the Solution generated by the State’s use of the Solution, including without limitation, reports, graphs, charts and modified State Data, but expressly including any form templates of such reports, graphs or charts by themselves that do not include the State Data).

Title, ownership rights, and all Intellectual Property Rights in and to the Solution will remain the sole property of Contractor or its suppliers. The State acknowledges that the source code is not covered by any license

hereunder and will not be provided by Contractor. Except as set forth in this Contract, no right or implied license or right of any kind is granted to the State regarding the Solution or any part thereof. Nothing in this Contract confers upon either party any right to use the other party's trade names and trademarks, except for permitted license use in accordance with this Contract. All use of such marks by either party will inure to the benefit of the owner of such marks, use of which will be subject to specifications controlled by the owner.

## **5. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING**

5.1 For purposes of this Contract, confidential information will not include information or material which (a) enters the public domain (other than as a result of a breach of this Contract); (b) was in the receiving party's possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of confidential information; (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party; or (e) is not exempt from disclosure under applicable State law.

5.2 **Confidentiality of Contractor Information.** The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor's attempts to prevent public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

5.3 **Confidentiality of State Information.** In performance of this Contract, and any exhibit or schedule hereunder, the Contractor acknowledges that certain State Data to also include SU/SD data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health

information and other individually identifiable information protected by State or federal law or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. (“State Data”).

State Data shall not be stored, accessed from, or transferred to any location outside the United States without the prior written approval of the State.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all State Data. The Contractor agrees that (a) it will use the State Data only as may be necessary in the course of performing duties or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information; (c) it will not publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form orally or in writing to any third party unless it has received written approval from the State and that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the State’s information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor’s possession to only those employees on its staff who must have the information on a “need to know” basis. The Contractor shall not retain any State Data except to the extent required to perform the services under this Contract.

Contractor shall not access State user accounts or State Data, except in the course of data center operations, response to service or technical issues, as required by the express terms of this Contract, or at State’s written request.

Contractor may not share State Data with its parent company or other affiliate without State’s express written consent.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

## 6. SECURITY OF STATE INFORMATION

**6.1 Security Standards.** To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include, but not be limited to, encryption at rest and multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

**6.2 Security Breach Notice and Reporting.** The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below, which shall be made available to the State upon request.

In the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (a “Security Breach”), the Contractor shall notify the State within 24 hours of its discovery. Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State. Contractor shall analyze and document the incident and provide all notices required by applicable law.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or, if applicable, Vermont Department of Financial Regulation (“DFR”), within fourteen (14) business days of the Contractor’s discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor’s subcontractors, affiliates or agents which may be “data collectors” hereunder.

The Contractor agrees to fully cooperate with the State and assume responsibility at its own expense for the following, to be determined in the sole discretion of the State: (i) notice to affected consumers if the State determines it to be appropriate under the circumstances of any particular Security Breach, in a form recommended by the AGO; and (ii) investigation and remediation associated with a Security Breach, including but not limited to, outside investigation, forensics, counsel, crisis management and credit monitoring, in the sole determination of the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

**6.3 Security Policies.** To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

**6.4 Operations Security.** To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor shall cause an SSAE 18 SOC 2 Type 2 audit report to be conducted annually. The audit results and the Contractor’s plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor’s receipt of the audit results. Further, on an annual basis, within 90 days of the end of the Contractor’s fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

**6.5 Back Up. Redundant Back-Up.** The Contractor shall maintain a fully redundant near realtime replication of data. The Contractor’s back up policies shall be made available to the State upon request. The Contractor shall

provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

**6.6 Vulnerability Testing.** The Contractor shall run quarterly vulnerability assessments and notify the State of the results within five (5) business days. Contractor shall remediate critical issues within ninety (90) days and all other issues within one hundred and eighty (180) days unless the State agrees otherwise.

## **7. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES**

**7.1 General Representations and Warranties.** The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) To the best of Contractor's knowledge, following due inquiry, there is no outstanding litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor, to the best of its knowledge, following due inquiry, (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the Deliverables as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the Deliverables or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) To the best of Contractor's knowledge, following due inquiry, neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

**7.2 Contractor's Performance Warranties.** Contractor represents and warrants to the State that:

- (i) All Deliverables will be free from material errors and shall perform in accordance with the specifications therefor for a period of at least one year.
- (ii) Contractor will provide to the State commercially reasonable continuous and uninterrupted access to the Service, and will not interfere with the State's access to and use of the Service during the term of this Contract, as set forth in Attachment F, Service Level Agreement;
- (iii) The Service is compatible with and will operate successfully with any environment (including web browser and operating system) specified in the Statement of Work;
- (iv) Each and all of the services, in accordance with the Statement of Work, shall be performed in a timely, diligent, professional and skillful manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.
- (v) All Deliverables supplied by the Contractor to the State in accordance with the Statement of Work shall be transferred free and clear of any and all restrictions on the conditions of transfer, modification, licensing, sublicensing and free and clear of any and all liens, claims, mortgages, security interests, liabilities and encumbrances or any kind.

- (vi) To the best of Contractor's knowledge, following due inquiry, any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.
- (vii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

**7.3 Limitation on Disclaimer.** The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

**7.4 Effect of Breach of Warranty.** If, at any time during the term of this Contract, software or the results of Contractor's work fail to perform according to any warranty of Contractor under this Contract, the State shall promptly notify Contractor in writing of such alleged nonconformance, and Contractor shall, at its own expense and without limiting any other rights or remedies of the State hereunder, re-perform or replace any services that the State has determined to be unsatisfactory in its reasonable discretion. Alternatively, with State consent, the Contractor may refund of all amounts paid by State for the nonconforming deliverable or service

## **8. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE**

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$5,000,000.00 per claim, \$5,000,000.00 aggregate; and (b) first party Breach Notification Coverage of not less than \$1,000,000.00.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

With respect to the first party Breach Notification Coverage, Contractor shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Contract.

## **9. LIMITATION OF LIABILITY.**

CONTRACTOR'S LIABILITY FOR DAMAGES TO THE STATE ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT SHALL NOT EXCEED THREE TIMES THE MAXIMUM AMOUNT PAYABLE UNDER THIS CONTRACT. LIMITS OF LIABILITY FOR STATE CLAIMS SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE WITH RESPECT TO CLAIMS OF INTELLECTUAL PROPERTY INFRINGEMENT; (B) BREACHES OF CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS TO THE STATE DIRECTLY CAUSED BY CONTRACTOR; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT; OR (E) VIOLATIONS OF THE STATE OF VERMONT FRAUDULENT CLAIMS ACT. IN NO EVENT SHALL THIS LIMIT OF LIABILITY BE CONSTRUED TO LIMIT CONTRACTOR'S LIABILITY FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACT.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, DAMAGES WHICH ARE UNFORESEEABLE TO THE PARTIES AT THE TIME OF CONTRACTING, DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, SUCH AS LOSS OF ANTICIPATED BUSINESS, OR LOST PROFITS, INCOME, GOODWILL, OR REVENUE IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement.

#### **10. TRADE SECRET, PATENT AND COPYRIGHT INFRINGEMENT**

The State shall not be deemed to waive any of its rights or remedies at law or in equity in the event of Contractor's trade secret, patent and/or copyright infringement.

#### **12 REMEDIES FOR DEFAULT; NO WAIVER OF REMEDIES**

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by the other under this Contract shall impair any such right, power or remedy, or shall be construed as a waiver of any such right, power or remedy, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing.

#### **13 TERMINATION**

Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to the State all State information, State Intellectual Property or State Data (including without limitation any Deliverables for which State has made payment in whole or in part) ("State Materials"), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time.

In the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Materials to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Materials.

Contractor shall reasonably cooperate with other parties in connection with all services to be delivered under this Contract, including without limitation any successor provider to whom State Materials are to be transferred in connection with termination. Contractor shall assist the State in exporting and extracting the State Materials, in a format usable without the use of the Services and as agreed to by State, at no additional cost.

Any transition services requested by State involving additional knowledge transfer and support may be subject to a contract amendment for a fixed fee or at rates to be mutually agreed upon by the parties.

If the State determines in its sole discretion that a documented transition plan is necessary, then no later than sixty (60) days prior to termination, Contractor and the State shall mutually prepare a Transition Plan identifying transition services to be provided.

In the event of Termination for Convenience, Fees paid for the current year shall not be refundable.

#### **15. ACCESS TO STATE DATA:**

The State may import or export State Materials in part or in whole at its sole discretion at any time (24 hours a day, seven (7) days a week, 365 days a year), during the term of this Contract or for up to [three (3) months] after the Term (so long as the State Materials remain in the Contractor's possession) without interference from the Contractor

in a format usable without the Service and in an agreed-upon file format and medium at no additional cost to the State.

The Contractor must allow the State access to information such as system logs and latency statistics that affect its State Materials and or processes.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

## **16. AUDIT RIGHTS**

Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, upon five (5) business days prior written notice by the State, or in the case of State or Federal regulators, at the time required by such regulators, access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract.

At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

## **17. DESTRUCTION OF STATE DATA**

At any time during the term of this Contract within (i) thirty days of the State's written request or (ii) [three (3) months] of termination or expiration of this Contract for any reason, and in any event after the State has had an opportunity to export and recover the State Materials, Contractor shall at its own expense securely destroy and erase from all systems it directly or indirectly uses or controls all tangible or intangible forms of the State Materials, in whole or in part, and all copies thereof except such records as are required by law. The destruction of State Data and State Intellectual Property shall be performed according to National Institute of Standards and Technology (NIST) approved methods. Upon request by the State, Contractor shall certify in writing to the State that such State Data has been disposed of securely. To the extent that any applicable law prevents Contractor from destroying or erasing State Materials as set forth herein, Contractor shall retain, in its then current state, all such State Materials then within its right of control or possession in accordance with the confidentiality, security and other requirements of this Contract, and perform its obligations under this section as soon as such law no longer prevents it from doing so.



Further, upon the relocation of State Data, Contractor shall securely dispose of such copies from the former data location and certify in writing to the State that such State Data has been disposed of securely. Contractor shall comply with all reasonable directions provided by the State with respect to the disposal of State Data.

## **18 CONTRACTOR BANKRUPTCY.**

Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

## **19 SOFTWARE LICENSEE COMPLIANCE REPORT.**

In lieu of any requirement that may be in a Contractor Document that the State provide the Contractor with access to its System for the purpose of determining State compliance with the terms of the Contractor Document, upon request and not more frequently than annually, the State will provide Contractor with a certified report concerning the State's use of any software licensed for State use pursuant this Contract. The parties agree that any non-compliance indicated by the report shall not constitute infringement of the licensor's intellectual property rights, and that settlement payment mutually agreeable to the parties shall be the exclusive remedy for any such non-compliance.

## **20 IRS TERMS IF FEDERAL TAX INFO WILL BE PROCESSED OR STORED (Per IRS Publication 1075)**

To the extent Contractor's performance under this Contract involves the processing or storage of Federal tax information, then, pursuant to IRS Publication 1075, the following provisions shall apply in addition to any other security standard or requirements set forth in this Contract:

### **A. PERFORMANCE**

In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by its employees with the following requirements:

1. All work will be done under the supervision of the Contractor or the Contractor's employees.
2. The Contractor and the Contractor's employees with access to or who use Federal tax information must meet the background check requirements defined in IRS Publication 1075.
3. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.
4. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
5. The Contractor certifies that the data processed during the performance of this Contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
6. Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the State or his or her designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the State or its

designee with a statement containing the date of destruction, description of material destroyed, and the method used.

7. All computer systems processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
8. No work involving Federal tax information furnished under this Contract will be subcontracted without prior written approval of the IRS.
9. The Contractor will maintain a list of employees authorized access. Such list will be provided to the State and, upon request, to the IRS reviewing office.
10. The State will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

#### **B. CRIMINAL/CIVIL SANCTIONS:**

1. Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
2. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431, and set forth at 26 CFR 301.6103(n)-1.
3. Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to State records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

4. Prior to Contractor having access to Federal tax information, Contractor shall certify that each Contractor employee or other individual with access to or who use Federal tax information on Contractor's behalf pursuant to this Contract understands the State's security policy and procedures for safeguarding Federal tax information. Contractor's authorization to access Federal tax information hereunder shall be contingent upon annual recertification. The initial certification and recertification must be documented and placed in the State's files for review. As part of the certification, and at least annually afterwards, Contractor will be advised of the provisions of IRCs 7431, 7213, and 7213A (see IRS Publication 1075 *Exhibit 4, Sanctions for Unauthorized Disclosure*, and *Exhibit 5, Civil Damages for Unauthorized Disclosure*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches (See Publication 1075, Section 10). For both the initial certification and the annual certification, the Contractor must sign a confidentiality statement certifying its understanding of the security requirements.

### C. INSPECTION:

The IRS and the State, with 24 hours' notice, shall have the right to send its officers, employees, and inspectors into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this Contract for compliance with the requirements defined in IRS Publication 1075. The IRS's right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology assets that access, store, process or transmit Federal tax information. On the basis of such inspection, corrective actions may be required in cases where the Contractor is found to be noncompliant with Contract safeguards.

## 21 ASSIGNMENT

Section 19 of Attachment C is hereby deleted and replaced as follows:

**Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State, except that in the case of a sale, merger, acquisition and/or transfer of control of all or substantially all of the Contractor's assets or more than 50% of its voting equity, the Contractor shall only be required to provide the State with prior notice. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").

## **22 INSURANCE**

Section 8, Paragraph 6, “Notice of Cancellation or Change” of Attachment C is hereby deleted and replaced as follows:

Contractor shall not be responsible for providing prior written notice to the State for any cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverages in Attachment C and Attachment D. The Contractor shall notify the State within five (5) business days after the occurrence or any cancellation, change, exhaustion or aggregate limits or non-renewal of insurance coverages in Attachment C and Attachment D.

## **23 EMBEDDED APPLICATIONS**

In Attachment E, Section 2.1 of the Supplemental Terms and Conditions is modified as follows:

- a. Subsection 2.1(e) is deleted.
- b. Subsection 2.1(f) is deleted and replaced with this this language:  
“Oracle shall be a third party beneficiary of this Agreement as it pertains to this section 2.1.”
- c. Subsection 2.1(h) is deleted and replaced with this language:  
“Should the Oracle Software contain any source code provided by Oracle, such source code shall be governed by the terms of this Agreement as it pertains to this subsection 2.1.”



**IMPORTANT: DO NOT ALLOW LICENSED PRODUCT (AS DEFINED BELOW) TO BE INSTALLED OR USED WITHOUT READING THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF YOU ARE NOT WILLING TO ACCEPT THESE TERMS AND CONDITIONS, YOU MUST RETURN THE LICENSED PRODUCT TO POWERSCHOOL WITHIN TEN (10) DAYS OF RECEIPT. BY INSTALLING AND USING THE LICENSED PRODUCT AS PERMITTED BY THIS LICENSE OR ORDERING SERVICES (AS DEFINED BELOW), YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT.**

## LICENSED PRODUCT AND SERVICES AGREEMENT

Last updated as of June 2, 2017

1. **DEFINITIONS.** PowerSchool Group LLC, the licensor of Licensed Product pursuant to this Agreement, is referred to herein as "PowerSchool." The school, school district or other entity licensing Licensed Product is referred to herein as "Licensee." This Licensed Product and Services Agreement is referred to herein as the "Agreement." In addition, the following definitions shall apply:
- 1.1 **Documentation** means all written user information, whether in electronic, printed or other format, delivered or made available to Licensee by PowerSchool with respect to Licensed Product, now or in the future, including instructions, manuals, training materials, and other publications that contain, describe, explain or otherwise relate to Licensed Product.
- 1.2 **Embedded Applications** means software developed by third parties that may be embedded in or bundled with the software developed by PowerSchool as part of Licensed Product.
- 1.3 **Hosting Services** means the hosting of the Licensee's license to the Licensed Product and Third Party Software by PowerSchool or its hosting providers from a server farm that is comprised of application, data and remote access servers used to store and run the Licensed Product and Third Party Software, including associated offline components.
- 1.4 **Licensed Product(s)** means all software (including Embedded Applications) and subsequent versions provided under Support Services and all related Documentation licensed to Licensee pursuant to this Agreement, now or in the future; provided, however, that Licensed Product shall not include any Third Party Software.
- 1.5 **Licensed Sites** means Licensee's schools, administrative offices, and other locations at which Licensee conducts its school administrative functions.
- 1.6 **Professional Services** means data conversion, implementation, site planning, configuration, integration and deployment of the Licensed Products or Hosting Services, application development, training, project management and other consulting services.
- 1.7 **Support Services** is defined in section 3.1. of the Support and Services Policies attached hereto.
- 1.8 **Services** means Support Services, Hosting Services and Professional Services collectively.
- 1.9 **State Reporting Code (or SRC)** means Licensed Product that may be available to Licensee to assist Licensee in meeting specific state reporting requirements and that is designated as State Reporting Code by PowerSchool.
- 1.10 **Third Party Software** means any software product designated as Third Party Software by PowerSchool, and any related documentation supplied to Licensee. Any product designated as Third Party Software is licensed by an entity other than PowerSchool, under different license terms than those set forth herein. Third Party Software is different from Embedded Applications in that PowerSchool licenses the Embedded Applications to Licensee as part of Licensed Product (but in some cases, such Embedded Applications may be subject to additional license terms as identified herein). PowerSchool is not the licensor of Third Party Software.
2. **LICENSE GRANT**
- 2.1 **Basic Terms.** Subject to the terms and conditions of this Agreement and the Privacy Policy located at <http://www.powerschool.com/customer-contract-privacy-policy>, PowerSchool grants to Licensee a restricted, personal, non-exclusive, non-transferable license to use the Licensed Product specified in the PowerSchool's quotation or acceptance of License purchase order solely to support its school administrative functions, only at the Licensed Sites, not to exceed the maximum student enrollment as set forth in Section 1 of the Supplemental Terms and Conditions. Such license shall be perpetual, unless it is specified in PowerSchool's price quotation or proposal to Licensee that Licensee's license will be limited to a specified length of time, or unless this license is terminated under the provisions of this Agreement. In no event may Licensed Product be: (a) used other than at the Licensed Sites; (b) made available via a network or otherwise to any school, school district or third party other than the Licensed Sites; or (c) used to perform service bureau functions for third parties or to process or manage data for locations other than the Licensed Sites. Licensed Product will be provided by PowerSchool and may be used by Licensee in executable code form only; source code to Licensed Product will not be provided. Licensed Product shall only be used as expressly authorized by this Agreement.
- 2.2 **Copies.** Licensee shall not make copies of, otherwise reproduce, or allow any unauthorized and/or third-party access to any Licensed Product, except that: (a) Licensee may make copies of the software component of any Licensed Product, in executable code form, only for backup or archival purposes; and (b) Licensee may make unlimited printed copies for Licensee's internal use of any Documentation delivered by PowerSchool to Licensee. Licensee shall retain and include all of PowerSchool's or any third parties' copyright and other proprietary rights notices on all copies of Licensed Product. Licensee shall not otherwise reproduce Licensed Product.
- 2.3 **Supplemental Terms and Conditions.** The product-specific terms and conditions set forth in the Supplemental Terms and Conditions attached hereto are incorporated herein by reference. These additional terms and conditions are applicable to the extent that Licensee licenses any of the specific products or modules listed therein.
3. **PROPRIETARY RIGHTS**
- 3.1 **Restrictions on Use of the Licensed Product and Services.** Licensee shall use the Licensed Products and Services only for the internal business purposes of Licensee. Licensee shall not itself, or through any affiliate, employee, consultant, contractor, agent or other third party: (i) sell, resell, distribute, host, lease, rent, license or sublicense, in whole or in part, the Licensed Products or Services; (ii) decipher, decompile, disassemble, reverse assemble, modify, translate, reverse engineer or otherwise attempt to derive source code, algorithms, tags, specifications, architecture, structure or other elements of the Licensed Products or Services, in whole or in part, for competitive purposes or otherwise; (iii) write or develop any derivative works based upon the Licensed Product or Services; (iv) modify, adapt, translate or otherwise make any changes to the Licensed Products or Services or any part thereof; (v) use the Licensed Products or Services to provide processing services to third parties, or otherwise use the same on a 'service bureau' basis; (vi) disclose or publish, without PowerSchool prior written consent, performance or capacity statistics or the results of any benchmark test performed on the Licensed Products or Services; or (viii) otherwise use or copy the same except as expressly permitted herein. Licensee shall not transfer, assign, provide or otherwise make Licensed Products, Services or this Agreement available to any other party without the prior written consent of PowerSchool. Any attempted sublicense, assignment or transfer of any rights, duties or obligations by Licensee in violation of this Agreement shall be void. Licensee shall hold PowerSchool harmless from claims for damages resulting from Licensee's misuse of the

Licensed Products and Services, including PowerSchool's intellectual property.

**3.2 Intellectual Property Rights.** Licensed Product is proprietary to PowerSchool and/or third parties and is protected by copyright, trade secret, and other intellectual property rights. The placement of a copyright notice on any portion of Licensed Product does not mean that such portion has been published and will not derogate any claim of trade secret protection for the same. Title to all complete or partial copies, and all applicable rights to copyrights, patents, trademarks and trade secrets in Licensed Product, are and shall remain the property of PowerSchool or their other owners, as applicable.

**3.3 Confidentiality.** Licensee agrees to keep Licensed Product confidential and to prevent unauthorized disclosure or use of Licensed Product in Licensee's possession. Licensee shall notify PowerSchool immediately in writing of any unauthorized use or distribution of Licensed Product of which Licensee becomes aware and shall take all steps necessary to ensure that such unauthorized use or distribution is terminated. For any Licensed Product for which PowerSchool makes available passwords or other user identification technology to access such Licensed Product, Licensee shall advise all users of such passwords or other user identifications that such passwords or user identifications must be maintained in confidence and not transmitted or shared.

**4. SUPPORT AND OTHER SERVICES.** Any Support and/or Professional Services and/or Hosting Services ordered from PowerSchool by Licensee in connection with the license of Licensed Product shall be provided by PowerSchool pursuant to PowerSchool's terms, conditions and policies applicable at the time of order to the particular Services purchased. PowerSchool's current terms, conditions and policies for delivery of Support and Services, which are subject to change from time to time, are attached hereto as the Support and Services Policies. Licensee's license of Licensed Product does not, by itself, entitle Licensee to any support, upgrades, patches, fixes or the like for Licensed Product; Licensee must maintain a current Support subscription and pay any applicable Support fees to be eligible for Support Services. Support Services must be purchased for all licenses in Licensee's possession. Support may not be purchased or renewed for a subset of such licenses only. Support Services may not be used as a substitute for Professional Services.

**5. FEES AND TAXES.** Licensee agrees to pay PowerSchool, in accordance with PowerSchool's invoice terms, the fees charged for the Licensed Products and related Services and/or other items ordered by Licensee, together with any other charges made in accordance with this Agreement, and all applicable sales, use or other taxes or duties, however designated, except for taxes based on PowerSchool's net income. Licensee agrees to also pay for PowerSchool's reasonable travel and lodging expenses for Services performed at Licensee's premises, at actual cost. If Licensee claims tax exempt status, Licensee agrees to provide evidence of such tax exemption upon PowerSchool's request. To the extent that such tax exemption cannot be properly claimed or does not extend to certain taxes or transactions, Licensee shall be responsible for any and all taxes and assessments that arise from this Agreement and related transactions (except for taxes based upon PowerSchool's net income). Licensee shall pay a monthly charge of 1.5% (18% annually) on all amounts not paid when due, or, if a lower maximum rate is established by law, then such lower maximum rate. All pricing set forth in any PowerSchool quotation or invoice is in United States dollars unless otherwise specified.

**6. THIRD PARTY SOFTWARE LICENSE TERMS; EMBEDDED APPLICATIONS; OPEN SOURCE SOFTWARE.** Any software designated by PowerSchool as Third Party Software is provided to Licensee pursuant to a separate license agreement between Licensee and the third party supplier, which will be provided to Licensee by the third party supplier. All support, warranties, and services related to Third Party Software are provided by the supplier of the Third Party Software under such third party's terms and conditions, and not by PowerSchool, unless otherwise specifically provided under this Agreement. Only Sections 5, 6, 9 and 12 of this Agreement apply to Third Party Software and any related support and services set forth in this Agreement. In addition, Licensed Product may contain Embedded Applications. If any additional license terms are identified in the Supplemental Terms and Conditions with respect to any Embedded Applications, Licensee shall

comply with such conditions with respect to such applications. Certain Embedded Applications may also be subject to "open source" licensing terms. In some cases, the open source licensing terms may conflict with portions of this Agreement, and to the extent of any such conflict, the open source licensing terms shall govern, but only as to the software components subject to those terms. Notwithstanding the foregoing, Licensee acknowledges that if any open source software component is licensed under terms that permit Licensee to modify such component, and if Licensee does so modify such component, then PowerSchool will not be responsible for any incompatibility with such modifications and the remainder of the Licensed Product.

**7. COMPATIBLE PLATFORMS/HARDWARE.** Licensee is responsible for obtaining and maintaining an appropriate operating environment with the necessary hardware, operating system software and other items required to use and access Licensed Product. PowerSchool will not be responsible for any incompatibility between Licensed Product and any versions of operating systems, hardware, browsers or other products not specifically approved by PowerSchool for Licensee's use with Licensed Product. PowerSchool will make written requirements available to Licensee at Licensee's request.

**8. LIMITED MEDIA WARRANTY.** PowerSchool warrants that the media on which Licensed Product is recorded shall be free from defects in materials and workmanship under normal use for a period of ninety (90) days from the date of purchase. Licensee's exclusive remedy under this Section shall be replacement of the defective media.

**9. DISCLAIMER OF OTHER WARRANTIES. LICENSED PRODUCT AND SERVICES ARE PROVIDED "AS IS" AND WITHOUT WARRANTY OF ANY KIND (EXCEPT AS PROVIDED IN SECTION 8), AND POWERSCHOOL AND ITS LICENSORS EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, POTENTIAL IMPLEMENTATION DELAYS, AND NON-INFRINGEMENT. POWERSCHOOL DOES NOT WARRANT THAT THE FUNCTIONALITY CONTAINED IN THE LICENSED PRODUCT WILL MEET LICENSEE'S REQUIREMENTS, OR THAT THE OPERATION OF THE LICENSED PRODUCT OR HOSTING SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS IN THE LICENSED PRODUCT WILL BE CORRECTED. FURTHERMORE, POWERSCHOOL DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR THE RESULTS OF THE USE OF THE LICENSED PRODUCT OR SERVICES IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, SECURITY OR OTHERWISE. LICENSEE AGREES THAT THE USE OF LICENSED PRODUCT AND SERVICES IS AT LICENSEE'S OWN RISK. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY POWERSCHOOL OR A POWERSCHOOL REPRESENTATIVE SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF ANY WARRANTY. SOME JURISDICTIONS MAY NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT FULLY APPLY TO LICENSEE.**

**10. STATE REPORTING CODE.** Unless PowerSchool specifically offers SRC for Licensee's state, PowerSchool makes no representation that Licensed Product includes any SRC designed to meet the reporting requirements of Licensee's state. If PowerSchool does offer SRC for Licensee's state, Licensee acknowledges that the SRC is intended as a tool to assist Licensee in complying with state regulatory requirements; however, PowerSchool does not warrant that the SRC conforms to, or that use of the SRC will ensure Licensee's compliance with, all state regulatory requirements that may apply or that the SRC will be maintained to conform to such requirements now or in the future. It is Licensee's, and not PowerSchool's, responsibility to understand and comply with all such requirements.

**11. TERMINATION**

**11.1 Termination for Breach.** PowerSchool shall have the right to suspend performance under this Agreement in the event that Licensee is in breach of any of its obligations under this Agreement. In addition, either party shall have the right to terminate this Agreement in whole or in part upon thirty (30) days written notice to the other party, in the event

the other party materially breaches this Agreement and fails to correct such breach within such thirty (30) day period; provided that PowerSchool shall have the right to terminate this Agreement immediately upon written notice in the event that Licensee breaches any of its obligations under Section 3. Licensee further acknowledges that, as breach of the provisions of Section 3 could result in irreparable injury to PowerSchool, PowerSchool shall have the right to seek equitable relief against any actual or threatened breach thereof, without proving actual damages.

**11.2 Effects of Termination.** In the event of any termination of all or any portion of this Agreement, Licensee shall not be relieved of any obligation to pay any sums of money that have accrued prior to the date of termination. In addition, the provisions of Sections 3, 5, 6, 9, 11, 12 and 13 shall survive termination of this Agreement. Immediately upon any termination of a license for any Licensed Product under this Agreement, Licensee shall, at its own expense, either return to PowerSchool or destroy all copies of such Licensed Product and associated Third Party Software in its possession or control, and shall forward written certification to PowerSchool that all such copies of such Licensed Product and Third Party Software have either been destroyed or returned to PowerSchool.

**11.3 Liquidated Damages.** In the event that Licensee enters into a multi-year contract with PowerSchool and Licensee terminates the contract or any portion thereof, Licensee agrees to pay PowerSchool the remaining sum due to PowerSchool through the stated term of the contract as liquidated damages, as actual damages being impossible to calculate. This clause shall not apply in the event Licensee terminates this Agreement as a result of PowerSchool's breach in accordance with Subsection 11.1 herein. Notwithstanding the foregoing, Licensee shall not be liable for said liquidated damages in the event that: (i) Licensee provides PowerSchool at least thirty (30) days' advance notice of termination prior to the effective date anniversary; and (ii) said termination is a result of the non-appropriation of funds for Licensee's contract. Licensee shall not utilize this clause as a right to terminate the contract for convenience. PowerSchool reserves the right to seek documentation evidencing the non-appropriation of funds.

**12. LIMITATION OF LIABILITY. POWERSCHOOL SHALL NOT BE LIABLE TO LICENSEE FOR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES; OR LOST PROFITS, LOST FUNDING, LOST SAVINGS, OR LOST OR DAMAGED DATA; OR FOR CLAIMS OF A THIRD PARTY; ARISING OUT OF THIS AGREEMENT, LICENSED PRODUCT, THIRD PARTY SOFTWARE, SUPPORT, SERVICES, OR OTHER ITEMS PROVIDED, OR THE USE OR INABILITY TO USE ANY OF THE FOREGOING, EVEN IF POWERSCHOOL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE. IN ANY EVENT, IN RESPECT OF ANY CLAIM, DEMAND OR ACTION ARISING OUT OF THIS AGREEMENT, LICENSEE SHALL BE LIMITED TO RECEIVING ACTUAL AND DIRECT DAMAGES IN A MAXIMUM AGGREGATE AMOUNT EQUAL TO THE CHARGES PAID BY LICENSEE TO POWERSCHOOL HEREUNDER FOR THE APPLICABLE LICENSED PRODUCT, ITEM OR SERVICE ON WHICH THE CLAIM IS BASED IN THE PREVIOUS TWELVE (12) MONTHS. IN ADDITION, IN NO EVENT WILL THE LIABILITY OF POWERSCHOOL RELATING TO SUPPORT SERVICES OR HOSTING SERVICES EXCEED THE TOTAL AMOUNT OF MONEY PAID BY LICENSEE TO POWERSCHOOL DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD WITH RESPECT TO THE PARTICULAR SUPPORT SERVICES OR HOSTING SERVICES ON WHICH THE CLAIM IS BASED.**

### 13. GENERAL

**13.1 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.** The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Agreement shall not be subject to the Uniform Computer Information Transactions Act.

**13.2 Compliance Verification.** During the term of the Agreement and for a period of one year following its termination, PowerSchool shall have the right to verify Licensee's full compliance with the terms and requirements of the Agreement. Licensee shall (A) provide any assistance

reasonably requested by PowerSchool or its designee in conducting any such audit, including installing and operating audit software, (B) make requested personnel, records, and information available to PowerSchool or its designee, and (C) in all cases, provide such assistance, personnel, records, systems access and information in an expeditious manner to facilitate the timely completion of such compliance verification. If such verification process reveals any noncompliance, Licensee shall reimburse PowerSchool for the reasonable costs and expenses of such verification process incurred by PowerSchool (including but not limited to reasonable attorneys' fees), and Licensee shall promptly cure any such noncompliance; provided, however, that the obligations under this section do not constitute a waiver of PowerSchool's termination rights and do not affect PowerSchool's right to payment for Services and interest fees related to usage in excess of the quantities purchased.

**13.3 General Provisions.** Neither party shall be held liable to the other party for failure of performance where such failure is caused by supervening conditions beyond that party's control, including acts of God, civil disturbance, strikes or labor disputes. If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, this Agreement shall be enforced to the maximum extent possible to effectuate the original express intent of the parties. Licensee may bring no action arising out of this Agreement, regardless of form, more than one (1) year after the cause of action has arisen. In the case of notices to PowerSchool, such notices shall be sent to: PowerSchool Group LLC, Attn General Counsel, 150 Parkshore Drive, Folsom, CA 95630. In the case of notices to Licensee, such notices shall be sent to PowerSchool's address of record for Licensee. Either party may change its notice address by notifying the other in like manner. Licensee agrees that the terms of this Agreement, including all pricing for PowerSchool's products and services, shall be kept confidential and not disclosed to any third party without the prior written consent of PowerSchool.

**13.4 Facilities.** Licensee acknowledges that certain Services are intended to be performed by PowerSchool off-site (e.g., through remote communication capabilities). If any portion of the work will be performed on Licensee's premises, Licensee agrees to provide appropriate access to utilities, work space and other on-site accommodations reasonably necessary to enable PowerSchool to perform such work.

**13.5 Confidentiality.** PowerSchool agrees to use commercially reasonable efforts to maintain the confidentiality of Licensee confidential information that is disclosed to PowerSchool in connection with the performance of services, and to use such Licensee confidential information solely for purposes of performing services hereunder. PowerSchool shall require its employees, agents and subcontractors performing work hereunder to do likewise. For purposes of this Section, "Licensee confidential information" shall mean any student or personnel data belonging to Licensee, or any other Licensee information or data labeled or identified as confidential at the time of disclosure, provided, however, that this definition and the obligations of this Section shall not extend to any information that: (a) is or becomes publicly known through no fault or negligence of PowerSchool; (b) is or becomes lawfully available from a third party without restriction; (c) is independently developed by PowerSchool; or (d) is disclosed without restriction by Licensee to any third party at any time.

**13.6 Limited License.** Licensee grants to PowerSchool a non-exclusive, royalty free license, to use equipment, software, Licensee data or other material of Licensee solely for the purpose of performing its obligations under the Agreement. However, PowerSchool may use and distribute the Licensee data for any lawful purpose outside the scope of the Agreement, provided always that such Data must be aggregated and/or de-identified.

**13.7 Export.** Without in any way limiting the restrictions on transfer set forth elsewhere in this Agreement, Licensee specifically agrees that Licensee will not, directly or indirectly, export or transfer any export-controlled commodity, technical data or software: (a) in violation of any laws, regulations, rules or other limitations imposed by any government authority; or (b) to any country for which an export license or other governmental approval is required at the time of export, without first obtaining all necessary licenses or other approvals.

**13.8 U.S. Government Restricted Rights.** Licensed Product is a "commercial item" as that term is defined in 48 C.F.R. §2.101,

consisting of "commercial computer software" and "commercial computer software documentation" as such terms are defined in 48 C.F.R. §12.212 and 48 C.F.R. §227.7202, as applicable, and all as amended from time to time. Consistent with 48 C.F.R. §12.212, 48 C.F.R. §227.7202 and 48 C.F.R. §52.227-19, and other relevant sections of the Code of Federal Regulations, as applicable, and all as amended from time to time, all U.S. Government end users acquire Licensed Product only with those rights set forth herein.

**13.9 Entire Agreement.** This Agreement, inclusive of the Supplemental Terms and Conditions and the Support and Services Policies incorporated herein, or any addendums, amendments, and/or exhibits mutually executed and attached hereto, constitutes the complete

and entire agreement between the parties with respect to its subject matter, and supersedes all prior discussions, understandings, arrangements, proposals and negotiations with respect to same. The terms and conditions of this Agreement shall prevail notwithstanding any variance with the terms and conditions of any purchase order or other documentation submitted by Licensee with respect to Licensed Product or any related support or services, and PowerSchool hereby refuses any such different or additional provisions in purchase orders or other documents. By mutual agreement of the parties, this Agreement is effective upon receipt and supersedes all prior Agreements entered into by the parties, the parties' agents, and/or the parties' previous affiliates. This Agreement shall not be modified or amended without the written agreement of both parties.

## SUPPLEMENTAL TERMS AND CONDITIONS

**1. PRICING; ENROLLMENT INCREASES.** License pricing for Licensed Product is based on student enrollment at the Licensed Sites. If an increase in student enrollment in excess of five percent (5%) occurs at the Licensed Sites, then Licensee shall pay additional license and support fees to PowerSchool in accordance with PowerSchool's invoice. Such additional fees shall be computed by multiplying the then-current per student license and support fees for Licensed Product by Licensee's additional enrollment. Licensee's subsequent Support invoices will be based on the increased enrollment as well.

### **2. TERMS RELATING TO EMBEDDED APPLICATIONS**

**2.1 Oracle.** The following terms are applicable to a certain Embedded Application known as Oracle Database Enterprise Edition (the "Oracle Software"):

- (a) The Oracle Software may only be used in conjunction with the Licensed Product and solely for Licensee's internal business purposes.
- (b) Oracle USA, Inc. ("Oracle") shall have no liability whatsoever to Licensee for any damages, whether direct, indirect, incidental, or consequential arising from Licensee's use of Licensed Product or the Oracle Software.
- (c) Licensee is prohibited from publishing the results of any benchmark tests run on the Oracle Software.
- (d) Licensee shall be prohibited from timesharing, rental, facility management, or service bureau use of the Oracle Software.
- (e) Licensee's records may be audited, by PowerSchool or Oracle, during normal business hours to verify compliance with the terms of this Agreement.
- (f) Oracle shall be a third party beneficiary of this Agreement.
- (g) Oracle shall have no performance obligation or liability to Licensee in connection with this Agreement.
- (h) Should the Oracle Software contain any source code provided by Oracle, such source code shall be governed by the terms of this Agreement.

**2.2 GPL Software.** Certain Embedded Applications included with the Licensed Product may be free software licensed under the terms of the GNU General Public License (GPL). Licensee may obtain a complete machine-readable copy of the source code for such free software under the terms of the GPL, without charge except for the cost of media, shipping, and handling, upon written request to PowerSchool. The GPL software is distributed in the hope that it will be useful, but WITHOUT ANY WARRANTY, including even the implied warranties of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE. A complete copy of the GPL is included within the Licensed Product.

**3. HARDWARE.** If, in conjunction with Licensee's licensure of Licensed Product, Licensee is purchasing any hardware through PowerSchool, Licensee acknowledges that such hardware purchase is being facilitated by PowerSchool as an accommodation to Licensee only. The warranties on any hardware not manufactured by PowerSchool will be limited to those provided by the manufacturers of such hardware and/or the vendors through which such hardware is being supplied. PowerSchool will pass through any manufacturer's or other vendor's warranty to the extent permitted by the manufacturer or other vendor, as applicable. Licensee agrees to look solely to the applicable manufacturer or other vendor, and not to PowerSchool, to fulfill any such warranties and any maintenance, repair, support, or other service obligations related to such hardware. Unless otherwise specifically agreed to in writing by PowerSchool, PowerSchool does not provide support for any of the hardware or third party software being purchased by Licensee through PowerSchool. Any requests for such support should be directed to the applicable hardware or software manufacturer. Licensee further agrees that any claims related to any such hardware, whether for breach of warranty or otherwise, must be made directly against the applicable manufacturer or other vendor, and not against PowerSchool, and that PowerSchool shall have no liability whatsoever in connection with such claims.

## SUPPORT AND SERVICES POLICIES

### **I. SUPPORT SERVICES**

**1. Definitions.** Capitalized terms not defined herein shall have the meanings assigned to them in the applicable Licensed Product Agreement ("Agreement") between Licensee and PowerSchool to which these Support and Services Policies ("Policies") are attached. In addition, for purposes of these Policies, the following definitions shall apply:

**Errors** shall mean a reproducible failure of Licensed Product to operate in accordance with its standard Documentation, despite the proper installation and use of Licensed Product in a proper operating environment and on hardware and system software sufficient to meet PowerSchool's then-current minimum requirements, which are subject to change as New Versions are released. User mistakes are not Errors within the meaning of these Policies. Errors may be due to problems in Licensed Product, the Documentation, or both.

**Fix** shall mean a patch, service pack or corrective update of Licensed Product that PowerSchool may prepare in its discretion on an interim basis, prior to issuance of a New Version, to correct programming Errors that prevent or obstruct normal operation of Licensed Product in accordance with the applicable then-current Documentation.

**New Products** shall mean new products, programs or modules developed by PowerSchool that provide features, functions or applications not included in the Licensed Product originally licensed by Licensee and for which additional license fees apply as determined by PowerSchool. A New Product may be usable with or in addition to the Licensed Product originally licensed by Licensee. New Products will be licensed to Licensee under the terms of PowerSchool's then-current license agreement only after payment of applicable fees.

**New Version** shall mean an updated version of Licensed Product issued by PowerSchool, which may include Fixes, together with such other modifications, updates, enhancements and improvements to Licensed Product that PowerSchool may, in its discretion, develop and deem ready for distribution and that PowerSchool standardly provides to all customers with a current support subscription to such Licensed Product.

**Support Services** shall mean those support services described in Section 3.1 below that will be provided hereunder with respect to Licensed Product during Licensee's Support Term.

**Support Term** shall mean the length of time Support Services are to be provided hereunder and for which Licensee has paid any applicable



Support Services fees, including any initial Support Term and any renewal Support Terms.

**Telephone and E-mail Support** shall mean telephone and e-mail support services, available Monday through Friday, during PowerSchool's normal business hours, exclusive of PowerSchool's holidays, regarding Licensee's use of Licensed Product and any problems that Licensee experiences in using Licensed Product.

2. **Support Term; Fees.** Support Services for Licensed Product are available at an additional cost. For Support Services purchased concurrently with Licensee's license to Licensed Product, Licensee's initial Support Term will begin upon shipment (FOB PowerSchool's place of shipment) of Licensed Product (or, in the case of Licensed Product made available for download electronically, upon PowerSchool's provision of the necessary licensing information to enable Licensee to download Licensed Product) and terminate one (1) year thereafter, unless a different Support Term is specified in PowerSchool's written acknowledgment of Licensee's order, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either party may terminate the provision of Support Services as of the end of the then-current Support Term by providing written notice to the other party prior to the end of the then-current Support Term that such party does not wish to renew the Support Term. Licensee shall provide written notice of non-renewal at least thirty (30) days prior to the applicable Support Term. If no notice of non-renewal is given by either party, the Support Term will automatically renew for the applicable renewal term stated on PowerSchool's renewal invoice at the then current Support fees; otherwise, Licensee's Support Term will terminate at the end of Licensee's current paid-up Support Term. If Licensee's Support Term is so terminated due to non-payment, and then PowerSchool subsequently reinstates Licensee's access to support, such reinstated access shall remain subject to the terms of these Policies and payment of applicable reinstatement fees. PowerSchool reserves the right to charge reinstatement fees in the event deactivated licenses are reactivated. For the initial Support Term, Licensee shall pay the charges specified in PowerSchool's initial invoice. For renewal Support Terms, Licensee shall pay PowerSchool's then-current annual Support Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions to Licensee related to the provision of Support Services in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision of Support Services in such renewal term.

3. **Support Services Scope.** PowerSchool, or an entity under contract with and authorized by PowerSchool to provide Support Services, will provide Support Services for Licensed Product during the Support Term. The scope of Support Services shall be as follows:

3.1 **Support.** Support Services shall include: (a) Telephone and E-mail Support; (b) access to an online support website, as maintained by PowerSchool for customers maintaining a current support subscription; (c) Fixes, as developed and made generally available by PowerSchool in its discretion to address Errors that Licensee is experiencing in using Licensed Product; and (d) New Versions, as developed and made generally available by PowerSchool. Support Services do not include New Products. PowerSchool determines, in its sole discretion, what constitutes a New Product (for which additional license fees apply), and what improvements and enhancements to existing Licensed Product functionality are to be included in a New Version (and are therefore provided at no charge to customers with a current support subscription).

3.2 **Custom Programs.** For any custom programs developed for Licensee by PowerSchool, Support Services are available only on a time and materials basis at PowerSchool's current rates and charges for these services; support for custom programs is not included in Support Services. In addition, to the extent that Licensed Product includes any functionality that allows Licensee to customize screens or reports, PowerSchool will support the application infrastructure utilized to create such customizations but will not be responsible for supporting any such customizations.

3.3 **Requisite Training.** In order to receive Support Services described herein, Licensee must purchase appropriate training regarding the use and operation of Licensed Product. Telephone and E-mail Support may be limited to a specified number of authorized representatives of Licensee who have been appropriately trained.

3.4 **Enhancements to SRC.** PowerSchool may provide certain enhancements to SRC to customers that are current in their payment of annual Support fees for the SRC to PowerSchool. However, PowerSchool reserves the right, in its discretion: (a) to require that additional fees be paid by customers desiring that SRC be updated in connection with new reporting requirements in their state, in the event that such state's education department or equivalent entity makes changes to the state's reporting requirements that were not anticipated at the time PowerSchool determined its applicable Support fees for the SRC in that state; or (b) not to make further changes or enhancements to SRC in a given state based on lack of market demand, the nature and scope of the changes required, or other factors.

4. **Authorized Representatives.** If Licensee has purchased Support Services for the Licensed Product from PowerSchool, then in order to receive such Support Services, Licensee shall identify to PowerSchool up to two (2) people who will contact PowerSchool with any technical and product questions ("Authorized Representatives"). If it is desired that additional Authorized Representatives be permitted to contact PowerSchool for Support, Licensee must pay additional Support fees for such additional Authorized Representatives. All such Authorized Representatives shall complete, at a minimum, PowerSchool's Initial Product Training for the Licensed Product. Licensee shall provide PowerSchool with a written list of its Authorized Representatives as part of the implementation process for the Licensed Product, and shall keep PowerSchool informed of replacements for Authorized Representatives as soon as possible after the replacements occur.

5. **Licensee's Other Responsibilities.** To receive Support Services, Licensee shall: (a) report Errors or suspected Errors for which Support Services are needed, and supply PowerSchool with sufficient information and data to reproduce the Error; (b) procure, install, operate and maintain hardware, operating systems and other software that are compatible with the most current supported version of Licensed Product; (c) establish adequate operational back-up provisions in the event of malfunctions or Errors; (d) maintain an operating environment free of any modifications or other programming that might interfere with the functioning of Licensed Product; (e) maintain hardware and system software consistent with PowerSchool's minimum requirements; and (f) timely install all Fixes and New Versions supplied by PowerSchool in the proper sequence, and have the most current version of Licensed Product installed. Licensee acknowledges that Fixes and New Versions may be made available electronically, and that, in some cases, PowerSchool may maintain e-mail distribution lists that are used to notify customers of the availability of Fixes and New Versions and to provide other information to customers that are maintaining a current support subscription. Licensee shall be responsible for including the appropriate Licensee personnel on any such e-mail distribution lists of PowerSchool so that Licensee receives such notifications and other information.

6. **Support For Prior Versions.** Licensee must timely install all Fixes and New Versions to receive Support Services. In some cases, it may not be practical for certain customers to install a New Version immediately upon release. Therefore, PowerSchool may, in its discretion, continue to provide Telephone and E-mail Support for the prior version of Licensed Product for a period of time after release of a New Version. Licensee acknowledges that Fixes and other code maintenance will not be available for prior versions of Licensed Product (including SRC) after the release of a New Version.

## II. PROFESSIONAL SERVICES

1. **Fees and Expenses.** In addition to providing Support Services during the Support Term, PowerSchool will perform such other Professional Services (training, installation, consulting, project management, etc.) as may be specified in PowerSchool's written

acknowledgment of Licensee's order, or as may be subsequently agreed upon by the parties; provided that PowerSchool may, at its option, arrange for any such services to be performed by another entity on behalf of PowerSchool. Licensee agrees to pay for such services at the rates and charges specified in PowerSchool's written acknowledgment of Licensee's order, or, for work subsequently requested, at the rates agreed upon by Licensee and PowerSchool for such subsequent work. PowerSchool reserves the right to require a purchase order or equivalent documentation from Licensee prior to performing any such Services, or to require prepayment of certain Services. Unless otherwise specified, all rates quoted are for services to be performed during PowerSchool's normal business hours; additional charges may apply for evenings, weekends or holidays. Licensee shall also pay PowerSchool for travel expenses (lodging, meals, transportation and other related expenses) incurred in the performance of services. All such additional charges will be due and payable concurrently with payment for services. PowerSchool reserves the right to impose a minimum labor charge for each on-site visit. The rates and charges specified in PowerSchool's acknowledgment of Licensee's order shall apply to those services originally ordered; however, PowerSchool reserves the right to change service rates or other terms as a condition of entering into any subsequent service engagement. In the event that Licensee pays in advance for any services, all services must be scheduled and delivered within twelve (12) months of such payment, unless otherwise agreed in writing by PowerSchool; any portion of any prepaid services amount that has not been used by Licensee toward services actually rendered within such twelve (12) month period shall be forfeited.

2. **Training.** PowerSchool reserves the right to limit the number of persons permitted to attend any training class in accordance with PowerSchool's training standards.

3. **Services Cancellation.** Licensee shall pay a cancellation charge equal to fifty percent (50%) of the services fee and any non-refundable expenses incurred by PowerSchool if Licensee cancels any scheduled professional services less than fourteen (14) days before the occurrence of any service dates that PowerSchool has scheduled at Licensee's request.

4. **Ownership Of Materials.** PowerSchool shall be the owner of all copyrights, patent rights and other intellectual property rights in any software code, documentation, reports or other deliverables (collectively, "Deliverables") created for or provided to Licensee pursuant to Professional Services. Provided that Licensee pays PowerSchool all fees and expenses associated with the development and provision of such Deliverables, Licensee shall have a paid-up, royalty-free license to use such Deliverables for Licensee's internal use only, solely for the purpose for which such Deliverables were provided. Nothing in this Agreement shall prevent PowerSchool from providing any Deliverables to PowerSchool's other customers or third parties. Notwithstanding the foregoing, PowerSchool acknowledges and agrees that any Licensee confidential information (as defined in Section 13.5 of these Policies) that is incorporated into any Deliverable remains subject to the provisions of such Section.

### III. **HOSTING SERVICES**

1. **Term; Fees.** Hosting Services are available at an additional cost. For Hosting Services purchased concurrently with Licensee's license to Licensed Product, Licensee's initial Hosting Term will begin upon PowerSchool's written acknowledgment of Licensee's order and terminate one (1) year thereafter, ("Hosting Term") unless a different Hosting Term is specified in PowerSchool's written acknowledgment of Licensee's order, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either party may terminate the provision of Hosting Services with effect as of the end of the then-current Hosting Term by providing written notice to the other party prior to the end of the then-current Term that such party does not wish to renew the Hosting Term. PowerSchool will provide Licensee with at least sixty (60) days' notice if PowerSchool determines that it will no longer offer Hosting Services to Licensee (but in any event will continue providing Hosting Services for the balance of the current term

for which Licensee has prepaid for such Services). If no notice of non-renewal is given by either party, then PowerSchool will invoice Licensee for the applicable renewal fees for a subsequent Hosting Term. If Licensee's Hosting Term is so terminated due to non-payment, and then PowerSchool subsequently reinstates Licensee's access to Hosting Services, such reinstated access shall remain subject to the terms of these Policies and payment of applicable reinstatement fees. For the initial Hosting Term, Licensee shall pay the charges specified in PowerSchool's initial invoice. For renewal Terms, Licensee shall pay PowerSchool's then-current annual Hosting Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions to Licensee related to the provision of Hosting Services in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision of Hosting Services in such renewal term. Should Licensee decide to terminate hosting services, Licensee will retain its license to Licensed Product, subject to the terms of this Agreement.

2. **Availability.** Licensee acknowledges and agrees that the Licensed Product may be inaccessible or inoperable from time to time due to planned maintenance or to causes that are beyond the control of PowerSchool or are not reasonably foreseeable by PowerSchool, including, but not limited to: the interruption or failure of telecommunication or digital transmission links; hostile network attacks; network congestion; or other failures (collectively "Downtime"). PowerSchool shall use commercially reasonable efforts to minimize any disruption, inaccessibility and/or inoperability of the Licensed Product caused by Downtime, whether scheduled or not.

3. **Acceptable Use Policy.** Licensee acknowledges and agrees that PowerSchool does not monitor or police the content of communications or data of Licensee or its users transmitted through the Services, and that PowerSchool shall not be responsible for the content of any such communications or transmissions. Licensee shall use the Services exclusively for authorized and legal purposes, consistent with all applicable laws and regulations and PowerSchool's policies. Licensee agrees not to post or upload any content or data which (a) is libelous, defamatory, obscene, pornographic, abusive, harassing or threatening; (b) violates the rights of others, such as data which infringes on any intellectual property rights or violates any right of privacy or publicity; or (c) otherwise violates any applicable law. PowerSchool may remove any violating content posted or transmitted through the Hosting Services, without notice to Licensee. PowerSchool may suspend or terminate any user's access to the Hosting Services upon notice in the event that PowerSchool reasonably determines that such user has violated the terms and conditions of this Agreement.

4. **Security.** Licensee will not: (a) breach or attempt to breach the security of the Hosting Services or any network, servers, data, computers or other hardware relating to or used in connection with the Hosting Services, or any third party that is hosting or interfacing with any part of the Hosting Services; or (b) use or distribute through the Hosting Services any software, files or other tools or devices designed to interfere with or compromise the privacy, security or use of the Hosting Services or the operations or assets of any other customer of PowerSchool or any third party. Licensee will comply with the user authentication requirements for use of the Hosting Services. Licensee is solely responsible for monitoring its authorized users' access to and use of the Hosting Services. PowerSchool has no obligation to verify the identity of any person who gains access to the Hosting Services by means of an access ID. Any failure by any authorized user to comply with the Agreement shall be deemed to be a material breach by Licensee, and PowerSchool shall not be liable for any damages incurred by Licensee or any third party resulting from such breach. Licensee must immediately take all necessary steps, including providing notice to PowerSchool, to effect the termination of an access ID for any authorized user if there is any compromise in the security of that access ID or if unauthorized use is suspected or has occurred.

5. **Data.** Licensee has sole responsibility for the legality, reliability, integrity, accuracy and quality of the data it processes through and submit to the Hosting Services.

**ATTACHMENT F**  
**MAINTENANCE AND SUPPORT / SERVICE LEVEL AGREEMENT**

THIS SERVICE LEVEL AGREEMENT (“SLA Agreement”) is made between State and Contractor. State and Contractor may be referred to herein collectively as the “Parties” or each individually as the “Party”. This SLA agreement defines the commitments, as well as the parameters and boundaries, of the system maintenance and support to be provided by Contractor and remains in effect while State continues to pay Annual License and Maintenance Fees per contracted terms.

**Background**

- A. Contractor, or “the Service provider” or “PowerSchool”, is the owner of software known as eFinancePlus which has been contracted for and licensed by the state, to be implemented at Vermont Supervisory Unions and Supervisory Districts; and
- B. Adopting Vermont Supervisory Unions and School Districts to enter into agreement with Contractor via an end-user agreement; and
- C. Contractor and State desire to define the services and the level of those services to be provided related to the licensed software.

This SLA agreement clarifies both parties’ responsibilities and procedures to ensure State and Supervisory Union and Supervisory District (SU/SD) needs are met in a timely manner.

**Section 1**

**DEFINITIONS**

Definitions. As used herein, the following terms shall have the indicated meanings:

- (a) “Licensed Products” shall mean eFinancePlus, including all updates provided to State under any agreement between the parties and any Documentation provided to the State that relates thereto, which are governed by the Software License Certificate issued to State by Contractor.
- (b) “License and Maintenance Fees” shall mean the fees set forth in Attachment B for the licensing of the Contractor of the eFinancePlus or the fees defined in the contract through which eFinancePlus has been licensed.
- (c) “Customizations” shall mean additional source code modules created solely to support implementation requirements of the State. These requirement features will be identified in Exhibit 1a and 1b of Attachment A.
- (d) "eFinancePLUS" shall mean PowerSchool’s Finance and Human Resource ERP software application, which is also referred to as “Licensed Product” in the Agreement.
- (e) "Users" shall mean any person with a valid user ID and authorized online access to the eFinancePLUS system via the web interface.
- (f) “Customer” shall mean the following entities, the State and adopting Supervisory Unions/Supervisory Districts (SU/SD).

- (g) "Support Service" shall mean the State's or SU's/SD's request of obtaining service from PowerSchool to rectify a product issue, apply a product patch, recover data, assist with general functionality of the eFinancePLUS product.
- (h) "Service Level" shall mean performance metric(s) set forth in this SLA that PowerSchool agrees to meet in the delivery of the Support Services.
- (i) "Normal Business Hours" shall mean hours between 8:00 AM and 5:00 PM, Monday through Friday, Eastern time zone, excluding PowerSchool holidays.
- (j) "Normal Operations" shall mean the full-time availability and functionality of the Licensed products exclusive of planned and emergency maintenance and force majeure.
- (k) "Customer Portal" shall mean PowerSchool's community-focused customer support portal for all PowerSchool ERP products.
- (l) "Technical Contact" shall mean the State's or SU's/SD's support and management staff, who shall be authorized to contact PowerSchool for the purpose of obtaining Support Services.
- (m) "Downtime" shall mean the period of time during which eFinancePLUS is unavailable to Users excluding Scheduled Downtime.
- (n) "Scheduled Downtime" shall mean the time planned and agreed upon in advance for reasons including scheduled and emergency maintenance, system updates and patches, and system upgrades with notification.
- (o) "Incident" shall mean any single event, or any set of events, that results in Downtime excluding events within Scheduled Downtime.
- (p) "Disaster" shall mean an unplanned event that causes a complete loss of access to and use of eFinancePLUS for a period greater than 24 hours as declared by PowerSchool.
- (q) "Maintenance Window" shall mean the designated period of time during which activity is at its lowest to cause minimal disruption to customers where the system can be taken offline for maintenance and updates.
- (r) "Availability Zone" shall mean data center with its own independent power source, network, cooling, and systems resources.
- (s) "Outage" shall mean an impact of eFinancePLUS availability to a specific sub-set of the State's or SU's/SD's Users, but does not cause an impact to all Users covered under this contract, and is not considered a Disaster.
- (t) "Case" shall mean a Support Service ticket number that references the Customer, Customer Contact, and nature of the Support Service request.
- (u) "Response" shall mean confirmation to the Customer that the Support Service request was received and registered by PowerSchool.
- (v) "Response Time" shall mean the time it takes for PowerSchool to confirm that the Support Service request / reported Incident has been acknowledged by PowerSchool.
- (w) "Workaround" shall mean a change in the followed procedures or data to avoid error without substantially impairing use of the product.
- (x) "Infrastructure Systems" shall mean underlying systems hardware, network, and storage components.

- (y) "AOE" shall mean the Vermont Agency of Education

## **Section 2**

### **OPERATING ENVIRONMENT**

State acknowledges that eFinancePLUS is implemented at Vermont Supervisory Unions and School Districts (SUs/SDs) and is fully hosted by Contractor. As such, Contractor is responsible for diagnosing or resolving ancillary issues related to Contractor's computer equipment or network issues that may impact eFinancePLUS as well as any server or database outages. State acknowledges that it is responsible for diagnosing or resolving issues related to States computer equipment or network. Contractor and State agree that joint effort to diagnose issues may sometimes be needed, and infrastructure outside the control of the State or Contractor may be the cause of experienced issues.

## **Section 3**

### **SUPPORT**

Contractor provides two types of support, described below, (1) application support and (2) hosting support.

#### **3.1 Application Support**

Application Support addresses technical support for the eFinancePLUS application as a product. This includes functionality within the eFinancePLUS application itself, outside of the underlying Infrastructure components which are covered separately under PowerSchool Hosting (eFinancePLUS hosted by PowerSchool).

##### **3.1.1 Support Scope**

Application Support for eFinancePLUS includes the following areas:

- All functionality developed and tested by PowerSchool Product Development, including data import functionality and standard application interfaces
- Customizations performed by PowerSchool support staff
- ODBC connection, setup and data from basic queries
- Assistance with data restoration procedures
- eFinancePLUS installation, upgrade, and backup procedures
- Import of non-adopter data extracts into data warehouse for state reporting
- PowerSchool side of integration with SU/SD third-party software (e.g. TimeClockPlus and Kronos) – add language making it clear what we can support (i.e. our side of the data feed)

##### **3.1.2 Application Governance**

The State, via the established change control process, is the sole authority permitted to grant functional change requests. While functional change requests may come from the Supervisory Unions and Supervisory Districts, the State must grant approval for such.

### 3.1.3 Support Structure

PowerSchool Application Support employs a tiered structure. Each level is defined as follows.

<b>Support Tier</b>	<b>Description</b>
<b>Tier 0 Technical Support</b>	<p>Consists of the eFinancePLUS Administrators at each of the SU/SD. These Administrators have access to the Customer Portal knowledgebase. 80 to 90% of all potential issues may be resolved with the documentation contained on the Customer Portal. Examples include:</p> <ul style="list-style-type: none"> <li>• Add/modify/delete users</li> <li>• Password reset</li> <li>• Escalating issues with Contractor</li> <li>• General “How to” questions</li> <li>• Submit change requests to AOE and Contractor jointly</li> <li>• Route business related questions to appropriate contact at AOE School Finance</li> </ul>
<b>Tier 1 Application Support</b>	<p>Performs the initial investigation on all inbound technical support requests. Contractor to diagnose and resolve most issues; however, they will escalate to a Tier 2 Senior Support Specialist if they are unable to provide a resolution. 70 to 80% of submitted cases are typically resolved within Tier 1.</p>
<b>Tier 2 Senior Application Support</b>	<p>Subject matter experts and focus their attention on specific areas of the application, allowing each specialist to obtain a deeper level of knowledge within his/her area of expertise. In the event the Tier 2 Senior Support Specialist is unable to resolve the issue; the issue may be escalated to PowerSchool Product Development organization, depending on the product line and type of issue identified. 10 to 20% of all submitted cases are resolved in Tier 2.</p>
<b>Product Development</b>	<p>Resolves the remainder of all issues. These issues typically are resolved by an eFinancePLUS product release; however, some issues may be resolved with a fix from development directly to the Customer.</p>

### 3.1.4 Requesting Support Services

The State will identify authorized Technical Contact(s) who will serve as the primary contact for Application Support when needed. PowerSchool provides an extensive knowledgebase for Technical Contacts to access Tier 0 support (self-service support) for themselves via the Customer Portal.

Support Service requests and incident reporting must be submitted through one of methods listed below.

- Submit a Case through the Customer Portal (<https://support.plus.powerschool.com> or current URL provided to State)
- Open a Case through telephone (1-800-333-3619)

### 3.1.5 Application Support Business Hours

Application Support for eFinancePLUS includes support tickets and phone support as well as electronic manuals, an online knowledge base, tech notes, and access to the Customer Portal.

Support Type	Availability
eFinancePLUS Application Support (General)	Monday – Friday; 8:00 AM – 5:00 PM EST Except Contractor Holidays which include: <ul style="list-style-type: none"> <li>• New Year’s Day</li> <li>• Martin Luther King Day</li> <li>• Presidents Day</li> <li>• Memorial Day</li> <li>• Independence Day</li> <li>• Labor Day</li> <li>• Thanksgiving Day</li> <li>• Day After Thanksgiving</li> <li>• Christmas Eve</li> <li>• Christmas Day</li> </ul>
Customer Portal Support	24x7x365

### 3.1.6 Response Time

Response times will vary based on call load and time of the school year. The Service Provider’s targeted response times during Support Business Hours are listed below, however initial phone response times average two minutes or less during off-peak season, and less than 10 minutes during the peak-season. Customers preferring to interact via email will typically receive a response within four business hours during non-peak season and within 12 business hours during the peak back-to-school season.

Support Type	Response Time
Telephone Support	Less than 10 minutes
Customer Portal Submitted Case	Less than 1 business day

Peak Seasons	Dates
Vermont SUs/SDs	January through March and June through August 7am to 4 pm
PowerSchool	January through March and June through August

### 3.1.7 Issue Priority Definitions

Cases will be worked based on the priority requested by the user initiating the case and as assigned by the Contractor, per the guidelines defined below. The priority may change over time as more information becomes available or workarounds are provided.

Priority	Description
<b>Priority 0 (Urgent)</b>	<ul style="list-style-type: none"> <li>• Production system outage, data security/backups or submissions deadlines that can no longer be accessed, performed or met</li> <li>• Missions critical impact which requires actively working with the customer to resolve the issue or to restore production, including considering a release to resolve</li> <li>• No workaround is available</li> </ul>

<b>Priority 1 (Critical must have)</b>	<ul style="list-style-type: none"> <li>• Critical "must have" functionality, with no known workaround or solution available</li> <li>• Significant impact causing functional limitations and requires imminent but not immediate release</li> </ul>
<b>Priority 2 (Must have, not critical)</b>	<ul style="list-style-type: none"> <li>• "Must have" functionality which may have known workaround or solution available</li> <li>• Moderate to high impact, but not required for the upcoming release</li> </ul>
<b>Priority 3 (Nice to have)</b>	<ul style="list-style-type: none"> <li>• Cosmetic or "nice to have" functionality or product enhancements</li> <li>• Minimal to no impact. System is operational</li> </ul>

### 3.1.8 Escalation Process

Contractor will work to ensure that appropriate resources and level of focus are applied to submitted cases. If State is not satisfied with the progress of a case, State can request escalation by contacting [StrategicSupportEscal@powerschool.com](mailto:StrategicSupportEscal@powerschool.com) to bring an additional level of Contractor management attention to evaluate the situation and coordinate and communicate an action plan with State.

### 3.1.9 Response Targets

Contractor will make commercially reasonable efforts to ensure that submitted cases are assigned the proper level of priority. "Response Time" is the time it takes before a support agent makes initial contact with the individual who submitted the case. With the exception of Priority 1 cases logged by State, response times are calculated within Standard Support Hours. Response time is not a resolution goal and should not be interpreted as a guarantee of service. Contractor will use commercially reasonable efforts to adhere to the time frames listed below. Contractor does not provide resolution targets and Response Time should not be interpreted as a commitment regarding resolution timeframes.

Severity	Target Response Times	Status Frequency
0 – Urgent	30 Minutes	Every 2 hours by email or phone as agreed.
1 – Critical must have	4 hours	By email or phone as agreed.
2 – Must have not critical	8 hours	As agreed.
3 – Nice to have	2 business days	As agreed.



<b>Response and Incident Notification Service Level Agreement: Severity Level 0 and 1 Incidents</b>	
<b>Type</b>	Service Level
<b>Commencement</b>	Go Live Date
<b>Description</b>	This Service Level measures the occurrence of any Priority Level 0 and 1 Incidents for which the Response and Initial Notifications, with respect to any individual Incident, exceeds the timelines stated below.
<b>Reporting Period</b>	The monthly sum of per incident of suspected noncompliance as reported by the State to the contractor.
<b>Data Sources</b>	Contractors will review AOE reports of non-compliance and will verify non-compliance.
<b>Calculation</b>	Target is 85% compliance with each of the Severity Level SLAs in table 3.1.9 above.
<b>Service Level Credit</b>	Case information will be available on the Customer Portal to the Technical Contacts designated by the State. Summary metrics in a mutually agreed upon format will be made available to the State on a monthly basis. If Contractor misses the agreed upon 85% compliance target with the Support Metrics described in the tables above, Contractor shall have thirty (30) days to remediate the default. If a Service Level default occurs during two consecutive months or any 4 months over a 12 month timeframe, then the State shall be entitled to a credit in the amount of 1% of the monthly fee invoiced for the month in which the Service Level default occurred for each Priority Level 0 / Priority Level 1 for which the Incident Notification Service Level Metric was not met, with a maximum of 3% of fees per calendar month or a max credit of 20% of annual fees paid.

### 3.1.10 Service Levels Related to Synchronization of eFinancePlus versions implemented across SUs/SDs and UCOA

Architecture for the hosted server environment is to have all districts running from a single code base on the web server with each district having its own database within SQL Server on the database server. In this environment, all districts will access the software via a single URL. Application and server security control which database is accessible by each authorized user. All code and database updates will always be deployed simultaneously ensuring that all districts are on the same version of the software. In this environment and due to the architecture of the software, it will not be possible for application and database versions to ever become out of sync.

### 3.1.11 Metrics and Reporting

Cases reported to Application Support will be logged in the Customer Portal including date and time of case creation, case severity, case number, case updates, current case status, and resolution details. Case information will be available on the Customer Portal to the Technical Contacts designated by the State. Summary metrics in a mutually agreed upon format will be made available to the State on a monthly basis or as requested by the State.

### 3.1.12 Product Life Cycle

The State expects to be on the latest available version of eFinancePlus at implementation. Product lifecycle includes two major feature releases in November and April with periodic maintenance releases as needed. In addition, a year-end release is provided in December for W2, ACA and 1099 updates. PowerSchool will support the current and one previous release for eFinancePLUS. Contractor will work within the established change control process to communicate and roll out mutually agreed upon changes and upgrades.

### 3.1.13 Exclusions

Support for PowerSchool products shall not include:

- State or SU/SD computer hardware and networking problems
- Any systems, programs or interfaces not developed and supplied by PowerSchool
- Professional services related events and activities such as project management, training, workshops.

## 3.2 PowerSchool Hosting

PowerSchool Hosting addresses details for Cloud deployments where PowerSchool is hosting the Customer's eFinancePLUS application within a PowerSchool data center facility or a contracted third-party partner. The eFinancePLUS environment is managed and maintained by the Contractor.

### 3.2.1 Service Scope

The Service Provider provides hosting services for several products, including the eFinancePLUS application. Hosting Services within the Scope of eFinancePLUS includes the following areas:

- Provide data center facility including redundant electrical power, temperature / humidity conditioning, fire detection / suppression capabilities, and Tier-1 network connectivity.
- Provide compute resources such as memory, processors, and disk space that are consistent with our current systems requirements and Quality Assurance performance testing
- Support all underlying Infrastructure Systems including system / firmware updates and hardware replacement for the eFinancePLUS environment
- Support all underlying Operating System configurations including Operating System updates / patches for the eFinancePLUS environment
- Provide protection and mitigation against malware, viruses, and other malicious activities
- Provide the management and installation of all eFinancePLUS related updates and upgrades
- Provide Certificate Authority issued TLS certificates for secured access to the eFinancePLUS application
- Provide monitoring all Infrastructure Systems related components as well as the eFinancePLUS application
- Provide backup and recovery of the eFinancePLUS environment
- Provide support for problem identification, escalation and resolution as they pertain to the Hosting of the eFinancePLUS application

- Ensure that any application upgrades are supported by hosting environment, or hosting environment is upgraded to maintain expected levels of service
- At least yearly penetration testing, including a report of testing results available to the State

### 3.2.2 Data Center

The PowerSchool Hosted production systems data center facilities will comply with a variety of IT security standards and incorporate a mixture of N+1 and 1+1 redundancy levels to maintain a high-availability infrastructure. The data center may be at PowerSchool's site(s) or may be within a third-party partner of Contractor that meets or exceeds all requirements within this agreement. This will include the use of auditable procedures for system operations, change control, capacity planning, performance management, problem management, backup, and fail-safe disaster recovery. The systems' environment will be scalable to accommodate future systems expansion and will reside in the USA.

### 3.2.3 Security

The Contractor shall perform ongoing reviews of the procedures for appropriate handling of secure materials and data to help prevent security breaches and monitoring changing business needs to identify and implement applicable security and privacy procedures to meet SO27001:2013 standards.

Physical access to the data center is strictly controlled both at the perimeter and at building ingress points by professional security staff utilizing video surveillance, intrusion detection systems, and other electronic means.

All PowerSchool platform(s) data transmitted between the Users' browser and the application environment shall be encrypted with at least TLS v1.x certificates that utilizes a 2048-bit RSA key with SHA-256 signatures.

All PowerSchool platform(s) will be configured with access control lists (ACL) to restrict network traffic to specific information system services for PowerSchool platform(s).

All PowerSchool platform(s) systems will incorporate anti-virus software and controls for protection and mitigation against malware, viruses, and other malicious activities.

Access to the PowerSchool Hosting environment data shall be limited to certain employees of PowerSchool and its subcontractors who have the job responsibilities required for such access. In all cases, BeyondTrust Password Safe or similar will be utilized for secured, auditable access to Production PowerSchool platform(s).

The Contractor shall annually run penetration testing and promptly report results to the State. In addition, the Contractor shall provide access and cooperation required for the State to run its own vulnerability scanning software on the servers whenever the State deems it advisable, but not more often than every sixty days. Contractor shall remediate all critical issues within 90 days, all medium issues within 120 days and low issues within 180 days. Contractor shall obtain written State approval for any exceptions. Once remediation is complete, the test shall be repeated to verify remediation.

### 3.2.4 Service Levels

The Contractor utilizes a wide variety of automated monitoring systems to provide a high level of service performance and availability. Infrastructure Systems and the eFinancePLUS application performance and availability are closely monitored 24x7x365 by the Service Provider's technical staff.

The Service Provider's objective is that the eFinancePLUS Environment sustains 99.9% availability during normal operations for each calendar month, exclusive of maintenance. This objective is outside of Scheduled Downtime.

<b>On-line Availability of Service:</b>	
<b>Type</b>	Service Level
<b>Commencement</b>	Go Live Date
<b>Description</b>	<p>This Service Level measures the percentage of time that the Solution under Contractor control as delivered into production and including all environments shall be available during the Total Service Minutes portion for each Reporting Period.</p> <p>Downtime does not count against the On-line Availability SLA if notice of Downtime is agreed upon in advance by the State.</p> <p>The State reserves the right to measure independently.</p>
<b>Reporting Period</b>	The monthly sum of minutes of noncompliance.
<b>Calculation</b>	<p>Number of cumulative Total Service Minutes, excluding Regular Maintenance Downtime or Pre-Approved (e.g., Emergency) Downtime, divided by Total Service Minutes during the applicable Measurement Period with the result expressed as a percentage.</p> <p><i>Availability % = (Total Service Minutes per month – Downtime Minutes) / Total Service Minutes per month * 100</i></p>
<b>Service Level Metric for On-line Availability</b>	99.9%
<b>Service Level Credit</b>	<p>Service Level Availability report will be provided on a monthly basis to the State. If Contractor misses the agreed upon Service Level Metric above, Contractor shall have thirty (30) days to remediate the default. If a Service Level default occurs during two consecutive months or any 4 months over a 12 month timeframe, then the State shall be entitled to a credit in the amount of a 5% of monthly charge for each percentage point below the contracted level of availability for the month with a max credit of 20% of annual fees paid.</p>

### 3.2.5 System Maintenance

Except in cases of emergency, the Contractor shall notify the Customer at least five days prior to activating each update unless a shorter time is mutually agreed upon. Notification shall include the following, at a minimum:

- Date of Update activation
- Notes describing the Update content

- Date, time, and duration of time required to deploy the Update

The Contractor shall perform routine maintenance of the Hosting environment during a regularly scheduled, mutually agreeable time window by both parties. The maintenance shall be within the Service Levels defined in this Schedule. The maintenance shall be performed outside Normal Business Hours when possible.

In the event that the Contractor needs to perform emergency maintenance on the eFinancePLUS environment, such as applying updates to address an immediate security vulnerability Contractor shall notify the Customer at least 24 hours of the scheduled Maintenance Window unless a shorter time is mutually agreed upon. The maintenance shall be performed outside Normal Business Hours when possible.

### 3.2.6 Update/Release Management

Contractor shall be responsible for applying all eFinancePLUS version releases on behalf of the Customer. Update management includes services required to appropriately manage and document changes to the underlying hardware and software components and includes, but is not limited to:

**Version Control** – The maintenance, tracking and auditing of modifications to an application’s components over time, facilitating the restoration of an application to prior development stages.

**Platform Change** – The coordinated activities with Customer prior to any requested or required changes to the eFinancePLUS and hosting platform that may affect the service-level performance of any of the eFinancePLUS environments. Any changes to the baseline project plan must be documented using change management procedures defined during the eFinancePLUS implementation.

**Onboarding New SU/SDs** – scaling should not affect performance of existing SU/SDs and the state and all adopting SU/SDs should be notified immediately should any issues be identified.

### 3.2.7 System Monitoring

The Service Provider shall provide monitoring services that include the activities associated with the ongoing surveillance, tracking, problem escalation, resolution and at least quarterly reporting of application development problems. This monitoring shall include, but is not limited to:

- Monitoring the health of the eFinancePLUS application and notifying the operations team of potential issues
- Monitoring the health of the underlying Infrastructure Systems and Operating Systems
- Monitoring the connections between the different layers of eFinancePLUS and Infrastructure Systems and Third Party Systems (eg Kronos)
- Monitoring for critical exceptions within eFinancePLUS
- Monitoring the transaction for capacity and security
- Monitoring the connections between the different layers of the eFinancePLUS environment and the public Internet

### 3.2.8 Backup and Recovery

The Service Provider shall configure eFinancePLUS servers with multiple data backup and data recovery options. All eFinancePLUS database servers will utilize Microsoft SQL Server with Full Recovery mode that allows for point-in-time recovery (PITR) options of database transactions. eFinancePLUS database servers will incorporate multiple backup levels as follows:

Backup Type	Occurrence	Retention Period
Full Backup	Daily	30 Days
Full Backup	Monthly	7 Years
Full Backup	Quarterly	7 Years
Full Backup	Annual	7 Years

In the event the Customer identifies a need for restoration of data, the Customer will submit a Support Services request with PowerSchool Application Support. In the event that Contractor identifies a need for restoration of data, Contractor will notify the Customer as soon as the need is identified. In either case Contractor will coordinate with the Customer to restore, as applicable, operating environment and file systems containing the Customer's eFinancePLUS application data from the latest backup or SQL transaction logs.

### 3.2.9 Disaster Recovery

Disaster Recovery and Data Continuity plans exist and take into consideration the impact on critical systems. These Disaster Recovery and Data Continuity plans are reviewed quarterly and updated as warranted. The State shall review and approve data Contractor's disaster recovery and data continuity plans annually and prior to go live. PowerSchool incorporates the following capabilities to address Disaster Recovery capabilities.

- Data center incorporates a fully redundant infrastructure
- All eFinancePLUS platform(s) servers incorporate multiple backup levels
- All eFinancePLUS backup files are stored on volumes that are replicated across Availability Zones
- All eFinancePLUS platform(s) servers can be restored across Availability Zones

**Recovery Time Objective (RTO)**

RTO relates to environment downtime. It outlines the target time set for resuming service after a catastrophic event. In the event of Disaster, the PowerSchool objective for Recovery Time Objective (RTO) is up to 24 Hours.

**Recovery Point Objective (RPO)**

RPO relates to recovery point (time between last backup and outage event). It outlines the point in time to which data must be restored to successfully resume system processing (maximum tolerable period in which data might be lost). In the event of Disaster, the PowerSchool objective for Recovery Point Objective (RPO) is up to 24 Hours.

**3.2.10 Metrics and Reporting**

Incidents reported and logged by PowerSchool will include time stamping for initial identification and resolution. This log and its summary metrics will be made available to the State on a quarterly basis or as requested by the State.

**3.2.11****Exclusions**

The Service Provider within the Scope of PowerSchool Hosting does not address the following areas:

- PowerSchool hosting facilities are housed in nondescript facilities and may not be visited by the Customer without prior agreement by both parties.
- Network / Internet connectivity issues outside of the PowerSchool Hosting data center environment.
- Integrity of actual eFinancePLUS data within the eFinancePLUS application itself because of User error or inappropriate activity.
- Performance of the PowerSchool platform(s) due to unsupported user activity.
- Customer provided third party applications that directly impact the performance of the eFinancePLUS application.
- General Application Support for functionality within the eFinancePLUS application. (Handled through Application Support).
- Data integrity related to Unauthorized user activity.
- Unusual or repetitive user data entry or reporting request that may affect performance.
- Customer access to the PowerSchool platform(s) outside of the PowerSchool platform(s) supported interface.