

This Agreement will be posted on the CPS website.

**AGREEMENT FOR SOFTWARE LICENSE, IMPLEMENTATION,
HOSTING, AND SUPPORT SERVICES
between the Board of Education of City of Chicago and
Follett School Solutions, Inc.**

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This **AGREEMENT FOR SOFTWARE LICENSE, IMPLEMENTATION, HOSTING, AND SUPPORT SERVICES** ("Agreement") is entered into as of the 1st day of January, 2016 ("Effective Date") by the Board of Education of the City of Chicago, a body politic and corporate, commonly known as Chicago Public Schools (the "Board" or "CPS"), and Follett School Solutions, Inc., with principal place of business located at 1340 Ridgeview Drive, McHenry, Illinois 60050 ("Follett" or "Service Provider").

RECITALS:

- A. The Board issued Request for Proposal No. 14-250003 (the "RFP") seeking providers interested in providing student information systems and related services (as further described in this Agreement);
- B. Follett responded to the RFP;
- C. Follett has demonstrated expertise in providing such services as described in the RFP, has represented that it has the requisite knowledge, skill, experience, and other resources necessary to perform such services, and is desirous of providing such services for the Board; and
- D. The Board chose Follett to provide the products and services described in this Agreement, and the parties now wish to execute this Agreement that defines the nature of their relationship, establishes pricing, and describes the manner in which products and services may be furnished by Follett.

NOW THEREFORE, in consideration of the foregoing, which are incorporated into and made a part of this Agreement by this reference, and the mutual covenants contained herein, the parties agree as follows:

1. **DEFINITIONS:**

1.1. **SOFTWARE.** "Software" means the software modules, associated end-user functionalities, any other computer program and/or subscription services, as described in this Agreement and provided by Follett in its final form with all accompanying customizations and enhancements that is finally accepted and approved by the designated individuals on behalf of the Board. Software shall also include any updates, fixes, upgrades, patches, new releases, operational modifications, corrections, and new versions (collectively "Updates") that may be produced by Follett during the Term of the Agreement, including any Renewal Terms in accordance with the terms of this Agreement. As clarification, Software is understood to include the Aspen Student Information System, Aspen Instructional Management System, and Aspen Health (the "Solution") as those terms are more fully described in the exhibits, attachments and addenda attached to and incorporated into this Agreement, as may be amended. The customizations that Follett shall be providing as part of the services described in this Agreement shall be incorporated into the Solution and shall be considered to be included in the term Software upon the Board's full acceptance of those customizations. Any references below to Services as those terms are further defined in this Agreement shall be understood to include Software unless specifically stated otherwise.

1.2. **DOCUMENTATION.** "Documentation" shall include any user guide, help information and other documentation delivered by Follett in paper, digital, or electronic form to the Board for use with the Software. Documentation shall include specifications illustrating the network topology of the Solution and the Hosting Services including the physical location of each network element and the interconnections among network elements. Follett shall provide the Documentation at least sixty (60) days prior to the "go live" date for the Solution, or such other date as may be mutually agreed upon by the Board's Chief Information Officer or his designee and Follett's authorized representative. After the Board's acceptance of the Solution and Hosting Services, Follett shall update the Documentation as reasonably requested by CPS and in any event within ten (10) days prior to any upgrade, update, new release, or other material change of the Solution or Hosting Services or any component thereof.

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1.3. **SERVICES.** “Services” means, collectively, the services deliverables, duties and responsibilities described in this Agreement, including but not limited to those described in the exhibits, attachments, and addenda that may be attached and incorporated into this Agreement by reference, as may be amended in accordance with the terms of this Agreement. Services shall include those services that are delivered through the Software provided as part of this Agreement. As part of the Services, Service Provider is responsible for and shall manage the underlying infrastructure necessary for the operation of the Solution, including any hardware, components, equipment, accessories, and underlying software that are necessary for the delivery of the Services in accordance with the terms of this Agreement. Service Provider is aware of the other hardware, software, equipment, network components, systems, services, and other resources that are owned or leased by, or licensed to, the Board (“Board Resources”) and represents that the Board is not required to purchase any additional products in order to receive the Services described in this Agreement.

1.4. **FOLLETT SERVERS; HOSTING SERVICES:** As described further in the Co-Location Hosting and Managed Services Statement of Work (“Hosting Services SOW”), which is incorporated into and made a part of this Agreement as Exhibit C, as may be amended in accordance with the terms of this Agreement, Service Provider shall, either directly or through a third party, provide and maintain any appliances, servers, or other equipment (“Servers” or “Follett Servers”) that are necessary for the hosting, storage, and associated services (“Hosting Services”) for the Software. It is understood and agreed between the parties that, in addition to the other terms described in the Hosting Services SOW, the Hosting Services shall be provided from a location within the continental United States. Service Provider shall provide at least thirty (30) days’ prior written notice to the Board’s Chief Information Technology Officer and General Counsel of any proposed change to the physical address, including but not limited to the location within the data center that is identified in the Hosting Services SOW. The Board and Service Provider must agree upon the terms of the proposed move including the location. Furthermore, Service Provider is expected to provide ample storage within its Servers and to take such action as is necessary (at Service Provider’s own expense) to assure the continued performance of the Software according to the parties’ general expectations under this Agreement through the Term and any Renewal Terms, including but not limited to those expectations described in the Service Level Agreement, which is incorporated into and made a part of this Agreement as Exhibit E, as may be amended from time to time. Service Provider is solely responsible for ensuring that any Servers and any other hardware used in connection with the Hosting Services are appropriate for the Solution as described in this Agreement, as it may be amended. Service Provider shall replace any Servers as necessary and provide such additional Servers and any other hardware as may be required to deliver the specifications and service levels described in this Agreement throughout the Term and any Renewal Terms at Service Provider’s own expense. Servers are provided as part of the Hosting Services; CPS shall not take title to the Follett Servers unless an amendment to this Agreement is agreed upon between the parties in accordance with the terms of this Agreement reflecting that CPS is terminating the portion of the Agreement regarding Hosting Services and is assuming control and managing the Hosting Services. Provided that Follett has the right to transfer ownership of said hardware and CPS agrees to purchase said hardware, the written amendment between the parties shall identify the terms by which Follett shall be entitled to compensation for the fair market value purchase of the Servers. Additionally, CPS may be required to acquire licenses for non-Aspen specific software required for the operation of the Servers including but not limited to the operating system and database.

2. TERM AND OPTIONS TO RENEW:

2.1. **TERM.** This Agreement is for a term commencing on the Effective Date and continuing for five (5) years thereafter, or until December 31, 2020 (the “Term”), unless terminated sooner as provided herein.

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2.2. **OPTIONS TO RENEW:** The Board shall have two (2) options to renew this Agreement for a period of one (1) year each on the same terms and conditions contained in this Agreement (each a "Renewal Term"). Exercise of the option shall be subject to approval of the Board and documented by a writing signed by the authorized representatives of both parties and approved by the Board's General Counsel.

3. **SCOPE OF SERVICES:** Service Provider agrees to provide Services as described in this Agreement, including but not limited to the descriptions and requirements described in the exhibits that are attached and incorporated into this Agreement and such future modifications that may be mutually agreed upon by the parties in accordance with the terms of this Agreement. The Board retains final authority with respect to all decisions related to the Services provided to the Board. The Board, from time to time, may request changes in the scope of Services. Those changes shall be documented in accordance with the Change Management Process described in the Agreement and may require written amendment to this Agreement that must be signed by the authorized representatives of both parties as stated in this Agreement and the Board's General Counsel.

3.1. **EVOLUTION OF SERVICES:** The Board intends for the Services to be useful, functional and relevant to the Board's needs throughout the Term of the Agreement, including any Renewal Terms. As such, the parties acknowledge that the Software and Services will evolve and be supplemented, modified, enhanced, and replaced in the normal course of business during the Term and any Renewal Terms. From time to time, but not less frequently than once each year during the Term and any Renewal Term, Service Provider shall meet with the Board and suggest any reasonable and appropriate changes, if any, needed or that may be considered to keep pace with and take advantage of the latest and most useful technological advancements and improvements in Service Provider's performance of the Services and the use, operation, support and maintenance of the Solution. Service Provider shall indicate to the Board when such changes are considered outside the scope of the Updates provided in accordance with the terms of this Agreement. In such an event, the Board will consider such suggestions, along with other factors, including but not limited to any impact that such changes may have on the compensation that may be due Follett under this Agreement. If the Board determines to accept the suggestions, the parties will negotiate and agree upon an amendment or other modification of this Agreement in accordance with the terms of the Change Management Process Section of this Agreement. Any such changes that the Board approves and that Service Provider develops and implements shall be promptly developed, delivered and implemented by Service Provider, subject to reasonable and thorough acceptance testing procedures. Service Provider shall clearly mark any communications in regards to these developments as "Confidential" or "Proprietary" and such information shall be handled in accordance with the terms of this Agreement regarding Confidential Information.

4. **COMPENSATION:** Service Provider shall be compensated in accordance with the payment terms described in the Schedule of Pricing, attached and incorporated into this Agreement as Exhibit E. The total maximum compensation payable to Service Provider during the Term, inclusive of any and all reimbursable expenses specifically provided for herein, shall not exceed Seven Million Nine Hundred Ninety-One Thousand Dollars (\$7,991,000.00) (the "Maximum Compensation") without prior written approval of the members of the Board. If one or both of the options to renew is exercised, the Services shall continue to be provided in exchange for a maximum compensation amount of One Million Six Hundred Seventy-Nine Thousand Dollars (\$1,679,000.00) per each Renewal Term. It is understood and agreed that the Maximum Compensation referenced above is a 'not-to-exceed amount' and is not a guaranteed payment. The Board shall not reimburse for any expenses. Compensation shall be based on Services performed during the Term of this Agreement, and the Board shall not be obligated to pay for any Services or deliverables not in compliance with this Agreement. In the event that the Agreement is terminated early, the Board shall only be obligated to pay

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the costs, fees and/or rates incurred up to the effective date of termination and Service Provider shall promptly refund to the Board any payments received for Services and deliverables not provided.

5. **PURCHASE ORDER; BILLING AND PAYMENT PROCEDURES; AND ELECTRONIC PAYMENTS:**

5.1. **PURCHASE ORDER:** Any purchases by the Board of Services covered by this Agreement will be completed by submitting an order on the Board's Standard Purchase Order Form ("PO"). The pre-printed terms and conditions found on the PO shall apply to the extent that such terms supplement and are not inconsistent with the terms and conditions contained in this Agreement. The terms in this Agreement, including the exhibits incorporated into it, shall prevail in the event of a conflict between it and those contained within the PO. It is understood and agreed that Service Provider shall not provide any Services without a valid PO. If Service Provider provides any Services without a valid PO, Service Provider shall not be entitled to receive any payment for such Services.

5.2. **BILLING AND PAYMENT PROCEDURES:** All invoices must be submitted electronically via email in PDF format to cpsinvoice@cps.edu. Each email may only contain one invoice and must include your Service Provider name and the CPS Purchase Order number. All invoices must include:

- Service Provider name and payment address
- Unique invoice number (determined by Service Provider)
- Valid purchase order number (only one PO number may be referenced on each invoice)
- Invoice date
- Itemized description of the services rendered and/or goods delivered
- Date the services were provided and/or goods were delivered to CPS
- Detailed pricing information such as quantities, unit prices, discount, and final net amount due

Invoices shall be submitted in a timely manner. The final invoice shall be submitted no later than ninety (90) days after the expiration or termination of this Agreement. If Service Provider has more than one contract with the Board, separate invoices must be submitted for each contract. The Board shall process payments in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*). The Board reserves the right to request additional information and supporting documentation necessary for the Board to verify the Services provided under this Agreement.

5.3. **ELECTRONIC PAYMENTS:** Service Provider agrees that, at the Board's sole discretion, the Board may make payment to Service Provider for any and all amounts due by means of via ACH, wire transfer or lock box. The parties agree that in the event the Board wishes to make payment electronically to Service Provider by means of the Board's procurement charge account, the parties will come to mutual agreement on any additional surcharges associated with use of such procurement charge account. In the event the parties come to agreement with respect thereto, Service Provider recognizes that any charge to the Board's procurement charge card that is in excess of the open remaining amount as stipulated in the applicable Purchase Order, or any charge unaccompanied by the requisite documentation and data as required by the Board, shall be deemed invalid and disputed by the Board. Service Provider further recognizes that, in the absence of any supporting documentation as may be required by the Board, payments associated with disputed charges shall be rescinded by the Board and deemed not owed by the Board. Service Provider agrees to comply with the rules, procedures and documentation required for electronic payment via the Board's procurement charge card as established by the Board's Department of Procurement and Contracts.

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5.4. **CREDITS.** Any amounts due to the Board, such as a Performance Credit, from Service Provider may be applied by the Board, at the sole election of the Board, against any current or future compensation due to Service Provider. Service Provider shall pay the Board any such amounts that are not so applied by the Board against amounts due to Service Provider within thirty (30) calendar days following the Board's request. This Section shall survive the termination or expiration of this Agreement.

6. **STANDARDS OF PERFORMANCE:** Service Provider shall devote, and shall cause its employees, agents and subcontractors, if any, to devote such of their time, attention, skill and judgment, knowledge and professional ability as is necessary to supply all Services effectively and efficiently in accordance with the terms of this Agreement and to the reasonable satisfaction of the Chief Information Technology Officer. Service Provider shall retain and utilize, as required by law or by this Agreement, professionals licensed to practice in the State of Illinois in the applicable profession. Service Provider shall use efficient business administration methods and supply the Services in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and in an expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are supplied at a reasonable cost to the Board and that Services supplied by other entities or persons in connection with the Agreement are efficiently and cost-effectively delivered. Service Provider acknowledges that, if in the course of providing Services hereunder, it is entrusted with or has access to valuable or confidential information or records of the Board, that with respect to that information, Service Provider agrees to be held to the standard of care of a fiduciary. Any review, approval, or acceptance of Services or deliverables or payment for any Services by the Board does not relieve Service Provider of its responsibility for the professional skill, care, and technical accuracy of its Services or deliverables. Service Provider shall remain responsible for the professional and technical accuracy for all Services, including any deliverables furnished, whether by Service Provider, its subcontractors, or others on its behalf.

7. **CHANGE MANAGEMENT PROCESS:** During the Term of this Agreement and any Renewal Terms, the parties may determine that change(s) to the scope of Services or other terms or attachments to this Agreement is necessary. In such an event, the parties shall determine if the proposed change amounts to a material revision as described in this Section before determining how the change shall be documented.

7.1. **MATERIAL REVISION.** A "material revision" includes but is not limited to: (i) increasing the cost of Services to be provided during the Term of the Agreement, or any Renewal Term, beyond the Maximum Compensation Amount as identified in this Agreement, as may be amended; (ii) substantial reduction in the scope of Services; (iii) substantial expansion of the Services to be provided beyond the scope of Services authorized by the Board in this Agreement; (iv) extending the time for performance of Services beyond the time period approved by the Board; or (v) change or modification to the legal terms and conditions of this Agreement. A material revision requires a written amendment to this Agreement approved by members of the Board and the Board's General Counsel. Any material revision that is not documented and approved as set forth above may, at the Board's sole discretion, be considered null and void with no legal effect.

7.2. **STATEMENTS OF WORK AND CHANGE REQUESTS AND ORDERS.** If the proposed change does not amount to a material revision as defined above, the parties' authorized representatives shall agree in writing to a Statement of Work or Change Request and Order, as appropriate, before the change takes effect.

(a) **Statements of Work.** As part of the implementation and then ongoing services provided under this Agreement, the parties may mutually agree upon and prepare a written Statement of Work ("SOW") to further describe specific services to be rendered, the roles and responsibilities of the parties, periods of performance, timelines, deliverables, and any other terms and conditions necessary for the performance of the Services according to the

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expectations as described in this Agreement. Each SOW between the Board and Service Provider shall be numbered serially in order of execution and shall be executed by the Board's Chief Information Technology Officer and Follett's authorized representative and may require the approval of the Board's General Counsel. Any SOW that modifies, amends, or adds legal terms, conditions, or provisions; shifts risks or liabilities between the parties; or otherwise constitutes a material revision as defined above requires the written approval of the Board's General Counsel. Any change to the Services reflected in an SOW is not effective and is not to be performed unless and until the SOW is properly signed and approved by all necessary individuals from both parties. Any Statement of Work that is not completed and approved in writing in accordance with this Section shall be null and void, in whole or in part, to the extent that it seeks to modify, amend, or add any legal terms, conditions or provisions; shifts risks or liabilities between the parties; or otherwise constitutes a material revision as defined above. Service Provider shall not be entitled to any additional compensation that may have been included in an SOW that is voided for failure to follow the approval process set forth herein.

(b) **Change Requests, Proposals, and Orders.** The parties may at any time determine that changes to the Services provided under this Agreement are necessary. Provided that such change does not amount to a material revision as described above and does not require a fully described SOW, the parties shall exchange Change Requests, Proposals and finally Change Orders. All Change Requests, Proposals, and Orders shall contain a detailed written description of the change in the Services and any associated price change. Any services provided pursuant to a Change Order shall be subject to and comply with the terms of this Agreement. Any Change Order that modifies, amends, or adds legal terms, conditions, or provisions; shifts risks or liabilities between the parties; or otherwise constitutes a material revision as defined above requires the prior written approval of the Board's General Counsel. Any change to the Services reflected in a Change Order is not effective and is not to be performed unless and until the Change Order is properly signed and approved by all necessary individuals from both parties. Change Orders are to be signed by the Board's Chief Information Technology Officer or his designee. Any Change Order that is not completed and approved in writing in accordance with this Section shall be null and void, in whole or in part, to the extent that it seeks to modify, amend, or add any legal terms, conditions or provisions; shifts risks or liabilities between the parties; or otherwise constitutes a material revision as defined above without the proper approval and authorization as set forth in this Agreement. Service Provider shall not be entitled to any additional compensation that may have been included in a Change Order that is voided for failure to follow the approval process set forth herein. Service Provider shall not have any liability resulting from delays caused solely by the Board's approval process that is set forth herein.

8. **PERSONNEL:**

8.1. **ADEQUATE STAFFING:** Service Provider must assign and maintain during the Term of this Agreement and any Renewal Terms, an adequate staff of competent personnel that is fully equipped, trained, licensed as appropriate, available as needed, qualified and assigned to perform the Services. Service Provider's staff shall devote such time, attention, skill, knowledge, and professional ability as necessary to effectively and efficiently perform Service Provider's obligations under this Agreement. If the Board determines that any employee, subcontractor, or other person providing Services for Service Provider is not performing in accordance with the performance standards or other requirements of this Agreement, then the Board shall have the right to direct Service Provider to remove that person from performing Services under this Agreement.

8.2. **KEY PERSONNEL:** Service Provider may assign individuals who have particular expertise to perform Services pursuant to this Agreement ("Key Personnel"). Key Personnel during

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the Implementation of the Solution will be those individuals with the job title or responsibilities equivalent to: Project Manager, Solution Architect, Change/Communication Management Lead, Data Conversion Lead, Configuration Lead, and Training Lead. During the post-Implementation portion of the Term and any Renewal Terms, the Key Personnel will be those individuals with the job title or responsibilities equivalent to the Community Relationship Manager(s). These titles are subject to further amendment or modification by agreement of both parties. In the event that Service Provider reassigns or replaces Key Personnel or if one or more Key Personnel terminate his/her employment with Service Provider or otherwise become unavailable for reasons beyond Service Provider's reasonable control, Service Provider shall provide advance notice to the Board, to the extent reasonably practicable. Service Provider shall replace such person with another person with comparable training and experience and shall discuss with the Board potential replacements, provided that the final employment decisions such as hiring and firing of a Service Provider employee remain at Service Provider's sole discretion. The Board reserves the right to request the removal of Key Personnel from performing Services under this Agreement as set forth in Section 8.1 above.

8.3. **ACCOUNT MANAGEMENT:** Service Provider must provide a single point of contact (Account Manager) who is assigned to oversee and manage the day-to-day activities of this relationship with the Board as well as overall management of the customer service issues and reporting. Service Provider shall also be required to have periodic meetings with the Board's Department of Procurement and other CPS personnel for reasonable contract review meetings as well as annual review at a time determined by the Board.

9. **INDEPENDENT CONTRACTOR:** It is understood and agreed that the relationship of the Service Provider to the Board is and shall continue to be that of an independent contractor and neither Service Provider nor any of the Service Provider's employees, contractors or contractors' employees shall be entitled to receive Board employee benefits or be deemed employees, common law or otherwise, of the Board. As an independent contractor, Service Provider is responsible for the payment of all taxes and withholdings specified by law which may be due in regard to compensation paid by the Board pursuant to this Agreement. To the extent that the Service Provider is subject to taxes under Section 4980H of the Internal Revenue Code, the Service Provider shall be solely responsible for paying such taxes. Service Provider agrees that Service Provider, including its employees, agents, and subcontractors shall not represent themselves as employees or agents of the Board. Service Provider shall provide the Board with a valid taxpayer identification number as defined by the United States Internal Revenue Code, including but not limited to, a social security number or federal employer identification number.

10. **LICENSE, IMPLEMENTATION, COMPATIBILITY OF SOFTWARE:**

10.1. **LICENSE:** Service Provider hereby grants to the Board a non-exclusive, worldwide, nontransferable, royalty-free (except for fees specified in this Agreement) license to use the Software through the Term of this Agreement, including any Renewal Terms. The Board shall not sell, lease, license or otherwise transfer, use or dispose of the Software outside of CPS except as expressly provided herein. The Software and any Documentation shall at all times remain the sole and exclusive property of Service Provider. The Board shall not copy or knowingly permit the copying by any third party of the Software (other than for a reasonable number of back-up and archival copies, where applicable) or distribute, market, sell, rent, lease, license, transfer, sublicense or assign to any third party any portion of the Software except as permitted under this Agreement. The Board shall not make any alterations, additions or modifications, create derivative works, decompile, disassemble or reverse engineer the Software without the prior written consent of Service Provider.

10.2. **THIRD PARTY AND OPEN SOURCE SOFTWARE:** The Software may execute in conjunction with software and other technology ("In-Licensed Code") that is licensed to Service Provider from, and owned by, third parties ("Third Party Licensors"), including open source

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software and technology. Service Provider warrants that it has all rights and interests necessary to the extent that CPS's use of the Software shall require a sub-license or other permission for the use of the In-Licensed Code. The Board agrees that its use of In-Licensed Code shall be in accordance with the terms of this Agreement. Service Provider shall notify the Board to the extent that the license for the use of Third Party Licensors requires any modification or alteration to the License provided to the Board under this Agreement. It is agreed that no Third Party Licensors have made any representation or warranty to the Board relative to this Agreement and that the final obligation and liability to the Board under this Agreement for the performance of the Software remains with Service Provider and not with any Third Party Licensor.

10.3. DOCUMENTATION: Documentation will accurately and completely describe the functions and features of the Software, including but not limited to all subsequent revisions thereto. The Documentation shall be understandable by a typical end user and shall provide Licensed Users (as defined below) with sufficient instruction such that a Licensed User can become self-reliant after appropriate training with respect to access and use of the Software. The Board shall have the right to make any number of additional copies of the Documentation at no additional charge. It is the Service Provider's responsibility under this Agreement to ensure that a then-current version of the Documentation is available to the Board's Project Manager throughout the Term of this Agreement and any Renewal Terms.

10.4. PERMISSIBLE BOARD ACTIONS: Nothing in this Section shall prevent the Board, its employees and representatives from sharing reports and data generated from Service Provider's Services with other vendors of the Board as may be necessary for the receipt of the Services and determination of the compliance with the terms of the Agreement. It is understood and agreed that no performance related information shall be shared with a vendor that Service Provider considers a competitor of Service Provider for Services similar to those described in this Agreement. In the event that the Board should want in the future to share any performance related information with a vendor that Service Provider may consider a competitor to Service Provider for the Services described in this Agreement, the parties shall determine the specific information that may be shared, whether that information can be considered Service Provider's Confidential Information under the terms of this Agreement, and, if so, require such third party to enter into a non-disclosure or confidentiality agreement regarding the handling and protection of such information.

10.5. IMPLEMENTATION OF THE SOFTWARE: As described further in the Implementation Scope of Work, which is incorporated into and made a part of this Agreement as Exhibit B, as may be amended from time to time, Service Provider shall provide installation, configuration, and implementation services and support for the Software so that it is accessible and fully operational through the Board's computers and other compatible devices.

10.6. LICENSED USERS: Service Provider shall use the Board-provided username and password for each licensed user to access and use the Software. "Licensed Users" or "Board Users" means those administrators, teachers, and others identified specifically by the Board's Project Manager licensed to access the Software. Service Provider shall not be responsible for compliance of User Names or Passwords with any legal, CPS, or other requirements. A Licensed User may continue to use the License throughout the Term of the Agreement including any Renewal Term, regardless of any transfer to any other CPS school during that Term.

10.7. TERMS OF USE: Service Provider may provide to or require Licensed Users to agree to Terms of Use or other terms and conditions for the use of the Software. As set forth below in Section 10.8, such terms and conditions shall not be binding on the Board. Specifically, the following sections of the Terms of Use shall not apply and shall be considered null and void for any claims, liens, damages, obligations, actions, suits, judgments or settlements, or causes of action of every kind, nature, and character arising from or alleged to arise from any use of the Software by CPS employees that is

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pursuant to the terms of this Agreement: Disclaimer and Limitation of Liability; Indemnification; and Governing Law to the extent that it requires binding arbitration to be conducted pursuant to the Commercial Rules of the American Arbitration then in effect. Furthermore, the Board reserves the right to review any material changes to the Terms of Use and to discuss with Service Provider certain provisions that it may deem to be unreasonable or unduly burdensome upon the Licensed Users relative the required use of the Software.

10.8. CONTROLLING AGREEMENT: The Board shall not be bound by the terms and conditions contained in any clickwrap agreement, clickwrap license, clickthrough agreement, clickthrough license, end user license agreement or any other agreement or license contained or referenced in the Software or any quote provided by Service Provider. Even if a Board User agrees to any agreement or license contained or referenced in the Software or a quote from the Service Provider, Service Provider acknowledges and agrees that those terms and conditions are null and void and are not binding on the Board. Both parties acknowledge and agree that the terms and conditions of this Agreement represent the entire agreement of the parties for the Services. No additional terms or conditions shall apply to either party unless a written amendment to this Agreement is made and signed by the authorized representatives of both parties and approved by the Board's General Counsel.

10.9. SOFTWARE MAINTENANCE AND SUPPORT: During the Term of this Agreement and any Renewal Terms, Service Provider shall be solely responsible for maintenance and support services of the Software and its accessibility to the Board as further described in this Agreement, including but not limited to the Service Level Agreement, which is attached and incorporated into this Agreement as Exhibit D, and the General Scope of Services, which is attached and incorporated into this Agreement as Exhibit A.

10.10. FUNCTIONALITY: Service Provider shall regularly communicate with the Board to determine what functionalities the Board intends to use in the future, including those that may not be currently used by the Board. During the Term of this Agreement and any Renewal Terms, Follett shall not reduce or eliminate functionality in Services as set forth in an SOW ("Reduction") without the prior written approval of the Board in accordance with the Change Management Process Section of this Agreement. Where (a) the Reduction is one that the Board uses during the Term of the Agreement or the applicable Renewal Term and (b) the Reduction is made without the Board's prior written approval, the Board, at its sole discretion and election, may consider this as an Event of Default (as defined in this Agreement) with all of the rights and remedies available as set forth herein. Where Follett materially reduces or eliminates functionality in a service not utilized by the Board Users ("Non-utilized Reduction") but which Follett is aware that the Board plans to use, Follett shall provide the Board with advance notice, to the extent reasonably practicable, and agrees to discuss with the Board its desire to potentially utilize such service prior to the Non-utilized Reduction; provided that the ultimate decision to proceed with the Non-utilized Reduction shall be in Service Provider's sole discretion. Where Follett introduces like functionality to the Reduction in another service, the Board shall have such additional licenses and subscription rights to enable it and its Users to use and access the new services, at no additional charge, with the same rights, obligations, and limitations as set forth for the Software, and a Reduction shall not be deemed to have occurred. Where Follett increases functionality within the Software as it is generally offered to all customers through the normal course of updates, fixes or upgrades in the Software, such functionality shall be provided to the Board without any increase in the Fees.

10.11. COMPATIBILITY AND DATA FLOW: As part of the Implementation Services described in this Agreement, Service Provider shall ensure that data flows between the Board's Resources as of the date of completion of the Implementation Services and the Service Provider's Software, Services, and Servers as described in this Agreement. Service Provider must ensure that any other resources that are provided by Service Provider to the Board, incorporated by Service Provider, or approved or recommended by Service Provider for use by the Board in connection with the

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Software, Services, and Servers, be fully compatible with, and must not materially and adversely affect, or be materially and adversely affected by, each other or the Board Resources as of the date of completion of the Implementation Services. As stated in the Evolution of Services Section above, Service Provider shall acquire or develop Updates for the Software and other improvements of the Services as are necessary throughout the Term and any Renewal Terms to ensure that the Software and the Hosting Services are compatible with the standard web browsers (Internet Explorer, Safari, Firefox, and Chrome), including updated versions; Java; Microsoft Windows Servers; and Microsoft SQL Server with which the Software and Servers are intended to operate. Further amendments or other modifications to this Agreement in accordance with the Change Management Process Section of this Agreement may be required to accommodate any additional improvements to the Board Resources.

At all times, Service Provider must cooperate and work as requested with the other service providers of the Board to coordinate the development and the provision of Services with the services and systems of such other service providers in respect to maintaining the compatibility stated above. Such coordination shall include:

- (a) Facilitating with such other relevant service providers the timely resolution of all problems that may arise and impact the Services, regardless of the actual or suspected root-cause of such problems;
- (b) Providing information to the Board concerning the Software, Servers, other Services, data, computing environment, and technology direction used in performance of the obligations described in this Agreement;
- (c) Working with the Board's other service providers in the implementation and integration of the Software with the Board Resources in the Board's environment and the integration and interfacing of the services of such other service providers with the Software and Servers;
- (d) Providing reasonable access to and use of the Software and Servers; and
- (e) Performing other reasonably necessary tasks in connection with the Software in order to accomplish the foregoing activities described in this section.
- (f) If any of the foregoing requires the disclosure of any proprietary information or confidential information of Service Provider to any third party, such third party shall be required to enter into a reasonable confidentiality agreement with Board and Service Provider, with terms substantially equivalent to those of this Agreement regarding the protection of Confidential Information.
- (g) Service Provider shall have no obligation under this section to ensure that the Board maintains an active internet connection. Any unavailability of the Software due to the Board's lack of an internet connection, unless such lack of an internet connection is caused by Service Provider or Service Provider's Software or Services, shall be the sole responsibility of the Board.

The parties shall amend or modify the terms of this Agreement in accordance with the terms of the Change Management Process Section of this Agreement in the event that the parties determine that such coordination is outside the scope of Services provided in this Agreement.

11. **ESCROW AGREEMENT:** At no additional cost to the Board, Follett agrees to place in escrow, with an escrow agent as may be mutually agreed upon by Follett and the Board, copies of the most current version of the source and object code for the Software that is included as part of the Services as well as all necessary components to ensure proper function of such Software that is being delivered to the Board as part

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of the Services under this Agreement, including but not limited to any applicable program interfaces, configuration files, schematics of software, components, build instructions, procedural instructions, and other documentation (collectively, the "Software Components"). The Software and Software Components shall reflect the Software and the Solution that is accepted by the Board as part of the implementation. The source code form and compiled (i.e., executable, object code) form shall be maintained with such Documentation sufficient to enable a user of ordinary skill to use the Software. The Software Components shall also include all updates, improvements, and enhancements thereof from time to time developed by Follett and that are necessary to internally support the Software for the benefit of the Board through the Term of the Agreement and any Renewal Terms. Follett agrees that upon the occurrence of any event or circumstance set forth in the following sentence that demonstrates with reasonable certainty the inability or unwillingness of Follett to fulfill its obligations to the Board in providing the Services, the Board shall be entitled to obtain the then-current Software and Software Components from the escrow agent through the Term and any Renewal Terms. The parties agree that the following are qualifying events: (i) Follett is dissolved, liquidated, or ceases doing business as an entity; (ii) Follett makes an assignment for the benefit of creditors or a receiver or trustee or similar officer is appointed to take charge of its business or assets; or (iii) Follett is adjudicated bankrupt or files any petition for relief under the United States Bankruptcy Code or similar insolvency laws of any jurisdiction or has any such petition filed against it, which is not dismissed within sixty (60) days.

At the sole discretion of the Board, the Board shall have the right to:

11.1. **VERIFICATION OF SOFTWARE:** Perform, at the Board's cost and expense and no more than once annually during the Term and any Renewal Terms, via a third-party escrow verification service that is independent of Follett and the escrow agent, a verification of Follett's compliance with its escrow obligations hereunder including but not limited to a full usability test of the Software; and

11.2. **RECOVERY:** Where the Board determines in the Board's sole discretion, that Follett has materially failed to fulfill its escrow obligations, the Board shall, at Board's sole discretion, have the right to consider such failure as an Event of Default (as defined in this Agreement) and that the Board may exercise the rights and remedies described in this Agreement in the Event of Default.

12. **PRODUCT RECALL:** Service Provider shall notify the Board within two (2) business days of Service Provider's receipt of any manufacturer or government sponsored recalls on any products that are provided as part of the Services provided pursuant to this Agreement, particularly in the event that any products are located within the Board's property and to the extent that such recall may affect the delivery of Services. Recalled products should be replaced at no cost to the Board, including any costs associated with the retrieval and replacement of the products, within a reasonable time. The Board shall be credited and shall not pay for any associated products while replacement is being completed.

13. **NON-APPROPRIATION:** Expenditures not appropriated by the Board in its current fiscal year budget are deemed to be contingent liabilities only and are subject to appropriation in subsequent fiscal year budgets. In the event no funds or insufficient funds are appropriated and budgeted in any subsequent fiscal period by the Board for performance under this Agreement, the Board shall notify the Service Provider and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification shall be made to the Service Provider except that no payment shall be made or due to the Service Provider under this Agreement beyond those amounts appropriated and budgeted by the Board to fund payments under this Agreement.

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14. HANDLING OF CONFIDENTIAL INFORMATION, INCLUDING STUDENT DATA:

14.1. DEFINITIONS

(a) **Confidential Information:** In the performance of the Agreement, one party may have access to or receive certain information of the other party that is not generally known to others ("Confidential Information"). Such Confidential Information may include, but is not limited to: name, address, student identification number, social security number, phone number, email address, gender, date of birth, ethnicity, race, foster care status, disabilities, school, grade, grade point average, standardized test scores, assessment data, after school activities, highest grade completed, discipline history, criminal history, free or reduced lunch qualifications, housing status, income, household income or payroll information, college enrollment records, Free Application for Federal Student Aid ("FAFSA") information, unpublished school information, financial information, and business plans. It is understood and agreed that Confidential Information also includes proprietary or confidential information of third parties provided by one party ("Disclosing Party") to the other party ("Receiving Party"). Confidential Information will not include information that is: (i) or becomes part of the public domain through no fault of the Receiving Party; (ii) made available to Receiving Party by an independent third party having the legal right to make such disclosure; and (iii) information that can be established and documented by Receiving Party to have been independently developed or obtained by Receiving Party without violating the confidentiality obligations of this Agreement and any other agreements with the Disclosing Party.

(b) **Student Data:** Student Data means any data, metadata, information, or other materials of any nature recorded in any form whatsoever, that is generated, disclosed, transmitted, created, or provided by the Board, either directly or through its students, employees, agents, and subcontractors, including all information used, created, stored or generated through the Board's use of the Software (as defined in the Agreement) that is directly related to a CPS student.

(c) **De-Identified Data:** De-identified Data will have all direct and indirect personal identifiers removed. This includes, but is not limited to, persistent unique identifiers, name, ID numbers, date of birth, demographic information, location information, and school ID. Service Provider agrees not to attempt to re-identify de-identified Data. For the purposes of this Agreement, De-Identified Data will still be considered Confidential Information and treated as such unless specifically provided otherwise.

14.2. USE OF CONFIDENTIAL INFORMATION: The Receiving Party shall:

(a) Only use Confidential Information for the sole purpose of providing or receiving the Services and performing such other obligations as are necessary under this Agreement, and shall not disclose the Confidential Information except to those of its officers, agents, employees, and subcontractors who have a need to access the Confidential Information in order to perform Services or other obligations set forth in this Agreement;

(b) Notwithstanding the foregoing, understand and agree that such protection of Confidential Information shall be subject to the special requirements of FERPA and ISSRA as described in the Compliance with Laws Section;

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(c) Require any subcontractors or other third parties engaged in providing Services to assume obligations of secrecy equal to or greater than those obligations assumed in this Agreement with respect to the Confidential Information; and

(d) Not copy or reproduce in any manner whatsoever the Confidential Information of the Disclosing Party without its prior written consent, except where required for its own internal use in accordance with this Agreement.

14.3. TRANSMITTING AND STORING CONFIDENTIAL INFORMATION: When transmitting and storing the other party's Confidential Information, the Receiving Party shall use commercially reasonable best efforts, but at a minimum no less protection than Receiving Party uses to protect its own confidential information. When transmitting and storing Confidential Information that is personally identifiable ("Personally Identifiable Confidential Information") including but not limited to Student Data, the Receiving Party shall:

(a) When mailing physical copies of Personally Identifiable Confidential Information, send the Personally Identifiable Confidential Information in a tamper-proof, labeled container, with a tracking number and a delivery confirmation receipt;

(b) Only electronically transmit, mail, or store Personally Identifiable Confidential Information on electronic media, such as CDs, DVDs, electronic tape, flash drives, etc., if the Confidential Information is encrypted. Encryption must utilize the Advanced Encryption Standard ("AES") algorithm with a key of 256 bits or greater ("Encrypt"). Any media containing Personally Identifiable Confidential Information shall only be mailed in accordance with the provisions of Section 14.3(a) above;

(c) Not send, via mail or electronically, any password or other information sufficient to allow decryption of Personally Identifiable Confidential Information with the Encrypted Confidential Information;

(d) Keep all physical copies (paper, portable or removable electronic media, or other physical representations) of Personally Identifiable Confidential Information under lock and key, or otherwise have sufficient physical access control measures to prevent unauthorized access. The Receiving Party shall not leave Personally Identifiable Confidential Information unsecured and unattended at any time;

(e) The Receiving Party shall password protect any desktop, laptop or other device that contains Personally Identifiable Confidential Information. Additionally, any desktop or laptop that contains Personally Identifiable Confidential Information shall have its full hard drive Encrypted. The Receiving Party shall not leave any desktop or laptop unattended without enabling a screen-lock or otherwise blocking access to the desktop or laptop. The Receiving Party shall ensure that no password or other information sufficient to access a desktop or laptop containing Personally Identifiable Confidential Information is attached to or located near the desktop or laptop at any time.

(f) The Receiving Party shall store Personally Identifiable Confidential Information on a proprietary file server that is not shared by other entities including, but not limited to, other departments of the Receiving Party. The Receiving Party shall ensure the security of the Personally Identifiable Confidential Information stored on the server by employing adequate security measures to prevent unauthorized access to that information. These measures include policies, procedures, and technical elements relating to data access controls. In addition, the

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Receiving Party shall use standard security protocols and mechanisms to protect the exchange and transmission of Personally Identifiable Confidential Information.

14.4. DISSEMINATION OF INFORMATION: The Receiving Party shall not disseminate any of the Disclosing Party's Confidential Information to a third party without the prior written consent of the Disclosing Party. If Receiving Party is presented with a request for documents by any administrative agency or with a *subpoena duces tecum* regarding any of the Disclosing Party's Confidential Information which may be in Receiving Party's possession as a result of Services and/or materials provided under the Agreement, Receiving Party shall immediately give notice, to the extent permitted by law, to the Disclosing Party and its General Counsel with the understanding that the Disclosing Party shall have the opportunity to contest such process by any means available to it prior to submission of any documents to a court or other third party. The Receiving Party shall not be obligated to withhold delivery of documents beyond the time ordered by a court of law or administrative agency, unless the request for production or subpoena is quashed or withdrawn, or the time to produce is otherwise extended.

14.5. PRESS RELEASE; PUBLICITY: Receiving Party shall not issue publicity news releases, grant press interviews, or use any of the Disclosing Party's intellectual property (as defined below), including but not limited to the CPS logo or the logos of any schools, during or after the performance or delivery of Services without the prior express written consent of authorized representatives of the Disclosing Party. Furthermore, Service Provider may not photograph or film or cause others to photograph or film within any CPS school or facility without the prior express written consent of an authorized representative of the Board.

14.6. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION: Receiving Party shall, at the Disclosing Party's option, destroy or return all Confidential Information provided by the Disclosing Party to the Disclosing Party within five (5) business days of demand, or if no demand is made, it shall destroy or return all Confidential Information to the Disclosing Party within fifteen (15) business days of the expiration or termination of this Agreement unless the Receiving Party receives permission in writing from the authorized representative of the Disclosing Party or his or her designee that Receiving Party may retain certain Confidential Information for a specific period of time; provided that to the extent Confidential Information is required to be returned, only physical copies of such Confidential Information will be returned and electronic copies will be destroyed, subject to the last sentence of this Section. In the event the Disclosing Party elects to have Receiving Party destroy the Confidential Information, the Receiving Party shall provide an affidavit attesting to such destruction. Service Provider shall delete a specific student's Student Data upon the written request of the Board. Notwithstanding the foregoing, the Receiving Party shall have no obligation to destroy Confidential Information stored electronically for archival, backup, or disaster recovery purposes, provided that such Confidential Information is not accessible to unauthorized individuals, cannot be separated from information from other sources in an economical manner, and shall remain subject to the confidentiality obligations hereunder.

14.7. UNAUTHORIZED ACCESS, USE OR DISCLOSURE: If Receiving Party has knowledge of any unauthorized access, use and/or disclosure of the Disclosing Party's Confidential Information, it shall: (i) notify the Disclosing Party immediately, which in no event shall be longer than twenty-four (24) hours from Receiving Party receiving notice of the unauthorized access, use, or disclosure; (ii) take prompt and appropriate action to prevent further unauthorized access, use, or disclosure; (iii) cooperate with the Disclosing Party and any government authorities with respect to the investigation and mitigation of any such unauthorized access, use, or disclosure, including the discharge of the Disclosing Party's duties under the law; and (iv) take such other actions as the Disclosing Party may reasonably direct to remedy such unauthorized access, use, or disclosure, including, if required

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under any federal or state law, providing notification to the affected persons. Receiving Party shall bear the losses and expenses (including reasonable attorneys' fees) associated with a breach of the Disclosing Party's Confidential Information by the Receiving Party, including without limitation any costs: (1) of providing notices of a data breach to affected persons and to regulatory bodies; and (2) of remedying and otherwise mitigating any potential damage or harm of the data breach, including without limitation, establishing call centers and providing credit monitoring or credit restoration services, as requested by the Disclosing Party.

14.8. **EMPLOYEES, AGENTS, AND SUBCONTRACTORS:** Each party agrees to provide its employees, agents, and subcontractors only such Confidential Information from the other party that is necessary for the performance of Services pursuant to this Agreement and to cause its employees, agents, and subcontractors to undertake the same obligations as agreed to herein by each party.

14.9. **INJUNCTIVE RELIEF:** In the event of a breach or threatened breach of this Section, the parties acknowledge and agree that each may suffer irreparable injury not compensable by money damages and may not have an adequate remedy at law. Accordingly, the parties agree that each shall be entitled to seek immediate injunctive relief to prevent or curtail any such breach, threatened or actual. The foregoing shall be in addition and without prejudice to such rights that the Disclosing Party may have in equity, by law or statute.

14.10. **ADDITIONAL OBLIGATIONS REGARDING TREATMENT OF STUDENT DATA:** Student Data should be treated as the Board's Confidential Information. In addition to the above stated obligations for the treatment and handling of Confidential Information, Service Provider shall abide by the following obligations:

- (a) **Student Data Use.** Service Provider shall not use Student Data, including persistent unique identifiers, created or gathered by Service Provider's site, Services, or Software, to amass a profile about a CPS student or otherwise identify a CPS student except in furtherance of specific school purposes as may be agreed upon in writing between the Board and Service Provider. Service Provider will use Student Data only for the purpose of fulfilling its duties and providing services under this Agreement, and for improving services under this Agreement.
- (b) **Student Data Collection.** Service Provider will only collect Student Data necessary to fulfill its duties as outlined in this Agreement.
- (c) **Marketing and Advertising.** Service Provider shall not advertise or market to students or their parents when the advertising is based upon any Student Data that Service Provider has acquired because of the use of that Service Provider's site, Services, or Software. Advertising or marketing may be directed to the School or Board only if the student information is properly de-identified.
- (d) **Student Data Mining.** Service Provider is prohibited from mining Student Data for any purposes other than those agreed to by the parties. Student Data mining or scanning of user content for the purpose of advertising or marketing to students or their parents is prohibited.
- (e) **Student Data Transfer or Destruction.** Service Provider will ensure that all Student Data in its possession and in the possession of any subcontractors, or agents to whom the Service Provider may have transferred Student Data, are destroyed or transferred to the Board

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under the direction of the Board when Student Data is no longer needed for its specified purpose.

(f) **Rights and License in and to Student Data.** Parties agree that all rights, including all intellectual property rights associated with such Student Data, shall remain the exclusive property of the Board. Nothing in this Agreement is meant and nothing shall be interpreted to mean that the Board releases any ownership or control of the Student Data to which Service Provider may have access during the performance of the Services under this Agreement. Student Data shall remain the property of and under the control of the Board throughout the Term of this Agreement. Service Provider has a limited, nonexclusive license solely for the purpose of performing its obligations as outlined under the Agreement. This Agreement does not give Service Provider any rights, implied or otherwise, to Student Data, content, or intellectual property, except as expressly stated in the Agreement. This includes the right to sell or trade Student Data.

(g) **Sale of Student Data.** Service Provider is prohibited from selling, trading, or otherwise transferring Student Data to any third parties, except with the express written prior consent of the authorized Board representative and approval of the Board's General Counsel. This prohibition does not apply to the purchase, merger, or other type of acquisition of Service Provider by another entity approved by the Board in accordance with the Assignment Section of this Agreement, provided that the Service Provider or successor entity continues to be subject to the provisions of this Agreement with respect to previously acquired Student Data.

(h) **Use of De-Identified Data.** Service Provider may use De-Identified Data within Service Provider's site or Software or other sites, services, or applications owned by Service Provider for product development, research, or other purposes to develop and improve educational sites, services, or applications. The parties acknowledge that one such use of the De-Identified Data may be load testing in preparation for deployment of the Software and the Solution. Service Provider may use De-Identified Data to demonstrate the effectiveness of Service Provider's products or services, including in its marketing, provided that Service Provider's marketing shall not identify or suggest that the Board or any of its students, employees, agents, or subcontractors approve of, recommend, vouch for, or otherwise positively advance the use of Service Provider's sites, services, or applications without the prior written consent of the individual(s) identified and the Board's Chief Communications Officer.

(i) **Access.** Any Student Data held by Service Provider will be made available to the Board upon request of the Board. The identity of all persons having access to Student Data will be documented and access will be logged.

(j) **Security Controls.** Service Provider will store and process Student Data in accordance with the industry best practices, as may be more specifically described by written agreement of the parties. This includes appropriate administrative, physical, and technical safeguards to secure Student Data from unauthorized access, disclosure, and use. All data must be secured in transit using https/TLS 1.0+, or secure ftp services. Service Provider is required to specify any Personally Identifiable Information (PII) collected or used by its Services. In addition, Service Provider must maintain industry recognized security practices to establish secure application(s), network, and infrastructure architectures. Industry certifications, such as International Organization for Standardization (ISO), SysTrust, Cloud Security Alliance (CSA) STAR Certification, or WebTrust security for SaaS environments are recommended.

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Such safeguards shall be no less rigorous than generally accepted industry practices, including specifically the NIST 800-53r4 moderate level, International Organization for Standardization's standards ISO/IEC 27001:2005 (Information Security Management Systems – Requirements), and ISO-IEC 27002:2005 (Code of Practice for International Security Management). Service Provider shall ensure that the manner in which Student Data is collected, accessed, used, stored, processed, disposed of and disclosed complies with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement. Service Provider will conduct periodic risk assessments and remediate any identified security vulnerabilities in a timely manner. Service Provider will also have a written incident response plan, to include prompt notification of the Board in the event of a security or privacy incident, as well as best practices for responding to a breach of Student Data Security practices. Service Provider agrees to share its incident response plan upon request.

Service Provider shall assure that all data that is transmitted between the Board's access points and the ultimate server, by Service Provider or its recipients, will use Board-approved encryption of no less rigor than NIST-validated DES standards.

(k) **Security Safeguards:** Service Provider agrees to provide the following additional safeguards:

- (1) Include component and system level fault tolerance and redundancy in system design.
- (2) Encrypt user passwords in any data storage location and obfuscate password entry fields in any entry interface controlled by the discloser.
- (3) Encrypt Student Data at-rest when utilizing Follett's Hosting Services and in-transit when between Service Provider and CPS.
- (4) Authentication of users at login with a 128-bit or higher encryption algorithm.
- (5) Secure transmission of login credentials.
- (6) Automatic password change routine.
- (7) Trace user system access via a combination of system logs and Google Analytics.
- (8) Secure (encrypt) the audit trails and system generated logs and ensure that they are stored in locations that are inaccessible to automated content discovery software.
- (9) Conduct or undergo system level testing whenever new functionalities are added to the system to reconfirm system security measures are retained and functional, and that interaction with the Board systems is not degraded or compromised.
- (10) Ensure that Student Data is stored in privately addressed network devices that have no direct interaction with public networks.
- (11) Prevent hostile or unauthorized intrusion.
- (12) Screen employees with access to Student Data to assure that any employees who are in violation of the statutes referenced in the Criminal Background Check in the Agreement do not have access to Student Data. Service Provider shall provide the security measures taken to ensure that said employees do not have access to Student Data.
- (13) Backup all Student Data at least once every twenty-four (24) hours.
- (14) Perform content snapshots at least daily and retain for at least ninety (90) days.

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(l) **Data Security Manager:** Service Provider shall provide the Board with the name and contact information for a primary and alternate employee of Service Provider who shall serve as the Board's primary security contact and who shall be available to assist the Board twenty-four (24) hours per day, seven (7) days per week as a contact in resolving obligations associated with a Student Data-related Security Breach. The designated contact shall respond to any Board inquiries within two (2) hours.

(m) **U.S.-Based Servers:** Student Data shall be stored, backed up and served only on servers based in the United States as is identified in the Hosting Services SOW.

14.11. **SURVIVAL:** The provisions of this Section shall survive the termination or expiration of this Agreement.

15. **INFORMATION SECURITY POLICY:** If at any time, Service Provider has access to the Board's computer network, Service Provider warrants that it is and shall remain in compliance with the Board's Information Security Policy, adopted September 25, 2013 (13-0925-PO3), as amended from time to time.

16. **SECURITY INSPECTION RIGHTS AND RESPONSIBILITIES:** On an annual basis, Service Provider shall provide to the Board the findings and results from a qualified third-party audit of the Service Provider's security program that is consistent with industry standards. In the event that the Service Provider fails to provide such reports or if the Board is unsatisfied with the findings and results provided, the Board shall have the right to review Service Provider's security program prior to commencement of Services and from time to time during the Term of the Agreement and any Renewal Terms. During the performance of Services, no more than once per calendar year and upon at least ten (10) business days' written notice, the Board shall be entitled to perform or have performed, at the Board's sole cost and expense, an on-site inspection of Service Provider's security program. The inspection shall be completed during normal business hours and in a manner that is not disruptive to Service Provider's operations. In lieu of an on-site inspection, the Board may request and Service Provider agrees to complete within forty-five (45) days of receipt, a certified questionnaire regarding Service Provider's security program. The questionnaire shall be provided by the Board's designee. Service Provider shall implement at its sole expense any remedial actions as identified by the Board after completion of the inspection or review of the completed questionnaire.

17. **INTELLECTUAL PROPERTY:**

17.1. **INTELLECTUAL PROPERTY DEFINED.** Intellectual property shall mean all patents, trademarks, trade dress, copyrights and other intellectual property rights in the materials used in the performance of Services including Software under this Agreement.

17.2. **BOARD'S INTELLECTUAL PROPERTY.** Service Provider agrees that all of the Board's Confidential Information, including any Student Data or other data stored by the Hosting Solution or the Software, as well as any intellectual property arising directly therefrom shall at all times be and remain the property of the Board. Service Provider shall execute all documents and perform all acts that the Board may request in order to assist the Board in perfecting or protecting its rights in and to intellectual property rights as defined in this Section. Any intellectual property or other documents and materials created by the Board in connection with the Services ("Board Materials") shall be and remain the property of the Board. Board Materials shall exclude any and all (i) third party intellectual property, and (ii) Service Provider's intellectual property (as defined below) that is delivered to the Board as part of the Services. Upon written agreement between the parties, Service Provider may be licensed to use the Board's intellectual property for specifically defined uses and terms during the Term of this Agreement and any Renewal Terms.

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17.3. SERVICE PROVIDER'S INTELLECTUAL PROPERTY. All intellectual property possessed by Service Provider prior to, created in, or concurrently with the performance of Services under this Agreement shall be and remain at all times "Service Provider's intellectual property", provided that (i) such intellectual property was independently developed with no input from the Board's employees or agents; and (ii) none of the Board's Confidential Information is used or disclosed within the intellectual property. Other than may be expressly stated elsewhere in this Agreement, Service Provider grants to the Board a royalty-free (other than the fees specifically identified in this Agreement), non-transferable license to use Service Provider's intellectual property for non-commercial, educational purposes as necessary to receive the Services and use the Software and Hosting Solution as described in this Agreement during the Term and any Renewal Term.

17.4. WORK PRODUCT. The parties currently do not anticipate or intend that any "works for hire", within the meaning and purview of the United States Copyright Act, 17 U.S.C. § 101 *et seq.*, will be created as part of the Services under this Agreement. The parties shall engage in an amendment to the terms of this Agreement in accordance with the terms of the Change Management Process Section, in the event that works for hire or other work product, and the ownership thereof, becomes an issue.

17.5. THIRD PARTY INTELLECTUAL PROPERTY. Service Provider represents and warrants to the Board that Service Provider, in connection with providing the Services, will not infringe on any presently existing United States patent, copyright, trademark, service mark, trade secret and/or other proprietary right of any person. Service Provider further represents and warrants to the Board that it will not infringe upon any trade secrets or confidential or proprietary information owned by any third party in performing the Services.

17.6. SURVIVAL. The obligations set forth in this Section shall survive the termination or expiration of this Agreement.

18. REPRESENTATIONS AND WARRANTIES OF SERVICE PROVIDER: Service Provider represents and warrants that the following are true and correct as of the effective date of this Agreement and shall continue to be true and correct during the Term of this Agreement, including any Renewal Terms.

18.1. LICENSED PROFESSIONALS: Service Provider is appropriately licensed under Illinois law to perform Services required under this Agreement and shall perform no Services for which a professional license is required by law and for which Service Provider, its employees, agents, or subcontractors, as applicable, are not appropriately licensed.

18.2. COMPLIANCE WITH LAWS: Service Provider is and shall remain in compliance with all applicable federal, state, county, and municipal statutes, laws, ordinances, and regulations relating to this Agreement and the performance of Services in effect now or later and as amended from time to time, including but not limited to the Prevailing Wage Act, 820 ILCS 130/1 *et seq.*; the Drug-Free Workplace Act; the Illinois School Student Records Act ("ISSRA"); the Family Educational Rights and Privacy Act ("FERPA"); the Protection of Pupil Rights Amendment ("PPRA"); and any others relating to non-discrimination. Further, Service Provider is and shall remain in compliance with all applicable Board policies and rules. Board policies and rules are available at www.cps.edu.

18.3. CRIMINAL HISTORY RECORDS CHECK: Service Provider represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check conducted on all volunteers, employees, agents, and subcontractors (collectively "Staff") who may have contact with CPS students in accordance with the *Illinois School Code* (105 ILCS 5/34-

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18.5); the *Sex Offender and Child Murderer Community Notification Law* (730 ILCS 152/101 *et seq.*); the *Murderer and Violent Offender Against Youth Registration Act* (730 ILCS 154/1 *et seq.*) (“Records Check”). The Board may assist Service Provider in obtaining services for the completion of such Records Check. It is understood and acknowledged that contact via text messages, live chats, emails or through any other means shall be considered “contact” for the purposes of this Section. While CPS encourages Records Check to be completed upon all potential Staff, for the purposes of this Agreement, occasional, intermittent contact with Student Data without any further contact with CPS students in the performance of Services in accordance with this Agreement shall not be considered contact requiring the completion of the Records Check specified in this Agreement. A complete Records Check includes the following:

- (a) Fingerprint-based checks through the Illinois State Police and the FBI;
- (b) A check of the Illinois Sex Offender Registry; and
- (c) A check of the Violent Offender Against Youth Database.

The purpose of the Records Check is to confirm that none of these persons have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the *Sex Offender and Child Murderer Community Notification Law* or the *Murderer and Violent Offender Against Youth Registration Act*, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Service Provider shall not allow any of its Staff to have contact with a CPS student until a Records Check has been conducted for that person and the results of the Records Check satisfy the requirements of 105 ILCS 5/34-18.5 and the requirements of all other Acts and Laws referenced in this Section, as may be amended. Within fifteen (15) business days before any Staff has contact with any CPS students and on or before the Agreement’s anniversary date(s) during the Term and any Renewal Term, Service Provider shall submit a written report to CPS’s Chief Officer of Safety & Security and/or its Deputy Chief of Network Security (“CPS Safety Officer”). The report shall include at least the following information:

- (1) The specific method of completing the Records Check;
- (2) The names of each Staff member who satisfactorily passed the Records Check within the quarter before s/he has any contact with a CPS student; and
- (3) The procedures to update each Staff member’s Records Check through the Term of the Agreement and any Renewal Terms (intervals between each Staff member’s updates shall not be less than annually).

On a quarterly basis thereafter, Service Provider shall: (i) periodically check the Illinois Violent Offender Against Youth Registry and the Illinois Sex Offender Registry for each Staff member who has contact with students and shall immediately remove any Staff member who may be identified on either registry; (ii) provide a written report to CPS’s Safety Officer listing the names of all new Staff members who have contact with CPS students and certifying that Records Checks were satisfactorily completed for those individuals before s/he had any contact with CPS students; and (iii) provide any other information requested by the Board.

If Service Provider fails to comply with this Section, in whole or in part, then, in addition to the Remedies set forth in this Agreement, the Board may exercise additional remedies, including but not limited to: (i) withholding payments due under this Agreement and any others that Service Provider may have with the Board until Follett cures the non-compliance; and (ii) immediately terminating this Agreement, in whole or in part, without further obligation of any kind by the Board other than the

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payment for Services delivered through the date of termination and, where applicable, continued payment for Services that haven't been terminated.

18.4. GOOD STANDING: Service Provider is not in default and has not been deemed by the Board to be in default under any other Agreement with the Board during the five-year period immediately preceding the effective date of this Agreement.

18.5. AUTHORIZATION: If Service Provider is an entity other than a sole proprietorship, Service Provider represents that it has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of the Service Provider is duly authorized by the Service Provider and has been made with complete and full authority to commit the Service Provider to all terms and conditions of this Agreement which shall constitute valid, binding obligations on the Service Provider.

18.6. FINANCIALLY SOLVENT: Service Provider warrants that it is financially solvent, is able to pay all debts as they mature and is possessed of sufficient working capital to complete all Services and perform all obligations under this Agreement.

18.7. GRATUITIES: No payment, gratuity, or offer of employment was made by or to the Service Provider in relation to this Agreement or as an inducement for award of this Agreement.

18.8. CONTRACTOR'S DISCLOSURE FORM: The disclosures in the Contractor's Disclosure Form previously submitted by the Service Provider are true and correct. The Service Provider shall promptly notify Board in writing of any material change in information set forth therein, including but not limited to change in ownership or control and any such change shall be subject to Board approval which shall not be unreasonably withheld.

18.9. RESEARCH ACTIVITIES AND DATA REQUESTS: Service Provider acknowledges and agrees that it is not authorized to conduct any research activities in the Chicago Public Schools or use CPS data for research purposes. Service Provider acknowledges and agrees that in the event Service Provider seeks to conduct research activities in the Chicago Public Schools or use CPS Student Data for purposes not specified in this Agreement, then Service Provider shall comply with the Board's Research Study and Data Policy, adopted on July 28, 2010, (10-0728-PO1), as amended from time to time. Service Provider acknowledges and agrees that it may not begin any research activities or obtain data for research purposes without the prior written consent of the Board's Chief Officer of Accountability or his/her designee.

18.10. PROHIBITED ACTS: Within the three (3) years prior to the Effective Date of this Agreement, Service Provider or any of its members if a joint venture or a limited liability company, or any of its or their respective officers, directors, shareholders owning greater than 15% of total equity, members (of an LLC), managers (of an LLC), other officials, agents or employees (1) have not been convicted of bribery or attempting to bribe a public officer or employee of any public entity, and (2) have not been convicted of agreeing or colluding among contractors or prospective contractors in restraint of trade, including bid-rigging or bid-rotating, as those terms are defined under the Illinois Criminal Code.

18.11. DEBARMENT AND SUSPENSION: Service Provider certifies that it, each of its joint venture members if a joint venture, and each of its subcontractors, if any, is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency or any unit of State or local government. Service Provider acknowledges that in performing the Services for the Board, Service

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Provider shall not utilize any firms that have been debarred from doing business with the Board under the Board's Debarment Policy (08-1217-PO1), as amended.

18.12. INTELLECTUAL PROPERTY. That in performing Services, including Software, Service Provider will not violate or infringe upon any patent, copyright, trademark, trade secret or other proprietary or intellectual property right of any third party, and will not improperly use any third party's confidential information; and shall have, without encumbrance, all ownership, licensing, marketing and other rights required to furnish all Software and any products that it furnishes to the Board under the Agreement and can grant or assign all rights granted or assigned to the Board pursuant to the Agreement.

18.13. SERVICES WARRANTY. Service Provider has carefully examined and analyzed the provisions of this Agreement, including but not limited to all exhibits attached and incorporated into it, and can and will perform, or cause, the Services to be performed in accordance with the provisions and requirements of the Agreement. The Services will be performed in a timely, professional and workmanlike manner in accordance with applicable industry and professional standards. Service Provider shall be fully responsible for correcting all errors, omissions, inconsistencies, and other defects at its own cost and expense, and shall not be entitled to compensation by reason of such correction. If the Board notifies the Service Provider, or if the Service Provider becomes aware, of any actual or potential defect in the work provided, any problem associated with the results of the performance of the work, or any non-conformance with a provision in this Agreement or of applicable law, Service Provider shall, at its own cost and expense, promptly (but in no event later than thirty (30) days after written notification by the Board) commence to correct such non-conformance, error or defect. Alternatively, the parties may mutually agree to a refund of the prorated fees attributable to such non-conformance, error or defect. Any repair or replacement of Services or any portions thereof will be automatically warranted as provided herein. Where possible, Service Provider shall assign to the Board any third-party warranties that Service Provider receives in connection with Services provided under this Agreement.

18.14. HOSTING ENVIRONMENT WARRANTY. Service Provider shall maintain appropriate physical security and access controls at the location of the Hosting Solution as set forth in the Hosting Services SOW, as amended in accordance with the terms of this Agreement.

18.15. ASSIGNMENT OF WARRANTIES. To the extent that it may be applicable, Service Provider has the right, title, and ability to assign and shall assign to the Board any third-party warranties underlying the Software and Services provided under this Agreement from any necessary third parties to the Board.

18.16. DOCUMENTATION WARRANTY. All Documentation provided to the Board from Service Provider concerning the Services shall be kept current with any upgrades.

18.17. OWNERSHIP. Service Provider is the owner of the Services or otherwise has the right to grant to the Board any necessary licenses without violating any rights of any third party, and there is currently no actual or threatened suit by any such third party based on an alleged violation of such right by Service Provider.

18.18. SOFTWARE PERFORMANCE. During the Term of the Agreement and any Renewal Terms, any Software shall (i) be free from material defects in material and workmanship under normal use and remain in good working order, and (ii) function properly and in substantial conformity with the warranties herein and in accordance with this Agreement and with the description, specifications and documentation on the Board computer systems and Servers including updates or new releases to such hardware, systems, and other software, and interface with other programs as required. The Documentation shall accurately reflect the operation of the Software. Service Provider shall promptly

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correct any failure of the Software to perform substantially in accordance with the current published specifications and documentation, but in no case shall the Board be responsible for any costs associated with Software of which Service Provider has notice of unresolved performance issues.

18.19. **FREE OF COMPUTER VIRUSES.** Service Provider shall use commercially reasonable efforts to ensure that Software and any other products and Services provided under this Agreement are free of any malicious code, malware, Trojan horses, worms, and other computer viruses. Service Provider shall also maintain a master copy of the appropriate versions of Software, free of viruses or malware, where appropriate.

18.20. **NOT ALTER PROGRAM.** Service Provider shall not, directly or through a third party, knowingly remove, alter, change or interface with Software or any other program for the purpose or preventing the Board from utilizing Software or any other program.

18.21. **NO DISABLING CODE.** Service Provider shall not knowingly cause any disabling code to be incorporated into Software. License verification programs that restrict access to authorized Users shall not be considered disable code for the purposes of this sub-section.

18.22. **WARRANTY OF TITLE:** The Services are free and clear from all liens, contracts, chattel mortgages or other encumbrances; that Service Provider has the lawful right to dispose of and sell the Services and that Service Provider shall warrant and defend its title against all claims.

18.23. **DISCLAIMERS:** The limited warranties set forth herein are exclusive, for the benefit of the Board only. There are no extraordinary implied warranties that are applicable to the Software and Services provided pursuant to this Agreement.

18.24. **SURVIVAL:** All warranties will survive inspection, acceptance payment and expiration or termination of this Agreement. Nothing in the foregoing warranties will be construed to limit any other non-warranty rights or remedies available to the Board under the law and the Agreement.

19. **SUSPENSION OF SERVICE:** The Board may, upon thirty (30) calendar days' written notice, direct Service Provider to suspend Services upon written notice from the Board and upon such equitable extension of time as may be mutually agreed upon in writing by the Board and Service Provider. Responsibility for any additional costs or expenses actually incurred by Service Provider as a result of remobilization shall be determined by mutual agreement of the parties.

20. **BOARD'S RIGHT TO EARLY TERMINATION:** The Board may terminate this Agreement in whole or in part at any time for any reason by giving thirty (30) days' written notice to the Service Provider in accordance with the provisions of the Notice Section.

After notice is received, Service Provider must restrict its activities and those of its subcontractors to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth in the Compensation Section and the Schedule of Pricing.

Service Provider must include in its contracts with subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the Board arising from termination of subcontracts after the early termination of the Agreement. Service Provider shall not be entitled to make any early termination claims resulting from any subcontractor's claims against Service Provider or the Board to the extent inconsistent with this provision.

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21. **EVENTS OF DEFAULT AND REMEDIES:**

21.1. **EVENTS OF DEFAULT** (“Events of Default”) include without limitation the following:

- (a) Any material misrepresentation by Service Provider in the inducement of the Agreement or the performance of the Services.
- (b) Where Services include contact with CPS students, any failure to comply with the Criminal History Records Check Section, in whole or in part;
- (c) Breach of any term, condition, representation, or warranty made by the Service Provider in the Agreement.
- (d) Failure of Service Provider to perform any of its obligations under this Agreement including without limitation the following:
 - i. Action or failure to act that negatively affects the safety or welfare of students or Board staff;
 - ii. Failure to perform in accordance with the terms, conditions, and specifications of this Agreement;
 - iii. Failure to perform the Services with sufficient personnel or material to ensure the timely performance of Services;
 - iv. Failure to timely perform Services;
 - v. Failure to perform the Services in a manner reasonably satisfactory to the Chief Procurement Officer of the Board;
 - vi. Failure to promptly re-perform Services that were rejected by the Board as incomplete or unsatisfactory within a reasonable time and at no cost to the Board;
 - vii. Discontinuance of the Services for reasons within Service Provider’s reasonable control; and
 - viii. Failure to comply with any term of this Agreement, including but not limited to, the provisions concerning insurance and nondiscrimination and any other acts specifically stated in this Agreement constituting an Event of Default.
- (e) Assignment by Service Provider for the benefit of creditors or consent by Service Provider to the appointment of a trustee or receiver or the filing by or against Service Provider of any petition or proceeding under any bankruptcy, insolvency or similar law.

21.2. **REMEDIES:** The Board in its sole discretion may declare Service Provider in default if the Service Provider commits an Event of Default. The Chief Procurement Officer may in her or his sole discretion give the Service Provider an opportunity to cure the default within a certain period of time (the “Cure Period”). The Chief Procurement Officer shall give the Service Provider written notice of the default either in the form of a cure notice (“Cure Notice”) or, if no opportunity to cure is granted a default notice (“Default Notice”). If the Chief Procurement Officer gives a Default Notice stating that he/she has decided to terminate this Agreement, in whole or in part, then that decision is final and effective on giving of the notice or on the date set forth in the notice, whichever is later. The Chief Procurement Officer may give a Default Notice if Service Provider fails to effect a cure within the Cure Period, or, in the event that the default cannot be cured completely within the Cure Period, Service Provider fails to begin reasonable efforts to effect a cure within the Cure Period. If the Chief Procurement Officer decides not to terminate, then she or he may decide at any time thereafter to terminate this Agreement in a subsequent Default Notice.

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Service Provider must discontinue all Services unless otherwise specifically directed otherwise in the Default Notice, and Service Provider must deliver to the Board all materials prepared or created in the performance of this Agreement, whether completed or in-process.

The Board may invoke any or all of the following remedies upon an Event of Default:

- (a) The right to take over and complete the supply of Services or any part thereof with a substantially similar product or service, by contract or otherwise as agent for and at the cost of Service Provider, either directly or through others. Service Provider shall be liable to the Board for any excess costs incurred by the Board. Any amount due Service Provider under this Agreement or any other agreement Service Provider may have with the Board may be offset against amounts claimed due by the Board, subject to the Limitation of Service Provider's Liability as set forth in this Agreement.
- (b) The right to terminate this Agreement, in whole or in part, as to any or all of the Services yet to be performed, effective at a time specified by the Board.
- (c) The right to suspend the supply of Services during the Cure Period if the default results from Service Provider's action or failure to act which affects the safety or welfare of students or Board staff. In the event that Services are resumed, Service Provider shall not be entitled to seek reimbursement from the Board for any additional costs or expenses incurred as a result of remobilization.
- (d) The right to specific performance, an injunction, or any other appropriate equitable remedy.
- (e) The right to money damages.
- (f) The right to withhold all or part of Service Provider's compensation under this Agreement for any and all damages incurred as a result or in consequence of an Event of Default.
- (g) The right to deem Service Provider non-responsible in future contracts to be awarded by the Board, pursuant to the Board's Debarment Policy (08-1217-PO1), as may be amended.

The Board may elect not to declare the Service Provider in default or may elect not to terminate this Agreement. If the Board permits the Service Provider to continue to provide Services despite one or more Events of Default, the Service Provider is not relieved of any responsibilities, duties or obligations under this Agreement or of consequences of the Events of Default, and the Board will not be deemed to have waived or relinquished any of the rights it has to declare an Event of Default in the future.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each remedy is in addition to any other remedies, existing now or hereafter at law, in equity, or by statute. No Board delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall be construed as a waiver of any Event of Default or acquiescence thereto, and each right and power of the Board may be exercised from time to time and as often as may be deemed by the Board to be expedient.

If the Board's election to terminate this Agreement for default is determined by a court of competent jurisdiction to have been wrongful, then the termination is deemed to be an early termination as described in the Termination Section.

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Notwithstanding the foregoing, Service Provider will not be liable to the Board for any failure or delay caused by any events beyond Service Provider's control such as acts of governmental or military authorities, acts of God, terrorism, or network outages.

22. **FOLLETT'S RIGHT TO EARLY TERMINATION:** In the event that the Board fails to meet its payment obligations hereunder and fails to cure the payment issue within a period of ninety (90) days from the date of notice of such failure, Service Provider may suspend the support services provided under this Agreement. In the event that the aforementioned ninety (90) days plus an additional thirty (30) days, for a total of one hundred twenty (120) days, pass without payment of the initial payment obligation that gave rise to the notice, Service Provider may terminate the Agreement. It is understood between the parties that the regular fees and costs provided in this Agreement shall continue to be due and payable in the same manner during this period as it would during a period of non-default. In the event that a court of competent jurisdiction finally determines that the Board intentionally infringed on Service Provider's intellectual property rights as contemplated by Section 17.3 herein, Service Provider may terminate this Agreement, with an effective date of thirty (30) days after the final resolution of such legal action.

23. **TRANSITION SERVICES:** Following the termination or expiration of this Agreement, in whole or in part, Follett will provide to the Board and/or to the service provider selected by the Board ("Successor Service Provider") assistance reasonably requested by the Board to effect the orderly transition of the Services, in whole or in part, to the Board or to Successor Service Provider(s) (such assistance shall be known as the "Transition Services"). The Transition Services shall be provided on a time and material basis unless the parties agree otherwise and may include: (a) developing a plan for the orderly transition of the terminated Services from Follett to the Board or Successor Service Provider(s); (b) if required, transferring the Board's data, including but not limited to its Confidential Information, to the Successor Service Provider(s); (c) using commercially reasonable efforts to assist the Board in acquiring any necessary rights to legally use and physically access and use any third-party technologies, documentation, or other property then being used by Follett in connection with the Services; (d) using commercially reasonable efforts to make available to the Board, pursuant to mutually agreeable terms and conditions, any third-party services then being used by Follett in connection with the Services; and (e) such other activities upon which the parties may agree. All applicable terms and conditions of this Agreement shall apply to the Transition Services. This Section shall survive expiration or termination of this Agreement.

24. **ASSIGNMENT:** This Agreement is binding on the parties and their successors and assigns. Neither party may assign this Agreement or any obligations imposed hereunder without the prior written consent of the other party except that Service Provider may assign its rights and obligations under this Agreement to any survivor of, or successor to, Service Provider by merger, consolidation, or acquisition of all or substantially all of Service Provider's assets on conditions that: (A) immediately after giving effect thereto, no Event of Default shall have occurred and be continuing; (B) the proposed assignee shall be (1) a parent or an affiliate of Service Provider and (2) a solvent person or entity organized and existing under the laws of the United States or any State thereof (including the District of Columbia); (C) the proposed assignee shall have executed and delivered to the Board its assumption of the due and punctual performance and observance of each term, covenant and condition of Service Provider under this Agreement; and (D) the Board shall have received an opinion of special counsel to the proposed assignee to the effect that all agreements effecting such assumption are enforceable against such proposed assignee in accordance with their terms and such assumption complies with the terms of this Agreement.

25. **INDEMNIFICATION:** Service Provider agrees to defend, indemnify and hold harmless the Board, its members, employees, agents, officers and officials from and against all liabilities, losses, penalties, damages, and expenses, including reasonable costs and attorney fees, arising out of all third party claims, liens, damages, obligations, actions, suits, judgments or settlements, or causes of action of every kind, nature, and character (collectively "Claims") arising or alleged to arise out of the negligent acts or omissions and willful misconduct of the Service Provider, its officials, agents, and employees, and subcontractors in the performance

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of this Agreement. The foregoing obligation to defend, indemnify, and hold harmless the Board extends to and is intended to encompass all Claims that the Services infringe, misappropriate, or otherwise violate any confidentiality, proprietary, or intellectual property rights of any third party. Furthermore, in the event that the Board is determined to be liable for taxes under Section 4980H of the Internal Revenue Code as a result of its use of Service Provider's employees under this Agreement, Service Provider shall indemnify the Board for any such liability.

In the event of unauthorized access, use, or disclosure of the Board's Confidential Information, including but not limited to any personally identifiable information, arising or alleged to arise from the acts or omissions of Service Provider, its employees, agents, or subcontractors, in addition to the obligations provided in this Section, Service Provider shall cover any costs or fees (including reasonable attorneys' fees) associated with (i) providing notices of a data breach to effected persons and to regulatory bodies and (ii) remedying and otherwise mitigating any potential damages or harm from the data breach, including but not limited to call centers and providing credit monitoring or credit restoration services as may be requested by the Board.

Service Provider shall at its own cost and expense appear, defend, and pay all reasonable attorney fees and other costs and expenses arising hereunder. In addition, if any judgment shall be rendered against the Board in any such action, Service Provider shall at its own expense satisfy and discharge such obligation of the Board. The Board shall have the right at its own expense to participate in the defense of any suit without relieving Service Provider of any of its obligations hereunder. The Board retains final approval of any and all settlements or legal strategies which involve the interest of the Board.

However, if Service Provider after receiving notice of any such proceeding, fails to promptly begin defense of such claim or action, then the Board may (without further notice to Service Provider) retain counsel and undertake the defense, compromise, or settlement of such claim or action at the expense of Service Provider, subject to the right of Service Provider to assume the defense of such claim or action at any time prior to settlement, compromise or final determination thereof. The cost and expense of counsel retained by the Board in these circumstances shall be borne by Service Provider and Service Provider shall be bound by and shall pay the amount of any settlement, compromise, final determination, or judgment reached while the Board was represented by counsel retained by the Board pursuant to this paragraph, or while Service Provider was conducting the defense.

To the extent permissible by law, Service Provider waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any losses, including any claim by any employee of Service Provider that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corp.*, 146 Ill.2d 155 (1991)). The Board, however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, or any other statute or judicial decision.

The indemnities set forth herein shall survive the expiration or termination of this Agreement.

26. **NON-LIABILITY OF BOARD OFFICIALS:** Service Provider agrees that no Board member, employee, agent, officer, or official shall be personally charged by Service Provider, its members if a joint venture, or any subcontractors with any liability or expense under this Agreement or be held personally liable under this Agreement to the Service Provider or any subcontractors.

27. **BOARD NOT SUBJECT TO TAXES:** The federal excise tax does not apply to the Board by virtue of Exemption Certificate No. 36-6000584, and the State of Illinois sales tax does not apply to the Board by virtue of Exemption No. E9997-7109-06. The compensation set in the Schedule of Pricing is inclusive of all other taxes that may be levied or based on this Agreement, including without limitation sales, use, nonresident, value-added, excise, and similar taxes levied or imposed on the Services to be provided under

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this Agreement, but excluding taxes levied or imposed on the income or business privileges of Service Provider. Service Provider shall be responsible for any taxes levied or imposed upon the income or business privileges of the Service Provider.

28. **INSURANCE:** Service Provider, at its own expense, shall procure and maintain insurance for all operations under this Agreement, whether performed by the Service Provider or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. Service Provider shall submit to the Board satisfactory evidence of insurance coverage prior to commencement of Services. Minimum insurance requirements are:

28.1. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE:** Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all employees who are to provide Services under this Agreement with limits of not less than Five Hundred Thousand Dollars (\$500,000) per occurrence.

28.2. **COMMERCIAL GENERAL LIABILITY INSURANCE:** Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate for bodily injury, personal injury, and property damage liability. Coverage shall include, but not be limited to: all operations, contractual liability, independent contractors, products/completed operations, and defense. Service Provider agrees to continue insurance meeting these requirements for a minimum of two years following termination or expiration of this Agreement, including any renewals. General liability insurance may not exclude coverage for sexual abuse and/or molestation.

28.3. **AUTOMOBILE LIABILITY INSURANCE:** Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services performed, with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

28.4. **UMBRELLA/EXCESS LIABILITY INSURANCE:** Umbrella or Excess Liability Insurance with limits not less than Two Million Dollars (\$2,000,000) per occurrence, which will provide additional limits for employers' general and automobile liability insurance and shall cover the Board and its employees, subject to that of primary coverage.

28.5. **CYBER AND PRIVACY & SECURITY LIABILITY INSURANCE:** If any Confidential Information including Student Data as defined in this Agreement is kept electronically for any period of time by Service Provider, Service Provider shall carry coverage for damages arising from a failure of computer security or wrongful release of private information including expenses for notification as required by local, state, and federal guidelines. Coverage shall include failure to prevent transmission of malicious code and shall also include Technology Professional Liability (covering technology related Errors and Omissions). Limit of liability should be at least Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) in the aggregate. Any retroactive date or prior acts exclusion must predate the date of the Agreement. If coverage is made on a "claims-made basis", an extended reporting provision of at least two (2) years must be included. Cyber liability coverage may be included in a technology errors and omissions policy.

28.6. **ADDITIONAL INSURED:** The Service Provider shall have issue a Certificate of Insurance showing "The Board of Education of the City of Chicago, a body politic and corporate, and its members, employees, and agents, and any other entity as may be designated by the Board" named as additional insured on a primary basis without recourse or right of contribution from the Board with a blanket endorsement attached.

This Agreement will be posted on the CPS website.

The insurance company, or its representative, shall submit an insurance certificate evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay Service Provider for any Services if satisfactory proof of insurance is not provided by Service Provider prior to the performance of any Services. The Certificate must provide 30 days prior written notice of cancellation or non-renewal be given to:

Risk Management
Board of Education of City of Chicago
42 West Madison
Chicago, Illinois 60602

Service Provider shall provide 30 days prior written notice of any material change to the insurance coverage to the address stated above. Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of the Service Provider's obligation to obtain the required insurance. The receipt of any certificate does not constitute agreement by the Board that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the Agreement requirements. Service Provider's failure to carry or document required insurance shall constitute an Event of Default. In the event Service Provider fails to fulfill the insurance requirements of this Agreement, the Board reserves the right to stop the Services until proper evidence of insurance is provided, or this Agreement may be terminated.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by the Service Provider. Any insurance or self-insurance programs maintained by the Board do not contribute with insurance provided by Service Provider under this Agreement.

The coverages and limits furnished by Service Provider in no way limit Service Provider's liabilities and responsibilities specified within this Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement, if any, or any limitation that might be placed on the indemnity in this Agreement given as a matter of law.

Service Provider agrees that insurers waive their rights of subrogation against the Board.

Service Provider must register with the insurance certificate monitoring company designated by the Board stated below, and must maintain a current insurance certificate on file during the entire time of providing services to the Board. Service Provider must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to performing services for the Board. The **initial** annual monitoring fee is currently Twelve 00/100 Dollars (\$12.00) per year, but is subject to change.

Each year, Service Provider will be notified 30 to 45 days prior to the expiration date of their required insurance coverage (highlighted on their latest submitted insurance certificate on file) that they must submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company identified below. Questions on submissions and payment options should be directed to the certificate monitoring company.

Certificate Monitoring Company:
Topiary Communications, Inc.
676 N. LaSalle – Suite 230
Chicago, Illinois 60654
Phone – (312) 494-5709
Email – dans@topiarycomm.net

This Agreement will be posted on the CPS website.

Website for online registration, insurance certificate submissions and annual fee payments: URL – <http://www.cpsvendorcert.com>

29. **AUDIT AND DOCUMENT RETENTION:**

29.1. **AUDIT.** Service Provider shall permit and cooperate in good faith in any audits by the Board, including its Department of Procurement and Contracts, or its agents for compliance by Service Provider with this Agreement. Service Provider shall furnish the Board with such information, supporting documentation and reports as may be requested relative to the progress, execution and costs of Services. The parties will cooperate to conduct the audit during normal business hours and in a manner that is not disruptive to Service Provider's operations. Failure of Service Provider to comply in full and cooperate with the reasonable requests of the Board or its agents in the conduct of the audit shall give the Board, in addition to all other rights and remedies hereunder, the right to charge the Service Provider for the cost of such audit. In the event such audit reveals a discrepancy, Service Provider may dispute the *finding* by engaging an independent auditor that is mutually agreeable to both parties. In the event that an audit reveals any deficiencies in Service Provider's compliance with this Agreement, Service Provider will promptly take steps to rectify all such uncontested deficiencies.

29.2. **DOCUMENT RETENTION.** Service Provider shall maintain all records, correspondence, invoices, financial documents or information, receipts, vouchers, memoranda and other data, regardless of type or medium (including emails and other electronically stored data, other than deleted emails), relating to this Agreement and Service Provider's performance of Services under this Agreement. Specifically, a complete record of any communications between the Board's students and Service Provider's employees, agents, and subcontractors, including but not limited to text messages, chat dialogue, email communications, and recorded voice communications, must be retained for three hundred sixty-five (365) days, in accordance with the Board's E-Mail Retention Policy, adopted July 25, 2007, as Board Report No. 07-0725-PO3, as may be amended. All other records referenced above shall be retained for seven (7) years after the termination or expiration of this Agreement and shall be subject to inspection and audit by the Board. If any audit, litigation or other action involving the records is being conducted or has not been resolved, all applicable records must be retained until that proceeding is closed. Service Provider acknowledges that, to the extent that some of its records may constitute "Student Records" as that term is defined in the Illinois School Student Records Act and in the Board's Student Records Retention Policy, adopted April 24, 2013 (13-0424-PO1), as may be amended, Service Provider shall retain such Student Records according to a retention schedule provided by the Board's Project Manager. Service Provider shall require all of its subcontractors to maintain the above-described records and allow the Board the same right to inspect and audit said records as set forth herein. For the purposes of this Section, Student Records shall be understood to include at least certain portions of Student Data as that term is defined in this Agreement.

30. **NOTICES:** All notices required under this Agreement shall be in writing and shall be sent to the addresses and persons set forth below, or to such other addresses as may be designated by a party in writing. All notices shall be deemed received when (i) delivered personally, or (ii) sent by facsimile (followed by actual documentation), or (iii) one day after deposit with a commercial express courier specifying next day delivery, with written verification of receipt. Refusal to accept delivery has the same effect as receipt.

If to the Board: Board of Education of City of Chicago
Office of Information Technology Service
Chief Information Technology Officer
42 W. Madison
Chicago, Illinois 60602

This Agreement will be posted on the CPS website.

With a copy to: Board of Education of City of Chicago
Attention: General Counsel
One North Dearborn, 9th Floor
Chicago, Illinois 60602

If to Service Provider: Follett School Solutions, Inc.
Attention: Senior Vice President, Technology Platform
1340 Ridgeview Drive
McHenry, Illinois 60050

With a copy to: Follett Corporation
Attention: General Counsel
3 Westbrook Corporate Center, Suite 200
Westchester, Illinois 60514

31. **RIGHT OF ENTRY:** Service Provider and any of its officers, employees, subcontractors or agents, performing Services hereunder shall be permitted to enter upon Board property in connection with the performance of the Services hereunder, subject to the terms and conditions contained herein and those rules established by the Board and the subject school principal. Consent to enter upon a site given by the Board shall not create, nor be deemed to imply, the creation of any additional responsibilities on the part of the Board. Service Provider shall use and shall cause each of its officers, employees, and agents to use the highest degree of care when entering upon any property owned by the Board in connection with the Services. Any and all claims, suits, or judgments, costs, or expenses, including reasonable attorney fees, arising from, by reason of, or in connection with any such entries shall be treated in accordance with the applicable terms and conditions of this Agreement, including without limitation the indemnification provisions of this Agreement.

32. **PRINCIPAL'S RIGHT TO DIRECT:** The principal or his/her designee, the Network Chief or his/her designee, or the Department Officer or his/her designee shall have the authority to the maximum extent possible, to direct Service Provider and its subcontractors when performing Services on the school site.

33. **AUTHORITY:** Service Provider understands and agrees that Service Provider is not an authorized representative of the Board. All agreements and approvals (written or verbal) must be made by the authorized representative of the Board.

34. **CHARTER SCHOOL PARTICIPATION:** Charter schools which receive funding from the Board shall be eligible to purchase Services pursuant to the terms and conditions of this Agreement and, if such charter schools are authorized by their governing bodies to execute such purchases, by issuing their own purchase order(s) to Service Provider. The Board shall not be responsible for payment of any amounts owed by charter schools. The Board assumes no authority, liability or obligation on behalf of any charter school.

35. **MINIMUM WAGE:** In performance of this Agreement, Service Provider must comply with the Board's Minimum Wage Resolution (14-1217-RS2) and any applicable regulations issued by the Board's CPO. The Board's resolution adopts Chicago Mayoral Executive Order 2014-1. As of December 17, 2014 the minimum wage to be paid pursuant to the Resolution is \$13.00 per hour (the "Minimum Wage"). A copy of the Mayoral Order may be downloaded from the Chicago City Clerk's website at: <http://chicityclerk.com/wp-content/uploads/2014/09/Executive-Order-No.-2014-1.pdf>; the Board's Resolution may be downloaded from the Chicago Public School's website at: http://www.cpsboe.org/content/actions/2014_12/14-1217-RS2.pdf. In the event of any discrepancy between the summary below and the Resolution and Order, the Resolution and Order shall control.

This Agreement will be posted on the CPS website.

Service Provider must: (i) pay its employees no less than the Minimum Wage for work performed under the Agreement; and (ii) require any subcontractors, sublicensees, or subtenants, to pay their employees no less than the Minimum Wage for work performed under the Agreement.

The Minimum Wage must be paid to: 1) All employees regularly performing work on property owned or controlled by the Board or at a Board jobsite and 2) All employees whose regular work entails performing a service for the Board under a Board contract.

Beginning on July 1, 2015, and every July 1 thereafter, the Minimum Wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and shall remain in effect until any subsequent adjustment is made. On or before June 1, 2015, and on or before every June 1 thereafter, the City of Chicago may issue bulletins announcing adjustments to the Minimum Wage for the upcoming year.

The Minimum Wage is not required to be paid to employees whose work is performed in general support of Service Provider's operations, does not directly relate to the services provided to the Board under the Agreement, and is included in the contract price as overhead, unless that employee's regularly assigned work location is on property owned or controlled by the Board. It is also not required to be paid by employers that are 501(c)(3) not-for-profits.

The term 'employee' as used herein does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force as of the date of this Agreement or as amended. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

The Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by the Board's Resolution, if that collective bargaining agreement was in force prior to December 17, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the Resolution.

If the payment of a prevailing wage is required and the prevailing wage is higher than the Minimum Wage, then Service Provider must pay the prevailing wage.

36. **NON-DISCRIMINATION:** It shall be an unlawful employment practice for Service Provider or any of its subcontractors to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation or other terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, sexual orientation, age, disability, or national origin; or to limit, segregate, or classify employees or applicants for employment in any way that would deprive or tend to deprive any individual from equal employment opportunities or otherwise adversely affect an individual's status as an employee because of such individual's race, color, religion, sex, sexual orientation, age, disability, or national origin. Service Provider shall particularly remain in compliance at all times with: the Civil Rights Act of 1964, 42 U.S.C.A. 2000a, et seq.; the Age Discrimination in Employment Act, 29 U.S.C.A. 621, et seq.; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C.A. 701, et seq.; the Americans with Disabilities Act, 42 U.S.C.A. 12101, et seq.; the Individuals with Disabilities Education Act, 20 U.S.C.A. 1400, et seq.; the Illinois Human Rights Act, 775 ILCS 5/1-101, et seq.; the Illinois School Code, 105 ILCS 5/1-1; and the Chicago Human Rights Ordinance, ch. 2-160 of the Municipal Code of Chicago, all as amended, as well as all other applicable federal, state, county, and municipal statutes, regulations and other laws. Nothing in this paragraph is intended nor shall be construed to create a private right of action against the Board or any of its employees. Furthermore, no part of this paragraph shall be construed to create contractual or other rights or expectations for the employees of either Service Provider or its subcontractors.

This Agreement will be posted on the CPS website.

37. **GOVERNING LAW:** This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois. Service Provider irrevocably submits itself to the original jurisdiction of those courts located in the County of Cook, State of Illinois, with regard to any controversy arising out of or relating to or in any way concerning the execution or performance of this Agreement. Service Provider agrees that service of process on Service Provider may be made, at the option of the Board, by either registered or certified mail addressed to the office identified in Notice Section above, by registered or certified mail addressed to the office actually maintained by Service Provider, or by personal delivery on any officer, director, or managing or registered agent of Service Provider. If any action is brought by Service Provider against the Board concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

38. **CONTINUING OBLIGATION TO PERFORM:** In the event of any dispute between Service Provider and the Board, Service Provider shall expeditiously and diligently proceed with the performance of all of its obligations under this Agreement with a reservation of all rights and remedies it may have under or pursuant to this Agreement at law or in equity.

39. **CONFLICT OF INTEREST:** This Agreement is not legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3, which restricts the employment of or in the letting of contracts to former Board members within one year period following expiration or other termination of their office.

40. **INDEBTEDNESS:** Service Provider agrees to comply with the Board's Indebtedness Policy, adopted June 26, 1996 (96-0626-PO3), as amended from time to time, which policy is hereby incorporated by reference into and made part of this Agreement as if fully set forth herein.

41. **ETHICS:** No officer, agent or employee of the Board is or shall be employed by the Service Provider or has or shall have a financial interest, directly or indirectly, in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the Board's Code of Ethics, adopted May 25, 2011 (11-0525-PO2), as amended from time to time, which policy is hereby incorporated by reference into and made part of this Agreement as if fully set forth herein.

42. **INSPECTOR GENERAL:** Each party acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education of City of Chicago has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

43. **FREEDOM OF INFORMATION ACT:** Service Provider acknowledges that this Agreement and all documents submitted to the Board related to this contract are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44. Service Provider further acknowledges that this Agreement shall be posted on the Board's website at www.cps.edu.

44. **WAIVER:** No delay or omission by either party to exercise any right hereunder shall be construed as a waiver of any such right and each party reserves the right to exercise any such right from time to time as often and as may be deemed expedient.

45. **SURVIVAL; SEVERABILITY:** All indemnifications made or given in this Agreement shall survive the supply of Services by Service Provider or the termination of this Agreement for any reason. All express warranties and representations made or given in this Agreement shall, unless expressly provided otherwise in this Agreement, survive the supply of Services by Service Provider or the termination of this Agreement for any reason for a minimum of one year from the later of payment, termination date, or the last action by Service Provider. In the event that any one or more of the provisions contained herein will for any

This Agreement will be posted on the CPS website.

reason be held to be unenforceable or illegal, such provision will be severed; and the entire Agreement will not fail, but the balance of this Agreement will continue in full force and effect. In such event, the parties agree to negotiate in good faith a substitute enforceable and legal provision that most nearly effects the intent of the parties in entering into this Agreement.

46. **ENTIRE AGREEMENT AND AMENDMENT:** This Agreement, including all exhibits, attachments and addenda attached and incorporated into it, constitutes the entire agreement of the parties with respect to the matters contained herein. No modification of or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by the authorized representatives of both parties consistent with the terms of this Agreement. Any prior agreements or representations, either written or oral, relating to the subject matter of this Agreement are of no force and effect.

47. **ORDER OF PRECEDENCE:** The Agreement, all exhibits, attachments and addenda thereto will be construed to be consistent, insofar as reasonably possible. In the event of any conflict between the terms of this Agreement and any other document, including but not limited to the exhibits, attachments, and addenda thereto, the conflict will be resolved in accordance with the following order of precedence: first, the Agreement; second, any amendments to the Agreement containing material revisions as defined in this Agreement and properly executed as specified in this Agreement; third, the Scope of Services; fourth, the Schedule of Pricing; fifth, the Implementation Statement of Work; sixth, the Hosting Services SOW; seventh, any Statements of Work executed consistent with the Change Management Process Section of this Agreement; and eighth, any Change Requests and Authorizations executed consistent with the Change Management Process Section of this Agreement. Generally speaking, any specific description of Services to be performed will supersede any general reference to the Services.

48. **COUNTERPARTS AND FACSIMILES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or other electronic means shall be considered binding for both parties.

49. **LIMITATION OF LIABILITY:** Unless specifically provided for in this Agreement, neither party shall be liable to the other for any indirect, incidental, special or punitive damages arising out of or in way connected with the Services or this Agreement. The Reimbursable Expenses described in the Critical Project Gate Completion Section, Section 50 of this Agreement, are expressly excluded from any of the aforementioned categories and shall not be included within any determination of Follett's limitation of liability.

49.1. **LIMITATION OF BOARD'S LIABILITY:** Except as specifically set forth in this Section, the Board's aggregate liability to Service Provider under any theory or for any reason shall not exceed the amounts paid or rightfully due to Service Provider as set forth in this Agreement, as may be amended, as of the date of the Claim. The aforesaid limitation of the Board's liability to Service Provider shall not apply to the extent that a court of competent jurisdiction finally determines that the Board intentionally breached the license granted hereunder or intentionally misappropriated any of Service Provider's intellectual property. In such an event, the Board's liability shall be limited to the amounts paid or rightfully due to Service Provider as of the date of the Claim plus no more than One Million Dollars (\$1,000,000.00).

49.2. **LIMITATION OF FOLLETT'S LIABILITY:** Except as specifically set forth in this Section and in the following Section, Critical Project Gate Completion, Service Provider's aggregate liability under any theory or for any reason to the Board shall not exceed: (i) during the Implementation Period, the total cost that Service Provider will be paid for the implementation of the Solution as set forth in the Schedule of Pricing; and (ii) during the remaining Term of the Agreement after the earlier of (a) three (3) years from the Effective Date of this Agreement or (b) the date of acceptance of the Solution (and then during any Renewal Terms), the Maximum Compensation set

This Agreement will be posted on the CPS website.

forth in this Agreement, as may be amended. The aforesaid limitation of Service Provider's liability to the Board shall not apply to the following: (i) those indemnity obligations set forth in the Agreement; (ii) those obligations set forth in the Confidential Information Section; (iii) those instances where death, bodily injury or damage to tangible property are involved; (iv) those instances where Service Provider's acts or omissions are finally determined by a court of competent jurisdiction to be gross negligence or willful misconduct (excluding any findings relating to Section 50, Critical Project Gate Completion); and (v) Service Provider's obligations to pay any self-insured retention amounts, deductible, or premium in order to maintain the insurance required under this Agreement in effect. The limitation of Service Provider's liability shall not apply to and shall not impair the Board's right to seek the maximum recovery under the insurance coverage that may be available to the Board pursuant to the terms of Section 28 of this Agreement, with the understanding that the exercise of such right shall be at the Board's sole cost and expense in the event that the coverage is initially denied, unless the denial is related directly or indirectly to Follett's actions or omissions relating to the maintenance of insurance and compliance with the insurance coverage requirements stated in this Agreement.

50. **CRITICAL PROJECT GATE COMPLETION:** Service Provider's obligations for the successful implementation of the Solution shall be performed in accordance with the Project Implementation plan set forth in the Implementation Services Statement of Work, which is attached and incorporated into this Agreement as Exhibit B, as may be further amended and modified by written agreement of the parties ("Implementation SOW"). Service Provider agrees to satisfy its obligations to complete each project gate as identified in the Implementation SOW within the time identified. Service Provider and the Board understand that time is of the essence with respect to the completion of the project and as such have identified two critical project gates for assessing progress: the completion of the pilot deployment of the Solution (Project Gate 7) and the completion of the rollout of the Solution to the elementary schools (Project Gate 14). In the event that a failure to meet either one or the other (but not both) of the aforementioned critical project gates (as measured by the metrics agreed upon the parties for each respective gate) is due solely from Service Provider's negligent or willful action or inaction ("Implementation Performance Failure"), the Board may decide to terminate this Agreement in accordance with the terms of this Agreement and, specifically, Section 2B.4 of the Implementation SOW. The Board's sole remedy for said Implementation Performance Failure shall be to (a) terminate this Agreement, (b) seek the Reimbursable Expenses as set forth under this Section and (c) seek reimbursement of the amounts actually paid to Service Provider under this Agreement by the Board up to the date of such termination. To the extent (a) Service Provider acknowledges in writing signed by an authorized officer of Service Provider that such failure is solely and directly the result of Service Provider's negligent or willful action or inaction or (b) a court of competent jurisdiction makes a final determination as such, the Board reserves the right to seek reimbursement of the costs that it has actually expended with third parties (other than Service Provider) to develop and implement the Solution, including consultant support and networking costs (the "Reimbursable Expenses") through the required delivery date of each respective project gate. In any such event, the Board shall submit to the Service Provider the necessary documentation to substantiate the amount of the Reimbursable Expenses actually incurred, provided that in no event shall (i) the total Reimbursable Expenses for a termination relating to Project Gate 7 exceed One Million Five Hundred Twenty-Four Thousand Four Hundred Ninety-Six Dollars (\$1,524,496.00), and (ii) the total Reimbursable Expenses for a termination relating to Project Gate 14 exceed One Million Seven Hundred Thirty-Three Thousand Nine Hundred Thirty-Two Dollars (\$1,733,932.00). In the event litigation arises with respect to the matters set forth in this Section, the prevailing party will be entitled to reimbursement of its reasonable attorneys' fees from the non-prevailing party.

51. **PERFORMANCE AND PAYMENT BOND:** Within thirty (30) days of the full execution of this Agreement, Service Provider shall furnish the Board's Chief Procurement Officer with a Performance and Payment Bond (the "Bond") equal to Two Million Two Hundred Thousand Dollars (\$2,200,000.00). The Bond shall reference this Agreement and comply with the requirements of Illinois law regarding payment and performance bonds. The Bond shall be in a form, and issued by a surety, acceptable to the Board and such

This Agreement will be posted on the CPS website.

surety shall otherwise be licensed as a surety by the State of Illinois. The Bond shall be security for the faithful performance of the Services set forth in this Agreement, particularly the full implementation of the Solution and the payment of all persons supplying labor, materials, equipment and services of any nature to Service Provider in connection with this Agreement. The Bond shall expire upon the later to occur of (i) the Board's acceptance of the Solution's implementation, or (ii) three (3) years from the Effective Date of this Agreement. The Bond shall be furnished together with the current power of attorney for the person or persons signing on behalf of the surety, which power of attorney shall be sealed and certified with "first hand signature" by an officer of the surety. A facsimile signature shall not be accepted by the Board. The acknowledgment of the principal on the Bond shall be notarized with his or her official title identified. The parties acknowledge and agree that the Board shall have no obligation to make any payments under this Agreement unless and until Service Provider delivers a Bond meeting the requirements set forth in this Section.

REMAINDER OF PAGE LEFT BLANK INTENTIONALLY.

This Agreement will be posted on the CPS website.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

BOARD OF EDUCATION OF *Open*
CITY OF CHICAGO

FOLLETT SCHOOL SOLUTIONS, INC.

By: *Frank M. Clark*
Frank M. Clark
President

By: *Nadee Gaimari*
Name: NADEE GAIMARI
Title: PRESIDENT

Attest: *Estela G. Beltran 8/4/16*
Estela G. Beltran
Secretary

Date: 8/4/16

By: *Forrest Claypool*
Forrest Claypool
Chief Executive Officer

Approved as to legal form: *Open*
Ronald L. Marmor
Ronald Marmor
General Counsel

Board Report Number: 15-1118-PR9
16-0224-AR1-32
16-0427-AR1-23
16-0622-AR1-18

LIST OF ATTACHMENTS:

- EXHIBIT A – SCOPE OF SERVICES
- EXHIBIT B – IMPLEMENTATION SERVICES STATEMENT OF WORK
- EXHIBIT C – CO-LOCATION HOSTING AND MANAGED SERVICES STATEMENT OF WORK
- EXHIBIT D – SERVICE LEVEL AGREEMENT
- EXHIBIT E – PRICING SCHEDULE

EXHIBIT A

Scope of Services

This Scope of Services ("Scope") shall be incorporated in and governed by the terms of that certain Agreement for Software License, Implementation, Hosting and Support Services (the "Agreement") by and between the Board of Education of City of Chicago, commonly known as Chicago Public Schools ("Board" or "CPS") and Follett School Solutions, Inc. ("Follett" or "Service Provider"). Capitalized terms in this SOW shall be understood to have the same definitions as given to them in the Agreement unless specifically noted otherwise in this document. In the event of a conflict between the terms contained in this Scope and those in the body of the Agreement, the terms in the body of the Agreement shall supersede and prevail.

A. **Software:** Under this Agreement, the software modules and associated end-user functionality provided by Follett includes:

1. Aspen Student Information System including K-12 (SIS) :
 - Student Attendance
 - Registration and Enrollment
 - Student Scheduling
 - Gradebook (including Student Report Cards, Progress Reports and Transcripts)
 - Student Demographics
 - Portals (Teachers, Parents and Students)
 - Student and School Incident Management
 - Student Fees
 - Program Management
 - Other (areas including Student Athletic records)
 - Supporting Reports
 - Ad-hoc Reporting
 - MTSS (Multi-tiered System of Supports)

2. Aspen Instructional Management System (IMS)
 - Student Assessment Delivery, Monitoring and Reporting
 - Curriculum Maps
 - Content Discovery Tool (Quest)

3. Aspen Health
 - Includes Illinois state and CPS Immunization and Screening requirements

Unless specified otherwise, this Scope is intended to encompass and shall apply to the implementation and provision of the SIS, the IMS, and Aspen Health together (collectively referred to as the "Solution").

The Solution shall have all of the functional and technical requirements outlined in the Functional Capabilities that is attached and incorporated into this Exhibit as Appendix 1 and Exhibit B - Appendix 3, Expected System Customizations and Configurations to be Addressed, each as may be amended in accordance with the terms of this Agreement.

B. **Licensed Users and Service Fees:** The Service Provider will allow for an unlimited number of Licensed Users of the Solution. The license fees are based upon the number of active students: 393,122 or less, and is not connected to the number of licenses issued. A student who is no longer enrolled in a CPS school cannot be counted as active. This Agreement assumes a scalable and elastic pricing model.

The pricing based on the per student fee multiplied by the active student population will be determined on an annual basis as outlined in Exhibit E – Schedule of Pricing.

Changes in Number of Authorized Users: Change to the number of Authorized Users actively using the Services will not change the subscription pricing unless the number of active students exceeds the agreed upon threshold.

C. **Development and Test Environments:** In addition to production use of the Solution, the Board is entitled to one development and one test environment for use by its Authorized Users at no additional charge. Such non-production environments shall be the responsibility of the Board to set up and maintain in the Board's data center with assistance from the Service Provider. In addition, the Service Provider may be requested to provide refreshes of the environment from Production. Note: Such refreshes are a chargeable service based upon Service Providers rate card.

D. **Post Implementation Support:** Post go live, CPS will have an assigned Configuration Specialist/Relationship Manager provided by Service Provider at no additional charge beyond that set forth in the Schedule of Pricing. This person will assist the CPS System Administrator in becoming progressively more independent and proficient in the use of the Solution. This person will also assist CPS with their understanding of CPS support processes including using Technical Support for ticket issues, requesting customizations to the Solution's tools, and finding valuable dynamic resources.

E. **Ongoing Support:** Upon mutual agreement of CPS and Service Provider, once CPS's System Administrator(s) demonstrate(s) confident use of the Solution, CPS will be transitioned to Service Provider's Community Relationship Managers (CRM) who shall continue to provide Services through the remainder of the Term and any Renewal Terms. This team will reach out to CPS's System Administrator(s) proactively in a variety of ways; newsletters, web pages, conference calls, and email. This team's goal is to continuously empower CPS in its use of the Solution.

Throughout the Term of the Agreement and any Renewal Terms, Follett shall provide at least one Account Manager to supervise the ongoing relationship. The Account Manager shall:

- Oversee the Services provided under the Agreement;
- Work closely with CPS to define requirements for ongoing support, communicate status of the Solution and escalate problems and issues as necessary;
- Manage billing, invoicing, change order management, official administrative support, staff management, general account management, performance metrics, and other management activities.

F. **Customer Technical Support Description:** Customer Technical Support is included as part of the Services to be provided by Follett under the Agreement at no additional charge. Customer Technical Support features the following services: Software updates during the Term of the Agreement, as available; toll-free telephone technical support; and 24/7 Customer Web Portal, with searchable online knowledge base. Technical Support will include any research and resolution activity performed by Follett.

1. **Request for Technical Support.** Only designated CPS personnel may contact Follett's product and technical experts ("Follett's Technical Support"). All other CPS employees, agents and subcontractors must contact a customer service representative identified by CPS for initial support and troubleshooting. Said customer service representatives may be an employee of CPS or a third party vendor of customer services to CPS (collectively referred to as "CPS Technical Support"). The CPS Technical Support staff shall assign to the request a Problem Priority Level

(as defined herein) as indicated by the requestor. The CPS Technical Support staff will have access to Follett's Technical Support staff via a toll-free number from 6:00 AM to 7:00 PM CST seven (7) days a week. The expectation is that the CPS Technical Support staff are the point of contact for all end users within CPS and that CPS Technical Support shall determine if the Problem is Software- or hosting-related before it is referred to Follett Technical Support. Follett will not provide technical support to CPS staff other than those who have been designated by CPS's Service Manager as CPS Technical Support.

2. Problem Priority Levels 1 and 2 Response and Resolution. For Technical Support requests not made by telephone, within the Request Response Time of such a request (as set forth in the Service Level Agreement ("SLA"), Exhibit D), Follett shall confirm to the requestor Follett's receipt of the request. If a Problem Priority Level 1 or 2 (as described below) request cannot be corrected to the reasonable satisfaction of the requestor within the Request Resolution Time after the requestor makes the initial request for technical support, Follett will: (i) immediately escalate the request to Follett's management; (ii) take and continue to take the actions which will most expeditiously resolve the request; (iii) provide a hourly report to the requestor of the steps taken and to be taken to resolve the request, the progress to correct, and the estimated time of correction until the request is resolved; and (iv) every two hours, provide increasing levels of technical expertise and Follett management involvement in finding a solution to the request until it has been resolved as reasonably practical.

3. Priority Levels for Technical Support. The priority level of each reported Board problem shall be classified in accordance with the following definitions:

Priority

Priority is automatically calculated by the CPS Incident Management Tool from the combination of the Impact and Urgency according to the following matrix:

		Impact			
Urgency		1 - Enterprise	2 - Site/Dept	3 - Multiple Users	4 - Single User
	1 - Critical				
	2 - High				P3
	3 - Average	P3	P3	P3	
	4 - Low	P3			

Impact Criteria

- Single User - Service is down or degraded for 1 user.
- Multiple Users - Service is down or degraded for several users.
- Site/Department - Service is down or degraded for an entire location site or user role.
- Enterprise - Service is down or degraded for the entire organization.

Urgency Criteria

- Low - The impacted item is useful, but not required for normal business operations.
- Average - The impacted item is valuable to the business, but the business can operate normally via an alternative or manual procedure.
- High - The impacted item is important to the business and could lead to legal or financial repercussions. No workaround is currently available.
- Critical – The impacted item is a critical business function and will lead to legal or financial repercussions.

The Board will have the ability to escalate two (2) support tickets per month to the next level of priority, based on a specific written (i.e. email) request by the CPS IT Service Director or Manager and agreed to by Follett's Project Manager.

4. Priority Level Service Level Agreements:

Priority Level Service Agreements are defined in Exhibit D: Service Level Agreement.

G. **24x7x365 Database and Server Administration Support:** Follett will have Database and Server Administration Support available on a 24x7x365 basis in order to meet the Service Levels as defined in the Service Level Agreement.

H. **Customer Web Portal:** As part of the Solution, Follett has a web-based support portal, available 24/7 to the Board, which includes:

- Electronic submission of support tickets
- Keyword searchable knowledge base containing articles written by product and system experts
- User guides and manuals
- Electronic newsletters
- Frequently Asked Questions (FAQs)

I. **Maintenance:** In consideration of the maintenance fees paid, Follett shall provide bug fixes, patches, corrections, modifications, enhancements, upgrades, and new releases ("Updates") to the Software to ensure: (a) the continued functionality of the Software, as described in the Documentation, to Authorized Users; (b) the functionality of the Software in accordance with the representations and warranties set forth in this Agreement, including but not limited to, that the Products and Services conform in all material respects to the specifications, functions, descriptions, standards, and criteria set forth in this Agreement and the Documentation; (c) the Service Level Standards can be achieved; and (d) the Software works with the then-current version and the three prior versions of Internet Explorer, Mozilla Firefox, and Google Chrome Internet browsers. The Services Fees identified in the Schedule of Pricing shall be inclusive of the fees for maintenance.

1. Required Notice of Maintenance: Unless as otherwise agreed to by the Board on a case-by-case basis, Follett shall provide no less than thirty (30) calendar days' prior written notice to the Board of all non-emergency maintenance to be performed on the Services, such written notice including a detailed description of all maintenance to be performed. For emergency maintenance, Follett shall provide as much prior notice as commercially practicable to the Board and shall provide

a detailed description of all maintenance performed no greater than one (1) calendar day following the implementation of the emergency maintenance.

2. **Acceptance of Non-Emergency Maintenance:** Unless as otherwise agreed to by the Board on a case-by-case basis, for non-emergency maintenance, the Board shall have a ten (10) business day period to test any maintenance changes prior to Follett introducing such maintenance changes into production (the "Maintenance Acceptance Period"). In the event that the Board rejects, for good cause, any maintenance changes during the Maintenance Acceptance Period, Follett shall not introduce such rejected maintenance changes into production. At the end of the Maintenance Acceptance Period, if the Board has not rejected the maintenance changes, the maintenance changes shall be deemed to be accepted by the Board and Follett shall be entitled to introduce the maintenance changes into production.

3. **Required Notice of Emergency Maintenance -** Emergency Maintenance is typically reserved for resolving current outages or potential outages to the system when time to resolution is critical. In this scenario, Follett shall make a "best effort" provide notice to the Board of the source issue, the root cause and the maintenance being performed. The vendor will not be required to receive an approval from the Board, to proceed with the maintenance changes. Documentation including test cases and approvals should still be performed and gathered but in the case of an emergency, after the maintenance has been applied.

J. **Co-Location Hosting and Managed Services:** Expectations for on-going Co-Location Hosting and Managed Services are found within Exhibit C - Co-Location Hosting and Managed Services Statement of Work.

K. **Custom Aspen Development.** After the successful implementation and acceptance of the Solution, CPS may require Follett's functional and technical expertise to satisfy Aspen-related custom development needs. These may include:

- Functionality customization development
- Report and data extract development
- 3rd party interface design and development

Any custom Aspen development will be subject to the creation of a separate statement of work with estimated fees and calendar for completion which will be reviewed and approved by the Board in accordance with the Change Management Process Section of the Agreement and may require issuance of a separate Board Report or amendment of the applicable Board Report as determined by the Board. The Board will be responsible for providing a business specification document that will serve as input for the statement of work.

L. **Extraction of Board Data:** Follett shall provide the Board without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Service Provider) the ability for the Board to perform data extracts of the Board's data in the format specified by the Board.

M. **Maintenance of State Reporting:** CPS's State Reporting Coordinator and Follett's state-assigned systems analyst shall identify changes to the standard state reporting exports and reports outlined within this Scope that are mandated by the Illinois State Board of Education ("ISBE") and other governing authorities .

Once a change to an existing state standard export or report is communicated and the proper documentation is shared, Follett will begin impact analysis to the current configuration and evaluate it for inclusion into the Solution. Once the change is confirmed to be necessary to maintain core functionality, it will be scheduled as required within the documentation and direction provided by the ISBE. Follett shall be provided at no additional cost the monitoring of the governing laws, rules, and regulations and the analysis of what configuration changes may be required as a result in the change in the governing environment. The parties shall determine together if the change amounts to a minor enhancement, major enhancement or a custom enhancement as described above and follow the requirements of the Change Management Process described in the Agreement.

N. Change Control Management: Any change or modification to the Solution provided and/or the Services performed as described herein shall be in accordance with the Change Management Process set forth in the Agreement. To the extent that any changes or modifications have not been agreed to in accordance with the Change Management Process, the proposed documentation of the change or modification shall be void and have no effect on the relationship between CPS and Follett. Follett shall have no obligation to perform such modified services and CPS shall not be obligated to pay for such modified services.

O. Future Development: Once during each calendar year of the Term and any Renewal Terms, Follett shall deliver to the Board's CIO and Project Manager a copy of its current "roadmap" for the future development of the Solution. The roadmap will include planned projects with anticipated timelines for the next year, with the understanding that nothing within the roadmap is binding upon either party.

Appendix 1 Product Capabilities Description

ASPEN FEATURES OVERVIEW

Aspen is a fully integrated system that uses a single centralized database. The Aspen database is a single schema of tables that provide data storage for every module and function in the integrated SIS. Follett does not have separate databases for any product or feature. . All student, parent, staff, course, attendance, discipline, etc., data are stored in a single set of tables, with a unique record across the district. Data access occurs in real time. Records are never "moved" or "copied" as students progress through their school careers and move from school to school.

ATTENDANCE

Aspen includes an integrated attendance collection component that supports both class (period) attendance and daily attendance. Attendance can be entered by teachers through the gradebook (with support for seating charts) or by front-office personnel at the school.

In Aspen, there are a number of ways to enter student attendance. Use the method that works best for your circumstances. The following are the most common ways to take attendance:

- By homeroom or classroom
- For individual students from the office
- For several students at once from the office
- In a classroom or homeroom of students as a teacher
- Scan from input sheets

You can also view or enter information for individual students on the Student tab.

If your school tracks lunch counts with attendance, office staff or teachers can enter lunch counts when they enter daily attendance.

The system assumes all students are present. You only need to enter attendance records for students who are not present, or are tardy or dismissed.

When a student's calendar is not in session, the student is grayed out and the daily and class attendance codes appear as ***Not in session*** in all areas of the School and Staff views where attendance can be entered. This will help prevent teachers from mistakenly marking students absent who are in their homeroom but on a different calendar from the current day, such as kindergartners or seniors.

School & district calendars accommodate year round or balanced school calendars. Every school in Aspen will have its own calendar whose dates are a subset of the session days within the district calendar. Each school may have multiple calendars. Aspen provides a *District Calendar Initialization Wizard* that navigates users through each step of creating a calendar.

Aspen allows teachers to take daily and period attendance for students in their homeroom and classes. Attendance data in Aspen can be protected from being overwritten by a teacher by limiting that teacher's "security role" within Aspen.

REGISTRATION AND ENROLLMENT

Aspen includes standard enrollment functionality to register, transfer, withdraw, and archive students. Access to these operations is governed by privileges. Students are always enrolled in a "primary" school. Students can also be enrolled in additional, secondary schools via a school association. Per-student options exist to allow multiple schools to register class attendance for shared students, but demographic information is always read-only except for staff at the primary school. Every enrollment option is fully integrated with all other system functionality.

Aspen's *Enrollment Wizard* assists users when performing tasks that may require multiple steps. The *Enrollment Wizard* guides users through unfamiliar, multi-steps, or infrequently used processes one step at a time. In addition, Aspen provides many data entry validation rules as well as data entry efficiencies.

STUDENT SCHEDULING

Aspen includes a schedule engine that will build the master schedule based on student requests, teacher assignments, and various user-defined rules (i.e., finds rooms and time-slots for each section). The scheduling component supports sections and class rosters in the school's master schedule. These sections and rosters automatically appear in teachers' grade book and changes made to the schedule are immediately reflected in the grade book.

The Scheduling Models include:

Rotating Block

Aspen's master scheduler allows the definition of any number of rotations, even permitting rotations to differ from term to term. The power of the scheduler is that the rotation can be applied AFTER the master has been built and students have been loaded, permitting vastly simpler resolution of conflicts. Even if the schedule is rotated at the end, however, the builder takes into consideration the rotation when determining section placement, ensuring teacher constraints such as max periods in a row aren't violated when the schedule is rotated.

Modified Block

Ad-hoc rotations can include highly irregular block patterns to fit any type of master schedule structure.

Cluster/Team

Aspen scheduling functionality includes extremely robust teaming and clustering capabilities

Elementary Scheduling

The latest release of Aspen includes expanded functionality to help with the challenges of Elementary Scheduling. This functionality include tools for resource management including course programs, program structure (courses in a program, total minutes, minimum minutes per session), and student grouping.

Walk-in Scheduling

Aspen provides the ability to schedule students once they are active in the system. The ability to utilize the walk-in scheduler to modify and create student schedules is seamless and simple.

GRADEBOOK

Aspen includes an integrated teacher gradebook that supports categories, assignments, multiple averaging modes (weights, total points, etc.), and numerous reports. Grade books are directly linked to the school's master schedule so teachers never need to add or drop students to their class rosters. The gradebook is 100% web-based yet provides a thick-client look and feel by using AJAX technology to save scores and update averages instantaneously just like a spreadsheet. Because Aspen is a Web-based system, teachers can access their gradebook anytime, anywhere, with no software to download ever. They use it to enter and track student grades, print report cards, and much more.

STUDENT DEMOGRAPHICS

By taking advantage of Aspen's simple and flexibility template designs, CPS can easily expose or add any required data element required. In addition, different user roles within Aspen can have separate default views of student data. For example, a guidance counselor would see all of a student's data where a coach may be given a limited view. Follett will support CPS in setup of all student data screens as well as provide detailed training on adding or changing fields as needed. Below is an image showing an example of a detailed student template.

PORTALS

Aspen includes a student portal which allows students to view their information, academic progress, manage their activities, store important documents online and submit assignments online. The student portal also shows attendance, assignment grades, quarter and semester grades, course requests, discipline data and more.

Aspen also includes a family portal which allows family members, particularly those who are primary adult contacts for a student, use the Family view to view their students' information, academic progress, activities, calendars, attendance, discipline data and more.

The portal is more than just read-only information, however. Parents can submit changes to demographic and contact information that is routed to school administrators for review and acceptance.

STUDENT AND SCHOOL INCIDENT MANAGEMENT

Aspen includes a fully integrated conduct (behavior management) component. Aspen tracks conduct from the perspective of a student. A student is linked to incident records and each incident can have multiple offenses (infractions) and resulting actions (punishments). Multiple incidents can be linked to each other by assigning each record the same ID number. These matching records will be reported as a single incident on state and federal data extracts. Conduct can be managed one student at a time or globally for all students in a school or across the district.

Aspen presents discipline for each child under the Conduct side tab. Parent(s)/Guardian(s) can be given access to all Incidents, Actions and Detention Served. The information gather for a particular incidents and actions it is configured to meet the needs of the district/school and Follett Software's implementation team works closely with the district/school on this configuration. The district/school can determine which information is displayed on the portal.

Districts define their own set of offense and action codes. These local codes can be linked to equivalent state and federal codes that will be used when creating data extracts.

STUDENT FEES

Aspens Cashier's office provides the tools to track fees, fine and record payments. Numerous reports are built into Aspen including Account Statements, Deleted Payments, Outstanding Balances, Payment Receipts, Student payment Distributions, and Transaction details. Fees can be added per student or as a group.

The group option allows fees to be applied by a Section, homeroom, group, or user defined query. School District can easily define their own "Fee Types" to keep track of district mandated fee's. Fees and payments are accessible on both the family and parent portals.

PROGRAM MANAGEMENT

Aspen provides the ability to track and report on all extra-curricular activities within Programs. Aspen allows an unlimited number of programs to be tracked for an individual student. Each program in Aspen can have a customized template to record and manage data specific to the program. For example, an English Language Learners (ELL) program would track data specific to proficiency of the English language while, a Home Health program would be configured with a template to track the necessary data for students who are unable to attend school. Below

SUPPORTING REPORTS

Aspen includes a variety of supporting, system reports and allows users to customize reports without involving the vendor. Aspen includes the source code to all system reports including the input page that gathers user-specified parameters, the Java source that queries and analyzes the data, and the format

that displays the results. System reports can be customized or copied and used as starting points for entirely new reports.

This includes identifying which reports can be scheduled to run at a specific date and time. In addition to scheduling a report to run or print at a scheduled time, Aspen also provides the ability to publish reports to the portal. This feature allows the district to send an email notification to all recipients that their report is available.

AD-HOC REPORTING

Ad-hoc reporting is accomplished with Aspen's Quick Report feature. This takes users through a simple wizard interface and allows them to create sophisticated reports complete with field selection, data aggregation, and formatting options without the need for programming knowledge. Quick Reports can be saved and shared among multiple users across a school or the entire district.

MTSS (MULTI-TIERED SYSTEM OF SUPPORTS)

Aspen includes the ability to define student risk factors and add new alerts for students who are at risk. This allows you to instantly calculate and publish the risk status of your students.

The feature assists a district in defining the set of criteria that identify risk, such as attendance or grade thresholds. These "indicators" are collected into a "definition" that defines which students should be queried. Once executed, it populates a new student alert called "At Risk," and districts can select from a series of icons to indicate low or high risk. Features include;

- You can specify which students are included in the definition; examples might include "6th graders," "high school students," "special education students," etc.
- Within a definition, create one or more "indicators" using a preformatted query tool that makes the selection easy. An example might be "absences are greater than 5" or "grade in math is a D or F." Combine indicators to raise the overall risk score for the student.
- Create as many definitions and indicators as you want, and either "Run" the procedure or schedule it to run at predefined times. The definition populates the student list with risk icons.
- Click on a graphical icon to get more details about its indicators and the student's risk score.

Districts have flexibility in defining the risk factors and applying them to different sets of students, and there are preferences that allow you to control the risk thresholds, how the results of each run are retained, where the icons are visible, and who has permissions to view risk results.

INSTRUCTIONAL MANAGEMENT

Aspen Instructional Management (IMS) tools elevate the integration of your existing Aspen Student Information System to the next level by adding several exciting new features focused on Curriculum and Learning Management.

Aspen IMS adds an energized, collaborative learning network centered on student learning and successful K-12 educators. The process of creating, delivering and managing content is further refined and streamlined to increase instructional productivity in the classroom.

Aspen Quest and Destiny Integration.

Easily access safe digital content from within Aspen, anywhere, anytime, utilizing integration with Follett's Destiny, Quest, OneSearch and WebPath Express when licensed from Follett.

Teachers, students, and parents can all access Follett Software's OneSearch[™] and optional WebPath Express which allows them to search thousands of educator vetted websites, databases, and digital resources. This functionality ensures that your district is leveraging all the digital content that has already been purchased and may be underutilized.

Integration with Follett Software's Destiny Library Manager also allows them to search the district's library resources. This real-time integration also means when a new student is registered, or his status changes, or she transfers from one school to another, Destiny will receive this updated student ("Patron") information in real-time. This will include other demographic information such as phone, email, address, parent and emergency contacts, etc. In addition, teacher and student schedules will be transferred to Destiny in real-time.

Aspen Instructional Management provides access to over 70,000 curriculum researched content that you can easily drag & drop into "My Resources" or directly into lesson plans and assignments.

Google Doc Integration and online quizzes.

In addition to traditional resources, Aspen IMS also integrates Google Docs. Google Docs provides an easy way for teachers and student to collaborate in a paperless and efficient manner.

There are two ways to use Google Docs within Aspen – first, as an assignment attachment teachers and students have one-to-one collaborative document; second, when a Google Doc is shared on a Group Web Page, it becomes available for the entire group: a one-to-many collaborative document.

Users can share articles, images, videos, have discussion forums, share files in a repository – for example Word, Excel, PowerPoint – even Google Docs - have students submit assignments electronically.

Online assignments, Google Docs, Online Quizzes go directly into the Gradebook for teacher review and grading.

Aspen IMS allows for the creation of online quizzes within Aspen. After students take an online quiz, Aspen can either automatically score the quiz (if created with answers) based on point values defined for each, or can be viewed and scored on the Scores page in the gradebook. There is no limit to the length or complexity of this functionality, providing multiple different question types with rich-text editing features that allow uploading photos, embedding videos, and even inserting pre-formatted HTML code to create a rich interface for students to read and respond to any kind of assessment question.

Align Curriculum / Standards / Assessment

Aspen IMS allows entire Curriculum Maps to be created directly in Aspen allowing teachers immediate access to those curriculum maps with just a few clicks. Curriculum maps help districts and teachers

create a timeline of what is being taught and when to help analyze, communicate, and plan curriculum in your schools. Curriculum maps help ensure that content:

- Is not repeated
- Is taught in the right sequence
- Is consistent among teachers

A district might define curriculum maps for each subject for each grade in your district. For example, you might create 12 English/Language Arts curriculum maps in your district for grades K-12. Or, your district might create one curriculum map for each of the high school sciences (HS Chemistry, HS Biology, HS Physics, etc.)

Within those curriculum maps in Aspen, districts can include lesson plans, and can align each unit, topic, and lesson plan to district, state and common core standards. Aspen is automatically subscribed to Academic Benchmarks, the preferred standards data services provider to K-12 education.

HEALTH

Aspen includes a fully integrated health management component that supports immunizations, nurse visits, medications, screenings, and conditions. There are reports for immunization compliance and a daily log of visits. Health information is governed by the same security infrastructure used throughout the rest of the application.

EXHIBIT B

Implementation Services Statement of Work

Introduction

This Statement of Work (hereinafter known as the "SOW") specifies the implementation services (referred to herein interchangeably as "Services" or the "Project") to be provided under the Agreement for Software License, Implementation, Hosting and Support Services ("the Agreement") between Follett and the Board of Education of City of Chicago, commonly known as the Chicago Public Schools ("Board" or "CPS") beginning on, or as soon as practical, after the Effective Date. Follett shall complete the Services (as described herein) according to the SOW below, unless otherwise agreed upon by the parties in accordance with the Change Management Process described in the Agreement.

Capitalized terms in this SOW shall be understood to have the same definitions as given to them in the Agreement unless specifically noted otherwise herein. Any ambiguity or inconsistency between or among the terms of this SOW and the Agreement shall be resolved by giving precedence in the following order: (1) body of the Agreement, and (2) Statement of Work.

1. Project Scope

The purpose of this SOW is to understand and document in as exclusive terms as possible those factors which govern, limit, and bound the work necessary to deliver the following Aspen Solutions with appropriate services as described in the body of this SOW.

A. Under this Agreement, the software modules and associated end-user functionality provided by Follett includes:

- i. Aspen Student Information System including K-12 (SIS):
 - Student Attendance
 - Registration and Enrollment
 - Student Scheduling
 - Gradebook (including Student Report Cards and Transcripts)
 - Student Demographics
 - Portals (Teachers, Parents and Students)
 - Student and School Incident Management
 - Student Fees
 - Program Management
 - Other (areas including Student Athletic records, etc. as documented in Appendix 3)
 - Supporting Reports
 - Ad-hoc Reporting
 - MTSS (Multi-tiered System of Supports)

- ii. Aspen Instructional Management System (IMS)
 - Student Assessment Delivery, Monitoring and Reporting
 - Curriculum Maps
 - Content Discovery Tool (Quest)

- iii. Aspen Health
 - Includes Illinois state and CPS Immunization and Screening requirements

B. Unless specified otherwise, this SOW is intended to encompass and shall apply to the implementation of the SIS, the IMS, and Aspen Health together (collectively referred to as the "Solution").

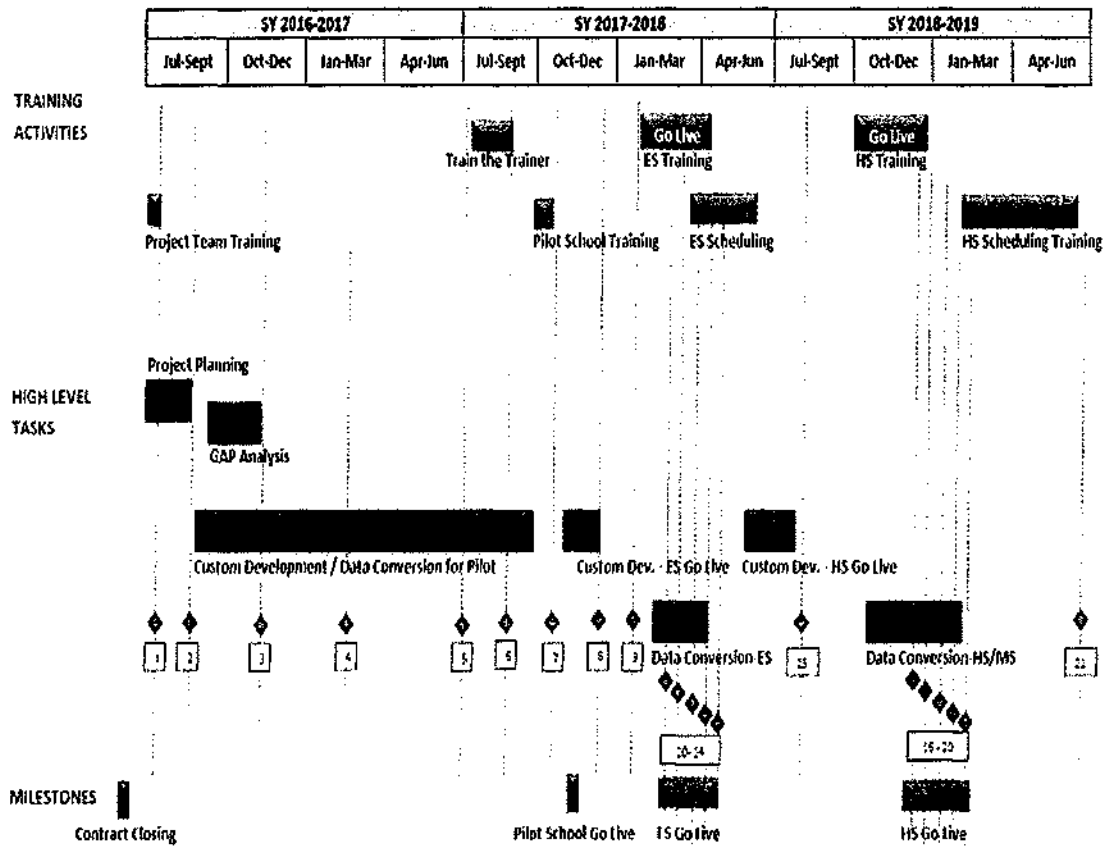
C. The Solution shall have all of the requirements as referenced in the Scope of Services, which is attached and incorporated into this Agreement as Exhibit A, and Appendix 3 of this Exhibit, each as may be amended in accordance with the terms of this Agreement.

2. Implementation Services

The implementation of the Solution shall require Follett to provide services in the following domains:

- Software licensing (Exhibit A)
- Maintenance (Exhibit A)
- Project management
- Business and technical discovery
- Solution configuration
- Hosting services (Exhibit C)
- Product installation & customization
- Interface development & data integration
- Active directory integration
- Data conversion & validation
- Business & technical team training
- Report analysis & development
- Pilot & district-wide implementation
- Pilot & district-wide production system readiness validation
- Supplemental Data Migration Services
- Post-implementation support
- Documentation
- Security Role Definition

A. Implementation Project Timeline: The rough outline of the timeline for the implementation of the Solution is set forth in the chart below. Full transfer of data and implementation of the Solution in all CPS regular (non-charter and non-contract) schools is expected to take just over two years with post implementation training (i.e. Scheduling Workshops) to occur thereafter. The implementation project timeline also includes a pilot launch to a limited number of schools that will be analyzed to make changes to functionality, training materials, change management procedures and communications based on feedback. The rollout of the remaining district schools will be phased and performed in a to-be-determined, detailed schedule within the agreed upon timeline that starts with the formal kickoff of the Project. Additionally, during the course of the Aspen SIS Pilot, Follett shall work with CPS to prepare the CPS team so that they can introduce Aspen IMS post Aspen SIS Go-Live. The illustration below shows the implementation timeline at a high level. Throughout the Implementation Project, the CPS and Follett Implementation Team will develop and refine a detailed plan for the Implementation Project describing each of the stages of the Project with details regarding the responsibilities for each party for an upcoming stage ("Project Plan"). The completion of the Project Plan shall be in accordance with the terms of the Agreement and this SOW. The Project Plan shall not contain any material revisions as that term is defined in the Change Management Process Section of the Agreement; any material revisions in the Project Plan shall be null and void. In the event of any conflict between the Project Plan and the SOW, the SOW shall prevail unless the SOW has been amended in accordance with the Change Management Process Section of the Agreement.



Assumptions made, regarding this timeline, include:

- Go Live for Pilot schools would be towards the middle of semester 1 of (2017-2018 SY)
- Go Live for Secondary Schools (December 2018 – February 2019)
- Broken out in waves of networks (3-4 networks per wave)
- Go Live for Elementary Schools (Late February – April 2018)
- Broken out in waves of networks (3-5 networks per wave)

Timeline Summary (Preliminary Dates)

- SY calendar is assumed to be July 1 – June 30 each year.
- Project Team Training scheduled for late July/early August 2016 assuming that the contract is signed by July 1st, 2016.
- Follett will lead Train the Trainer sessions and they will be broken into two blocks (approx 10 trainers per block):
 - Block 1 would start in October and end in November 2017 to prepare trainers to participate in Pilot School training
 - Block 2 would start in July and end in September 2017 to prepare trainers to deliver training prior to Go-Live
- Pilot School training would be conducted in October and end in November 2017 following Just in Time training principals to support start of Pilot at the beginning of the second semester.
- Secondary School Training: October 2018-December 2018

- Elementary School Training: Late January – April 2018
- Secondary School Scheduling training would start in February 2019 and continue through the completion of the scheduling process. Note: Final schedule for these courses will depend on understanding of CPS' current scheduling processes and timeline.
- Elementary School Scheduling training will start in March 2018 and continue through the completion of the scheduling process.

B. Project Quality Management : The Project will be governed by a project quality management process that will constitute:

1. **Project Quality Planning** - Follett shall assist the Board in identifying which quality standards or metrics are relevant to the Project and determining how to satisfy them. The basis of the success metrics could include data quality index values or UAT and regression testing results, for example.
2. **Performing Project Quality Control** - monitoring specific project results to determine whether they comply with the standards set during Quality Planning, and identifying ways to eliminate causes of unsatisfactory performance.
3. **System Load Testing** - during strategic points within the Project Follett shall perform system load tests to simulate Student Information System activity typically experienced by the Board. It is proposed that these tests be performed prior to the project Pilot and prior to the first round of network deployments.
4. **Project Quality Governance** - At strategic points within the implementation timeline, Project Quality Control results will be presented to an Executive Student Information System Steering Committee consisting of designated Board employees. These presentations will be referred to as *project gates*. *In order for the project gates to be passed*, the Executive Steering Committee must recommend to continue with the plan and pay the invoices associated with the completed gate. If the project gate cannot be passed, the CPS Implementation Team shall suggest to the Follett Implementation Team changes in approach, and provide an opportunity to cure in accordance with the terms of the Agreement. CPS may delay further payment associated with the gate until the Executive Steering Committee recommends that it be passed. Alternatively, CPS may terminate the Agreement with cause in accordance with the terms of the Agreement. Ultimately the Executive Student Information System Steering Committee will be authorizing the Acceptance of Delivery ("AOD") for the Project as a whole.
5. **Project Quality Communications:** Results of Project Quality Governance and the decisions made by the Executive Steering Committee will be submitted to Follett in writing, and based on the results, action plans will be drafted jointly by Follett and the Board.

The Project Quality Governance *gates* are denoted within the above illustration with dotted vertical lines/green diamonds. These project gates are set amongst system load testing, pre and post school pilot evaluations, post Go-live cycles and post school scheduling activities. Each project gate category is shown in the project timeline diagram and is further detailed with the table below:

Gate(s)	Proposed Date	Description
#1,#2	9/15/2016	Project Team Trained, Project Plan Delivered
#3	11/15/2016	Gap Analysis Delivered
#4	2/15/2017	Customization Checkpoint

Gate(s)	Proposed Date	Description
#5	6/15/2017	Customization Checkpoint
#6	8/15/2017	Designated Trainers are Trained in Aspen
#7	11/15/2017	Successful Pilot School Rollout
#8	12/15/2017	All Customizations Finalized for ES Rollout
#9	1/15/2018	Successful Load Test
#10, #11	2/15/2018	Successful ES Rollout (Group I & II)
#12, #13	3/15/2018	Successful ES Rollout (Group III & IV)
#14	4/15/2018	Successful ES Rollout (Group V)
#15	7/15/2018	ES Scheduling Training Complete
#17, #16	11/15/2018	Successful HS Rollout (Group I & II)
#18, #19	12/15/2018	Successful HS Rollout (Group III & IV)
#20	1/15/2019	Successful HS Rollout (Group V)
#21	6/15/2019	HS Scheduling Training Complete

The parties shall collaborate in planning, reviewing and testing the performance of the Solution and Hosting Solution that are necessary to complete each gate. However, the Board shall have final determination of what constitutes successful completion of each gate based on the standards or metrics that were derived during the Project Quality Planning process as set forth above.

C. **Project Management:** Throughout the implementation, Follett is responsible for the creation and management of the following tools for communication:

1. **Project Schedule:** Includes timeline, dependencies, responsibilities and key team members.
2. **Risk Management Plan:** Documents the risk management process, including risk log and mitigation plans.
3. **Requirements Review and Planning:** In order to control scope and support a successful rollout within the agreed timeframe, it is necessary for Follett and CPS to work together to clearly identify requirements of the system at the onset of the project.

The Solution is a highly configurable and flexible system and the goal of the requirements meeting(s) is to understand functional requirements and how they will be accomplished within the application – either through baseline SIS functionality, configuration of the Aspen tools (i.e. Reports, Imports, Exports, Procedures, Workflows, and Templates) or customizations which is defined as work beyond basic system configuration but can be completed within the Aspen tool set and does not include product enhancements. Based upon meetings conducted with CPS and a review of the work that will be required, the scope of work that this covers is provided in Appendix 3. Any development work to the core Aspen Solution that is not encompassed in the planned customizations described in Appendix 3, will be handled outside of the scope of this SOW via the product enhancement process and shall be documented in accordance with the Change Management Process stated in the Agreement.

The output of these meetings shall be a Requirements Planning Reports that will consist of an overview of current state business processes for key areas, along with business process recommendations and configuration of the Aspen SIS to meet CPS needs. CPS will be asked to acknowledge the accuracy of the report before system configuration begins. In addition, CPS is responsible for ensuring attendance in accordance with the project schedule of CPS Project Team and Subject Matter Experts (SMEs) for each area analyzed in order to obtain thorough and accurate system requirements.

Below is further description of the analysis completed.

a. Business Process Review

The purpose of this task is to document business procedures and processes of the SIS functional areas most impacted by the new Aspen SIS system. The review will include some or all these processes:

- Define current enrollment/withdrawal processes
- Define current student information requirements and processes (including English Learners, SpEd, Homeless (Students in Temporary Living Situations) and Early Childhood branches
- Define current attendance requirements and processes
- Define current health and immunization requirements and processes
- Define current discipline processes
- Define current grade reporting processes
- Define current academic history/transcripts processes (including Service Learning hours capabilities)
- Define current test history processes
- Define current transportation request processes
- Define current other Programs processes
- Define current State reporting requirements
- Define current health reporting requirements according the state and local guidelines
- Define current parent portal provisioning requirements
- Define student and school-level incident management and reporting requirements
- Define classroom, school and network-level assessment requirements (non-high stakes)
- Define current SIS interface requirements
- Document the requirements and processes defined

b. Reports Review

As part of the migration to the Aspen Solution, Follett will complete a review of Aspen pre-defined "core" reports and procedures based upon requirements referenced in Appendix 3 or identified during a gap analysis with CPS. These would include items such as district reports, report cards, progress cards, official school transcripts, student and teacher schedules, absence and conduct letters, student profile reports, honor roll formulas, ineligibility formula, GPA and credit calculation procedures. Modifications to the built-in report formats necessary to meet CPS requirements will be documented. In the event that new reports are identified which are not incorporated in Appendix 3 or cannot be met by modifications to Aspen's pre-defined "core" reports and procedures, Follett will work with CPS to determine how those reports will be delivered which may include completion of the work by CPS team members.

Many CPS reports which are delivered to parents/guardians, such as Grade Reports, Progress Reports, and Absence/Health Letters, must support each of seven official languages supported at CPS. Each year, CPS determines the list of supported languages based on the needs of the student population. The current set of supported languages for certain stakeholders is English, Spanish, Polish, Chinese, Arabic, Vietnamese, Urdu and Taglog. In order to support this delivery, Follett will provide the initial English version and report structure(s) so that CPS provided translators can complete the necessary translations. In most cases, this means that CPS interpreters will update resource files which map the equivalent English text to the translated text so that the translations can take place on the fly. In cases where languages read from right to left such as Arabic, this will require the development of a unique report structure which will be provided at no additional cost to CPS; however CPS will still be responsible for providing the necessary translated text.

c. Security Role Definition

The Aspen application includes 34 standard security roles. As part of Follett's configuration process Follett will evaluate these existing roles against CPS security requirements and make changes as necessary. These changes may include modifications to existing roles, eliminating roles that are not necessary and/or creating new roles as appropriate. CPS will have the ability to test and validate the completed security matrix for all roles before final acceptance of the Project.

4. **Configuration Management Plan:** Identify and define the configuration items, control the changes on the configuration items throughout their lifecycle, record and report the status of change requests, and verify completeness and correctness of configuration items.

5. **Issues Log:** A list of issues that Follett and CPS are working to resolve. Document the tasks associated with each issue and ensure appropriate follow-through.

6. **Case List:** A list of the problems or defects being tracked and corrected by Follett engineering team.

7. **Status Reports:** Weekly reports with tasks accomplished, descriptions of issues, test results, deadlines met, risks, tasks for the next week, project schedule review, metrics, change requests review, risks and mitigation plans, and open issues.

8. **Meeting Minutes/Records:** Minutes and records from all meetings, including management meetings and technical advisory groups. Includes identified work tasks, person(s) responsible for the tasks, and target completion dates.

9. **Change Management and Training Plan:** An agreed upon plan for a successful rollout of the Solution, including change management, communications, and training strategies and plans. During the initial planning and kick-off meetings, Follett team will work with CPS to identify key change management, communication and training goals and strategies so that the Change Management and Training Plan is begun and further developed throughout the configuration and implementation process.

10. **Testing:** Test plans are required for ensuring the quality of the system. Unit, Systems Integration and User Acceptance test plans should be formally documented and followed. Follett shall be responsible for the Unit Test plans and execution in accordance with their development processes and provide input to the development of the Systems Integration and User Acceptance Test plans by CPS. The test plans shall be documented and agreed upon by the Project Managers for CPS and Follett in advance. CPS shall have the final determination as to the satisfactory completion of each test.

11. **Change Request Record:** Follett must provide an online project management tool that catalogs/tracks requested changes from CPS and allows team members to collaborate and share activities, documents and assignments. Changes shall be documented and approved in accordance with the Change Management Process stated in the Agreement.

12. **Version Management:** Follett will work with CPS to determine a version management process and toolset that will facilitate orderly code management with a multi-developer, multi-team environment.

13. **Documentation:** As part of the delivery of the Aspen Solution, Follett will develop the following documentation in coordination with the Board's Project Manager:

- Data Conversion Summary Document
- Training Strategy
- Ongoing Support Strategy
- Work Products
 - Configuration Summary Document
 - MS Project Plan/Schedule
 - Change/Communication Plan
 - Project Team Contact Information
 - School Readiness Reports
- Customization Related Documents
 - Report Requirements
 - Interface Requirements
 - General Customization/Enhancement Requirements
 - User Acceptance Criteria

D. **Discovery:** Follett will drive the establishment of an implementation team comprised of Follett and CPS team members. Follett-based members of the project team must participate in the following activities.

1. **System Configuration Planning:** Complete Configuration process and documentation, as demonstrated and explained by Follett Solution Architect, to identify preferred configurations desired for Follett system.

2. **Identify Integration Requirements:** CPS's project team will work with Follett Subject Matter Experts to define the requirements and scope of any required integrations, such as LDAP/Active Directory, Oracle's PeopleSoft HRIS, CPS' Operational Data Store, Data Warehouse, etc. This will result in a specific Information Technology Integration plan.

3. Follett's Solution Architect shall work with CPS's project team to determine and document district usage policies pertaining to the software configuration and related business processes. The Solution Architect must identify any gaps between standard and desired configurations and submit formal recommendations for remedy.

4. Follett must measure anticipated usage volumes based on the number of sites, users, storage requirements (as provided by CPS) to determine and document hardware requirements.

5. Follett must engage Board's resources early to ensure development, quality, assurance and production environments are available in a timely manner, per the deliverables schedule described herein.

E. **Active Directory Integration:** Solution will integrate with CPS Active Directory Forest for user authorization and authentication. Follett will work with CPS resources and the Project Management team to create a well-documented process for managing application user provisioning and de-provisioning. The level of integration will be run across trusted domains; CPS's and the hosted environment provided by Follett. Follett must also address the mapping of CPS' OU structure to the custom defined Aspen Security Roles.

F. **Interface Development:** Follett shall work with CPS to complete testing of the interfaces to be jointly developed by Follett and CPS, including an interface with CPS' Operational Data Store (ODS), which are listed in Appendix 3.

G. **System Configuration:** During this stage of the project, CPS and Follett will work within the Aspen application to complete the key components of configuration to meet requirements as defined during the Aspen Requirements Review Meetings (ARRM). While configuration of the system will be a joint responsibility between Follett and CPS, the initial mapping and troubleshooting of the configuration shall rest with Follett. As part of the implementation, CPS will be assigned an Aspen Configuration Lead who focuses on the following objectives:

- Coordinate Follett and CPS resources to ensure configuration tasks are completed, tested and accepted by CPS
- Maintain the Aspen SIS configuration documents
- Transfer knowledge of configuration to appropriate CPS administrators to maintain the system post go-live.

As part of the configuration process, a series of configuration or system administration workshops will be conducted with CPS on multiple functional areas of Aspen. These workshops are the corner-stone of the configuration work stream and serve two purposes: 1) Train CPS's System Administrator(s) on Aspen to manage the system once live; and 2) configure Aspen to CPS's requirements. CPS's System Administrators must attend and participate in all of the workshops, and Follett shall coordinate the

scheduling of the workshops with these administrators. The workshops cover at a minimum the following areas --

- Data Dictionary, Reference Tables and Template Modifications
- Attendance
- Grades
- Enrollment
- Conduct
- Security, Preferences and Calendars

Given the size and complexity of CPS, additional workshops will likely be warranted. These will be identified during the project planning phase.

H. **Customization:** The parties have negotiated and agreed upon key elements for a complete Solution delivery to the Board. Incorporated within that delivery are anticipated customizations that Follett shall provide at no additional charge to the Board beyond that stated in the Schedule of Pricing. This may include data interfaces to third party software programs, imports and exports, and changes to workflows. The key elements that include the essential technical and functional requirements for the Solution are identified in Appendix 3 within this Exhibit. Product enhancements – any development work to the core Aspen Solution – are not part of this SOW and will be handled outside of the scope of this SOW via the Product Change Control Procedures and documented and approved in accordance with the Change Management Process stated in the Agreement.

I. **State Reporting Development:** Working with CPS's State Reporting Coordinator, Follett will deliver the reports and exports needed to comply with State requirements prior to Go-Live. Note: All State Reports required prior to all schools being on Aspen SIS shall be generated by CPS from their Operational Data Store (ODS). Any reports and exports that CPS requests that are not among the standard reports available in the Solution and that are not necessary for State compliance, may be subject to additional charges.

Constraints

All programming and design for standard state reporting exports and reports outlined within this SOW will be based solely on the documentation and direction provided by the Illinois State Board of Education. CPS's direction and assistance will be required to evaluate and help confirm compliance and validity of the export and report results.

Requirements

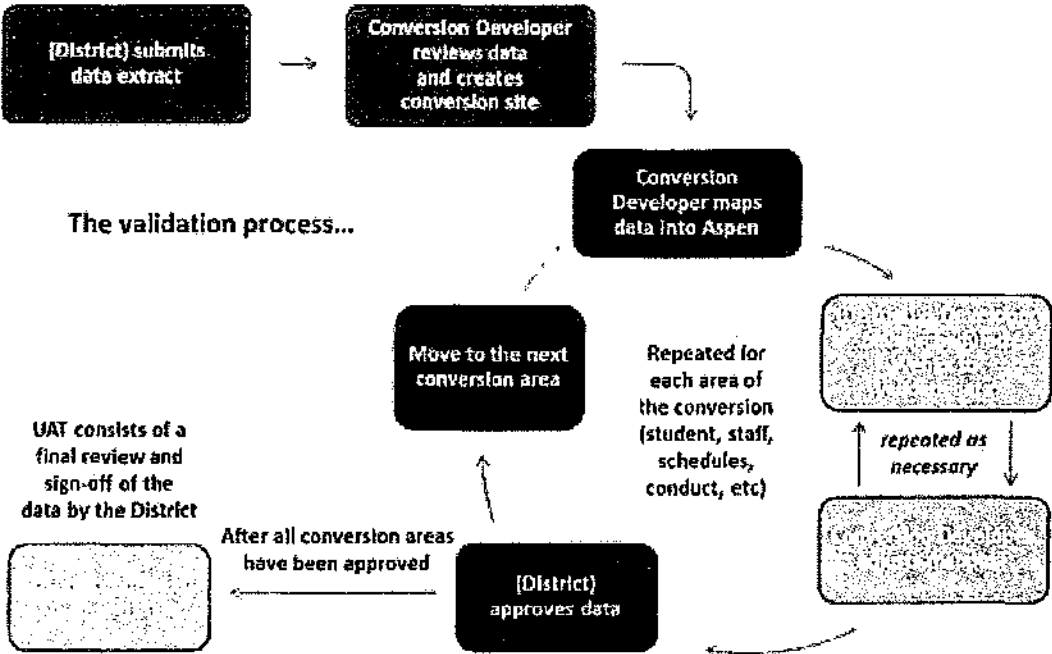
CPS will create and retain a backup of their IMPACT databases. This should be the same backup produced for the data conversion activities outlined below. CPS will provide access to this database in their current environment and direct their legacy SIS system's reports to the database to provide a baseline of data results to which the Aspen reports can be validated against. A sample of the corresponding IMPACT state mandated exports and reports are also required from CPS to serve as a baseline for Aspen export and report validation purposes.

Once the necessary conversion, configuration, and development is complete, the state standard exports and reports can begin to be executed from Aspen's reporting framework and validated for results in comparison to results achieved utilizing the backup data and the IMPACT SIS reporting system. If validation efforts reveal the need for modifications in the data conversion, the CPS Project Manager shall evaluate and determine if utilization of the System Customization hours included in the Agreement is acceptable.

J. **Implementation of Hosting Services:** Follett will complete the installation/setup of all hardware for the application and database tiers of the Hosted Solution including the Reporting, Application, and Database Tiers allotted to CPS based upon the agreed upon Project Plan to be developed at initiation as described below. Follett should also provide technical documents pertaining to the integration points between Follett's Solution and CPS's systems. The Production environment should be completed prior to the initial school-based pilot and at full capacity for the larger, district-wide rollout. The Hosting Services are more fully described in Exhibit C - Co-Location Hosting and Managed Services Statement of Work, which is attached and incorporated into this Agreement. Follett remains primarily responsible for determining the real property and hardware requirements and supplementing as necessary at no additional cost to the Board to ensure the Solution meets CPS's SLA, specifically the Services Response Time Service Level detailed in Exhibit D.

K. **Data Conversion and Validation:** The initial conversion cycle begins with a backup of all data being created and then data being exported from CPS's IMPACT system. This is a full export of every table and every row in the entire database. The backup of all data is to be completed by CPS and provided to Follett in the form of an export (database backup).

Table 2: Data Conversion and Validation Process



The next phase is the analysis and mapping of legacy data to the Aspen SIS data model. This mapping is done by Follett's Aspen Conversion Developer interpreting the source data and collaborating with CPS technical staff to identify each field's analog in the Aspen Solution. To facilitate this process, regularly scheduled meetings, including onsite and conference calls/webinars, will be established between the Follett

Aspen Conversion Developer and CPS's technical staff throughout the duration of the conversion portion of the implementation.

Table 3 contains the data that will be converted as part of this SOW. CPS Law shall provide the retention requirements for each dataset to assist in the determination of how much historical data will need to be converted and retained on an ongoing basis. Data, that exists in CPS' current SIS and is functionally required for the successful operation of the customized functionality found in Appendix 3 of the document, will also be converted pending completion of a feasibility analysis by Follett. For these datasets, Follett shall put forth its best effort to work with CPS to develop an automated means of conversion. In the event that an automated means is not feasible using Follett's standard conversion processes, then Follett shall work with CPS to explore alternatives using the Project Change Request process. Any additional data to be converted will need further analysis and may be subject to additional fees using the Project Change Request process, which shall be documented and approved in accordance with the Change Management Process set forth in the Agreement.

Table 3: SIS Data to be Converted
district school year context
schools (schools, classrooms, lockers)
Calendars
Addresses
staff
student demographics
student enrollment
student contacts
student transportation
student schedule
student fees and fines
student schedule rotation (if applicable)
assessments (up to 5 summary level assessments)
student attendance (daily and by period)
courses (district catalog and school courses)
Transcripts (including Credits and GPAs information)
reference codes
student events & programs
course requests
health conditions
immunizations and health screening history
Student and school level events (code of conduct violations, theft, property loss, staff/visitor injuries)

Data Validation is the next phase and one of the most critical processes in the migration from a CPS legacy system to the Aspen SIS. It is during this phase that CPS validates that the data from the legacy system is indeed in the expected fields in the Aspen system. Note: This phase of Data Validation by CPS takes place

after Follett has used internal tools to check the data integrity of the system as part of the conversion process.

There will be a minimum of 5 rounds or cycles of data validation during the conversion for the Pilot. Typically each validation cycle takes 3-4 weeks; 1-2 weeks for the district to review the data and 1-2 weeks to fix issues identified. After each cycle Follett refreshes the data before the next validation round is started. Additionally, leading up to each Production Go-Live, the schools participating in that round will complete a cycle of consolidated data validation tasks and Follett will make any necessary adjustments – the details of which will be agreed upon during project planning

The data validation process is kicked off with a Data Validation Workshop which explains the process and expectations of the Data Validation Team. CPS will assign a Data Validation Coordinator who facilitates the validation process within CPS – ensuring data is reviewed by the appropriate CPS personnel and collecting and logging validation results.

CPS will be responsible for passing or failing each validation task. For those tasks that CPS fails, a detailed explanation along with appropriate screen shots or specific examples must be provided to reduce the number of times the task is passed back and forth between CPS and Follett.

Follett Responsibilities for Conversion and Validation

- Data conversion of the data identified above in Table 3. Any additional data will need to be estimated and agreed upon through the Project Change Control Procedures.
- Follett will profile the data at the time of conversion in an attempt to identify data issues and associated implications with loading the data into the Aspen Solution. Those issues identified will be discussed with CPS to identify resolution and impact to schedule and price (if applicable) based upon Follett's hourly rate in Exhibit E.
- Follett will assign a Conversion Developer to the project team to serve as CPS's point of contact for any data consultations.

CPS Responsibilities

- CPS will provide Follett with the data in an agreed upon format, along with related materials as described in the Agreement, in accordance with the timeframe specified in the Project Plan. Based upon the overall timeline, this will be either upon contract signature or as soon as possible thereafter.
- CPS will provide clarification of issues associated with the data work to be completed
- CPS will provide a single point of contact for data related decisions and communications
- CPS will log into the Aspen system and validate data in the legacy system is in expected fields in Aspen and document results
- CPS will validate data conversion routines through data comparisons requiring backend database access

L. **Supplemental Data Migration Services:** In addition to Follett's standard conversion processes, Follett will work with CPS to provide supplemental data migration services to support the transfer of gradebook data (current year grades and assignments) and Parent Portal Account Information into Aspen based upon feasibility. Additionally, Follett will work with CPS to support the transfer of students between SIS' during the Pilot and Implementation Rollouts.

Gradebook: Follett will put forth its best effort to work with CPS to either develop an automated means of transferring grade book information from the current GradeSpeed product into Aspen or help develop a process intended to minimize the burden on teachers in terms of data entry when

migrating a school over to Aspen. It is understood that while the goal is for the process to be fully automated, this may not be feasible. As such, the final process may be a combination of automated and manual steps but at the very least must include guidelines to assist teachers as they complete the migration.

Parent Portal Account Information: Follett will put forth its best effort to work with CPS to develop an automated or semi-automated process to convert or import Parent Portal Account Information into Aspen. It is understood that the feasibility of this process will depend upon how the Parent to Student relationships are maintained in the source system and may require data clean-up by the Board to facilitate the transfer.

Student Transfers between SISs: For the Pilot and subsequent network rollouts, a means of transferring students between schools that reside on different SISs must be agreed upon by both parties, documented and rolled out to participating schools. It is understood that this process may be automated, manual, or some combination thereof depending upon feasibility, effort, and determination of what can be completed within the scope of the project. Ideally new Student IDs, via registration, will be created by CPS' current SIS and the student information will be migrated without contention to the Aspen system through a scheduled, automated process.

M. **Validation / Production System Readiness:** This stage of delivery is focused on ensuring all elements of the agreed functional requirements have been delivered, are functioning correctly and fit for purpose. Validation and Production System Readiness Tests will be performed at the deployment of both the Pilot and CPS-Wide systems.

1. Functional Testing: Follett will facilitate functional testing to demonstrate that the new SIS meets the baseline functionality as approved by CPS. This testing occurs throughout the implementation as configuration and customization work is completed.
2. Production System Readiness: Follett will work with CPS on the following tasks before go live:
 - Configuration readiness checklist
 - Ensure security management is in place
 - Define post implementation escalation processes / handoff to Technical Support

N. **Training.** As part of the Services for which Follett shall be paid in accordance with the Pricing Schedule, Follett must provide the training resources required to build suitable proficiencies within CPS to support a "train the trainer" education model. The required elements for the training that are a part of the implementation services is included in the Description of Training Services that is attached and incorporated into the Agreement as Appendix D. Participants in the pilot deployment of the Solution, including all schedulers, shall be trained directly by Follett.

O. **Pilot:** Follett and CPS will perform a pilot utilizing up to six elementary schools and six middle/high schools chosen by CPS's Project Manager. The chosen schools will be diverse, engaged and carefully selected. The selected schools will receive up to 25 days of Follett and CPS-led classroom training covering the following topics: Fundamentals, Enrollment, Attendance (Daily/Period), Conduct, Using Aspen Reports, Grade Book, Grade Management, Prepare to Build and Master Schedule Build Workshops. Finally, during the course of the Pilot, Follett shall work with CPS to prepare the CPS training team so that they can introduce Aspen IMS, post Aspen Solution Go-Live, to the teachers at the Pilot schools. The details of the Pilot shall be set forth in the Project Plan agreed upon by the both parties.

P. **Transition to Production Deployment:** The final stage of the project manages the transition of the Aspen system to the hosted environment for production rollout. As the "System Load Testing" section above states, the Hosting Solution shall be fully tested before the CPS Production data is transitioned from the CPS system to the Aspen system.

Q. **Go Live Support:** Follett will perform the following services in support of Go Live at no additional charge:

- Onsite Follett Support Services (1-2 personnel) at CPS Central Offices five days during each go live date, including the Pilot (Site visits may be required to troubleshoot specific issues)
- Introduce the Aspen Support Team and ticket logging process to such employees and contractors as CPS may designate
- Distribute and solicit signatures on the project's Acknowledgement of Delivery (AOD) form.
- Aspen SIS Pre and Post Go Live Checklist completed by the Follett and CPS Project Managers
- Full monitoring of all performance metrics to ensure adequate levels of performance
- SQL Server DBA on-call services for five days prior to Go Live

In the event CPS fails to approve or reject the Solution in writing within fifteen (15) business days following delivery (as evidenced by a lack of a signed Acknowledgement of Delivery (AOD)), the Solution shall be deemed accepted and CPS will be invoiced accordingly. CPS may require a phased delivery of the Solution before district-wide deployment. In such an event, the parties shall determine if the staffing requirements shall change, documenting any changes in accordance with the Change Management Process set forth in the Agreement, and an Acceptance of Delivery form shall be completed at the completion of each phase of the deployment.

3. **Required Elements for Successful Implementation**

A. **Project Management:** Follett will provide project management services in accordance with industry standard techniques. The Follett Project Manager is CPS's central point of contact during the implementation of the Aspen Solution, to guide and oversee the entire implementation.

Follett Project Manager focuses on the following objectives:

- Facilitating all project planning activities
- Creating a Project Plan that is agreed to in writing by both CPS and Follett and modified as necessary by agreement of the parties throughout the Project
- Managing project scope and risk factors to achieve the objectives of the project
- Coordinating all internal resources to ensure that timelines and deadlines are met
- Successful completion of the project as evidenced by the written CPS Acknowledgement of Delivery (AOD) of Aspen

1. **Roles and Responsibilities**

a. **Follett Project Manager Responsibilities**

- Facilitate all project planning activities
- Create and maintain a detailed Project Plan
- Project Quality Control activities
- Management of performance for vendor personnel resources
- Manage to the Project Plan to ensure that deadlines are met, and mitigate whenever plan objectives are at risk
- Manage the Project Change Control procedures

- Maintain project documentation and provide timely status reports and meetings
- Work with CPS Project Manager to resolve any issues that develop during the project
- Ensure communication between the Follett Implementation Team and CPS
- Allocate appropriate Follett resources to meet commitments as agreed in the Project Plan
- Control project scope and identify project risks and risk mitigation strategies
- Work within agreed Project Governance processes to organize and prioritize requirements, tasks, issues, risks and changes to scope
- Manage the deliverable review process to ensure the project is delivering the benefits anticipated by CPS

b. CPS Project Manager Responsibilities:

- Serve as single point of contact to work directly with the Follett Project Manager
- Participate in the Project Planning Meeting and weekly status meetings
- Ensure adequate participation by the appropriate CPS personnel in conference calls, workshops, training events, and status meetings including attendance by project stakeholders in monthly project reviews.
- Meet commitments as agreed upon in the Project Plan. If deadlines are not met, the overall Project Plan may need to be modified to compensate for changes. Should CPS not meet a commitment set forth in the agreed Project Plan, Follett cannot guarantee that the original timelines can be kept. Any changes to the agreed upon Project Plan must be agreed to by both parties.
- Work within agreed Project Governance Processes to organize and prioritize requirements, and tasks as well as identify and communicate issues, risks and changes to scope.
- Provide written verification of the Aspen Solution delivery immediately following the Go live Date. In the event CPS fails to approve or reject the Software in writing within fifteen (15) days following delivery of the Product (as evidenced by an Acknowledgement of Delivery (“AOD”) form), the Software shall be deemed accepted. The AOD form can be found in Appendix 2.

B. **Project Status Reporting:** Project status reporting is the presentation of relevant, factual project data in an objective, understandable format. Reporting provides CPS with an objective picture of the project’s current status. Status reporting is an inherent part of the management of a project. When effective project control processes have been implemented, project reports present CPS with project transparency and early detection of potential issues. Most problems will have been anticipated and appropriate corrective actions will already be in place. Follett will provide a project status reporting template with basic reporting categories that can be used as is or modified to ensure it is mutually beneficial to both parties.

1. Project Reporting Schedule: Follett recommends that project status meetings be held on a regular basis. This helps ensure that all project team members are up to date on the current project status, possible issues and risks, and planned activities in the coming weeks and months. This ensures that issues or risks can be mitigated before becoming a liability of the project. The following describes our recommended project status reporting schedule.

a. **Weekly status report and meeting**

The project management team attends this meeting along with various members from both teams who are involved in the current project activities. This meeting generally lasts no longer than one hour and gives an overview of the week’s successes and issues. It also discusses strategies and plans for the following

week. The meeting is scheduled regularly on the project calendar. We will also prepare and deliver a weekly status report. If required, this would also be accompanied by a risk and issue log, and an updated project plan.

b. **Monthly status report and meeting**

One of the weekly project management meetings will be designated as a monthly status review that would include attendance by key project sponsors and/or stakeholders from both CPS and Follett. This meeting would summarize project accomplishments for the month as well as updates on project strategies and plans. At this meeting, the Follett Project Manager presents relevant portions of their detailed status report such as:

- Progress report on work performed, describing the status by project phase of each major task in the work plan and the deliverables associated with that task
- Milestones attained and deliverables completed, comparing the planned and actual completion dates
- Problems encountered and corrective action taken, defining the resources required and any ramifications to the project
- Project work plan updates, incorporating agreed changes and defining the implications for resources and schedules
- Objectives targeted for the following month, defining the major tasks, milestones, and deliverables to be started or completed

C. **Project Change Control Procedures:** Anything not addressed in this SOW is out-of-scope and not included in these services. All changes to the SOW, any attachments hereto, or the Project Plan are subject to mutual written agreement in accordance with the Change Management Process set forth in the Agreement. As described further in the body of the Agreement, modifications of this SOW may take the form of additional SOW's or Change Orders. Both forms can be initiated by a Project Change Request ("PCR"). A sample PCR form can be found in Appendix 1.

1. **Change Initiation:** If CPS requests a change, then CPS Project Manager shall deliver to the Follett Project Manager a written request. This request should describe the purpose of the change and anticipated effect the change will have on the project. Follett will then develop and deliver to CPS a written proposed PCR that defines the scope change, schedule impact and any impact on pricing and/or terms of the agreement. In accordance with the Change Management Process set forth in the Agreement, the parties will then determine if substance of the PCR should be completed and documented via an amendment to the Agreement, a Change Order or a Statement of Work (collectively, "change vehicle").

2. **Change Validation:** Upon receipt of the PCR, the parties will work together in good faith to reach an agreement on the terms of the change vehicle. Upon agreement, the authorized representatives of each of the parties shall sign the change vehicle.

3. **Approvals and Acceptance:** The Project Manager of a party is authorized to discuss and agree to the PCR on behalf of such party.

D. **Project Initiation**

This stage of the Project is focused on mobilizing the project delivery teams across all parties, reviewing the objectives of the project and capturing functional requirements for the Aspen Solution.

1. **Planning Meeting(s).** At the beginning of the Project, Aspen Implementation Planning Meetings will be held with CPS. The goal of these meetings is to ensure the Aspen Solution

Implementation Teams from Follett and CPS fully understand the objectives of the Project. This includes reviewing the project timeline (see Table 1 for example), roles and responsibilities of the team members, implementation components and timing and duration of these activities, critical success factors, and procedures that will govern the management of the project. It is also during these meetings that any known project risks will be discussed and proper mitigation plans developed collaboratively to prevent them from becoming a liability to the project. Finally during these meetings, Follett and CPS will work together to finalize the Training Plan using the draft plan in Appendix 4 as a framework.

2. Aspen Requirements Review Meeting(s). The requirements gathering process as described in Section C.3 (Requirements Review and Planning) is a critical part of a successful implementation of the Aspen solution within CPS.

3. Training and Development Database Setup. Follett will work with CPS to set up two instances of the Aspen Solution in the Board's data center. One database serves as a "sandbox" and will contain generic data for the purpose of allowing CPS to become familiar with the application. The second instance of the Aspen Solution will serve as a development environment where data conversion/validation, configuration and customization will occur.

4. Mutual Responsibilities. Appendix 5 contains a typical outline of projects tasks and the roles and responsibilities needed to ensure a successful implementation of the Aspen Solution. This will be reviewed along with the project timeline to provide effective resource planning and minimize delays in the project implementation.

E. **Vendor Project Team Structure:** The below table contains the names and email addresses of the vendor's core project team. CPS's Project Manager must be made aware of any substitutions to the list of resources listed below. While input from the CPS Project Manager will be factored into replacement decisions, Follett shall have sole discretion on any hiring/replacement decisions.

<u>Project Role</u>	<u>Named Resource</u>	<u>Email Address</u>
Follett Project Manager	Matt Umhoefer	mumhoefer@follett.com
Follett Solution Architect	Dave Gray	dgray@follett.com
Follett Change/Communication Management Lead	Matt Umhoefer	mumhoefer@follett.com
Follett Data Conversion Lead	April Whitworth	awhitworth@follett.com
Follett Configuration Lead	Donna Thomas	dmthomas@follett.com
Follett Technical Lead	Jon Kelley	jkelley@follett.com
Follett Training Lead	Ellen McNulty	emcnulty@follett.com
Follett Technical Support Manager	Brooke Hagberg	bhagberg@follett.com
Follett Data Center Architect	Jerry Gifford	jgifford@follett.com

F. **Post Implementation Support**

Post go live, Follett will have a Configuration Specialist/Relationship Manager assigned to CPS for a period of six months to one year as determined by mutual agreement of the parties. This person will assist CPS System Administrator in becoming progressively more independent and proficient in the use of the Solution. This person will also assist CPS with their understanding of CPS support processes including using Technical Support for ticket issues, requesting customizations to the Solution's tools, and finding valuable dynamic resources.

Within an agreed upon timeframe post go live, CPS will be transitioned to Follett's Customer Relationship Managers (CRM). This team will reach out to CPS proactively in a variety of ways: newsletters, web pages, conference calls, and email. This team's goal is to continuously empower CPS in its use of the Solution.

The Scope of Services further describes the Services that Follett shall provide post go live.

Appendix 1
Project Change Request (PCR) Form (Sample)

General Overview

This Project Change Request form is based upon the Agreement between Follett, a company with an address at 75 Wm Terry Drive, Suite 2204 Hingham, MA 02043 and *the Board of Education of the City of Chicago, commonly known as Chicago Public Schools* Customer number *<insert Oracle Customer number>*, having its principal place of business at 42 W. Madison, Chicago, Illinois 60602 ("Board", "CPS", or "Customer") signed *<insert agreement signing date>*.

Change Identification

The change identification for this request is *<PCR Number>*, *Month day, year*.

Change Description

<Insert details of change being requested>

Project Impact

This PCR will impact the project in the following manner:

- **Scope Impact**
- **Schedule Impact:** *<Insert any impact on the schedule. Include the previously agreed scheduled dates as reference when appropriate and use tables appropriately for visual clarity.>*
- **Price Impact:** *<Insert any price impact related to the PCR. Be specific and include previously agreed pricing as appropriate.>*
- **Terms and Conditions Impact:** **The terms and conditions of this Agreement shall not be impacted by this PCR. The parties recognize and agree that any attempted change to the terms of this PCR shall be void. As stated in the Agreement, any change to the terms and conditions requires the prior written approval of the Board's General Counsel and shall be documented in an amendment signed by the authorized representative(s) on behalf of the Board and Follett.**

Target Approval Date

The Licensor must receive CPS's approval of this Project Change Request by *<insert date on which the PCR must be signed - this date should be before any services that are affected by this PCR are provided.>*

Submitted by:

Name:

Title:

On behalf of: CPS/Follett

**Appendix 2
Aspen Acknowledgement of Delivery (AOD)
And Data Validation Signoff
-- SAMPLE --**

CPS Name:
Agreement Date:

Delivery

I confirm that the following deliverables described in the original agreement have been successfully delivered:

- Aspen Solution
- Configuration
- Data conversion and validation
- Administration Training

Data Validation

It is the responsibility of the school district to validate converted data within a project timeframe. School district validation efforts are crucial to the accuracy of the conversion. Post-cutover conversion work due to incomplete validation will result in additional costs and may hinder the processes of district staff.

I confirm that the validation of data converted from <<source system>> to Aspen has been adequately performed and confirm that <<district name>> is now live on Aspen. I understand any conversion work required prior to the go live is included in the agreed upon conversion costs.

I also understand that any data conversion costs incurred after the "Go live" will be the responsibility of <<district name>>. Additional conversion work will be resolved in an appropriate timeframe agreed upon by both Follett Development Corporation, a Subsidiary of Follett Software Corporation and <<district name>>.

Accepted By: _____

Date: _____

Printed Name: _____

Title: _____

CPS Address: _____

Appendix 3 Expected System Customizations and Configurations to be addressed

During the course of the implementation project, the following enhancements will either need to be addressed through customization of Follett's code stack or through configuration through the product's toolset. This list is broken out by student information system major functional area. The enhancements listed below shall be completed in exchange for the fees stated in the Pricing Schedule. Enhancements outside of what is provided for here will be addressed via the project's change control process and may require additional fees to be paid as mutually agreed in writing by the parties.

Student District Registrations and School Enrollments

- Enrollment & Withdrawal Codes
- Immigrant Information
- Ethnic Demos not exclusive, to CPS
- Home Language Survey
- Languages (Student) and Parent/Guardian Correspondence Language
- Medicaid / Health Insurance Info
- SSN and DACA checkbox (role based logic)
- Directory Opt Out info
- Contact Relationship Information/No Contact Allowed
- Auto-dial Flag for Contact Phone Numbers
- Medical Alert (read from the Food Safety page and SSM)
- Transfer of students between systems during migration (process)
- Lottery Process (w/ queues)
- Transfer Verification Process for Out-of-District
- Auto Graduation - ending enrollment when requirements met
- Audit Logic
- Did Not Arrive Process
- Student Projections Process
- Early Childhood Funding Identification

Scheduling

- Managing Teacher Class Assignments (Teacher of Record and other types of teachers), to include Start and End dates
- Course Request Constraints (identifying CTE, ELL, Instr students)
- Course Catalog Management, including multiple state course identifiers (to include NCLB and ISCC course code mappings)
- Term Date / Grading Period setup - preventing users ability to edit
- Student Future Date Capabilities (See PDF response)
- NCLB Attestation Process
- Class Modifiers and Program Data (i.e., Special Ed, Content Delivery, etc.)
- Staff Credentials
- Auto Schedule Semester 2 courses
- Homeroom Carryover
- Course Request Constraints Class Report

Grades and Transcripts Requirements

- Report Cards (multiple customizations, ES, HS, Rowe / charter, Juarez / standards-based)
- Progress Reports
- HS Official and Unofficial Transcripts and the TRD
- ES Transcripts
- Tracking ES Constitution Test (Pass/Fail)
- SIM Historical for High Schools

- Need SIM Historical for Elementary Schools
- Class Rank calculations
- Custom GPA calculation
- Academic Planner Config.
- Grad Status and the Auto Grad Process, Grad Override
- HSI/SIR Historical Student Transcript Data Management
- Grades Transfer functions - teacher to teacher, class to class
- Standards-Based Grading
- Report Card Pick-Up Tracking
- Configurable Semester, Quarter, Annual Average Calculations
- Restore Teacher Gradebook Backups
- Teacher Grade Verification and Gradebook Locking/Unlocking
- Teacher Grade and Assignment Audit Log
- Grading Scales - School, Course, Class Levels
- Multiple modes/methods of grade entry
- Dropped/Late/Multiple attempts for assignment grades with teacher notes
- Walk-in average and/or capture/visibility of transfer grades and assignments

Parent-Student Portal

- Account Creation and approval workflow
- Secure Account association to a Student with workflow approvals
- Grades and Attendance Triggers / Texts
- Parent/Teacher interaction processes
- Customizable, Timed Messaging with Audience targeting
- Metrics Reporting
- Address/Phone Number\Email change capture (with appropriate CPS workflow processes)
- Email verification
- Automated Student Account Creation with Active Directory Integration
- Enable/Disable Portal Access for students and parents separately
- Role-Based security for administrative functions

Attendance

- Attendance Change Reasons
- Calculation of Instructional Minutes w/ attendance thresholds HS
- Audit Logic
- Attendance Codes and Values (ES & HS)
- Unscheduled Non-Attendance / Emergency Day Handling\

Instructional Management

- Curriculum Map Loading

Assessments

- A single question bank prior to launch
- Assessment Scheduling functionality

Student Health Records

- Safety Procedure Conditions (Food Allergies, Asthma, Diabetes) and Health Conditions
- Immunization - Scheduled and Nonscheduled, Medical Waivers for Scheduled only
- Compliance Calculation
- Health Exams (Certificate of Health, Sports Physicals, BMI Calc)
- Hearing and Vision Screenings
- Hearing and Vision Exams
- Dental Exams & Treatment

- Pregnancy
- Health Office Visits
- Medical Alert (based on Safety Procedure Conditions and Health Conditions)
- Medicaid Billing Process
- Dated Height/Weight data capture

Athletics

- Athletics Eligibility Calculations
- Individual Study Plan and Date Received Tracking Process
- Tracking Active/Inactive Students
- Sports Physicals

Teacher Portal

- Parent/Teacher interaction processes
- Student Profile (Current Year)
- Student Profile (Historical Attendance, Enrollment, Assessments, Grades)

Transportation

- STS Transportation Eligibility Determination
- Special Transportation Needs (wheelchair access, helpers, etc)

Special Education

- Link to Student's SSM Record (tied to staff security)
- Summary information - Disability(ies), Related Services, CPS Specific Services including Paraprofessional, LRE Setting, Testing Accommodations (indicator), Alerts

Student/School Incident Management

- Email notification to departments/group for six different incident types; could be multiple groups receiving each incident notification
- Attendance and Truancy Functionality (i.e. 10 day letters)
- Expulsions (workflow)
- Subpoena Request (Legal)
- Student-centric Logging/Communications
- Bullying Notification Process
- Ventra Functionality (inventory, purchasing, ordering and activation)

Fees, Textbooks and Building Access

- Fees: Menu-based entry interface for fees
-

Service Learning Hours / Projects

- Service Learning Hours Student Record Panel/Page

Program Management - IB Programs, Academic Decathlon, Academic Competition Chess for ES and HS + CitySpan

- Program Taxonomy (hierarchy)
- Grant Reporting - Surveys
- Athletic Decathlon
- Competitive Chess
- Lottery Management
- Program Participation (Attendance)

Early Childhood

- Early Childhood Student Record Panel/Page

EL (English Learners)

- EL Student Record Panel/Page

STLS (Students in Temporary Living Situations)

- STLS Student Record Panel/Page

MTSS (Multi-tiered System of Supports)

- At-risk Alerts Configuration
- Workflow
- Aspen Journal Entries

Data Interfaces (Joint Follett/CPS Development)
CPS Operational Data Store (ODS)

Appendix 4

Proposed Training Plan (subject to modifications once project timeline and training plan is finalized.

Training Topic	In Classroom	On Course	Course Variables	Team Leads	Timeline
<p>CPS Project Team Training</p>	<p>10 days classroom training. Depending on staff availability the training may not be scheduled for 10 consecutive days.</p>	<p>Fundamentals System Administration Enrollment Attendance (Daily/Period) Conduct Using Aspen Reports Gradebook Grade Management Daily Scheduling</p>	<p>Supporting Training Manuals for: Fundamentals, Enrollment, Attendance, Conduct, Gradebook, Grade Management, Daily Scheduling, Gradebook</p>	<p>Follett lead training CPS Project Team CPS Help Desk</p>	<p>July-August 2016</p>
<p>Aspen Data Architecture Training</p>	<p>2 days - informal training walkthrough, question and answer</p>	<p>Data Schema Walkthrough</p>	<p>N/A</p>	<p>CPS Application Management, Development and Data Solutions Teams</p>	<p>July 2016</p>
<p>Pilot School Training</p>	<p>25 days Classroom training. Depending on total number of schools in the pilot activity the actual number of training days could go down.</p>	<p>Fundamentals Enrollment Attendance (Daily/Period) Conduct Using Aspen Reports Grade Book Grade Management Prepare to Build Master Schedule Build Workshops</p>	<p>Supporting Training Manuals for: Fundamentals, Enrollment, Attendance, Conduct, Gradebook, Grade Management, Daily Scheduling, Gradebook</p>	<p>Follett lead training CPS School User Teams</p>	<p>October- November 2016</p>

Project Title	Project Description	Project Goals	Project Objectives	Project Deliverables	Project Timeline
	<p>Follett assumes a maximum of 12 schools in the Pilot.</p> <p>Number of resources from the schools will also determine how many days of training will be required.</p>	<p>All Go-Live topics</p>	<p>Supporting Training Manuals for: Fundamentals, Enrollment, Attendance, Conduct, Gradebook, Grade Management, Daily Scheduling, Gradebook</p>	<p>Follett lead training CPS identified trainers</p>	<p>July - September 2017</p>
<p>Train the Trainer (Go Live classes)</p>	<p>4 Sections / 15 days each = 60 total days</p> <p>Approximately 8 resources in each section.</p>	<p>All scheduling concepts Master Schedule Build Certification</p>	<p>Ability to participate in weekly Scheduling Q&A calls, typically scheduled January - March for Prepare to Build, March-August for Build</p>	<p>Follett Lead training CPS Trainers</p>	<p>July - September 2017</p>
<p>Train the Trainer (Scheduling Certification)</p>	<p>2 Sections / 30 days each (60 total days)</p> <p>Number of sections and actual length of time will be determined by number of CPS participants</p>				

Training Title	Target Audience	Content	Standard/Course Deliverables	Participants	General Timelines
	Training will not be on 30 consecutive days				
Elementary Scheduling	471 schools 2 users/school 20 users in each section 47 Sections / 2 days each = 94 days	Elementary school scheduling components. This class will include 1 day of instruction followed by 1 day of workshop style support. School staff may not complete their entire schedules but they will have completed the training and will be able to get a strong start to the process before going back to the school buildings to complete the process.	Ability to participate in weekly Scheduling Q&A calls, typically scheduled January – March for Prepare to Build, March-August for Build	Follett Lead training CPS Trainers to provide support Elementary scheduling teams	April - June 2018
Secondary Prepare to Build	483 schools (assumed 170 HS + 2/3 of K-8 schools that would use this functionality for grades 6-8) 3 users/schools 20 users in each section 73 sections / 2 days each = 146 days	In this training, users who create the master schedule for their school will learn how to prepare their school to use Aspen's master scheduler engine. This training covers all aspects of the preparation that goes into master schedule building – from entering student requests to assigning sections to teachers.	Ability to participate in weekly Scheduling Q&A calls, typically scheduled January – March for Prepare to Build, March-August for Build	Follett Lead Training CPS Trainers to support Secondary scheduling teams	January - March 2019

Training Title	Number of Schools	Content	Standard Course	Participants	General Timeline
Secondary School Build Workshops	483 schools (same assumption as above) 3 users/school 8 schools in each section 60 sections / 2.5 days each = 150 days	In this workshop training, schools work with Follett on building their master schedule. Our scheduling experts will help make sure that the master schedule you build is the best it can be. This training is run as a workshop, in which users work on their live school data with the aid of the Follett trainers.	Ability to participate in weekly Scheduling Q&A calls, typically scheduled January - March for Prepare to Build, March-August for Build	Follett lead training CPS Trainers to support Secondary scheduling teams	April - June 2019
Go Live Training	All CPS Schools (excluding pilot schools)	All Go Live topics	Supporting Training Manuals for: Fundamentals, Enrollment, Attendance, Conduct, Gradebook, Grade Management, Daily Scheduling, Gradebook	CPS Lead training All CPS End users	January - April 2018 (Elementary school rollout) October - December 2017 (High School rollout)
Aspen IMS Train the Trainer	20 days classroom training	Aspen IMS Certification	Supporting Training Manuals for:IMS Curriculum Directors and Teachers	Follett Lead Training	April - June 2017

Appendix 5: Project RACI Chart

RACI Legend

- R - Responsible Party** Owns completing the task.
- A - Accountable Party** Has ownership but not direct responsibility to complete the task.
- C - Consulted Party** Provides advice or opinion to those responsible or accountable to complete the task.
- I - Informed Party** Provided with knowledge about task.

RACI Chart

Responsible Party

Tasks	Responsible Party									
	Follett PM	CPS PM	Follett ACM	CPS Sys Admin	Follett Training Lead	CPS Training Lead	Follett Conversion Lead	CPS Conversion Lead	CPS SMEs	
Project Planning										
Project Staffing	R	R	I	I	I	I	I	I		
Project Plan	R	R	C	C	C	C	C	C	I	
Project Planning Meetings	R	R	R	A	R	A	R	A	I	
Project Kick-off Meeting	R	A	C	C	C	C	C	C	I	

Responsible Party

Tasks	Follett PM	CPS PM	Follett ACM	CPS Sys Admin	Follett Training Lead	CPS Training Lead	Follett Conversion Lead	CPS Conversion Lead	CPS SMEs
Project Team Training	R	A	I	I	R	C	I	I	C
Project Tracking and Reporting									
Status Reporting	R	A	C	C	C	C	C	C	I
Change Management	A	A	C	C	I	I	I	I	C
Scope Management	R	R	C	C	I	I	C	I	I
Implementation									
Configuration Tasks	A	A	A	R	I	I	C	I	C
Validation	A	A	A	R	C	I	C	I	C
Data Conversion	A	A	C	C	C	I	R	A	I
Data Validation	A	A	C	C	I	I	R	A	I
Customization	A	A	C	C	C	I	C	I	I
Testing and Acceptance	A	R	C	C	C	I	C	I	A

Responsible Party

Tasks	Follett PM		CPS PM	Follett ACM	CPS Sys Admin	Follett Training Lead	CPS Training Lead	Follett Conversion Lead	CPS Conversion Lead	CPS SMEs
	Follett PM	CPS PM	Follett ACM	CPS Sys Admin	Follett Training Lead	CPS Training Lead	Follett Conversion Lead	CPS Conversion Lead	CPS SMEs	
Go-No Go Stage Gates	A	R	C	C	C	C	C	C	C	I
Application Training and Support										
Train the Trainer	A	A			R	R				
Project Team Training	A	A	C	C	R	A	I	I	I	A
Pilot School Training	A	A	C	C	R	R	I	I	I	I
Go Live Training (All Schools)	C	C	C	C	R	R	I	I	I	A
Go Live Support	R	A	C	C	C	C	C	C	C	I

EXHIBIT C

Co-Location Hosting and Managed Services Statement of Work

Introduction:

This Co-Location Hosting and Managed Services Specifications (hereinafter known as the "Hosting Specifications") specifies the hosting services ("Hosting Services") to be provided under the Agreement for Software License, Implementation, Hosting and Support Services ("Agreement") between Follett School Solutions, Inc. ("Service Provider" or "Follett") and the Board of Education of City of Chicago, commonly known as the Chicago Public Schools ("Board" or "CPS"). Follett shall provide the Hosting Services according to this Hosting Specifications, unless otherwise agreed upon by the parties in accordance with the Change Management Process described in the Agreement.

Capitalized terms in this Hosting Specifications shall be understood to have the same definitions as given to them in the Agreement unless specifically noted otherwise in this document. Any ambiguity or inconsistency between or among the terms of this Hosting Specifications and the Agreement shall be resolved by giving precedence in the following order: (1) body of the Agreement, (2) Hosting Specifications.

Follett has partnered with best of breed vendors such as IBM, DELL, RedHat, Cisco, AT&T and F5 to provide a collocated hosted Aspen solution ("Hosting Solution") to CPS for the Solution described in the Scope of Services, Exhibit A to the Agreement. Special attention is paid to remote management capability, overall scalability, and redundancy of each of the components that make up CPS's Hosting Solution. The Hosting Solution and its accompanying managed services shall be provided in time for the initial launch of the Pilot (referred to in Exhibit B).

Control of Student Data remains with CPS throughout the Term and any Renewal Terms. Nothing within this Exhibit or within any part of the Agreement is intended to mean that CPS is granting or ceding any part of CPS's control over the Student Data that will be hosted within the Hosting Solution. The terms of this Exhibit and the Agreement shall be interpreted in a manner consistent with CPS retaining its control of the Student Data, consistent with FERPA, ISSRA, and any other applicable laws, rules, and regulations and any terms inconsistent with the maintenance of control shall be void.

General Requirements for Hosting Solution

As a general matter, Follett shall ensure that the Hosting Solution meets the following requirements throughout the Term of the Agreement and any Renewal Terms.

1. Maintain infrastructure services that include SIS hosting, backup services, and application administration.
2. With the technical support of Follett, allow for non-production environments to be built by CPS in a timely manner dictated by the Board to facilitate development, testing, migration staging, and user playground/training. These non-production environments shall be built within the Board's data-center, or within a third party hosting environment.
3. Monitor, configure, document, and control server, storage, networking, database services components, and service performance to proactively ensure the Board's environments operate within acceptable performance limits, which are defined within the SLA agreement (Exhibit D).
4. Perform and openly communicate root cause analysis on any system issues or security breach using the Corrective Action Plan as detailed in Section 3.4 of Exhibit D (Service Level Agreement).

5. Utilize diagnostic tools used in problem resolution. Note: CPS shall not have access to Follett's diagnostic tools but agreed upon metrics shall be reported and reviewed on a scheduled basis.
6. Apply the latest hardware/software patching, and critical firmware updates for all service components to ensure reliable and secure performance subject to Aspen compatibility testing.
7. Perform the application of maintenance packs and updates at an agreed upon schedule
8. Board staff shall have the ability to submit change/service requests via self-service portal provided by Follett, and be made aware of the process, schedule, and constraints for responding to the request. If Follett doesn't have a change management ticketing tools then the CPS ticketing tools could be used to facilitate change request.
9. Provide the Board with access to system monitoring tool (monitor.dō) available within Aspen.
10. Provide an annual PCI Compliance Letter of Attestation with an independent audit demonstrating that the controls are being maintained. If the document is available by the Co-location data center (AT&T), it shall also be made available by Follett.
11. Supply 24/7/365 support with database and server administration as provided for in Exhibit A – Scope of Services.

For any reasons, the Board may terminate the Agreement as to these Hosting Services after the Agreement has been in effect for at least one year and shall maintain the right to utilize 3rd party infrastructure hosting services or host the required infrastructure internally. In such an event, Follett shall provide assistance to assure an effective transition with little to no disruption in the other services provided as part of the Solution.

Configuration of the Hosting Solution

Follett shall bear all responsibility to provide the hosted infrastructure, configuration services, applications, and technical expertise necessary to meet the Solution's service, security and performance expectations set forth below and in other terms of the Agreement, including but not limited to the Scope of Services and Service Level Agreement. In the event that the Hosting Solution requires additional updates, resources, or other modifications in order to meet the service performance expectations, upon notice to the Board and the Board's written agreement, Follett shall make or acquire such updates, resources, and other modifications at no additional cost to the Board. Any modifications or amendments that need to be made to these Hosting Specifications as a result of such updates, additional resources, and other modifications shall be completed in a written modification or amendment in accordance with the Change Management Process specified in the Agreement.

Data Center Colocation – Environment and Security: The data center for the Hosting Solution is located within the AT&T Data Center in Illinois and the Hosting Solution shall be contained within two rackable, and secured datacenter cabinets. All servers shall be physically segmented from the vendor's other clients within these cabinets. The servers shall also be segmented from the primary network as detailed in Diagram 1 within this document. Service Provider is responsible for physical, network and application security. The District reserves the right to inspect facility at any point in time during the Term of the Agreement, including any Renewal Terms.

The Hosting Solution shall not be moved without prior written notice to and approval from the Board. The Board shall be provided with notice, in accordance with the Notice Section in the Agreement, at least ninety (90) days before the planned move is to occur. CPS reserves its rights to make reasonable objections, to refuse the proposed new facility, or to exercise any other rights in accordance with the terms of the Agreement. Any relocation that is agreed upon must be completed with a minimal outage of the Hosting

Solution. In no event shall the outage exceed thirty-six (36) hours, and Service Provider shall work to complete the relocation during a time when schools are not in session.

1. Physical: facilities must ensure continuous power and environmental controls and availability. Service Provider must also employ a combination of security cameras, HVAC sensors, biometric authentication systems, fire suppression, and monitoring for preventing physical harm to CPS's hosted environment. Physical access is controlled via biometric authentication systems as well as an ID card proximity reader and only those individuals performing Services pursuant to this Agreement shall have physical access to the Hosting Solution. Logs detailing access to the CPS cabinets as well as the entire Follett datacenter are stored for a minimum of one year. On-site staff shall be notified of all building access in real-time and logs are kept of all entries. Service Provider must maintain emergency response plans and procedures and shall keep the Board's Project Manager updated on the current plans and procedures, including any change to them.
2. Network: Follett shall provide a knowledgeable resource to configure Service Provider network changes within the LAN and hardware in the cabinets and work with the Board's IT network team to test all network-related configuration requirements. The Board shall be responsible for configuration from the Board provided router out to the Board WAN.
3. Application: There are two layers to application security provided as part of the Hosting Solution: session protection from network sniffing and prevention of URL hacking after a session is established. The first layer of application access control is to encrypt all web sessions with the HTTPS web protocol. The second layer of application access is controlled by the application architecture, delivering dynamic web pages for each session enabled. All URL calls are validated against the User's access control rights, uniquely configured and controlled by CPS, and stored in CPS's database.

Follett shall take commercially reasonable steps to secure its data center and systems from intrusion, hacking, and unauthorized access to the Board's data as described in Exhibit D – Service Level Agreement (Data Center Security). CPS shall be notified immediately when Follett has knowledge of an unauthorized access, use, or disclosure of CPS data associated with the Follett-provided Hosting Solution.

Anti-virus / malware controls – the Follett-provided Hosting Solution should contain products and methods for anti-virus and malware controls that meet industry standards. It shall include policy statements that require periodic anti-viral software checks of the system to preclude infections and set forth its commitment to periodically upgrade its capability to maintain maximum effectiveness against new strains of software viruses. CPS shall be notified immediately when Follett has knowledge of an anti-virus or malware infection of the Follett-provided Hosting Solution.

Load Balancing/Traffic Management: Service Provider shall provide independent load balancing hardware, in a redundant configuration in order to provide the maximum availability (HA) for the Hosting Solution. Service Provider shall utilize a pair of BIG-IP 2000's Local Traffic Manager (LTM), or comparable technology to route traffic between application server nodes and offload SSL certificates. The Hosting Solution includes: failover capabilities, dual power supplies and shall be current on the manufacturer's warranty as well as under a service & support contract and configuration details in architectural documentation for both production and test environments.

If Follett-provided monitoring tools determine that an application server is not operational, then that problematic server should be automatically removed from the load balancer's server farm when feasible until the issue with the server can be corrected.

Storage: Service Provider shall provide sufficient Storage Area Network (SAN) storage for the Board's application, data and backup needs for the Term of the Agreement, including any Renewal Terms, at no additional cost to the Board beyond that stated in the Schedule of Pricing. The provided SAN solution provides for full fault tolerance, scalability, performance, and data/workload isolation capabilities. The Hosting Solution includes: SAN Controller (dual controllers), disk shelves, system cache upgrades, SAN software, SAN host interface cards all of which are under current manufacturer's warranty and/or service and support agreement.

Servers: All servers shall be dedicated to the CPS environment and not shared by other clients. All provided servers within the CPS's portion of the co-location environment shall utilize dual power supplies, dual network adapters, remote access cards for system management and shall be current on the manufacturer's warranty as well as under a service & support contract. Servers shall be categorized the following way:

1. Application (Web Servers): Deploy, host and maintain web tier for Users to access the Solution, including four (4) Physical Production Application servers that meet the performance requirements, per the performance test.
2. Report: Deploy, host and maintain at least (4) Physical Production Reporting servers that meet the performance requirements, per the performance test.
3. Follett shall be responsible for assuring that performance requirements are continuously met throughout the Term of the Agreement and any renewals and shall take such actions as necessary, including but not limited to purchasing additional or higher-capacity servers to meet the performance requirements except where performance issues are due to factors outside of Follett's immediate control.
4. Database: Infrastructure allocated to the database tier shall be a dedicated CPS environment not shared by other SaaS clients. The environment shall be configured with redundancy for both the RDMS application and data. These servers shall be attached to a SAN provided by Follett.
5. File Server: A singular file server shall be provided. This server shall be attached to a SAN provided by the Service Provider.

Please see Diagram #1 and Diagram #2 below for visual representations of the environment. The Hosting Solution includes:

Network Infrastructure: Network connectivity between servers and storage all run across this converged network. Redundant paths are used for performance and fault tolerance. Using best of breed equipment from Cisco Systems, the Hosting Solution includes:

1. Redundant Converged Network Switches
2. Private cross connect with Follett for system management.
3. Redundant out of band management switch for administration
4. Cabling, Management Packs, and licensing
5. A manufacturer warranty and a current service & support agreement for all vendor owned equipment constituting the provided network solution within the co-location solution.

NOTE: CPS shall be responsible for providing connectivity between their infrastructure and the Data Center where CPS's co-location hosting location is located.

Operating System, Database and Utility Software: Microsoft SQL Server Enterprise Core licensing (Database Server), Microsoft Windows Server Datacenter processor licensing (Database/File Server), RedHat Enterprise Linux (Application/Report servers), Antivirus software (All servers) and Monitoring / Management Software (All servers) shall be required on the servers referenced in parentheses and shall be licensed by Follett. No server should be more than one major release behind the most current version of the software listed above once Aspen compatibility with said version and all interdependent software has been confirmed. It is Follett's responsibility that all software referenced above should be in good standing from a support and maintenance perspective with their respective vendors throughout the Term and any Renewal Terms.

Active Directory Integration: Solution shall integrate with the Board's Active Directory Forest, and preferred federation service, such as Microsoft's ADFS / SAM L 3.0, Clever, Google, or secure LDAP for user authorization and authentication. Service Provider shall work with Board resources and the PM team to create a well-documented process for managing application user provisioning and de-provisioning. The level of integration shall be run across trusted domains; the Board's and the hosted environment provided by the Service Provider, and also include both authentication and authorization between Active Directory and Aspen.

System Performance Monitoring: System uptime and performance monitoring shall be performed by the Service Provider and shall be communicated to the Board on a monthly basis. Performance Monitoring takes place at several levels throughout the entirety of the solution and includes IT Infrastructure statistics overseeing network performance, storage systems, disk I/O, memory utilization as well as end-user response times. The Monitoring solution shall also verify availability and performance for each of the Board's application and report services on a scheduled basis allowing the detection of partial system outages and slowdowns.

Backup Solution: The ability to recover in the event of a disaster (large or small) is a critical key to any hosted solution. Using backup systems (hardware / software) from IBM the Hosting Solution includes Tivoli Storage manager software / licensing and a dedicated system for maintaining CPS back-ups at Follett's primary and back-up data centers for redundancy. All software necessary to facilitate the backup process shall be fully licensed, under a current maintenance agreement and the server's operating system shall be fully patched throughout the Term and any Renewal Terms.

1. Service Provider shall complete full database backups nightly with log backups taken every 2 hours. Backups will be stored on a dedicated CPS system both locally and replicated at Follett's backup data center to provide backup redundancy.
2. Service Provider shall provide a MSQL file based back-up to CPS on a mutually agreed upon schedule but no less than once per year for archival and internal use purposes.
3. Service Provider shall provide backups and resources to facilitate an annual Disaster Recovery test. Note: CPS shall be responsible for providing the Disaster Recovery facility and executing the Disaster Recovery Test.
4. The content of the backups shall consist of the database(s), applications and utilities required to bring up a separate, free-standing instance of the Solution in case of a disaster situation.
5. Current backup database files shall be made available to the Board so that non-production instances of the Solution can be constructed and updated within the Board's data center.
6. The Board may choose to substitute their own backup and recovery systems into the Solution but shall then be responsible for backup, recovery, disaster recovery testing, and offsite back-up storage.

Data Recovery: Service Provider shall be responsible for maintaining the back-ups as necessary to achieve the Service Level Agreement for Loss of Data or Data Integrity and Backup Recovery as defined in Exhibit D – Service Level Agreement.

Database Administration: Follett's standard hosting service includes general Database Administration Support which covers:

- Installation, Configuration, and Updating Database Software
- Supporting Database Backups and Recovery
- Performance Monitoring and Tuning (note: this may include providing recommendations to CPS if CPS provided scripts, customizations, etc. are identified as a performance bottleneck)
- Troubleshooting

Additionally, Follett may provide database administration as requested in writing by authorized Board personnel to support normal operations of the Aspen Product which may include:

- Running Board produced scripts against the Production environment
- Board Produced SQL Statement Performance Tuning
- Object Migrations - validating that new or updated objects, that originate from the Board meet coding standards, as well as supporting their migration from one environment to another, such as Stage to Production, as requested by authorized Board personnel.

Such requests may be subject to additional charges and resource availability and shall be completed in accordance with the Change Management Process as set forth in the Agreement.

Production database backups must be available to CPS's DBA for the purpose of building and refreshing non-production Aspen environments.

Responsibilities of the Board

Network and Board Equipment

Provisioning, security, support, and maintenance of the Board's Local Area Network and all network equipment, network connections, printers, computing devices, connectivity between the Board's infrastructure and the Follett-provided Data Center including data transmission lines up to the router provided by the Board, and all Software and other hardware operating on such equipment are the responsibility of the Board, with the exception of the network equipment and services that are provisioned by Follett on behalf of the Board as specified within this Exhibit. The Board is also responsible for correctly configuring and maintaining the desktop environment used by Users to access Aspen software hosted by Follett. This responsibility includes the Board's network router and firewall, which must also be in place and properly configured to allow data to flow between the Board's network and Follett's data center in a secure manner. Follett requires that desktops or network computing devices accessing the Service have one of the following web browser configurations (supporting 128-bit encryption for SSL):

- o Microsoft Explorer 9 or greater
- o Chrome 2.x – 33+
- o Safari 2.x -7+

Requests by the Board for monitoring, troubleshooting or resolution of communications beyond the Point of Demarcation shall be billed on a time and material basis at the Level 1 Support rate specified in Exhibit E Cost/Payment Schedule.

File Transfer or Interfaces: Unless otherwise agreed within this Agreement, the Board is responsible for the execution of third-party interface programs. Using secure file transfer protocols, Follett shall provide the ability for the Board to retrieve interface data from Aspen or post interface data for Aspen processing. The Board may use database links and perform SQL calls to facilitate the movement of data from one

system to another. The Board understands and accepts that there are inherent security issues when using these tools with systems that do not reside in Follett's data center.

Diagram #1:

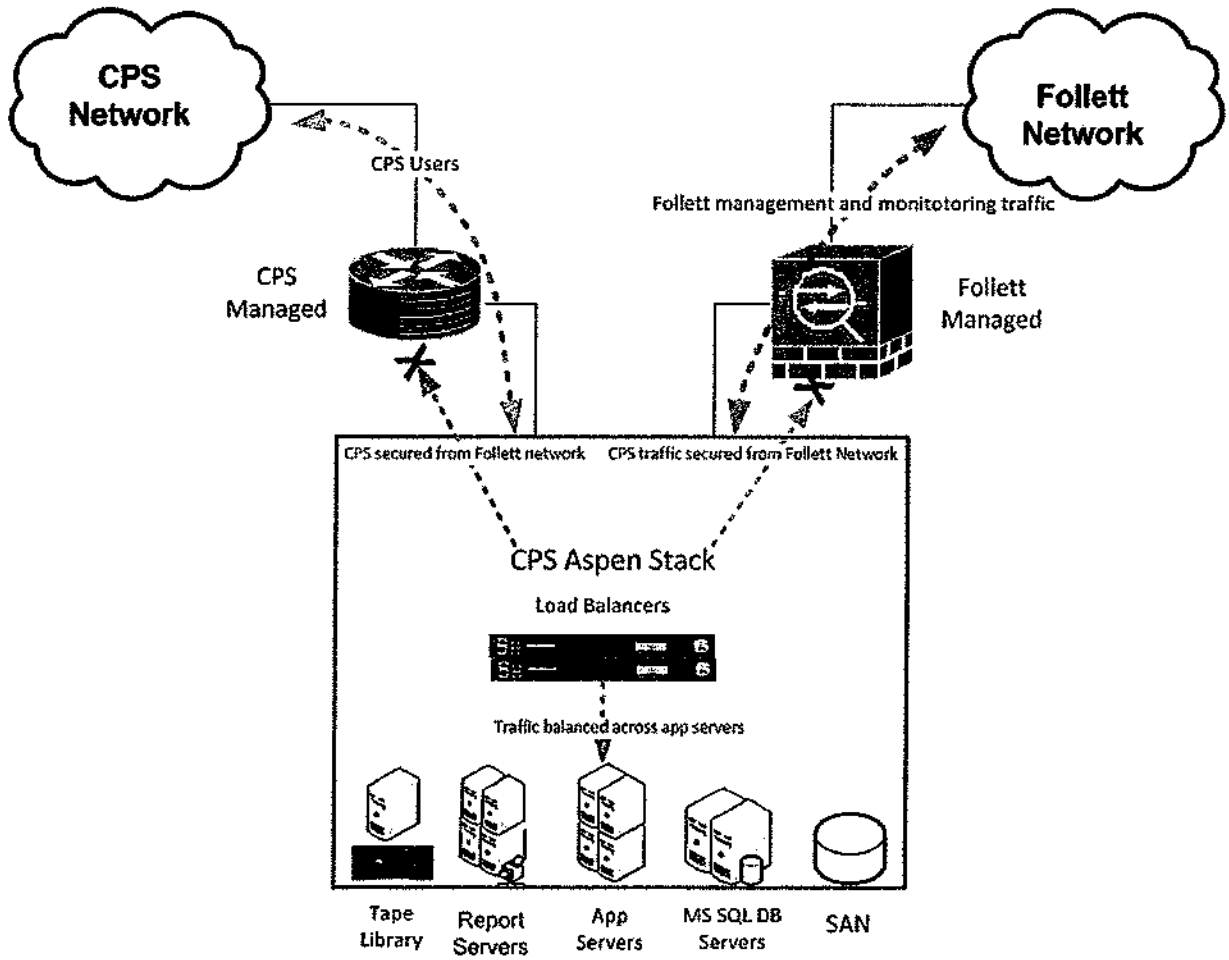
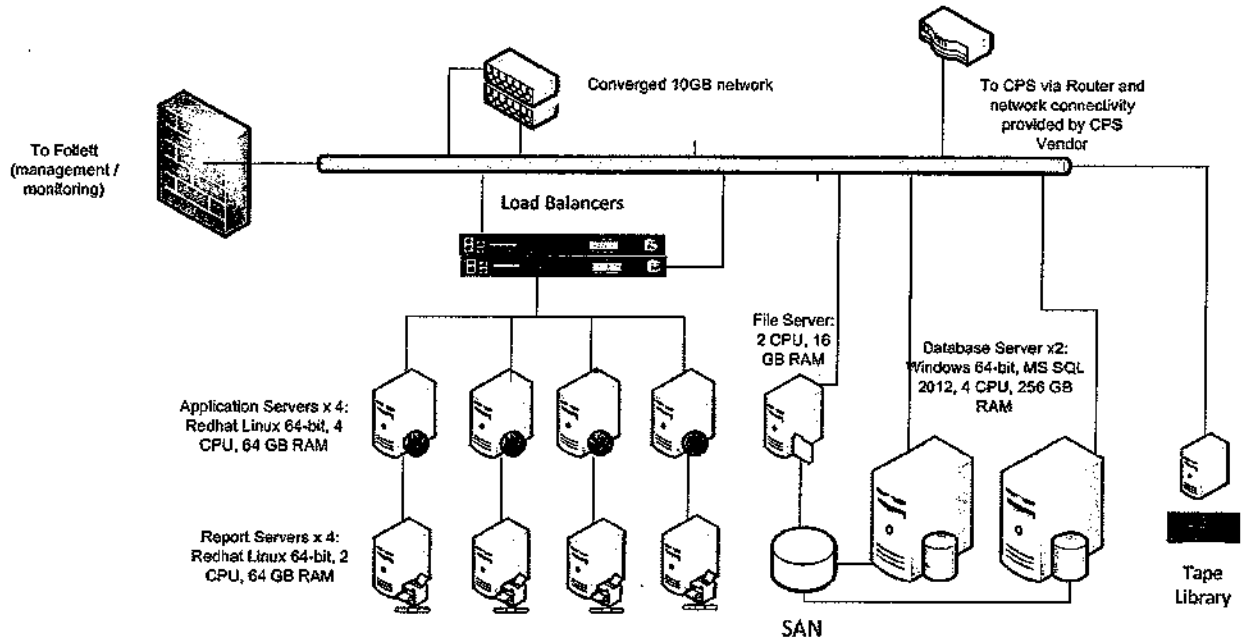


Diagram #2:



*Specific Products and specifications subject to change.

EXHIBIT D

SERVICE LEVEL AGREEMENT

This Service Level Agreement ("SLA") shall be incorporated in and governed by the terms of that certain Agreement for Software License, Implementation, Hosting and Support Services (the "Agreement") by and between the Board of Education of City of Chicago, commonly known as Chicago Public Schools ("Board" or "CPS"), and Follett School Solutions, Inc. ("Follett" or "Service Provider"). Capitalized terms in this SLA shall be understood to have the same meaning as given to them in the Agreement, including the exhibits that precede this exhibit, unless specifically noted otherwise in this document. Unless expressly provided for in this SLA, in the event of a conflict between the provisions contained in the Agreement and those contained in this SLA, the provisions contained in the body of the Agreement shall prevail.

1. Definitions.

Where used in this Schedule, the following words will have the meanings set forth below, and any other words defined in this Schedule will have the meanings so given to them:

- (a) "**Consequence Points**" has the meaning given to it in Section 3.1 of this Exhibit D (*Service Level Agreement*);
- (b) "**Corrective Action Plan**" has the meaning given to it in Section 3.4 of this Exhibit D (*Service Level Agreement*);
- (c) "**Service Level Failure**" means the failure of Follett to meet or exceed a Service Level (as described in Appendix 4-A); and
- (d) "**Single Problem SLA**" has the meaning given to it in Section 3.2 of this Exhibit D (*Service Level Agreement*).
- (e) "**Application Related Defect**" means an error in coding or logic that causes the program to malfunction or produce incorrect results based on the intended design of the feature/function.

2. Service Levels.

- 2.1 **Purpose.** The purpose of this Schedule is to describe the Service Levels that Follett will achieve in performing the Services. For purposes of this SLA, Services shall include, collectively: the operation of the Solution as described in the Scope of Services, which is attached and incorporated into the Agreement as Exhibit A; the Implementation Services or Project as described in the Implementation Services Statement of Work, which is attached and incorporated into the Agreement as Exhibit B; the Hosting Solution as described in the Co-Location Hosting and Managed Services Statement of Work, which is attached and incorporated into the Agreement as Exhibit C; and any other services that may be described in this SLA.
- 2.2 **Measurement and Monitoring Tools.** Follett will implement measuring and monitoring tools and metrics as well as standard reporting procedures to measure and report Follett's performance of the Services against the Service Level Standards set forth in Appendix 4-A below. The reports will be provided to CPS Project Managers and such other individuals who may be designated by CPS's CIO monthly.

3. Service Level Failure.

3.1 **Performance Credits.** Service Level Failure(s) resulting in the accumulation of Consequence Points for which CPS is entitled to apply performance credits ("**Performance Credits**") against the monthly Licensing and Hosting Fees owed by CPS to Follett under this Agreement as set forth in the Pricing Schedule, as follows:

- (a) Consequence Points may only be assessed in the event of a failure by Follett to achieve a Service Level;
- (b) If Follett fails to achieve any Service Level in any given month, then CPS may earn Performance Credit(s) corresponding to the number of Consequence Points associated for such missed Service Level as set forth in Table 1 below. Performance Credits may only be earned in the event of a failure by Follett to provide a plan to address the causes of such Service Level Failure(s) ("Corrective Action Plan" defined in Section 3.4 of this document) within five (5) days after notice of the Service Level Failure. Notices of such Service Level Failure may be either through (1) a Monthly Performance Review meeting or (2) after a formal notification is delivered after incident resolution. Notification must be in a written format (email or memo) and come from the CPS CIO, Director of Enterprise Applications or the Director of Student Information Systems and be acknowledged by the Follett Relationship or Program Manager. Follett will have thirty (30) days after CPS's acceptance of the Corrective Action Plan to correct the Service Level Failure(s) through implementation of the Corrective Action Plan(s) unless otherwise agreed to by both parties ("Corrective Period"). If a Corrective Action Plan is not completed or the Service Level Failure(s) continues after the Corrective Period, CPS shall be due Performance Credits as stipulated below. In the event of multiple Service Level Failures in a month, if Follett is able to correct some, but not all, Service Level Failures in accordance with its Corrective Action Plan, then Consequence Points will only be assessed for those uncorrected Service Level Failures and a Performance Credit will be paid based upon such assessment.

Table 1 - Consequence Points and At-Risk Amount

Total Consequence Points Assessed in Current Month	Performance Credit
<= 10 points	No financial consequence Regular management review
> 10 and <= 20 points	9% of the Fees for month
> 20 and <= 30 points	11% of the Fees for month
> 30 and <= 40 points	13% of the Fees for month
> 40 and <= 50 points	15% of Fees for month
> 50 and <= 60 points	17% of Fees for month
> 60 points	20% of Fees for month

Reference to Fees above means all Fees applicable to the monthly reporting period for Software as a Service (SaaS) and Hosting and Support Costs as described in Exhibit E.

- (c) If a Service Level Failure is caused in whole or in part by the actions or inactions of CPS, then the Consequence Points shall be adjusted based upon the contribution of such action or inaction to the Service Level Failure, which will be determined by mutual agreement of the parties.
- 3.2 **Single Problem, Multiple Occurrences.** Upon the occurrence of a single, technical problem that causes a failure in multiple Service Levels, Follett may be assessed Consequence Points in respect of one (and not all) of such affected Service Levels (the "**Single Problem SLA**"), which Service Level shall be selected by CPS in its sole discretion (which may be the Service Level that has the largest number of Consequence Points and generates the greatest financial consequences).
- 3.3 **Performance Obligation.** Notwithstanding the foregoing, and for greater clarification, Follett shall use commercially reasonable efforts to achieve all Service Levels, whether or not such Service Levels are subject to Performance Credits.
- 3.4 **Corrective Action Plan.** Follett will prepare an action plan ("**Corrective Action Plan**") to address the Service Level Failure incident and send the Corrective Action Plan to the Board within the time period specified in Section 3.1(b) above. Each Corrective Action Plan will include the following information:
- (a) statement of initial incident/problem;
 - (b) description of process or technical problem that lead to missed SLA(s) ;
 - (c) problem status;
 - (d) actions required to correct problem;
 - (e) when actions are expected to occur and when they are expected to be completed;
 - (f) Any effect on current customizations, functionality or any other facet of the Services provided;
 - (g) Projected date for correction of the error or otherwise resolving a Board problem in accordance with this SLA and confidence level, if possible, for such date (stated in percent form). Stated date of correction is within 30 days. If more time is needed, this should be noted and the need for the extension should be detailed.
 - (h) Expected measurable results after corrections have been made.
- 3.5 As part of its Corrective Action Plan, Follett will respond as to whether it agrees with the Board's assertion that the SLA was missed, or if Follett does not agree with Board's assertion, Follett shall make its counter-argument as to why the request for a Corrective Action Plan was unjust.
- 3.6 Follett has no obligation to assess any Consequence Points or issue any Performance Credits unless the Board reports the Service Failure to Follett immediately on becoming aware of it.
- 3.7 Any Performance Credit payable to CPS under this Agreement will be issued to CPS in the calendar month following the expiration of the Corrective Period.
- 3.8 The Board has the right to determine an Event of Default if Follett is assessed Consequence Points associated with three or more independent or repeated Severity Level 1 Failures for "Availability of Solution," "Application Response" or "Follett Data Center Security" Service Levels within a one

calendar year subject to the Remedies as defined in the Agreement. In the case where a single event triggers multiple Severity Level 1 Failures, it shall count as only 1 Failure for the purpose of this clause.

APPENDIX 4-A
SERVICE DESCRIPTIONS AND MEASUREMENTS

Legend

Measure	Description of Service Level measured.
Standard	The time during, or frequency by, which a Service Level is measured.
Service Level Statement	Sets forth the quantitative measurements associated with Service Levels. Follett shall perform the Services at or above the levels of performance indicated.
Service Level Interpretation	Service level metrics
Reporting	Frequency of reporting and content of report.
Data Source	Source of data used to calculate Service Level (e.g., availability identified by CPS, % or response times identified by Service Provider)
Exceptions	Identified scenarios which are not covered by the designated Service Level Statement.
Dependencies	Follett dependencies which impact the Service Level Statement
Consequences	Consequences for failure to meet or exceed Service Level based upon Consequence Points.

1. Availability of Solution Application

Measure	Overall availability of the Solution, data, and infrastructure required so that Users can login to the production environment.
Standard	All Solution service components will be available on a 7x24 basis, exclusive of scheduled times for maintenance.
Service Level Statement	Overall availability of greater than 99.99%.
Service Level Interpretation	Overall availability of greater than 99.99% $Availability\% = (time\ available) / (total\ time - scheduled\ downtime) \times 100\%$ Severity Level 4 – overall availability% > 98.98 and <= 99.98% Severity Level 3 – overall availability% > 97.98 and <= 98.98% Severity Level 2 – overall availability% > 96.98 and <= 97.98% Severity Level 1 – overall availability% <= 96.98
Reporting	Monthly. Availability based upon reports/ prepared by Follett.
Data Source	Availability % identified by Follett
Exceptions	N/A
Dependencies	This SLA is dependent upon Exhibit C – Co-location Hosting and Managed Services being in-force. If for any reason the services associated with Exhibit C are terminated, then this SLA shall no longer be enforced.

Consequences	Severity Level	Consequence Points
	4	5
	3	11
	2	21
	1	31

2. Availability of Application – CPS Standard Operation Hours

Measure	Overall availability of Follett provided Solution, data, and infrastructure required so that users can login to the production environment during CPS Standard Operation Hours of 7:00am – 5:00pm CST, Monday through Friday excluding statutory holidays.	
Standard	All Solution service components will be available during CPS Standard Operation Hours, exclusive of scheduled times for maintenance.	
Service Level Statement	Overall availability of greater than 99.99% during CPS Standard Operation Hours.	
Service Level Interpretation	<p>Overall availability of greater than 99.99% during CPS Standard Operation Hours</p> <p>Availability% = (time available during CPS Standard Operation Hours)/(total time during CPS Standard Operation Hours – scheduled downtime) x 100%</p> <p>Severity Level 4 – overall availability% > 98.98 and <= 99.98%</p> <p>Severity Level 3 – overall availability% > 97.98 and <= 98.98%</p> <p>Severity Level 2 – overall availability% > 96.98 and <= 97.98%</p> <p>Severity Level 1 – overall availability% <= 96.98</p>	
Reporting	Monthly. Availability based upon reports/ prepared by Follett.	
Data Source	Availability% identified by Follett	
Exceptions	N/A	
Dependencies	This SLA is dependent upon Exhibit C – Co-location Hosting and Managed Services being in-force. If for any reason the services associated with Exhibit C are terminated, then this SLA shall no longer be enforced.	
Consequences	Severity Level	Consequence Points
	4	5
	3	11
	2	21
	1	31

3. Application Response

Measure	Time required to respond to a request for a new screen or to retrieve a data request for the production SIS Solution with the exceptions as noted below.
Standard	The elapsed time between the sending of an interactive transaction until the measurement device has received the entire contents of the response to the transaction as measured at the Firewall router (Internal Port) at the Data Center.
Service Level Statement	Less than or equal to 3 seconds average as measured at the Firewall router(Internal Port) at the Data Center 95% of the time
Service Level Interpretation	<p>Response% = (number of transactions with response of less than or equal to 3 seconds)/(total number of transactions) x 100%</p> <p>Severity Level 4 – response% > 93 and <= 95%</p> <p>Severity Level 3 – response% > 91 and <= 93%</p> <p>Severity Level 2 – response% > 90 and <= 91%</p> <p>Severity Level 1 – response% <= 90%</p>
Reporting	Monthly. Response times based upon reports prepared by Follett.
Data Source	<p>Follett will run a series of scripts every 15 minutes against all Production Application Servers to gather general response time data for monthly reporting purposes. These scripts will include:</p> <ol style="list-style-type: none"> 1. User login (not including time required for CPS Active Directory Authentication) 2. Check report server is connected 3. Navigate to and generate Staff List 4. Run a sample Aspen report* 5. Navigate to and generate Student List 6. Navigate to various student sub side tabs <p>*Note: The sample Aspen report will be determined during the implementation phase of the project and may change over time by mutual agreement based upon system usage.</p>
Exceptions	<p>Follett is not responsible for the performance impact on the Solution due to CPS provided extensions.</p> <p>Follett is also not responsible for the performance impact on the Solution due to malfunctioning hardware, connectivity services or any other services provided by CPS.</p> <p>The following transactions are excluded from this Service Level Standard:</p> <ul style="list-style-type: none"> • CPS provided extensions • District Level Reports • School/staff level reports generated in batch for groups of multiple students or staff (e.g., report cards for all seniors) • School/staff level reports aggregating data from more than 3 tables

	<ul style="list-style-type: none"> • Transactions impacting 500+ Records • Batch Process Transactions <p>End-of-Year Processing</p> <ul style="list-style-type: none"> • Imports, exports, and SQL procedures • Transactions dependent upon external CPS systems (e.g., active directory authenticated logins, web service calls, remote procedure calls, etc.) • Transactions that are processed in a queue will be measured from the time that they exit the queue and begin processing to when the processing is completed and the results are delivered to the Firewall router (Internal Port) 										
Dependencies											
Consequences	<table border="1"> <thead> <tr> <th>Severity Level</th> <th>Consequence Points</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>5</td> </tr> <tr> <td>3</td> <td>11</td> </tr> <tr> <td>2</td> <td>21</td> </tr> <tr> <td>1</td> <td>31</td> </tr> </tbody> </table>	Severity Level	Consequence Points	4	5	3	11	2	21	1	31
Severity Level	Consequence Points										
4	5										
3	11										
2	21										
1	31										

4. Service Desk Response

Measure	Response time by a human service agent to reports received via Follett's Incident Management System during the normal support window.									
Standard	The elapsed time for a human service desk operator to respond to an incident report during the normal support window. The response might be a solution, a priority assessment or an acknowledgement of receipt of the report by a human (i.e. not an electronic read receipt).									
Service Level Statement	<p>Response time by human to incidents received via Follett's Incident Management System as specified below:</p> <table border="1"> <thead> <tr> <th>Priority *</th> <th>Definition</th> <th>Follett Acknowledgement</th> </tr> </thead> <tbody> <tr> <td>P1</td> <td>An incident that results in a total inability of all CPS Users to use the SIS production Solution system, a component of a system, or a service resulting in a critical impact on CPS's operation.</td> <td>30 Minutes (24x7x365)</td> </tr> <tr> <td>P2</td> <td>An incident that results in a severely degraded operation to some or all CPS Users to use the SIS Production System for which there is no work-around.</td> <td>1 business hour</td> </tr> </tbody> </table>	Priority *	Definition	Follett Acknowledgement	P1	An incident that results in a total inability of all CPS Users to use the SIS production Solution system, a component of a system, or a service resulting in a critical impact on CPS's operation.	30 Minutes (24x7x365)	P2	An incident that results in a severely degraded operation to some or all CPS Users to use the SIS Production System for which there is no work-around.	1 business hour
Priority *	Definition	Follett Acknowledgement								
P1	An incident that results in a total inability of all CPS Users to use the SIS production Solution system, a component of a system, or a service resulting in a critical impact on CPS's operation.	30 Minutes (24x7x365)								
P2	An incident that results in a severely degraded operation to some or all CPS Users to use the SIS Production System for which there is no work-around.	1 business hour								

	P3	An incident that results in a degraded operation to some CPS Users to use the SIS Production System for which there is a work-around.	8 business hours
	P4	An incident that is not a Priority 1, 2 or 3 for the SIS production environment.	24 business hours
Service Level Interpretation	<p>The normal support window (business hours) is 6:00am – 7:00pm CST, Monday through Friday, excluding statutory holidays.</p> <p>A response is successful if made within the table defined above.</p> <p>Successful Response% = (number of successful responses)/(total number of reports) x 100%</p>		
Reporting	Monthly. Based upon reports/graphs prepared by Follett.		
Data Source	Follett Incident Management Reports.		
Exceptions	N/A		
Dependencies	N/A		
Consequences	1 Consequence Point for each whole or partial % below 90% Review at monthly Contract Management Committee meeting.		

5. Resolve Time for Priority 1 Incidents

Measure	Time required to resolve an incident that results in a total inability of all CPS Users to use the SIS production Solution system, a component of a system, or a service due to an Solution defect or hardware failure in a component provided by Follett resulting in a critical impact on CPS's operation.
Standard	<p>The elapsed time between reporting to the service desk a Priority 1 incident, including the provision by CPS of all necessary data required to reproduce the incident, or when data is not required all information required to assist Follett to reproduce said incident, and resolution of incident or a suitable workaround is found.</p> <p>For any single incident where the resolution time exceeds 12 hours, Service Level #1 (Availability of Application) will be applied in lieu of Service Level #5 for the assessment of Consequence points and the calculation of monthly Performance Credits.</p>
Service Level Statement	Resolve within 4 business hours of receipt by the service desk including provision of necessary data to reproduce the incident when necessary.
Service Level Interpretation	<p>Severity Level 4 – resolution time >4 business hours and <= 6 hours</p> <p>Severity Level 3 – resolution time >6 hours and <= 8 hours</p> <p>Severity Level 2 – resolution time >8 hours and <= 10 hours</p> <p>Severity Level 1 – resolution time > 10 hours and <= 12 hours</p>
Reporting	Monthly. Resolution rates based upon reports prepared by Follett.
Data Source	Follett Incident Management Report.
Exceptions	Defects caused by CPS created extensions.

Dependencies	As Follett is dependent upon CPS to provide the necessary information to reproduce an incident, Follett's Service Level measurement will start upon receipt all information required to assist Follett to replicate the incident.	
Consequences	Severity Level	Consequence Points
	4	2/incident
	3	3/incident
	2	4/incident
	1	5/incident

6. Resolve Time for Priority 2 Incidents

Measure	Time required to resolve an incident that results in a severely degraded operation to some or all CPS Users to use the SIS Production System due to an Solution defect or hardware failure in a component provided by Follett for which there is no work-around.	
Standard	The elapsed time between reporting a Priority 2 incident to the service desk, including the provision by CPS of all necessary data required to reproduce the incident, or when data is not required all information required to assist Follett to reproduce said incident, and resolution of incident or a suitable workaround is found.	
Service Level Statement	Resolve within 12 business hours of receipt by the service desk.	
Service Level Interpretation	Severity Level 4 – resolution time >12 business hours and <= 18 hours Severity Level 3 – resolution time > 18 hours and <= 24 hours Severity Level 2 – resolution time > 24 hours and <= 30 hours Severity Level 1 – resolution time > 30 hours and <= 36 hours	
Reporting	Monthly. Resolution rates based upon reports prepared by Follett.	
Data Source	Follett Incident Management Reports.	
Exceptions	Defects caused by CPS created extensions.	
Dependencies	As Follett is dependent upon CPS to provide the necessary information to reproduce an incident, Follett's Service Level measurement will start upon receipt all information required to assist Follett to replicate the incident.	
Consequences	Severity Level	Consequence Points
	4	2/incident
	3	3/incident
	2	4/incident
	1	5/incident

7. Loss of Data or Data Integrity, and Back-up/Recovery Failure

Measure	Data is lost or corrupted and there is an inability of CPS to recover from the data loss events due to an Application Related Defect in the Aspen Solution or failure of Follett's back-up procedures.	
Standard	The service measure is triggered immediately after notification to the service desk of the first detection of missing, lost or corrupt data by CPS. Each unrelated occurrence of missing, lost or corrupt data is considered to be a separate event.	
Service Level Statement	Data integrity must be maintained 100% of the time.	
Service Level Interpretation	Severity Level 1 – Each distinct occurrence in which data is lost or corrupted and cannot be fully restored from back-up within 24 hours if stored on disc in Follett's data center or 48 hours if stored by Follett offsite and must be retrieved.	
Reporting	Regular reports monthly, and when event detected.	
Data Source	Data loss or corruption detected CPS that is reported as an incident to the service desk.	
Exceptions	Data loss and/or corruption that is the result of user actions (such as deleting records, mass updating fields, etc)	
Dependencies	In the event that the production system is unavailable due to a disaster and recovery must take place at the CPS provided disaster recovery facility, the standard shall apply to the provision of the back-up to CPS. This SLA is dependent upon Exhibit C – Co-location Hosting and Managed Services being in-force. If for any reason the services associated with Exhibit C are terminated, then this SLA shall no longer be enforced.	
Consequences	Severity Level	Consequence Points
	1	21

8. Follett Data Center Security

Measure	Follett shall take commercially reasonable steps to secure its data center and systems from intrusion, hacking, and unauthorized access to the Board's data.
Standard	The service measure is triggered immediately after notification to the service desk of the first detection of a Follett Data Center Security Breach which impacts the Solution and Hosting Solution.
Service Level Statement	Data center security must be maintained 100% of the time.
Service Level Interpretation	Severity Level 1 – Each distinct occurrence in which the Hosting Solutions subjected to unauthorized access or other security breach that is the direct result of Follett's failure to follow its published security procedure, or any other accepted industry standards,
Reporting	Regular reports monthly, and when event detected.
Data Source	Data center breach is detected by Follett or the Board.

Exceptions	<p>Unauthorized access or other breach due to use of Board's Active Directory for user authentication/authorization.</p> <p>Unauthorized access or other breach due to a Board produced customization.</p> <p>Unauthorized access or other breach due to a failure in a Board provided component of the infrastructure.</p>	
Dependencies	This SLA is dependent upon Exhibit C – Co-location Hosting and Managed Services being in force. If for any reason the services associated with Exhibit C are terminated, then this SLA shall no longer be enforced.	
Consequences	Severity Level	Consequence Points
	1	61

9. Board User's' Satisfaction Survey

Measure	The percentage of CPS Users who respond to a overall satisfaction survey starting six months after the final set of schools have been rolled out and on an annual basis thereafter.
Standard	The Board and Follett shall each agree on the structure of the Board user's' satisfaction survey, including question format, question composition, number of questions, response scale (such as Likert), and method of surveying (such as Google Forms).
Service Level Statement	Authorized Users as identified by the Board and as surveyed on an annual basis, shall be (75%) satisfied with the Services, where $((\text{Total Responses} - \text{Total Responses failing Standard}) / \text{Total Responses}) * 100 = \text{Percentage Board User's Satisfaction (as calculated by rounding to the second decimal point)}$.
Service Level Interpretation	<p>Severity Level 4 – surveys expressing satisfaction <75% acceptance and >= 65%</p> <p>Severity Level 3 – surveys expressing satisfaction < 65% and >= 55%</p> <p>Severity Level 2 – surveys expressing satisfaction < 55% and >=45%</p> <p>Severity Level 1 – surveys expressing satisfaction < 45%</p>
Reporting	Annually
Data Source	Follett/CPS Conducted (and agreed upon) Survey
Exceptions	Surveys submitted by non-CPS Employees
Dependencies	As user satisfaction is dependent upon the performance of both Follett and CPS, a SLA failure does not automatically imply a failure on behalf of Follett.
Consequences	There will be no credits pursued if this Service Level Standard is not met. This metric is in place for the purpose of continuous improvement between the vendor and the Board.

Exhibit E
Schedule of Pricing

This Schedule of Pricing shall be incorporated in and governed by the terms of that certain Agreement for Software License, Implementation, Hosting and Support Services by and between the Board of Education of City of Chicago, commonly known as Chicago Public Schools ("Board" or "CPS") and Follett School Solutions, Inc. ("Follett" or "Service Provider") dated January 1, 2016 (the "Agreement"). Unless expressly provided for in this Schedule of Pricing, in the event of a conflict between the provisions contained in the Agreement and those contained in this Schedule of Pricing, the provisions contained in the Agreement shall prevail.

Pricing for the Services is based upon the number of active students within the student information system. Pricing on the Effective Date of this Agreement as captured in Table E-1 is 385,771 or less active students. A student who is no longer enrolled in one of the CPS schools cannot be counted as active. For purposes of this Agreement and the pricing provided under this Agreement, the count of active students shall be completed annually in November of each calendar year.

The Board shall pay monthly installments reflecting the prorated amount for the annual fees for License and Maintenance Cost, Hosting and Support Cost, and Implementation Services as reflected in Table E-1, which is attached and incorporated into this Schedule by this reference. The parties agree that the fees associated with the License and Maintenance Cost and Hosting and Support Cost shall not be due and payable until the Services underlying those fees have been accepted and are being provided by Service Provider. Acceptance of the addition of the Licensing and Hosting fees may be provided by the ITS Program Manager in a written email to Follett's Program Manager and is required before CPS may utilize those Services. Invoices shall be dated on the 15th of the associated month except where explicitly stated otherwise. Payments shall be due Net 30 from the date of the Invoice except where explicitly stated otherwise below. In addition to the remedies provided in the Agreement, late payments shall result in Follett, unless at its sole discretion it determines otherwise, stopping in-process work pending payment and may subsequently impact the overall project timeline. Exceptions to the above payment schedule are noted below:

- 1) The first invoice for the period 7/1/2016 – 7/31/2016 shall be issued upon contract signature by both parties and due Net 30.
- 2) The invoice for the period 8/1/2016 – 8/31/2016 shall be issued on 9/15/2016 and due Net 15.
- 3) The invoice for the period 9/1/ 2016 – 9/30/2016 shall be issued on 9/15/2016 and due Net 15.

Pursuant to Section 5.1 (Purchase Order) of the Agreement, Follett shall not provide any services without a valid Purchase Order for the time period in which those services are scheduled to be provided. Delays in providing a Purchase Order may impact the project timeline and result in suspension of services.

During the Term of the Agreement, including the Renewal Terms, the parties may determine that: (1) additional services are within the scope of this Agreement but not specifically captured by the description of services or the pricing included in Table E-1 (*for example*, for specific customizations unanticipated at the time of the Agreement's execution); (2) additional compensation beyond that reflected in Table E-1 is necessary; and (3) the cost for such services will not cause the Maximum Compensation provided in the Agreement to be exceeded. In such an event, the parties shall negotiate and agree upon a Change Order describing the additional services that are required as well as the associated costs. The Change Order shall be signed by the Board's Chief Information Technology Officer or his/her designee and Follett's authorized representative. The rates and/or other fees to be charged for such additional services shall be negotiated and agreed upon between the parties and included within the Change Order. The parties acknowledge that, as a starting point, the hourly rate for Follett's personnel to perform such additional services shall not exceed \$151.00.

Table E-1a: Pricing Schedule

CPS Calendar Year Price	Option Years						Category Totals	
	CY16 1/16 - 12/16	CY17 1/17 - 12/17	CY18 1/18 - 12/18	CY19 1/19 - 12/19	CY20 1/20 - 12/20	CY21 1/21 - 12/21		CY22 1/22 - 12/22
Aspen SaaS Licensing*	\$ -	\$ 9,982	\$ 819,560	\$ 1,330,910	\$ 1,330,910	\$ 1,330,910	\$ 1,330,910	\$ 6,153,182
Hosting**	\$ -	\$ 161,759	\$ 323,518	\$ 323,518	\$ 323,518	\$ 323,518	\$ 323,518	\$ 1,779,346
Services***								
Project Management	\$ 166,257	\$ 347,629	\$ 295,485	\$ 118,647	\$ -	\$ -	\$ -	\$ 928,018
Data Conversion	\$ 84,063	\$ 125,000	\$ 73,125	\$ 32,188	\$ -	\$ -	\$ -	\$ 314,375
Business Process Discovery and Reengineering	\$ 139,656	\$ 222,785	\$ 98,243	\$ 15,114	\$ -	\$ -	\$ -	\$ 475,798
Application Enhancements and Customizations	\$ 98,243	\$ 151,143	\$ 68,014	\$ 15,114	\$ -	\$ -	\$ -	\$ 332,515
Training	\$ 30,200	\$ 175,160	\$ 235,560	\$ 275,575	\$ -	\$ -	\$ -	\$ 716,495
Total	\$ 518,419	\$ 1,193,457	\$ 1,913,505	\$ 2,111,066	\$ 1,654,427	\$ 1,654,427	\$ 1,654,427	\$ 10,699,729

Table E-1b: Payment Schedule

CPS Calendar Year		Jul-16	Aug-16	Sep-16 (2)	Oct-16	Nov-16	Dec-16	
Payment Schedule ****								
Aspen SaaS Licensing*	\$	-	\$	-	\$	-	\$	
Hosting**	\$	-	\$	-	\$	-	\$	
Services***								
Project Management	\$	-	\$	55,419	\$	27,710	\$	27,710
Data Conversion	\$	-	\$	28,021	\$	14,010	\$	14,010
Business Process Discovery and Reengineering	\$	-	\$	46,552	\$	23,276	\$	23,276
Application Enhancements and Customizations	\$	-	\$	32,748	\$	16,374	\$	16,374
Training	\$	-	\$	10,067	\$	5,033	\$	5,033
Total	\$	-	\$	172,806	\$	86,403	\$	86,403

Table E-1b: Payment Schedule

CPS Calendar Year		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Payment Schedule****							
Aspen SaaS Licensing*		\$ -	\$ -	\$ -	\$ 3,327	\$ 3,327	\$ 3,327
Hosting**		\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960
Services***							
Project Management		\$ 28,969	\$ 28,969	\$ 28,969	\$ 28,969	\$ 28,969	\$ 28,969
Data Conversion		\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417
Business Process Discovery and Reengineering		\$ 18,565	\$ 18,565	\$ 18,565	\$ 18,565	\$ 18,565	\$ 18,565
Application Enhancements and Customizations		\$ 12,595	\$ 12,595	\$ 12,595	\$ 12,595	\$ 12,595	\$ 12,595
Training		\$ 14,597	\$ 14,597	\$ 14,597	\$ 14,597	\$ 14,597	\$ 14,597
Total		\$ 112,103	\$ 112,103	\$ 112,103	\$ 115,430	\$ 115,430	\$ 115,430

Table E-1b: Payment Schedule

CPS Calendar Year Payment Schedule****		CY18 1/18 - 12/18					
		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Aspen SaaS Licensing*	\$ 819,560	\$ 3,327	\$ 26,794	\$ 52,582	\$ 78,369	\$ 78,369	\$ 78,369
Hosting**	\$ 323,518	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960
Services***							
Project Management	\$ 295,485	\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624
Data Conversion	\$ 73,125	\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094
Business Process Discovery and Reengineering	\$ 98,243	\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187
Application Enhancements and Customizations	\$ 68,014	\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668
Training	\$ 235,560	\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630
Total	\$ 1,913,505	\$ 94,489	\$ 117,956	\$ 143,744	\$ 169,531	\$ 169,531	\$ 169,531

Table E-1b: Payment Schedule

CPS Calendar Year		Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Payment Schedule***							
Aspen SaaS Licensing*		\$ 78,369	\$ 78,369	\$ 78,369	\$ 78,369	\$ 88,545	\$ 99,727
Hosting**		\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960	\$ 26,960
Services***							
Project Management		\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624	\$ 24,624
Data Conversion		\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094	\$ 6,094
Business Process Discovery and Reengineering		\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187	\$ 8,187
Application Enhancements and Customizations		\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668	\$ 5,668
Training		\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630	\$ 19,630
Total		\$ 169,531	\$ 169,531	\$ 169,531	\$ 169,531	\$ 179,707	\$ 190,889

Table E-1b: Payment Schedule

CPS Calendar Year Payment Schedule *****	Option Years					Category Totals
	CY 21		CY 22		CY 23	
	7/20 - 6/21	7/21 - 6/22	7/22 - 12/22	Monthly Payment	Monthly Payment	
Aspen SaaS Licensing*	\$ 1,330,910	\$ 1,330,910	\$ 1,330,910	\$ 110,909	\$ 665,455	\$ 6,153,182
Hosting**	\$ 323,518	\$ 323,518	\$ 323,518	\$ 26,960	\$ 161,759	\$ 1,779,346
Services***						
Project Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 928,018
Data Conversion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314,375
Business Process Discovery and Reengineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 475,798
Application Enhancements and Customizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 332,515
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 716,495
Total	\$ 1,654,427	\$ 1,654,427	\$ 1,654,427	\$ 137,869	\$ 827,214	\$ 10,699,729

Table E-1c: Payment Schedule Notes

*Aspen - SAAS - Student Information System for 385,177 students

Note licensing fee is applied based on a discounted per student fee of \$3.45/student/year. Pricing outlined here is based on a phased in approach. Increases or decreases to the number of schools and their students will effect annual licensing fee accordingly.

The license period is January 1st - December 31st.

License scheduled based on: Pilot (3% of Student Count) starting in Oct 2017; Elementary Schools Go-Live (February - April 2018) @ approx 33% of students/month; High Schools Go-Live (November 2018 - January 2019 @ approx 33% of students/month)

Current Elementary Student Count: 269,089
Current High School Student Count: 116,682

**Hosting costs are based on a customized CPS solution as described in Exhibit C. The assumption is that the Hosting Center will come online July 2017 in preparation for the Pilot.

***Services are based on the annual amount spread out evenly over the course of the calendar year with the exception of part years (July - December 2016 and January - June 2018)

***Invoices will be generated mid month for the current month and due Net 30 per terms outlined in Exhibit E - Pricing Schedule.

(1) June 2016 Invoice covering the period 7/1/2016 - 7/31/2016 shall be generated upon contract signature (no later than 7/29/2016) and due Net 30

(2) September 2016 Invoice covering the periods 8/1/2016 - 8/31/2016 and 9/1/2016 - 9/30/2016 shall be generated 9/15/2016 and due Net 15 (9/30/2016)