CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: February 11, 2016

FROM (DEPARTMENT): Personnel

CONTACT PERSON: Bobbi Jacobsen   PHONE: (213) 473-9148

CONTRACT NO.: C-127047   COUNCIL FILE NO.:

ADOPTED BY COUNCIL: 2/9/16
                    DATE
APPROVED BY BPW: _____
                    DATE

☑ NEW CONTRACT
☐ AMENDMENT NO. ___
☐ ADDENDUM NO. ___
☐ SUPPLEMENTAL NO. ___
☐ CHANGE ORDER NO. ___

CONTRACTOR NAME: Cornerstone OnDemand, Inc.

TERM OF CONTRACT: February 11, 2016   THROUGH: February 10, 2019

TOTAL AMOUNT: $2,151,248

PURPOSE OF CONTRACT:
Online Training Academy

PROFESSIONAL SERVICES AGREEMENT

Contractor: **Cornerstone OnDemand, Inc.**

Regarding: **Online Training Academy**

Said Agreement is Number _C- 127047_

Professional Services Agreement
Cornerstone on Demand

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ATTACHMENT

Attachment 1 - Statement of Work – 123 Live! Implementation

Attachment 2 - Standard Provisions for City Contracts (Rev. 03/09)

Attachment 3 - City of Los Angeles Confidentiality Agreement

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES AND
CORNERSTONE ONDEMAND

THIS AGREEMENT is made and entered into by and between the City of Los Angeles, a municipal corporation, acting by and through the Personnel Department (hereinafter referred to as "City") and Cornerstone OnDemand, Inc., a Delaware corporation licensed to do business in the state of California (hereinafter referred to as "Contractor"), with reference to the following:

RECITALS

1. The Personnel Department's mission is to deliver Human Resources (HR) solutions to employ, develop, and engage a dynamic City workforce. To accomplish this mission, the City desires to use the services of a qualified organization to provide an integrated series of HR systems that includes onboarding, learning, performance, and succession;

2. In purchasing these systems, it is the City's intention to create consistencies across City departments and accomplish efficiencies and added functionality in these four areas;

3. The City issued a Request for Proposals (RFP) on December 29, 2014, seeking qualified firms to provide onboarding and learning systems. The City issued a Request for Qualifications (RFQ) on July 17, 2015 seeking qualified firms to provide performance and succession systems;

4. The City reviewed Proposals that were submitted in accordance with the City's requirements;

5. The City found the Contractor's proposals to be acceptable and complete responses to the services needed by the City as articulated in the RFP and RFQ stated above, and determined that Contractor has the experience and qualifications to provide the types and levels of service required by the City;

6. The parties hereto wish to enter into an Agreement pursuant to which Contractor shall perform the work and furnish the deliverables as described herein for consideration and upon the terms and conditions as hereinafter provided; and

7. The services to be performed are of a professional, expert, and technical nature and are temporary and occasional in nature.

NOW, THEREFORE, in consideration of the promises and of the covenants, representations, and agreements set forth herein, the parties hereby covenant, represent, and agree as follows:

ARTICLE I.
INTRODUCTION

A. Representatives of the Parties and Service of Notices

   1. The representatives of the respective parties authorized to administer this Agreement, and to whom formal notices, demands, and communications shall be given are as follows:

      a. The representative of City shall be, unless otherwise stated in the Agreement:

      Wendy G. Macy
      General Manager
      Personnel Department
      700 E. Temple Street, Room 305
      Los Angeles, California 90012

         With copies to:

      Raelynn Napper, Chief Personnel Analyst
      EEO and Employee Development Division
      700 E. Temple Street, Room 380
      Los Angeles, California 90012

      b. The representative of Contractor shall be:

      Jared Bogert, Director, State & Local Government
      Cornerstone OnDemand, Inc.
      1601 Cloverfield Blvd, Suite 600 South
      Santa Monica, CA 90404

      with a copy to:

      Adam Weiss, General Counsel
      Cornerstone OnDemand, Inc.
      1601 Cloverfield Blvd, Suite 600 South
      Santa Monica, CA 90404

2. Formal notices, demands, and communications required hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

3. If the name of the person designated to receive the notices, demands, or communications, or the address of such person is changed, written notice shall be given, in accordance with Article I, within five (5) working days of said change.

DEFINITIONS

a) "**Active User**" means, in a given calendar month, a user established on the Software with a designation of "active" at any time during that month. City has the ability to determine who is an Active User.

b) "**City Content**" means any and all courses, learning objects, certifications, quizzes, tests, materials, instructor-led sessions, or documents created and/or supplied by City.

c) "**City Data**" means proprietary or personal data regarding City or any of its users under this Agreement.

d) "**Confidential Information**" means any non-public information of Contractor or City disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.

e) "**Content Delivery**" means the delivery of City Content to Active Users. Content Delivery volume is calculated as follows: size of City Content (in gigabytes) multiplied by the number of Active Users receiving the City Content.

f) "**Implementation**" means implementation, deployment, and/or training relating to the Software.

g) "**Order**" means a Product purchase in a schedule, statement of work, addendum, or amendment signed by both parties.

h) "**Products**" means any and all Services, work product resulting from Services, and Software.

i) "**Service**" means any service rendered by Contractor specifically to City, including, but not limited to: (i) hosting of the Software; (ii) hosting, delivery, and/or distribution

of eLearning content; (iii) provision of customer and/or technical support for the Software; (iv) Implementation; (v) development of Software functionality specially requested by City; and/or (vi) any consulting service.

j) "**Software**" means: (i) any and all of Contractor's proprietary web-based applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto, as well as applications that have been modified in any way by Contractor at the request of the City; and (ii) application functionality provided by Contractor-contracted third parties.

k) "**Subscriber**" means an Active User that accesses the Software for a flat fee.

l) "**Transaction**" applies only to the Extended Enterprise Product and means a course registration, self-assessment, or task undertaken by an Active User who is grouped in a specially-designated organizational unit separate and apart from Subscribers. Unused Transactions expire upon the earlier of: (i) termination of the applicable Order; or (ii) one year from purchase date. For clarity, employees of City or any of its affiliates may only access the Software as Subscribers.

ARTICLE II.
TERM AND SERVICES TO BE PROVIDED

A. Time of Performance

The term of this Agreement shall commence on the date of the last signature below and shall continue for three (3) years, subject to the termination provisions herein and availability of City budgeted funds. The City reserves the right to extend the term of this Agreement for two (2) additional years in one-year increments with approval of City Council, subject to the termination provisions herein. City shall exercise this right by providing written amendment signed by the General Manager of the Personnel Department as to its intent to extend the term of the Agreement.

B. Scope of Work Requirements

1. The Contractor will:

   a. Build, tailor or provide access to a Learning Management System (LMS) to meet specific requirements as stipulated in Article III.A.1. below;

   b. Build, tailor or provide access to an Onboarding System to meet specific requirements as stipulated in Article III.A.1. below;

   c. Build, tailor or provide access to a Performance System to meet specific requirements as stipulated in Article III.A.1. below;

   d. Build, tailor or provide access to a Succession Planning System to meet specific requirements as stipulated in Article III.A.1. below;

   e. Provide training and support to personnel assigned to administer the LMS, Onboarding, Performance and Succession Planning systems;

   f. Keep all training, onboarding, performance, and succession data collected or received from City and its employees secure and confidential;

   g. Provide access to and/or furnish all training and onboarding statistical data to the City of Los Angeles at the completion of the contract;

   h. Develop or provide all aspects of the courses, including, but not limited to, software, graphics, audio and video presentation, and closed captioning;

   i. Certify they own copyright or have obtained permission to use the content in the training courses to sell to the City, and release the City from any liability as a result of infringement of copyright;

   j. Ensure images or video of actors and models used in training vignettes, if any, reflect the diverse population and workforce of the City of Los Angeles;

k. Ensure training content conforms to SCORM 2004 or above standards;

l. Use assessment tools, such as quizzes, to ensure participant learning and assess retention; and

m. In rare instances, if web-based training cannot be accommodated for the visually impaired or disabled, the Contractor may be asked to provide instructor-based (in person) training.

2. Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service. If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order. When Contractor notifies City that a given project has been completed, City shall either accept or reject the project based on whether the deliverables for that project have been performed in substantial and material accordance with the applicable Order. If City: (i) fails to provide written notice of acceptance or rejection of the Service to Contractor within twenty (20) days of Contractor's notification that the project is complete; or (ii) with respect to an Implementation, uses the implemented Product in a live environment for a total of twenty (20) days, then the project will be deemed accepted.

3. Intellectual Property. As between the parties, Contractor will and does retain all proprietary and intellectual property rights, title and interest in and to the Products. City retains all proprietary and intellectual property rights, title and interest in and to City Data and City Content.

4. After Implementation is completed, Contractor shall provide the level of technical support stated in the applicable Order. Only the number of administrators set forth in the applicable support package (i.e., not all Subscribers) may contact Contractor for support. City agrees to promptly provide Contractor with sufficient documentation, data and assistance with respect to any reported errors, and to reasonably cooperate with Contractor, in order for Contractor to comply with its support obligations hereunder. In no event shall Contractor be responsible or liable for any errors, bugs or other problems contained in or originating from hardware or software not provided by Contractor or its subcontractors.

5. City Restrictions. City may only use the Products for its own lawful, internal business purposes. City shall not: (i) use or deploy the Software in violation of applicable laws or this Agreement; (ii) resell the Products except through Transactions; (iii) create any derivative works based upon the Products; (iv) reverse engineer, reverse assemble, decompile or otherwise attempt to derive source code from the Software or any part

thereof (except to the extent that such restriction is not permitted under applicable law); (v) make the Products available to any unauthorized parties, including without limitation, competitors of Contractor; or (vi) perform, or release the results of, benchmark tests or other comparisons of the Products with other software, services, or materials. Should unexpected or inappropriate use of the Software (e.g., improperly formatted or constructed City Content; extraordinary bandwidth usage; uploaded files that contain viruses, worms, spyware, or other malicious content; load tests, security scans, or penetration tests conducted without notice, etc.) result in denial of service with respect to the Software, Contractor may disable the implicated City Content and/or deny access to City's portal as necessary to remedy the issue. City will be responsible for Active Users' compliance with the Agreement and liable for Active Users' breach thereof. City will ensure that it has obtained all necessary consents and approvals for Contractor to access City Data for the purposes permitted under this Agreement. If City is in breach of this section, Contractor shall give the City an opportunity to cure the breach if notice is reasonably practicable under the circumstances. Should the City fail to cure the breach or should Contractor determine it cannot give notice under the circumstances, Contractor may suspend Services, in addition to any other rights and remedies Contractor may have at law or in equity.

ARTICLE III.
GENERAL TERMS AND CONDITIONS

A. Deliverables, Payment Terms, and Invoicing

1. Deliverables, compensation, and method of payment

   a. Integrated HR System - The Contractor shall provide an integrated Software-as-a-Service Human Resources system that includes Learning Management, Onboarding, Performance and Succession Systems. The software must be compatible with City standard equipment (PC) and standard internet software (e.g. Internet Explorer, Firefox, Google Chrome, and Flash). In addition:

      i. Systems shall be Web-based and delivered Software-as-a-Service (SaaS);
      ii. Systems shall have advanced administration tools (multi-level administrator rights for system administrators, department coordinators, and users);
      iii. Systems shall have customizable user Interface (color scheme, logo, etc.);
      iv. Systems must have the ability to run customizable reports and extract data in CSV, XLS format, or PDF.

   b. LMS

      i. Post training courses and track all aspects of employee use of system, including, but not limited to: employee name, identification number, employing department, job classification, email, course completion status, quiz scores, date, time spent completing the course, and other parameters, in SCORM

format, as defined by the City of Los Angeles prior to implementation. LMS shall be SCORM 1.2, or SCORM 2004 compliant

  ii. Provides electronic certificates of completion in portable document format (PDF);
  iii. Must have survey tools (training evaluations)

c. Onboarding System

  i. Automate routing of information and reduces paper handling
  ii. Pre-populate forms with relevant new hire information
  iii. Contain custom forms - unlimited, no additional costs
  iv. Include New Hire Checklists for new employees to complete
  v. Automate assignment of new hire curricula
  vi. Place employees on forward-looking development plans
  vii. Effectively communicate expectations and goals
  viii. Track employees in the onboarding process
  ix. Allow for completion of pre-hire paperwork

d. Performance

  i. Allow supervisors to create, record, and measure employees on goals
  ii. Allow supervisors to select from a list of competencies and measure employees based on them
  iii. Generate e-mail reminders for supervisors and employees to meet regularly and hold an annual evaluation.
  iv. Track and report goals, competencies, meetings and evaluations.

e. Succession

  i. Integrate with the learning management and performance systems
  ii. Create profiles of employees that contain lists of the employee's skills, interests, licenses and performance evaluations (for clarity, Contractor will not provide competency libraries)
  iii. Identify internal candidates for future roles before a critical workforce gap occurs.
  iv. Develop multiple succession scenarios for a number of positions to develop tomorrow's leaders
  v. Allow for individuals to update own profiles

f. Implementation of Learning Management, Onboarding, Performance, and Succession Systems. (The LMS implementation schedule is in Attachment 1)

g. Server Requirements
  i. Single or multi-tenant database
  ii. Contractors must provide documentation of their facility's physical security
  iii Contractors must provide documentation of their network's logical security (e.g., internal server and firewall setup)

iv. Must be able to support a minimum of 500 simultaneous connections

h. Data Sync and Automation
   i. Integrate and automate data sync, such as Employee IDs, Names, Departments, Course information and Email, with the City's payroll system
   ii. Automate E-mail reminders/notifications (editable)

i. Contractor shall coordinate, when necessary, status meetings with the City to provide status updates.

j. City Produced SCORM Training
   i. City Staff (Administrator) must have the ability to incorporate City-produced SCORM compliant training into the LMS
   ii. Should the City be unable to upload its SCORM training, Contractor agrees to upload SCORM compliant City-produced training, at no charge, in most cases within 24 hours and never in more than 48 hours.

k. Data and Communication. The training courses shall exist on the web and shall include interactive and multimedia content such as trivia questions, games, tests, sound, images, animation or video. The final deliverable of the program must meet the following criteria:

   i. Must be compatible with Windows 7 and Vista
   ii. Be compatible with IE 8+ and Google Chrome.
   iii. Must not require the installation of non-standard (Please see technical specifications below for standards.) or special software

l. Upon request by the City and subject to additional scoping and cost, the Contractor will deliver instructor-led courses to accommodate employees unable to complete the training using a computer format.

City shall provide Contractor with three weeks' notice of a class being scheduled and training shall be provided within this three-week timeframe or as otherwise agreed by the parties in writing.

If City cancels any scheduled classes not later than five (5) working days before presentation, City is not liable for any additional payment or charges. If less than five (5) working days, City shall be responsible for the full payment of fees for the canceled class.

m. Contractor understands and agrees that it may not make any financial commitment on behalf of City, incur any cost or expense on behalf of City, or obligate City to make payments for any costs or expenses, unless authorized in the approved work plans.

n. City's total obligation under this Agreement shall not exceed $5,276,998 complete and satisfactory performance of the terms in accordance with this Agreement,

inclusive of all expenses and costs. The project costs are delineated in Sections o and p.

o. Project Cost

City will be invoiced for fees according to the applicable Order. Payment of fees will be due within 30 days after the date of the completed invoice, except where an Order expressly prescribes other payment dates.   Except where otherwise stated, all fees set forth in an Order are in U.S. dollars and must be paid in the currency set forth in the Order. Services are subject to suspension for failure to timely remit payment within thirty (30) days of receipt of past-due notice.

p. Five-Year Schedule
The initial term is for three (3) years starting on the date of the last signature below ("Effective Date"). Extension of these services past the three-year term will require approval of the City Council. Should this contract extend beyond Year 3, funding levels are provided for Year 4. For Year 4, the prices and quantities are expected to remain the same. Should this contract extend beyond Year 4, funding levels are provided for Year 5. For Year 5, the prices and quantities are expected to remain the same.

	Implementation Fee (One-time fee)**	Annual Training Fees[i]	# of Active Users ^	Annual Cost Per User	Annual Fee	Total Fee
Yr 1: 2015-16						
• LMS	$164,000	$6,750	10,000	$10	$100,000	$270,750
• OnBoarding	$35,000		5,000	$3	$15,000	$50,000
• Performance	$175,000		1,500	$10	$15,000	$190,000
• Succession (purchased in Year 2)						
						$510,750
Yr 2: 2016-17						
• LMS		$6,750	41,000	$10	$410,000	$416,750
• OnBoarding			16,666	$3	$49,998	$49,998
• Performance			13,000	$10	$130,000	$130,000
• Succession	$87,500		2,500	$5	$12,500	$100,000
						$696,748
Yr 3: 2017-18						
• LMS		$6,750	41,000	$10	$410,000	$416,750
• OnBoarding			44,000	$3	$132,000	$132,000
• Performance			34,000	$10	$340,000	$340,000
• Succession			11,000	$5	$55,000	$55,000

							$943,750
Yr 4 projected estimate: 2018-19							
• LMS		$6,750	41,000	$10	$410,000	$416,750
• OnBoarding			44,000	$3	$132,000	$132,000
• Performance			34,000	$10	$340,000	$340,000
• Succession			32,000	$5	$160,000	$160,000
						$1,048,750
Yr 5 projected estimate: 2019-20							
• LMS		$6,750	41,000	$10	$410,000	**$416,750**
• OnBoarding			44,000	$3	$132,000	**$132,000**
• Performance			34,000	$10	$340,000	**$340,000**
• Succession			32,000	$5	$160,000	**$160,000**
						$1,048,750
						$4,248,748

**(See Statement of Work attaches as Attachment1)
^City may purchase additional Active Users during the course of Term at the "Annual Cost per User" prices, with fees to be pro-rated to coincide with the then-current Term.

   i.   Training Fees: $6,750 annually for up to ten (10) City staff to access Cornerstone Client Success Center for continued education and virtual training.

PAYMENT SCHEDULE		
Invoice Date	**Amount**	**Description**
Effective Date	$323,750	All Year 1 fees, excepting 50% of Year 1 Implementation Services fees.
Effective Date (due earlier of (i) completion of Design Phase or (ii) net 90)***	$112,200	30% of Year 1 Implementation Services fees.
Effective Date (due earlier of (i) completion of UAT or (ii) net 90)***	$74,800	Remaining 20% of Year 1 Implementation Services fees.
First anniversary of Effective Date	$696,748	All Year 2 fees.
Second anniversary of Effective Date	$943,750	All Year 3 fees.

***For each day of delay by Contractor, the net 90 date will be extended by one day.

   ii.   Training Content: Training content may be purchased by the City in one of two ways. Licenses for off-the-shelf courses may be purchased for training with general applicability on topics not specific to City of Los Angeles employees.

For content that is generally more specific to the City of Los Angeles, training may be customized.

	Total Fee (Not to exceed)
Yr 1: 2015-16	$228,250
Yr 2: 2016-17	$200,000
Yr 3: 2017-18	$200,000
Yr 4: 2018-19 (if applicable)	$200,000
Yr 5: 2019-20 (if applicable)	$200,000
	$1,028,250

iii.   Optional Implementation Fees, as described in Attachment I, Statement of Work. The costs below are per workshop, and if used, would typically be used once.
- Business Process Alignment Learning: $33,000.00
- Change Management Workshop: $10,000.00
- Analytics Reporting Workshop: $10,000.00
- Governance Workshop: $10,000.00

q. As Needed Fees

i.   Technical Assistance for City Produced Courses: City staff (Administrator) must have the ability to incorporate City-produced SCORM 1.2 compliant or higher training into the LMS (real time content upload capability). The Contractor may be asked to troubleshoot or provide technical support on City-produced courses, which may include testing the content prior to publishing to ensure that everything is properly configured to report to the LMS correctly. The trouble shooting services or technical support cost is $250/hour.

ii.   Contractor performs software upgrades or "releases" four times per year. Releases contain both new functionality and defect (bug) fixes. Minor releases (service patches) generally occur every two weeks. System upgrades are deployed and at no additional cost. Changes to Contractor's existing LMS beyond those included in the scheduled releases will be billed at $250/hour.

iii.   Training Content: The pricing for each customized course varies depending on the level of interactivity. The City will meet with the vendor and decide on the appropriate level of interactivity for each course. Course development shall take no longer than 12 weeks from the initial meeting with City staff. Payments for each course will be paid in three parts as specified:

1.   Client Sign off/completion of storyboard and scripts
2.   Delivery of 1st draft of course
3.   Finalization of course, following review by City

The cost per hour of each course is as follows:

Time and Cost Per Course		
	Time to Develop a Completed Hour of Training	**Cost for One Hour of Training Content**
Limited interactivity (minimal animations, video, interactive content) Sample Basic Package: •Simple PowerPoint like presentation with basic text navigation, table of contents & graphics •Minimal instructional & graphic design •Without assessment/knowledge checks •SCORM compliant file for LMS compatibility	150 hrs	$15,000
Moderate interactivity (limited animations, video, interactive content) •Additional components to addresses specific performance goals •Basic assessment /knowledge checks •Deeper level of instructional design & enhanced graphics •Increased users retention •SCORM compliant file for LMS compatibility	200 hrs	$20,000
High interactivity (multiple animations, video, interactive content) •Heavy focus on performance goal fulfillment •Strong emphasis on simulation & engaging activities •See and do functionality incorporated throughout the course •Usage of proven techniques to increase retention & compliance •SCORM compliant file for LMS compatibility	300 hrs	$30,000

r. Revisions or edits to the training content made subsequent to the publishing of the course: $100 per hour

s. Classroom Training:
- Includes trained and or certified instructor delivering course materials..
- Does not include travel-related expenses

Course Development

Length of Course (Hours)	Hourly Rate*
1 to 4	$185
5 to 8	$167
9 to 12	$148
* Estimated course development hours = 30 hours per course	

Course Delivery

Length of Course (Days*)	Overall Cost	Cost per Day
1	$3,000	
2	$3,600	$1,800/day
3	$4,200	$1,400/day
4	$4,800	$1,200/day
5	$5,000	$1,000/day
* One day is 6 hours of training		

2. Limitation of City's Obligation to Make Payments to Contractor

Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in said Agreement. City agrees to not sign any Orders or Statements of Work hereunder unless the City has first made an appropriation of funds equal to or in excess of its obligation to make any payments provided in said Agreement. Contractor agrees that any services provided by Contractor, purchases made by Contractor or expenses incurred by Contractor in excess of said appropriation(s) shall be free and without charge to City and City shall have no obligation to pay for said services, purchases or expenses. Contractor shall have no obligation to provide any services, provide any equipment or

incur any expenses in excess of the appropriated amount(s) until City appropriates additional funds for this Agreement.

3. Invoicing

   a. Invoices shall be submitted to:
      Raelynn Napper
      Personnel Department
      EEO/Employee Development Division
      700 E. Temple St., Room 380
      Los Angeles, California 90012
      and / or to:
      raelynn.napper@lacity.org

   b. To ensure that services provided under personal services contracts are measured against services as detailed in the Agreement, the Controller of the City of Los Angeles has developed policy requiring that specific supporting documentation be submitted with invoices.

   c. Contractor is required to submit invoices that conform to City standards and include, at a minimum, the following information:

      i.   Name and address of Contractor
      ii.   Name and address of City department being billed
      iii. Date of invoice and period covered
      iv.   Contract number or authority (purchase order) number
      v.   Description of completed task and amount due for task, including:
            • Name of personnel working on task
            • Hours spent on task and timesheet supporting charges (if applicable)
      vi.   Rate per hour and total due
      vii. Certification by a duly authorized officer
      viii. Discount and terms (if applicable)
      ix.   Remittance Address (if different from Contractor's address)

   d. All invoices shall be submitted on Contractor's letterhead, contain Contractor's official logo, or other unique and identifying information such as the name and address of Contractor. Evidence that tasks have been completed, in the form of a report, brochure, or photograph, shall be attached to all invoices. The City shall make payments in advance for the annual fees. One time fees, such as implementation fees, shall be paid based on milestone dates tied to delivery of services, and may be billed in phases, or deliverable milestones, as agreed-upon by the parties. Payment shall be payable to Contractor no later than 60 days after acknowledged receipt of a complete invoice.

   For classroom training, each such invoice shall include accompanying verification and documentation to support Contractor's claim for payment, including dates of sessions, attendance roster or sign-in sheets, participant evaluation forms, and

any other such documentation as may be required by the City. Invoices shall be submitted within 30 days of service, or monthly, and shall be payable to the Contractor no later than 30 days after acknowledged receipt of a complete invoice. Invoices are considered complete when appropriate documentation or services provided are signed off as satisfactory by the City's Fiscal Officer.

   e. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of Contractor. City shall not compensate Contractor for costs incurred in invoice preparation. City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. City reserves the right to request additional supporting documentation to substantiate costs at any time.

   f. Subcontractors' Requirements. Tasks that are completed by subcontractors shall be supported by subcontractor invoices, copies of pages from reports, brochures, photographs, or other unique documentation that substantiates their charges.

   g. ***Failure to adhere to these policies may result in nonpayment or non-approval of demands, pursuant to Charter Section 262(a)***, which requires the Controller to inspect the quality, quantity, and condition of services, labor, materials, supplies, or equipment received by any City office or department, and approve demands before they are drawn on the Treasury.

B. Contractor's Personnel

1. Contractor shall use its own employees to perform the services described in this Agreement. City shall have the right to review and approve any personnel who are assigned to work under this Agreement. Contractor agrees to remove personnel from performing work under this Agreement if requested to do so by City.

2. Contractor may utilize subcontractors to assist in performance of this Agreement. Notwithstanding the fact that Contractor may utilize subcontractors, Contractor shall remain responsible for performing all aspects of this Agreement. City has the right to reasonably reject Contractor's subcontractors (provided that City acknowledges that unreasonable rejection of a subcontractor may result in Contractor's delayed or impaired performance of the Agreement) and City reserves the right to request replacement of a subcontractor. City does not have any obligation to pay subcontractors and nothing herein creates any privity between City and the subcontractors.

C. Indemnification

   a) Indemnification by Contractor. Contractor agrees to indemnify, defend, and hold harmless City from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and

related court costs and expenses) (collectively, "Damages") incurred or suffered by City which directly relate to or directly arise out of the violation or infringement of any third-party intellectual property rights by City's authorized use of the Products. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of: (i) City Data; (ii) City Content; or (iii) unauthorized or negligent use and/or alteration of the Products.

b) Indemnification by City. City agrees to indemnify, defend, and hold harmless Contractor from and against any and all Damages incurred or suffered by Contractor which directly relate to or directly arise out of the violation or infringement of any third-party intellectual property rights by City Data or City Content. The foregoing provisions of this section shall not be applicable to the extent the Damages relate to or arise from Contractor's use of City Data or City Content in violation of this Agreement.

c) Infringement Cures. Should the Products or any part thereof become, or in Contractor's reasonable opinion be likely to become, the subject of a claim for infringement of a third party intellectual property right, then Contractor shall, at its sole option and expense: (i) procure for City the right to use and access the infringing or potentially infringing item(s) of the Software free of any liability for infringement; or (ii) replace or modify the infringing or potentially infringing item(s) of the Software with a non-infringing substitute otherwise materially complying with the functionality of the replaced system.

d) Exclusive Remedies. The remedies set forth in this section shall be exclusive with respect to any infringement claim hereunder.

D. <u>Warranties and Liability</u>

Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CONTRACTOR WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS, AND THAT THE SOFTWARE WILL PERFORM SUBSTANTIALLY IN MATERIAL ACCORDANCE WITH THE AGREEMENT AND APPLICABLE DOCUMENTATION PROVIDED BY CONTRACTOR. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CONTRACTOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT (EXCEPT FOR THE INFRINGEMENT

INDEMNIFICATION PROVIDED HEREUNDER) AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.

EXCEPT FOR (i) A PARTY'S INTELLECTUAL PROPERTY INDEMNIFICATION OBLIGATIONS; (ii) BREACH BY CITY OF SECTION "CITY RESTRICTIONS"; OR (iii) A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO $3,000,000. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CITY AND CONTRACTOR ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.

E.   Exclusion of Consequential Damages

NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, PROVIDING REPLACEMENT SOFTWARE (EXCEPT AS SET FORTH IN SECTION "INFRINGEMENT CURES"), OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

ARTICLE IV.
STANDARD PROVISIONS

A. Standard Provisions for City Contracts

Contractor agrees to comply with the **Standard Provisions for City Contracts** (Rev. 3/09), attached hereto as Attachment 2 and made a part hereof.

B. Responsibility to Provide Services in Accordance with Applicable Standards and Requirement to Possess All Valid Permits and Licenses

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards among those firms in the Contractor's profession, doing the same or similar work, under the same or similar circumstances. Contractor must possess and maintain valid licenses and permits required to perform the services described herein.

C. Compliance with Statutes and Regulations

Contractor, in the performance of this Agreement, shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County and City of Los Angeles to which it is subject. Contractor shall comply with new, amended, or revised laws, regulations, and procedures to which it is subject and that apply to the performance of this Agreement.

ARTICLE V.
MISCELLANEOUS

A. Amendments to Agreement

Any changes in the terms of this Agreement, including changes in the services to be performed by Contractor and any increase or decrease in pricing, shall be incorporated into this Agreement by a written amendment properly executed by both parties.

B. Termination of Contract

1. Termination for Failure to Implement and Persistent SLA Failures

   a. Failure to Implement. If the City rejects the Services purchased above in Article III and gives Contractor written notice of any material defects in the Implementation, Contractor will attempt to cure such material defects within thirty (30) days of receipt of notice thereof (the "First Cure Period"). After the First Cure Period, the City will re-test the Implementation. If material defects still exist following the re-testing, the above process shall be repeated (the "Second Cure Period"). In the event that, following the First Cure Period and Second Cure Period, the Implementation still has not been performed in substantial and material accordance with the applicable Statement of Work, the City shall be entitled to either (i) send a notice of material objections to Contractor requesting remedy of the reported errors or (ii) reject the Implementation, in which case the City may terminate the Implementation order and the Software module to which the Implementation relates and receive a refund of prepaid, unearned fees.

   b. Excessive SLA Failure. Notwithstanding anything to the contrary in the Service Level Agreement, subject to force majeure and Software maintenance periods, should: (i) Software availability in each of three consecutive calendar months fall below 97%; or (ii) Contractor fails, in a given calendar month, to timely resolve four separate Severity 1 defects and/or seven separate Severity 2 defects in accordance with the Service Level Agreement, the City may terminate the Agreement, as its sole and exclusive remedy, upon payment to Cornerstone of any amounts owed through the date of termination. Should City terminate the Agreement under this Section "Excessive SLA Failure," the City shall be entitled to a refund of prepaid, unearned fees.

b. Where applicable and set forth in a Statement of Work, all finished or unfinished documents and materials procured for or produced under this Agreement shall become City property upon date of such termination. The provisions of this paragraph shall survive expiration or termination of the Agreement. Ownership rights shall be defined as set forth in Article V, Paragraph C (3).

2. Termination for Breach of Agreement

   a. If Contractor materially fails to perform any of the provisions of this Agreement or so fails to make progress as to endanger timely performance of this Agreement, City may give Contractor written notice of such default. If City provides such notice and Contractor does not cure such default or provide a plan to cure such default in accordance with the Agreement within the time permitted by City (at least 30 days), then City may terminate this Agreement due to Contractor's breach of this Agreement.

   b. If a federal or state proceeding for relief of debtors is undertaken by or against Contractor, or if Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this Agreement.

   c. If Contractor engages in any dishonest conduct related to the performance or administration of this Agreement or violates the City's lobbying policies, then the City may immediately terminate this Agreement.

   d. In the event City terminates this Agreement as provided in this Article, City may procure, upon such terms and in such manner as City may deem appropriate, services similar in scope and level of effort to those so terminated.

   e. All finished or unfinished electronic reports produced or procured pursuant to a Statement of Work under this Agreement shall become City property upon date of such termination. The provisions of this paragraph shall survive expiration or termination of this Agreement.

   f. If, after notice of termination of this Agreement under the provisions of this Article, it is determined for any reason that Contractor was not in default under the provisions of this Article, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the preceding section in this Article, titled "Termination for Convenience".

   g. The rights and remedies of City provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

   h. Immediately following termination of this Agreement, City shall cease using all Products. Upon request, at no additional charge, City may retrieve City Data via City's secure FTP site in the same format in which the City Data was originally

inputted into the Software. Alternatively, City Data can be returned in a mutually agreed format at a scope and price to be agreed. Contractor will maintain a copy of City Data for no more than six (6) months following termination of the Agreement, after which time any City Data not retrieved will be destroyed.

C. Ownership

1. Contractor acknowledges and agrees that all training content and data, including but not limited to publications, databases, videos, reports, analyses, studies, drawings, information (hereinafter collectively referred to as "Materials"), originated and prepared by Contractor pursuant to the terms of this Agreement, are "Work Made for Hire" and shall become the property of City for its use in any manner it deems appropriate. Contractor assigns any and all of its respective interests and rights in such property to City. Notwithstanding, however, City acknowledges that Contractor may use such materials and any courses developed by it in any form it desires for other clients and the course content intellectual property ownership is maintained by Cornerstone on Demand and/or its subcontractors providing such content. Notwithstanding the foregoing, neither the Software nor the Services shall be considered Works Made for Hire. For avoidance of doubt, any Content developed by Contractor or its subcontractor for the City pursuant to a statement of work hereunder shall be considered a Work Made for Hire.

2. The City of Los Angeles is entitled to ownership of the City of Los Angeles customized on-line content of the program. Ownership rights do not alter any other fees and expenses due to Contractor per the contract for fulfilling the course for the City. This is a derivative right to this version only and not to the original source content. This provides to the City the right for internal purposes to:

   a. Alter, add to, or re-sequence the content through Contractor for an additional fee per the contract terms or through another Contractor at the conclusion of the Contract.

   b. The course was created in a SCORM compliant format, making it portable so it can be moved to another Learning Management System or provider at the conclusion of the Contract.

   c. The copyright provides the City with the right to brand content as its own and put its own copyright notice on the program to protect the content.

   d. The copyright provides the City with exclusive rights to its branded version so it cannot be used for another entity without permission from the City.

   e. The City owns all of the unanonymized, unaggregated content, data, statistics and personnel information which it provides in the development and/or delivery of the courses and such material cannot be used by Contractor, Subcontractor or any other entity without permission.

3. All documents and records (hereinafter collectively referred to as "Documents") provided by City to Contractor shall remain the property of City and must be returned to City upon termination of this Agreement at the request of City.

4. The provisions of this Article survive expiration or termination of this Agreement.

D. Confidentiality

1. All Documents and information provided to Contractor by City are confidential. All Materials are to be considered confidential. Contractor agrees not to provide Documents or Materials, nor disclose their content or any information therein, either orally or in writing, to any other person or entity, except as authorized by City or as required by law. Contractor shall immediately notify City representative of any attempt by a third party to obtain access to documents or materials. (See "City of Los Angeles Confidentiality Agreement", included hereto as Attachment 3 and made a part hereof.)

2. Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of Contractor providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive expiration or termination of this Agreement. If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.

3. The provisions of this section survive expiration or termination of this Agreement.

E. Ambiguity

Any ambiguity in this Agreement shall not be interpreted against any one party by virtue of that party being drafter of the Agreement.

F. Ratification
Due to the need for Contractor's services to be provided continuously on an ongoing basis, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.

G. Entire Agreement

1. This Agreement contains the full and complete Agreement between the parties in respect of its subject matter and supersedes all prior agreements and understands (oral and written) between the parties with respect to such subject matter. No verbal agreement or conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement.

2. In the event of any inconsistency between the provisions in the body of this Agreement and the attachments, the provisions in the body of this Agreement take precedence, followed by the Standard Provisions for City Contracts (Revised 3/09), Attachment 2.

H. Orders and the schedules and exhibits hereto constitute a part hereof as though set forth in full herein. Purchase orders submitted by City are for City's internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force and effect.

I. Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.

J. No Third Party Beneficiaries. The representations, warranties and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns, and shall not be construed as conferring any rights on any other persons.

K. Statistical Data. Without limiting the confidentiality rights and intellectual property rights protections set forth in this Agreement, Contractor has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting Contractor from utilizing the Statistical Data for business and/or operating purposes, provided that Contractor does not share with any third party Statistical Data which reveals the identity of City, City's users, or City's Confidential Information.

L. Suggestions. Contractor shall have a royalty-free, worldwide, perpetual license to use or incorporate into the Products any suggestions, ideas, enhancement requests, feedback, recommendations, or other information provided by City or its users relating to the operation of the Products.

M. Pricing. Sections PSC-19 "Bonds" and PSC-25 "Discount Terms" of the Standard Provisions shall not apply to this Agreement.

N. Responsibility for Third-Party Offerings. The Software may contain features capable of interoperating with third-party applications. To use such features, City may be required to obtain access to such applications from a third-party provider. Contractor shall not be responsible for City's access to, or operation of, third-party applications not offered or sold by Contractor to City.

O. Insurance. Contractor represents that it has and will maintain during the Term of this Agreement Comprehensive General Liability, Technology Errors and Omissions Liability, Commercial Blanket Bond (including Electronic & Computer Crime or Unauthorized Computer Access Insurance) in amounts appropriate and sufficient for the industry in which it operates and the liabilities attendant to its services. Upon written request by Customer, Contractor shall promptly provide a certificate from its insurers indicating the amount of insurance coverage, the nature of such coverage, and expiration dates of each applicable policy.

P. Audit. Audits should be once per contract year at a time and scope to be reasonably agreed by the parties and covering matters not already covered by Contractor's commissioned independent audits.

Q. Neither party shall issue any press release using the name of the other party as a customer or provider without the other party's consent (not to be unreasonably withheld or delayed). Notwithstanding the foregoing, Contractor may mention the City's name in investor-related communications.

(Signature Page to Follow)

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

By: _____
  WENDY G. MACY
  General Manager
  Personnel Department

Date: _____ 2/10/16 _____

CORNERSTONE ONDEMAND*

By: _____
Title: _President & CFO_

Date: _2/8/16_

CORNERSTONE ONDEMAND*

By: _____
Title: _Chief Financial Officer_

Date: _2/8/16_

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____
  Deputy City Attorney

Date: _2/10/16_

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: _____
  Deputy City Clerk

Date: _2-11-16_

* Approved Signature Methods:
1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer.
2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign.

City Business License Number <u>0002513065-0001-8</u>
Internal Revenue Service Taxpayer Identification Number <u>20-8272229</u>
Agreement Number _C-127047_

Cornerstone OnDemand – ORDER

Client Name ("Client"):	**City of Los Angeles**
Order Effective Date:	[Date of the last signature below]
Master Agreement Effective Date:	[Date of the last signature below]
Is a *new* purchase order required for this purchase?	("No," unless box is checked) ☐ Yes: PO# _____

Order Start Date:	Order Effective Date	Order Term/ End Date:	Three years, *plus two optional one-year terms at the prices set forth below and in Article III of the Agreement.*

This Order is hereby incorporated into and made part of the Professional Services Agreement by and between Client and Cornerstone OnDemand (the "**Agreement**"). Capitalized terms used, but not otherwise defined, herein shall have the same meanings assigned to those terms in the Agreement. If the term of the Agreement is set to expire prior to the end of the Order Term, the term of the Agreement is hereby extended through the end of the Order Term for the purposes of this Order.

	PRODUCT SUBSCRIPTIONS (purchased if checked)	Subscribers / Active Users (except where otherwise stated)	Annual Fee
RECRUITING	☐ Recruiting ☐ Campus Recruiting		
ANALYTICS	☐ Insights ☐ Selection		
ONBOARDING	☒ Onboarding	Year 1: 5,000 Year 2: 16,666 Year 3: 44,000 *Years 4 and 5: 44,000*	Year 1: $15,000 Year 2: $49,998 Year 3: $132,000 *Years 4 and 5: $132,000*
PERFORMANCE	☒ Performance	Year 1: 1,500 Year 2: 13,000 Year 3: 34,000 *Years 4 and 5: 34,000*	Year 1: $15,000 Year 2: $130,000 Year 3: $340,000 *Years 4 and 5: $340,000*
COMPENSATION	☐ Compensation		
SUCCESSION	☒ Succession	Year 1: Not purchased Year 2: 2,500 Year 3: 11,000 *Years 4 and 5: 32,000*	Year 1: Not purchased Year 2: $12,500 Year 3: $55,000 *Years 4 and 5: $160,000*
CONNECT	☐ Connect		
LEARNING	☒ Learning	Year 1: 10,000 Year 2: 41,000 Year 3: 41,000 *Years 4 and 5: 41,000*	Year 1: $100,000 Year 2: $410,000 Year 3: $410,000 *Years 4 and 5: $410,000*
	☒ Certifications		
	☐ Competencies		

	☐ Extended Enterprise
	  ☐ eCommerce
	  ☐ Certifications
	  ☐ Competencies		

	☐ Cornerstone for Salesforce		
Support Package: ☒Professional ☐ Professional Plus ☐Premier ☐Premier Plus		N/A	Included
☒Administrator Training Package		10	$6,750
☒Course Publisher (if Learning is purchased)		2	Included
☐Content Delivery			

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Content:		
☐Core ☐Gold ☐Gold Plus ☐Platinum Plus ☐HRSG ☐Other		
☐Additional Language Packs		
☐Data Load Wizard		
☐Web Services		
	ANNUAL FEE SUBTOTAL	Year 1: $136,750 Year 2: $609,248 Year 3: $943,750 *Years 4 and 5:* *$1,048,750*
ONE-TIME SERVICES *(purchased if checked)*		**One-time Fee**
☐ __ VSP hours (may be applied toward any future Service (except for Consulting) purchased within 1 year of the Order Effective Date, after which unused hours expire without refund)		
☒ Services (see attached Statement of Work)		Year 1: $374,000 Year 2: $87,500
	FIRST YEAR GRAND TOTAL	**$510,750**

Annual fees are invoiced annually, beginning on the Order Start Date, through the Order End Date. If applicable, the final invoice for annual fees (except for eLearning content) will be prorated as follows: (total number of days in the prorated period / 365) x annual fee. One-time fees are invoiced on the Order Start Date. See http://www.cornerstoneondemand.com/support for detailed support descriptions. Support package selected above applies to all subsequent Orders except where otherwise stated.

Notwithstanding the foregoing, the following Payment Schedule shall apply to the Products set forth herein:

PAYMENT SCHEDULE		
Invoice Date	**Amount**	**Description**
Effective Date	$323,750	All Year 1 fees, excepting 50% of Year 1 Implementation Services fees.
Effective Date (due earlier of (i) completion of Design Phase or (ii) net 90)***	$112,200	30% of Year 1 Implementation Services fees.
December 15, 2015 (due earlier of (i) completion of UAT or (ii) net 90)***	$74,800	Remaining 20% of Year 1 Implementation Services fees.
First anniversary of Effective Date	$696,748	All Year 2 fees.
Second anniversary of Effective Date	$943,750	All Year 3 fees.

For each day of delay by Contractor, the net 90 date will be extended by one day.

Agreed and accepted:

Client		Cornerstone OnDemand	
Signature:	*Rob Na*	Signature:	*Adam Miller*
Name:	*Raelynn Napper*	Name:	Adam Miller
Title:	*Chief Personnel Analyst*	Title:	President & CEO
Date:	*2/11/16*	Date:	2/8/16

B A. Wallace *AW*

cornerstone

STATEMENT OF WORK

Enterprise Implementation

SCOPE OF SERVICES AND DELIVERABLES

Client Portal and Configuration Set Up

Cornerstone will create and activate the Client portals (live, pilot, stage) with the URLs requested by the Client.
Cornerstone will create Client Administrator user login and configure initial tasks including:

- o Configure default preferences
- o Create Organizational Unit structure
- o Configure initial security roles
- o Configure initial branding
- o Access to **The Cornerstone Success Center** providing access to training and product information
- o Access to **My Success Portal** providing access to Cornerstone product support teams and reporting of product issues
- o Activate licensed functionality

Timeline and Delivery

Upon completion of the Client portal and configuration set up, Cornerstone will distribute all access credentials to the Client, which indicates the Client Portal systems are ready for use. Acceptance of these deliverables will be in accordance with the Agreement. Upon completion of the Client Portal and Configuration Set Up phase, the Software is ready for use by Client.

PROJECT RESOURCES

The table below outlines recommended resources and time estimates for each phase. Time durations are estimates and may vary based on client requirement. Each phase overlaps and may require a shifting of hours among phases based on Client's processes. The project lifecycle may be repeated for each additional module.

Phase	Estimated Duration	Cornerstone Resources	Client Resources
Initiate	3 Weeks	• Engagement Manager • Implementation Consultant	• Project Manager • Business Process Owners • System Administrators
Discover	4 Weeks	• Engagement Manager • Implementation Consultant • Integration Consultant • Education Services Consultant	• Project Manager • Business Process Owners • Technical Resources • System Administrators
Design	3 Weeks	• Engagement Manager • Implementation Consultant • Integration Consultant • Client Success Manager	• Project Manager • Business Process Owners • Technical Resources • System Administrators
Deliver	4 Weeks	• Engagement Manager • Implementation Consultant • Integration Consultant • Client Success Manager	• Project Manager • Business Process Owners • System Administrators • Technical Resources

IMPLEMENTATION SERVICES AND ESTIMATED TIMELINE

The Scope of Services outlined below provides a breakdown of the key components of the Implementation Services and the corresponding deliverables to be provided by Cornerstone and Client.

Phase	Cornerstone Deliverables	Client Deliverables
Initiate	**Week One:** • Project initiation call with client. Confirm project scope with client project team • Create meeting schedule for project lifecycle • Establish and document project controls and processes for status reporting, issue resolution, and risk management processes • Schedule kickoff meeting to review client design decision points • Communicate requirement to complete Organizational Units, Security preferences and training before Organizational Unit Workshop • Complete remote kick-off meeting • Review technical projects in-scope • Send discovery questionnaire to client • Implementation Consultant will schedule discovery workshop occurring week 4 **Week Two:** • Collect client process documentation. • Deliver the Project Plan to the client • Schedule training for week 5, occurs after the onsite discovery workshop • Conduct technical kickoff call with client **Week Three:** • Implementation Consultant schedules and leads Organizational Unit Workshop • Deliver discovery document and technical projects questionnaires • Schedule and lead technical kickoff calls • Review client documentation • Deliver technical documentation • Collect any client process documentation the client can provide • Deliver template project plan to client • Create project plan for implementation services • Implementation Consultant updates implementation discovery documentation • Review demo site to ensure that it's setup correctly for onsite demo • Complete options for webcast training session with client	**Week One:** • Participate in remote kick-off meeting • Confirm project plan and meeting schedule • Assemble project team • Define measures of project success • Complete initial administrator training, pre-work, and discovery questionnaires **Week Two:** • Attend technical project kickoff calls • Complete discovery questionnaires • Confirm project plan and meeting schedule • Provide branding and marketing requirements • Provide organization chart(s) to assist in designing Organization Unit structure • Provides sample user profile record and definition • Client content provider listing and courses • Deliver documented learning processes including approvals, evaluations, process maps and supporting forms or documentation • Deliver documented performance processes including process maps and supporting forms or documentation • Deliver documented succession processes including process maps and supporting forms or documentation • Deliver documented recruiting processes including process maps and supporting forms or documentation • Deliver documented certification processes including approvals, expiration / recurrence requirements, proposed certification structures, process maps and supporting forms or documentation • Deliver example competency structure including process maps and supporting forms or documentation • Provide external user approval workflows • Provide external training requirements • Provide use case scenarios to model recommended configuration **Week Three:** • Attend technical workshops • Attend Organizational Unit workshop • Review and accept Cornerstone deliverables

Phase	Cornerstone Deliverables	Client Deliverables

Discover	**Week Four:**
	• Implementation Consultant leads 3 day discovery workshop to review available functionality and talent processes.
	• Document decisions and remaining action items for :
	  o Organizational unit and user data design
	  o Global system preferences
	  o Welcome Page configuration
	  o Learning management preferences
	  o Performance management preferences
	  o Succession planning preferences
	  o Recruiting preferences
	  o Navigation tabs and links
	  o Custom security roles matrix
	  o Email management matrix
	• Documented technical projects:
	  o Single Sign-On
	  o Inbound Data Feed – OU/user data
	  o Custom Login Page
	  o Virtual Training Integration
	  o Inbound Data Feed(s)
	  o Historical Data Upload(s)
	  o Master Data Upload(s)
	• Complete decisions needed to document the configuration workbook
	Week Five:
	• Schedule and lead training – Delivered by training team via Webcast
	• Technical follow up meeting (Remote)
	• Cornerstone will configure pilot portal based on client requirements presented in discovery questionnaire
	• Conduct remote follow-up design sessions with client for remaining configuration decisions post configuration workshop
	• Implementation consultant builds out security roles preferences, organizational units In live portal
	• Request copy down from live to pilot for week 6 to copy above configuration to pilot
	Week Six:
	• Debrief with client post webcast training
	• Discuss User Acceptance Testing including test scripts and participants
	• Change management discussion or workshop if purchased
	• Comp Only – Load Salary Data (In Pilot post copy down)
		Week Four:
		• Attend Discovery Workshop
		• Complete configuration workshop and workbook, documenting decisions for the following:
		  o Global system preferences
		  o Welcome Page configuration
		  o Learning management preferences
		  o Performance management preferences
		  o Succession planning preferences
		  o Recruiting preferences
		  o Navigation tabs and links
		  o Custom security roles matrix
		  o Email management matrix update
		• Complete Custom Login Page workbook
		• Complete design specifications for technical projects:
		  o Single Sign-On
		  o Inbound Data Feed – OU/user data
		  o Custom Login Page
		  o Virtual Training Integration
		  o Inbound Data Feed(s)
		  o Historical Data Upload(s)
		  o Master Data Upload(s)
		Week Five:
		• Attend training via webcast
		• Complete remaining configuration decisions post configuration workshop and document remaining design specifications
		• Attend remote follow-up design sessions
		• Client takes online training as needed
		• Review and accept Cornerstone deliverables
		Week Six:
		• Client takes online training as needed
		• Attend technical follow-up meeting
		• Attend remote follow-up design sessions
		Week Seven:
		• Client takes online training as needed
		• Attend technical follow-up meeting
		• Attend remote follow-up design sessions

Phase	Cornerstone Deliverables	Client Deliverables
	Week Seven: • Implementation consultant builds out configuration and sample process (Pilot) • Virtual Training Integration/Ecommerce, Single Sign On, salary data setup in pilot • Collect sample Inbound Data Feed from Client (Test in Pilot, then load to Live as soon as validated in following weeks) • Conduct technical follow up meeting	
Design	**Week Eight:** • Wrap follow up configuration session(s) • Conduct User Acceptance Testing prep meeting (remote – include Client Success Manager) • Implementation Consultant builds out sample process configuration (Pilot) • Implementation consultant reviews configuration set up in Pilot • Configure sample data in pilot portal for **Learning Module** ○ Platform preferences, email triggers ○ eLearning (SCORM/AICC) content load (1 course) and one (1) survey example ○ One (1) instructor-led training example ○ One (1) Connect job requisition and template example ○ One (1) assessment question example ○ One (1) application workflow example ○ One (1) career community example ○ One (1) certification example • Configure sample data in pilot portal for **Performance Module** ○ Platform preferences, one (1) development plan template, one (1) review template, one (1) task ○ Compensation preferences, email triggers, custom fields, one (1) template, one (1) tasks, one (1) competency model • Configure sample data in pilot portal for **Recruiting Module** ○ Job requisition and template example (1) ○ Assessment question example (1) ○ Application workflow example (1) ○ Career site example (1) • Deliver sample test scripts • Complete technical projects: ○ Single Sign-On ○ Inbound Data Feed – Organizational Unit/user data ○ Custom Login Page ○ Virtual Training Integration	**Week Eight:** • Attend follow-up configuration session(s) • Attend User Acceptance Testing prep meetings • Complete sample data and setup in live portal including: ○ Global Configurations – emails triggers, security roles, welcome page, preferences ○ Language translations, as necessary ○ Configuration of additional client security roles • Learning Module ○ Load eLearning course content and materials ○ Load all required documents including curriculums, test and evaluations, Instructor Led Training events and sessions, instructors, facilities, and certifications ○ Test content launching, tracking, and completion • Performance Module ○ Create goals, competencies, competency models, development plans, review questions, review templates, tasks ○ Create succession metrics for succession plans, succession templates and tasks ○ Create career center preferences and data for resumes, questions, and location bank • Recruiting Module ○ Create job requisition templates, job requisitions, and assessment questions ○ Create application workflows, configure career sites • Complete and implement technical projects including: ○ Single Sign-On ○ Inbound Data Feed – Organizational Unit/user data ○ Custom Login Page ○ Virtual Training Integration ○ Inbound Data Feed(s) ○ Historical Data Upload(s) ○ Web Services Design

Phase	Cornerstone Deliverables	Client Deliverables
	o Inbound Data Feed(s) o Historical Data Upload(s) o Unit test system interfaces **Week Nine:** • Schedule daily User Acceptance Testing touch base to solution review open issues with client (include Client Success Manager) • Solidify configuration with client in preparation for User Acceptance Testing in pilot • Ensure Historic Data Load has gone through initial validation in pilot • Copy pilot to stage if you need to preserve Historic Data Load or other configuration through week 10 for validation • Inbound Data Feed configured in Live portal. Inbound Data Feed will be validated **Week Ten:** • Conduct User Acceptance Testing Prep Meeting (Remote – include Client Success Manager) • Schedule daily User Acceptance Testing touch base to review open testing issues with client (include Client Success Manager) • Complete Client Success Manager handoff documentation and submit request for Client Success Manager • Single Sign-On, Virtual Training Integration, Ecommerce, Salary Data in Live • Copy down executed to pilot (If necessary can do copy over from pilot to stage prior to Live Copy Down)	**Week Nine:** • Client begins configuration setup in production • User Acceptance Testing Test Scripts Finalized **Week Ten:** • Client completes configuration in prod in prep for copy down • Test system interfaces end-to-end • Create customized acceptance test scripts • Maintain configuration workbook • Review and accept Cornerstone deliverables

Deliver	**Week Eleven:**
	• Daily Check In User Acceptance Testing call
	• Copy live portal to pilot portal
	• Deliver sample user acceptance testing assessment template
	Week Twelve:
	• Obtain named care admins from client
	• Update issue log, including defects
	• Provide coaching for configuration updates
	• Schedule Client Success Manager Transition Call
	• Ongoing Historical Data Load validation (stage) and load into production
	• Triage (categorize and prioritize) reported issues and address prior to go-live
	Week Thirteen:
	• Finalize integration projects in production
	• Support Client during testing and validation
	• SOW Review with Client Success Manager
	• Triage (categorize and prioritize) reported issues and address prior to go-live
	• Close out any open issues/items for Go Live
	Week Fourteen:
	• Client Go-Live
		Week Eleven:
		• Attend Check In User Acceptance Testing Call
		• Validate data:
		  o Single Sign-On
		  o Inbound Data Feed – Organizational Unit/user data
		  o Custom Login Page
		  o Virtual Training Integration
		  o Inbound Data Feed(s)
		  o Historical Data Upload(s)
		  o Master Data Upload(s)
		• Populate specific test data like tasks and users
		Week Twelve:
		• Create and complete client-specific test assessment template
		• Create and complete user acceptance test scripts
		Week Thirteen:
		• Attend Client Success Manager transition meeting
		• Client makes configuration adjustments on Pilot and Live portals
		• Update Live portal configuration based on testing

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Phase	Cornerstone Deliverables	Client Deliverables
	• Discuss post live survey with client • Schedule and execute final Historical Data Loads • Conduct project close out	feedback **Week Fourteen:** • Post Live issue remediation (partner with Client Success Manager to assist) • Client Go-Live

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TECHNICAL PROJECTS SCOPE

Inbound Data Feed – User/Organizational Unit (IDF User/OU)

Brief Summary

Integration with data from Client's system enabling automated maintenance of user and organizational units (OU) via a scheduled Inbound Data Feed (IDF) of the following data sets:

- User Profile data
- Organizational Unit (OU) data

Tasks

- Cornerstone: Provide Client with the Cornerstone standard Inbound Data Feed of User/OU (IDF User/OU) design document and template
- Cornerstone: Lead Client in IDF User/OU workshop to review data feed process and support the functional decisions of Client
- Cornerstone: Create IDF User/OU design document for Client
- Client: Sign off on IDF User/OU design document
- Client: Load files on pilot FTP folder for load, complying with Cornerstone's formatting requirements
- Cornerstone: Schedule IDF User/OU to run in pilot portal on a regular basis to allow testing by Client
- Cornerstone: Email the pilot portal IDF User/OU log file to identify load errors, after each load attempt
- Client: Review, update, and sign off the IDF User/OU process in pilot portal
- Client: Load files on live FTP folder for load, complying with Cornerstone's formatting requirements
- Cornerstone: Schedule and automate IDF User/OU in live portal
- Cornerstone: Email the live IDF User/OU log file to identify load errors, after each load attempt
- Client: Review, update, and sign off on the IDF User/OU process in live portal

Assumptions

- Client utilizes Cornerstone standard IDF User/OU design document and template for all data types
- Client is responsible for uniquely identifying records across all data types
- All data records referencing user data are by user's unique identifier value (UserID)
- Client has skilled software resources that can extract data from source systems and transform data to the format(s) defined by the approved IDF design document
- Client will perform all data file consolidations necessary and provide data files in formats defined in the approved IDF User/OU design document. All mandatory data fields must be populated for all records
- Client is responsible for properly validating data and identifying any errors prior to signing off on feed in live portal
- Client acknowledges that once the design document is approved, any changes or modifications to the work, scope, or the feed will require creation of a change request document. Change requests are reviewed and could result in additional charges to Client
- Any changes following Client signoff will require a work order or SOW submission

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Custom Login Page (CLP)

Brief Summary

Create a Custom Login Page following Client's design and layout according to Cornerstone-provided design guidelines and templates.

Tasks

- Cornerstone: Provide Client with Cornerstone's Custom Login Page design templates
- Cornerstone: Lead Client in Custom Login Page design workshops to review Custom Login Page process
- Client: Create Custom Login design based on Cornerstone's Custom Login Page design templates
- Cornerstone: Create Custom Login Page in stage per Client's design
- Client: Review and indicate corrections to errors detected in stage portal
- Cornerstone: Reload corrected Custom Login Page as necessary in stage portal
- Client: Review and approve Custom Login Page loaded to stage portal
- Cornerstone: Load Custom Login Page on pilot and live portals

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Custom Login Page (CLP)

Assumptions
- Utilizes Cornerstone Custom Login Page design document template
- Client will provide written sign off on the Custom Login Page on the stage portal, which will be used as approval to push the Custom Login Page to pilot and live portals
- Client may ask for one (1) iteration of the Custom Login Page once the Custom Login Page is deployed on stage portal
- Any changes requested subsequent to the approval of the Custom Login Page on the stage portal will require creation of a change request document. Change requests are reviewed and could result in additional charges to Client.

Virtual Classroom Integration (vILT)

Brief Summary
Integration of one (1) of the following Cornerstone supported Virtual Training providers with Cornerstone's Instructor-Led training module:
- WebEx; or
- Live Meeting; or
- Adobe Connect; or
- GoToMeeting.

Tasks
- Cornerstone: Conduct project kick-off
- Cornerstone: Deliver questionnaire kick-off template
- Cornerstone: Lead Client in Virtual Classroom Integration workshop to review process and support the functional decisions of the Client
- Client: Complete questionnaire that includes account information for vILT provider account, as follows:
  - Enabled for URL and XML APIs
  - Site ID
  - Partner ID
  - Username and password
  - Create administrator account (WebEx Only)
- Client: Provide names of instructors to be associated to the WebEx provider (WebEx only)
- Cornerstone: Create provider and links to third party provider in the Cornerstone application
- Cornerstone: Conduct quality assurance and integration testing
- Cornerstone: Replicate integration on live and pilot portals (WebEx to live only)

Assumptions
- Integration between Cornerstone's Instructor Led Training (ILT) module and the third party virtual training tools has clearly defined features and functionality based on the vendor's product as documented in the Cornerstone Virtual Training Integration specifications
- Virtual training vendor account fees and support are the responsibility of the Client
- Administrative accounts cannot change after integration is in place

Outbound Data Feed – Learning (ODFL)

Brief Summary
A scheduled Outbound Data Feed (ODF) to Client FTP account of the following data sets:
- Completed transcript training records

Tasks

Outbound Data Feed – Learning (ODFL)

- Cornerstone: Provide client with the Cornerstone standard ODF design document template
- Cornerstone: Lead the client in ODF workshops to review data process and support the functional decisions of the client
- Cornerstone: Create ODF design document for client
- Client: Sign-off on ODF design document
- Cornerstone: Schedules ODF to run in pilot portal on a regular basis to allow testing by Client
- Client: Process data file from FTP server into target system
- Client: Review and identify any errors detected in the ODF process
- Cornerstone: Produce corrected files as necessary in pilot portal(up-to 3 iterations per data type)
- Client: Review and approve ODF in pilot portal
- Cornerstone: Schedule and automate ODF in live portal based on Client's request

Assumptions

- Utilizes Cornerstone standard ODF design document template for all data types
- Cornerstone and client will validate/iterate the data file(s) up to 3 times
- 3-iterations of exports are for the purposes of correcting errors and all 3 may not be required
- Client has skilled software resources that can process data into target system
- Client will perform all data file parsing, if necessary, to distribute data to multiple target systems
- Client is responsible for properly validating ODF and identifying any errors prior to signing-off on feed in live portal
- Client acknowledges that once the design document is approved, any changes or modifications to the work scope or the feed will require creation of a change request document. Change requests are reviewed and could result in additional charges to the client
- Any changes following Client sign-off will require a work order or SOW submission

Outbound Data Feed – Performance (ODFP)

Brief Summary

A scheduled Outbound Data Feed (ODF) to Client FTP account of the following data sets:

- Performance review scores

Tasks

- Cornerstone: Provide Client with the Cornerstone standard ODF design document template
- Cornerstone: Lead Client in ODF workshops to review data process and support the functional decisions of the Client
- Cornerstone: Create ODF design document for Client
- Client: Sign-off on ODF design document
- Cornerstone: Schedules ODF to run in pilot portal on a regular basis to allow testing by Client
- Client: Process data file from FTP server into target system
- Client: Review and identify any errors detected in the ODF process
- Cornerstone: Produce corrected files as necessary in pilot portal (up-to 3 iterations per data type)
- Client: Review and approve ODF in pilot portal
- Cornerstone: Schedule and automate ODF in live portal based on Client's request

Assumptions

- Utilizes Cornerstone standard ODF design document template for all data types
- Cornerstone and Client will validate/iterate the data file(s) up to 3 times
- 3-iterations of exports are for the purposes of correcting errors and all 3 may not be required
- Client has skilled software resources that can process data into target system
- Client will perform all data file parsing, if necessary, to distribute data to multiple target systems
- Client is responsible for properly validating ODF and identifying any errors prior to signing-off on feed in live portal
- Client acknowledges that once the design document is approved, any changes or modifications to the work scope or the feed will require creation of a change request document. Change requests are reviewed and could result in additional charges to the Client
- Any changes following Client sign-off will require a work order or SOW submission
- Except where otherwise stated or agreed by the parties, Cornerstone's obligation to perform an Implementation-related

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Outbound Data Feed – Performance (ODFP)

Service expires at the earlier of: (i) acceptance of the Service by Client; (ii) if Client does not commence the project, one year from the purchase date; or (iii) if Client commences the project but subsequently does not proceed with the project, six (6) months from the date Client ceased working on the project.

Master Data Load – Learning (MDLL)

Brief Summary
Migration of master system data to the Cornerstone portal. Migrated data includes the following data types:
- E-learning courses in SCORM or AICC format only:up to a maximum of 1,000 courses
- Materials (documents including .pdf, .docx, .xlsx,.pptx; other assets including .bmp, .jpg,.gif, .m4a, .mp3, .wma, .wav, .mid, .avi, .mpeg, .m4v, .swf; or URLs), including up to a maximum of 1,000 materials
- Videos as learning objects (.mpg, .mpeg, .wmv, .flv, .mp4, .m4v format or URL from YouTube), including up to a maximum of 1,000 videos

Tasks
- Cornerstone: Provide Client with the Cornerstone standard data design document template
- Cornerstone: Lead Client in data loading workshops to review data load process and support the functional decisions of Client
- Cornerstone: Create data design document for Client
- Client: Sign off on data design document
- Client: Prepare files for loading by Cornerstone integration consultant
- Cornerstone: Load files into the pilot portal system
- Client: Review and correct any errors detected in the upload process
- Cornerstone: Reload corrected files as necessary in pilot portal (maximum of three (3) iterations per data type)
- Client: Review and approve data loaded to pilot portal
- Cornerstone: Load data on live portal

Assumptions
- Utilize Cornerstone standard data design document template for all data types
- E-learning courses are published in the SCORM 1.2, v2004, or AICC 3.5 format standards only
- All data records referencing user data does so by user's unique identifier value (UserID)
- Client is responsible for uniquely identifying records across all data types
- Client has skilled software resources that can extract master data from source systems
- Client has the ability to transform data to the format(s) defined by Client-approved data design document
- Client will perform all data file consolidations necessary by data type defined above
- Maximum of three (3) iterations of loads by data type for the purposes of correcting errors

Historical Data Load – Learning (HDLL)

Brief Summary
Migration of learning system data from legacy system to the Cornerstone portal. Migrated data includes the following data types:
- User transcript-centric records and supporting SCORM/AICC e-learning, event / session, external training, materials, curriculum (transcript only)

Tasks
- Cornerstone: Provide Client with the Cornerstone standard data design document template
- Cornerstone: Lead Client in data loading workshops to review data load process and support the functional decisions of Client

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Historical Data Load – Learning (HDLL)

- Cornerstone: Create data design document for Client
- Client: Sign off on data design document
- Client: Prepare files per approved data design template provided by Cornerstone
- Cornerstone: Load files into the pilot portal system
- Client: Review and correct any errors detected in the data load process
- Cornerstone: Reload corrected files as necessary in pilot portal (up to three (3) iterations per data type)
- Client: Review and approve data loaded to pilot portal
- Cornerstone: Load data on live portal

Assumptions
- Utilizes Cornerstone data design template
- All data loads referencing user data does so by a common unique identifier
- Client is responsible for providing unique records per data type
- Client has the ability to transform data to the format(s) defined by the Cornerstone data design template
- Client has skilled software resources that can extract master data from source systems
- Client will perform all data file consolidations by data type defined above
- Maximum of three (3) iterations of loads by data type for the purpose of correcting errors

Historical Data Load – Performance (HDLP)

Brief Summary
Migration of legacy system data to the Cornerstone portal. Migrated data includes the following data types:
- Review scores, including up to three (3) years' worth of overall performance review scores
- Review documents, including up to three (3) years' worth of performance PDF documents
- Goals library
- Previous year's user goals
- Competency library and models

Tasks
- Cornerstone: Provide Client with the Cornerstone standard data design document template
- Cornerstone: Lead Client in data loading workshops to review data load process and support the functional decisions of Client
- Cornerstone: Create data design document for Client
- Client: Sign off on data design document
- Client: Prepare files for loading by Cornerstone integration consultant
- Cornerstone: Load files into the pilot portal
- Client: Review and correct any errors detected in the upload process
- Cornerstone: Reload corrected files as necessary in pilot portal (up to three (3) iterations per data type)
- Client: Review and approve data loaded to pilot portal
- Cornerstone: Load data on live portal

Assumptions
- Utilize Cornerstone standard data design document template for all data types
- All data loads reference User data by a unique identifier
- Client is responsible for uniquely identifying records across all data types
- Client has skilled software resources that can extract legacy data from source systems
- Client has the ability to transform data to the format(s) defined by Client-approved data design document
- Client will perform all data file consolidations necessary by data type defined above
- Maximum of three (3) iterations of loads by data type for purpose of correcting errors; any additional iteration may require a change request document
- Client acknowledges that once the design document is approved, any changes or modifications to the work, scope, or the feed will require a change request document. Change requests are reviewed and could result in additional charges to Client

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Historical Data Load – Performance (HDLP)

- Any changes following Client sign-off will require a work order or SOW submission

Master Data Load – Performance (MDLP)

Brief Summary

Migration of master system data to the Cornerstone portal. Migrated data includes the following data types:
- Goals library
- Goals pre-assigned to users / organization units (OUs); up to 300,000 records
- Competency library / model
- Compensation salary ranges
- Compensation market data

Tasks
- Cornerstone: Provide Client with the Cornerstone standard data design document template
- Cornerstone: Lead Client in data loading workshops to review data load process and support the functional decisions of Client
- Cornerstone: Create data design document for Client
- Client: Sign off on data design document
- Client: Prepare files for loading by Cornerstone integration consultants
- Cornerstone: Load files into the pilot portal
- Client: Review and correct errors detected in the upload process
- Cornerstone: Reload corrected files as necessary in pilot portal (maximum of three (3) iterations per data type)
- Client: Review and approve data loaded to pilot portal
- Cornerstone: Load data on live portal

Assumptions
- Utilize Cornerstone standard data design document template for all data types
- All data records referencing user data does so by user's unique identifier value (UserID)
- Client is responsible for uniquely identifying records across all data types
- Client has skilled software resources that can extract master data from source systems
- Client has the ability to transform data to the format(s) defined by Client-approved data design document
- Client will perform all data file consolidations necessary by data type defined above
- Maximum of three (3) iterations of loads by data type for the purpose of correcting errors

EDUCATIONAL SERVICES SCOPE

Premium Two Day System Admin Training – Onsite or Live Webcast

Brief Summary

Cornerstone will provide a two day training customized to the clients portal configuration for Client System Administrators delivered either onsite or via webcast.

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Premium Two Day System Admin Training – Onsite or Live Webcast

Tasks

- Cornerstone will conduct two consecutive full days of training (eight hour day with a one hour lunch break) onsite at client's location. These can also be delivered as two full day or four 3.5 hour webcast sessions at the client's discretion.
- The Client can select specific topics to include in the training agenda from an options menu.
- The training session will be conducted using the client's portal and configuration, including demonstrating functionality and creating customized versions of hands on exercises specifically for the client's portal.
- Word versions of customized exercises will be provided to the client and can be used by the client in any capacity. No other material will be created or provided.
- The Client will provide User ID's in one security role for the trainer and for class participants to use for the training sessions. The client will also ensure that the portal to be used for training is updated or copied down with the configuration and security roles needed to conduct the training.
- The Client will provide specific examples or use cases for the training consultant to incorporate into the training.

Assumptions

- The Client will provide an appropriate room for the training to be conducted. The delegates will require their own workstations with internet access. The training consultant will bring their own laptop but will need to connect to the internet and to a projector client provides.
- Travel costs are additional and based on round trip travel from a pool of available training consultants and vary depending on their base location.
- Training can be conducted either live onsite or via live webcast at client discretion, however live webcast cannot be conducted simultaneously with live onsite training.
- Webcast sessions may not be recorded.
- A date will be agreed upon for the Training Consultant to prepare the exercises for the client's stage or pilot portal, as well as a date for the actual delivery of the training. Between these two dates no copy down from Production to either stage or pilot can be performed, as this would overwrite any preparatory work done by the Training Consultant.

Welcome Page—Template Design Package

Brief Summary

One Welcome page will be created and set up in the clients portal within the following parameters and scope:

- Choice of one of the standard template designs
- Choice of color
- Client logo, graphic and text for template – client may provide one graphic or select from stock photo site graphics
- Choice of predesigned widget boxes
- Choice of standard button styles
- Choice of standard button icons
- All needed work to create the Welcome page including HTML coding for links will be completed by CSOD. Links must exist in client portal to enable linking from Welcome Page.

There is one initial consulting session with client to determine choices and layout and one client review cycle of the Welcome Page after the initial mock-up is presented. Client will be able to review and confirm changes were made appropriately. CSOD will create the page in the client's test portal or test division. Client will be able to review the page once it is created in the portal for the second review cycle and confirm changes were made appropriately. Additional review cycles or updates to the Welcome Page at a later time may incur additional cost.

The project will begin (kickoff date) when the client's live portal is fully configured related to functionality for the Welcome Page and delivered within 10 business days assuming a 2 day client review cycle. If client requires additional review time or

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Welcome Page—Template Design Package

multiple reviews, deliverable date will be based on the additional review time required. Maximum time for entire project cycle is 30 business days from project start date (kickoff date) and Cornerstone reserves the right to request final approval on design, code page in clients portal of choice and close project 30 business days after project start date.

Client will provide CSOD a system admin ID in their live or pilot portal to create the Welcome Page and will provide a single point of contact for questions related to the specifics to be used in the Welcome Page and for signoff for the review cycle.

NOTE – Any stock photos, buttons or other graphics used for the Welcome Page can be used only for use within this specific Welcome page and may not be reutilized or redistributed in any other manner.

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TIMELINE AND DELIVERY

The Implementation Services will take approximately 14 weeks in duration and will be conducted remotely by Cornerstone, except for any outside services so expressly identified herein. Pre-approved travel expenses for on-site activities are the responsibility of Client. Per the agreed scope of the Implementation Services, Cornerstone anticipates this effort to include the professional services hours set forth below, which will be tracked and reported weekly during the project.

Changes to the scope of this statement of work and/or Client delays that result in an increase to this estimate by more than 10% will require a change order, and may result in additional expense. The professional Services time will be tracked throughout the implementation and Client will be notified prior to actual hours exceeding the estimate, as well as whether a change request and SOW addendum will be required. The parties agree to initiate the project within two weeks of the Order Effective Date.

Cornerstone delays will NOT require an SOW addendum or result in additional expense to Client.

Project Components		Investment
Implementation Services		
Learning		
o Learning Implementation (180 hours)		$164,000.00
o Certification Management Implementation (110 hours)		Included
Onboarding		
o Onboarding Implementation (150 hours)		$35,000.00
o Recruiting Implementation (50 hours)		Included
Performance		
o Performance Implementation (180 hours)		$175,000.00
Succession		
o Succession Management Implementation (190 hours)		$87,500.00
Client Portal and Configuration Set Up	SVCSIMP0001	**Included**
Technical Integration Services		
Inbound Data Feed - OU/Users (IDF)	SVCSTEC0006	Included
Custom Login Page (CLP)	SVCSTEC0003	Included
Master Data Load - Performance (MDLP)	SVCSTEC0008	Included
Performance Historical Data Load (PHDL)	SVCSTEC0102	Included
Outbound Data Feed - Performance (ODFP)	SVCSTEC0016	Included
Master Data Load - Learning (MDLL) (3)	SVCSTEC0009	Included
Learning Historical Data Load (LHDL)	SVCSTEC0101	Included
Virtual Classroom Integration (VILT)	SVCSTEC0022	Included
Outbound Data Feed - Learning (ODFL)	SVCSTEC0017	Included
Engagement Manager (300)	SVCSIMP0114	Included

Educational Services

Premium Two Day Onsite Training (2)	SVCSEDS0017	Included
Welcome Page – Template Design Package	SVCSTEC0027	Included
	Total Services Investment	**$461,500.00**

The end of the Implementation Services is defined as the completion of the above Cornerstone deliverables as outlined under the Implementation Services section of this document. Acceptance of the deliverables will be in accordance with the Agreement.

ASSUMPTIONS AND CLIENT OBLIGATIONS

In order for Cornerstone to provide the Services outlined in this Statement of Work, Client shall provide the necessary resources to fulfill the obligations listed below:

Project Specific

- Client is solely responsible for testing all processes during the UAT phase
- Client will utilize the Cornerstone course publisher to upload online content to the portal. All Client content is SCORM v1.2 or AICC v3.5 compliant
- Client is solely responsible for testing (Tracking, Completion, etc.) all content loaded to the Cornerstone portal.
- Any technical integration or service not expressly listed in this Statement of Work with an accompanying price will be scoped as a separate work effort and is not included in the scope of this document.
- Requests for application code changes are out of scope
- Retire Client pilot portal within 60 days after implementation; stage and live portals to remain for the term
- Additional contracts may be required to utilize third party (non Cornerstone OnDemand, Inc.) services and integrations such as job board aggregation, video interview, background screening, employee eligibility and citizenship, ,
- Except where otherwise stated or agreed by the parties, Cornerstone's obligation to perform an Implementation-related Service expires at the earlier of: (i) acceptance of the Service by Client; (ii) if Client does not commence the project, one year from the purchase date; or (iii) if Client commences the project but subsequently does not proceed with the project, six (6) months from the date Client ceased working on the project.

Business Consulting – Business Process Alignment Performance

Brief Summary

Business Consulting services are focused on ensuring our Clients are positioned to successfully deploy Cornerstone OnDemand's Integrated Talent Management System across the Client's enterprise. The Business Process Alignment project is designed to identify/ review the Client's current state and recommend leading industry practices to move Client to the next level while aligning to the Cornerstone system capabilities. An outcome of this project will be the documentation and discovery materials (business requirements) needed to build a recommended configuration during implementation. The project may include the following Learning business processes:

- Competency Management & Assessments
- Goals Management
- Performance Reviews
- Development Planning
- Observation Checklists

Tasks

- Cornerstone: Request current state documentation
- Cornerstone: Host Discovery Workshop Planning Call
- Client: Attend planning call
- Client: Provide current state review with documented processes and supporting forms
- Cornerstone: Review Client's documentation in preparation for workshop
- Client: Determine participants for Discovery Workshop
- Cornerstone: Facilitate an onsite discovery workshop including:
  - Detailed review of current state by process
  - Identify current pain points
  - Gather and understand underlying business requirements
- Client: Participate in onsite discovery workshop including:
  - Business unit / process owner representatives attendance and active participation
  - Decision maker attendance and active participation
  - Provide inputs and clarify details around current state
- Client: Provide support / answer questions as needed for Cornerstone to complete draft deliverables
- Cornerstone: Coordinate / schedule process review
- Cornerstone: Facilitate a remote process review meeting via WebEx session
- Cornerstone: Review initial high level Report and Process Maps
- Client: Participate in review meeting and provide feedback
- Cornerstone: Capture any feedback and adjust documents if needed
- Cornerstone: Package initial draft of Cornerstone Deliverables:
  - Business Process Alignment report containing:
    - Current Situation
    - Business Issues
    - Relevant Leading Practices
    - Requirements and Fit/Gap
    - Recommendations
    - Implementation Considerations
    - Use Cases
    - Reporting Recommendations
  - Proposed Future State Process Maps
- Cornerstone: Distribute documentation to Client

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Business Consulting – Business Process Alignment Performance

- Client: Receive Cornerstone draft deliverables and provide any possible feedback
- Cornerstone: Capture any feedback and adjust documents if needed
- Cornerstone: Revise and redistribute final deliverables if needed
  - Business Process Alignment Report
  - Process Maps in MS Visio format
- Client: Review / Approve Deliverables
- Cornerstone: Facilitate CSOD internal call to ensure smooth transition to implementation

Assumptions
- This project will take approximately 20-30 business days in duration to complete
- This project will be conducted remotely unless specified above as onsite activities
- Travel related expenses for onsite activities are the responsibility of the Client
- Except where otherwise stated or agreed by the parties, Cornerstone's obligation to perform an Implementation-related Service expires at the earlier of: (i) acceptance of the Service by Client; (ii) if Client does not commence the project, one year from the purchase date; or (iii) if Client commences the project but subsequently does not proceed with the project, six (6) months from the date Client ceased working on the project

Business Consulting – Change Management Workshop

Brief Summary
Business Consulting services are focused on ensuring our Clients are positioned to successfully deploy Cornerstone OnDemand's Integrated Talent Management System across the Client's enterprise. The Change Management Workshop is designed to support our Clients' efforts to identify possible barriers to adoption and a communication plan to drive user adoption.

Tasks
- Cornerstone: Provide Client Change Management questions for consideration.
- Client: Determine change management team
- Cornerstone: Host workshop planning call
- Client: Attend planning call
- Client: Review questions for consideration and be prepared to discuss during planning call
- Client: Review the organization to understand the affected populations
- Cornerstone: Review Client's feedback to prepare for workshop, clarify any information as necessary
- Cornerstone: Facilitate onsite workshop including:
  - Define success metrics for the program
  - Define deployment expectations and audience analysis
  - Establish ongoing plan for project controls
  - Review and document past experiences
  - Identify and document barriers to the change
  - Review process for Client completion of impact analysis
  - Establish building blocks for message creation
  - Build communication, marketing and training draft plans
- Client: Change Management team actively participate in onsite workshop:
  - Provide representative organization support to attend in person
- Cornerstone: Package and deliver workshop documentation, including:
  - Success metrics draft
  - Expectations draft

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Business Consulting – Change Management Workshop

- o Audience list
- o Impact Analysis question matrix template
- o List of concise messaging
- o Communications plan draft
- o Marketing plan draft
- o Training plan draft
- Client: As needed, complete the impact analysis process to further understand resistance, influencers, communication, marketing, and training needs by audience
- Client: Finalize and distribute success metrics
- Client: Finalize and distribute deployment expectation goals
- Client: Finalize communication plan, build messages, and execute
- Client: Finalize marketing plan, build marketing strategies, and execute
- Client: Finalize training plan, build training methods, and execute
- Client: Monitor plans and adjust as needed

Assumptions
- This project will take approximately 10-15 business days in duration to complete
- This project will be conducted remotely unless specified above as onsite activities
- Travel related expenses for onsite activities are the responsibility of the Client
- Except where otherwise stated or agreed by the parties, Cornerstone's obligation to perform an Implementation-related Service expires at the earlier of: (i) acceptance of the Service by Client; (ii) if Client does not commence the project, one year from the purchase date; or (iii) if Client commences the project but subsequently does not proceed with the project, six (6) months from the date Client ceased working on the project

Business Consulting – Governance Workshop

Brief Summary
Business Consulting services are focused on ensuring our Clients are positioned to successfully deploy and maintain Cornerstone OnDemand's Integrated Talent Management System across the Client's enterprise. The Governance Workshop is intended to create a framework for effective decision making during implementation and ongoing use of the platform.

Tasks
- Cornerstone: Deliver discovery questionnaire to Client
- Client: Complete the discovery questionnaire including:
  - o Current state governance structure
  - o Potential organizational changes
  - o Talent Management environment
- Cornerstone: Host workshop planning call to identify participants and timing
- Client: Attend planning call
- Client: Coordinate schedules for identified participants to attend workshop
- Cornerstone: Review Client-provided documentation and feedback to prepare for workshop
- Cornerstone: Facilitate onsite workshop to develop a governance framework including:
  - o Establishment of a governing body
  - o Establishment of a governance process for :
    - Best practices for configuration standards development
    - Configuration or permission change request processing
    - Stakeholder communication mechanisms
  - o Establishment of configuration standards and decision point review process:

Business Consulting – Governance Workshop

- = Global platform functional decisions
  - Cloud-specific functional decisions
  - Centralized administrator vs distributed administrator functional permissions decisions
- Client: Ensure attendance in onsite workshop to include:
  - Program sponsor
  - Business unit representation
  - Project manager
  - Key Administrators
- Client: Ensure active participation in onsite workshop in order to facilitate the following:
  - Establish governance manager(s) to own implementation decision governance and governance operations going forward
  - Identify and empower decision maker(s) by business unit during implementation and beyond
- Cornerstone: Create draft action plan for the ongoing execution of the governance framework
- Cornerstone: Deliver updated workshop deck (PPT) to include
  - Governance body
  - Governance processes
  - Configuration standards
  - Action plan and recommendations
- Client: Implement governance framework
- Client: Establish a regular meeting schedule
- Client: Configure recommended security roles and permission settings during implementation

Assumptions
- This project will take approximately 10-15 business days in duration to complete
- This project will be conducted remotely unless specified above as onsite activities
- Travel related expenses for onsite activities are the responsibility of the Client
- Except where otherwise stated or agreed by the parties, Cornerstone's obligation to perform an Implementation-related Service expires at the earlier of: (i) acceptance of the Service by Client; (ii) if Client does not commence the project, one year from the purchase date; or (iii) if Client commences the project but subsequently does not proceed with the project, six (6) months from the date Client ceased working on the project

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Analytics Reporting Workshop

Brief Summary:

This one day packaged service offers Client's one-on-one access to a Cornerstone Analytics and Reporting specialist to assist with best leveraging standard reports and creating custom reports via the Analytics module to meet client business intelligence requirements.

This service provides the client with the following:

Phase 1: Pre-Workshop

- Cornerstone: The Managed Services Consultant will deliver a series of questions to the Client to define related Analytics needs in the context of their Operating Unit structure.
- Client: The client needs to identify and assign resources to their Analytics team.
- Cornerstone: To prepare for the workshop, the Managed Services Consultant will host a workshop planning session.
- Client: The client team will need to review the organizational structure to determine their desired reporting configuration. Part of the deliberation will entail answering the questionnaire delivered by Cornerstone.
- Cornerstone: After the planning session, and as further preparation for the workshop, the Managed Services Consultant will review the Client's feedback on what type of data they are looking to extract from the system.

Phase 2: 1 Day Workshop

- Cornerstone: Overview of the Analytics tool.
- Cornerstone: Education on reporting filters.
- Cornerstone: Guidance on how to extract data from their Cornerstone portal.
- Cornerstone: Creation of up to six specified reports for the particular module.
- Client: Provide representative organizational unit support.
- Client: Participate in workshop.

Phase 3: Post Workshop

- Cornerstone: Host follow-up call to address any outstanding questions and/or aid in developing other reports.
- Client: Provide sign-off on reports created in workshop.

Assumptions

- The workshop can be conducted remotely or onsite, per the Client's discretion
- All travel related expenses for onsite activities are the responsibility of the Client
- This project will take approximately 10-15 business days in duration to complete

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OPTIONAL Project Components	Investment
Business Consulting Services	
Business Process Alignment	$33,000.00
Analytics Reporting Workshop	$10,000.00
Governance Workshop	$10,000.00
Change Management Workshop	$10,000.00

OPTIONAL PROJECT COMPONENT COSTS ARE VALID FOR ONE YEAR FROM ORDER EFFECTIVE DATE