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Enactment Number	15-0364
Enactment Date	4-1-15/14



Memo

To Board of Education

From Antwan Wilson, Superintendent
 Brigitte Marshall, Chief Talent Officer 

Board Meeting Date
(To be completed by Procurement)

Subject **Amendment to the Agreement with Workday**

Action Requested **Approval by the Board of Education of an amendment to the Agreement with Workday, of Pleasanton, CA, to add subscription service for Benefits for the period from April 30, 2015 through April 29, 2018 at an additional fee of \$127,233, for a total cost, including the amendment not to exceed \$749,380, all other terms remaining the same.**

Background
A one paragraph explanation of why the consultant's services are needed.

In October 2014 the Board approved an agreement with Workday for a subscription to its Human Capital Management software, which will replace the District's legacy HR system (IFAS). Since October, the Benefits department has merged with HR. In 2015-16, Benefits responsibilities will be more closely intertwined with other HR processes. For this reason, it is advisable to have both Benefits and HR data maintained in the same system (Workday). This will allow the department to operate more efficiently and will contribute to an improved employee onboarding experience. The Board is being asked to approve an amendment to the Workday contract to include a subscription to the Benefits module. The additional cost will be funded through Fund 67 and Fund 1.

Discussion
One paragraph summary of the scope of work.

The term of the Workday Benefits subscription agreement will be April 30, 2015 – April 29 2018 at a sum not to exceed \$127,233 for the first year and \$117,993 thereafter.

Recommendation **Approval of the amendment to the Agreement with Workday to add subscription service for Benefits.**

Fiscal Impact \$127,233 through implementation and \$117,993 annually thereafter for the three year term

- Attachments**
- Order Form #00075340.0 to Master Subscription Agreement
 - Amendment #1 to Order Form #3



00075340.0 - Confidential

ORDER FORM # 00075340.0
TO MASTER SUBSCRIPTION AGREEMENT ("MSA")

Customer Name	Oakland Unified School District
MSA Effective Date	October 8, 2014
Order Effective Date	The later of the dates beneath the parties' signatures below
Order Term	April 15, 2015 through April 14, 2018
Order Term in Months	36
Currency	USD
Total Subscription Fee	353,978

Payment #	Payment Due Date	Payment Amount
1	Invoiced upon Order Effective Date, due in accordance with the MSA	117,993
2	First anniversary of the Order Term Start Date	117,993
3	Second anniversary of the Order Term Start Date	117,992
Total Subscription Fees		353,978

SKU	Service	Permitted FSE Workers
CCB	Cloud Connect for Benefits	3,897

Annual Subscription Fees for Additional FSE Workers	Fees
CCB	30.28

Translations	Number of Languages
Number of Translations	None

Number of Named Support Contacts	2
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Customer Contact Information	Billing	Customer Support
Contact Name	Brigitte Marshall	Roxanne Phen
Street Address	1000 Broadway	1000 Broadway
City/Town, State/Region/County,	Oakland CA 94607	Oakland CA 94607
Zip/Post Code, Country	United States	United States
Phone/Fax #	(510) 879-8100	(661) 645-5425
Email (required)	brigitte.marshall@ousd.k12.ca.us	roxanne.phen@ousd.k12.ca.us

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



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Customer must provide Workday with a countersigned copy of this Order Form no event later than **April 15, 2015** at 5:00 p.m. Pacific time by sending a PDF copy by email to signedcontracts@workday.com. If the fully-executed Order Form is not received by Workday by such date and time, this Order Form may be cancelled by Workday at its option.

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

Oakland Unified School District

Workday, Inc.

Michael A. Stankey
Michael A. Stankey (Mar 5, 2015)

Signature
James Harris
President, Board of Education

Signature
Michael A. Stankey

Name

Name
President & COO

Antwuan Wilson
Secretary, Board of Education

Title
Mar 5, 2015

Date Signed

Date Signed

OAKLAND UNIFIED SCHOOL DISTRICT
Office of General Counsel
APPROVED FOR FORM & SUBSTANCE
By:
Attorney at Law

File ID Number: 15-0495
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Bv:

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Order Form (Subscription) - Oakland Unified School District

ADDENDUM A

ADDITIONAL ORDER FORM TERMS

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

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

Sample Total FSE Worker Calculation:

Worker Category	Applicable Number	Applicable Percentage	FSE Worker Calculation
Full-Time Employees	2,000	100.0%	2,000
Part-Time Employees	500	25.0%	125
Associates	100	12.5%	13
Former Workers with Access	0	2.5%	0
Totals:	2,600		2,138

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

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

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

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

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



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

3. **Renewal.** Upon Customer’s request at any time during the Order Term, Workday will provide its then-current prices for renewal of this Order Form and will engage in good faith negotiations regarding Subscription Fees for Customer’s use of the Service for a period of time following completion of the Order Term (“Renewal Term”). The Renewal Term and the Subscription Fees due during the Renewal Term (“Renewal Fees”) will be documented with a new Order Form. Renewal Fees are due by the first day of the Renewal Term to ensure continuous Service.

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

- a. First month of missed availability or response minimum: The parties shall meet to discuss possible corrective actions
- b. Second consecutive month: 10% of the Subscription Fee paid for the applicable month for the affected Service application
- c. Third consecutive month: 20% of the Subscription Fee paid for the applicable month for the affected Service application
- d. Fourth consecutive month: 30% of the Subscription Fee paid for the applicable month for the affected Service application
- e. Fifth consecutive month: 40% of the Subscription Fee paid for the applicable month for the affected Service application
- f. Sixth consecutive month: 50% of the Subscription Fee paid for the applicable month for the affected Service application
- g. More than six consecutive months: Within thirty (30) days of such failure either party shall have the option to terminate the entire Agreement and upon such termination Customer shall receive a refund of all prepaid subscription fees that are unearned as of the date such termination is effective.
- h. Credits shall be deducted from subsequent invoices for subscription fees or other fees or, upon expiration or termination of the Agreement, paid to Customer directly.



AMENDMENT #1 TO ORDER FORM #3

This Amendment #1 (this "Amendment") between **Oakland Unified School District** ("Customer") and **Workday, Inc.**, a Delaware corporation ("Workday") amends Order Form #3 with an effective date of October 8, 2014 ("OF#3"). This Amendment is entered into as of the later of the dates beneath the parties' signatures below ("Amendment Effective Date"). Unless otherwise defined herein, capitalized terms used in this Amendment shall have the same meaning as set forth in OF#3 or in the underlying Master Subscription Agreement. In the event of a conflict between the terms of this Amendment and the terms of OF#3, the terms of this Amendment shall prevail.

WHEREAS, the parties have agreed to add benefits to the delivery assurance scope of OF#3 which requires additional hours and fees as outlined below; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereby agree to amend OF#3 as follows:

- 1. The Estimated Consulting Fees in OF#3 as follows is hereby deleted in its entirety.

Total Estimated Consulting Fees	43,860
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- 2. The Estimated Consulting Fees in OF#3 is replaced with the following:

Total Estimated Consulting Fees	53,100
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- 3. The fee table in OF#3 as follows is hereby deleted in its entirety.

SKU	Consulting Engagement Type	Standard Hourly Rate	Estimated Hours	Estimated Fees
DA	Delivery Assurance Checkpoint Reviews	330	47	15,510
DAPM	Delivery Assurance Project Management Reviews	350	81	28,350

- 4. The fee table in OF#3 is replaced with the following:

SKU	Consulting Engagement Type	Standard Hourly Rate	Estimated Hours	Estimated Fees
DA	Delivery Assurance Checkpoint Reviews	330	75	24,750
DAPM	Delivery Assurance Project Management Reviews	350	81	28,350

- 5. The Number of Benefit Plans in Scope in OF#3 as follows is hereby deleted.

Number of Benefit Plans in Scope	0
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- 6. The Number of Benefit Plans in Scope in OF#3 is replaced with the following.

Number of Benefit Plans in Scope	100
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- 7. The Number of Partner-Built Integrations in Scope in OF#3 as follows is hereby deleted:

Number of Partner-Built Integrations in Scope	7
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- 8. The Number of Partner-Built Integrations in Scope in OF#3 is replaced with the following:

Number of Partner-Built Integrations in Scope	13
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Except as amended hereby, the agreements between the parties shall remain in full force and effect. This Amendment may be executed electronically and/or in counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument.

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



00074095.0 - Confidential and Proprietary

Oakland Unified School District

Workday, Inc.

Signature

Signature

James Harris
President, Board of Education

George K. Sui

Name

Title

VP, Services

Antwan Wilson
Secretary, Board of Education

Title

Mar 5, 2015

Date Signed

Date Signed

Approved as to Legal Form by:

Stacey Harrison
Stacey Harrison (Mar 5, 2015)

OAKLAND UNIFIED SCHOOL DISTRICT
Office of General Counsel
APPROVED FOR FORM & SUBSTANCE

[Signature]
Attorney at Law

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By: