

This Agreement will be posted on the CPS Internet website

**AGREEMENT EXTENDING THE
MAINTENANCE AGREEMENT**

[Kronos, Inc.]

This Agreement extending the Maintenance Agreement ("**Extension Agreement**") is entered into by and between the Board of Education of the City of Chicago, a body politic and corporate ("**CPS,**" "**Customer**" or the "**Board**") and Kronos Incorporated, a Massachusetts corporation ("**Kronos**").

RECITALS

- A. The Board and Kronos entered into that certain Maintenance Agreement dated January 1, 2010 (the "**Original Agreement**").
- B. The parties exercised their two options to renew the Original Agreement, by exercising the first option to renew (the "**First Renewal Agreement**") dated October 26, 2011 and the second option to renew (the "**Second Renewal Agreement**") dated July 24, 2012. The Original Agreement, First Renewal Agreement and Second Renewal Agreement shall be collectively referred to as the "**Agreement.**"
- C. Notwithstanding that the parties have utilized both options to renew the Original Agreement, the parties wish to extend the Agreement by mutual consent, on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

- 1. **Incorporation of Recitals:** The matters recited above are hereby incorporated into and made a part of this Extension Agreement.
- 2. **Definitions:** Any and all capitalized terms contained in this Extension Agreement, and not defined herein, shall have the definition as set forth in the Agreement.
- 3. **Extension Term:** The parties agree to extend the Agreement for a period of one (1) year, commencing July 1, 2013 and ending June 30, 2014 ("**Extension Period**"), unless terminated sooner as provided in the Agreement. There are no remaining options to renew or extend the Agreement.
- 4. **Services:** Except to the extent stated otherwise in this Extension Agreement, Kronos shall continue to provide the Maintenance Services described in the Agreement, during the Extension Period, subject to the terms and conditions of the Agreement. Kronos also agrees to provide the services set forth in Exhibit A-3, attached hereto ("**Services**"), in accordance with the terms and conditions of the Agreement.
- 5. **Compensation and Payment:** The parties agree that the total maximum compensation payable to Kronos during the Extension Period shall not exceed Three Hundred and Twenty Two Thousand, Four Hundred Sixty Two and 83/100 Dollars (\$322,462.83) ("**Total Maximum Compensation**"). The Board shall make two equal installment payments of One Hundred Sixty One Thousand, Two Hundred Thirty One and 41/100 Dollars (\$161,231.41) that are payable at the commencement of each period applicable as follows: (i) the first installment shall be for the period beginning on July 1, 2013 and ending on December 31, 2013; and (ii) the second installment shall be for the period beginning on January 1, 2014 and ending on June 30, 2014.

In the event of early termination as stated in the Agreement, the Board shall only be obligated to pay for the fees incurred for the Maintenance Services and Services performed in accordance with the terms of the Agreement and this Extension Agreement, up to the date of termination. In no event shall the Board be liable for any costs incurred for Maintenance Services and Services performed after the effective date of termination.

This Agreement will be posted on the CPS Internet website

Kronos shall submit invoices referencing this Agreement with such supporting documentation as may be reasonably requested by the Board. The Board shall process invoices in its normal course of business; provided however, that the Board shall pay invoices for the first installment period within thirty (30) days after receipt of invoice.

6. **Freedom of Information Act:** Kronos acknowledges that the Agreement, this Extension Agreement and all related documents submitted to the Board, are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws, and are subject to reporting requirements under 105 ILCS 5/10-20.44. Kronos further acknowledges that the Agreement and this Extension Agreement shall be posted on the Board's internet website at www.cps.edu.
7. **Miscellaneous:** Except as expressly provided in this Extension Agreement, all terms and conditions of the Agreement are and shall remain in full force and effect during the Extension Period. Where there is a conflict between the terms and conditions of the Agreement and this Extension Agreement, the terms and conditions of this Extension Agreement shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Extension Agreement as of the latest date set forth below.

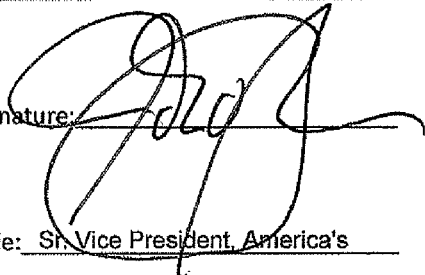
THE BOARD OF EDUCATION
OF THE CITY OF CHICAGO

KRONOS INCORPORATED

By: David J. Vitale
David J. Vitale, President

By: John O'Brien

Attest: Estela G. Beltran
Estela G. Beltran, Secretary

Signature: 
Title: Sr. Vice President, America's

Date: 7/30/13

Board Report No.: 13-0626-PR32 - I

Date: July 25, 2013

Approved as to legal form:
James L. Bebley
James L. Bebley, General Counsel

-
- Attachments**
EXHIBIT A-3: SCOPE OF SERVICES
EXHIBIT B-3: Kronos Support Services at a Glance

This Agreement will be posted on the CPS internet website

**EXHIBIT A-3
SCOPE OF SERVICES
(Kronos)**

Board Report #: 13-0626-PR32

Name of Project: Software and Hardware Maintenance Services

User Departments: Information & Technology Services

Board's Project Manager: Christy Cole, Tel: (773) 553 3304

E-mail ccole16@cps.edu

Kronos' Project Manager: Connie Strand

Tel: (847) 969-6501

Email connie.strand@kronos.com

Period of Performance: July 1, 2013 - June 30, 2014

This Scope of Services will be conducted pursuant to the **Extension Agreement** above, which extended that certain Maintenance Agreement dated January 1, 2010 (the "**Original Agreement**"), as renewed by the **First Renewal Agreement** dated October 26, 2011 and the **Second Renewal Agreement** dated July 24, 2012, by and between The Board of Education of the City of Chicago (the "**Board**" or "**CPS**") and Kronos Incorporated, a Massachusetts corporation ("**Kronos**").

The Original Agreement, First Renewal Agreement and Second Renewal Agreement shall collectively be referred to as the "**Agreement**". Defined terms used in this Scope of Services will have the same meanings as those ascribed to such terms in the Agreement and the Extension Agreement.

I. BRIEF DESCRIPTION OF SERVICES IN TABLE FORMAT

Description	Support Services	Estimated Tax	Subtotal
Software Support Services	\$281,200.59	\$0.00	\$281,200.59
Equipment Support Services	\$41,262.24	\$0.00	\$41,262.24
Total	\$322,462.83	\$0.00	\$322,462.83

(A further breakdown of the pricing for "Software Support Services" and "Equipment Support Services" is stated below)

This Agreement will be posted on the CPS Internet website

SOFTWARE SUPPORT SERVICES

Line	Support Service Level	Covered Product	License Count	Start Date	End Date	Duration (days)
1	Gold Plus	WORKFORCE EMPLOYEE V6	48,500	01-JUL-2013	30-JUN-2014	365
2	Gold Plus	WORKFORCE INTEGRATION MANAGER V6	51,000	01-JUL-2013	30-JUN-2014	365
3	Gold Plus	WORKFORCE MANAGER V6	1,900	01-JUL-2013	30-JUN-2014	365
4	Gold Plus	WORKFORCE RECORD MANAGER V6	51,000	01-JUL-2013	30-JUN-2014	365
5	Gold Plus	WORKFORCE TIMEKEEPER V6	51,000	01-JUL-2013	30-JUN-2014	365
6	Technical Account Management	WORKFORCE TIMEKEEPER V6	51,000	01-JUL-2013	30-JUN-2014	365

Software Support Services	Support Services	Estimated Tax	Subtotal
	\$281,200.59	\$0.00	\$281,200.59

EQUIPMENT SUPPORT SERVICES

Line	Support Service Level	Covered Product	Quantity	Start Date	End Date	Duration (days)
1	Depot Repair	Data Collection: 4000	708	01-JUL-2013	30-JUN-2014	365
2	Depot Repair	Options: 4000	29	01-JUL-2013	30-JUN-2014	365
3	Depot Repair	Options: Touch ID	5	01-JUL-2013	30-JUN-2014	365

Equipment Support Services	Support Services	Estimated Tax	Subtotal
	\$41,262.24	\$0.00	\$41,262.24

II. ELABORATION OF SOFTWARE SUPPORT SERVICES AND SUPPORT SERVICE LEVELS

Software Support Services

Gold Plus support grants you direct access to your Technical Account Manager ("TAM), Monday-Friday 8:00a.m.-8:00p.m. local time. You may also designate up to two technical contacts as the sole contacts of your TAM. You will also have access to a TAM after normal business hours in certain emergency situations (additional charges may apply) and backup TAM access when your primary TAM is unavailable. All Gold Maintenance Options and Gold Support plan standard features are included.

Support Service Level	Covered Product	License Count	Covered Product Description
GoldPlus	Workforce Timekeeper	51000	Software application that provides employee time and attendance tracking. Includes pay rules, engines, reports, base scheduling, and workflow. A license per employee tracked is required.
GoldPlus	Workforce Employee	48500	Browser-based client that allows users (employees) to access the self-service features such as timecards, accrual balances, schedules, self reports, and requests.
GoldPlus	Workforce Manager	1900	Browser-based client that allows managers to access, edit, and report on the information of other employees.
GoldPlus	Workforce Record Manager	51000	Allows data to be archived and restored to Workforce Central database.
GoldPlus	Workforce Integration Manager	51000	Software application that allows Workforce Central (6.1 and higher) applications to work with other business applications.

This Agreement will be posted on the CPS Internet website

GoldPlus	Technical Account Manager	51000	<ul style="list-style-type: none"> • provides direct dial access and proactive support for your unique Kronos environment • proactively communicates product and service issues to you and your team • performs impact assessments for pending system modifications or product updates on a copy of your database and application server that is maintained on Kronos' servers • provides pre-tests of patches, service packs, and legislative updates (for payroll) and compliance updates (for HR) on a copy of your database prior to implementation • helps you prepare for HR/payroll events such as Open Enrollment and Year End W2 processing by walking through checklists to ensure required tasks have been completed
----------	---------------------------	-------	--

Standard Gold Support Level Includes:

Phone Support	Web-Based Expertise	Software Assurance	Web-based Information
8:00 a.m. – 8:00 p.m. local time (M–F)	SHRM e-Learning HR and Payroll Answerforce Service Case Studies Technical Advisories Learning Quick Tips Technical Insider Brown Bag Sessions	Patches Service Packs Upgrades Legislative Updates	Remote Support Customer Forums Documentation FAQs Knowledge Base eCase Management Product Tutorials

III. ELABAORATION OF EQUIPMENT SUPPORT SERVICES AND SUPPORT SERVICE LEVELS

Support Service Level	Covers Product	Quantity	Covered Product Description
Depot Repair	Data Collection: 4000	924	Data collection device interfaced to a host computer running Kronos software (replaced 400 series). Communicates over TCP/IP Ethernet, modem or wireless networks. Provides extensive self-service

This Agreement will be posted on the CPS Internet website

			capability at the terminal and works with additional modular technology such as bar code readers and optional Touch ID components.
Depot Repair	Options: 4000 - TID	34	Optional component for 4500 that uses finger scans to verify an employee's identity.

Depot Repair also includes the following:

Phone Support	Software Assurance	Web-Based Information	Depot Services
8:00 a.m. – 8:00 p.m. local time (M–F)	Patches Service Packs	FAQs Knowledge Base eCase Management Product Tutorials	Return and Repair



EXHIBIT B-3

Kronos Support Services at a Glance

PLUS SERVICE FEATURES:

Technical Account Manager (TAM):

A seasoned service professional who will draw upon a vast knowledge of Kronos products and services to provide you with proactive, consultative expertise. For Platinum *Plus* customers, a TAM is available 24 hours per day, 7 days per week; for Gold *Plus* customers, a TAM is available from 8:00 a.m. – 8:00 p.m., Monday – Friday. Platinum *Plus* customers designate five named contacts, Gold *Plus* customers designate two named contacts. Platinum *Plus* customers also enjoy one on-site visit per year.

EQUIPMENT SERVICES

• Depot Exchange Service:

A replacement unit will be sent to you via next business day delivery. When you receive it, you send the terminal needing service to your Kronos Depot Repair Center.

• Depot Repair Service:

You send the terminal needing service to your Kronos Depot Repair Center. Upon receipt, Kronos will repair and return the product to you within ten business days. No replacement unit is provided.

Support Service	Software				Equipment	
	Platinum <i>Plus</i>	Platinum	Gold <i>Plus</i>	Gold	Depot Exchange	Depot Repair
Plus Service Features						
Technical Account Manager	•		•			
• 24 hours per day, 7 days per week	•					
• 8:00 a.m. – 8:00 p.m.* local time (M-F)			•			
Proactive, Preventive Support	•		•			
Complete Issue Tracking/Management	•		•			
Site Visit	•					
Phone Support						
24 hours per day, 7 days per week	•	•				
Priority Access	•	•				
8:00 a.m. – 8:00 p.m.* local time (M-F)			•	•	•	•
Web-Based Expertise						
Technical Advisories	•	•	•	•	•	•
Service Case Studies	•	•	•	•		
Learning Quick Tips	•	•	•	•		
Technical Insider	•	•	•	•		
Brown Bag Sessions	•	•	•	•		
HR and Payroll Answerforce™	•	•	•	•		
SHRM e-Learning	•	•	•	•		
Interactive Forms	•	•				
Software Assurance						
Patches	•	•	•	•	•	•
Service Packs	•	•	•	•	•	•
Upgrades	•	•	•	•		
Legislative Updates	•	•	•	•		
Web-Based Information						
Knowledge Base	•	•	•	•	•	•
FAQs	•	•	•	•	•	•
eCase Management	•	•	•	•	•	•
Documentation	•	•	•	•	•	•
Customer Forums	•	•	•	•	•	•
Remote Support	•	•	•	•	•	•
Depot Services						
Exchange – Next Business Day					•	
Return and Repair						•

Kronos Support Services at a Glance

Components of Platinum Support Plan

Platinum customers have access to all service features listed below. They also have the option of upgrading to Platinum *Plus*, thereby gaining access to *Plus* service features. (See sidebar on front page.)

Telephone Support: 24 x 7 x 365 access to support engineers via our toll-free telephone number (available from 8:00 a.m. – 8:00 p.m.*, Monday – Friday, for Gold *Plus* and Gold).

Technical Advisories: Technical alerts available via our self-help portal. Check in regularly to be aware of issues before they affect you.

Service Case Studies: Studies that provide you with an in-depth understanding of technology and how Kronos applications incorporate that technology.

Learning Quick Tips: Pre-recorded mini-training modules that provide advice on how to perform specific tasks pertaining to your Kronos application.

Technical Insider: Your technology guide for best practices, procedures, and tools.

Brown Bag Sessions: Live virtual workshops covering a variety of hot topics.

HR and Payroll Answerforce: A resource on our self-help portal that provides instant, authoritative answers to all your HR- and payroll-related questions. Gain access to government compliance data, best practices, pay calculators, and more!

SHRM e-Learning: SHRM's online educational environment featuring HR-related mini-courses facilitated by leading industry experts, accessible via our self-help portal.

Interactive Forms: Instant access to a comprehensive and easy-to-use library of HR and Employment & Payroll Tax forms and instructions. You can access, fill out, save, print, and maintain over 730 HR forms and 2500 Payroll forms!

Software Assurance: The latest available product releases, updates, and patches, including legislative and compliance updates.

Knowledge Base: An online database that is tightly integrated with our Global Support Center's case management system. It contains thousands of answers to questions about Kronos products and is frequently updated.

Frequently Asked Questions: Before consulting our Knowledge Base, consult our collection of FAQs. The content comes directly from the Knowledge Base, so you can be sure it is frequently updated.

eCase Management: Track your open cases, monitor steps taken toward resolution, and provide additional information to help with problem diagnosis and resolution.

Documentation: Product manuals and related documentation.

Customer Forums: Organized by product platform and using threaded messaging, our customer forums allow you to post questions to other forum visitors or provide advice to someone else's query.

Remote Support: A web-based screen-sharing application enabling Kronos support engineers to remotely view your issue and help you solve problems real-time.

Components of Gold Support Plan

Gold customers have access to all Platinum components except for 24 x 7 TAM access, 24 x 7 phone support and Interactive Forms. They have the option of upgrading to Gold *Plus*, thereby gaining access to *Plus* service features. (See sidebar on front page.) Gold customers receive phone support 8:00 a.m. – 8:00 p.m.*, Monday – Friday, local time.

* Please check with your Support Services group for the specific hours of coverage for your location.



TIME & ATTENDANCE SCHEDULING ABSENCE MANAGEMENT HR & PAYROLL HIRING LABOR ANALYTICS

Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824 (800) 225-1561 (978) 250-9800 www.kronos.com

©2009, Kronos Incorporated. Kronos and the Kronos logo are registered trademarks and HR and Payroll Answerforce is a trademarks of Kronos Incorporated or a related company. All other product and company names mentioned are used for identification purposes only, and may be the trademarks of their respective owners. All specifications are subject to change. All rights reserved. Printed in the U.S.A. 13805-32615