DigitalSchools

SUBSCRIPTION EXTENSION AGREEMENT

This Agreement extends the existing agreement with Central Unified School District and Digital Schools which was most recently created on November 1, 2014 and terminates on October 31, 2018 under which Digital Schools provides its application previously known as Digital Schools Suite, now known as Digital Schools Suite|Plus.

Exhibit B of the original contract has been replaced with the attached Exhibit B which has been revised and is reissued to reflect the move or transfer from 2x to the web-based version of the Application.

District: Central Unified School District

Subscription Renewal Start Date: November 1, 2018

Subscription Expiration Date: October 31, 2021

Agreement Type	Services	Term	Subscription Start Date	Subscription Expiration Date**
Renewal	*Digital Schools Suite*™|Plus	3 Years	11/1/2018	10/31/2021

FTE Count*	Base FTE Rate/ Month	Base Annual Rate***	
1527	$6.22	113,975	
Period	**Months**	**Base Payment Amount**	**Notes**
11/1/2018-10/31/2019	12	$ 113,975	Subject to FTE and CPI adjustment as described below.
11/1/2019-10/31/2020	12	$ 113,975	
11/1/2020-10/31/2021	12	$ 113,975	

*FTE count reflects the total FTE as of the first Wednesday of October, as determined by an audit of data within the Digital Schools Suite. This total is subject to annual adjustment as described below.

**District has the option to terminate services after one (1) year of service with ninety (90) days written notification. The District has the option to terminate service after two (2) years of service with ninety (90) days written notification.

***Payment Requirements:**
District shall be invoiced annually. Billing is 30 days in advance of the services to be rendered. For example, annual invoices for July services are sent June 1st with a due date of June 30th.

FEE ADJUSTMENTS

FTE Adjustment: The recurring fees as specified above are based on the total Full Time Equivalents ("FTE") for all employees determined as of the first Wednesday in October of each year during the term of the Subscription Agreement. If there is an increase or decrease in the number of FTEs, such additional amounts shall be added or reduced to the recurring fees as of July 1st of the following calendar year.

CPI Adjustment: District shall pay to DSC for the Services during the Term the Fees at the initial rate set forth above, provided that the Fees shall be increased (but not decreased) annually on July 1st of each year during the Term by multiplying such initial rate by a fraction, the numerator of which is the CPI (as hereinafter defined) published for the month of October of the preceding year and the denominator of which is the CPI published for the month of October. The "CPI" shall mean the consumer price index for all urban consumers for the West Region All Items (1982 – 1984 = 100) as published by the United States Department of Labor, Bureau of Labor Statistics. If the CPI is changed so the base year differs from that in effect on the date of this Subscription Agreement, the CPI shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the CPI is discontinued or revised during the Term, such other government index with which it is replaced or such other comparable computation shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

Additional Fees, where applicable:

Post- Implementation Training: Digital Schools provides an array of on-line training, fee based user conferences, F1 Online Help, and a sophisticated DS Support system. The District's Implementation Manager is responsible for training new hires. Digital Schools will conduct onsite training if requested on a fee-basis; on line training is conducted at no charge against scheduled timeframes for webinars. If the District is unable to attend against the webinar schedule, a webinar can be separately set for the District against the fee schedule below.

Data Import: Digital Schools agrees to complete the initial import of District data at no charge to the District. However, a flat $12,000 re-import fee will be charged for any subsequent re-import of all data that may be required due District personnel not maintaining data or not appropriately using the application. Any data required to be reimported because it has not been kept current will be billed at the fee schedule below.

Programming or Redesign: Digital Schools accommodates the majority of configurations required or requested during the initial implementation (see "Configuration" definition). Clients requesting enhancements or redesign during or after implementation will provide a list of requirements. Digital Schools will provide a Scope of Work and Fees to accommodate the request. Not all enhancements or redesigns will be accommodated – for example, if the request is viewed to not represent best practices; if it is 'desired' rather than required for efficient operations; or if development time is not available. Enhancements that are essential for the District's operations will be accommodated on a fee basis and according to development time and schedule.

Termination Labor Rate: $175.00 per hour

Client Services Manager or Specialists Visit Fee: $225/hour (minimum six (6) hours) + travel time and travel and lodging expenses (where required) following implementation OR during implementation if resources required for implementation do not attend due to district conflicts and notification is not provided 24 hours in advance of travel. Expenses for booked travel apply.

Development Time - $225.00 - $400.00 per hour (against an agreed upon Scope of Work)

Client Services Manager - $225 /hour+ travel time and travel and lodging expenses (where required)

Manager Support - $225.00 to $400/hour

Staff Support – $175-$225 in excess of five (5) hours per month

Systems Manager (IT Time) - $400/hour as needed

Custom Reports - $225.00-$400.00

Any component required after Implementation shall be fee based at negotiated rates.

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The prices in this Renewal Subscription Agreement supersede any previous prices under prior Subscription Agreements, or any previously submitted or stated price quotations.

This Renewal Subscription Agreement is subject to and governed by the terms and conditions of the Master Services Agreement, including all Exhibits and Attachments thereto executed and in effect between the parties. District hereby orders from Digital Schools of California, LLC the specific services and equipment listed and on the attachments hereto, and DSC hereby accepts such subscription in accordance with the terms herein.

IN WITNESS WHEREOF, the parties have caused this Subscription Agreement to be executed and delivered by their duly authorized officials as of the date set forth below.

DISTRICT:

CENTRAL UNIFIED SCHOOL DISTRICT
a California public school district

DIGITAL SCHOOLS OF CALIFORNIA, LLC
a California Limited Liability Corporation

By: _____

Print Name: _____

Title: _____

Date: _____

By: _____

Print Name: Christopher Beyne

Title: Marketing and Client Relationship Manager

Date: _August 19, 2018_____

MODIFICATION CHANGES TO EXHIBIT A

1. **SUPPORT**

    Application and user support is provided with the following features:

    1.1. DS Support Knowledge Base

    1.2. DS Support Ticket System

    > 8.2.1.DS Support utilizes a DS Support ticketing system allowing submission of electronic requests by the designated contact(s) at each district. This ticket system now utilized is called Zen Desk.

    1.3. DS Support is provided to allow designated users to submit requests, make recommendations and ask questions 24 hours/day, 7 days/week. PLEASE NOTE: DS Support ticketing system is available 24/7 but not staffed 24/7.

    > 8.3.1.   District designated contact(s) are able to access the DS Support ticketing system.
    > In case of any Payroll Emergencies Digital Schools has in place the following Support coverage:
    > - Emergency Support *Saturday and Sunday, 8:30 AM to 5:30 PM*
    > - Cell: (831) 901-4947
    > - Tickets: support@digital-schools.com
    > - Any time expended on the weekend from 5:31 forward and on weekdays after 7:30 p.m. will be billed per contract fee rates.
    > - Districts using emergency contact services for non-emergencies shall be billed for coverage at per contract fee rates.

    1.4. The after-hours emergency number is to be used as well to report services disruption.

    1.5. Enhancement Requests must be submitted through DS Support and will be evaluated by Digital Schools Product Management team.

    1.6. Maintenance Status for DS Support shall commence at such time as District has completed Implementation.

    1.7. DS Support shall be provided at no charge for up to five (5) hours in any month. After a District exceeds five (5) hours of DS Support in any month, Digital Schools shall bill the District at the rate set forth in the Subscription Agreement.

    1.8. On occasion, a test environment with an offline copy of the District's production data may be provided to review functionality. These environments are periodically updated and do not follow the standard production support structure.

2. **TRANSFERENCE OF DATA**

At such time as the Agreement shall terminate, the District may request transference of the District's raw data. Such data shall be delivered by Digital Schools to the District in a secure format on digital media or secure internet file transfer as selected by DS. Digital Schools shall give reasonable assistance to the district personnel or a third party vendor in converting the data. The district shall be liable for the time and materials necessary for the conversion of all the data into requested formats, which shall be

billed at a rate as described in the Subscription Agreement. Data shall not be delivered in a format that could disclose the Intellectual Property value or data structure of the Digital Schools application.

3. SYSTEM MAINTENANCE

District acknowledges that, from time to time, DS shall conduct periodic maintenance of its servers. DS agrees to provide advanced notice for any maintenance that is necessary during business hours and shall use reasonable efforts to perform such maintenance during non-business hours. However, it should be understood by District that there could be down times which could occur during the Term of this Agreement due to emergencies or other matters outside the control of DS.

4. DIGITAL SCHOOLS SUITE – DATA MAINTENANCE/SECURITY PRACTICES and PROCEDURES

See Exhibit B of the Master Services Agreement, attached hereto and incorporated herein

EXHIBIT B: DIGITAL SCHOOLS SUITE – INFRASTRUCTURE MAINTENANCE/ SECURITY PRACTICES AND PROCEDURES

Digital Schools employs "best practices" in the administration and maintenance of security and support for its clients. "Best practices" is defined by equipment, capacity, load testing, maintenance, external review and support, security practices. This document has been prepared to provide an overview for our clients.

The system is hosted at our secure enterprise service platform. All the security, data backups, and after Implementation completion, up to five (5) hours per month of user support calls and system monitoring are included in the fees under the Master Service Agreement or applicable Subscription Agreement. DSC shall directly monitor and maintain all servers and Internet activities. District must provide and maintain adequate Internet connectivity to the *Digital Schools* server from the user workstations.

Background

Security protocols are mandatory for every county and district. Data access, maintenance, retrieval, storage and supervision are critical both for the educational entity and its vendor. Digital Schools adheres to best practices and ensures the integrity of your data. These best practice security protocols are applied to our information technology services and support, software development, and training protocols. We also maintain   best practices recommendations for our clients; this includes implementing secure registration   processes, password strength policies, as well as session timeouts.

Security Protocols: Industry Best Practice

The Digital Schools Suite|Plus is configurable according to the definition of "Configuration" as contained in the "Master Services Agreement." Security protocols include (specific documentation is included within the document):

Administrative Safeguards

- √   A written set of privacy procedures
- √   IT Manager responsible for developing and implementing all required policies and procedures -- including
    - o   The procedures address access authorization, establishment, modification, and termination.
    - o   Capture date and time when access passwords are changed
    - o   Display security notices at the start of the log-in process
    - o   Electronic approval of employee transactions required
    - o   Disconnect users already logged in after a specified time range
    - o   Limit user access based on job and roles
    - o   Single log in provides access to all authorized functions and ONLY the authorized functions
    - o   Audit trail of transactions that update data
- √   Management oversight and organizational buy-in to comply with the documented security controls.

√ Procedures clearly identify employees or classes of employees who shall have access to data. Access is defined by the District and must be restricted to only those employees who have a need for it to complete their job function.

√ Digital Schools has a framework in place to comply with security requirements. Further out-sourcing of data handling functions must be cleared with Digital Schools and the vendor must comply with security provisions.

√ A contingency plan is in place for responding to emergencies.

√ Districts also are responsible for backing up their data and having disaster recovery procedures in place.

√ Testing activities and change control procedures are documented.

Physical Safeguards

√ Controls govern the introduction and removal of hardware and software from the network.

√ Access to equipment containing personnel data is carefully controlled and monitored.

√ Access to hardware and software is limited to properly authorized individuals.

√ Required access controls consist of facility security plans, maintenance records, and visitor sign-in and escorts.

√ Capture of unauthorized access attempts

√ District policies are to be in place to address proper workstation use. Workstations should be removed from high traffic areas and monitor screens should not be in direct view of the public.

√ If the Districts and/or Counties utilize contractors or agents, they too must be fully trained on their physical access responsibilities.

Technical Safeguards

√ Control of access to computer systems and enabling covered entities to protect communications containing data transmitted electronically over open networks from being intercepted by anyone other than the intended recipient.

√ Information systems housing data are protected from intrusion. (I.E. When information flows over open networks, encryption is utilized. If closed systems/networks are utilized, existing access controls are considered sufficient and encryption is optional)

√ Each district is responsible for ensuring that the data within its systems has not been changed or erased in an unauthorized manner.

√ Data corroboration may be used to ensure data integrity.

√ Web-based components have secured access (not open or available to casual viewing) and data is protected in transit via SSL encryption.

Other Specific Notes

Digital Schools Security Management: A comprehensive and configurable security matrix determines the access of all District Office, School Site and Departmental users. Users' access is typically role and/or job based. Not all users have access to all of a District's data. (See above)

DS Access: Employee access is limited to that employee's records and only that information the District has approved for employee self service functions. (See above)

Reports: The DS Suite security matrix also determines the access of all District Office, School

Site and Departmental users. User access is typically role- and/or job-based. Not all users have access to all of a District's data. Typically, site/departmental users shall be restricted to only data from employees at that site/department, and sensitive/confidential data (i.e. SSN) is not visible to these users. (See above)

Hardware and Network Maintenance

The hosted application is available 24 hours a day, seven days a week. Minor exceptions occur for those predetermined times when upgrades are made to the system, or in the event of an unscheduled occurrence. Upgrades and maintenance are always done at a time that is not mission-critical to the end-user.

Digital Schools' reoccurring maintenance schedule for our server and network platform to maintain systems and ensure high availability is as follows:

Maintenance Schedule:
- Every Thursday at 9:00pm to 1:00am Pacific Time Zone

During this maintenance window, the following Digital School services will be unavailable:
- Suite|Plus Environments:
  - Production
  - "SU" (Test)

Hardware and Network Environment

IT Infrastructure

Digital Schools Suite|Plus is a 'web application' hosted by our Company and maintained on the Amazon Web Services (AWS) Enterprise Platform. Users interact with it through web browsers from any computer.

All sensitive traffic to and from the enterprise service platform is subject to Digital Schools Security Policies and is encrypted from end to end using e-commerce strength encryption protocols (SSL).

The application has a SQL Server backend with all business logic in .NET (c#) exposed through web services, and an Adobe Flex front end. Adobe Flex runs in any browser using the Adobe Flash Player plug-in.

Backups

Secure backup services ensure the protection of critical data in the event of a catastrophic systems failure.

Network and Security

Controls at the network level prevent unauthorized access through the use of Firewall and VPN services, with identity based access security. Sensitive internet traffic is encrypted via SSL. Network controlsimplemented for Digital Schools address the protection and control of data during its transmission from District's network to the Enterprise Service Platform. The network security infrastructure is designed to secure the servers from a network-based attack.

Web Components

These web components utilize best practices for secure web application development and interface with back end database services on a protected private network for data retrieval and storage. All web-

based traffic is encrypted using SSL, and access is granted to users through a secure registration process modeled.

Browser
Our client application is a Flash application which requires Flash Player. Any browser that supports this version of Flash can run DS's client application.

Browser	Desktop Operating System
Firefox 24.0 and above Internet Explorer 8.0 and above Google Chrome 30.0 and above Safari 5.0 and above	Windows 10 Windows 8 Windows 7 (SP1) Windows Vista (SP2) Mac OS X 10.4 or later

The Digital Schools client connection requires adequate network and internet bandwidth (25kbps per user) in order to deliver the application to the districts. The IT department will be provided with the information and files to install, reinstall and configure any subsequent clients. SEE DISTRICT REQUIREMENTS FOLLOWING

Recommended PC Configuration

Digital Schools provides the necessary connection client files and installation instructions to the IT Department. During implementation, Digital Schools will assist the IT department in configuring the connection client for each user.

Recommended Macintosh Configuration

Digital Schools supports computers meeting the hardware requirements as specified by Apple, Inc. for Mac 10.5.x and above.

Other: Mobile Technology

Adobe® AIR® and Dolphin Browser runtime should enable all of the following tablets to utilize the Digital Schools suite of products; testing is in process:

- iPad

- Hewlett-Packard Tablet

- Android Tablet

Browser Compatible Environments

See Hardware Environment Response above.

Programming Language

Digital Schools Suite|Plus has a SQL Server backend, all business logic in .NET (C#) exposed through web services, and an Adobe Flex front end. Adobe Flex runs in any browser using the Adobe Flash Player plug-in or on tablets using Adobe® AIR® and Dolphin runtime. The underlying code for the

development platform is platform specific.

Digital Schools uses Microsoft and Adobe to supply its development tools.

Our application sends SMTP e mails (if there is a user email address in the database) whenever an authorizer or notification recipient is triggered in the workflow. Authorizers can always view authorization requests, and requestors can view their own authorization requests, on their Authorization Dashboard. Digital Schools supports IMAP, POP3, SMTP and HTTP. Any client that adheres to these protocols can be supported.

District Responsibilities: there are a number of contractual requirements that must be met for effective use including the following:

The District shall:

- Provide proper computers, equipment and configurations which are compatible with the Digital Schools applications.

- Provide reliable network connectivity with adequate bandwidth to allow simultaneous access for the maximum number of expected users of the Digital Schools applications.

- Ensure that firewall, anti-virus and anti-spam settings are compatible with Digital Schools systems and industry best practices.

- Provide the necessary privileged account credentials for installation and operation of Digital Schools' client software.

- Install client applications required for and provided by Digital Schools.

- Provide a real, valid, RFC-compliant, district email address for each employee requiring email communication from Digital Schools (email addresses at non-district addresses, especially personal addresses, are not acceptable).

- Agree that notification emails from Digital Schools are transactional or relationship messages which are exempt from provisions of the CAN-SPAM Act.

- White list all Digital Schools email sending addresses.

- Assist fully in resolving email delivery issues.

The District's IT Department is required to provide adequate network and Internet bandwidth in order to deliver DS's application data to the District's end users. Digital Schools is not responsible for District's network connections or for conditions or problems arising from or related to District's network connections (e.g., bandwidth issues, excessive latency, network outages), or caused by the Internet. Digital Schools monitors its own network and will work to address internal issues that may impact availability.

Application Releases

Application releases and minor patches occur regularly and are seamless to the client.

Digital Schools cannot provide changes or accommodates requests that create modifications to the core

functionality and features that would compromise the Digital Schools application, or comply with design changes or enhancements that are inconsistent with best practices in database development.

Digital Schools upgrades infrastructure platform and software based upon the processes involved in each of the following Technology Lifecycle Management phases:

- Assessment and identification of business objectives and appropriate application of technology.

- Technology acquisition specific to IT infrastructure requirements.

- Integration and implementation by qualified engineers.

- Support services such as custom warranty and maintenance packages, help desk services, and systems monitoring.

Upgrades requiring training (e.g. AB 1522) are provided after field testing with select clients and are provided via scheduled on line training program with scheduled webinars. Upgrades are fully implemented and internally tested before field testing with select clients.