

**UltiPro Onboarding Supplement to
The Ultimate Software Group, Inc.
UltiPro Agreement**

This UltiPro Onboarding Supplement (hereafter "Supplement") dated as of January 21, 2020 ("Effective Date"), by and between The Ultimate Software Group, Inc. (hereafter "Ultimate Software") and City of Ann Arbor (hereafter "Customer").

Whereas, Ultimate Software and Customer entered into a Hosting Agreement for Human Resource and Payroll System with an effective date of November 20, 2006 (hereafter "Hosted Agreement"), along with various addenda, supplements, amendments, etc. to same (hereinafter collectively referred to as the "Agreement");

Whereas, Customer desires to purchase UltiPro Onboarding from Ultimate Software in accordance with the terms and conditions set forth and agreed to below:

Now Therefore, the Parties agree to supplement the Agreement as follows:

(1) **Pricing Schedule:**

Current number of Active Employees: 1,092

A. **Subscription Fee**
\$1.60 per Active Employee per month

The Subscription Fee above is part of the Subscription Offering and is quoted on a Per Employee Per Month (herein referred to as "PEPM") basis. The computed monthly subscription amount (number of Active Employees multiplied by the Subscription Fee) may increase or decrease if the number of Active Employees increases or decreases but in no event, shall the monthly Subscription Fees be calculated on less than 775 Active Employees.

In addition, after the Initial Term of this Supplement, Ultimate Software may increase the fees herein pursuant to the increase provision as set forth in the Agreement.

B. **UltiPro Launch Fee**

UltiPro Launch Fee - \$10,000.00 flat fee (not including travel and expenses)

UltiPro Launch shall be provided to Customer for only the services as set forth in the UltiPro Launch Overview—UltiPro Onboarding document which is made a part hereof and incorporated by reference as Exhibit A.

Services outside of the scope of the UltiPro Launch Overview – UltiPro Onboarding document shall be provided for a flat fee that shall be quoted to Customer. Said services will not be provided without a work order executed by both parties.

In addition, Customer shall be invoiced an additional UltiPro Launch fee at the rate of \$10.00 per Active Employee, for each Active Employee in existence as of the "UltiPro Onboarding Live Date" (the date the UltiPro Onboarding application has been made available for Customer's use) that exceeds 110% of the current number of Active Employees as set forth in Section (1) above. For clarification purposes, this additional UltiPro Launch fee if applicable shall only be charged to Customer as of the UltiPro Onboarding Live Date and Customer shall not be charged for any additional UltiPro Launch fees subsequent to that date.

(2) **Payment Terms:**

A. **Subscription Fee**

The Subscription Fee is due quarterly and invoiced thirty (30) days in advance of the quarter. The amount due on the earlier of the "UltiPro Onboarding Live Date" (the date the UltiPro Onboarding application has been made available for Customer's use) or four (4) months from the Effective Date of this Supplement is payment for the first quarter commencing on the earlier of the UltiPro Onboarding Live Date or four (4) months from the Effective Date of this Supplement. \$3,720.00

B. UltiPro Launch Fee

This fee is due on the Effective Date of this Supplement. \$10,000.00

(3) **Term and Termination:**

This Supplement will begin on the Effective Date as set forth above and will continue to be in effect through thirty-six (36) months from the earlier of the UltiPro Onboarding Live Date or four (4) months from the Effective Date of this Supplement (the "Initial Term"). Customer may not cancel this Supplement during the Initial Term except as set forth below. This Supplement shall automatically renew for successive renewal terms of one (1) year each. The Customer may terminate this Supplement only after the Initial Term by serving written notice of its intention at least thirty (30) days prior to the date of the next such renewal period. Either party shall have the right to terminate this Supplement upon thirty (30) days prior written notice upon any breach hereof by the other party, provided the party in breach shall not have cured such breach during such thirty (30) day period. Upon termination of this Supplement, all rights granted to Customer will terminate and revert to Ultimate Software.

(4) All other terms and conditions of the Agreement are reaffirmed and remain unchanged by this Supplement. In the event of a conflict between the terms of this Supplement and the Agreement, the terms of this Supplement will govern.

(5) The parties agree that any signature (including but not limited to any electronic symbol attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record) hereto shall have the same legal validity and enforceability as a manually executed signature to the fullest extent permitted by applicable law, and the parties hereby waive any objection to the contrary. This Supplement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original of this Supplement but all counterparts together, shall constitute one and the same instrument. Each counterpart may be executed by electronic signature or manual signature. Delivery of an executed counterpart of this Supplement by telecopier or facsimile transmission or other electronic means shall be effective as delivery of a manually executed counterpart of this Supplement.

IN WITNESS WHEREOF, the Parties have hereto by their duly authorized representatives executed this Supplement.

City of Ann Arbor

The Ultimate Software Group, Inc.

By:

By:

Name: Christopher Taylor

Name:

Title:

Title:

Date:

Date:

FOR THE CITY OF ANN ARBOR
Continued

By _____
Jacqueline Beaudry, City Clerk
DATE: _____

By _____
Howard S. Lazarus, City Administrator
DATE: _____

Approved as to substance

John Fournier, Interim HR Director

Approved as to form and content

Stephen K. Postema, City Attorney

Exhibit A

UltiPro Launch Overview – UltiPro Onboarding

Ultimate Software’s UltiPro Launch methodology provides proven and repeatable processes that enable project teams to measure progress and results and offers a solid knowledge transfer from Ultimate Software to the Customer. It is supported with standard tools, templates and proven training paths that deliver a successful launch of the UltiPro Software (“Launch” or “UltiPro Launch”). Ultimate Software partners with the Customer throughout the UltiPro Launch process performing tasks such as a business requirements analysis through discovery workshops, system configuration, data conversion, interface development, testing cycles, production support, and project management. With UltiPro Launch, Ultimate Software uses its proven methodology to provide training and services to deploy the UltiPro Software. UltiPro Launch will be delivered as described in this document.

UltiPro Launch of UltiPro Onboarding includes:

- Configuration of UltiPro Onboarding.
- Customer training – as described in the Agreement – to allow knowledge transfer and maximize the value of the UltiPro Software.

Roles and Responsibilities:

UltiPro Launch assumes Customer participation throughout the process as defined in the *Roles and Responsibilities* and *Project Team Composition* sections of this document. Ultimate Software and Customer’s roles and responsibilities are defined below.

Please note that Ultimate Software provides training services during each phase of UltiPro Launch as needed. Customer is expected to attend appropriate training during the UltiPro Launch process. To maximize the value of the UltiPro Software, standard training services are included throughout the life of the UltiPro Software solution.

Ultimate Software Responsibilities

Project Management

- Provide project management services including, but not limited to, providing a framework for project planning, communications, reporting procedural and contractual activity.
- Manage the project tasks, Ultimate Software project resources, budget, and deliverables.
- Create weekly status reports and facilitate weekly status calls.
- Resolve project issues.
- Provide Customer communications and general project-related management activities.

Plan and Discover Phases

- Provide access to UltiPro Onboarding.
- Facilitate the kick-off meeting and analysis meetings and provide the Customer with a project plan.
- Assist in defining necessary customer resources and a training plan as part of the project plan.

Build Phase

- Share configuration responsibilities with Customer.

Test Phase

- Perform testing with Customer.

Deploy Phase

- Provide administrator user support for the first production use of UltiPro Onboarding.
- Provide post-live support for transition to Ultimate Software’s customer support team.
- Perform project wrap-up activities, including, closing open issues.

Customer Responsibilities

Project Management

- Manage the project: scope, resources, budget, deliverables, and milestones.
- Coordinate all Customer deliverables to ensure they are being met per the project timeline.
- Create, manage, and deploy all roll-out activities (change management) to managers and employees.

Plan and Discover Phases

- Gather information related to the UltiPro Onboarding process.
- Attend recommended training courses.
- Attend and participate in the kick-off meeting and analysis meetings.
- Facilitate rapid review, feedback, and signoff on all project documentation.

Build Phase

- Share configuration responsibilities with Ultimate Software.

Test Phase

- Perform testing with Ultimate Software.

Deploy Phase

- Assure that adequate end-user training has been completed before the start of production operations.
- Share project wrap-up activities, including reviewing and finalizing the open issues list.

Project Team Composition:

Resource allocation and commitment are key drivers for a successful UltiPro Launch. Anticipated resources for this project are listed below.

Ultimate Software Resources – The Ultimate Software project team is comprised of experienced industry experts specializing in specific areas of UltiPro Launch. The team roles and key responsibilities are listed below:

Project Manager – The project manager is responsible for managing all aspects of the project as it pertains to resources, costs, timeline, and project success. His or her involvement varies from project to project based upon the Customer requirements and complexities. The analysis process and project plan will define the level of effort for this resource on the project. This shared resource works primarily remotely.

UltiPro Talent Consultant – The talent system consultant is the primary Ultimate Software representative assigned to Customer's project to assist with the UltiPro Launch of UltiPro Onboarding. His or her involvement varies from project to project based upon the Customer requirements and complexities. The analysis process and project plan will define the level of effort for this resource on the project.

Customer Resources – Average Resource Allocation for Typical Project*

Executive Sponsor – The executive sponsor provides executive-level support to the project team. His or her primary responsibility is to ensure that the needs of the project team are well represented and met by the steering committee. This role has minimal involvement in the project.

Project Manager – The project manager channels the team's activities toward application configuration and executing the project. He or she also is responsible for internal project communications. This role has heavy involvement throughout the project.

Human Resources Specialist (Subject Matter Expert (SME)) – The HR specialist is the customer's primary HR representative and designated decision maker in the area of onboarding. This role has medium involvement during most of the project, with peak involvement at the beginning of the project and then at the end during end-user training and go-live.

System Administrator – The system administrator is the Customer's primary resource for system configuration, system knowledge, and application security. This role has medium to heavy involvement throughout the project.

Other Subject Matter Experts – Other subject matter experts become involved with the project as needed.

*These are best practice recommendations. Resource allocation may vary based upon project timeline and complexity

UltiPro Launch Guidelines/Assumptions:

- Customer will exercise services within the defined services period. The typical UltiPro Launch of UltiPro Onboarding is two (2) months. UltiPro Launch of UltiPro Onboarding shall expire four (4) months after the Effective Date of this Supplement. If additional services are required, they will be contracted separately.
- Customer will complete tasks as indicated in the roles and responsibilities of this document and as assigned in the final project plan by mutually agreed upon due dates.