



CONTRACT RENEWAL LETTER

Date: May 3, 2024
Contract #: UCPJMU5198
Service: Pharmacy Operations System
Renewal Period: 7/19/2024 to 7/18/2025
Renewal #: 6 of 9 One-Yr
Issued By: James Madison University
Colleen Johnson, Lead Commodity Contract Officer
& Project Manager Ph: 540-568-3137
Fx: 540-568-7935

Contractor: Kalos, Inc.
Attn: Bryan Jakovcic
3418 SE 21st Street, Suite B
Topeka, KS 66607 Ph: 800-264-0068

Contract Administrator: Chris Ouren, University Health Center

Description of Renewal Notice:

The attached Kalos *Service Level Agreement* and *Licensed Software Version Control Policy* are hereby added to the *Fusion/Kalos End User License Agreement*, as previously incorporated into contract UCPJMU5198 on May 16, 2023 (in Modification #1).

In accordance with the renewal provision of the original contract, except as modified herein, all terms, conditions, and specifications of the original contract remain the same during the contract renewal period, along with any modifications that have been incorporated up until this point. The contract pricing will remain the same and is attached to this renewal.

All invoices shall be submitted within sixty days of contract renewal term expiration as well as for each subsequent contract renewal period. Any invoices submitted after the sixty day period will not be processed for payment.

Return one executed renewal notice to my attention within ten days.

Kalos, Inc.

By:

Bryan Jakovcic

Name (print)

President

5/3/2024

Title

Date Signed

James Madison University

By:

Colleen Johnson, CUPO

Name (print)

5/3/2024

Lead Commodity Contract Officer & Project Manager

Title

Date Signed



Renewal # 6

Contract #: UCPJMU5198

Contractor: Kalos, Inc.

Renewal Period: 7/19/2024 - 7/18/2025

Commodity: Pharmacy Operations System

Pricing Schedule

Wolters Kluwer Annual Subscription:	\$2,016.00
Annual Software Maintenance:	\$1,800.00
POS Annual Software Maintenance:	\$984.00
Medicat Interface Annual Maintenance:	\$600.00
Parata Interface Annual Maintenance:	\$720.00
sub total	\$6,120.00
Surescripts (to be billed monthly as incurred):	\$0.20/ prescription
Text Messages Monthly Cost (to be billed monthly as incurred):	
1 – 300 texts:	20.00
301 – 1,000 texts:	50.00
1,001 – 2,000 texts:	75.00
2,001 – 3,000 texts:	100.00
Professional Services:	\$125/ hour

*On-site Training (*Includes all travel costs*) : \$1,600.00/day



SERVICE LEVEL AGREEMENT

1. **INTRODUCTION.** This Service Level Agreement ("SLA") describes the performance standards and service levels to be achieved by Licensor in providing the Licensed Software. This is subject to the provisions of the Agreement which are incorporated herein by reference. In the event of a conflict between the provisions of the Agreement and any provision of this SLA, the Agreement will govern.
2. **DEFINITIONS.** Unless otherwise set forth in this SLA, capitalized terms not separately defined will have the respective meanings ascribed in the Contract. As used in this SLA, the following terms shall have the following meaning:
 - 2.1. **"Bug"** means a fault in the application or service that requires code modifications and a new version release.
 - 2.2. **"Days and Hours of Coverage"** means the days of coverage as set out in Section 5.1 of this SLA.
 - 2.3. **"Incident"** means a reproducible failure of the Licensed Software to operate in substantial conformity with the Agreement; whose origin can be isolated to a single cause and whose failure was not caused by improper use of the Licensed Software or a Bug.
 - 2.4. **"Minimum System Requirements"** means the hardware and software standards as described in Exhibit A and as otherwise necessary for the Licensed Software to efficiently operate.
 - 2.5. **"Planned Downtime"** refers to the mandatory maintenance windows that take place on the first and third Wednesday of each month from 2 am to 4 am EST.
 - 2.6. **"Resolve"** means the provision of: (a) services that correct the Incident; (b) information to the Licensee that corrects the Incident; (c) information to the Licensee on how to obtain a software solution that corrects the Incident; (d) notice to the Licensee that the Incident is caused by a known, unresolved issue or an incompatibility issue with the Licensed Software; (e) information to the Licensee that identifies the Incident as being corrected by upgrading to a newer release of the Licensed Software; (f) notice to the Licensee that the Incident cannot be resolved; or (g) notice to the Licensee that the Incident has been identified as arising out of or resulting from a Service Exception. **"Resolution"** has a correlative meaning.
 - 2.7. **"Resolution Time"** means the resolution time linked to the relevant Severity Level as set forth in this SLA.
 - 2.8. **"Respond"** means Licensor's initial communication with Licensee, whether by helpdesk, telephone, email or otherwise, acknowledging Licensee's request for Services in connection with a specific Incident. **"Response"** has a correlative meaning.
 - 2.9. **"Response Time"** means the response time linked to the relevant Severity Level as set forth in this SLA.
 - 2.10. **"Severity Level"** means the level assigned by Licensor to a reported Incident based on the description of the Incident under this SLA.
 - 2.11. **"Severity 1"** means an Incident that does not qualify as a Severity 2 or Severity 3 Incident but nonetheless prevents minor functionality from operating or causes minor functions to operate with incorrect results.
 - 2.12. **"Severity 2"** means an Incident wherein use of the Licensed Software or a subsystem is interrupted or a Licensed Software failure otherwise causes major functions to not operate or to operate with significantly incorrect results, such as data processing errors.
 - 2.13. **"Severity 3"** means an Incident wherein the Licensed Software or a main subsystem is unavailable, preventing the Licensed Software or a core function from operating or causing core functions or major functionality to operate with grossly incorrect results, such as material data processing errors.
 - 2.14. **"Maintenance Fee"** means the annual amount paid by Licensee to Licensor for the maintenance and support of the Licensed Software.
 - 2.15. **"Preliminary Severity Level"** means the initial severity level assigned to a reported Incident by Licensee which shall only be used for intake purposes.
 - 2.16. **"Technical Contact"** means the Licensee identified individual(s) who serve as Licensee's sole contact(s) between Licensee and Licensor in connection with day-to-day matters relating to the provision of support and are responsible for reporting Incidents, providing consents and approvals on behalf of Licensee, and



communicating with and providing timely and accurate information and feedback to Licensor in connection with the support.

2.17. **"Ticket"** means the Technical Contact's submission of an Incident to the Licensor's helpdesk system.

2.18. **"Third-Party Materials"** means materials and information, in any form or medium, that are not proprietary to Licensor, including any third-party: (a) documents, data, content, or specifications; (b) software, hardware, system, network, or other product, facility, equipment, or device, and (c) accessories, components, parts or features of any of the foregoing.

3. **DISCLAIMER**

3.1. Licensor will use commercially reasonable efforts to: (a) ensure monthly uptime as provided in Section 4; and (b) meet the Response Time and Resolution Time described in Section 7. Licensee shall not be entitled to any credits, damages, termination rights, or any other rights enumerated in the Agreement should Licensor fail to meet the monthly uptime, Response Time, or Resolution Times.

3.2. Licensee acknowledges and accepts that the following circumstances may impact Licensor's ability to meet the monthly uptime, Response Time, or Resolution Time:

3.2.1. Licensee's delay or failure to:

3.2.1.1. perform any obligations under the Agreement or SLA,

3.2.1.2. promptly notify and adequately inform Licensor of an Incident,

3.2.1.3. timely respond to Licensor inquiries related to Incidents, the Licensed Software and corresponding Licensee components,

3.2.1.4. as soon as reasonably possible, install any Maintenance Release that Licensor has previously made available to Licensee,

3.2.1.5. adequately manage and coordinate Licensee third-parties,

3.2.1.6. achieve and maintain Minimum System Requirements,

3.2.1.7. provide Technical Contacts.

3.2.2. Any planned downtime of which Licensor gives at least one (1) week advance notice to Licensee.

3.2.3. Any negligence, abuse, misapplication, or misuse of the Licensed Software;

3.2.4. Any operation, modification, configuration, relocation, damage, installation, or integration of the Licensed Software other than by Licensor without Licensor's written permission;

3.2.5. Any beta software, software that Licensor makes available for testing or demonstration purposes, temporary software modules or software for which Licensor does not receive a license fee;

3.2.6. Any Licensee created workflows, forms, or reports;

3.2.7. Any breach of or noncompliance with the Agreement or SLA by Licensee or any of its representatives;

3.2.8. Third-Party Materials; or

3.2.9. A Force Majeure event (including abnormal physical or electrical stress).

4. **AVAILABILITY TARGET.** Licensed Software monthly uptime: 99%, calculated using the formula identified as Exhibit B. Planned Downtime and any unplanned downtime of which Licensor gives at least forty-eight (48) hours advance notice shall not be included in "Downtime per Month" in Exhibit B.

5. **SUPPORT.**

5.1. The Licensor shall perform its support obligations during the following Days and Hours of Coverage:

5.1.1. Twenty-four (24) hours a day, seven (7) days a week for Severity 2 and Severity 3 Incidents; and

5.1.2. Monday – Friday, 8:00 AM to 4:00 PM EST for Severity 1 Incidents.

5.2. Licensee agrees to provide Licensor with access to Licensee's network, systems, and/or computers to install and use remote access software ("**Remote Access Software**") necessary for Licensor to provide remote support to Licensee. The Remote Access Software contains technological measures designed to collect and transmit to Licensor certain diagnostic, technical, usage and related information, including information about Licensee's computers, systems, network and any Third-Party Materials, related to or derived from Licensee's use of Licensed Software. Licensee acknowledges and agrees that: (a) Licensor may collect,



maintain, process and use this information in the course of providing support under this SLA, and (b) all or portions of the Remote Access Software may remain on Licensee's network, system, and/or computers after an Incident is Resolved and until the Agreement is terminated.

- 5.3. All support shall be conducted remotely by Licensor within the United States.
- 5.4. Licensor may change any aspect of the Services, provided that no such change materially reduces or otherwise has a materially adverse effect on: (a) Licensor's level of effort in providing support; or (b) Licensor's obligation to provide support under this SLA.
- 5.5. Licensor may perform support services by or through third parties (each, a "**Subcontractor**"), but shall remain fully responsible for any Subcontractor compliance with the Agreement and SLA.
- 5.6. In connection with the performance of support, Licensee shall provide Licensor, personnel with all such cooperation and assistance as Licensor may reasonably request, or otherwise may reasonably be required, to enable Licensor to perform its obligations and exercise its rights, including:
 - 5.6.1. Reasonable, uninterrupted access, both physical and virtual, to the Licensed Software and Licensee's premises, systems, networks, and facilities;
 - 5.6.2. A safe working environment;
 - 5.6.3. Reasonable access to the appropriate Licensee personnel, including network, systems, operations, and applications personnel; and
 - 5.6.4. All necessary authorizations and consents, whether from third-parties or otherwise, in connection with any of the foregoing.
- 5.7. The following are examples of different issues to clarify what types of scenarios fall under what Severity Level.
 - 5.7.1. Severity 3: All users are simultaneously unable to log in, post-upgrade patient safety errors, configuration problems causing timeouts, or inability to open a pass to administer medication.
 - 5.7.2. Severity 2: User error from incorrect workflows, database errors and performance issues, data integration errors, the application's minor components do not work as intended but a workaround is available.
6. **SUPPORT REQUESTS.**
 - 6.1. Licensee shall promptly notify Licensor of any Incident and provide Licensor with reasonable detail of the nature and circumstances of the Incident. Licensee shall take all necessary steps to replicate the Incident prior to submitting a Ticket.
 - 6.2. Licensee shall back up all data, files, and information prior to submitting a Ticket and assumes sole responsibility for any lost data or altered files or information.
 - 6.3. Licensee shall ensure its Technical Contact(s) have the requisite organizational authority, skill, experience, and other qualifications necessary to perform their duties. Licensee shall provide prior written notice to Licensor of any replacement or change in the name or contact information of any Technical Contact.
 - 6.4. Licensor will grant access to a helpdesk system and support phone line where the Technical Contacts can communicate Incidents to Licensor.
 - 6.5. If the Licensee encounters an Incident, the Technical Contacts shall notify Licensor using the contact method(s) that correspond to the Severity Level, as set forth below:
 - 6.5.1. Severity 1 – helpdesk system
 - 6.5.2. Severity 2 – helpdesk system
 - 6.5.3. Severity 3 – first the Licensor support phone line and then the helpdesk system
 - 6.6. If the Licensee encounters an Incident, the Technical Contacts shall (a) diagnose and assign a Preliminary Severity Level for the Incident; and (b) depending on the Preliminary Severity Level, submit a support request to Licensor by opening a Ticket in the helpdesk system or calling Licensor's support phone line.
7. **INCIDENT MANAGEMENT.**



- 7.1. Licensor shall review each Ticket and assign a Severity Level. If the Severity Level and Preliminary Severity Level differ, the Severity Level shall control.
- 7.2. Licensor shall conduct a root cause analysis of each Incident upon notification.
- 7.3. Response Times and Resolution Times are identified in the table identified as Exhibit C.
- 7.4. Response Time shall be calculated from the moment a Ticket is created until the moment Licensor Responds.
- 7.5. Resolution Time shall be calculated as the time between the Licensor's Response and the time the Licensor's helpdesk system indicates in the Ticket that the Incident is Resolved.

EXHIBIT A

Minimum System Requirements

Resource	Minimum	Recommended
Form Factor Preference	In Order: Desktop, Laptop, Tablet	In Order: Desktop or Laptop
CPU	Single dual core 3 Ghz or faster (Pentium 4 th Generation Intel i-3 or better)	Single dual core 3 Ghz or faster (Pentium 6 th Generation Intel i-5 or better)
RAM	8GB	16GB
OS	Windows 10 32 or 64 Bit Operating System	
Network	100Mbps	1Gbps
Browser	Client hosted: Google Chrome. Kalos hosted: Google Chrome and/or Firefox.	
Storage	SATA HDD with 50GB available space	SSD Hard drive with 126GB available space
Monitor	19" Color SVGA with 1920 x 1080 or better resolution	23" Color LED with 1920 x 1080 or better resolution

EXHIBIT B

Licensed Software Monthly Uptime Formula

$$\text{Monthly Uptime Percentage} = \frac{(\text{Available Time per Month}) - (\text{Downtime per Month})}{(\text{Available Time per Month})}$$

EXHIBIT C

Response and Resolution Times

Severity Level	Response Times	Resolution Times
Severity 1 (low)	24-hours	15 Business Days
Severity 2 (Medium)	12-hours	7 Days
Severity 3 (high)	1 hour	24-48 Hours



Licensed Software Version Control Policy

This policy outlines how Licensor manages the Licensed Software versions, releases, and updates. Terms used but not defined herein shall have the meaning described in the Agreement.

Understanding Versions:

Licensed Software is categorized into versions, each identified by a unique version number:

Major.Minor.Build.

The structure of unique version numbers is as follows:

Major: Indicates significant changes that may require training, potentially including new features or structural enhancements.

Minor: Represents the addition of new features or improvements while maintaining compatibility.

Build: Denotes fixes for bugs and issues without introducing new features.

Maintenance Release:

Licensee will be notified when a Maintenance Release on the Licensed Software is available and will be provided instructions. Licensees are encouraged to reach out to their Client Manager should they require assistance. For each Maintenance Release, Licensee will be provided documentation describing the changes including any significant operational differences, if any. Documentation provided with any Maintenance Release shall be made a part of any Documentation.

End of Life:

Licensor will send clients a written notification when a version of Licensed Software is scheduled to reach its End of Life (EOL). Only versions that are two (2) or more Minor level versions older than the newest version available, will be subject to EOL. The EOL will occur no sooner than ninety (90) days from the date of the written notification. Once the scheduled EOL date for a version has passed (unless an extension is permitted by Licensor in writing), that particular version of the Licensed Software will be deemed unsupported. Unsupported versions may not receive updates including bug fixes, enhancements, or modifications (e.g. change orders). Further, reported issues on unsupported versions may not be investigated or resolved until a supported version is installed. Licensor will not provide indemnity for any Intellectual Property claims if the claim arose while the client was using an unsupported version. When installing a supported version of Licensed Software, Licensor may at its discretion install the latest version available.

PLEASE NOTE, just because a version is "subject" to EOL, does not mean that it has been scheduled to reach its EOL. The ninety (90) day period prior to EOL versions becoming unsupported, does **not** begin until a written notice has been provided as described above. As an example, even if Licensee's current installed version was four (4) Minor level versions older than the newest version available, Licensee's current installed version would not be deemed unsupported until a written notice of EOL is provided and the ninety (90) day period has expired.

