




April 18, 2016

MEMORANDUM

TO: District Board of Trustees

FROM: Jim Murdaugh, President 

SUBJECT: Authorization to execute a new (restructured) software contract with Workday

Item Description

This item requests that the District Board of Trustees authorize the College to execute a new 5-year contract, with an optional 3-year renewal term, with Workday for their “platform” (HCM, Finance, etc.) and Student system software suite, saving the College over \$800,000 during the initial 5-year period and over \$1.6M during the entire 8-year period.

Overview and Background

On August 19, 2013, the District Board of Trustees approved the purchase of the Workday Enterprise Resource Planning (ERP) software suite to replace “Integrow,” the 20+ year old ERP system then in use at the College, and to become a design partner for the new Workday Student Information System. The replacement of the College’s ERP system was in direct response to the 2013 Strategic Plan and Mission for the College, which had a strategic priority to “Replace the College’s existing Enterprise Resource Planning (ERP) software with a robust solution that meets the present and future administrative, reporting and data-driven decision-making needs of the institution.” The College went live on the human resources (HCM) and financial portions of the Workday software suite in April, 2015 (this part of the software suite is referred to as the “platform” by Workday). The college also went live on Student Recruiting in October, 2015 and Student Admissions in March, 2016 (making the College one of the first 2 schools in the world to do so), and is now in the early stages of implementing the rest of the Student software suite. The College is presently completing the third year of the original 2013 contract.

The College enjoys a strong relationship and partnership with Workday. In recognition of the this, Workday approached the College in early March with an offer to restructure the current contract to provide stability of pricing for a longer period of time and to provide a savings to the College over the present contract. The restructuring proposal will save the College over \$800K during the initial 5-year term and over \$1.6M during the entire 8-year term. In addition, the restructured contract gives the College the option to procure the Workday HR Recruiting module and Workday Budget Planning module, both of which are of interest to the College, at a significantly discounted rate for a period of time.

Past Actions by the Board

On August 19, 2013, the District Board of Trustees approved the purchase of the Workday Enterprise Resource Planning (ERP) software suite to replace “Integrow,” the 20+ year old ERP system currently in use at the College, and to become a design partner for the new Workday Student Information System.

Funding/Financial Implications

The College presently has a software contract with Workday for a 5-year initial term, with an optional 3-year renewal term, that was signed in August, 2013 and that runs through 2021 (we are completing the 3rd year of that contract). The proposed restructured contact is also for a 5-year initial term, with an optional 3-year renewal term, and provides predictable funding for the College through 2024. When compared to our present contract, the proposed restructured contract will result in the College saving over \$35K in the first year, over \$800K during the initial 5-year term, and over \$1.6M during the entire 8-year contract.

Staff Resource

Bret Ingerman

Recommended Action

Approve the recommendation to authorize the College to execute a new 5-year contract, with an optional 3-year renewal term, with Workday for their “platform” (HCM, Finance, etc.) and Student system software suite, saving the College over \$800,000 during the initial 5-year term and over \$1.6M during the entire 8-year period.