



County of San Mateo

Inter-Departmental Correspondence

Department: INFORMATION SERVICES

File #: 21-651

Board Meeting Date: 8/3/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Juan Raigoza, Controller
Rocio Kiryczun, Human Resources Director
Michael Wentworth, Interim Director/Chief Information Officer
Iliana Rodriguez, Deputy County Manager

Subject: Amendment No. 3 with Workday, Inc. for the Master Subscription Agreement

RECOMMENDATION:

Adopt a resolution authorizing Amendment No. 3 to the Master Subscription Agreement with Workday Inc., for continued subscription services, extending the term through September 9, 2026 and increasing the amount by \$5,669,862 for a new not to exceed amount of \$12,680,769.

BACKGROUND:

On September 26, 2012, a new human resources (HR)/payroll system was included as an IT initiative in the County's IT Strategic Plan. The new payroll system met the goal of the Strategic Plan by increasing access to and availability of County services, providing County staff with enabling technologies, and realizing efficiencies and cost savings.

The County's HRIS Payroll Steering Committee (represented by the Controller, Human Resources Director, Chief Information Officer, and Deputy County Manager) launched a formal Request for Proposals (RFP) process to select a vendor to provide a new HR/payroll system. Workday ranked the highest overall based on the selection criteria and was recommended as the County's new HR/payroll system.

On September 10, 2013, this Board approved Resolution No. 072741 and the County entered into an Agreement (18120-14-R072741) with Workday, Inc. for the provision of providing subscription services for a new HR/Payroll system for the term of September 10, 2013 through September 9, 2018 and in the amount of \$3,834,450.

On September 4, 2018, this Board approved Resolution No. 076130 and the County executed Amendment No. 1 to Agreement No. 18120-14-R072741 with Workday Inc., extending the term

through September 9, 2021 and increasing the amount by \$2,552,778 for a new not to exceed amount of \$6,387,228.

On July 21, 2020, this Board approved Resolution No. 077626 and the County executed Amendment No. 2 to Agreement No. 18120-14-R072741 with Workday Inc., for adding additional services, Prism and People Analytics, to the existing Workday subscription, increasing the amount by \$174,630 for a new not to exceed amount of \$6,561,858.

DISCUSSION:

The County currently uses Workday as our human resources, payroll, compensation, absence management, and performance management system.

The County's HRIS Payroll Steering Committee and County Procurement has approved a 5-year extension to the existing Workday subscription. With this Board's approval, we wish to amend the existing agreement with Workday Inc. for continued subscription services which includes cloud computing capabilities, reporting, and intelligent workflow with audit trails all of which help with streamlining and standardizing current business processes. Workday also mitigates the risks of system failure, security breaches, and regulatory violations and allows all employees to easily and securely access the system with 100% service availability.

County Counsel has reviewed and approved the Resolution and Amendment as to form.

FISCAL IMPACT:

The new total not to exceed amount of this Agreement, including \$5,669,862 for this Amendment, is \$12,680,769. Funding for this Amendment is appropriated in the Payroll Common Budget within the Fiscal Year 2021-23 Recommended Budget and will be included in future budgets. There is no new Net County Cost associated with this Agreement.