



County of San Mateo

Inter-Departmental Correspondence

Department: INFORMATION SERVICES

File #: 22-081

Board Meeting Date: 1/25/2022

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

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

Subject: Amendment No. 4 with Workday, Inc. for the Master Subscription Agreement

RECOMMENDATION:

Adopt a resolution authorizing Amendment No. 4 to the Master Subscription Agreement with Workday Inc., extending services to the existing Workday subscription, increasing the amount by \$269,881 for a new not to exceed amount of \$12,501,601.

BACKGROUND:

On September 26, 2012, a new 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 human resources and payroll services.

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

On September 4, 2018, the 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, the Board approved Resolution No. 077626 and the County executed Amendment No. 2 to Agreement No. 18120-14-R072741 with Workday Inc., for 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.

On August 3, 2021, the Board approved Resolution No. 078363 and the County executed Amendment No. 3 to Agreement No. 18120-14-R072741 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.

On August 3, 2021, the Board approved the aforementioned contract extension and not to exceed amount increase to \$12,680,769, however, due to a calculation error the total amount should have been \$12,231,720.

In consideration of the correction to the August 3, 2021 amendment, the current requested amendment total is not to exceed \$12,501,601.

DISCUSSION:

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

The County's HRIS Payroll Steering Committee approved automating the business processes and workflows used for employee expense reimbursements, Workday Expenses, to the existing Workday subscription. The County currently has a paper-based process for employee reimbursements and Workday Expenses will provide an online tool for request, reviews, approvals, and payment processing.

Automating employee reimbursements will streamline business processes and improve the accuracy and timeliness of expense reporting as well as the ability to perform detailed data and trend analyses of expenses. It will provide the capability to standardize requirements within the business process and build in the approval workflow.

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 \$269,881 for this Amendment, is \$12,501,601. Funding for this Amendment is in the HRIS Payroll System project budget for Fiscal Year 2021-2022, and it will be included in future years' budget requests as net County Costs.