



COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

July 5, 2017

Honorable Members
Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

Re: Authorization to Enter into Contract with IBM.

Dear Honorable Legislators:

Attached is a proposed resolution and accompanying memorandum from Erie Community College (ECC) requesting authorization to enter into a contract with IBM to implement the Enterprise Resource Planning (ERP) Workday software for all major administrative functions that include: Human Resources, Payroll, Finance, Admissions, Financial Aid, Registration, and all other student services.

According to ECC officials, though not confirmed by County Officials, the new ERP implementation will (1) significantly reduce the manual and redundant workflows and processes currently being used at ECC and (2) will enhance productivity and the ability to analyze information for decision making such as supporting student retention and student recruitment services. The projected cost savings will begin after the implementation is complete in year four. The College is projecting approximate savings of \$3.7 million due to the new ERP system over ten years from the amount expended on its current platform.

The ECC Board of Trustees approved the ERP project on May 4, 2017, the contract with Workday on May 25, 2017, and the contract with IBM on June 29, 2017. A copy of the approved Board of Trustee's resolution is attached.

If your Honorable Body requires further information or has any questions please contact F. Meena Lakhavani, Erie Community College Chief Information Officer and Vice Provost.

Sincerely,

Mark C. Poloncarz, Esq.
Erie County Executive

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: F. Meena Lakhavani, Chief Information Officer and Vice Provost,
Erie Community College
Ref: Workday Enterprise Resource Planning Software Implementation Services: Authorization of
the IBM Client Relationship Agreement for Services and IBM Statement of Work for
Workday Lifecycle Deployment Services for Erie Community College
Date: July 5, 2017

SUMMARY

Erie Community College (ECC) has been working on an Enterprise Resource Planning (ERP) software selection and implementation services for almost five years to replace the current Ellucian Colleague system that is used for all major administrative functions at ECC. The major administrative functions include: Human Resources, Payroll, Finance, Admissions, Financial Aid, Registration, and all other student services. The Corrective Action Plan approved by the ECC Board of Trustees on April 12th, 2016 recommendation 7b, 8a and 10a involved the College initiating, developing, financing and implementing a new ERP to transform the College's human resources to include the automation of manual records. At May 4, 2017 ECC Board of Trustees (BOT) approved the implementation of multi-year Workday ERP. Later Workday software subscription and associated implementation by IBM was approved during May and June meetings.

FISCAL IMPLICATIONS

Execution of these Agreements will enable the project to commence. This multi-year project represents a total IBM implementation fee of \$4,382,832. The 2017-18 estimated total cost of the IBM Implementation project is \$1,095,708.

The ERP implementation will significantly reduce the manual and redundant workflows and processes being used at the ECC. It will enhance productivity and the ability to analyze information for decision making such as supporting student retention and student recruitment services. We project the cost savings will begin after the implementation is complete in year four. The projected savings are approximately \$3.7 million with the new ERP over 10 years.

REASONS FOR RECOMMENDATION

We are requesting for approval to enter into an agreement with IBM to work with ECC to implement the project. The terms and conditions of the Client Relationship Agreement and the Statement of Work for Workday Lifecycle Deployment Services have been negotiated pursuant to the May 4, 2017 BOT Resolution and have been reviewed and modified by Assistant Erie County Attorney Leslie Ortiz-Fogg on behalf of Erie Community College.

BACKGROUND INFORMATION

At the May 4, 2017, the Erie Community College Board of Trustees approved a Resolution regarding the installation of Enterprise Resource Planning (ERP) software – a 5 yearlong project. Approved

costs include: software subscription costs, implementation costs, additional staffing costs, additional required software costs, and a 20% discretionary cost. This is part two (Implementation by IBM) of the ERP project requests.

CONSEQUENCES OF NEGATIVE ACTION

ECC will fail to meet recommendations in the April 12, 2016 Corrective Action Plan. Also fail to meet the terms of the May 4, 2017, May 25, 2017, and June 29, 2017 Board of Trustee Resolutions for ERP Project, Workday subscription, and IBM implementation respectively.

STEPS FOLLOWING APPROVAL

Upon approval of this expenditure by the Erie County Legislature and approval as to form by the Erie County Assistant Attorney, the President of Erie Community College or his designee, is authorized to execute the various agreements to start the implementation process.

A RESOLUTION SUBMITTED BY :
ERIE COMMUNITY COLLEGE

RE: The Awarding of a Contract to IBM for the
Implementation of Workday Enterprise Resource Planning Software

WHEREAS, the Erie Community College Board of Trustees has approved IBM as a vendor following a request for proposal process; and

WHEREAS, IBM was chosen as the source for implementing the Workday Enterprise Resource Planning software providing administrative functions supporting Human Resources, Payroll, Finance and Student Services; and

WHEREAS, it is requested that IBM be approved for this multi-year project. The 2017-18 cost is \$1,095,708. All unused funds will be released after project completion; and

WHEREAS, the Erie County Legislature must approve contracts in excess of \$50,000 for the College; and

WHEREAS, Erie Community College has adequate funds available to fund this expense;

NOW, THEREFORE, BE IT

RESOLVED, that Erie Community College is hereby authorized to obtain the Erie County Legislature's approval to award a contract to IBM; and be it further

RESOLVED, that the source of funds available to pay for this expense is available in ECC's fund balance accounts and is hereby authorized for expenditure by ECC's Board of Trustees; and be it further

RESOLVED, upon approval of this expenditure by the Erie County Legislature, the President of Erie Community College or his designee, is authorized to enter into a contract with IBM as outlined above; and be it further

RESOLVED, that the Erie County Legislature hereby approves awarding a contract to IBM for the purpose of implementing the Workday Enterprise Resource Planning system for all major administrative functions that include: Human Resources, Payroll, Finance, Admissions, Financial Aid, Registration, and all other student services; and be it further

RESOLVED, the President or his designee is authorized to enter a contract with IBM for the above-mentioned services; and be it further

RESOLVED, that copies of the resolution be forwarded to the Erie County Executive, the President of ECC, and the Chairman of the ECC Board of Trustees.

Erie Community College Board of Trustees Resolution

The Erie Community College Board of Trustees Resolution Regarding the Purchase of Workday Implementaton Services by IBM

June 29, 2017

- WHEREAS;** the Erie Community College Board of Trustees has been presented with a request to approve IBM as a vendor following a request for proposal process; and
- WHEREAS;** IBM was chosen as the source for implementing the Workday Enterprise Resource Planning software providing administrative functions supporting Human Resources, Payroll, Finance and Student Services; and
- WHEREAS;** it is requested that IBM be approved for this multi-year project. 2017-18 cost is \$1,095,708. All unused funds will be released after project completion; and
- WHEREAS;** the Erie County Legislature must approve contracts in excess of \$50,000 for the College; and
- WHEREAS;** Erie Community College has adequate funds available to fund this expense;
- NOW, THEREFORE, BE IT**
- RESOLVED;** that Erie Community College is hereby authorized to obtain the Erie County Legislature's approval to award a contract to IBM; and be it further
- RESOLVED;** that the source of funds available to pay for this expense is available in ECC's fund balance accounts and is hereby authorized for expenditure by ECC's Board of Trustees; and be it further
- RESOLVED;** upon approval of this expenditure by the Erie County Legislature, the President of Erie Community College or his designee, is authorized to enter into a contract with Workday as outlined above.

ATTEST:



Dennis Murphy
Chair, Board of Trustees
Erie Community College