

ACTION ITEM #8
Workday Contract Renewal
(Leslie Brunelli/Matt Skinner)

April 19, 2024

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Workday Contract Renewal

PROPOSED: That the Board of Regents authorize the renewal of WSU's contract with Workday and delegate authority to the President or designee to execute the contract for a term of up to 10 years, with total cost of \$22.3 million, plus any incremental annual costs resulting from an increase in the number of WSU employees, if applicable

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO

SUPPORTING
INFORMATION:

Background

With the launch of Workday on January 1, 2021, the Modernization Initiative established a strong and flexible foundation to support the complex and ever-changing Finance, Payroll and HR business needs of the institution. Since that time, WSU has stabilized the Workday system and is actively optimizing processes and building a culture of continuous process improvement to meet University needs system wide.

Please see the attached written report for an overview of some of the most impactful improvements achieved through the Modernization Initiative to date.

Proposed Contract Renewal Details

The initial Workday contract term was 5 years and expires in July 2024. The current contract also includes an optional second 5-year term with an annual cost inflation escalator percentage of 1 plus the consumer price index, not to exceed 3% per year.

WSU has negotiated a third 5-year term, with an annual cost escalator of 4% per year for years 6, 7, and 8, and 5% for years 9 and 10.

It is proposed that WSU execute the 10-year contract extension (second and third contract terms). The cumulative cost over 10 years is

\$22.3 million, plus any additional annual costs due to an increase in the number of WSU employees, if applicable. The annual cost of the contract will continue to be funded by a mix of central support and a user-based fee.

ATTACHMENT: Written Report to Board of Regents: Modernization Improvements

BOARD OF REGENTS
Workday Contract Renewal

Resolution #270419-710

WHEREAS, RCW 28B.30.095, RCW 28B.30.100, and RCW 28B.30.150 vest the governance and management of Washington State University (WSU) in the Board of Regents of WSU (Board); and

WHEREAS, the Board, by virtue of RCW 28B.10.528, has the authority to delegate by resolution to the President or designee any of the powers and duties vested in or imposed upon the Board by law; and

WHEREAS, the Board has delegated broad authority to the President or designee to act in matters relating to the general business and financial affairs of WSU.

NOW, THEREFORE, IT IS RESOLVED that the Board of Regents authorizes the renewal of the Workday contract as proposed and delegates authority to the President or designee to execute the 10-year Workday contract extension, with total cost of \$22.3 million, plus any incremental annual costs due to an increase in the number of WSU employees, if applicable.

Signed the 19th day of April, 2024.

Chair, Board of Regents

Secretary, Board of Regents