



SUBJECT	IT TRANSFORMATION - PRE-DEVELOPMENT LOAN
MEETING DATE	SEPTEMBER 27, 2018

Forwarded on the Recommendation of the President

APPROVED FOR SUBMISSION

Santa J. Ono, President and Vice-Chancellor

DECISION REQUESTED	IT IS HEREBY REQUESTED that <i>approval be granted for the establishment of an internal loan in the amount up to \$38 million to fund the pre-development cost required to establish the foundation for the Integrated Renewal Program (IRP), to be repaid over a 10-year period.</i>
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Report Date	August 24, 2018
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Presented By Peter Smailes, Vice-President Finance & Operations
 Andrew Szeri, Provost and Vice-President Academic
 Barbara Meens Thistle, Vice-President Human Resources
 Deborah Buszard, Deputy Vice-Chancellor and Principal, UBC Okanagan
 Patricia Lasserre, Interim Provost and Vice-Principal Academic, UBC Okanagan
 Jennifer Burns, CIO and Associate Vice-President Information Technology
 Kate Ross, Associate Vice-President Enrolment Services & Registrar
 Ian Burgess, Comptroller

EXECUTIVE SUMMARY

Prior to the approval of the budget for the first year of the Integrated Renewal Program (IRP) at the Board of Governors meeting on April 19, 2018, a significant amount of pre-development work was undertaken. This work was undertaken over a four-year period and was required before the IRP could move forward. The Integrated Renewal Program (IRP) is a multi-year initiative to transform UBC’s academic and administrative support processes and system environments, and provide the foundation to meet UBC’s future needs and requirements. The IRP is inclusive of Human Resources, Finance and Student core systems and businesses processes.

For consistency with comparative universities implementing a Workday solution, the “Pre-Development” costs that were incurred prior to the start of the Workday Planning Project Phase (April 2018) are discrete from the IRP initiative and were excluded from the IRP Planning Estimates. The costs incurred at \$37.6 million are considered an independent initiative to be repaid through an internal loan over a 10 year term, starting April 1st, 2018.

Funding of \$4m per annum was approved in the 2018/19 Budget from Land Proceeds to cover the cost of repaying this debt.

The milestones achieved and cost incurred by fiscal year are summarized in the following section.

BACKGROUND

FY14 – FY18: IT Transformation Pre-Development Costs & Achievements

Cost Summary

The table below summarizes the costs related to the achievements and deliverables for the IT Transformation Pre-Development phase in preparation for the Student Program (SASI), HR & Finance Program and subsequently the Integrated Renewal Program (IRP) by fiscal year.

Achievements & Deliverables	FY14/15	FY15/16	FY16/17	FY17/18	TOTAL ¹
Inventory and Data Prep		2,631,981	360,001	2,065,987	5,057,969
Requirements ²		3,602,415	723,201	1,105,969	5,431,585
Future State / Process Streamlining		457,719	656,267	2,435,946	3,549,932
Procurement		399,208	1,796,579	2,754,044	4,949,831
Initiation, Planning & Budgeting ³		2,002,877	785,657	6,713,723	9,502,257
Quality, Methods & Strategy ⁴	857,978	1,991,878	1,255,899	2,808,699	6,914,454
Stakeholder Engagement		33,765	67,181	215,416	316,362
Communications		59,760	112,831	230,126	402,717
Capital items - renovations		66,419	549,414	655,235	1,271,068
Capital items - computer equipment ⁵		-	-	142,447	142,447
TOTAL PROJECT COSTS	857,978	11,246,022	6,307,032	19,127,592	37,538,622

Note 1: The nature of the cost incurred related primarily to staffing and consulting services. These costs were allocated to the key achievements and deliverables based on percentage efforts as provided by the Program Director. Other costs that can be directly attributable to the deliverables were allocated accordingly.

Note 2: Included in these costs are external consultants of \$0.8M for the Tribal System whereby the outputs were used for future system requirements.

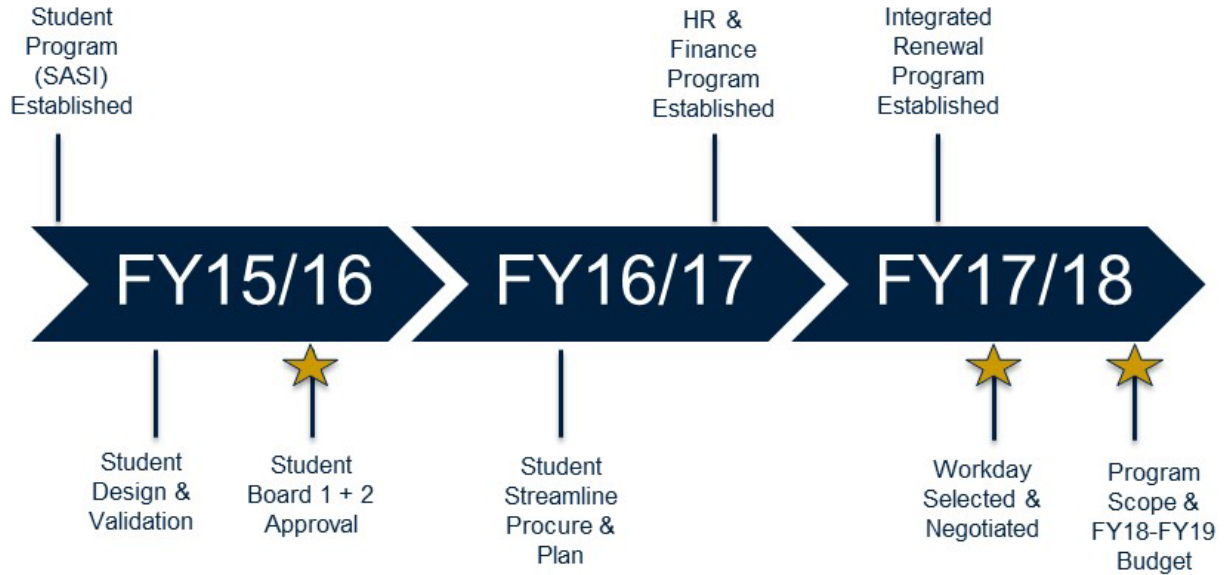
Note 3: Along with the primary planning and budgeting costs, this category also includes expenses relating to operations and subscription fees.

Note 4: Costs included in FY14/15 relate primarily to Quality & Methods development.

Note 5: Cost for computer equipment and printers for FY15/16 and FY16/17 were capitalized.

Timeline

The following timeline summarizes the establishment of the renewal programs, as well as major phases of work and key milestones.



Major Achievements and Deliverables

The major achievements and deliverables organized by work stream cover the Student Program (SASI) in FY14/15, FY15/16 and FY16/17; and a combination of the Student Program, HR & Finance Program, and the Integrated Renewal Program (IRP) in FY17/18.

Functional – Student, HR, and Finance

Functional	FY15/16	FY16/17	FY17/18
Inventory	Student – As-Is processes documented	n/a	HR & Finance – As-Is processes documented
Requirements	Student – Functional and Non-functional requirements gathered	Student – Business capabilities and business process architecture documented Student – User experience research conducted and user experience requirements/ standards developed Student – User / role application security standards defined	Student – User experience research continued for faculty service centre Student – High level business capabilities created to support benefits realization HR & Finance – Functional and Non-Functional requirements gathered Finance – Chart of Accounts data requirements gathered HR – Person and Organization data requirements gathered

Future State / Process Streamlining	Student – Academic Model Framework initiated	Student – Academic Model Framework documented Student – Process alignment and streamlining completed for 6 process areas	Student – Scorecards created showing intended usage of functional capabilities within faculties and units Student – Sample outcomes and measures identified with stakeholders for benefits realization management HR & Finance – Visioning and future state workshops planned and supported
Data Prep	n/a	Student – Data definitions and future state data model analysis supported Student – Data retention, archiving, and quality requirements documented	IRP – Enterprise data governance supported IRP – 5 data pilot projects planned and executed to establish framework, processes and estimates for data migration effort IRP – Data readiness analysis conducted for HR, Finance and Student
Procurement	n/a	Student – Procurement Collaborative Solution Process (CSP) supported by providing functional requirements and evaluation criteria	Student – 15 CSP workshops planned, conducted, and supported Student – RFP responses to functional requirements evaluated HR & Finance - Fit-gap analysis conducted on Workday
Initiation, Planning & Budgeting	Student – scope defined to include 14 process areas	Student – Legacy application decommissioning recommendations developed IRP – FY17/18 resource plan and budget supported IRP – FY17/18 program plan contributions supported	IRP – List of potential decommission-able systems consolidated IRP – FY18/19 resource plan and budget supported IRP – FY18/19 program implementation plan contributions supported

Technical – Application, Integration, Data, Reporting, Security, IT Operations

Technical	FY15/16	FY16/17	FY17/18
Inventory	<p>Student – Significant analysis initiated for technical considerations for applications, interfaces, data, security, infrastructure, and IT operations</p> <p>Student – Application and interface inventory completed</p>	<p>Student – Technical discovery and inventories further defined for application, integration, data, and reporting domains including analysis of local applications and system of record</p>	<p>IRP – Application and integration inventory database adjusted for enterprise use</p> <p>HR & Finance – Technical discovery and inventories updated</p>
Requirements	<p>Student – Non-functional requirements documented to describe usability, reliability, reportability, and performance system requirements</p>	<p>Student – Non-functional requirements refined for Procurement Collaborative Solution Process (CSP)</p>	<p>HR & Finance – Non-functional requirements gathered</p>
Future State and Strategy	<p>Student – To-be IT support organization drafted</p> <p>Student – To-be integration architecture drafted for building interfaces</p> <p>Student – To-be security conceptual model design drafted</p> <p>Student – To-be application architecture overview drafted</p>	<p>Student – Analysis of migrating to the Academic Model Framework supported</p> <p>Student – To-be reporting strategy drafted</p>	<p>IRP – Solution blueprint drafted</p> <p>IRP – To-be solution architecture summaries for application, integration, data, and reporting domains aligned to the deployment plan</p> <p>IRP – To-be reporting strategy updated including data warehouse conceptual design</p> <p>IRP – Privacy impact, security, and technical assessments completed</p> <p>IRP – Workday business intelligence and reporting tool (BIRT) assessed against advanced reports (e.g. offer letter)</p>
Data Prep	n/a	<p>Student – Enterprise data object definitions and business rules documented</p> <p>Student – University data model documented supporting integration, cleansing, and reporting</p>	<p>IRP – Enterprise data governance supported</p> <p>IRP – 5 data pilot projects planned and executed to establish framework, processes and estimates for data migration effort</p>

		<p>Student – Data retention, archiving, and quality requirements documented</p> <p>Student – Data governance tool investigation and selection supported (i.e. Collibra)</p> <p>Student – Analysis and design of EDI services / APIs completed</p>	<p>IRP – To-be data conversion strategy drafted</p> <p>IRP – Data migration strategy developed</p> <p>IRP – Data readiness analysis conducted for HR, Finance and Student</p>
Procurement	n/a	<p>Student – Procurement Collaborative Solution Process (CSP) supported by providing non-functional requirements and evaluation criteria</p>	<p>Student – CSP workshops supported</p> <p>Student – RFP responses to non-functional requirements evaluated</p> <p>HR & Finance – Fit-gap analysis conducted on Workday</p>
Initiation, Planning & Budgeting	n/a	<p>Student – Application ecosystem estimates refined</p> <p>Student – Data cleansing plan developed</p> <p>IRP – FY17/18 resource plan and budget supported</p> <p>IRP – FY17/18 program plan contributions supported</p>	<p>IRP – FY18/19 resource plan and budget supported</p> <p>IRP – FY18/19 program implementation plan contributions supported</p>

Organizational Change Management (OCM)

OCM	FY15/16	FY16/17	FY17/18
Quality, Methods & Strategy	<p>Student – Change Management approach established for leadership & stakeholder engagement, communication, change impact assessment, and knowledge management</p>	<p>Student – OCM framework and engagement models examined</p> <p>Student – Streamlined communication, engagement approach, and toolkits developed to ensure stakeholder alignment across workstreams and stakeholder groups</p> <p>Student – Change impact approach to support process streamlining defined</p>	<p>IRP – Change Impact Tracker tool standardized and past content consolidated</p> <p>IRP – OCM framework, guidelines, and strategy defined</p>

Stakeholder Engagement	<p>Student – Stakeholder matrix defined for stakeholder’s characteristics and communications needs</p> <p>Student – 45 Academic Model workshops completed on both campuses to establish framework</p> <p>Student – 108 community engagement workshops completed to gather requirements</p> <p>Student – Faculty and staff Program Committee broadened</p>	<p>Student – Stakeholder engagement log implemented</p> <p>Student – Change network broadened to support process streamlining, technical discovery, and community engagement</p> <p>Student – Change impacts gathered from process streamlining and technical discovery</p> <p>Student – Student Process Integrated Ownership Committee (SPIOC) established and supported</p>	<p>Student – Community consultation for Procurement Collaborative Solution Process planned and supported</p> <p>HR & Finance – Community consultation for fit-gap analysis planned and supported</p> <p>IRP – Two large-scale Workday demonstrations of HR, Finance, and Student planned and supported at both campuses</p> <p>Finance & HR – Community consultation for visioning, future state workshops and data initiatives planned and supported</p>
Communications	<p>Student – Established a comprehensive plan to foster a common understanding of programs goals, objectives, value creation and to engage the UBC community in requirements workshops</p>	<p>Student – Recurring communications implemented</p> <p>Student – Communication plan, key messages, and primers developed and delivered to support stakeholder engagements</p> <p>Student – Program website redesigned, updated, and launched</p>	<p>IRP – Procurement communications managed</p> <p>IRP – Communication plan, key messages, and primers developed and delivered to support stakeholder engagements</p> <p>IRP – Unified messaging developed</p> <p>IRP – Program website redesigned and prepared to launch</p>
Procurement	n/a	<p>Student – Procurement Collaborative Solution Process (CSP) supported by providing OCM requirements and evaluation criteria</p>	<p>Student – CSP presentations and workshops supported</p> <p>IRP – RFP responses to OCM requirements evaluated</p>
Initiation, Planning & Budgeting	n/a	<p>IRP – FY17/18 resource plan and budget supported</p> <p>IRP – FY17/18 program plan contributions supported</p>	<p>IRP – FY18/19 resource plan and budget supported</p> <p>IRP – FY18/19 program implementation plan contributions supported</p> <p>IRP – Secondment planning discussions supported with program workstreams and stakeholders.</p>

Program Management Office (PMO)

PMO	FY15/16	FY16/17	FY17/18
Quality, Methods & Strategy	<p>Student –Governance and Program Management methodology and discipline established</p> <p>Student –Program Team Hub site established</p> <p>Student – Initial test strategy created</p>	<p>Student –Program Management practices matured including governance, decision making, benefits realization, risk management, and tracking</p>	<p>IRP – Unified implementation methodology for UBC, Deloitte and Workday drafted</p> <p>IRP – Governance model updated for Integrated Renewal Program</p> <p>IRP – Benefits Realization Management framework defined and training and workshops developed and delivered</p> <p>IRP – Risk Management framework simplified and RAID log database updated</p> <p>IRP – Program Team Hub site for document management and collaborative workspace refreshed</p>
Procurement	<p>Student – Vendor management practices review completed to ensure maximum value creation</p> <p>Student – UBC Legal and Procurement consulted with respect to a competitive procurement process and communication of product assessment decision</p>	<p>Student – Multi-stage competitive procurement process established for the identification and selection of (1) a commercial-off-the-shelf (COTS) core software provider and (2) a Systems integrator</p> <p>Student – RFQ and RFP requirements and evaluation criteria/ scoring consolidated and coordinated</p> <p>Student –Collaborative Solution Process (CSP) developed to ensure objectives and timeframes are achieved while managing risk, opportunity and the integrity of the procurement process</p>	<p>Student – 15 CSP workshops conducted with broad stakeholder engagement</p> <p>Student – RFP responses to requirements evaluated</p> <p>IRP – Workday product selected</p> <p>IRP – Contract successfully negotiated with Workday</p> <p>IRP – Master agreements in place for Workday product and services</p>

<p>Initiation, Planning & Budgeting</p>	<p>Student –Deployment strategy defined based on academic cycle and related criteria</p> <p>Student –Mobilization phase deliverables-based plan created</p> <p>Student – High level effort and cost estimates planned</p> <p>Student – Board 1 and 2 approval obtained</p>	<p>Student –Business case updated</p> <p>Student – Initial Benefits Value Map created</p> <p>IRP – FY17/18 resource plan and budget created</p> <p>IRP – FY17/18 master project plan developed</p>	<p>HR & Finance – Business case created</p> <p>IRP – Vision, objectives and benefits updated</p> <p>IRP – Sample outcomes and measures identified with stakeholders for benefits realization management</p> <p>IRP – Deployment plan developed</p> <p>IRP – Program scope options evaluated, including required point solutions</p> <p>IRP – FY18/19 resource plan and budget created</p> <p>IRP – Facility workspace options investigated and planned</p> <p>IRP – FY18/19 master project implementation plan developed</p>
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INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

- Learning
 Research
 Innovation
 Engagement (Internal / External)
 International
- or Operational