

<b>SUBJECT</b>	<b>INTEGRATED RENEWAL AND APPLICATION ECOSYSTEM PROGRAMS (IRP &amp; AEP)</b>
<b>MEETING DATE</b>	<b>FEBRUARY 6, 2020</b>

Forwarded on the Recommendation of the President

**APPROVED FOR  
SUBMISSION**



Santa J. Ono, President and Vice-Chancellor

<b>DECISION REQUESTED</b>	<p><b>IT IS HEREBY REQUESTED that the Finance Committee recommend to the Board of Governors approval of:</b></p> <ul style="list-style-type: none"> <li><i>i. the recommendation to revise the Release 1 implementation date for the Integrated Renewal Program and the Application Ecosystem Program from April 2020 to November 2020; and,</i></li> <li><i>ii. new funding of \$23 million for a revised combined total budget of \$362 million (including 15% contingency).</i></li> </ul>
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<b>Report Date</b>	January 14, 2020
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**Presented By** Peter Smailes, Vice-President Finance & Operations  
 Andrew Szeri, Provost & Vice-President Academic, UBC Vancouver  
 Marcia Buchholz, Interim Vice-President Human Resources  
 Deborah Buszard, Deputy Vice-Chancellor & Principal, UBC Okanagan  
 Ananya Mukherjee Reed, Provost and Vice-President Academic, UBC Okanagan  
 Jennifer Burns, Chief Information Officer & Associate Vice-President Information Technology  
 Kate Ross, Associate Vice-President, Enrolment Services & Registrar  
 Trish Pekeles, Executive Director, Financial Operations  
 Alex Bayne, Managing Director, Strategic Workplace Initiatives, Learning & Engagement, HR  
 Chris Mercer, Program Director, Integrated Renewal Program  
 John Thomson, Program Director, Application Ecosystem Program

<p><i>If this item was previously presented to the Board, please provide a brief description of any major changes since that time.</i></p>	<p>In November 2019, the Integrated Renewal Program (IRP) requested that the UBC Board of Governors:</p> <ol style="list-style-type: none"> <li>1. approve a funding release of \$34.3 million, including contingency, to enable the continuing implementation of Workday HR, Finance (\$30.8M) and Student (\$3.5M) for the period January 2020 through March 2020 as the Workday Student agreements are finalized; and,</li> <li>2. endorse the recommendation from the IRP Leadership Teams and the IT Advisory Council that the April 1, 2020 implementation date be deferred, with a new date to be determined at the conclusion of a re-planning process and presented to the February 2019 Board meeting for approval.</li> </ol>
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**EXECUTIVE SUMMARY**

The purpose of this briefing note is to provide the rationale for a new recommended Release 1 Go-live date for the Integrated Renewal Program (IRP) & the Application Ecosystem Program (AEP) that best balances implementation success, benefits, cost and risk. The recommended new Go-live date is November 2020 and represents a 7-month deferral from the original April 2020 implementation date with estimated incremental costs of approximately \$58 million for both the IRP and AEP programs. This briefing note discusses:

- the lessons learned to date relating to root causes of why a deferral became necessary;
- the guiding principles used to evaluate implementation date re-planning;
- alternative re-planning dates considered, their relative benefits and risks, and which are viable alternatives;
- the recommended Release 1 implementation date and rationale, as well as resulting program budget increase request; and
- other considerations including go-forward communication and OCM considerations for the new date.

The UBC Board of Governors is requested to approve the recommendation for a November 2020 implementation date and consequent increased budget request of approximately \$23 million.

**Appendices**

1. Appendix A - Integrated Renewal Program Scope
2. Appendix B - Integrated Renewal Program Risks

**STRATEGIC CORE AREAS SUPPORTED**

- ✓ People and Places      ✓ Research Excellence      ✓ Transformative Learning      ✓ Local / Global Engagement

**DESCRIPTION & RATIONALE**      *Why is the deferral of Release 1 necessary?*

This briefing note provides an update on the Integrated Renewal Program (IRP) and the Application Ecosystem Program (AEP) and the activities that have led to a recommended deferral for Release 1 (Workday Human Capital Management (HCM), Payroll and Finance as well as the integrations and necessary retrofits within the Application Ecosystem) and the re-planning process to produce a proposed implementation date. The recommendation to defer the implementation of Release 1 from April 2020 was the result of the first Readiness Assessment in which representatives from the two programs reviewed approximately 500 data points and determined that the original implementation date was no longer feasible. The recommendation was endorsed by the IT Advisory Council (ITAC) in November and finalized at the Board of Governors meeting in December 2019. Representatives of the two programs have been engaged in a re-planning process to review Lessons Learned and develop a new recommended implementation date for Release 1.

A communication was developed and distributed on December 10<sup>th</sup> via the UBC Today bulletin indicating that a deferral was necessary due to the following contributing factors:

- The complexity in undertaking a project of this scale
- The need to thoroughly test and deliver a high-quality solution that fulfills UBC’s complex technical and functional requirements
- The need to appropriately ‘retrofit’ existing UBC applications with Workday as part of Application Ecosystem Project

***What are the root causes for the delay and how do we prevent this in the future?*****Lessons Learned**

A Lessons Learned activity was conducted jointly across the two programs and included UBC employees as well as consulting resources. A review of the responses revealed several common themes across multiple workstreams. Although they varied slightly, they can be summarized as follows:

- Resource constraints and capacity
- Communications clarity and priorities
- Lack of understanding of cross-program dependencies and commitments
- Adherence to the recommended methodology and approach

A deeper dive into these areas further revealed:

- The programs were attempting to FastTrack or ‘crash’ the schedule in order to meet the April 2020 implementation date. This resulted in the overburdening of project staff often with multiple number one priorities. This was further complicated by a lack of ‘big picture’ knowledge between IRP and AEP team members. All team members were working diligently to meet their own deadlines and priorities. This often led to frustration and conflict between representatives of the two programs.
- The programs were being creative in providing solutions to meet the schedule but not adhering to the prescribed methodology. This is a common approach when attempting to deal with schedule pressure but often results in a reduction in quality. Although the programs have developed robust tools to track the status of unit and end-to-end test scenarios and progress, an exception was made for the HCM team for unit testing. The team utilized spreadsheets to track their progress instead of the JAMA and JIRA tools and status dashboards developed by the Project Management Office (PMO). The dashboards provide an objective, data-based status on the progress of testing. The results led to subjective reporting on the status of configuration and testing. This delayed the discovery of a significant backlog of activity within the HCM workstream until September 2019. Once discovered, the backlog was prioritized but this resulted in a delay of end-to-end testing for HCM. Additionally, many of the retrofits from the Application Ecosystem Program were scheduled to be completed after the formal Testing Phase or would require temporary workarounds in order to meet the April 2020 implementation date.
- The Workday tenant build process (combines the latest configuration and conversion in a new system environment) is still not perfected. The Workday methodology contains multiple phases, each ended with a new tenant build. Each subsequent build provides a more complete tenant and culminates with the final Gold build which becomes the UBC production environment. The process has yet to go as planned. The process is complicated and involves coordination with remote resources. We have conducted one Lessons Learned activity prior to the most recent build and have determined that the problems center around a lack of communication when issues arise with conversion files and the decision made which impact the build.

We have planned another review and recommend that an additional build should be accounted for in the revised plan to allow the teams to refine the procedure and improve quality.

Schedule pressure has existed with the programs since their inception. This was recorded in the risk logs and has been highlighted within the status updates. The programs attempted to mitigate this schedule pressure by deploying multiple tactics such as adding additional resources, adjusting the duration of certain tasks and extending dates for deliverables. This was highlighted during the readiness assessment and the teams believed that any further attempts at mitigation could jeopardize the quality of the implementation.

**Working Together, Differently**

Status reporting is completed within each program via individual workstreams. The report highlights how each workstream is performing and includes details on Complete and Upcoming activity as well as any Constraints which may be impacting delivery.

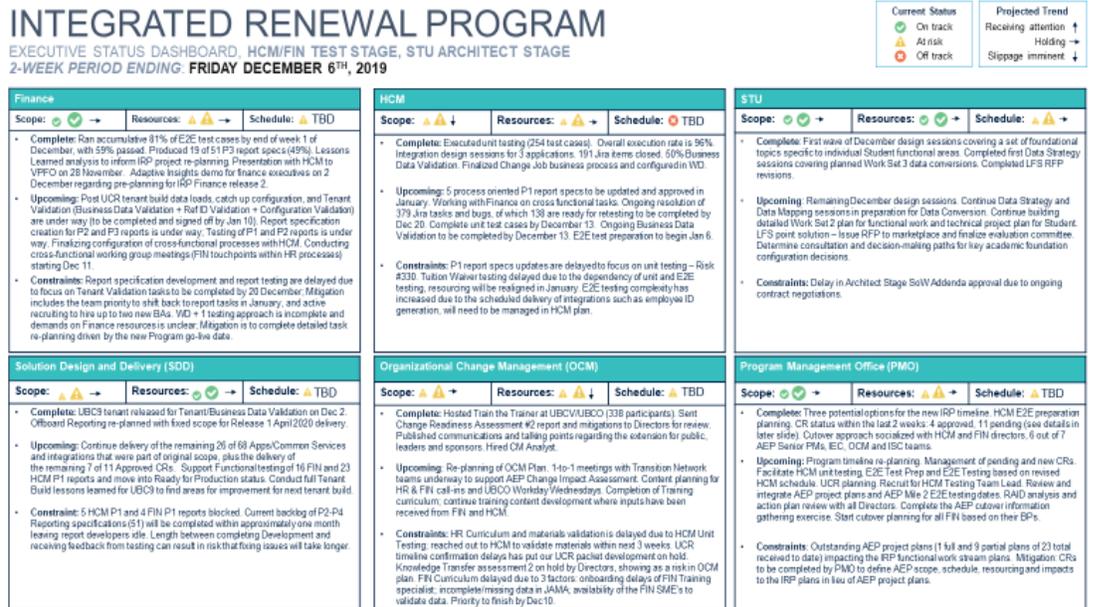


Figure 1 – Current IRP Status Report Dashboard

Status reports are currently produced every two weeks for each program (the IRP and the AEP). These reports often include comments on activity or constraints between the programs. There is a potential for risks or issues to go unresolved for up to two weeks until they are brought out via the respective status reports. This has created some contention between the programs in the past as many of the risks or issues could have been mitigated or resolved quickly by bringing the respective resources together to focus on solution delivery.

We recommend moving to a combined status report that focuses on the Human Resource (including Payroll), Financial and Student solutions we are collectively responsible for delivering. The status dashboard would contain three boxes (HCM, Finance and Student) which outline the activities and constraints impacting the delivery of that solution. These would include Configuration, Conversion, Integrations, Reports, Retrofits, Change Management and any other supporting activity necessary to deliver the solution.

This approach will require us to change our meetings (cadence and content) but has the advantage of bringing all the components together in one meeting to provide a concise status for each of the solutions as well as the ability to address any constraints. Currently, you need to attend approximately 10 meetings (approximately 20 hours) to derive the status of a functional workstream.

We anticipate this change in status reporting to better serve the UBC community. The current report requires detailed knowledge of the structural hierarchy of each of the programs and governance. Changing to a solution approach provides the information as the community visualizes the change and keeps the language focused on business terms rather than the program terminology.

***What are the guiding principles for re-planning?***

The re-planning process included a review of the lessons learned and the development of guiding principles for the programs to consider when analyzing alternative implementation dates. These guiding principles are:

- No increased scope (functional or technical)
- Same deployment approach (e.g. no splitting out of HR vs. Finance into separate releases)
- Plans will include appropriate contingency
- We will only re-plan once
- No significant over-allocation of resources and assumption of appropriate time off over the 2019 December holidays
- Go-live timing should consider the University operating schedule
- Will be an integrated approach and plan (IRP, AEP, Integration Enablement Centre (IEC), and the Integrated Service Centre (ISC))

***What alternatives were considered and what are their relative benefits/risks?***

**Re-planning**

The re-planning process began with a working session and included representatives from both the IRP and AEP programs. The session was facilitated and provided a view of each workstream's critical path. A critical path is defined as the "sequence of non-overlapping, necessary activities that represents the longest path through a project, which determines the shortest possible project duration." It plays an important role in project scheduling and must be constantly monitored to ensure that the project progresses as per the schedule. Each workstream critical path was then aligned to produce one critical path across all workstreams. Several alternatives were considered and included:

- July 2020
- August 2020
- September 2020

- October 2020
- November 2020
- December 2020
- January 2021

July was removed as an alternative as it required us to shorten End-to-end testing and could not accommodate another tenant build. September and October were removed as alternatives as this is the busiest time in the academic calendar and could potentially risk University operations. January was removed as an alternative as it would require training and cutover during the holidays. The team then evaluated the three remaining alternatives; August 2020, November 2020, and December 2020. A list of Benefits and Risks were developed for each and are included in the tables below.

**Benefits**

**Table 1**

August 2020	November 2020	December 2020
<ul style="list-style-type: none"> <li>• Least expensive of options</li> <li>• *Supports a full End-to-end test cycle for HCM</li> <li>• Summer is quiet and would be less disruptive to community</li> <li>• Fewer competing priorities or processes</li> <li>• *Allows additional time for change readiness</li> <li>• *No workaround required for the Planon (EMMS) implementation</li> <li>• Allows for less risk/challenge around student project support needs</li> </ul>	<ul style="list-style-type: none"> <li>• *From previous alternative</li> <li>• Less expensive than December alternative</li> <li>• +Provide more time for ISC ramp up</li> <li>• +Adequate time to build training materials</li> <li>• Arguably the 'best' time in the academic year</li> <li>• Four payrolls run prior to calendar year end</li> <li>• +Faculty Increase would <u>not</u> be required as a P1 report (high complexity build)</li> <li>• +Supports another tenant build to improve efficiency</li> <li>• +Can tackle backlog of sustainment tickets over the holidays (as needed)</li> </ul>	<ul style="list-style-type: none"> <li>• *+From previous alternative</li> <li>• More explicit contingency</li> <li>• Ahead of holiday break</li> <li>• Quieter go-live/more of a 'soft launch' opportunity</li> <li>• Training would occur in October and November (easier to get trainers)</li> </ul>

**Risks**

**Table 2**

August 2020	November 2020	December 2020
<ul style="list-style-type: none"> <li>• Number of faculty/staff taking vacation may require additional training efforts</li> <li>• Must complete End-to-end test preparation by January 3<sup>rd</sup></li> <li>• End-to-end testing for HCM must start January 6<sup>th</sup></li> <li>• Payroll Parallel tenant build must occur prior to the completion of End-to-end testing</li> <li>• Provides no contingency</li> </ul>	<ul style="list-style-type: none"> <li>• *More expensive than August alternative</li> <li>• Implicit, not explicit, contingency (e.g. would need to look at specific blocks of work where time could be saved)</li> <li>• User training would need to occur during September and October (higher risk at UBCO)</li> <li>• *Retention of contractors and employees</li> <li>• *Greater risk/challenge around student project support needs</li> </ul>	<ul style="list-style-type: none"> <li>• *From previous alternative</li> <li>• Support needs through December could be high, impacting holiday plans</li> <li>• First run (or close to first) payroll will be at calendar year-end</li> <li>• Retraining likely required in January</li> <li>• Amplified scrutiny on payroll given the time of year</li> <li>• Program team fatigue (e.g. illness increases) due to time of year</li> <li>• Start of exams</li> <li>• US-based resources working through Thanksgiving</li> </ul>

Project plans containing the critical path activities for each workstream across the two programs were developed and reviewed in the comparison of these three alternatives. The critical path for August was then reviewed by the programs.



Figure 2 – August 2020 Critical Path

It was determined that for August 2020:

- HCM Testing Preparation (HCM E2E) is 15 days and over the December 2019 holidays
- End-to-end Testing (E2E Testing) is 12 weeks and needs to begin in early January
- The Payroll Parallel\User Confirmation Review Build (PP\UCR Build) is 6 weeks and must begin prior to the completion of E2E testing
- PP\UCR Business Data Validation (PP\UCR top box) and Configuration Cleanup (PP\UCR bottom Box) are 3 weeks each
- There are 3 Payroll Parallel test cycles (4 weeks (Payroll), 3 weeks (Payroll), 2 weeks (Payr)) with 1 week between
- Gold Build is 6 weeks

August was rejected as an alternative as it did not leverage our lessons learned and was not aligned with our guiding principles. HCM Test Preparation would have to occur over the December holiday period where University is typically off. HCM E2E Testing would need to begin in early January with little time for preparation due to the December holidays. The Payroll/Parallel build would need to begin prior to the completion of E2E testing which is not consistent with the Workday methodology and adds additional risk of configuration changes being required after the build is completed.

The critical path for November was then reviewed by the programs.

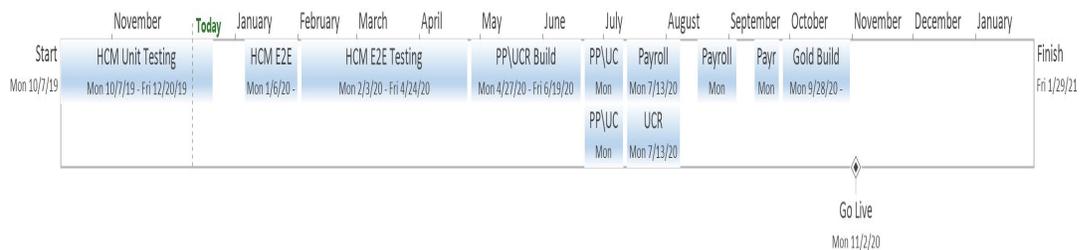


Figure 3 – November 2020 Critical Path

It was determined that for November 2020:

- HCM Testing Preparation (HCM E2E) is 20 days and begins after the December 2019 holidays
- End-to-end Testing (HCM E2E Testing) is 12 weeks and begins in February
- The Payroll Parallel\User Confirmation Review Build (PP\UCR Build) is 8 weeks and begins at the completion of E2E testing
- PP\UCR Business Data Validation (PP\UCR top box) and Configuration Cleanup (PP\UCR bottom Box) are 3 weeks each
- There are 3 Payroll Parallel test cycles (4 weeks (Payroll), 3 weeks (Payroll), 2 weeks (Payr)) with 1 week between
- Gold Build is 5 weeks after optimizing build

November leverages our lessons learned as well as aligns with our guiding principles. The critical path for December was then reviewed by the programs:

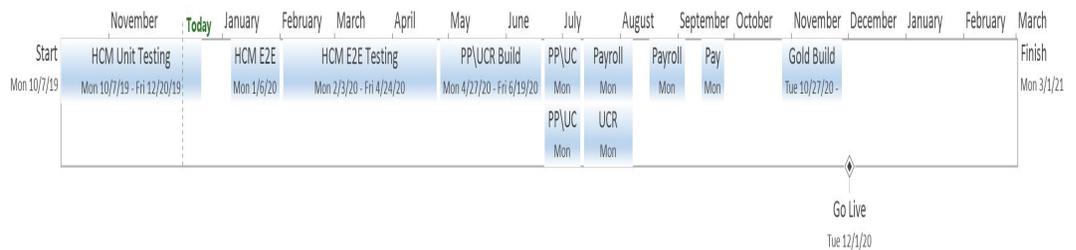


Figure 4 – December 2020 Critical Path

It was determined that December was similar to November’s critical path schedule. December leverages our lessons learned as well as aligns with our guiding principles. The teams then compared November to the December alternative as both were seen as viable options with the main difference that December 2020 does provide 4 additional weeks of explicit contingency. November provides implicit contingency in the schedule. The plan accommodates best practice estimates and has been developed with the knowledge of the size and complexity of UBC. The estimates assume in many cases the maximum duration required to complete the tasks. If the actual completion of those tasks requires less time, those periods may become explicit contingency. The benefits and risks were evaluated, and the programs arrived at a **unanimous** decision to recommend November 2, 2020 as the new implementation date for Release 1. The teams agreed that the risks associated with the December date make November the best alternative for the UBC community.

No program can provide a guarantee on a specific delivery date or budget. The best they can do is provide a level of confidence based on what is known at that point in time and to include the necessary framework to manage and mitigate risks and issues as they arise. With this in mind, the November 2020 date is recommended with a 90% confidence level (using the PERT Critical Path Method) and the corresponding funding request reflects a 15% contingency to deal with potential risks and issues, should they occur. The funding request is detailed in section 6 of this briefing note.

**Have we considered the perspectives of the major stakeholders?**

The program teams have worked within the existing governance model for the IRP and the AEP programs and have sought feedback from all levels on the alternative implementation dates for Release 1. This included representation from each program workstream, the Integrated Process & Outcomes Committee (IPOC), as well as Sponsors and Executive Sponsors. IPOC’s membership includes representation from several Faculties and the units supporting Human Resource, Payroll and Financial operations across UBC. Everyone expressed disappointment with not being able to meet the existing April 2020 schedule, but given the risks and benefits of the November and December 2020 alternatives, agreed that November was the best option.

IRP and AEP programs will now seek advice and support of the UBC Board of Governors.

**What is the recommended alternative and the estimated budget impact?**

The costs for each alternative are included in the tables below. Table 3 includes the costs for IRP and Table 4 for AEP. Table 5 includes the combined costs. Table 6 represents the new revised budget estimate for both programs should the funding request be approved.

IRP Financials	Annual FY18/19			Annual FY19/20			LTD	Overall Program					
	Actuals	Budget	Variance	Forecast	Budget	Variance		Life to Date	Overall Program				
									as at	Apr 1/2020 Go	Aug 1/2020	Nov 1/2020	Dec 1/2020
(in thousands)							Nov/19	Live	Go Live	Go Live	Go Live		
UBC Resource Costs	13,531	14,836	1,305	19,863	19,817	(46)	27,636	63,346	63,161			79,666	
Business Advisory Costs	35	2,231	2,196	2,145	2,145	-	70	2,181	2,181			2,180	
External Prime Consultants	18,014	25,570	7,556	33,888	33,042	(846)	37,751	92,036	91,190			111,589	
Other Costs*	10,476	12,470	1,994	18,378	20,065	1,687	17,502	55,735	55,003			56,601	
<b>Total expenses before contingency</b>	<b>42,056</b>	<b>55,107</b>	<b>13,051</b>	<b>74,274</b>	<b>75,069</b>	<b>795</b>	<b>82,959</b>	<b>213,297</b>	<b>211,535</b>			<b>250,037</b>	
Contingency Balance as of Nov/19												49,080	
Contingency Drawdown (HR/FIN)												(22,000)	
<b>Contingency Remaining (HR/FIN)**</b>								<b>26,093</b>	<b>28,348</b>			<b>4,093</b>	
Contingency Remaining (STU)								<b>22,987</b>	<b>22,495</b>			<b>22,987</b>	
<b>Total after Contingency</b>	<b>42,056</b>	<b>55,107</b>	<b>13,051</b>	<b>74,274</b>	<b>75,069</b>	<b>795</b>	<b>82,959</b>	<b>262,377</b>	<b>262,377</b>			<b>277,117</b>	
Variance to V0												+7 months (38,502)	
Requested Contingency Drawdown												22,000	
<b>Requested Additional Funding Amount (Rounded)</b>												<b>17,000</b>	

\*Other costs include Point Solutions, Premise Leases & Furnishings, OCM Community Communications & Readiness, Subscription Fees, Software Tools, Travel, Legal, Training  
 \*\*ITAC requested to maintain 15% of the remaining contingency balance for HR/FIN Release 1

**Table 3 - IRP Cost Analysis**

**UPDATE FOR THE INTEGRATED RENEWAL & APPLICATION ECOSYSTEM PROGRAMS (IRP & AEP)**

AEP Financials (Phase 1 Only)	Annual FY18/19**			Annual FY19/20			LTD	Overall Program				
								V0	V1	V2^	V3	
								Approved	Proposed	Proposed	Proposed	
							Life to Date	Forecast	Budget	Budget	Budget	
(in thousands)	Actuals	Budget	Variance	Forecast	Budget	Variance	Actuals	as at Nov/19	Apr 1/2020 Go Live	Aug 1/2020 Go Live	Nov 1/2020 Go Live	Dec 1/2020 Go Live
UBC Resource Costs				11,145	11,145	-	4,765	21,023	21,023			29,500
Business Advisory Costs				485	485	-	362	764	764			1,000
External Prime Consultants				7,170	7,170	-	2,655	12,996	12,996			16,500
Other Costs*				2,428	2,428	-	1,282	3,440	3,440			9,000
<b>Total expenses before contingency</b>				<b>21,228</b>	<b>21,228</b>	<b>-</b>	<b>9,064</b>	<b>38,223</b>	<b>38,223</b>			<b>56,000</b>
Contingency Balance as of Nov/19												15,867
Contingency Drawdown												(13,000)
<b>Contingency Remaining***</b>								<b>15,867</b>	<b>15,867</b>			<b>2,867</b>
<b>Total after Contingency</b>				<b>21,228</b>	<b>21,228</b>	<b>-</b>	<b>9,064</b>	<b>54,090</b>	<b>54,090</b>			<b>58,867</b>
<b>Variance to V0</b>											+7 months	<b>(17,777)</b>
<b>Requested Contingency Drawdown</b>												<b>13,000</b>
<b>Requested Additional Funding Amount (Rounded)</b>												<b>5,000</b>

\*Other costs include governance cost, communications, travel, training, software license and tools, recruiting cost, legal, computer equipment, furniture and other supplies  
 \*\* AEP project started in April 2019. No costs for FY18/19  
 \*\*\*ITAC requested to maintain 15% of the remaining contingency balance for Release 1  
 ^Figures are a preliminary projection and are to be refined.

**Table 4 - AEP Cost Analysis**

Summary	Annual FY18/19			Annual FY19/20			LTD	Overall Program				
								V0	V1	V2^	V3	
								Approved	Proposed	Proposed	Proposed	
							Life to Date	Forecast	Budget	Budget	Budget	
	Actuals	Budget	Variance	Forecast	Budget	Variance	Actuals	as at Nov/19	Apr 1/2020 Go Live	Aug 1/2020 Go Live	Nov 1/2020 Go Live	Dec 1/2020 Go Live
Total expenses before contingency - IRP										211,535		250,037
Total expenses before contingency - AEP Phase 1										38,223		56,000
<b>Total expenses before contingency</b>										<b>249,758</b>		<b>306,037</b>
<b>Variance to V0 (Rounded)</b>												<b>(58,000)</b>
Total contingency remaining - IRP*												27,080
Total contingency remaining - AEP Phase 1*												2,867
<b>Total contingency remaining</b>												<b>29,947</b>
Total including contingency - IRP										262,377		277,117
Total including contingency - AEP Phase 1										54,090		58,867
Total including contingency - AEP Phase 2										26,300		26,300
<b>Total expenses including contingency</b>										<b>342,767</b>		<b>362,284</b>
<b>Revised Total Cost</b>												<b>362,284</b>
<b>Requested Contingency Drawdown</b>												<b>35,000</b>
<b>Requested Additional Funding Amount (Rounded)</b>												<b>23,000</b>
<b>Total Additional Cost due to Extension</b>												<b>58,000</b>

\*ITAC requested to maintain 15% of the remaining contingency balance for Release 1  
 ^AEP Figures are a preliminary projection and are to be refined.

**Table 5 - Combined Cost Analysis**

**UPDATE FOR THE INTEGRATED RENEWAL & APPLICATION ECOSYSTEM PROGRAMS (IRP & AEP)**

<b>Revised Budget</b>							
<i>*Full Program</i>							
(in millions)	FY19	FY20 <sup>^</sup>	FY21	FY22	FY23	FY24	TOTAL
<b>HR/Finance</b>							
UBC Resources	9.7	18.4	21.3	2.2	-	-	51.5
Business Advisory	0.0	2.1	-	-	-	-	2.2
Prime Consultants	16.8	28.8	24.4	1.8	-	-	71.8
Other*	6.8	17.0	10.3	2.0	-	-	36.1
Sustainment (HR/FIN only)	-	-	2.1	2.9	-	-	5.0
<b>Total HR/Finance</b>	<b>33.3</b>	<b>66.2</b>	<b>58.1</b>	<b>9.0</b>	<b>-</b>	<b>-</b>	<b>166.6</b>
Contingency balance as of Nov 2019		20.0	5.1	0.9			26.0
Contingency Carry Forward (FY20 to FY21)		(20.0)	20.0	-			(0.0)
Add: New Funding		-	18.0	-			18.0
Less: Drawdown (contingency & new funds)		-	(40.0)	-			(40.0)
<b>Revised Contingency Balance Remaining***</b>	<b>-</b>	<b>-</b>	<b>3.1</b>	<b>0.9</b>	<b>-</b>	<b>-</b>	<b>4.0</b>
<b>Total HR/Finance Including Contingency</b>	<b>33.3</b>	<b>66.2</b>	<b>61.2</b>	<b>9.8</b>	<b>-</b>	<b>-</b>	<b>192.6</b>
<b>Student</b>							
UBC Resources	3.9	1.5	1.1	9.4	9.4	3.1	28.4
Business Advisory	0.0	-	-	-	-	-	0.0
Prime Consultants	1.2	5.3	6.9	10.8	9.4	6.1	39.8
Other*	3.7	1.4	2.5	3.1	2.4	2.3	15.5
Sustainment	-	-	-	-	-	-	-
<b>Total Student</b>	<b>8.8</b>	<b>8.3</b>	<b>10.5</b>	<b>23.4</b>	<b>21.3</b>	<b>11.4</b>	<b>83.7</b>
Contingency		3.2	2.9	7.1	6.3	3.4	22.9
<b>Total Student Including Contingency</b>	<b>8.8</b>	<b>11.5</b>	<b>13.4</b>	<b>30.5</b>	<b>27.6</b>	<b>14.8</b>	<b>106.6</b>
<b>Total Revised Estimate</b>							
	<b>42.1</b>	<b>74.5</b>	<b>68.6</b>	<b>32.4</b>	<b>21.3</b>	<b>11.4</b>	<b>250.3</b>
Contingency		3.2	6.0	7.9	6.3	3.4	27.0
<b>Total Revised Estimate Including Contingency</b>	<b>42.1</b>	<b>77.7</b>	<b>74.6</b>	<b>40.3</b>	<b>27.6</b>	<b>14.8</b>	<b>277.2</b>
<b>Application Ecosystem (Phase 1 only)</b>							
UBC Resources		11.1	18.4	-	-	-	29.5
Business Advisory		0.5	0.5	-	-	-	1.0
Prime Consultants		7.2	9.3	-	-	-	16.5
Other		2.4	6.6	-	-	-	9.0
<b>Total Application Ecosystem</b>		<b>21.2</b>	<b>34.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.0</b>
Contingency balance as of Nov 2019		9.1	6.8				15.9
Contingency Carry Forward (FY20 to FY21)		(9.1)	9.1				-
Add: New Funding			5.0				5.0
Less: Drawdown (contingency & new funds)			(18.0)				(18.0)
<b>Revised Contingency Balance Remaining***</b>	<b>-</b>	<b>-</b>	<b>2.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.9</b>
<b>Total Application Ecosystem including contingency</b>		<b>21.2</b>	<b>37.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58.9</b>
<b>Application Ecosystem (Phase 2 high level estimate with contingency)</b>							<b>26.3</b>
<b>Summary</b>							
(in millions)	FY19	FY20 <sup>^</sup>	FY21	FY22	FY23	FY24	TOTAL
Total HR/Finance Including Contingency	33.3	66.2	61.2	9.8	-	-	170.6
Total Student Including Contingency	8.8	11.5	13.4	30.5	27.6	14.8	106.6
<b>Total IRP Including Contingency</b>	<b>42.1</b>	<b>77.7</b>	<b>74.6</b>	<b>40.3</b>	<b>27.6</b>	<b>14.8</b>	<b>277.2</b>
Total AEP Phase 1 Including Contingency		21.2	37.6	-	-	-	58.9
Total AEP Phase 2 Including Contingency							26.3
<b>Total AEP</b>		<b>21.2</b>	<b>37.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85.2</b>
<b>Total IRP &amp; AEP</b>	<b>42.1</b>	<b>98.9</b>	<b>112.3</b>	<b>40.3</b>	<b>27.6</b>	<b>14.8</b>	<b>362.4</b>

**Table 6 - Combined Budget Estimate**

The recommended November 2020 implementation date for Release 1 is projected to cost approximately \$58 million more for both programs (\$35 million from contingency and \$23 million in new funding) and require both programs to draw on their respective contingencies (IRP \$22 million and AEP \$13 million). The approach we are planning to take is to spend only the Finance/HR and AEP contingency so the 30% contingency for student remains intact. Following this approach, the IRP and the AEP would require an additional authorization of funds above their contingency. We are recommending that we add funds to retain a 15% contingency (IRP approximately \$4 million and AEP approximately \$3 million) for both programs for Release 1.

***What happens next to approve, implement and communicate the recommended decision?***

We have communicated the recommended date internally to the IRP and AEP programs as a planning assumption and have begun revising our plans accordingly as to make the recommended date, the programs need to begin work immediately in January. The UBC community has been informed that the new date will be announced immediately after the February 2020 Board of Governors meeting. ***IT IS HEREBY REQUESTED that UBC Board of Governors approve the recommendation to revise the Integrated Renewal Program and Application Ecosystem Program implementation date for Release 1 from April 2020 to November 2020 and to authorize new funding of \$23 million for a revised combined total of \$362 million (including a 15% contingency).***

**BENEFITS**

Learning, Research,  
Financial,  
Sustainability &  
Reputational

The IRP looks to transform the way we support learning and research, and how we work at UBC, creating a cohesive, integrated, and enriched experience for students, staff, and faculty. The IRP is expected to deliver:

- **A reduced administrative transactional burden for faculty, staff, and students.** Many of UBC’s administrative processes are manual, time-consuming and overly complex. We can simplify, and free up time and therefore budget to focus on other work and priorities.
- **A more integrated way of working and interacting.** HR, Finance and Student administration and data are often interdependent, but are currently supported by different systems and data models. Workday will provide an integrated environment for the consistent information and processes we need to do our work.
- **Replacement of aging systems that are no longer able to meet UBC’s needs.** UBC’s core systems are based on 25+ year old technologies that are increasingly outdated and difficult to maintain. Workday is a modern, mobile, cloud-based solution, with low technical maintenance overhead.
- **Readiness for the future.** New ways of working, teaching, learning and interacting are constantly evolving as are the tools we all use to do our work. Workday delivers a flexible, continually improving solutions that can change along with UBC as we move into the future.

**RISKS**

Financial,  
Operational &  
Reputational

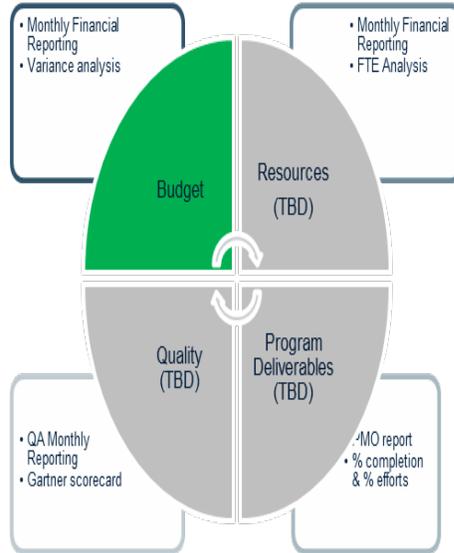
Program risks are future uncertain events that, if they occur, would have a negative effect on achievement of one or more program objectives. The IRP has a robust Risk and Issues Management Framework in place. External Quality Assurance (EQA) for IRP is provided by Gartner and complements that framework. As of October 2019, the program is tracking 68 active risks (down from 193 originally) and 7 issues. IRP is referenced in UBC’s Major Risk Register (GLB081 UBC Integrated Renewal Program). The table below captures the top IRP risks (very high probability and very high impact) and an abbreviated list of mitigation activities being addressed within the Integrated Renewal Program. The AEP program has no very high probability and very high impact risks or issues.

**COSTS**  
Capital & Lifecycle  
Operating

The current financials reflect the status of the programs with the April 2020 implementation date. They have not been adjusted until the recommendation is approved.

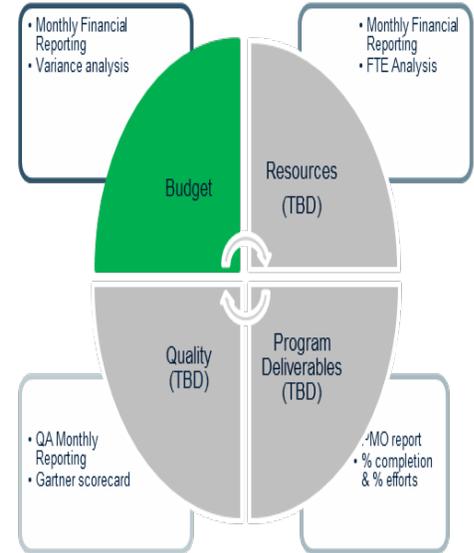
Table 7 - IRP and AEP Financial Dashboards

### Integrated Renewal Program FY19/20 Forecast



Forecast	FY19/20 Budget	Variance
\$74.3m	\$75.1m	\$0.8

### Application Ecosystem Project FY19/20 Forecast



Forecast	FY19/20 Budget	Variance
\$54.1m	\$54.1m	0

Based on information available at Dec 12th,

Table 8 - IRP Executive Summary

FINANCIAL REPORT FY19/20 – EXECUTIVE SUMMARY

(in thousands)	For the Month of Nov-19			Year to date, Nov-19			Annual FY19/20*			Overall Program*		
	Actuals	Budget	Variance	Actuals	Budget	Variance	Forecast	Budget	Variance	Forecast	Budget	Variance
UBC Resource Costs	1,986	1,732	(254)	14,105	14,398	293	19,863	19,817	(46)	63,346	63,161	(185)
Business Advisory Costs	-	26	26	35	2,041	2,006	2,145	2,145	-	2,181	2,181	-
External Prime Consultants	2,774	2,744	(29)	19,737	23,761	4,024	33,888	33,042	(846)	92,036	91,190	(846)
Other Costs	1,701	1,773	72	7,026	13,136	6,110	18,378	20,065	1,687	55,735	55,003	(731)
<b>Total expenses before contingency</b>	<b>6,461</b>	<b>6,275</b>	<b>(186)</b>	<b>40,903</b>	<b>53,336</b>	<b>12,433</b>	<b>74,274</b>	<b>75,069</b>	<b>795</b>	<b>213,297</b>	<b>211,535</b>	<b>(1,761)</b>
Contingency - approved allocation	-	-	-	-	-	-	-	(795)	(795)	-	1,761	1,761
Contingency Remaining	-	-	-	-	-	-	-	23,316	23,316	-	49,081	49,081
<b>Total after Contingency</b>	<b>6,461</b>	<b>6,275</b>	<b>(186)</b>	<b>40,903</b>	<b>53,336</b>	<b>12,433</b>	<b>74,274</b>	<b>97,590</b>	<b>23,316</b>	<b>213,297</b>	<b>262,377</b>	<b>49,081</b>

<b>Variance analysis:</b>	<p><b>For the Month of November 2019:</b>                  Variance for November 2019 is <b>(\$186k)</b> due to:                  a. <b>(\$254k)</b> - UBC resources timing differences                  b. <b>\$26k</b> - Business Advisory reallocations to Resources and Consultant                  c. <b>(\$29k)</b> - Prime Consultants - timing differences coupled with additional approved CR work                  d. <b>\$72k</b> - primarily timing of Learner Financial Support and HR Gaps point solutions, licenses, and other non-labour items</p>	<p><b>For Year to Date, November 2019:</b>                  Savings for YTD November 2019 are <b>\$12,433k</b> due to:                  a. <b>\$293k</b> - cumulative UBC staffing vacancies                  b. <b>\$2,006k</b> - Business Advisory timing differences and reallocations to UBC Resources and Prime Consultants                  c. <b>\$4,024k</b> - Prime Consultants net savings from conservative budget estimates and functional teams requiring less services rendered                  d. <b>\$6,110k</b> - crystallized savings of <b>\$1,969k</b> and <b>\$4,141k</b> from timing of renovation costs, travel costs, and point solutions - Data Repository, Learner Financial Support, and HR Gaps</p>	<p><b>Annual Forecast for FY19/20:</b>                  Savings for FY19/20 are <b>\$795k</b> due to:                  a. <b>(\$46k)</b> - UBC Resource change request for student SME extensions <b>(\$46k)</b> in FY20 and <b>\$139k</b> in FY21                  b. <b>(\$846k)</b> - Prime Consultants:                  - <b>\$1,170k</b> savings in May 2019                  - <b>\$1,250k</b> savings in June 2019                  - <b>\$424k</b> savings in August 2019                  - <b>(\$1,006k)</b> cost pressures in May 2019                  - <b>(\$2,684k)</b> cost pressures in Aug 2019                  c. <b>\$1,687k</b> - Other Costs:                  - <b>\$1,930k</b> FY19/20 budget rollover savings in August 2019                  - <b>\$2,250k</b> timing savings for HR Gaps in Sept 2019                  - <b>(\$2,493k)</b> sustainment phase 2 in August 2019</p>	<p><b>Overall Program Forecast:</b>                  Approved contingency draw for the overall program is <b>(\$1,761k)</b> due to:                  a. <b>(\$185k)</b> - UBC Resource change request for student SME extensions                  b. <b>(\$846k)</b> - Prime Consultants savings of <b>\$2,844k</b>, offset by additional change request costs of <b>(\$3,690k)</b>                  c. <b>(\$731k)</b> - FY19/20 budget rollover savings of <b>\$1,930k</b>, offset by additional cost of <b>(\$2,661k)</b> for sustainment phase 2 - Integrated Service Center (ISC) operating model.</p>
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\*FY19/20 and overall program budget was recommended for Board of Governors approval at June 5, 2019 Finance Committee meeting, subject to approval of a fully executed agreement with Workday Canada.  
 Forecast based on info available as at December 6, 2019

Other costs includes the following: governance cost, Workday platinum success package, data repository, communications, transitional network support, travel, training, renovations, software license and tools, recruiting cost, legal, computer equipment, furniture and other supplies.

**IRP Highlights:**

- For the month of November, the actual burn rate was at \$6.5m, \$0.3m higher than last month
- Based on actuals of \$40.1M for YTD November, estimating a monthly burn rate of ~\$6.5m - \$7.5m for the remaining 4 months in FY20
- Finance Committee approved the request for the IRP Q4/FY20 budget approval (Jan 1 – Mar 31/2020)
- Extension scenarios to be presented to Executive Sponsors/Steering Committee on Dec 16th

Table 9 - AEP Executive Summary

AEP FINANCIAL REPORT FY19/20 – EXECUTIVE SUMMARY

(in thousands)	For the Month of November-19			Year-To-Date November-19			Annual FY19/20			Overall Program		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance	Forecast	Budget	Variance
UBC Resource Costs	991	1,238	247	4,765	6,043	1,278	11,145	11,145	-	21,023	21,023	-
Business Advisory Costs	38	35	(3)	362	345	(17)	485	485	-	764	764	-
External Prime Consultants	590	827	237	2,655	3,827	1,172	7,170	7,170	-	12,996	12,996	-
Other Costs	144	183	39	1,282	2,033	751	2,428	2,428	-	3,440	3,440	-
<b>Total expenses before contingency</b>	<b>1,763</b>	<b>2,283</b>	<b>520</b>	<b>9,064</b>	<b>12,248</b>	<b>3,184</b>	<b>21,228</b>	<b>21,228</b>	<b>-</b>	<b>38,223</b>	<b>38,223</b>	<b>-</b>
Contingency - approved allocation	-	-	-	-	-	-	-	-	-	-	-	-
Contingency Remaining	-	-	-	-	-	-	-	9,097	9,097	-	15,867	15,867
<b>Total after Contingency</b>	<b>1,763</b>	<b>2,283</b>	<b>520</b>	<b>9,064</b>	<b>12,248</b>	<b>3,184</b>	<b>21,228</b>	<b>30,325</b>	<b>9,097</b>	<b>38,223</b>	<b>54,090</b>	<b>15,867</b>
<b>Variance analysis:</b>	<b>For the month of November 2019:</b> Savings are <b>\$520k</b> due to: <b>\$247k</b> UBC Resources - timing - Ramp-up of resources deferred (primarily testing and development related)  <b>(\$3k)</b> Business advisory - timing - Minor difference of costs across months  <b>\$237k</b> Prime consultants - timing - Staffing of IEC resources slower than anticipated, but rates coming in slightly higher which will offset savings; Held off on hiring open BA positions as will likely be reallocating to incremental testing resources  <b>\$39k</b> Other costs - timing - Renovation and miscellaneous costs lower than projected			<b>For Year to Date, November 2019:</b> Savings are <b>\$3,184k</b> due to: <b>\$1,278k</b> UBC Resources - timing - Ramp-up of resources deferred (primarily testing and development related)  <b>(\$17k)</b> Business advisory - timing - Minor difference of costs across months  <b>\$1,172k</b> Prime consultants - timing - Staffing of IEC resources slower than anticipated, but rates coming in slightly higher which will offset savings; Held off on hiring open BA positions as will likely be reallocating to incremental testing resources  <b>\$751k</b> Other costs - timing - Recruiting costs lower than projected due to timing of invoices and holding off on hiring BA resources (see above)			<b>Annual Forecast for FY19/20:</b> No variance forecasted			<b>Overall Program (Phase 1)</b> No variance forecasted		
Forecast based on info available as at December 5, 2019 for Phase 1												

Other costs includes the following: governance cost, communications, travel, training, software license and tools, recruiting cost, legal, computer equipment, furniture and other supplies.

**AEP Highlights:**

All of the Month and YTD savings are Timing and are in all areas of UBC Resources, Business Advisory, Prime Consultants, and Other Costs

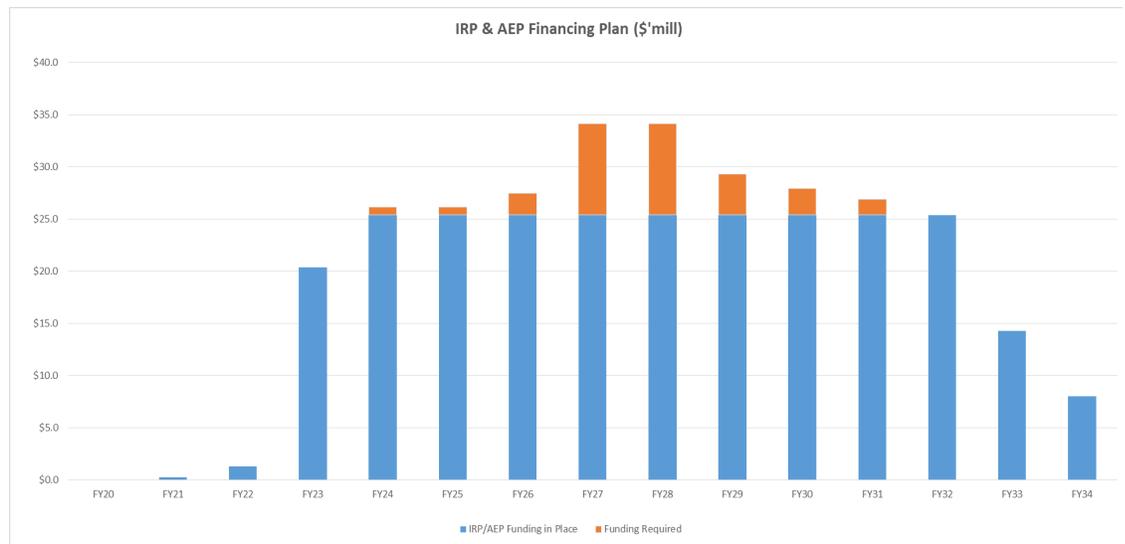
- For the month of November, the actual burn rate was at \$1.8M
- UBC Resources – ramp-up of resources deferred
- Business Advisory – minor differences of KPMG costs across months
- Prime consultants
  - Staffing of IEC resources slower than anticipated, but rates coming in slightly higher which will offset savings
  - Held off on hiring open BA positions as will likely be reallocating to incremental testing resources
- Other Costs – Renovation and miscellaneous cost lower than projected.

**PROJECT FUNDING AND FINANCING**

The financing of the IRP/AEP project has been planned based on internal loan financing with the loans to start at the go-live dates of the modules. As at FY20, a total of \$20.3 million in recurring funding has been allocated with a further \$5.0 million recurring funding to be added as part of the FY21 budget process for a total of \$25.3m.

The recurring funds have been allocated over several years to ensure sufficient cash flow for the future debt service of the required internal loans. These internal loans will be set up once each project phase is complete. The underutilized recurring allocation has been (and will be) reinvested in University strategic initiatives on a one-time basis until it is required. Some of the funding has been used to reduce the non-capitalized costs to reduce the internal loan portion of the project costs. By FY23 a total of \$44.3 million is projected to be applied to the project cost thus reducing the required loans.

The graph below represents the funding allocated (blue) and the additional funding required (orange) with a peak of \$8.8 million required in FY27 & FY28, after which the allocated funding can be reallocated to support other University initiatives. This \$8.8 million will be allocated from the Operating budget prior to FY27. Of the \$25.3 million allocated to repay the IRP/AEP loans, \$10 million has been sourced from the UBCV Academic Excellence Fund and the remaining \$15.3 has been sourced from the UBCV Operating fund.



**SCHEDULE**  
Implementation  
Timeline

The figure below highlights the proposed schedule change for Release 1 occurring in November of 2020. The release dates for Student are still being finalized.

**PROPOSED PROGRAM RELEASE SCHEDULE**

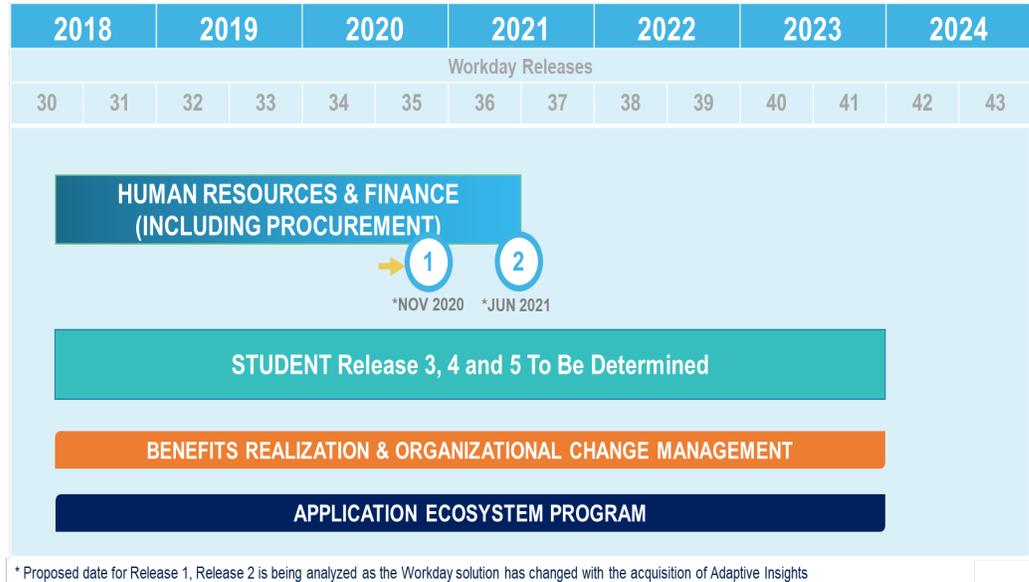


Figure 5 - Proposed Program Schedules

**PROPOSED PROGRAM RELEASE SCHEDULE BY STREAM/SCOPE**

Release #	Date	Stream	Scope/Functionality
1	*November 2020 Proposed		Capital & Asset Accounting, Institutional Accounting, Procure to Pay, Research/Post-Award Grant Admin, Revenue Accounting, Travel & Expense Management, Treasury & Cash Management
			Benefits, Compensation, Core HCM, Onboarding/Offboarding, Payroll, Talent Acquisition, Workforce Management – Time and Attendance
			Deployment of common enabling technologies: Access and Identity Management, Generic Capabilities, Reporting
2	*June 2021		Budget Development & Forecasting
3	To Be Determined		Curriculum Management (Courses), Admissions, Transfer Credit, Learner Management (Data), Learner Financial Management (Application Fees)
4	To Be Determined		Scheduling, Enrolment, Registration, Program Planning & Management, Progression, Learner Management
5	To Be Determined		Assessment Outcomes, Learner Financial Support, Learner Financial Management, Graduation

\* Proposed date for Release 1, Release 2 is being analyzed as the Workday solution has changed with the acquisition of Adaptive Insights

Figure 6 - Proposed Program Releases

**CONSULTATION** UBC IT Advisory Counsel  
 Relevant Units, UBC Executive  
 Internal & External UBC Executive  
 Constituencies IRP/AEP Executive Sponsors and Steering Committee

<b>Previous Report Date</b>	<b>November 26, 2019</b>
<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>	
<b>Decision</b>	<ol style="list-style-type: none"> <li>1. IT IS HEREBY REQUESTED that the UBC Board of Governors:             <ol style="list-style-type: none"> <li>a. approve a funding release of \$34.3 million, including contingency, to enable the continuing implementation of Workday HR, Finance (\$30.8M) and Student (\$3.5M) for the period January 2020 through March 2020 as the Workday Student agreements are finalized, and</li> <li>b. endorse the recommendation from the IRP Leadership Teams and the IT Advisory Council that the April 1, 2020 implementation date be deferred, with a new date to be determined at the conclusion of a re-planning process and presented to the February 2019 Board meeting for approval.</li> </ol> </li> </ol>
<b>Action / Follow Up</b>	Complete the re-planning efforts and provide a new recommended date for Release 1
<b>Previous Report Date</b>	<b>September 12, 2019</b>
<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>	
<b>Decision</b>	<ol style="list-style-type: none"> <li>1. IT IS HEREBY REQUESTED that the UBC Board of Governors approve a funding release of \$36.9 million, including contingency, to enable the continuing implementation of Workday HR, Finance (\$36.2M) and Student (\$0.7M) for the period mid-September 2019 to December 2019 as the Workday Student agreements are finalized.</li> </ol>
<b>Action / Follow Up</b>	Provide an update on the Workday Student negotiations and overall program status.
<b>Previous Report Date</b>	<b>June 5, 2019</b>
<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>	
<b>Decision</b>	<ol style="list-style-type: none"> <li>1. IT IS HEREBY REQUESTED that the UBC Board of Governors gives Board 3 approval (endorsed by the IT Advisory Council (ITAC) and the UBC Executive) for the implementation of Workday for HR and Finance, with a total budget envelope of \$155.8 million, including contingency, with a release of \$86.2 million for fiscal year 2019/20. The \$86.2 million is inclusive of a funding release of \$19.2 million for the first quarter of this fiscal year that was approved at the April 2019 Board of Governors meeting. This approval is contingent on sign-off by the Chair of the Finance Committee and the Chair of the UBC IT Advisory Council of a fully executed agreement with Workday Canada on the Student Application timeline and cost sharing. The written agreement is expected to be completed by the end of June 2019.</li> <li>2. IT IS HEREBY REQUESTED that the UBC Board of Governors approves a budget release (endorsed by the IT Advisory Council (ITAC) and the UBC Executive) of \$11.5 million, including contingency, for the implementation of Workday Student for fiscal year 2019/20. The \$11.5 million is inclusive of a funding release of \$7.2 million for the first quarter of this fiscal year that was approved at the April 2019 Board of Governors meeting. This approval is contingent on sign-off by the Chair of the Finance Committee and the Chair of the UBC IT Advisory Council of a fully executed agreement with Workday Canada on the Student Application timeline and cost sharing. The written agreement is expected to be completed by the end of June 2019.</li> <li>3. IT IS HEREBY REQUESTED that the UBC Board of Governors gives Board 3 approval (endorsed by the IT Advisory Council (ITAC) and the UBC Executive) for the Application Ecosystem Program, with a total Phase 1 of \$54.1 million, including contingency, with a release of \$40.3 million for fiscal year 2019/20. The \$40.3 million is inclusive of a funding release of \$10.3 million for the first quarter of this fiscal year that was approved at the April 2019 Board of Governors meeting.</li> </ol>

**UPDATE FOR THE INTEGRATED RENEWAL & APPLICATION ECOSYSTEM PROGRAMS (IRP & AEP)**

4. IT IS HEREBY REQUESTED that the UBC Board of Governors approves a scope change to move \$13.2 million, including contingency, of funding and projects from the Integrated Renewal Program to the Application Ecosystem Program.
5. IT IS HEREBY REQUESTED that the UBC Board of Governors grant approval for up to a \$39.8 million, 10-year loan at 5.75% interest rate for 2018/19 and 2019/20 HR/Finance expenditures and for 2019/20 Application Ecosystem Program expenditures.

**Action / Follow Up** Provide an update on the Workday Student negotiations and overall program status.

**Previous Report Date** **April 18, 2019**

**INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT**

- Decision**
1. IT IS HEREBY REQUESTED that the UBC Board of Governors gives approval for a funding release of \$19.2 million, including contingency, for the first quarter of fiscal year 2019/20 (April 2019 – June 2019) to support the continuing implementation of Workday HR and Finance – as the approach to Workday Student is refined over the coming month, the full budget estimate will be revised and presented at the Board of Governor’s meeting in June 2019.
  2. IT IS HEREBY REQUESTED that the UBC Board of Governors gives approval for a funding release of \$15.4 million, including contingency, for the first quarter of fiscal year 2019/20 (April 2019 – June 2019) to support the first phase of the Application Ecosystem Program – as the approach to Workday Student is refined over the coming month, the full budget estimate will be revised and presented at the Board of Governor’s meeting in June 2019.
  3. IT IS HEREBY REQUESTED that the UBC Board of Governors gives approval for a funding release of \$7.2 million, including contingency, for the first quarter of fiscal year 2019/20 (April 2019 – June 2019) to support the continuing implementation of Workday Student – as the approach to Workday Student is refined over the coming month, the full budget estimate will be revised and presented at the Board of Governor’s meeting in June 2019.

**Action / Follow Up** Provide an update on the Workday Student negotiations and a Board 3 approval for the HR and Finance portion of IRP as well as Phase 1 of the Application Ecosystem Program.

**Previous Report Date** **April 2, 2019**

**INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT**

- Decision**
1. Information Only
- Provided an update on the negotiations with Workday and the timeline for Student and discussed next steps during a closed session

**Action / Follow Up** Provide an update on the Workday Student negotiations and submit a funding request for the current fiscal year for the IRP and Application Ecosystem Program

**Previous Report Date** **February 7, 2019**

**INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT**

- Decision**
1. Information Only
- Status Update on: (1) FY18/19 Major Milestones, (2) Plan Stage Scope, (3) Program Management Controls, (4) External Quality Assurance, (5) Risk and Issue Management, and (6) FY18/19 Budget

**Action / Follow Up** 2. Conduct Budget Refresh Analysis and Update Funding Request for Board 3 Approval

<b>Previous Report Date</b>	<b>November 26, 2018</b>
	<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>
<b>Decision</b>	3. 1. Information Only Provide New Program Director’s Assessment
<b>Action / Follow Up</b>	2. Execute FY18/19 Plan & Provide Status Reports to Board of Governors
<b>Previous Report Date</b>	<b>September 27, 2018</b>
	<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>
<b>Decision</b>	3. 1. Information Only Status Update on: (1) FY18/19 Major Milestones, (2) Plan Stage Scope, (3) Program Management Controls, (4) External Quality Assurance, (5) Risk and Issue Management, and (6) FY18/19 Budget
<b>Action / Follow Up</b>	1. Provide New Program Director’s Assessment
<b>Previous Report Date</b>	<b>June 14, 2018</b>
	<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>
<b>Decision</b>	2. 1. Information Only Status Update on: (1) FY18/19 Major Milestones, (2) Plan Stage Scope, (3) Program Management Controls, (4) External Quality Assurance, (5) Risk and Issue Management, and (6) FY18/19 Budget
<b>Action / Follow Up</b>	2. Execute FY18/19 Plan & Provide Status Reports to Board of Governors
<b>Previous Report Date</b>	<b>April 19, 2018</b>
	<b>INTEGRATED RENEWAL PROGRAM – FINANCE/HR/STUDENT</b>
<b>Decision</b>	3. IT IS HEREBY REQUESTED that the UBC Board of Governors approves an FY18/19 funding release of \$60M for the Integrated Renewal Program.
<b>Action / Follow Up</b>	Execute FY18/19 Plan & Provide Status Reports to Board of Governors
<b>Previous Report Date</b>	<b>February 15, 2018</b>
	<b>INTEGRATED RENEWAL PROGRAM – STUDENT/HR/FINANCE</b>
<b>Decision</b>	1. Information Only Status Update on (1) Negotiation Summary, (2) Program Governance, (3) Organizational Change Management, (4) Risk & Issue Management, and (5) Budget.
<b>Action / Follow Up</b>	2. Complete Next Steps to Establish Integrated Program as Outlined.

**Previous Report Date** **December 5, 2017**  
**INTEGRATED PROGRAM UPDATE – STUDENT/HR/FINANCE**

**Decision** 1. Proceed to negotiations with Workday for an enterprise solution for Student, HR and Finance based upon the results of a fit-gap analysis.  
 UBC enter into an agreement with Workday for the enterprise solution (Student, HR, Finance) subject to final delegated approval granted to the Chair of the Board of Governors Finance Committee upon successful negotiation of the final contracts and a recommendation from ITAC and UBC Executive.

**Action / Follow Up** 2. Complete Next Steps to Establish Integrated Program as Outlined.

**Previous Report Date** **September 21, 2017**  
**INTEGRATED PROGRAM – SASI/HR/FINANCE UPDATE**

**Decision** 1. Proceed to Negotiations with Workday and Deloitte for Student Solution.  
 Conduct a Comprehensive Fit/Gap Analysis to Assess Workday’s Ability to Meet UBC’s HR/Finance Needs.

**Action / Follow Up** 2. Complete Next Steps to Establish Integrated Program as Outlined.

**Previous Report Date** **June 6, 2017**  
**SASI HR FINANCE PROCUREMENT INTEGRATED PROGRAM UPDATE**

**Decision** 1. Information Only  
 Status Update on the Request to Establish an Integrated HR FINANCE SASI Program

**Action / Follow Up** 2. Complete Next Steps to Establish Integrated Program as Outlined.

## Integrated Renewal Program Scope

The IRP is reflected in the recently published UBC Strategic Plan under “Strategy 5: Systems Renewal” to “Transform university-level systems and processes to facilitate collaboration, innovation and agility.”

In August 2017, under the direction of the UBC Board of Governors, the University’s projects for HR, Finance and Student were brought together under the IRP to pursue one enterprise solution. The Student project implementation timeline was modified to align with HR and Finance.

In December 2017, following a competitive procurement process for the Student system and a comprehensive product fit/gap analysis for HR and Finance, it was determined that Workday could meet UBC’s enterprise platform solution needs.

### *IRP Vision:*

The way we support learning and research, and how we work at UBC will be transformed, creating a cohesive, integrated, and enriched experience for students, staff, and faculty.

### *IRP Scope:*

 <b>Human Resources</b>	 <b>Finance</b>	 <b>Student</b>
<ul style="list-style-type: none"> <li>• Benefits</li> <li>• Compensation</li> <li>• Core HR Management (incl. Onboarding/Off-boarding)</li> <li>• Payroll</li> <li>• Talent Acquisition</li> <li>• Workforce Management – Time &amp; Attendance</li> </ul>	<ul style="list-style-type: none"> <li>• Institutional Accounting</li> <li>• Treasury &amp; Cash Management</li> <li>• Procure to Pay</li> <li>• Travel and Expense</li> <li>• Research/Post Award Grants</li> <li>• Capital and Asset Accounting</li> <li>• Budget Development (core to Workday)</li> <li>• Revenue Accounting</li> <li>• Forecasting (Workday Planning)</li> <li>• Endowment Accounting (UBC Existing Methodology)</li> </ul>	<ul style="list-style-type: none"> <li>• Assessment Outcomes</li> <li>• Curriculum Management (limited)</li> <li>• Graduation</li> <li>• Learner Financial Management</li> <li>• Learner Financial Support</li> <li>• Learner Management</li> <li>• Transfer Credit</li> <li>• Progression</li> <li>• Scheduling</li> <li>• Registration</li> <li>• Enrolment</li> <li>• Program Planning and Mgmt.</li> <li>• Admissions (Undergraduate)</li> </ul>

Major milestones and key outcomes for the IRP have been planned for each quarter. The Integrated Renewal Program is currently focused on the Test Stage for HR and Finance, in addition to continuing the Student Architect Stage. The remaining key outcomes for this calendar year are illustrated below.

## Integrated Renewal Program Risks

Risk Statement	Mitigation
<p><b>The lack of well-defined/well understood scope for the program (Risk #204, EQA (2.11))</b></p>	<ul style="list-style-type: none"> <li>-Ensure dedicated activities related to communicating scope are included in the communications and change management plans; ensure clear messaging regarding the scope for IRP, including what is meant by "like for like" (completed)</li> <li>-Communicate these messages to re- set/establish clear expectations; ensure executive participation in delivering those messages (completed)</li> <li>-Reprioritize integrations based on the go-live requirements for the new date. (planned once approved)</li> <li>-IRP continues to monitor scope and guiding principles have been established for the re-plan process. (on-going)</li> </ul>
<p><b>The lack of a deployment and sustainment strategy for the program introduces the risk of a failed production cutover and/or the inability to maintain and support the system adequately once it is in production operation. (Risk #249, EQA (3.61))</b></p>	<ul style="list-style-type: none"> <li>-Develop a fully articulated Deployment and Sustainment Strategy that defines how releases of the IRP Solution will be deployed across the various environments (development, test and production) and into production, as well as the ongoing support infrastructure and processes required to manage the solution in production operations (in progress with expected completion of February 2020)</li> <li>-Select an external vendor to assist with</li> <li>-Deployment and Sustainment strategy (completed)</li> <li>-PMO to support selected vendor (completed)</li> </ul>
<p><b>There have been some challenges in gathering/defining and documenting the functional and technical integration specifications for HR/FIN workstream applications. As a result, there is a risk that the integration designs for the HR/FIN workstream will not be completed in (the scheduled) time. (Risk #285, EQA (3.54))</b></p>	<ul style="list-style-type: none"> <li>-Configuration changes continue to be a challenge and roles and responsibilities of the functional and technical teams may not be aligned. (in-progress with expected completion in March 2020)</li> <li>-Reprioritization of P1 to P4 reports will need to be conducted as part of the re-planning process as timelines for integrations will change. (In-progress with expected completion in February 2020)</li> </ul>

Risk Statement	Mitigation
<p><b>The change in the OCM leadership workstream delays the OCM activities and may generate a change in approach both of which mean risks to IRP's ability to deliver change management support. Given previous concerns regarding OCM, this change increases the risk score to Very High. (Risk # 298, EQA (6.13))</b></p>	<ul style="list-style-type: none"> <li>-Need to move quickly to fill the leadership role and make any required changes to the OCM approach and project plan and to communicate the go-forward plan to the IRP team and stakeholders. (Leadership role filled with consultant - completed, Director position completed)</li> <li>-Make required changes to the OCM approach and project plan. (completed)</li> <li>- Schedules are in development for the re-plan options. (in-progress with expected completion in February 2020)</li> <li>-OCM planning to add Associate Director role to balance required effort...continue to monitor. (in-progress with expected completion in January 2020)</li> </ul>
<p><b>Lack of urgency, transparency and trust amongst the workstreams designing the integrations within IRP (Risk #302, EQA (3.55))</b></p>	<ul style="list-style-type: none"> <li>-Design workshop leaders to provide more frequent updates to the plans, provide data that allows for validation of what is in the plan with technical and functional teams (completed)</li> <li>-Structural and working style changes between IRP and AEP are in progress. (in-progress with expected completion in January of 2020)</li> <li>-Ensure the SA's/Integration Leads have the skills and experience to support the design and validation work to be completed (completed)</li> <li>-Analysis still to be conducted of the re-plan. (in-progress with expected completion in February 2020)</li> </ul>
<p><b>Recent review of HCM workstream priorities and prelim test results has identified (31) "Backlog" items that need to be resolved before the HCM end-to-end (E2E) testing can be completed. As a result, there is a risk that HCM workstream will not complete E2E testing prior to next Tenant build, and that even with the additional test cycle(s) that are planned, there is a risk that E2E testing of HCM will not be complete before the start of parallel payroll testing (Risk # 331, EQA (2.26))</b></p>	<ul style="list-style-type: none"> <li>-Plans and incremental resources are in place to support the resolution of the backlog; in order to achieve the target date of October 11, constant monitoring of the HCM activities will be required, with appropriate and timely escalation as required (completed)</li> <li>-Continually assess the remaining HCM backlog activities to ensure that all identified activities are required for Go-Live (completed)</li> <li>-E2E testing will be begin in Feb 2020 since unit testing is nearing completion. (planned)</li> <li>-When HCM E2E testing resumes, ensure that we prioritize all payroll-based process testing (planned)</li> </ul>

Risk Statement	Mitigation
<p><b>Finance team is at risk of not completing specifications or P3 reports by the planned due date (Risk # 332)</b></p>	<p>-Develop action plan with WD reporting team to focus and streamline the shared processes of specification development. (in-progress with expected completion date of February 2020)</p> <p>-UBC will leverage report owners in the community as much as possible for specification development but could be constrained by their availability (planned)</p>
<p><b>With the extension of E2E testing, the development of the OCM training curriculum/content will be delayed. There is a risk that training content could be either incomplete or delayed due to changes in schedule, or that training content is not fully validated in advance of training rollout. (Risk # 347, EQA (6.14))</b></p>	<p>-OCM/Training development has communicated their timing requirements post-config as part of the re-planning process. (in-progress with expected completion in February 2020)</p>

# UPDATE FOR THE INTEGRATED RENEWAL & APPLICATION ECOSYSTEM PROGRAMS (IRP & AEP)

February 6, 2020

**Peter Smailes, Vice-President Finance & Operations**

**Andrew Szeri, Provost & Vice-President Academic, UBC Vancouver**

**Marcia Buchholz, Interim Vice-President Human Resources**

**Deborah Buszard, Deputy Vice-Chancellor and Principal, UBC Okanagan**

**Ananya Mukherjee, Provost and Vice-President Academic, UBC Okanagan**

**Jennifer Burns, Chief Information Officer & Associate Vice-President Information Technology**

**Kate Ross, Associate Vice-President Enrolment Services & Registrar**

**Trish Pেকেles, Executive Director, Financial Operations**

**Alex Bayne, Managing Director, Strategic Workplace Initiatives, Learning & Engagement, HR**

**Chris Mercer, Program Director, Integrated Renewal Program**

**John Thomson, Program Director, Application Ecosystem Program**



# AGENDA

- Reasons for Deferral and Communication To Date
- Lessons Learned
- Working Together, Differently
- Re-planning Guiding Principles
- Alternatives Considered
- Recommendation
- Cost of Deferral
- Decision Requested and Next Steps



## REASONS FOR DEFERRAL AND COMMUNICATIONS TO DATE

- The complexity in undertaking a project of this scale
- The need to thoroughly test and deliver a high-quality solution that fulfills UBC's complex technical and functional requirements
- The need to appropriately 'retrofit' existing UBC applications with Workday as part of Application Ecosystem Project
  
- A communication was developed and distributed on December 10th via the UBC Today bulletin
- An internal communication was sent to the IRP team members informing them of the recommended date and short-term plans for the New Year



# LESSONS LEARNED

- Common Themes
  - Resource constraints and capacity
  - Communications clarity and priorities
  - Lack of understanding of cross-program dependencies and commitments
  - Adherence to the recommended methodology and approach
- A Deeper Dive
  - Programs were attempting to “crash” or “FastTrack” the schedule which created a significant over allocation of resources
  - The methodology and/or approaches were relaxed in order to resolve schedule pressure and resource constraints
  - The tenant build process is still not perfected and has contributed to the delay



# WORKING TOGETHER, DIFFERENTLY

- To address themes identified via the Lessons Learned:
  - Move to a combined status report (IRP and AEP)
  - Focus on the solutions we are collectively responsible for delivering (HR (including Payroll), Finance and Student)
  - Changes to meeting structures and cadence
  - More appropriate for the UBC community



## RE-PLANNING GUIDING PRINCIPLES

- No increased scope (functional or technical)
- Same deployment approach (e.g. no splitting out of HR vs. Finance into separate releases)
- Plans will include appropriate contingency
- We will only re-plan once
- No significant over-allocation of resources and assumption of appropriate time off over the 2019 December holidays
- Go-live timing should consider the University operating schedule
- Will be an integrated approach and plan (IRP, AEP, Integration Enablement Centre (IEC), and the Integrated Service Centre (ISC))



# ALTERNATIVES CONSIDERED

- July 2020
- **August 2020**
- September 2020
- October 2020
- **November 2020**
- **December 2020**
- January 2021



# BENEFITS AND RISKS

## Benefits

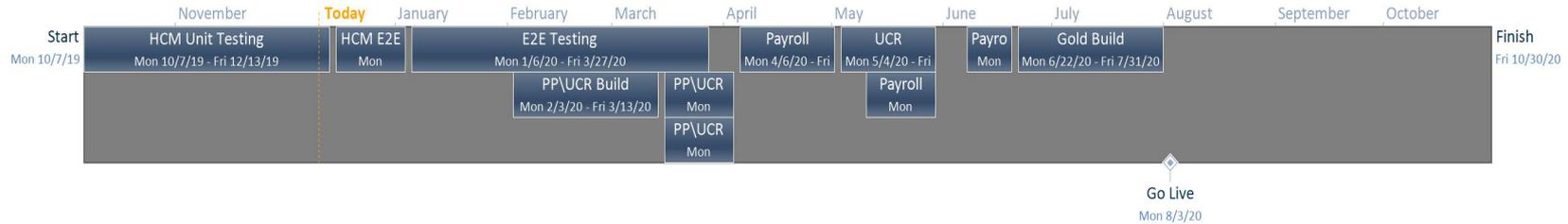
August 2020	November 2020	December 2020
<ul style="list-style-type: none"> <li>• Least expensive of options</li> <li>• *Supports a full End-to-end test cycle for HCM</li> <li>• Summer is quiet and would be less disruptive to community</li> <li>• Fewer competing priorities or processes</li> <li>• *Allows additional time for change readiness</li> <li>• *No workarounds required for the Planon (EMMS) implementation</li> <li>• Allows for less risk/challenge around student project support needs</li> </ul>	<ul style="list-style-type: none"> <li>• *From previous alternative</li> <li>• Less expensive than December alternative</li> <li>• +Provide more time for ISC ramp up</li> <li>• +Adequate time to build training materials</li> <li>• Arguably the 'best' time in the academic year</li> <li>• Four payrolls run prior to calendar year end</li> <li>• +Faculty Increase would <u>not</u> be required as a P1 report (high complexity build)</li> <li>• +Supports another tenant build to improve efficiency</li> <li>• +Can tackle backlog of sustainment tickets over the holidays (as needed)</li> </ul>	<ul style="list-style-type: none"> <li>• *+From previous alternative</li> <li>• More explicit contingency</li> <li>• Ahead of holiday break</li> <li>• Quieter go-live/more of a 'soft launch' opportunity</li> <li>• Training would occur in October and November (easier to get trainers)</li> </ul>

## Risks

August 2020	November 2020	December 2020
<ul style="list-style-type: none"> <li>• Number of faculty/staff taking vacation may require additional training efforts</li> <li>• Must complete End-to-end test preparation by January 3<sup>rd</sup></li> <li>• End-to-end testing for HCM must start January 6<sup>th</sup></li> <li>• Payroll Parallel tenant build must occur prior to the completion of End-to-end testing</li> <li>• Provides no contingency</li> </ul>	<ul style="list-style-type: none"> <li>• *More expensive than August alternative</li> <li>• Implicit, not explicit, contingency (e.g. would need to look at specific blocks of work where time could be saved)</li> <li>• User training would need to occur during September and October (higher risk at UBCO)</li> <li>• *Retention of contractors and employees</li> <li>• *Greater risk/challenge around student project support needs</li> </ul>	<ul style="list-style-type: none"> <li>• *From previous alternative</li> <li>• Support needs through December could be high, impacting holiday plans</li> <li>• First run (or close to first) payroll will be at calendar year-end</li> <li>• Retraining likely required in January</li> <li>• Amplified scrutiny on payroll given the time of year</li> <li>• Program team fatigue (e.g. illness increases) due to time of year</li> <li>• Start of exams</li> <li>• US-based resources working through Thanksgiving</li> </ul>



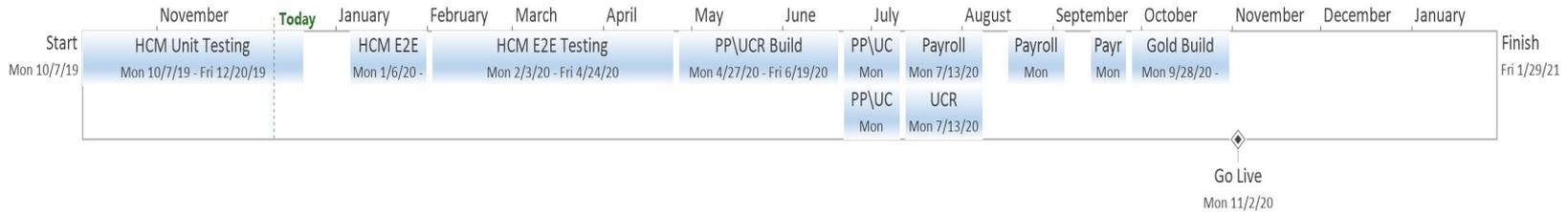
# AUGUST 2020



- HCM Testing Preparation (HCM E2E) is 15 days and over the December 2019 holidays
- End-to-end Testing (E2E Testing) is 12 weeks and needs to begin in early January
- The Payroll Parallel\User Confirmation Review Build (PP\UCR Build) is 6 weeks and must begin prior to the completion of E2E testing
- PP\UCR Business Data Validation (PP\UCR top box) and Configuration Cleanup (PP\UCR bottom Box) are 3 weeks each
- There are 3 Payroll Parallel test cycles (4 weeks (Payroll), 3 weeks (Payroll), 2 weeks (Payro)) with 1 week between
- Gold Build is 6 weeks



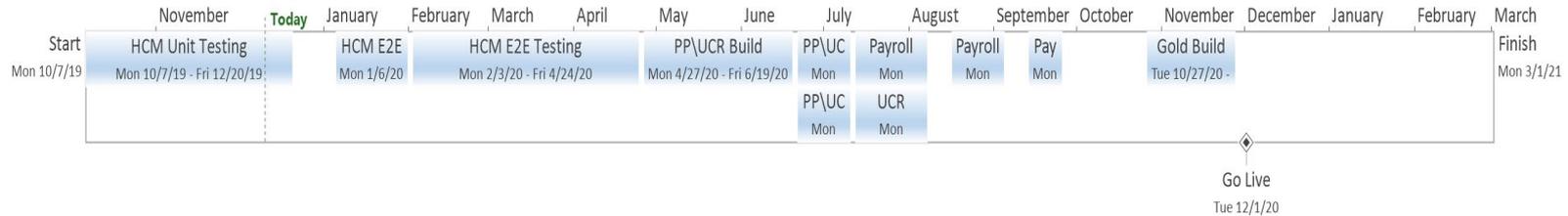
# NOVEMBER 2020



- HCM Testing Preparation (HCM E2E) is 20 days and begins after the December 2019 holidays
- End-to-end Testing (HCM E2E Testing) is 12 weeks and begins in February
- The Payroll Parallel\User Confirmation Review Build (PP\UCR Build) is 8 weeks and begins at the completion of E2E testing
- PP\UCR Business Data Validation (PP\UCR top box) and Configuration Cleanup (PP\UCR bottom Box) are 3 weeks each
- There are 3 Payroll Parallel test cycles (4 weeks (Payroll), 3 weeks (Payroll), 2 weeks (Payr)) with 1 week between
- Gold Build is 5 weeks after optimizing build



# DECEMBER 2020



- HCM Testing Preparation (HCM E2E) is 20 days and begins after the December 2019 holidays
- End-to-end Testing (HCM E2E Testing) is 12 weeks and begins in February
- The Payroll Parallel\User Confirmation Review Build (PP\UCR Build) is 8 weeks and begins at the completion of E2E testing
- PP\UCR Business Data Validation (PP\UCR top box) and Configuration Cleanup (PP\UCR bottom Box) are 3 weeks each
- There are 3 Payroll Parallel test cycles (4 weeks (Payroll), 3 weeks (Payroll), 2 weeks (Pay)) with 1 week between
- Gold Build is 5 weeks after optimizing build
- Provides 4 weeks of explicit contingency



# RECOMMENDATION

- The December 2020 date was considered a higher risk than the November 2020 alternative due to the University operating schedule and year end
- November 2020 is recommended unanimously by the programs, their Sponsors and Executive Sponsors, the Integrated Process & Outcomes Committee (IPOC), as well as our Partners (Workday, Deloitte and Gartner)



# COST OF DEFERRAL

Summary	Annual FY18/19			Annual FY19/20			LTD	Overall Program				
	Actuals	Budget	Variance	Forecast	Budget	Variance		Life to Date Actuals	V0	V1	V2^	V3
									Forecast as at Nov/19	Approved Budget Apr 1/2020 Go Live	Proposed Budget Aug 1/2020 Go Live	Proposed Budget Nov 1/2020 Go Live
Total expenses before contingency - IRP								211,535			250,037	
Total expenses before contingency - AEP Phase 1								38,223			56,000	
<b>Total expenses before contingency</b>								<b>249,758</b>			<b>306,037</b>	
<b>Variance to V0 (Rounded)</b>											<b>(58,000)</b>	
Total contingency remaining - IRP*											27,080	
Total contingency remaining - AEP Phase 1*											2,867	
<b>Total contingency remaining</b>											<b>29,947</b>	
Total including contingency - IRP									262,377		277,117	
Total including contingency - AEP Phase 1									54,090		58,867	
Total including contingency - AEP Phase 2									26,300		26,300	
<b>Total expenses including contingency</b>								<b>342,767</b>			<b>362,284</b>	
<b>Revised Total Cost</b>											<b>362,284</b>	
<b>Requested Contingency Drawdown</b>											<b>35,000</b>	
<b>Requested Additional Funding Amount (Rounded)</b>											<b>23,000</b>	
<b>Total Additional Cost due to Extension</b>											<b>58,000</b>	

\*ITAC requested to maintain 15% of the remaining contingency balance for Release 1  
 ^AEP Figures are a preliminary projection and are to be refined.

- Seeking \$23 million in new funding
- Recommending a 15% contingency for the remainder of Release 1 (January – November) and keeping Student contingency at 30%



## DECISION REQUESTED AND NEXT STEPS

- *IT IS HEREBY REQUESTED that UBC Board of Governors approve the recommendation to revise the Integrated Renewal Program and Application Ecosystem Program implementation date for Release 1 from April 2020 to November 2020 and to authorize new funding of \$23 million for a revised combined total of \$362 million (including a 15% contingency)*
- We have communicated the recommended date internally and the teams are using this as a planning assumption
- We have drafted a communication to the UBC Community that is scheduled to be release immediately after this meeting with the acknowledgement final approval will not occur until the full Board meets on Feb 14th

