



SUBJECT	Integrated Renewal Program (IRP) – Internal Loans
SUBMITTED TO	Finance Committee
MEETING DATE	November 20, 2024
SESSION CLASSIFICATION	Recommended session criteria from Board Meetings Policy: OPEN
REQUEST	<p>APPROVAL REQUESTED</p> <p>IT IS HEREBY RESOLVED that the Finance Committee recommends that the Board of Governors approve:</p> <ul style="list-style-type: none"> <i>i.</i> an internal loan of \$26.3 million for IRP Student – “Pre-Implementation” completed as part of IRP Phase 1; and, <i>ii.</i> two internal loans with an aggregate value of \$284.9 million for IRP Student – “Implementation” and “Completion” as part of IRP Phase 2.
LEAD EXECUTIVE	Frank Laezza, Vice-President Finance & Operations
SUPPORTED BY	Lesley Cormack, Deputy Vice-Chancellor and Principal, UBC Okanagan Helen Yung, Comptroller Yale Loh, Treasurer Doug Cheung, Director, Treasury

PRIOR SUBMISSIONS

The subject matter of this submission has been previously considered by the Board of Governors on the following occasions:

1. [June 24, 2021 – IRP – Student Board 3](#)
2. [Feb 14, 2020 – IRP and AEP Revised Release](#)

EXECUTIVE SUMMARY

The Student phase of the Integrated Renewal Program (“IRP”) is the second and final phase of a comprehensive integrated strategy to renew UBC’s core administrative systems, which includes the replacement of HR and Finance legacy systems as well as the end-of-life Student Information System with Workday’s modern cloud-based system. The Student phase was approved by the Board of Governors in June 2021 with a total budget of \$284.9 million. Implementation of the Workday Student module, together with associated changes to supporting infrastructure and ecosystems, is expected to be completed on budget and by March 2027.

As required by internal guidelines and for audit purposes, the Administration is now seeking approval for the final set of internal loans to fund the capitalized portions of Workday Student. Specifically, all internal loans greater than \$10 million need to be approved by the Board of Governors.

While normal practice is to have any internal loans approved during Board 3 approval for the overall project, the IRP project submission in February 2020 deliberately specified that internal loans to fund the project would be set up once each project phase was complete and costs were better known. This internal loan approval does not represent new funding but instead is an administrative step within the internal loan process and is in keeping with actions outlined in the February 2020 submission approved by the Board.

Correspondingly and as planned, the Administration is recommending approval for three remaining internal loans associated with the IRP project. This includes work related to the IRP Student “pre-implementation” portion (\$26.3 million – completed as part of phase 1 of the IRP project and included in phase 1 costs), “implementation” (\$211.6 million) and “completion” (\$73.3 million) portions. The Student “pre-implementation” and “implementation” portions are now complete while the “completion” portion is expected to be completed by March 2027. As the costs related to the “implementation” and “completion” portions are yet to be finalized, there may be some variability in the loan amounts for each portion as costs are shifted from one portion to the other. However, the total internal loan amount will not exceed the overall budget approved amount of \$284.9 million for the Workday Student Phase.

It is hereby requested that the Finance Committee recommends that the Board of Governors approve for the following internal loans using the University’s working capital:

- Internal loan of \$26.3 million for the IRP – Student Pre-Implementation portion of IRP Phase 1
- 2 internal loans with an aggregate value of \$284.9 million for the IRP – Student Implementation and Completion portions of IRP Phase 2

PRESENTATIONS

1. Workday Student Internal Loans

WORKDAY STUDENT INTERNAL LOANS

November 20, 2024

FRANK LAEZZA, VP FINANCE & OPERATIONS
YALE LOH, UBC TREASURER



BACKGROUND

Student phase of Integrated Renewal Project (IRP) is second and final phase of a comprehensive integrated strategy to renew UBC's core administrative systems with Workday cloud-based system:

- Replacement of HR and Finance legacy systems with Workday HR and Finance completed in November 2020 with Workday go-live
- IRP Student phase approved by Board of Governors in June 2021 with budget of \$285 million
- Replacement of end-of-life Student Information System with Workday Student module, together with associated changes to supporting infrastructure and ecosystems, is expected to be completed on budget and by March 2027



INTERNAL LOAN REQUEST

As required by internal guidelines and for audit purposes, approval is sought for the final set of internal loans to fund the capitalized portions of Workday Student:

- All internal loans greater than \$10 million need to be approved by the Board of Governors
- While normal practice is to have any internal loans approved during Board 3 approval for the overall project, the IRP project submission in February 2020 specified that internal loans to fund the project would be set up once each project phase was complete and costs were better known
- Internal loan approval does not represent new funding but instead is an administrative step within the internal loan process and is keeping with actions outlined in the February 2020 submission approved by the Board



APPROVAL REQUESTED

It is hereby requested that the Finance Committee recommends that the Board of Governors the approval for the following internal loans using the University's working capital:

- Internal loan of \$26.3 million for the IRP – Student Pre-Implementation
 - Completed as part of IRP phase 1 and included with phase 1 budget
- 2 internal loans with an aggregate value of \$284.9 million for the IRP – Student Implementation and Completion phases





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