



Legislation Text

File #: 2018-994, Version: 1

Proposed Amendment No. 1

DWSD-CS-1729

Human Resources Information Systems (HRIS) Software as a Service

Agenda of: November 28, 2018

Item No.: **2018-994**

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|---------|---------------------|----------------|
| Amount: | Original Contract: | \$3,217,168.00 |
| | Amendment No. 1: | \$2,108,253.00 |
| | New Contract Total: | \$5,325,421.00 |

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: November 6, 2018

RE: **Proposed Amendment No. 1**
Contract No.: DWSD-CS-1729
Human Resources Information Systems (HRIS) Software as a Service
Vendor: Ceridian HCM, Inc.

MOTION

Upon recommendation of Jeffrey E. Small, Chief Information Officer - Information Technology, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **implement Change Order No.1 for Contract No. DWSD-CS-1729, "Human Resources Information Systems (HRIS) Software as a Service" with Ceridian HCM, Inc., at a cost not to exceed \$2,108,253.00 bringing the contract total to \$5,325,421.00 for a duration of three years making the full contract term from December 5, 2015 through December 4, 2021** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The original contract No. DWSD-CS-1729, assumed by GLWA on January 1, 2016, for the Dayforce HRIS Software as a Service (SaaS) with Ceridian HCM was approved by the Board of Water Commissioners for the Detroit Water and Sewerage Department on May 13, 2015. The purpose was to implement a payroll, timekeeping, and human resource information system as a key step in the establishment of the Great Lakes Water Authority as a new employer.

As the January 1, 2016 effective date became imminent, it was necessary to quickly implement the human resource management system to accommodate the preliminary human capital management needs of GLWA including payroll, benefits, tax, compliance, workforce and talent and recruitment needs. The original agreement, DWSD CS-1729, was signed on June 15, 2015 with an official service start date of December 5, 2015 with an initial term of three (3) years with two (2), one (1) year renewal options.

JUSTIFICATION

Dayforce HRIS is the Human Resource Information System (HRIS) for the Great Lakes Water Authority. This product facilitates the organization's ability to manage the entire employee life cycle. System components include payroll administration and processing, benefits administration and processing, workforce management, talent management (recruitment). Dayforce HRIS is a cloud-based Software as a Service (SaaS) subscription offering from Ceridian which means it is accessible to all team members anytime, anywhere from any device via the Internet.

As part of this change order, GLWA Information Technology (IT), Financial Services, and Organizational Development (OD) will take this opportunity to refine the product configurations, implement the new Compensation Module, and develop automated workflows to streamline business processes. These changes are based upon GLWA growing organizational needs and a better understanding of how to leverage Dayforce HRIS capabilities.

GLWA has considered soliciting for a new integrated Enterprise Resource Planning (ERP) system that would encompass all Human Resource (HR) and Finance functions replacing both Dayforce HRIS and the BS&A Finance System. However, it was determined that it would be more prudent to defer a full-scale ERP implementation at this time. This is based on the number of other large-scale enterprise wide initiatives planned in the next two to three years that will have significant overlap in terms of system interfaces, resource capacity and subject matter expertise. Therefore, this Change Order is for a three (3) year renewal term instead of the two (2), one (1) year renewal options.

PROJECT MANAGEMENT STATUS

Renewing for three years of HR systems software as a service (SaaS) including support and product enhancements.

Original Contract Time Three (3) Years, with two (2), one (1) year renewal options

Amendment No. 1 Three (3) Years

New Contract Time Six (6) Years

PROJECT ESTIMATE

Original Contract Price \$ 3,217,779.00

Change Order No. 1 \$ 2,108,253.00

New Contract Total \$ \$5,325,421.00

BUDGET IMPACT

Summary: Sufficient funds are provided in the financial plan for this project.

Funding Source: Operations & Maintenance Budget

Cost Center: Information Technology Business Applications (Centralized Services 883351)

Expense Type: Repairs & Maintenance - Software (5910-883351.000-622302-WS7900)

Estimated Cost by Year and Related Estimating Variance: See table below

| FISCAL YEAR | AMOUNT |
|-------------------------|----------------|
| FY 2019 Plan | \$700,000.00 |
| FY 2020 Plan | \$700,000.00 |
| FY 2021 Plan | \$708,253.00 |
| Financial Plan Estimate | \$2,108,253.00 |
| Maximum Contract | \$2,108,253.00 |
| Estimating Variance | \$000.00 |

COMMITTEE REVIEW

This item was presented to the Operations and Resource Committee at its meeting on November 14, 2018. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.