

ITEMS REQUIRING BOCC APPROVAL

August 17, 2023

(1 Item)

**1. SAP RECRUITING AND ONBOARDING -- HUMAN RESOURCES AND ENTERPRISE RESOURCE PLANNING (ERP)
FUNDING -- ENTERPRISE RESOURCE PLANNING
(Single Source)**

#23-2061 Contract

	HR Focal Point, LLC	
Subscription (annual)	Quantity of Licenses	Total Fee
Period 1 from 09/01/2023 to 08/31/2024	3,000	\$130,158.00

On the recommendation of Lee Barrier, on behalf of Human Resources and ERP, Tim Myers moved to **accept the quote from HR Focal Point, LLC in the amount of \$130,158.00 to be automatically renewed annually unless notice of termination is provided by either party.** Brandi Baily seconded the motion. The motion passed unanimously.

This contract is for the implementation and on-going support, management and subscription costs of the SAP SuccessFactors' Recruiting and Onboarding module.

The current contract with HR Focal Point, LLC will expire 08/31/2023. This new agreement will grant ERP an additional year of subscription services as they continue to work with HR Focal Point, LLC on a new pricing platform that will bundle the various SuccessFactors' modules under one new agreement.

This qualifies as a single source purchase as Sedgwick County has already implemented several SAP SuccessFactors' modules and will be continuing its usage of SAP products.

Questions & Answers

Brandi Baily: This is the product that we are currently using?

Gina Gillespie: Yes. This is the product that we currently have in place.

Brandi Baily: This \$130K that is for one year? That is the price for the one (1) year and then it automatically renews after that unless we come up with something to bundle everything? Am I understanding that correctly?

Gina Gillespie: Correct.

Brandi Baily: And then if we don't get to that bundle price and this renews automatically, will that price still stay at \$130K or will it potentially go up?

Gina Gillespie: It's possible that it could increase again, yes.

Brandi Baily: So the automatic renewal just doesn't automatically renew at the same price, it'll be adjusted pricewise?

Gina Gillespie: It's possible. What they are trying to do is to work with SAP to be able to bundle some of those modules together to get us a better discounted price. So we just renewed for one (1) year instead of a five (5) year.

Brandi Baily: How does this compare to what we have spent in the past?

Lee Barrier: Our previous spend was roughly \$126K a year for five (5) years.

Russell Leeds: On this annual renewal. Usually there is some type of time line... three (3) year five (5) year. This sounds like an Evergreen renewal?

Joe Thomas: This is an Evergreen renewal with possibility for it to be renewed on a year to year basis.

Russell Leeds: Okay. That seems different?

Joe Thomas: Yes. At times we have multiple years because we can get a special discount with a multiple year arrangement. That doesn't mean we won't negotiate it as we renew it, or maybe decide not to renew a certain agreement. They ERP wanted the flexibility. Before we only had a five (5) year and when it expired something needed to be done right away. We didn't have the option to renew it so it had to come out as a new agreement. This gives them flexibility on time, making it easier for it to be renewed. Of course it wouldn't just be an automatic cart blanche renewal. The price might be out of line, it may need to be negotiated, it may need to be a multi-year to get a special price. This will allow continuity of service.

Russell Leeds: ERP will monitor this and make determination before the year ends. What is the life expectancy on the product SuccessFactors'? I'd guess that it is as long as they are willing to support and patch etc. and it is serving our needs?

Gina Gillespie: Sure. Hopefully for the next twenty, thirty years. We typically have these contracts in place for anywhere from three (3) to five (5) years is what we typically renew the contract for.

Tim Myers: We've been happy with the SAP Success Factors'?

Gina Gillespie: Yes. They are pretty responsive and we have a good relationship with them. We have seven (7) modules actually within Success Factors' that they are supporting.