



MEETING MINUTES

State of Louisiana ERP Project

Blueprint Workshop / FI-AA-06 Physical Inventory – Bar Code Scanning

10/28/2008 @ 8:30 to 4:30

Location: DOTD East Wing Conference Rm. 501

Attendees:

No.	Name	Invited?	Attended?	Comments
1.	Afranie Adomako	Y		OSRAP
2.	Gail Allatto	Y	Y	WLF
3.	Mary Altazan	Y	Y	DOC
4.	Shannon Anderson	Y	Y	DPS&C
5.	Susie Barthel	Y		LPAA
6.	Glenn Berntsen	Y		ERP
7.	Erin Bielkiewicz	Y		DPS
8.	Kathy Blankenship	Y		DED
9.	Dom Cali	Y		DOTD
10.	Robin Edwards	Y	Y	DHH
11.	Sterrie Elliot	Y		ERP
12.	Jaime Estave	Y		LSU HSC
13.	Sal Faldetta	Y		ERP
14.	Keith Fitzgerald	Y		DHH
15.	Duane Fontenot	Y		DSS
16.	Lisa Gillen	Y	Y	ERP
17.	Pricilla Hall	Y	Y	DOTD
18.	Robert Harper	Y		DNR
19.	Billy Hebert	Y		LDAF
20.	Bobby Hill	Y	Y	ERP
21.	Beverly Hodges	Y		ERP
22.	Jerome Johnson	Y	Y	LDAF
23.	Ruth Johnson	Y		OYS
24.	Shanda Jones	Y		SOS
25.	Howard Karlton	Y		LSU HSC
26.	Wynette Kees	Y		WLF
27.	Rebecca Kleinpeter	Y	Y	LPAA
28.	Wayne Knight	Y		DOL
29.	Pat Lumbar	Y		PSC
30.	Dennise Nastasia	Y		SOS
31.	Christopher Pena	Y	Y	ERP
32.	David Perkins	Y		DVA

33.	Karen Pierce	Y	Y	ERP
34.	Gary Ramsey	Y		OSP
35.	Reginald Ratcliff	Y	Y	LSU HSC
36.	Mark Rhodes	Y		OSRAP
37.	Lonnie Richardson	Y		LDI
38.	Belinda Rogers	Y		ERP
39.	Tom Sands	Y		DEQ
40.	Beth Scioneaux	Y		DOE
41.	Kenyetta Sewell	Y		DCSC
42.	Beverly Shaw	Y		CRT
43.	Bill Smith	Y	Y	ERP
44.	Rhoama Speights	Y	Y	ERP
45.	Denise Stafford	Y		DEQ
46.	Amanda Stein	Y	Y	ORM
47.	Christine Wieczorek	Y	Y	ERP
48.	Randall Withers	Y		DOTD/OPW
49.	Lorrie Zachary	Y	Y	PSC
50.	Marilyn McDonald	N	Y	LDWF
51.	Gerry Hanson	N	Y	ERP
52.	Philip Baldwin	N	Y	LSU HSC
53.	Anand Thangamani	N	Y	IBM

<i>Agenda Item and Notes</i>	<i>Owner(s)</i>	<i>Action Items & Assignments</i>	<i>Comments / Follow-up</i>
1. Logistics, Ground Rules, & Introduction	Rhoama Speights	• None	
2. Project Timeline	Rhoama Speights	• None	
3. Workshop Objectives	Rhoama Speights	• None	
4. Business Process Review <ul style="list-style-type: none"> • SAP Glossary • SAP concepts & functionality • Leading practices • Enterprise readiness challenges 	Christine Wieczorek	• See action items & assignments below.	Hard copies provided - SAP Glossary Proposed TO-BE SAP screen slides Other comments

5. Action Items

	Amanda Stein	1) Provide a list of insurance tracking types needed.	
	Rhoama Speights	2) Confirm with DOTD that inventory requirements for signs are related to maintenance, mobile solutions, Agile, and not to AA. DOTD currently has a contractor that does these inventories.	
	Rhoama Speights	3) Review inventory adjustments categories. Determine if there is a need for more specific categories such as "Inventory Adjustment" and "Return to Vendor".	
	Rebecca Kleinpeter	4) LPAA to identify why Notes 2 is important for inventory certification report.	

Discussion:

AS-IS:

Physical Inventory: Preparations: (slide 8)

Agency prints out master file.

Printouts made by person, location (Standard "Certification" Reports)

Inventory Procedure I (slide 9)

Unfound items are marked as un-located via the un-located Year field in Protégé.
Certification is a PDF form that is attached to the printouts for annual certification.

Inventory Procedure II (slide 10)

The form is basically a blank form. This is a blind inventory procedure. Procedure II is used by some agencies, or sections of agencies. DPS: The inventory list given to officer over the section. They know what they are looking for (not a blind scan)

Add serial number to the list of fields recorded on the form.

The discrepancy report is the same as what is used in Procedure 1.

On the certification form (a pdf document), there are places to put reconciling items such as items added or removed since the inventory.

LPAA: There is a Procedure III, not in Title 34, that entails using bar-code scanners in conjunction with the Protégé "Scan and Validate" functionality. This procedure was implemented since the last revision of Title 34.

TO BE:

Asset Financial Lifecycle (slide 21)

Christine: Does any agency do a physical inventory of land, building, roads, and bridges? Sal: No, just the supplies used to build or repair roads.

AMR – general info (slide 27)

Checkbox in "include asset in inventory list" is used to add assets to standard AA inventory reports.

You may want to use mass inventory change for "Last Inventory" On date. "Inventory Note" changes need to be done manually. Inventory date can be edited by anyone with access to the AMR.

LPAA currently sets the inventory date (scheduled date) for when the inventory must be conducted by. Currently in the contacts module is in Protégé. There is no similar module in AA. Method of capturing scheduled inventory date changes from an organizational date to an asset level. Potential GAP identified whereby the scheduled date for an agency is not available.

Key Decision 1: Include asset in inventory list always checked automatically but not editable.

Parking Lot 1 and **Organizational Impact 1:** How to track the scheduled inventory date for an agency in SAP. There is no contact module on the AA side. The LPAA dept / agencies, property managers, contact information, and Inventory Date. [GAP?]

AMR – Time Dependent Data

If items are found that belong to another agency, a transfer would possibly need to be made.

AMR – Allocations: (slide 29)

PROPOSED FOR CONFIGURATION:

Acquisition Method

Disposition Method (manual update if un-located or found)

Status

LPAA Approval Status

OSRAP Group? (OSRAP to confirm if Asset Classes will replace)

Classification

Pick Up Status

AMR – Net Worth, Tax, Insurance, Leasing (Slide 31)

Key fields on the insurance tab were presented: Insurance Value, Date, Type=Appraisal or Replacement and Limited Text Info

Action Item 1: Provide a list of insurance tracking types needed (Amanda OSR)

Asset: Physical Inventory (slides 40, 41)

Acquisition with Offsetting Entry transaction needs to be done if you find something that was not on your Master Inventory Listing. If you find something damaged or surplus or scrap, you would use a transfer to surplus or disposal request to LPAA. This follows the same process during inventory as any other time. Revenue / Loss conversation with OSRAP is already an action item for sale of Surplus items.

RFID Tags on street signs. This is probably used for maintenance and is likely an Agile Assets function.

Action Item 2: Confirm with DOTD that inventory requirements for signs are related to maintenance, mobile solutions, Agile, and not to AA. DOTD currently has a contractor that does these inventories.

ORM: Loss Prevention Officers (LPOs) visit sites every four years to verify existence and condition of buildings in addition to gathering replacement valuation information. RC04 is a SLABS report containing building and content information which is verified by agencies twice per year. LPOs sometimes “find” buildings which were never recorded. ORM can use the same process and update the AMR accordingly. This is the As-IS process for buildings. Christine recommends that either RE [insurance inspection date] is used otherwise the inventory date field on the AMR can be updated.

Disposition Methods (slides 42, 43)

Un-located/Relocated methods were presented as new fields.
Approval Status

Inventory adjustments disposition method was mentioned as needed to adjust for certain scenarios. For example, an item was sent to surplus, but still shows on printout. There is a current need to enter these as inventory adjustments. We may need to record these as retirements, or use the Inventory Adjustment disposition method in SAP. This will depend on the scenario as to which process to use. The double-

tagging scenario was used as an example for using the inventory adjustment. This should probably be used infrequently in SAP. It should only be used when no other process makes sense. (i.e. returns to vendor and double tagging scenarios were given as examples.) You may want to create separate disposition methods for these situations if they are happening frequently to specifically identify the reasons for the adjustments. Otherwise the reasons may get lost in the notes that may not be easy to report on.

Retirement to surplus by the agency would be done by changing the status to "Retire to Surplus". Double tagging would be an "Inventory Adjustment" and a retirement. Return to Vendor would be an inventory adjustment with reason "Return to Vendor".

Action Item 3: Review inventory adjustments categories. Determine if there is a need for more specific categories such as "Inventory Adjustment" and "Return to Vendor".

There is a notes field on the General tab that can be used to store text, but it does not show on reports. If you use inventory adjustments, where do you put the related notes? Inventory Note would be the best place to put this description.

DPS: We use remarks field to convey information about many records. Remarks entered once for the transfer, then the reason cascades down to each asset. Can we do mass changes on this field? Christine, you can use mass changes to update fields for selected records using a substitution rule. The previous values would still be in the history/audit detail.

For example, if a boat capsized and all of the items are being retired to LPAA, you could create a work list of the assets and build a substitution rule to change the Inventory Note with a mass change transaction.

TO-BE HIGH LEVEL PROCESS: Asset – Physical Inventory (slide 45)

The inventory scheduling functionality in Protégé needs to go offline of SAP (not be included in SAP). **[GAP?]** This is not standard functionality in SAP. One step in the process relates to a Title 34 which states that agencies should "Advise the Commissioner of PI Details". It was noted that the LPAA Director (Susie Barthel) is the Commissioner's designee for property-related advisement related to Title34.

Discrepancy Report is created by the system after individual asset records are updated by the agency. The Discrepancy Report and Certification are sent together to LPAA and the Legislative Auditor's office. It was also noted that agencies enter their own un-located items, not LPAA.

Asset: Physical Inventory: (slide 46)

Numerous FRICE-W items were presented as needed for the Asset Certification Report (Description was added). The Notes 2 conversion may or may not work for agencies to convert to the Person Responsible field in SAP.

FRICE-W 0: Asset Certification Report:

Asset #, Tag #, Description, Serial #, Bldg, FI, Rm, Person, Unloc Yr, Current Cost, Original Cost, Summary Count/Original Cost/Current Cost, Certification Statement with lines for Signature/Name/Date/Address Lines

Sorted & Section Header by:

LPAA Agency Code

Cost Center

Location/Person Responsible

Location

Notes2/Location

Description (added during meeting)

FRICE-W 1: Data conversion. Need a Notes 2 crosswalk for person responsible and code.

We will ask for an updated crosswalk before go-live to account for any changes. According to LDWF, the crosswalk changes frequently, whereby the code/person relationship changes. Their inventory is currently designed around the "inventory responsibility code" which is stored in the notes 2 field. Person Responsible in SAP could be used to replace the notes 2 field for LDWF.

Parking Lot 2: Data conversion - Review the notes 2 field to determine how it's being used (agency?)

FRICE-W 2: DPS: Make and Model is important for the certification report.

FRICE-W 3: Omit, duplicate to FRICE-W 1.

AMR – Time Dependent Data (slide 28)

See notes on the proposed development and other notes related to LDWF

Action Item 4: LPAA to identify why Notes 2 is important for inventory certification report.

Chris Pena: Material master has make/model information. However, material master is not synchronized with AA, but PM can be for PM related data. Material master and AM will need to be kept separately. Christine is currently investigating synchronization of EMR for Make / Model

Asset: Physical Inventory (slide 47)

The following gaps were identified:

Not available: Contact listing (i.e. address/property mgr.) [GAP?]

Certification Past Due Report [GAP?]

Cutoff Date

Agency Number, Mailing Address, Certification Date, Property Manager

Certification Due Report [GAP?]

Beginning / Ending Dates

Agency Number, Mailing Address, Certification Date, Property Manager

Reporting Requirements:

Chris (IBM mobile solutions): 40 transactions are based on the Material Master. We don't have any standard functionality for AMRs related to bar-coding. If you have non-SAP users that do transactions that will go into SAP, we do have delivered functionality related to materials, maintenance, but no AMR related functionality. Bar-coding is currently in disconnected mode in Protégé. Would like it to be connected in SAP.

What are the requirements related to mobile solutions bar code scanning related to asset physical inventory?

FRICE-W 4: Bar Coding process for AMRs in disconnected mode and BAPI for upload.

Reconciliation process is what takes time, not so much the inventory taking and processing. Inventory procedure III. Retrieve info from AMR, store AMR, upload AMR, BAPI upload interface must be created for plug-in upload. This is not standard SAP functionality.

Many agencies use the scanners. There is a requirement for this. Inventory Procedure III. It would be nice if individuals could upload their own data. What a scanner would have would be loaded based on security role. Property managers will be able to load the data.

Protégé syncs up the uploaded data and notes discrepancies and proposed changes. [GAP?] The property manager can approve. SAP does not due validate. If it is an existing record, the uploaded data is updated in the background. All new shells can be created in the background, and a report can be generated with new records.

Concern about asset tag number changes from transferred items and how they will be recorded and reconciled during the inventory. [GAP?]

LPAA - Rebecca: LPAA uses blind scanning for the auctions. They create an empty "validate" database. After scanning, basic scan data is loaded into the database. The upload and matching are all done within Protégé. The lot number is entered into the scanner which is then associated with all the

items scanned, which may be from different agencies. Asset records in Protégé are then linked to the lot which now has detailed information on the lot. When lot is sold, the system calculates which agency gets what proceeds, if any. Proceeds from lot sales are split up proportionally share among the agencies. When assets are scanned into warehouse inventory, they are created as new assets. They are received into inventory just like any other transfer. The purple tags are applied to the items.

Example lot of 10 items sold for \$100 5 from public safety 5 from WLF. Like items are on a lot \$100 is split by 10 no matter what the original acquisition cost was. When these items come from agencies, LPAA sets up an inventory tag with tag number like a new AMR. LPAA prints out purple tags specifically for their warehouse when they receive items.

Christine: SAP Asset Accounting does not generate labels [GAP?]

FRICE-W 5: Label printing out of SAP for the surplus warehouse. Method of providing labels to agencies will not change. This is just related to warehouse functions.

The label includes agency item came form, old label number, new asset number, and cost field for transfer fee (cost is assigned at time of receipt). This tag is used like a price tag. Defaults to 10% of original cost or can be overwritten.

There is no "cost" (sales value) field in SAP-AA.

FRICE-W 6: Need a sales value field

Parking Lot: Integration with accounts receivable, surplus.

Are there other bar-coding inventory requirements?

FRICE-W 7: Nice to have ability to scan in serial numbers. Update integration from bar coding

Conversion (slide 49)

Start the data cleanup now in preparation for overall data conversion. If you leave garbage data, it will be converted. There are no specific data conversion steps related to physical inventory.

Security (slide 51)

LPAA says inventory date should be restricted only to LPAA?

FRICE-W 8: Track agencies (id property and fleet managers), date of last certification, produce date for next certification due date and beginning inventory date

Track inventory date (see parking lot 1)

LPAA – Know agencies by tag number and sub-number.

FRICE-W 9: Certification number from pick list. Need a way to group assets together for certification with a secured field.

There are security related gaps that we have already identified in previous session. [GAP?]

Next Steps

Wall Charts

Action Items

1. list of insurance tracking types needed to track
2. DOTD – Inventory requirements? Just for main?
3. Review Inventory Adjustment Categories
4. LPAA – Is notes 2 needed on Certification Report?

FRICE-W

1. WL&F Data Conversion: Notes 2, crosswalk for person responsible and code
2. Add Make and Model to certification report
3. Data conversion – notes 2
4. Bar Coding for AMRs in disconnected mode and BAPI for upload AMR {Inventory Procedure}
5. Label printing from SAP for Surplus warehouse
6. New field for sales value
7. Integrated upload of bar coding including serial number – Nice To Have
8. Track agencies (id property and fleet managers), date of last certification, produce date for next certification due date and beginning inventory date.
9. ...Add field with pick list for certification number

Integration Points

1. MAM (Bar Coding & Scanning)

Organizational Impact

1. Method of capturing inventory date changes from agency to asset master record. Inventory Due Letter
2. Use of Notes2 Currently not in SAP.
3. Inconsistency of some fields for LVA / Capital Asset eq. PO#.
4. Moving from an asset tracking system to an asset accounting system limits functionality.

Parking Lot

1. Inventory date changes from date of entire agency to a date on each asset master record. **[GAP?]** (It will have to be tracked on a spreadsheet offline.)
 - Agency Contacts
 - Property Management
 - no contacts within asset accounting
 - inventory due letter
2. Data conversion (WL&F) Person responsible is associated with a code
3. Surplus handling