MEETING MINUTES

State of Louisiana LaGov Project

Capital Budget Details and Processes

October 14, 15, 16, 2008

Claiborne Room 141

Attendees:

No.	Name	Invited?	Attended?	Comments
1.	**Hodges, Beverly**	Y	N	LaGov
2.	**Hodnett, John**	Y	Y	LaGov
3.	**Vaught, Sylvia**	Y	N	LaGov
4.	**Boyd, David**	Y	N	LaGov
5.	**Kelly, Will**	N	Y	LaGov
6.	**Fernandez, Paul**	Y	Y	LaGov
7.	**Jacob-John, Manoj (JJ)**	Y	Y	LaGov
8.	**Montes, Rene**	Y	Y	LaGov
9.	**Whyde, Janet**	Y	Y	LaGov
10.	**Cali, Dom**	Y	N	DOTD
11.	**Humm, Lori**	Y	N	DOTD –Dye Mgmt.
12.	**Davis, John**	Y	Y	FPC
13.	**Milner, Marty**	Y	Y	FPC
14.	**Oglesby, John**	Y	Y	DOTD
15.	**Futch, Lynn**	Y	N	FPC
16.	**Romeo, Robin**	Y	Y	DOTD
17.	**Elliott, Mary**	Y	Y	DOTD
18.	**Parish, Jan**	Y	Y	DOTD
19.	**Tessier, Robert**	Y	Y	DOTD
20.	**Schexnaydre, Debbie**	N	Y	DOTD
21.	**Duncan, Marsha**	N	Y	DOTD- Dye Mgmt.
22.	**Samson, Lauren**	N	Y	DOTD
23.	**Lodge, James**	N	Y	OSRAP
24.	**LeBlanc, Carolyn**	N	Y	FPC
25.	**Whitmore, Simone**	N	Y	FPC
26.	**Lee, James**	N	Y	DOTD
27.	**Bunch, Stephen**	N	Y	LaGov
28.	**Gerhart, Steve**	N	Y	LaGov
29.	**Stringfellow, Mary**	N	Y	FHWA
30.	**Burgess, Eric**	N	Y	DOTD
31.	**Sanders, Trini**	N	Y	DOTD
32.	**Lelig, John**	N	Y	LaGov

	Agenda Item and Notes	*Owner(s)*	*Action Items & Assignments*	*Comments / Follow-up*
1.	**Logistics, Ground Rules, & Introduction**	John Hodnett	• None	
2.	**Workshop Objectives**	Manoj Jacob-John	• None	
3.	**Business Process Review** • Process Improvement Opportunities • SAP Glossary • SAP concepts & functionality • Leading practices • Business process flow • Enterprise readiness challenges	John Oglesby Manoj Jacob-John	• See action items & assignments below.	Hard copies provided - Future Budget Prep Sessions, , SAP Glossary (current and future terms),Master Data Integration, Business Process Flow, BP–FM Design: Versions
4.	**<u>Action Items</u>**	Gary LeBlanc Wanda Vic John Oglesby/Eric Burgess Mary Stringfellow Mary Elliott Robin Romeo Debbie Schexnaydre Eric Burgess Debbie Schexnaydre Larry Hofstad John Oglesby Larry Hofstad Robin Romeo Mary Elliott/Susan	1. TAND 2. Planning and Research (Work Program) 3. Check Cash Mgmt tool at DOTD – Current advance construction balance 4. FHWA – high priority – Regulations (Demo/Federal Earmark) 5. Get law DOTD to put out Highway Priority Program. 48.229 6. Timed Bond fund – Budget Partition – Not in HB2 7. Update ASIS flow for DOTD Capital Outlay Request and Project Scheduling 8. Projects outside Hwy Priority program a. Wish List by Legislature b. Line item projects c. State Earmarks 9. Copy of eCorts Recap 10. Explore pieces of disconnect between scheduling and federal aid money 11. Check FAST date if relevant to HB2 12. Federal Authorization for Pre-Construction 13. Robin to confirm stage 2 as start point to create PS project # 14. Planning to confirm with IT	Done

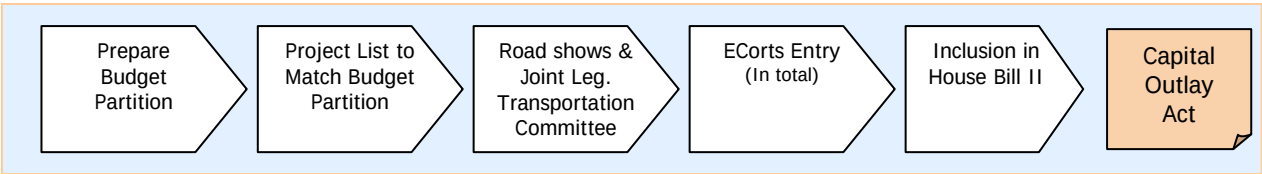
	Zang	(Susan Zang) –In realization to confirm new SAP project number can embedded to LETS	
	Manoj Jacob-John	15. Explore BDS/AFS entry after HB2 bill is enter for DOTD Highway Capital Budge (660)	
	Group	16. Who is the oversight office - who initiates – Non Consumable to consumable	Resolved in FI-BP-007
Key Decisions		1. Subject to confirmation (action item 13) the PS project # to be created in Stage 2 and made available for reference 2. After HB2 enactment, Highway Capital Budget is retracted as a 'lumpsum' and as non consumable budget. DOTD Budget Function 3. *Not decided *~~Action Item to be followed up Approval requested from OSRAP/STO by DOTD Accounting Initiated by Project Finance based on written authorization of Budget Office for Planning and for Hwy. Program Projects~~ 4. 4 detail year Highway Program to be built in DOTD Hwy Cube based on LETS data which is based on the budget partition. T.b.d.	
Parking Lot		~~1. What is a Project Number – assigning of Fed Project number different character at the beginning~~ **Included PS slide deck** 2. After HB2 what happens after funding changes. 3. Amendment to Rev, Rev Est. Conference 4. Subsequent projects submitted by DOTD directly to the legislature for approval 5. Read only access to FHWA	
Organizational Impacts		1. Potential organizational job role change for moving non-consumable budget after lump sum retraction of DOTD Highway Budget to consumable Budget for individual projects/phases	

Policy Impact	1.
F.R.I.C.E.- W	1. SAP interface outbound report for LETS to receive SAP_PS generated Project #

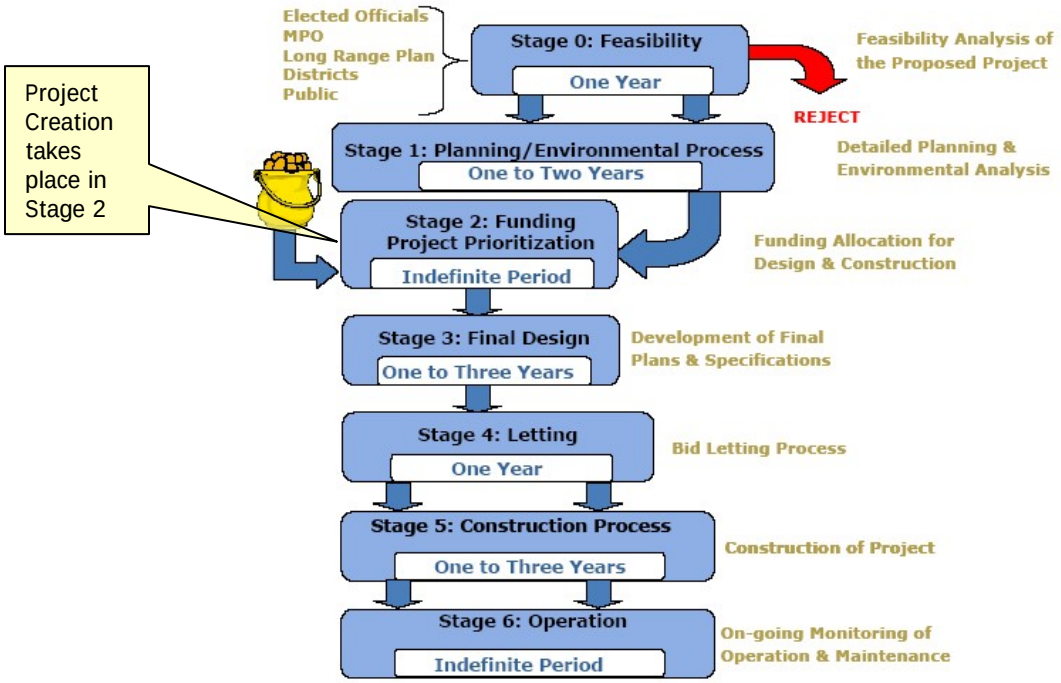
Discussion Points:

- Blueprint session structure FI-BP-006 was 2½ days long and was segmented as follows:
  The sessions highlighted below are covered in these minutes

  1st Day – FPC House Bill II Confection to the Capital Outlay Act
  2nd Day – DOTD – Budget Partition to eCorts Submission (Continued in FI-BP-007A)
  ½ Day – FPC Legislative Amendment Tracking
- DOTD – As-Is Capital Outlay
  John Oglesby started the session by discussing selected as-is business processes for the DOTD budget preparation process specifically as they related to House Bill II. John Oglesby said that projects essentially started with a list of needs that are identified from a variety of sources including but not limited to accident reports, public input, road condition databases etc. John discussed the general DOTD project development lifecycle.
  An **important clarification** was made by Robin Romeo regarding the capital outlay budget preparation process. Robin Romeo said that budget preparation started with the creation, acceptance approval of the Budget Partition for the Highway Priority Program. Letters are then presented to DOTD project managers along with a copy of the approved budget partition in order to obtain a list from them of qualifying project both in type and other dimensions (dollars, timing, scope etc). A list of the projects provided by project managers that closely matches the budget partition is generated from LETS. Robin Romeo went on to say that generated from LETS list is a snapshot of projects that would, contingent on approval theoretically comprise House Bill II. At a high level the process below illustrates the DOTD capital outlay development process.



Project Creation-There was discussion from the group as to when a project was created, Larry Hofstad said that a key decision in project systems was that projects were to be created in stage two (2) of the DOTD project development lifecycle. (See figure below). A key decision was made was noted (Key Decision 1). Mary Stringfellow from FHWA (Federal Highway Administration) was in attendance and asked about the new project number John Oglesby said that a decision had been made in the project systems blueprint sessions. JJ briefly went over the numbering scheme from the project systems blueprint sessions. The topic of system access for FHWA was discussed and was place on the parking lot.



State Transportation Improvement Program (STIP) – The STIP was discussed by the group in the context of where it fit in the budget development process. There were some basic clarifications that were discussed by Robin Romeo, Mary Elliott and others.

- The STIP is a report which is a listing of Projects that is required by the Federal Highway Transportation Administration
- The STIP is produced from the DOTD LETS system; it is a snapshot at a point in time.
- Projects in the STIP report are projected four (4) years into the future.

JJ explained that for budget development, data could be extracted from the DOTD LETS system into a business intelligence cube, the STIP report could be produced from the cube. In this specific scenario, the extraction is based on the option covered in FI-BP-005 which calls for initial interfaces to DOTD data systems and the eventual replacement of those systems.

Option-1 E-CORTS entry using Front-end Layouts:
- One-line entry of the Lump-sum for Highway projects; and
- Individual project entries

Option-2 Direct entry into HB2 consolidation, using front-end custom Layout

Option-3 Build BI interfaces for DOTD system data (i.e. data from LETS, STIP, etc) and and any other system data, used for DOTD capital projects

Option-4 Consider replacing and managing of some of DOTD system data (e.g. STIP, LETS, etc.) with in BI system
- Budget Partition, etc to be derived from BI system

Option-5 Build BI interfaces for DOTD system data (to meet Budget time-lines) and consider replacing some of DOTD system data within BI system in future.

The entire to-be business process was presented under the scenario that option 5 would create. Larry Hofstad and John Oglesby said that the LETS system has to be replaced as well as other DOTD systems. Most of the discussion revolved around LETS and TOPS since they contain much of the information required for budget preparation. Larry Hofstad brought up the point that DOTD management was fully expecting the LETS system to be replaced.

Budget Preparation and LETS replacement -JJ explained that it was difficult to make a key decision about replacing LETS particularly in a budget preparation session for the following reasons

- The implication was that LETS would be replaced in Business Intelligence Module; JJ explained that the Business Intelligence was a cube based repository of information primarily used for query and reporting purposes. JJ explained that BI contains no transactional capabilities.
- A detailed exercise was yet to be conducted to determine the percentage of information from LETS that would be in BI. Field mapping from LETS to BI and Project Systems and any other systems would have to be completed.
- JJ said that BI is not a letting system, if any specific functionality was in LETS inclusive of feeder systems and/or interfaces it was yet to be discovered.
- Most importantly, it was too early in the project to determine if LETS could be replaced with BI.

Larry Hofstad and John Oglesby have since approached project management for a more comprehensive solution and action plan for the replacement of LETS and other DOTD systems.

JJ went over the to-be process of the DOTD ECORTS submission for the Highway Priority Program. It involves among other things, the creation of a DOTD cube which would get project amounts from LETS data cubes. One lump sum for the Highway Priority program would be extracted to a House Bill II cube. The House Bill II cube would be used to produce House Bill II. The group expressed concern that the Highway priority program was not necessarily made up of a list of projects. Robin Romeo emphasized that the budget partition was not a list of specific projects with amounts that would match the total.

Lump Sum Retraction – After House Bill II is approved and signed by the governor, it becomes the capital outlay act. A key decision was made to retract amounts for the Highway Priority Program in a lump sum after enactment. Projects would be created or added to from the lump sum. JJ asked if there was an agency or department that had oversight responsibility for the amounts that were set up as project. Trini Sanders said the DOTD project finance group was responsible for recording encumbrances to a project at project startup. At this point it was not clear which group would be responsible for project budget setup. The session was continued in FI-BP-007