

<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	Katie O'Connor	• None	
2. Project Timeline	Katie O'Connor	• None	
3. Blueprint Objectives	Katie O'Connor	• None	
4. Work Session Objectives <ul style="list-style-type: none"> • Overview • Debt Management Interface • Investment Management Interface • Interest Calculation, Allocation and Posting • Discuss Legacy Systems 	Raj Govindarajulu	• See action items below.	See hard copy of Power Point presentation provided.
5. Action Items	Katie O'Connor Raj Govindarajulu Kandy Daniel		<p>1. Debt – Follow up with OSRAP on CAFR requirements. (Add G/L accounts to SAP or not).</p> <p>2. Debt - Follow up on arbitrage calc reporting to ensure that the required information will be available in SAP.</p> <p>3. Investments – Follow up with OSRAP on reporting needs for CAFR.</p> <p>4. Investments – Gather information from STO, Nanette Fischer, on different portfolios – map funds and sub accounts.</p> <p>5. Follow up with STO Fiscal office on their processes related to investments and interest allocation. (Paula, Nanette, Glenda, Charlotte)</p>

Discussion:

Katie O'Connor introduced the session.

- Sign in sheet passed around
- Ground rules slide covered
- Discussed the process for providing feedback for minutes
- Covered past and upcoming FI-CM blueprint sessions

Raj Govindarajulu covered session objectives.

Three topics were to be addressed during this blueprint session.

- Interface options for Debt in SAP
- Interface options for Investments in SAP
- Interest calculation and allocation in SAP

Debt:

Raj explained the interface process in SAP. Whit Kling (STO) explained the "as is" process. It was noted that Mun-Ease is the present system used to account for State debt issues but not conduit debt. Mun-Ease is used for reporting purposes. There is presently no interface to AFS. JE's are done manually at year end. When making a debt payment a manual warrant is issued and a repetitive wire is sent through the investment area. Manual JE is done by Fiscal on the day the wire is sent. See **Action Item 1** to follow up with OSRAP on CAFR requirements. (Add G/L accounts to SAP or not).

Whit was concerned about how bond issues would be set up and tracked in SAP for arbitrage purposes. AFS currently tracks by series, group code and project. A separate investment portfolio is maintained for each bond issue. It was noted that the following information needs to be tracked for each series issued: 1. Receipt of proceeds, 2. Cash, investments, pools, earnings, 3. Disbursements. See **Action Item 2** to follow up on arbitrage calc reporting to ensure that the required information will be available in SAP.

Investments:

Raj explained the interface process in SAP. John Broussard (STO) explained the "as is" process. It was noted that QED is the present system used to keep track of all investments, market values and cost. It is used to calculate interest payments and run reports. Staff from STO Fiscal office matches calc with amount received from bank and makes adjustments when necessary. Investments are manually reconciled daily by cusip number and manual JE's are made. See **Action Item 3** to follow up with OSRAP on reporting needs for CAFR to determine level to bring in investment balances (Treasury note, FNMA, FHLB, etc. by cusip number or in summary).

It was noted that a number of different investment portfolios are maintained in QED. The pooled account is the largest but there are some separate portfolios. (example: Medicaid portfolio, Constitutional Trust Fund, each bond issue, etc.) See **Action Item 4** to gather information from STO, Nanette Fischer, on different portfolios to map funds and sub accounts.

Frice-W Item: Build interface from QED to SAP to bring in investment balances.

Interest Allocation:

The interest allocation process is done by staff from STO Fiscal office and since no one was present from that area, this portion of the slide presentation was not discussed. See **Action Item 5** to follow up with STO Fiscal office on their processes related to investments and interest allocation. (Paula, Nanette, Glenda, Charlotte)

Next Steps

- Send out minutes. Participants should provide feedback as needed.
- Schedule any needed off-line meetings