



# MEETING MINUTES

## State of Louisiana ERP Project

### *Blueprint Workshop / CO / Internal Orders*

08/19/2008 @ 08:30 a.m. to 12:30 p.m.

Location: 7-152 Conference Room, Claiborne Bldg.

Attendees:

No.	Name	Invited?	Attended?	Comments
1.	Adomako, Afranie	Y	Y	OSRAP
2.	Burges, Eric	Y	N	DOTD
3.	Cane, Pat	Y	N	ERP-GL
4.	Chustz, Annette	Y	N	DOE
5.	Clement, Kirt	Y	N	DOTD
6.	Demmerly, Kurt	Y	N	ERP
7.	Faldetta, Sal	Y	Y	DOTD
8.	Fernandez, Paul	Y	Y	ERP
9.	Fong, Yuchi	Y	N	OSRAP
10.	Hodges, Beverly	Y	Y	ERP-Finance
11.	Johnson, Patrick	Y	Y	ERP-Controlling
12.	Knecht, Gene	Y	Y	DOA
13.	Knight, Wayne	Y	Y	DOL
14.	Liford, J.D.	Y	N	OTM
15.	Lockett, Cathy	Y	N	DSS
16.	Lodge, James	Y	N	OSRAP
17.	McNary, Linn	Y	Y	ERP-Controlling
18.	Mealie, Monica	Y	N	DOTD
19.	Meer, Abdulla	Y	Y	ERP-Controlling
20.	Myers, Babs	Y	N	DOE
21.	Patin, Marianne	Y	N	DOA
22.	Ramsrud, Mary	Y	Y	ERP-IBM
23.	Reynolds, Jeff	Y	N	DHH
24.	Scott, Margene	N	Y	DOTD (in place of Monica Mealie)
25.	Sullivan, Cheryl	N	Y	DSS (in place of Cathy Lockett)
26.	Thigpen, Drew	Y	Y	ERP-Finance
27.	Tilley, Gloria	Y	Y	OSRAP
28.	Wagner, Kim	Y	Y	Wildlife and Fisheries
29.	Whyde, Janet	Y	Y	ERP-Tech

<i>Agenda Item and Notes</i>	<i>Owner(s)</i>	<i>Action Items &amp; Assignments</i>	<i>Comments / Follow-up</i>
1. <b>Logistics, Ground Rules, &amp; Introduction</b>	Linn McNary	<ul style="list-style-type: none"> <li>None</li> </ul>	
2. <b>Project Timeline</b>	Linn McNary	<ul style="list-style-type: none"> <li>None</li> </ul>	Schedule of upcoming CO workshops was provided
3. <b>Workshop Objectives</b>	Linn McNary	<ul style="list-style-type: none"> <li>None</li> </ul>	
4. <b>Business Process Review</b> <ul style="list-style-type: none"> <li>As-Is Process</li> <li>Process Improvement Opportunities</li> <li>SAP Glossary</li> <li>SAP concepts &amp; functionality</li> <li>Leading practices</li> <li>Business process flow</li> <li>Enterprise readiness challenges</li> </ul>	Linn McNary Patrick Johnson Abdulla Meer Mary Ramsrud	<ul style="list-style-type: none"> <li>See action items &amp; assignments below.</li> </ul>	<p><u>Hard copies provided</u> - As-Is Process related to Internal Orders – WL&amp;F, DOA, AG's Office. Numbering Scheme for Cost Centers and Proposed for Internal Orders. Business Process Flows</p> <p><u>Leading practices</u> – Have necessary level of detail to meet various reporting requirements, Use standardized numbering scheme, 8 digit field length, Design should accommodate growth.</p>
5. <b>Action Items</b>		1. Discuss further with agencies the logic of the cost center numbering scheme. <p><b><u>FRICE</u></b></p> 1. Is an internal order request form needed? Can it be an on-line web-based form? <p><b><u>ENTERPRISE READINESS</u></b></p> 1. SME & end user training 2. Sorting thru sub-objects & other legacy data to identify valid internal orders <p><b><u>PARKING LOT</u></b></p> 1. Who will maintain FM Master Data – OSRAP or OPB and who will set up Internal Orders?	
6. <b>Other Items</b>			

Discussion:

Linn covered intro

Abdulla covered SAP glossary for Cost Center, Cost Element, Internal Order & Settlement

Abdulla provided overview of FI, FM & CO

Abdulla reviewed the Cost Center decisions from the prior meeting – Field length: 10 characters

- 1-3 – Business Area = Agency
- 4-5 – Program
- 6-7 – AFS Division (or) DOTD District/Section
- 8-10 – AFS Section (or) DOTD use (still TBD)

Gene Knecht raised a concern about the length of the field emphasizing that the folks doing the data entry will have difficulty getting such a long field correct. ERP Team explained the rationale logic for the proposed design. A follow-up meeting will be scheduled to re-address the concern.

Mary reviewed the cost object structure in SAP – enter one of:

- cost center (10)
- internal order (4)
- WBS element (12)
- Grant (12) – would be entered with WBS element if also project related
- Work order (10-12)

Most transactions require the cost center and GL account (cost element) – infers fund/function

Abdulla provided an overview of Cost Elements:

- **Primary Cost Elements** – linked to GL Accounts on a one-for-one basis (same number and description). Primary cost elements will be set up for all P&L GL accounts.
  - Expense Accounts in FI-GL will correspond to Primary Cost Elements in CO
    - Expenses – 500000-599999
- **Secondary Cost Elements** – used for internal allocations within a Controlling Area which are not directly linked to a GL account used for:
  - Assessment, Overheads, Internal Activity Allocation & Internal Order Settlement
    - Secondary Costs – 900000-999999
- **Revenue Elements** – used to record revenues in CO – 400000-4999999
- **Internal Order** – used to track costs of discrete, short-term tasks not set up as projects
  - True Internal Orders – FI postings are made either to a cost center or to a true internal order for later settlement to other cost objects such as one or more cost centers
  - Statistical Internal Orders – secondary cost objects which must also be posted to a real CO object. Used by agencies to meet their reporting & evaluation needs.

Patrick introduced As-Is – Internal Orders for three agencies (DWF, DOJ & DOA)

- Sub-object & sub-revenue source (2 characters) free form available for agency use. May map to internal orders, projects, GL accounts, grants.
- Reporting category (4 characters) approximately 43,000 set up by each agency to collect revenue & expenditure data for a grant or special project set up & controlled by each agency. May map to internal orders, projects, GL accounts, grants.
- Activity code (4 characters) tracks costs of a specific statewide activity – currently tech, Rita & Katrina. May map to functional areas.

Abdulla introduced SAP leading practices and to-be processes:

- enter transactions at lowest level
- use standardized, intelligent number
- central maintenance of master data
- use appropriate level of detail to address reporting requirements
- design fields to meet current needs and allow for future growth

Internal Order Types

- 10 – true internal orders
- 20 – statistical internal orders

Additional Internal Order Types may be added as needs are uncovered.

SAP Numbering: Proposed numbering scheme for Internal Orders

- Characters 1-2 – internal order types (10 or 20 depending on true or statistical)
- Characters 3-8 – internal order number
  - Also has provision to imbed info on Agency #, cost center, funded program & legacy account code, sub-object code, etc. in Internal Order master record.

There were questions from Afranie and others related to the fields in the master record. (why is cost center included? Legacy code?) For derivations and Agency reporting, Legacy codes can be added on to the master record. This will be further discussed during master data conversion.

Proposed to-be (create new internal orders):

- agency requests creation of internal order
- OSRAP receives, reviews & creates master record template
- OSRAP passes along for FM object and updates FM & GM derivation strategies and posts budget
- Agency begins processing transactions against the internal order

Proposed to-be (change or delimit internal orders):

- agency requests changes to internal orders
- OSRAP receives, reviews & makes changes
- OSRAP passes along for FM object and updates FM & GM derivation strategies

Enterprise Readiness Challenges:

- SME & end user training
- Sorting thru sub-objects and other legacy data; identify valid internal orders

# Recap: Key Decisions

Internal Order Purpose:

- Will be used by the State on an as needed basis to track costs of discrete, short-term tasks not set up as projects in Project Systems
- Will serve as a replacement object for some of the legacy Reporting Categories, Sub-Objects, and Sub-Revenue Sources. *Note:* These legacy objects will be replaced by multiple objects in SAP. Detailed analysis will be required to determine what SAP object (i.e., G/L account, Grant, Internal Order, etc.) will replace a given legacy object.

Internal Order Types:

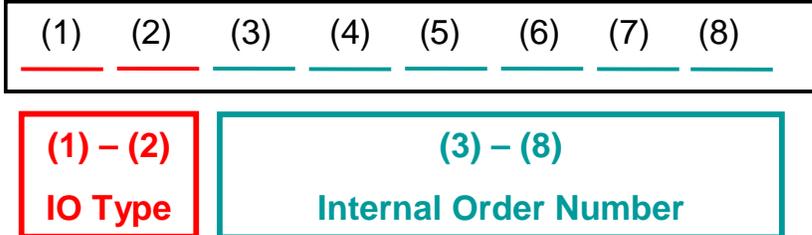
- 10 – True Internal Order
- 20 – Statistical Internal Order

Additional Internal Order Types will be created as necessary.

Numbering:

- total of 8 digits (numeric)
- Characters 1-2 – internal order types (10 for True Order, 20 for Statistical Order)
- Characters 3-8 – internal order number (system generated)

Summary of Numbering Scheme:



Number Ranges for True Orders:

**10000000 to 10999999**

Number Ranges for Statistical Orders:

**20000000 to 20999999**