



MEETING MINUTES

State of Louisiana ERP Project

Blueprint Workshop / Enterprise Structure

07/29/2008 @ 08:30 to 12:30

Location: 1-142 Montana, Claiborne

Attendees:

No.	Name	Invited?	Attended?	Comments
1.	Adomako, Afranie	Y	Y	OSRAP
2.	Cane, Pat	Y	Y	ERP
3.	Clement, Kirt	Y	N	DOTD
4.	Demmerly, Kurt	Y	Y	ERP
5.	Denham, Brad	Y	Y	ERP
6.	Deshmukh, Sudhir	N	Y	ERP
7.	Faldetta, Sal	Y	Y	ERP
8.	Fernandez, Paul	Y	Y	ERP
9.	Gorman, David	N	Y	ERP
10.	Hidalgo, Lucie	Y	Y	ERP
11.	Hodges, Beverly	Y	Y	ERP
12.	Knecht, Gene	Y	Y	OFSS
13.	Langlois, Sean	Y	N	OSRAP
14.	LaTour, Adam	N	Y	ERP
15.	Lea, Denise	Y	Y	OSP
16.	Lodge, James	N	Y	OSRAP
17.	Marrero, Rae	Y	N	OSRAP
18.	Pena, Christopher	N	Y	ERP
19.	Penn, Gerrie	N	Y	DOTD - On Behalf of Kirt Clement
20.	Pierce, Karen	Y	N	ERP
21.	Ramsrud, Mary	Y	Y	ERP
22.	Rhodes, Mark	Y	N	OSRAP
23.	Rogers, Belinda	Y	Y	ERP
24.	Sessums, Kathy	Y	Y	OIS
25.	Smith, Susan	Y	Y	OCR
26.	Thigpen, Drew	N	Y	ERP
27.	Vaught, Sylvia	Y	N	ERP

<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	Mary Ramsrud	<ul style="list-style-type: none"> None 	
2. Project Timeline	Mary Ramsrud	<ul style="list-style-type: none"> None 	
3. Workshop Objectives	Mary Ramsrud	<ul style="list-style-type: none"> None 	
4. Business Process Review <ul style="list-style-type: none"> SAP Glossary SAP concepts & functionality Leading practices Enterprise readiness challenges 	Mary Ramsrud Brad Denham	<ul style="list-style-type: none"> See action items & assignments below. 	Hard copies provided - SAP Glossary and Fiscal Year 2009 Agency Listing Leading practices – 1 FM Area, 1 CO Area, 1 Company Code, 1 Chart of Accounts, BA Balance Sheets & logical numbering State consensus – 1 FM Area, 1 CO Area, 1 or 2 Company Codes, 1 Chart of Accounts, BA at agency level (with some exceptions)
5. Action Items		1. James Lodge – Determine why non-ISIS agencies currently set up a agencies in AFS. 2. James Lodge – Determine which non-ISIS agencies are needed for contract/procurement purposes. 3. James Lodge – Determine which non-ISIS agencies are needed to comply with Civil Service rules 4. Paul Fernandez – Determine which non-ISIS agencies are needed for budget purposes. 5. Kathy Sessums – Provide list of non-ISIS agencies currently set up in HR/Payroll. 6. Larry Hofstad - Research DOTD projects that cross BAs (agencies). 7. Belinda Rogers - Identify plants and storage locations for each agency / dept. / warehouse. 8. Belinda Rogers – Provide list of agencies that will be required to use MM on future rollout.	- Kurt has provided BO report listing all active agencies between 100 and 999 set up for FY2009 in AFS. - Pat will use Kathy's list of non-ISIS agencies in HR/PR as those needed for CS compliance. - Paul provided an appropriated org list of departments & agencies from the OPB database. - Kathy provided a list of all agencies currently set up in HR/PR.

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9. Belinda Rogers – Research impact of agencies' needs for new organizations to perform central data management (material master records).
 10. Larry Hofstad – Research DOTD's requirements for materials purchasing authority on bridges and roads.
 11. Paul Fernandez – Determine how inventory purchases are budgeted currently.
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Discussion:

FI

Gene questioned whether one FM area truly represents the entire state and asked if budgets for Judicial and Legislative branches would be included. Budgets for these branches are currently accounted for in AFS at a very high level and will have to be included in SAP.

Group agreed with leading practices of 1 FM area and 1 CO area. Decision on number of company codes (1 or 2) will be postponed until end of October pending on-going review of HR's current use of 2 company codes.

Group agreed with leading practice of 1 Chart of Accounts. Sal expressed concern that DOTD's COA is much more detailed than the ISIS COA and structured around functions. Mary explained that SAP's COA contains objects and accounts only and other data will be captured elsewhere.

Group agreed that Business Area should be defined at agency level. DOTD might be one exception and choose to define Business Area at department level. Defining BA at agency level would allow Balance Sheet reporting at agency level. Mary pointed out that Balance Sheet reporting can be done at Business Area level, Fund level, Functional Area level, or Grant level. Afranie asked if reporting could be done on a department level. Mary explained that Business Area groups can be set up to roll up to departments for reporting in FI. Afranie also asked if Trial Balance could be run with both budget and actual. Mary explained that Business Areas don't exist in FM, only in FI. So fund centers could be used for reporting in FM. Also explained that actuals are stored in FI and budgets are stored in FM. So BI would be used for reporting of budget vs. actual since data has to be extracted from both areas.

Group discussed whether agencies should be renumbered. Mary pointed out that one advantage to renumbering is to facilitate ease of reporting. Afranie asked how history in legacy systems would be kept if agencies are renumbered. He asked if a reissue paper needs to be written. Mary agreed that a renumbering proposal may need to be sent out. She explained that legacy systems will have to talk to new system. Susan expressed a concern about renumbering agencies since current practice is to embed agency numbers in contract numbers due to limitation of CFMS. Mary replied that a contract's agency could be identified in other ways in SAP.

Business Area discussion also included security issues. Security is at the Business Area level. If DOTD defines Business Areas as department, security would be on department level for Balance Sheet accounting, but P&L accounting could have some lower levels of security. If DOTD defines Business Areas as agency, security would allow Balance Sheet accounting by agency. However, SAP projects can't cross Business Areas without using a work around. DOTD has a requirement for projects to cross agencies. Larry will research (see action item #6).

Mary explained how SAP's split processor works and noted that it will probably be used to handle Bond Security & Redemption Fund processing.

Group discussed handout listing all agencies currently set up in AFS. List of non-ISIS agencies in AFS is extensive. So research has to be done to determine which of these agencies should be set up in SAP. Several people will research (see action items #1 - 5).

Logistics

Group discussed plants and storage locations. Brad and Mary explained that plant is location where materials are stored, managed, and evaluated. Each plant can use moving average or standard cost method for valuing and costing inventory. Each plant must have at least 1 storage location. All plants and storage locations need to be identified for each agency / department / warehouse. Belinda will lead this effort (see action item #7).

Beverly asked if LIFO and FIFO valuation methods could be used, and Mary responded they could for warehouse management. Larry asked if stock numbers can be used and was told they are included in material master records.

Gene stated that many locations currently expense purchases of inventory and asked if those locations will use Materials Management to manage inventory. Mary explained that SAP Materials Management requires management of inventory using perpetual inventory basis, not expensing it when purchased. This allows plants to track quantities and valuation of inventories in real time. Materials used would be costed by the system as they are consumed. Denise stated that only three departments will be included on initial rollout of MM. Not sure if mandate has been established for other departments to implement MM in future. Belinda will research policy on this issue (see action item #8).

Materials Management would require a new organization for central data management. This organization would be responsible for material master records. Belinda will research (see action item #9).

Larry mentioned that DOTD has purchasing authority requirements for materials for roads and bridges. He will research this further (see action item #10).

Group discussed issue of budgeting for inventory. How and when do inventory purchases currently hit budget? Paul will research (see action item #11).