



# MEETING MINUTES

## State of Louisiana ERP Project

### *Blueprint Workshop/Material Master & WM Structure*

Session: LOG-MD-005

09/23/2008 – 09/24/2008, 8:30 to 4:30

Location: DOTD East Wing – ERP War Room

Attendees:

No.	Name	Agency	Invited?	Day 1	Day 2	Comments
1.	Anderson, Shannon	DPS	Y	Y	Y	
2.	Ardoin, Diane	DOTD	Y	Y	Y	
3.	Beilkowitz, Erin	DPS	Y	N	N	
4.	Breaux, Margaret	DOTD	Y	Y	Y	
5.	Cali, Dom	DOA/LaGov	Y	N	N	
6.	Denham, Brad	DOA/LaGov	Y	N	N	
7.	Dutt, Dev	DOA/LaGov	Y	Y	Y	
8.	Elliott, Sterrie	DOA/LaGov	Y	Y	Y	
9.	Evans, Karen	War Vets Home	Y	N	N	
10.	Garrison, Charlotte	DOTD	Y	N	N	
11.	Guedry, Mary	LDWF	Y	Y	Y	
12.	Hebert, Sharon	DOA/LaGov	Y	Y	Y	
13.	Hill, Bobby	DOA/LaGov	Y	Y	Y	
14.	Hinesman, Rodney	DOA/LaGov	Y	Y	Y	
15.	Humm, Lori	DOTD	Y	N	N	
16.	Jarreau, Mary	DOTD	Y	Y	N	
17.	Kees, Wynette	DWLF	Y	N	N	
18.	Ladhur, Jack	DOA/LaGov	Y	N	N	
19.	Lawrence, Bernadette	DOTD	Y	Y	N	
20.	Leerhoy, Mike	DOA/LaGov	Y	Y	Y	
21.	Maranto, Cynthia	DOA/LaGov	Y	Y	Y	
22.	Nolan, Debbie	War Vets Home	Y	N	N	
23.	Olivier, Herbert	DOA/LaGov	Y	Y	N	
24.	Parent, Carla	DOTD	Y	N	N	
25.	Pierce, Karen	DOA/LaGov	Y	Y	Y	
26.	Roubique, Margaret	DOC	Y	N	N	

27.	Rogers, Belinda	DOA/LaGov	Y	N	N	
28.	Taylor, Danny	DPS	Y	Y	Y	
29.	Templet, Marty	DOC	Y	Y	Y	
30.	Trevidi, Mandar	DOA/LaGov	Y	Y	Y	
31.	Wright, Mark	DOA/LaGov	Y	N	N	

<i>Agenda Item and Notes</i>	<i>Owner(s)</i>	<i>Action Items &amp; Assignments</i>	<i>Comments / Follow-up</i>
<b>1. Logistics, Ground Rules, &amp; Introductions</b>	Karen Pierce	<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>2. Workshop Objectives</b>  Warehouse Management vs. Inventory Management; Basic Warehouse topics; WM Structure; WM views of Material Master Records	Karen Pierce	<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>3. Project Overview/Timeline</b>	Karen Pierce	<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>4. Business Process Review</b>  - SAP Terms Glossary - Process improvement opportunities - SAP concepts & functionality - Leading practices - Enterprise readiness challenges	Dev Dutt, Mandar Trevidi, Mike Leerhoy, Karen Pierce	<ul style="list-style-type: none"> <li>None</li> </ul>	Hard copies were provided of SAP Glossary and PowerPoint slides.
<b>5. Action Items</b>		<ul style="list-style-type: none"> <li>Identify current warehouse(s)/yard(s) that will utilize WM</li> <li>Identify warehouse layout(pick zone/fixed bin/packing area)</li> <li>Determine storage types/sections</li> <li>Determine bin attributes</li> <li>Determine number of warehouses at each department</li> <li>Decision needs to be made on the ability to value inventory differently across the parishes/state; for DOTD, a weighted</li> </ul>	Assigned to Subject Matter Experts (SME)

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average for each District  
would be acceptable

- Review fuel requirements for DOTD Alexandria area (bulk fuel vs. state wide fuel contract). Price changes weekly
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6. **Key Decisions**

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7. **Organizational Impact**

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8. **Parking Lot**

- Discuss with PM and Agile Assets regarding storage locations and numbering – will storage locations be the same within both?
- Warehouse Numbering Convention until determination of # of warehouses in State
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9. **FRICE-W**

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10. **Integration Points**

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## 11. Discussion

Karen Pierce explained that Warehouse Management is the MOVEMENT of an item within a warehouse

Karen – WM Unit needs to be the smallest moving size of item. Best practice is that you don't change this very much; if UOM is static, a conversion can be done – this is plant specific so each warehouse can decide their own UOM

Dev/Karen – If you have WM you have to have IM; If you want to track by aisle, bin, bulk you will need Warehouse Management (that is where it lives) ; Price/quantity is in Inventory Management.

Mike Leerhoy – simple storerooms might want to use IM; if it is complex with multiple storage sections/bins, it needs WM

Break

Dev – Serpentine process is the best way to pick

Mandar – Slide #36 – you can define strategies for placement and the system can configure where the best places to put items are; you do not have to have strategies

Mike – another way of saying this – a strategy could be a rule telling you where certain materials should go – this can be adhered to or overruled at the time of receipt of the item

A stock report can be run on a scheduled basis

Diane – can you generate a report at a storage location that does not have bins? Yes and it will give you the history

Karen – Slides 38 – 41 This is just to show you how it can be set up. Plants and storage locations have not been determined.

Karen – Slide #42 – A warehouse can have the same items stored in different places and a storage location has the items stored in only one place

Diane – can DOTD use parish numbers for warehouse/storage locations?

Karen – that has not been decided as to internal/external numbering

Mandar - when you enter the plant number, you will be shown the warehouse numbers and storage locations with a description for each area under that plant

Diane – are storage location numbers going to be the same numbers as they are using right now in “Z Word” work orders and will it flow? No, “Z Word” will be replaced

Dev – numbering scheme:

- Plants will be four (4) numbers

- Warehouses will be three (3) numbers (global)

- Storage locations will be four (4) numbers (unique to plant)

- Storage type is three (3) digits (warehouse specific)

Mandar – the storage type has to be determined for each warehouse

Storage section needs to be numbered/named

WEDNESDAY, SEPTEMBER 24, 2008

Karen – review from Tuesday and will jump around in the slides

Main points:

- IM - \$, quantity, min/max

- WM – movement

- each warehouse has a unique number

Karen – needed from each agency:

- how is each warehouse set up? zones?

- draw a sketch of the warehouse to help decide

- storage type is a required field in WM

- storage section is not required

Dev – you can delete rows in WM to make a larger one and then later add it back if needed

Mike – slide #50 – clarification on the 4<sup>th</sup> bullet – storage types and sections have to be done in the configuration stage, but bins can be done by warehouse/plant according to security

Dev – The storage bin number that is entered in the Storage Bin field on WM Material Master View 2 is the primary bin number. Secondary bin and other bins available for storage of the material are entered when creating the bin (separate transaction). When creating a bin, you can identify all material numbers that can be stored in that bin. Bin creation will be discussed in a separate blueprint.

When a bin quantity falls below the replenishment number, the system will automatically tell you it needs to be replenished; IM will tell you when you need to reorder. This will happen only if the Capacity Check feature is used.

Bobby Hill – you can order something off of a work order that won't show up in IM or WM and it can be charged to a particular job

We will not discuss slide #54 until the agencies/LaGov team determine how many warehouses the state has

Break

Dev – Slide #71 - LE (Logistics Execution) - the number of pieces of a material that make up a full pallet; this can be changed by WH but should not be used if the number changes a lot; it is not a required field; the fixed bin number would be stated in the storage bin slot;

you can use the replenishment quantity field to configure/generate a transfer requirement; replenish quantity has to be set to LE quantity; bin quantity should always be more than LE quantity

Slide #70 & 71 – WM/MM view 1 & 2 are the primary locations  
Storage Unit Type (SUT) can be pallets, boxes, barrels, etc

Went into the SAP Sandbox

2 step picking – you pick from a bin and then it goes to a packing station, etc. before it is loaded on a truck (can generate a trace to know where it is in the picking process). If 2-step picking is not selected on the WM Material Master View 1, but 2-step picking is needed, it can still be done by creating 2 transfer orders – one to move from bin to packing station, the second to move from packing station to goods issue area.

In a Transfer Requirement or Transfer Order – will you see the MM #? Yes

Lunch

WM Terms

Dev – Transfer Requirement – (like a requisition-preceding document before you create a transfer order); one transfer requirement can have multiple transfer orders; the system can generate a TR when an item is received and it shows you need to move some to the aisle, bin areas; it can be generated in either IM or WM

When a DOTD district wants to get something from Sterrie's warehouse, it will be a request; when Sterrie sends it to them, it is a STO (stock transport order)

Transfer Order – it does not have to be generated from a transfer requirement.

TO includes who, what, where to, amount

TO has to be confirmed as complete

TO can be manual or system generated

Break

Dev – The movement type determines what kind of movement happens

WM movement types are more generic and IM can be more specific

Storage Unit (SU) – can be used when making kits (i.e. traffic signal units, complete set of uniforms) and can be stored in WH until you are ready to issue out. The SU number does not remain in SAP after the items are issued out.

Handling Unit (HU) – for grouping items that are going to be packed together to go to one place; HU number will give you a list (read out) of everything in that pallet/box. The HU number remains in SAP after the items are issued out and can be used as a trace of which items have been issued out.

Batch Picking – you can group multiple PO's to be picked at one time and brought to a central location with the WH for separation for shipping