

<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		• None	
2. Project Timeline		• None	
3. Workshop Objectives		• None	•
4. Business Process Review		• None	See "Discussion" below.

5. **Action Items**

- Advise PMO of SAP best practice (single point of entry) vs. state resources @ control agency
- Non-ISIS K (contract) discussion w/OCR
- Check statutes for payment terms
- Further discussion w/accounting re: Finance vendor acct groups can be extended to all PO Accounting Groups
- Meet w/Brad re: meeting w/FI about vendor master
- To prevent from having multiple PDD's with conflicting decisions, Brad will meet with Finance to discuss who maintains what fields on the vendor master record
- Llew and John will get us a listing of SE-HI and Title VI
- Kenya will look at 3rd party contracts
- Definition of "Non-State" as it relates to Vendor Master (municipalities/non-state/quasi-agencies/etc. DOTD has traditionally not distinguished differences.) Need info by 9/24, John and Kenya task force
- Belinda's email re: co-operative endeavors
- SAP does not allow for a vendor number to be changed on a contract or purchase order in SAP. But there may be a way to group the two purchase orders together. IBM to advise on procedure.

Discussion:

AS-IS discussion

SRM is supposed to replace LaPAC (our current SUS System) and eCAT, which is what we currently consider our e-procurement systems.

In Advantage Financial Systems (AFS) house banking and 1099 information for vendors need to exist in the system in order to receive payment.

DOTD – Has at least 4 distinct vendor systems: One for construction (SUBS mainframe), one for professional services (a Lotus Notes database), and one for procurement (on the DOTD intranet), and one for payment (ADDS mainframe).

A conversion database will be created to consolidate statewide vendor databases. Data cleansing will be completed within this conversion database.

Roughly 100K vendors exist in LaPAC and AGPS systems – AGPS was only purged once, whereas LaPAC has been purged multiple times. The state usually looks at the last activity to see if they need to purge the vendors.

Dun and Bradstreet numbers are included in the vendor master files but are not used

A causal status (indicated by status = to “5” in AGPS) indicator is placed at vendor master prior to awarding bids and in contract negotiation prior to awarding contract. The casual status is only a default originating status.

The vendor purge that is performed is essentially a true archiving.
Before a vendor can be suspended a reason code is required to be entered in AGPS.

Entry of vendor files is decentralized in that multiple organizations can initiate vendor creations in the various systems. Approvals are centralized at OSRAP.

Holds can be placed on vendor files, fiscal year tables, or contract tables to restrict the vendor from receiving PO's, Payments, and/or contracts.

Vendors identify themselves at the Class/Subclass Commodity level, not at the item detail level when registering online. DOTD's classification is different in which vendors can register down to the specific item/class level.

During registration a vendor can elect to do business with any or all of the 9 different regions across the state. This issue may cause a revisit of Purchasing Organizations. A question was raised as to whether the state should not include this restriction during the vendor registration in the future process. Restrictions to delivery locations can be placed in other areas of the system in order to accomplish this region restriction

BREAK

It was noted that the best practice for Vendor entry should be centralized. The state may have a resource challenge in order to make the decision to centralize the entry of vendors.

A decision will need to be made regarding the Office of Contractual Review (OCR) non-ISIS contracts having vendors not in ISIS. OCR enters non-ISIS agency contracts into the system. OCR has a 3 week contract approval process so this may delay their process. Non-ISIS entities do not have accounting data in ISIS, but OCR must enter the contract/PO in the system in order for tracking and reporting. These entities are required to follow state contract rules and regulations, so these steps need to be taken. DOTD has non-ISIS contracts that do not go through OCR.

Award and bid history is captured in AGPS/CFMS

Agencies can wire payments between agencies.

AFS has flags that indicate 1099 vendors for which reports can be generated.

Vendors can have multiple vendor addresses/locations for bidding addresses, payment invoices, PO invoices, etc.

The DOTD Automated Data Dispersment System (ADDS) contains all vendors to which DOTD cuts checks. DOTD web based system contains additional information that ADDS does not contain. A vendor utilizes a simple web-based form to communicate basic vendor information and contact details to DOTD. DOTD's buying groups (i.e. construction, professional services, commodities procurement) have their own flows and processes for vendors.

The AGPS, LaPAC, and eCat systems allow for a variety of methods and fields to search through vendors. Vendor searches are not available to everyone in eCat.

AP normally handles accounting data. Although Purchasing can maintain some control. 2 General Tabs, 3 Accounting Tabs, 3 Purchasing Tabs.

SEBD, SE-HI, Certifications & Minority will be stored in ECC and copied to SRM. All information will be available to purchasing users. During SRM Demo IBM will display how many indicators describe a vendor on the vendor master (Minority, Woman Owned, Non-Profit)

SAP Quota Arrangement will allow the functionality of percentage of spend with different types of vendors (i.e. Agency are required to spend 10% with SEBD vendors. SAP allows this via sourcing rule)

Vendor Master Records can have a number range (internal or external) by account groups (i.e. 1099 information)

General Data is entered at a global level for a company code, at the purchasing organization level, or at a combination of both. You can restrict a vendor by purchasing organization, extend it out to different purchasing organizations, etc.) In order for the material to be available the vendor needs to be extended to all purchasing organizations.

Functionality exists in SAP called "Mass Change" that may allow SAP to extend new vendors out to all existing purchasing organizations. Also, a business policy may exist regarding restrictions placed on extending vendors out to new purchasing organizations.

Accounting Payment Terms stored on the vendor table are over-ridden by the RFQ or Outline Agreement. If Purchasing Order is entered directly (LDO, DPA) the payment terms will default from the Vendor Account Payment Terms Tab.

Payment Terms Net 30 means SAP will hold onto the approved payment until the end of the 30 days and then pay the invoice. If vendor needs payment before 30 days is up, the purchasing section needs to contact the accounting section and have a release of payment done for that invoice so accounting can run an off cycle to pay vendor. Typically payment terms are established prior to ordering and invoicing. The payment terms mentioned above changed after the fact.

If a one-time vendor becomes a regular vendor two vendor numbers will exist (Change Classifications). At this point in SAP the vendor will have two vendor numbers. It would be a business policy to inactivate the one-time vendor number so that only one vendor number is active for the vendor. This causes reporting to be skewed for the vendor (i.e. awarded amounts by vendor etc. as the awarded or expenditure amounts would be under two different vendor numbers in SAP. **This is only if the Finance Account Groups are coded so that it does not allow for the vendor to be pushed out to a purchasing account group.**

To prevent from having multiple PDD's with conflicting decisions, add an action item to meet with Brad and Finance to discuss who maintains what fields on the vendor master record.

SAP does not allow for a vendor number to be changed on a contract or purchase order in SAP, but there may be a way to group the two purchase orders together (i.e. grouping number similar to As-Is T-Number in Legacy System).

Alternate Payee on the Vendor Table can be used to be a third party associated with that vendor. (i.e. vendor performs services, but IRS receives payment)

Group Discussion on how a buyer would look up a vendor to determine if that vendor is a minority, SEBD, or SE-HI. Will this be viewable to purchasing or just financial?

Brief discussion regarding joint ventures (non-legal entity) and how they are accomplished in SAP. Joint Ventures will be discussed in a later Blueprint meeting.

RFQ's can not print out for multiple addresses (Solicitation Address (SA)) to the same Vendor Number. Custom coding will need to take place in order for SAP to view each SA (bidder address) for that vendor number as unique causing an RFQ to print for each.

Key Decisions

- There will be a single vendor master database.
- LEAD Small Disadvantaged Businesses (SDB) vendor file will need to be periodically integrated with SAP vendors
- Account group number ranges:

Vendor (VN)	3100000000-3199999999
Ordering Address (OA)	4100000000-4199999999
Invoice Presented By (PI)	5100000000-5199999999
Plant	6100000000-6199999999
State Agency	6200000000-6299999999
Third Party	7100000000-7199999999
Alt Payee	5200000000-5299999999
Non State	8200000000-8299999999.

Organizational Impact

- One centralized vendor file (state resources, maintenance of vehicle file) (decentralized entry/centralized approval/activation)
- Steps to add new P-Org

Parking Lot

- Vendor registration by region/statewide for various procurement documents
- How are 1-time payments handled in SAP? Sudhir says we (SAP) have a way...(just remember to ask/understand
- DOTD is exempt from some OCR review by Statute

FRICE-W

- Vendor Systems to be replaced AGPS, DOTD- at least 4 systems
- When a new vendor is added we may/will require functionality to extend globally (may use reference purchase org)
- Query (report) by minority and commodity codes
- Printed bid output default multiple solicitation addresses
- Solicitation Address (SA)/Vendor partner acct. group
- DOTD's header record with specific sizes, colors, etc in their Materials Catalog
- E – Enhancement – investigate matchcode search by long text
- Louisiana Economic Development (LED) Small Disadvantaged Businesses (SDB) vendor file will need to be periodically integrated with SAP vendors.

Integration Points

- One-time payment integration with A/P