



# MEETING MINUTES

## State of Louisiana ERP Project

### *Blueprint Workshop / RFQ Approvals and Workflow*

Session: LOG-MM-016

October 21, 2008.

Location: New downtown Welcome Center, 702 River Road

### LaGov/Logistic Team Attendees

Belinda Rogers	Sharon Schexnayder
Brad Denham	Llewellyn DeFoe
Sudhir Deshmukh	John Lellig
Kenya Lipscomb	Cherrilyn Nedd
Adam LaTour	Jack Ladhur
Ryan Sides	Theresa Seal
Sharon Hebert	Mark Wright
Cathy Cutrer	Herb Olivier
Ginger Roberts	

### Agency Attendees:

No.	Name	Agency	Invited?	Attended?	Comments
1.	Anderson, Shannon	DPS	Y	Y	
2.	Bello, Jennifer	DPS	Y	Y	
3.	Bloodworth, Dorene	DEQ	Y	Y	
4.	Buckner, Yvette	LDWF	N	Y	For Charlotte Naquin
5.	Eppes, Ginger	DOJ	Y	N	
6.	Fontenot, Duane	DSS	Y	N	
7.	Galloway, Charlotte	CRT	Y	N	
8.	Gooding, Teresa	LED	Y	N	
9.	Hays, Robert	NELWVH	Y	N	
10.	Hernandez, Kathy	SOS	Y	N	
11.	Higginbotham, Margaret	DOJ	Y	N	
12.	Jones, Shanda	SOS	Y	N	
13.	Kees, Wynette	LDWF	Y	N	
14.	Kunjappy, Elizabeth	DOR	Y	N	
15.	Landry, Melodie	LDOL	Y	N	
16.	Lea, Denise	OSP	Y	Y	
17.	Lewis, Karen	DNR	Y	N	
18.	LeBourgeois, Judy	DNR	N	Y	

19.	Liford, J.D.	OTM	Y	N	
20.	Lumbard, Pat	PSC	Y	N	
21.	Marrero, Denise	OFP	Y	N	
22.	Miller, Diane	LDAF	Y	N	
23.	Miller, Lisa	DEQ	Y	N	
24.	Napoli, Paul	DOTD	Y	N	
25.	Naquin, Charlotte	LDWF	Y	N	
26.	Newsom, Susan	LDWF	Y	Y	
27.	Nolan, Debbie	NELWVH	Y	Y	
28.	Parent, Carla	DOTD	Y	Y	
29.	Pulliam, Sonya	DHH	Y	Y	
30.	Raiford, Julia	DNR	N	Y	For Karen Lewis
31.	Richardson, Lonnie	DOI	Y	N	
32.	Sanders, Randy	DOTD	Y	N	
33.	Sewell, Kenyetta	DCSC	Y	N	
34.	Sharp, Suzanne	DOC	Y	Y	
35.	Smith, Susan	OCR	Y	N	
36.	Sonnier, Felicia	OSP	N	Y	
37.	Stewart, Chris	LED	Y	Y	
38.	Stribling, Martina	OYD	Y	N	
39.	Thomas, Gwen	DNR	Y	N	
40.	Tickles, Michelle	LDOL	Y	N	
41.	Wallace, Patti	DOE	Y	N	
42.	Ward, Wanda	LDAF	Y	N	
43.	Watson, Eve	DHH	Y	Y	

<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; Introduction</b>		<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>2. Project Timeline</b>		<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>3. Workshop Objectives</b>		<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

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4. **Business Process Review**

- None

See "Discussion" below.

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5. **Action Items**

- State to develop Conversion plan/strategy to decide which existing documents should be converted
  - Agencies to return examples of statewide contracts and documents from OSP and DOTD to the LaGov team
  - Adam - Will reviewer history be kept in SAP?
  - Each Agency shall define approval options 1-4 for each user, at each step (cart, bid, invite, bid replies, P.O.'s, contracts, outline agreements, etc.)
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***Discussion:***

Blueprint Objectives were discussed

As-Is discussion included agencies various delegated authority limits, system approvals regarding competitive, and non-competitive commodities

RFQ Approvals (after the solicitation is created) are manual/off-line. Not all agencies follow every step listed on slide 5.

An addendum may follow the same routing as the steps on slide 5. Again, not all agencies follow each step. Service RFP approval process is manual.

The definition of internal approval (from the agency viewpoint) is approvals obtained at the agency level (Asst Mgr, Committee, Manager)

The definition of external approval (from the agency viewpoint) is approvals obtained at the OCR/OSP level

DHH – the requestor usually makes purchases up \$1000. Periodically a requestor will request to complete the RFQ for orders above \$1000. Excluding these, DHH Purchasing creates the RFQ for orders greater than \$1000 up to \$20,000

DEQ obtains all of their approvals (except OCR approvals) on the request, not the RFP.

The buyer may need to be able to change the dates on the RFQ in the sourcing cockpit before hitting submit for output.

The subject of "confirming orders" was mentioned. Adam stated that it will be addressed next week during Purchase Order Blue Print Session

For certain commodities which suppose to be exempt from approval, approval is still built however OSP just approves these items in order to allow them to be processed further in AGPS.

IBM recommends that the OCR approval happens before the MGMT Approval in order to facilitate any changes to the RFP and prevent the RFP from going through the Approval process again.

Custom development will need to be taken in order to facilitate the changing of approval dates without triggering the system to require additional approvals.

Ad-hoc approvals are added at the time of RFQ creation before the document is posted (saved).

Substitutes for Approvers can be created in the system at the time of RFQ creation (by the requestor) or proactively before the approver's absence (by the approver).

If OSP puts solicitation out and awards, OSP can create the PO as well. Once the bid is accepted, the user will need to click "Create" in SRM to create contract/purchase order. Both OSP and the agency can view and process the bid replies. Training will need to be given to end users that explains the procedure for processing their own bid replies and not processing bid replies that belong to another organization (agency vs OSP).

The solicitation documentation will communicate the email and standard mail addresses to which the bid replies can be returned.

The group confirmed that the DOTD high level process for commodities RFP is the same as all other agencies.

IBM completed the to-be process for commodities and services with the group's input on design. Please see diagrams below for illustrations.

SAP allows for two types of approver substitutions. 1) the requisitioner can change the approver that is assigned before submitting the requisition for approval, or 2) an approver can set up an alternate approver for a specific time frame in the case of the original approver's absence.

Currently an agency will enter a RFP for services and approvals are obtained on the RFP. However, in the To-Be process the RFP will be created from an approved requisition. SAP methodology is that the approval on the RFP is more for the purpose of confirming that the description, items / services are consistent with the State policies and the TOC are correct.

Currently budget approvals are obtained to verify that enough funds are available for the purchase. Budget checking is done automatically in SAP; therefore we may not need to have budget approvals in the TO-BE process.

Question was asked if we can have multiple cost centers on one line (or multiple lines) of a requisition. The answer given was: Yes it's possible to split the line item distribution across multiple cost centers.

Currently manager approves the RFP and may call a committee meeting which is offline. Depending on the recommendation of the committee, the manager would either approve or disapprove the RFP for service. There are no dollar or commodity thresholds for committee approvals. If changes are needed then the approver will make notes on the RFP and push it back to the requestor. The requestor would make the necessary changes and send the RFP to OCR. OCR may also call a committee meeting before approving or disapproving the RFP for publishing. Currently, DEQ does not need a manager to approve the RFP; although the manager of the contracts & grants section is the one who completes/writes the RFP. The approvals are on the "Request for RFP" form. Once the form is signed, DEQ sends the RFP to OCR for approval.

Currently the organization (agency or OSP) that initiates the RFP is responsible for receiving the bid replies and creating a PO or Contract for that particular RFP.

An external notification will be needed to notify vendors that they were awarded a statewide contract as a key decision was made to turn off the vendor email notification that a bid has been accepted.

Currently 964 Political Subdivisions and vendors exist. This constitutes a need for outside access to contracts.

SAP does not allow for "alternate" approvers. SAP will allow for Parallel approvers at the same level. Once one of the parallel approvers completes an approval, the approval is removed from the sourcing cockpit of any of the other parallel approvers. It was mentioned that the state may not be interested in utilizing this functionality. The possibility of having an approval administrator at each department was discussed. This structure would allow the approval administrator to either approve the workload of the absentee approver or push the needed approval to another approver.

If the approver requests a change to an attachment on a RFQ (such as the scope of work) the approver can reject the RFQ and write a note in the system that explains their expectations. This process allows the system to

time-track the document's approvals. The approver can also communicate with the requisitioner off-line to make the appropriate changes to the document before approving the RFQ.

Any buyer in the same purchasing organization can view bid documents.

Skip level approval functionality allows for subsequent approvers to be "skipped over". Only the approver with the highest appropriate approval level will be notified that a document exists for their approval.

The group determined that the state would need a variety of the standard options that SAP makes available. (See slide 35 for options). Approval settings can be configured by user in SAP. All approvers should have the ability to make changes to the documents they are approving.

Changing an Attachment on an RFQ will reinitiate approval per option 1-3 on slide 35.

End User Spend limits are currently set at \$1000 at the State of Louisiana. The state allows a requisitioner to spend up to \$1000 without requiring that the formal bid process be followed.

The Sourcing cockpit in SAP SRM is where the buyer manages their workload and performs most purchasing functions. The buyer has the ability to create a contract from a requisition if the requisition does not require competitive bidding. The buyers will need to be trained on "filtering" in the sourcing cockpit in order to discern which items they need to work.

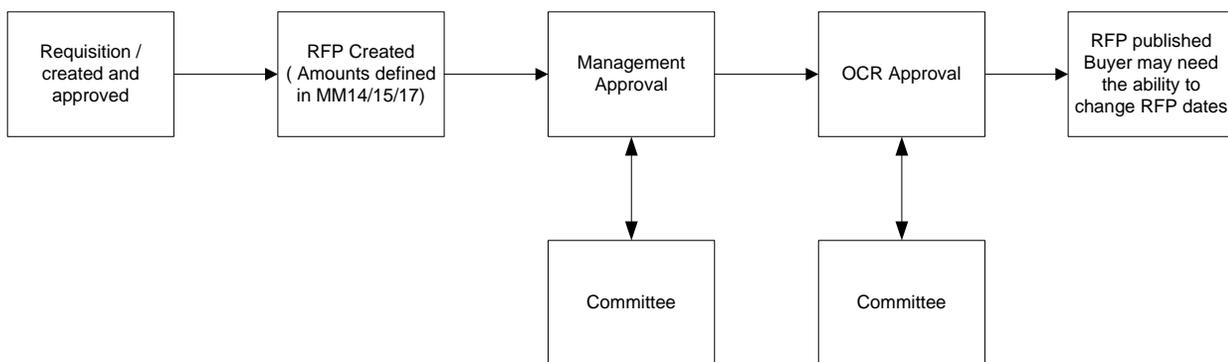
The sourcing cockpit does not allow users to save the filters they have defined for use later.

An open item for the state is the process for performing public bid openings.

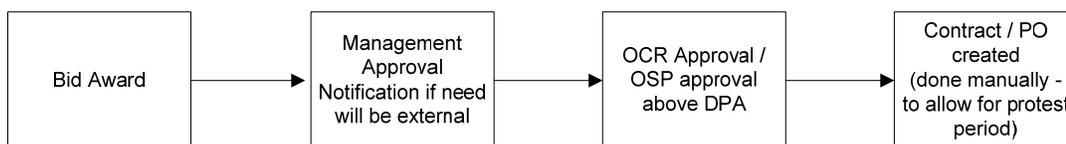
OCR and OSP can view approved requisitions for all agencies.

IBM informed the State to begin thinking about their Conversion plan/strategy. The state responded that they will continue to discuss their conversion plan offline.

#### To Be process for Services RFP



#### To Be Process Commodities / Service for Award



**Key Decisions**

- The state will continue to create and send notices of intent/regret off-line (no SAP e-mail notification to vendor)
- The state will not configure the system to automatically create subsequent documents from approved original documents (automatic creation of a PO from an approved requisition). Document creation will be a manual process.
- All approvers can make changes to documents that they approve

**Organizational Impact**

- Final RFP approval @ OCR & impact of RFP Dates (Not trigger approval change if dates / changes made after OCR approval) training issue
- Award issuance training issue (lines awarded that do not exceed agency DPA would NOT build an approval to OSP (an Ad-hoc approval can be added by the agency)
- Statute for public bid opening may have to be changed for electronic bid replies

**Parking Lot**

- Back-up approvals

**FRICE-W**

- Vendor Systems to be replaced AGPS, DOTD- at least 4 systems
- "E" – not trigger approval chain if dates, etc. made after OCR approval
- "F" – printing of statewide contracts (per Sudhir-print contract in ECC)

**Integration Points**

- None

## Powerpoint Object

Click this box to open the powerpoint developed in the meeting regarding the RFQ Approvals.