



MEETING MINUTES

State of Louisiana ERP Project

Blueprint Workshop/Outline Agreement Approvals: Create, Change & Delete

Session: LOG-MM-019/020/021

12/02/2008 @ 8:30 to 4:30

Location: DOTD – Conference Room #507, East Wing

LaGov/Logistic Team Attendees

Belinda Rogers	Sharon Schexnayder
Chris Peña	Llewellyn DeFoe
Jack Ladhur	Herbert Olivier
Sudhir Deshmukh	John Oglesby
Kenya Lipscomb	Theresa Seal
Adam LaTour	Mark Wright
Sharon Hebert	Chrishel Shelton
Cathy Cutrer	

Agency Attendees:

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

19.	Liford, J.D.	OTM	Y	N	
20.	Lumbad, Pat		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	Y	
25.	Naquin, Charlotte	WLF	Y	N	
26.	Newsom, Susan	WLF	Y	N	
27.	Nolan, Debbie	NELWVH	Y	N	
28.	Parent, Carla	DOTD	Y	Y	
29.	Pulliam, Sonya	DHH	Y	Y	
30.	Richardson, Lonnie	LDI	Y	N	
31.	Sanders, Randy	DOTD	Y	N	
32.	Sewell, Kenyetta	DCSC	Y	N	
33.	Sharp, Suzanne	DOC	Y	N	
34.	Sloper, Sondra	NELWVH	Y	N	
35.	Smith, Susan	OCR	Y	N	
36.	Sonnier, Felicia	OSP	Y	Y	
37.	Stewart, Chris	LED	Y	N	
38.	Stribling, Martina	OJJ	Y	N	
39.	Tickles, Michelle	LDOL	Y	N	
40.	Wallace, Patti	DOE	Y	N	
41.	Ward, Wanda	LDAF	Y	N	
42.	Watson, Eve	DHH	Y	N	

<i>Agenda Item and Notes</i>	<i>Owner(s)</i>	<i>Action Items & Assignments</i>	<i>Comments / Follow-up</i>
1. Logistics, Ground Rules, & Introductions	Belinda Rogers	<ul style="list-style-type: none"> • None 	
2. Workshop Objectives	Belinda Rogers	<ul style="list-style-type: none"> • None 	
3. Project Overview/Timeline	Belinda Rogers	<ul style="list-style-type: none"> • None 	
4. Business Process Review		<ul style="list-style-type: none"> • None 	
5. Key Decisions		<ul style="list-style-type: none"> • One approval on OA (the Buyer) online, all others offline 	
6. Action Items		<ul style="list-style-type: none"> • When contract is created from a request, is the pre-encumbrance relieved? • Open decision to turn on or off resubmit on approvals • Does the pre-encumbrance get cancelled on a requisition when a contract is created without a purchase order? • Follow up with Llewellyn to discuss and determine which offline signatures are being eliminated). • Follow up with Belinda to ensure that electronic approval process of outline agreements can remain off-line for OSP. • Need to meet with OCR to determine how as-is contracts will be handled in SAP for Professional services outline 	

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- agreements.
 - Meeting between Adam, Projects group, and DOTD to determine if some of the DOTD contracts will be projects and Task Orders issued off of the project (WBS).
 - Which approvers can make changes to document? If changes are made by the approver how will the routing behave – i.e. is document pushed back, or does it continue in the approval change?
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7. Organizational Impacts

- Elimination of redundant approvals @ OSP (Llew)
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8. FRICE-W

- C-contracts in AGPS convert that are agency term and statewide
 - F-contract printout
 - R-a listing of all items waiting approvals with associated notes from each
 - F - FORMS that need to be created:
Notification of Award;
Contract Award;
Renewal Inquiry letter to vendor, Notification of Renewal Letter;
Renewed Contract;
Changes to contract prints cover sheet listing revisions
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9. Parking Lot

- Further discussion about approvals with Adam on contract (OA)
 - Supplemental bids for OSP contracts
 - Off-line meeting w/Paul Napoli re: work processes within SAP (include Christine)(WBS stuff)
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Discussion

For items that DOTD want to have hard delivery dates yet the pricing agreement lasts 12 months, then the suggested process is as follows:

- DOTD take the awarded bid
- create a PO
- ability to create a contract from the PO after the fact if needed

A Contract will not be associated with a bid if the purchase order is created first. However, if the Contract is created first then the Purchase Order will be linked.

One type of Agency Term includes: Request for \$20,000 is created (the pre-encumbrance is \$20,000) and a contract is generated from this request. Is the pre-encumbrance cancelled at time of contract or when the PO issued? Agencies sometimes create/encumbers a PO for the full year amount and issues partial receipts against it. However the danger is if the pre-encumbrance is not cancelled at the time the contract is created, the user can create another request with another pre-encumber for \$20,000 for a total pre-encumbrance of \$40,000.

Director approval is requested if extension of contract goes beyond RFP time allowed. An emergency contract is approved by the Director until another contract can be bid out.

Buyer approval is required if there is a price change to the contract (no change in product) or a vendor distributor is added/deleted.

Changes for item substitutions, deletions or additions require Manager approval.

Disapproval of item substitution or deletion of an existing contract requires approval from the Assistant Director.

Approval limits for a Manager (Estimated value < 1M) or Assistant Director (AD) (Estimated value > 1M) on valid renewal or extension of contracts. If renewal is rejected the contract goes back out on bid.

Approval of contract will continue to be off-line. Felicia Sonnier, State Purchasing Assistant Director, said the Manager or Assistant Director will review the contract or contract extension when their hard signature is required.

If an extension is required the approval process for the Agency or State Purchasing and the Vendor will continue to be kept off-line because the set-up of approvals in the system can be cumbersome. Depending on how the approvals are set up a user could potentially create a purchase order for a contract that has been extended by the Agency/State Purchasing but not signed by the Vendor.

State Purchasing Approvals are required on RFP Agency Term Awards. The Award is approved by the State Purchasing Assistant Director. The negotiated Contract is approved by the Director RFP State Purchasing Approval before being published. Operating Services (RFP) State Purchasing Approval is required on all bids. Unlike RFQ's where a delegated authority limits comes into play.

A stop gate needs to be created at the contract level to prevent a release before contract is approved off-line. This gate approval can be the buyer.

RFP's are for a particular agency that is an operating service (i.e. call center). These are sometimes restricted to specific agencies.

Eliminate State Purchasing redundant approvals regarding the routing process for outline agreement.

DOTD has no on-line approvals for contracts. DOTD will need to look into their process regarding the buyer being responsible for the approval of the contract before releases can be issued from the contract.

Buyer, property manager, OSP or OCR approvals for PO's may be required if the contract is new.

DOTD has a true outline agreement called "Retainer Contracts". Retainer contract approvals are similar to other contract approvals. Task Orders "Releases" are issued off of Retainer contracts. In the To-Be Process Task Orders will be considered Purchase Orders.

DOTD professional service contracts have multiple stages (usually 2-3 parts). The original contract (Title 48 contracts are not considered retainer contracts) would describe all parts. The supplemental agreements are with the original vendor. These supplemental agreements are changes to the original contract.

DOTD contract review/approvals occur prior to the award; contract funding can occur prior to award or with each Task Order.

Some of the releases from Title 48 contracts can be negotiated at the purchase order level.

DOTD contract amendments can be sent to FHWA (Federal Highway Administration) for approval. This approval is performed off-line via letters/signatures. For DOTD Title 48 would replace OCR for approval of federally funded contracts (this is from DOTD). Per Dom Cali FHWA will be given inquiry access to SAP so approvals will remain off-line.

Extra work letters are not used with retainer contracts, only supplemental agreements. A work letter is similar to a supplement agreement in that it changes a contract.

While an amendment is being processed, Task Orders can be processed against the original contract. Supplemental Agreements are not bid out.

Everything is itemized in SAP. If you get a release order or invoice you would itemize it against a line.

In SAP you can limit users with the ability to change the outline agreement. DOTD does have vendor distributors for their prime vendor associated with the outline agreement. DOTD call these vendors "SUBS".

DOTD (John Oglesby & Paul Napoli) agrees that the off-line approval of professional and retainer contracts and supplemental agreements will continue to be an off-line process similar to those agencies and State Purchasing workflow.

DOTD Project Manager Requests supplemental agreements that suspend work until a future date. Another supplemental agreement is performed to activate work again.

Current Contract Approval Process

Approvals for contracts are managed by route slips (manual form) which is recorded in the physical file.

Buyer (On Contract changes → Price Reduction → no line item changes)

Manger review (Estimated value < 1 M)

Assistance Director (Estimated value >1M)

Majority of documents will start with requisitions and then flow to a potential contract, however there are certain contracts identified in prior session (which use GSA price) that may start from a contract document.

Contract can be copied to a new solicitation and new line items can be added/removed if they need to be rebid. Additionally if the contract is initiated from a Solicitation then the original solicitation can be leveraged to create a new solicitation as well.

Decision

The decision was that all contract approvals (new or Changes) need to be captured offline (due to multiple variations across the treatment of contracts). Once the buyer has all the necessary offline approvals, they will be recorded in SAP via Attachments; then the buyer will approve the contract which will make it available for use.

When physical signature is not needed on the contract and additional electronic approvals are needed then this will be handled via ad hoc approvers.

Spend Limits have not been identified to be used in workflow.

In the future phase we can research performing electronic approvals for outline agreements for some of the off line approvals currently being performed today.

Approvers / Reviewers

Ad hoc approvers can be added anywhere within the approval chain prior to final approval. Any person with an active login ID in the system can be an ad hoc approver; you do not have to be specifically assigned an ad hoc approval role.

Reviewers have display only access and need to review the document prior to final approval, if document is not reviewed prior to final approval, then the work item will be removed from the inbox.

E-mail notification triggers will contain a HTTP link to take the approver to a logon screen.

Approvers need to be cognoscente to mange timely approvals; workflow admin reports are available to aid in this process

Resubmit (postpone functionality) approval notes could be used to document reasoning why approval has been postponed.

Business practice

When Approvers use the Substitute functionality, they should inform the substitute approver prior to setting them as there substitute.

Approvers should review the detail of the items that they are approving.

Possible enhancement

Replace button will not be used for contracts or any other documents – (This allows you to replace approvers generated by the system which can circumvent the approval chain) – The replace functionality will need to be disabled.

A workflow report generated by workflow status also provides workflow approval notes.

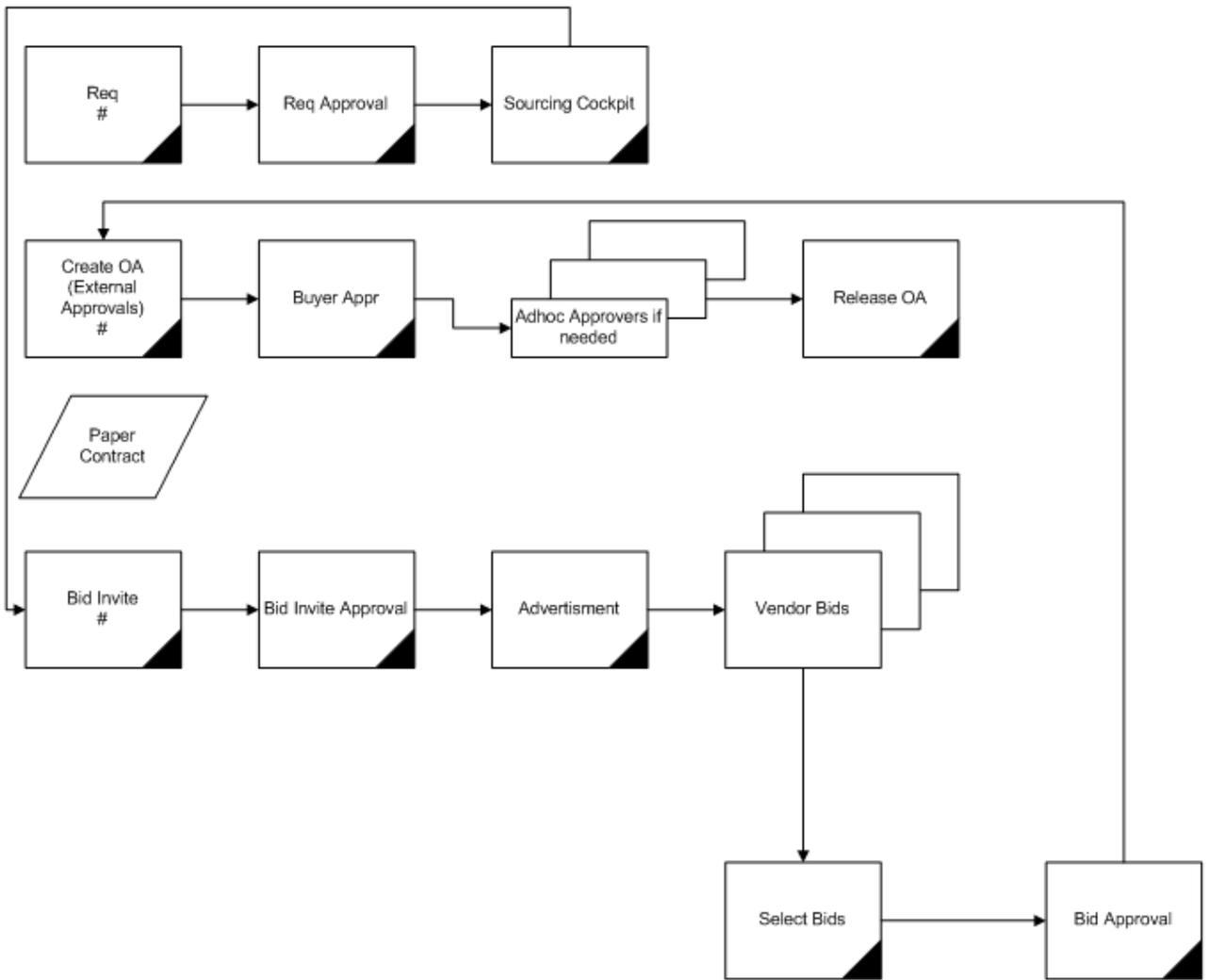
Outstanding Items

Workflow authorization level is a user setting independent of document approval. Outstanding items that need to be determined have been documented in the Action Items section of this document.

The following item will be handled during realization:

- Resubmitting functionality needs to be examined further regarding if it's applicable to be used for the State.

Outline Agreement Process Flow



Outline Agreement Process Flow

