



# MEETING MINUTES

## State of Louisiana ERP Project

*Blueprint Workshop/P-Card Procurement*

Session: LOG-MM-024

12/04/2008 @ 8:30 to 4:30

Location: DOTD East Wing, Room 507

### LaGov/Logistic Team Attendees

Belinda Rogers          Bobby Hill  
Jack Ladhu  
Kenya Lipscomb  
Adam LaTour  
Herbert Olivier  
Cathy Cutrer  
Sharon Schexnayder  
Llewellyn DeFoe  
Theresa Seal  
Sudhir Deshmukh  
Chrishel Shelton  
Sharon Hebert  
Mark Wright

### Agency Attendees:

- |    |                   |     |   |   |
|----|-------------------|-----|---|---|
| 1. | Anderson, Shannon | DPS | Y | Y |
| 2. | Bello, Jennifer   | DPS | Y | N |

3.	Bloodworth, Dorene	DEQ	Y	Y
4.	Buckner, Yvette	WLF	Y	N
5.	Eppes, Ginger	DOJ	Y	N
6.	Fontenot, Duane	DSS	Y	N
7.	Fruge, John	OYD	Y	Y
8.	Galloway, Charlotte	CRT	Y	N
9.	Harbor, Richard	DOTD	N	Y
10.	Hays, Robert	NELWVH	Y	N
11.	Hernandez, Kathy	SOS	Y	N
12.	Higgenbotham, Margaret	AG	Y	N
13.	Jones, Shanda	SOS	Y	N
14.	Kees, Wynette	WLF	Y	N
15.	Kemp, Tim	LED	Y	N
16.	Kimmel, Linda	DOTD	Y	N
17.	Kunjappy, Elizabeth	DOR	Y	N
18.	Ladatto, Donnie	OSRP	Y	Y
19.	Landry, Melodie	LDOL	Y	N
20.	Lea, Denise	OSP	Y	N
21.	LeDuff, Saysa	OIS	Y	Y
22.	Lewis, Karen	DNR	Y	N
23.	LeBourgeois, Judy	DNR	N	N
24.	Liford, J.D.	OTM	Y	N
25.	Lumbard, Pat	PSC	Y	N
26.	Marrero, Denise	OFP	Y	N
27.	Miller, Diane	LDAF	Y	N
28.	Miller, Lisa	DEQ	Y	N
29.	Napoli, Paul	DOTD	Y	N
30.	Naquin, Charlotte	WLF	Y	Y
31.	Newsom, Susan	WLF	Y	N

32.	Nolan, Debbie	NELWVH	Y	Y
33.	Parent, Carla	DOTD	Y	N
34.	Parker, Pam	DOTD	N	Y
35.	Pine, Susan	DEQ	Y	Y
36.	Prejean, Jeannie	DOTD	N	Y
37.	Pulliam, Sonya	DHH	Y	Y
38.	Reynolds, Jeff	DHH	N	Y
39.	Rhodes, Barbara	OSP	Y	Y
40.	Richardson, Lonnie	LDI	Y	Y
41.	Sanders, Randy	DOTD	Y	N
42.	Scherich, Eileen	LaGov	N	Y
43.	Sewell, Kenyetta	DCSC	Y	N
44.	Sharp, Suzanne	DOC	Y	N
45.	Smith, Susan	OCR	Y	N
46.	Stewart, Chris	LED	Y	N
47.	Stribling, Martina	OYD	Y	N
48.	Thomas, Gwen	DNR	Y	N
49.	Tickles, Michelle	LDOL	Y	N
50.	Toups, Tammy	OSP	Y	Y
51.	Wallace, Patti	DOE	Y	N
52.	Ward, Wanda	LDAF	Y	N
53.	Watson, Eve	DHH	Y	N

<i>Agenda Item and Notes</i>	<i>Owner(s)</i>	<i>Action Items &amp; Assignments</i>	<i>Comments / Follow-up</i>
1. <b>Logistics, Ground Rules, &amp; Introductions</b>	Belinda Rogers	<ul style="list-style-type: none"> <li>• None</li> </ul>	
2. <b>Workshop Objectives</b>	Belinda Rogers	<ul style="list-style-type: none"> <li>• None</li> </ul>	
3. <b>Project Overview/Timeline</b>	Belinda Rogers	<ul style="list-style-type: none"> <li>• None</li> </ul>	
4. <b>Business Process Review</b>		<ul style="list-style-type: none"> <li>• Bobby Hill</li> <li>• Sharon Hebert</li> </ul>	
5. <b>Key Decisions</b>		<ul style="list-style-type: none"> <li>• Non ISIS Agency PCARD Info is out of scope</li> <li>• WORKS will continue to be used for PCARD Maintenance</li> </ul>	
6. <b>Action Items</b>		<ul style="list-style-type: none"> <li>• Check w/FI concerning their decision concerning PCARD</li> </ul>	

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- Need further discussion Fuel Man and Fuel Trac with DOTD
  - Determine if DOTD will go on the same Fuel-Card contract as the rest of the state.
  - Follow up w/DOTD banking information on Fuelman and Fuel Trac
  - Who is requiring commodity information be captured for PCARD purchases
  - Need to ensure that FI has addressed the Reconciliation process and the report requirement for the data loads which address the functions around matching the integrity of the data file
  - Need to check with FI (Mary Walker) on P-Card process PDD – i.e. who is creating it the PDD - FI or Logistics
  - Need to validate if capturing commodity code is a
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true requirement,  
which is currently  
not captured. –  
***Validated with OSP  
that they would  
eventually like to  
capture the spend,  
however it's not  
the driving factor,  
driving factor is  
the ease of data  
entry for P-Card  
users***

- Need to Validate if unreconciled P-Card items can be paid prior to being reconciled to ensure payments are not delayed, due to P-Card users not reconciling transactions ( Per Straw- Man 2) -  
***Checked with Mary, she believes they cannot, need to follow up with SRM consultants as well***

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#### 7. Organizational Impacts

- Paper receipts will be kept and maintained statewide
  - Automate detail listing of purchased items
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**3. FRICE-W**

- Conversion of account information in WORKS and TRAC
- Fuel Cards With Plant Maintenance. & Asset

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**4. Parking Lot**

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**Discussion**

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**P-Card  
LOG-MM-024  
12/04/08)**

**Fuel –Card**

Reasoning for use of a Fuel Card

Current contract is a volume rebate contract, depending on the volume of consumption a rebate is given back to the account holder card.

- Better negotiated contract - incentives.
- Mileage is captured which could potentially allow this to be integrated with plant maintenance equipment record.
- Audit purposes

Consignment Fuel Functionality is a new function available on the current fuel –card contract.

Vendor is validating whether and how they can incorporate EFT payments for the State. Currently these payments are being issued by cardholder via bill pay functionality or a physical check.

Some of the Agencies at the State have physical statements, while others have electronic statement.

Tax adjustment on fuel card is made on each transaction and the adjustment is displayed as a line item online (i.e. adjusted made for federal excise tax)

Fuel card is a data level 5 card capture system most of the fuel stations will capture this level of information.

The data currently at State Police is scrubbed via a middleware where certain business rules are applied to ensure the integrity of the data prior to loading into Protégé.

### **P-Card**

Commodity code could be added to DHH middleware software (PMS) where we could drive the commodity code from the accounting distribution (Account) → Do we need to follow up with FI regarding Account Determinatin?

Above process is similar to current process and address the business requirements, however the downside for the above solution is the loss in procurement analysis activities that can be performed, if users are not expected to enter requisitions as well as the ability to encumber funds

Purchasing Logs are in multiple formats across the various agencies and currently these have to be signed off by the cardholder and the manger – This process of approval / signing will continue.

Two statements are currently being sent by P-Card vendors (1) the card holder and (2) the Agency.

Currently the P-card Dispute Process includes that the payment is made and the dispute process happens offline with adjustments made on future statements.

Ghost Cards are not physical cards, they are card numbers provided to suppliers

EBP (Enterprise Buyer Professional) is a part of SRM (Supplier Relationship Management) where purchase order documents are created.

SAP supports level 3 data (i.e. UNSPSC, detail data and description)

Currently the State process includes performing a post audit, i.e. payment is made and JE are performed to reallocate.

The unblocking can be performed at the vendor level; however this process is part of FI and clarification needs to be obtained from the FI team. Did we capture this information under the Action Item section?

## **Straw Man Option 1**

A requisition is created by the P-card holder (prior or after purchase) → receipts can be scanned and attached → requisition is sourced to a PO (could be automatically sourced to a PO.) → PO is not sent to the vendor (no physical document is sent to the vendor). Workflow functionality is available for management approval.

AP could be added as an approver who could validate and change the coding from the default account setting entered by the card holder.

One requisition can be created for multiple P-Cards purchases, however each P-Card transaction must be itemized by P-Card.

If a transaction is not processed on the bank file, then those line items will remain unreconciled and would be reconciled with future bank files.

The Payment function will be addressed by FI however P-Card payments can be consolidated for the entire State.

## **Benefits - Straw Man Option 1**

This would ensure that we are not dependant on 3<sup>rd</sup> party software and we can capture commodity spend and create encumbrance.

## **Cons - Straw Man Option 1**

The initial effort for the P-card holder to enter Requisition is greater than logging the data in the current purchasing log.

## **Conversion**

Effort is needed to ensure that the default accounting information in WORKS/Fuel Trac associated with the cardholder is translated to the new accounting string. This may be addressed through a conversion effort or via a mapping table

## **Interfaces**

Fuel-Card to SAP Payables  
Fuel-Card to Plant Maintenance

WORKS (Bank of America Proprietary Software) to SAP  
Possible Interface for DOTD depending on action item

## **Issues with current Process**

Commodity code is Not captured currently on P-Card spend  
No Standardized business process of allocating charges.  
There is a possibility of Cardholder paying the P-Card statement and that has occurred.

## **Process Improvement Opportunity**

Is there a possibility to standardize the offline approval process across agency to a post audit function?

Could we have a purchasing log completion as mandatory across State Agency? See key decision

Automate detail listing of items purchased.

## **Business process requirement**

Store the receipt centrally at each agency for P-Card audit function.

## **Key Decision**

Non ISIS agency P-Card commodity spends will not be captured, and is out of scope.

Value added for forms to be standardized across the State for P-Card Maintenance is not a priority currently and will not be tackled as part of go-live.

Purchasing log completion as a mandatory across State Agency should be policy.

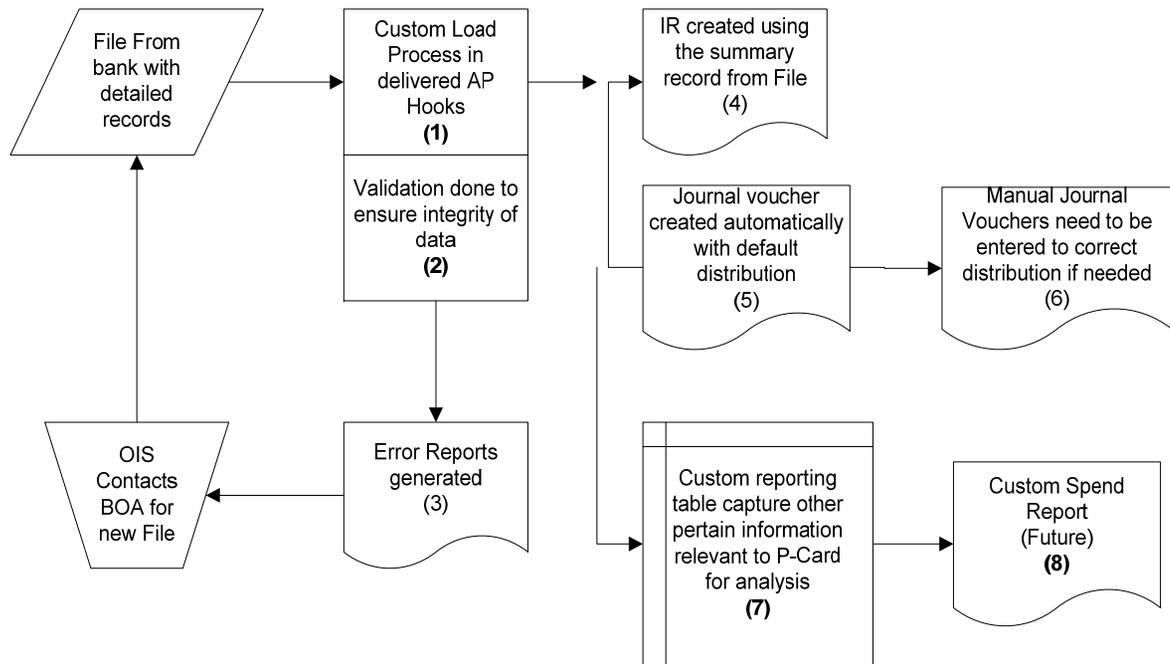
WORKS will continue to be used for card maintenance.

**Proposed Solution** should meet the below key driving factors

### **Driving Factors**

- (1) Payment Made in timely manner to BOA
- (2) Ease of entry for P-card users / accountants
- (3) Standardized process for Fuel-card and P-card
- (4) Limited development effort
- (5) Non reliance on BOA WORKS, (Contract could be awarded to a different vendor in the future )

See Straw-man 2 overleaf



## Straw-Man 2 P-card processing

### Notes Per above diagram

- (1) Development needs to be done to load the P-Card file in to ECC payables, using delivered SAP hooks
- (2) Part of the load process will be to make sure that the file sent from BOA is correct i.e., totals and record counts match, cards belong to the State, Cards are active
- (3) If file fails error check, then the file is rejected and the cause of the errors are recorded in the error report
- (4) Summary record from BOA data file will be used to create the voucher that will be paid to BOA

#### Posting of voucher

( Dr Default P-Card Acct  
Cr AP Liability

#### Posting of Payment

Dr AP Liability  
Cr Cash )

- (5) Detailed records from BOA file will be used to create Journal Vouchers

#### Posting of Journal voucher

( Dr Expense ( default Expense acct and Cost centers for Card holders)  
Cr Default P-Card Acct)

If Commodity code is passed on BOA file it can be entered in a Reference field

- (6) If transactions need to be moved from default accounting distributions then Designated users will copy the journal vouchers and recode it to corrected accounting distribution, Commodity Code will not be required

#### Posting of Journal voucher

( Dr Expense ( Corrected distribution)  
Cr Expense ( default Expense acct and Cost centers for Card holders)

- (7) Upon load because not all the data is needed and loaded for Journal Vouchers, the pertinent data from the will be loaded to a custom reporting table where future reports / queries can be created from.

- (8) Spend reports for P-card can be created from the custom reporting table in future phases.

