

## Meeting Information

**Meeting Name:** Items/Categories/Contracts  
**Scribe:** DeVal Lott  
**Facilitator:** Kyle Morton/Rick Housworth  
**Date:** 2/14/2004  
**Time:** 1:00pm – 4:40pm  
**Location:** Suite 1514B West Tower

## Invitees/Attendees

+ In attendance, - Absent, # Substitute, \*Other

	Name	Organization/Department	Substituting For
-	Dana Russell	DOAS	
+	Anita Hunnicutt	DOAS	
+	Debra Blount	DOAS	
+	Roxanne Perez	DOAS	
+	Lawrence Bond	DOAS	
+	Charles Petty	DOAS	

### Project Staff

	Project Staff	Organization/Department	Role
	Kyle Morton	Accenture	AP/PO Lead
	Rick Housworth	SAO	PO Lead
	Henrietta Adams	SAO	AP Lead
	Janice Brown	SAO	AR Lead

## Agenda

Item No.	Topic	Presenter
1.	Introduction of Attendees, Project Overview, Fit Gap Process Overview, Fit Gap Session Objectives, Roles and Expectations	Kyle Morton
2.	Project Guiding Principles	Kyle Morton
3.	Meeting Handouts	Kyle Morton
4.	Topics for Discussion	Kyle Morton
4A	Current Process	Rick Housworth
4B	Items Groups	Kyle Morton
4C	Item Categories	Kyle Morton
4D	Item Definition	Kyle Morton
4E	Purchasing Contracts	Rick Housworth/Kyle Morton
4F	Purchase Orders and Contracts	Rick Housworth/Kyle Morton
5	Conclusion	Kyle Morton

## Meeting Summary

Agenda Item No.	Main Points, Conclusions/Discussions, Decisions, Next Steps, Issues, New Action Items
4	This Fit Gap Session focused on Item Groups Setup, Item Categories, Item definitions and Purchase Orders and Contracts.
4A	<p><b>Current Process</b></p> <p>The current process of adding and maintaining Items was discussed and it was decided that items and categories will continue to be manually entered and updated in the system.</p> <p>During this discussion, the Purchasing Card Reconciliation was introduced as a topic. (See <b>Parking Lot # 1</b>)</p>

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4B	<p><b>Item Groups</b></p> <p>An item group will be created for each contract and the item group will be on each item. This will allow search capability by item group and see all items on a contract from the purchase order pages.</p> <p>Naming convention for item groups (ex. SWC*#####) where * is a changeable character.</p> <p>DOAS asked about using this for Agency Contracts also. Answer: NO, planned for Statewide Contracts use only (agency contracts may be added to the system)</p> <p>(See <b>Action Item # 2</b>)</p>
4C	<p><b>Item Categories</b></p> <p>Item Categories will continue to be the five digit NIGP code in version 8.8. Instead of storing the NIGP codes in the field Category_ID, they will now need to be stored in the Category_Code field. This field is used for searching on the Purchase Order, Requisition and RFQ.</p> <p>Item category is tied to a Purchase Order line. DOAS wants to use this field for all coding. (See <b>Action Item # 3</b>)</p> <p>DOAS wants to be able to capture NIGP code data from Purchasing Card Vouchers and Vouchers that don't have to go through State Purchasing.</p> <p><b>Decision:</b> Will convert all NIGP codes to new version 8.8. Records are clean.</p>
4D	<p><b>Item Definitions</b></p> <p>System tolerances were discussed. May have global Tolerances that are higher than the standard tolerances. (Standard tolerance is 10% or \$500 whichever is greater per Purchase Order line). Tolerances for items on statewide contracts will be discussed during the matching Fit Gap meeting on Feb. 21.</p>
4E	<p><b>Purchasing Contracts</b></p> <p>In version 8.8, purchasing contracts will be used to maintain the items contracted price with a vendor and will store header information such as contract name and number, and payment terms.</p> <p>Contracts may need to be restricted to certain regions of the state. The "Available in all Regions" checkbox could possibly be used for this purpose. DOAS will supply a listing of all regions within the State. (See <b>Action Item # 4</b>)</p>

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4F	<p><b>Purchase Orders and Contracts</b></p> <p>Contracts will not use the auto-numbering feature in PeopleSoft, the contract number will be manually entered when adding a contract. The vendor, payment terms, vendor contact, contract name and effective and expiration dates will be established at the header level.</p> <p>Vendor Locations were discussed to see if they may be used to specify “Statewide Contract Release” locations. (See <b>Action Item # 5</b>)</p> <p>Possible customization – to make payment terms default from the contract to the purchase order.</p> <p>A purchase order related to a contract is created with a purchase type of “Statewide Contract Release”. The appropriate vendor is then selected or if not known can be determined used the item search functionality in the system. The system will automatically track released quantities and amounts against the contract and display “real time” totals on the contract pages. DOAS wants to be able to link from the vendor pages to the DOAS Website, the Contracts, Prices, etc. (See <b>Action Item # 6</b>)</p> <p>A discussion was held about attaching documents (drawings, specifications, etc) to the contracts using links. (See <b>Action Item # 7</b>)</p> <p>A discussion was held about using Price Adjustments (State Purchasing Maintenance) for example: If you buy 1-10 items you save 10%, if you buy 20 – 30 items you save 20% etc). (See <b>Action Item # 8</b>)</p> <p>It was discussed whether non contract Purchase Order Lines could be on the same purchase order as contracted items. (See <b>Action Item # 9</b>)</p>
	<p><b>Conclusions</b></p> <p>DOAS will continue to maintain items and categories in the system.</p> <p>Statewide Contracts will use the naming convention of “SWC*##### - 1” where the * is a changeable field and the contract is split between two or more vendors.</p> <p><b>Overall DOAS Group Consensus:</b> DOAS wants to digest information and get back in touch with SAO.</p>

**Action Item Review**

Action Item (AI) No.	Date Open	Description	Action/Response
AI1.	2/14/05	Capture NIGP code data on Purchasing Card vouchers and regular vouchers where no purchase order exists.	This customization will be addressed after the upgrade has been completed.
AI2.	2/14/05	Item Group – Agency Contracts, will this meet needs?  -Policy – State Purchasing  -Piggybacking off other State Agencies (all Business Units or a select few)	Functionality delivered in version 8.8. If State Purchasing would like for agencies to enter their contracts they need to communicate this information to the agencies and request that the SAO train users on how to enter Contracts in v8.8
AI3.	2/14/05	Item Category – Can use other codes in this field. NIGP vs. other codes – Where is it stored?	During this upgrade the current use of NIGP codes must continue, any change to the coding used would be out of scope for this project.  PeopleSoft delivered functionality:  SIC codes for vendor registration.  Delivered item categories are UN/SPSC (Universal Standard Products and Services Classification)  MCC (Merchant Category Codes) are used for Procurement Card Suppliers
AI4.	2/14/05	Item Definition – “Available in all Regions?” Can this be used to restrict buying? (Bread, Milk, use of office supplies)	DOAS to provide listing of all regions  SAO will investigate whether functionality related to regions is available in version 8.8. SAO will setup meeting with State Purchasing by end of Phase 2 to provide details.
AI5.	2/14/05	Discuss locations for items (payment terms) Default payment terms from contract and not vendor record to feed to AP (AP is not to change terms)	Possible Customization – this has been logged as a requirement for this phase of the project.  Training issue (AP & PO)

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A16.	2/14/05	URL on the vendor to link to DOAS Website, Contracts, Prices, etc.	This customization will be addressed before the end of the design phase of this upgrade.
A17.	2/14/05	Look at ability to attach documents (drawings etc) to the contract using links.	The Project technical and infrastructure team is reviewing this functionality to determine possible impacts on performance and space issues. A decision will be made by the end of the design phase of this upgrade.
A18.	2/14/05	Price Adjustments (State Purchasing Maintenance)  Breakdowns:  Buy 1 -10 save 5%, buy 20-30 save 10% etc.	Functionality delivered in version 8.8. Project team will setup a meeting before end of the design phase to show delivered functionality, if delivered functionality will not meet the requirements, this functionality will be out of scope for this project, because this functionality is not currently used in version 7.02.
A19.	2/14/05	Review non contract items and limit the amount to <\$500 for NIGP 99999.  Don't allow tie between Purchase Order line and Statewide Contract Release type.	This is pending a decision of whether items under \$500 should be on a separate purchase order and not on the same purchase order as contracted items.  Update 2/15/05 – DOAS agreed to using dummy item and category to allow this. Procedurally, should only be used for small dollar items. Five digit commodity coding is not required for small dollar items even on regular purchase orders. A query will be developed for auditing of compliance in the use of this dummy code.

**Parking Lot items**

Parking Lot Item No.	Parking Lot Items
PL1	<p>Purchasing Card Reconciliation – loading new files</p> <p>This is out of scope for this upgrade, there are a lot of design decisions, configuration and technical impacts around interfacing an Infospan file into the Pcard module and Card Maintenance.</p>
PL2	<p>Evaluated Receipt Settlement – Creating vouchers from receipts.</p> <p>This area of functionality was discussed as a way to create vouchers without purchase orders. This is out of scope for this upgrade, there are a lot of design decisions, configuration and technical impacts for implementing this functionality, and it is currently not being used in version 7.02</p>
PL3	<p>Requisitions – local level – generate on desktop and use workflow thru agency</p> <p>Design and implementation for rolling out the requisition functionality to all agencies is out of scope for this project.</p>
PL4	<p>Ability to see multiple prices for one item and vendors at Purchase Order level</p> <p>DOAS would like the ability to see all prices in a list in order to make a selection of the vendor on a statewide contract release purchase. (compare prices, lead time days etc)</p> <p>This could be accomplished by adding the item vendor price to the view displayed when the Item Vendor priority link is used from the item search. State Purchasing would have to maintain item vendor pricing at the item level for the items that are available from multiple vendors at differing prices (this would be a small percentage of the items)</p>
PL5	<p>Default line # when item is selected</p> <p>DOAS would like to see the line # of the contract default to the purchase order when the item is selected. This would be a “nice to have” customization but is not critical to the process. In order to reduce the modifications to the system, this should be considered in a later phase.</p>
PL6	<p>Catalog Manager – eProcurement - Both of these modules are out of scope for this project.</p>

