

End-To-End eProcurement Project Requirements Phase

Introduction: eProcurement means electronic procurement, it does not indicate an enterprise solution. This is a grassroots “shared services” project. It is our vision that in time it will become the enterprise solution for procurement. Shared services means we are sharing the cost and effort to enter into a contract with a software vendor for an eProcurement solution. End-to-End eProcurement means the procurement process from the time an agency staff person determined to make a purchase through the payment for the purchase.

In the process of obtaining End-to-End eProcurement software, we need to have a clear understanding of what we expect that software to do and a means to compare solutions proposed by vendors who respond to our RFP. The process we plan to use to accomplish this is shown in the top portion of this slide.

This project will end with the signing of a contract with the selected eProcurement software vendor. Each agency will be responsible for their own project to implement the software at their agency. Forestry plans to start an implementation project soon after the contract is signed and will share documentation and lessons learned with other agencies as requested. Our intent is to continue collaborating after implementation by creating a software user group to speak with one voice to the vendor. This gives us the potential to influence future enhancements of the product to meet the state’s evolving needs.

There are several steps that we must go through to get to the point of signing a contract. The first is the identification of business processes.

Business Processes: During our presentation to your agencies, we indicated that agencies would need to map their business processes as the first step. Since that time, we have determined that what we really need at this point in the project is a list of the manual and automated processes that are done in your agency.

Education, Forestry, and Secretary of State have collaborated to create a list of business processes, which is in your handout. Each agency will need to review it and identify additional processes done in their agency that can be added to this list. Please respond with your additions by 11/6/2015. We will combine the business processes from all agencies to create a master list. This list will be used to inform the requirements process.

Two other steps need to be completed that will also inform the requirements. They are the identification of needs for interfaces and the data conversion.

Interface Identification: Each agency needs to identify all software applications that need information from or supply information for the procurement process. Interfaces common to all agencies are SFMA, ORPIN, and OMWESB. The needs of all agencies will be combined to create a master list of interfaces. The project’s Business Analyst is available to facilitate and assist if needed.

Data Conversion Needs: "Data conversion" is the process of moving historical data into a format that can be input into the new software. Each agency needs to determine:

End-To-End eProcurement Project Requirements Phase

1. **Identify data sources** – Where is the data coming from? If you have multiple systems or data sources, each data source must be clearly identified.
2. **Define Scope** - Scope must be clearly defined up front.
 - a. What is being converted and what is not?
 - b. How many years of historical data do you want to convert?
 - c. Are you converting data from multiple systems?
 - d. Does your data have attachments (i.e. PDFs) that need to be included?
 - e. Can your current system export the data, or will you need the vendor to help with exporting the data?
 - f. Will some data need to be converted manually rather than automated? It may not be possible to convert 'everything'.

Common Options	Pitfalls	Costs	Risks
Date forward – enter new procurements from date of implementation, no conversion		None	<ul style="list-style-type: none"> ▪ Active procurements and history not available in new system
Active procurements – convert only active procurements, access historical procurements from old system		Medium <ul style="list-style-type: none"> ▪ Vendor ▪ Data cleansing 	<ul style="list-style-type: none"> ▪ History not available in new system ▪ Cost of converting data ▪ Increased time to implement ▪ Increased risk to the implementation project
Historical procurements – convert some or all historical procurements	Inconsistent data	High (varies depending on how far back) <ul style="list-style-type: none"> ▪ Vendor ▪ Data cleansing 	<ul style="list-style-type: none"> ▪ Greater cost of converting data ▪ Greater time to implement ▪ Reduced performance ▪ Increased risk to the implementation project

The decisions you make now can be adjusted once you reach implementation. The work during this stage will be used to help make sure that the vendors are asked the right questions about their capability to help with data conversion (e.g., tools, templates, training, consulting services). Things for you to consider:

1. What data you need to access and how frequently?
2. How much money and staff time are you willing to invest in converting your data?
3. The more history included in data conversion, the greater the chance of data inconsistency.

The needs of all agencies will be combined to create a master list of data conversion needs. The project's Business Analyst is available to facilitate and assist with this process if needed.

End-To-End eProcurement Project Requirements Phase

When all additions to the list of business processes have been received, we will begin the process of identifying requirements. We will use the business processes, interfaces, data conversion needs to help us identify and document the requirements.

Requirements Identification: Requirements will be at a high level, but with sufficient detail that they can be measured against vendor software. The requirements will be included in the Statement of Work section of the RFP and will inform the evaluation criteria used for scoring the responses to the RFP. As you can see, the requirements are critical in the selection of an eProcurement product.

Requirements will be identified and documented in a series of four-hour work sessions over a period of about three months. The first and last work sessions will include procurement, finance, and IT project team members. The work sessions in between will include either: procurement and finance members together, or IT members. In between work sessions, the project business analyst will document the result of the work session and route it to project team members for review prior to the next work session. During the first work session, we will:

- Establish ground rules
- Determine process for identifying and documenting requirements
- Review and accept the master list of business processes
- Begin the process of identifying requirements.

During the second work session, we will:

- Evaluate how the process is working and make adjustments as needed
- Review and accept the master list of required interfaces
- Review and accept the master list of data conversion needs.

During the last work session, which will include procurement, finance, and IT members, we will do a final review and acceptance of the requirements. Upon acceptance of the requirements, the requirement phase is complete and the procurement phase can begin.

Business Process Mapping: Earlier it was indicated that the mapping of business processes was not needed for this project. However, the mapping of business processes will be very useful during the implementation of the new software. The mapping will show not only the processes, but also the workflow as agency staff execute the processes. This will help in setting up the workflow in the new software during the agency's implementation project and identify needed changes to the work of agency staff, which will inform the agencies Change Management Plan and the training of end users in the use of the new software. The business process mapping for Education has recently been completed and is included in your handout as an example.

Project Tasks: Agencies will work collaboratively on the following:

- Document agency's business processes
- Identify agency's interface needs
- Identify agency's data conversion needs

End-To-End eProcurement Project Requirements Phase

- Collaborate to identify and document high-level requirements
- Collaborate in solicitation process
- Collaborate in selection of vendor
- Assist with contract negotiation

Project Timeline: Estimates for completing these tasks:

- Requirements complete by end of February 2016
- Procurement process:
 - Solicitation complete by end of May 2016
 - Selection complete by end of July 2016
 - Contract complete by end of August 2016

End-To-End eProcurement Project Kick-off Meeting

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October 27, 2015

Collaborating Agencies

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Agency	Executive Sponsor
Consumer and Business Services	Jean Straight
DAS	Bret West
Education	Rick Crager
Fish and Wildlife	Bill Herber
Forestry	Satish Upadhyay
Human Services/Health Authority	Jeremy Emerson
Judicial	David Moon
Revenue	Michelle Reyna
Secretary of State	Jeff Morgan

Messages from our Sponsors

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Project Tasks

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- Document agency's business processes
- Identify agency's interface needs
- Identify agency's data conversion needs
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Project Timeline

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- November through February
 - Document agency business processes
 - Identify interfaces
 - Document data conversion needs
 - Document high-level requirements

Project Timeline (cont.)

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- March through May
 - Procurement process - Solicitation
- June through July
 - Procurement process - Selection
- August
 - Procurement process - Contract

Definition of eProcurement

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- Automation of all procurement processes including:
 - Needs identification/requisition/request
 - Approval(s)
 - Solicitation notification
 - Creation/issuance of purchase order, P-card purchase, and contracts
 - Receipt of goods
 - Invoice processing; interface into SFMS

Definition of eProcurement (cont.)

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- Automation of all procurement processes including (cont.):
 - Standardized and ad hoc reporting
 - Statewide price agreement repository
 - Vendor registration
- High dollar/more complex purchases can also include:
 - Additional approvals (DAS, DOJ, OSCIO, etc.)
 - Solicitation and evaluation of responses
 - Contract issuance/contract administration

What's In Scope

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- Group of state agencies (collaborating agencies) work together to acquire end-to-end eProcurement software
- Develop common requirements for new software
- Solicitation to acquire new software
- Selection process to evaluate responses and obtain software product which best meets collaborating agencies' needs
- Contracting for the software

What's Not In Scope

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- Implementation of the software in individual agencies
- Project ends when the contract for new software is signed
- Unique applications - some agencies may need modules or interfaces beyond what is acquired by this project
- Examples of scope not included are:
 - Asset management functionality
 - Accounting functionality

Project Governance

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- Nine agencies collaborating
- Effective governance especially important to assure that:
 - All agencies have a voice in decisions
 - That no one agency dominates
 - Culture of collaboration is created and maintained

Project Governance (cont.)

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- Governance structure designed to:
 - Alleviate potential problems
 - Make decisions
 - Deal with:
 - ✓ Major issues including changes in scope, resources, and schedule (Executive Sponsors Committee)
 - ✓ Project oversight and control (Steering Committee)
 - ✓ Day-to-day administration (Project Manager and Project Management Advisory Team)

Project Governance (cont.)

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Executive Sponsors Committee

One high-level executive representing each fully collaborating agency

Steering Committee

Up to three representatives from each fully collaborating agency

Project Management Advisory Team

5-8 people who represent each of the three disciplines (procurement, finance, information technology) and the project manager

Project Team

Subject Matter Experts (SMEs) are active in the project when their discipline is needed

End-To-End eProcurement Project Kick-off Meeting

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October 27, 2015

eProcurement Software Project

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Agency Implementation



Interface Identification

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- Each agency needs to identify all software applications that need information from or supply information to the procurement process. Interfaces common to all agencies are: SFMA, ORPIN, and OMWESB.
- The work during this stage will be used to develop RFP questions that ask the vendors about their capabilities to help with creating interfaces (e.g., tools, training, consulting services).

Data Conversion Needs

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- "Data conversion" is the process of moving historical data into a format that can be input into the new software. Each agency needs to determine:
 - Identify data sources
 - Define scope
- The decisions you make now can be adjusted once you reach implementation

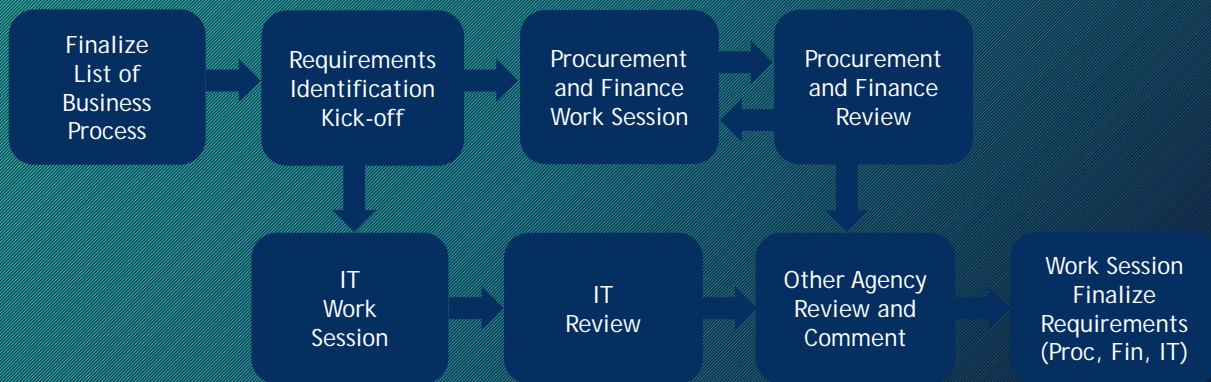
Data Conversion Needs (cont.)

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- Scope Considerations
 - Date Forward
 - Active Procurements
 - Historic Procurements

eProcurement Requirements Process

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eProcurement Software Project

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Agency Implementation



Project Tasks

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- Document agency's business processes
- Identify agency's interface needs
- Identify agency's data conversion needs
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Project Timeline

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- November through February
 - Document agency business processes
 - Identify interfaces
 - Document data conversion needs
 - Document high-level requirements

Project Timeline (cont.)

23

- March through May
 - Procurement process - Solicitation
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- August
 - Procurement process - Contract

Questions?

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Thank You

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eProcurement Project

Business Processes

This list of Business Processes is the result of a collaborative effort by Education, Forestry, and Secretary of State. Each agency needs to review it and identify additional processes done in their agency that will be added to this list.

1. Supplier registration process
2. End user complete request
 - a. Description of request
 - b. Identify funding source (PCA/OBJ codes)
3. Obtain internal approval
 - a. Manager
 - b. Fiscal
 - c. IT
 - d. Other?
4. Determine purchase process
 - a. SPOTS
 - b. Solicitation
 - c. PO
5. Obtain external approvals
 - a. DOJ
 - b. DAS: PS, CIO, etc.
6. Post solicitation (advertise)
7. Protest of specifications/SOW
8. Evaluate (multiple rounds)
9. Bid/proposal submission
10. Post results (intent to award)
11. Negotiate contract
12. Protest of award
13. Approvals
 - a. DOJ

eProcurement Project

Business Processes

- b. Internal?
- 14. Post executed contract (multiple awards)
- 15. Place order (notes, attachments)
 - a. PO
 - b. SPOTS
 - c. WOC
- 16. Encumbrance set up (contracts & POs)
- 17. Contract administration
 - a. Deliverable due dates
 - b. Receive goods/services (acceptance) – 2-way match, 3-way match
 - i. Notify inventory coordinator
 - c. Invoice – verification
 - d. Contract/insurance expiration date
 - e. Contract close out
 - i. Evaluate contractor performance
 - ii. File close out
 - iii. Terminate encumbrance
- 18. Interface key accounting information into SFMS (payment made)
 - a. Vendor info (vendor ID, mail code) – both ways, to and from SFMS
 - b. PCA/OBJ codes
 - c. Payment data into eProcurement system
 - d. Etc.
- 19. Other considerations
 - a. Security
 - b. Reporting
 - c. Access

eProcurement Project

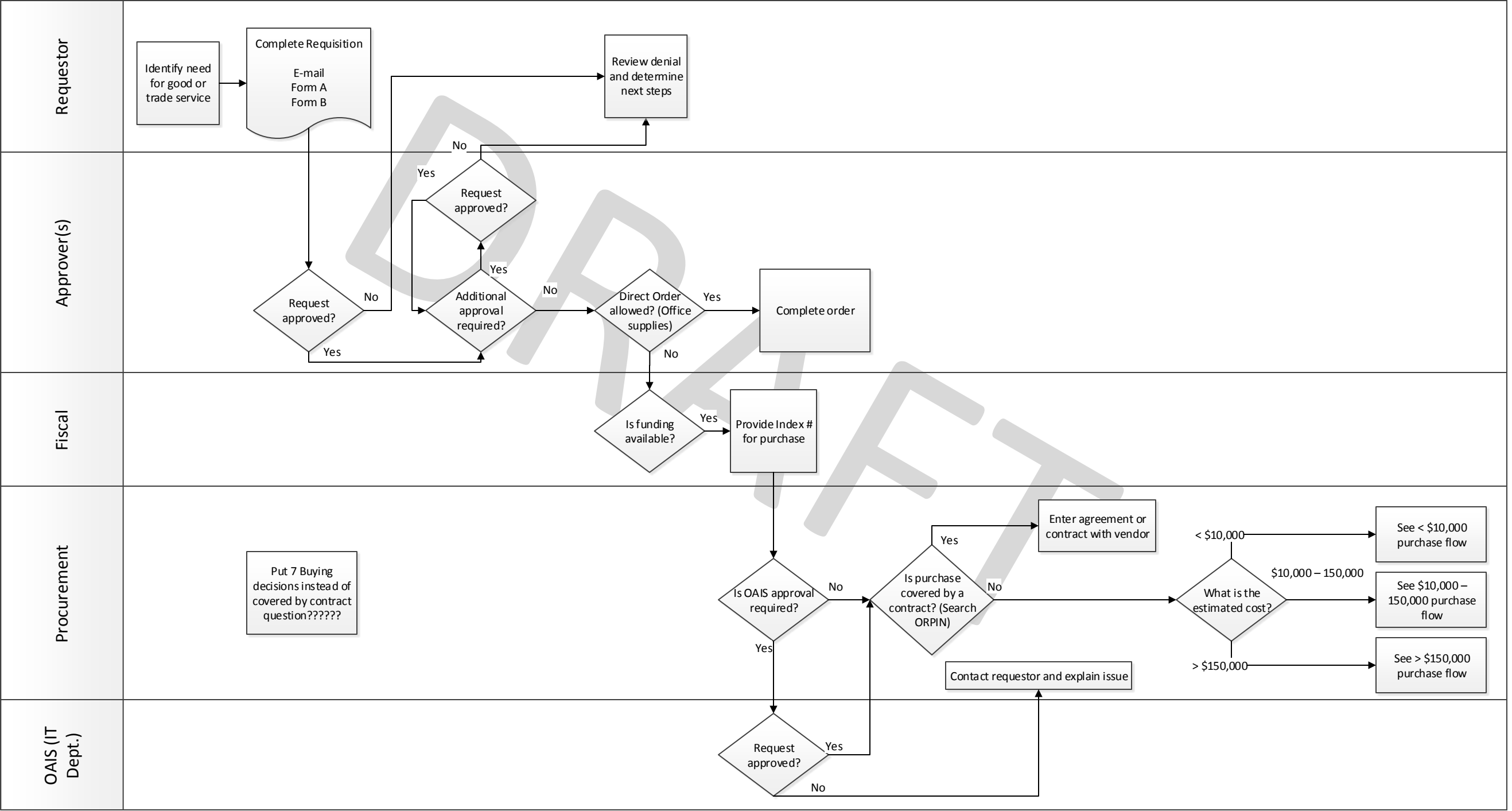
Requirements Level of Detail (example)

1. End user complete request
 - a. provide the requisition, solicitation, and contract with a unique identifier for tracking purposes (ex. REQ1234, RFP165-2200-15, PSK165-1115-15)
 - b. allow users to charge multiple accounting codes to a single item
 - c. allow users to check the status of their request
2. Reporting
 - a. Standard reporting that can be run on a regular or irregular basis
 - i. Agency level reports (configurable)
 - ii. Enterprise level reports (configurable) - central entity to run on all agencies within the system at a high level to report to the legislature or to DAS
 - b. Ad-hoc reporting
 - i. Agency level reports (templates, configurable)
 - ii. Enterprise level reports (templates, configurable)
 - iii. Ability to save and re-use
 - iv. Ability to share with other users
 - c. Dashboards
 - i. Individual level (templates, configurable)
 - ii. Role level (templates, configurable)
 - iii. Agency level (templates, configurable)
 - iv. Enterprise level (templates, configurable)
 - v. Ability to share with other users
3. Security
 - a. Ability to establish user classes for different jobs with their own access
 - b. Ability to establish approval paths for each different job
 - c. Ability to add approvals on the spur of the moment for either exceptions or because someone is not available
4. Access

eProcurement Project

Requirements Level of Detail (example)

- a. Ability to access the system from any computer using the correct security
- b. Ability to use different operating systems and different browsers (MAC v. Windows; Windows 7, 10, etc.; Internet Explorer, Mozilla, etc.)



Procurement

Can item be obtained from surplus?

Can item be ordered from corrections?

Can item be purchased from a Qualified Rehabilitation Firm (QRF)?

Can item be purchased from OMSWEB?

Is there a state price agreement?

Question 6??

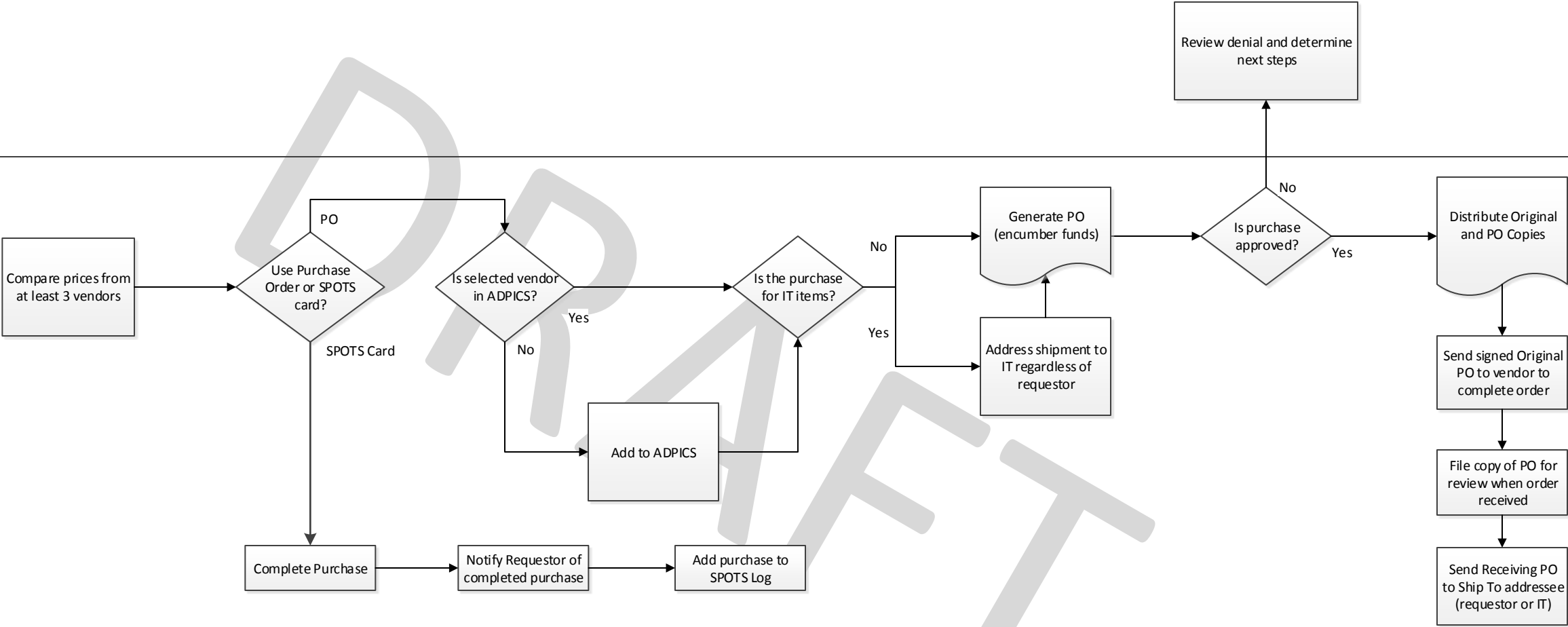
Go to the open market

Requestor

DRAFT

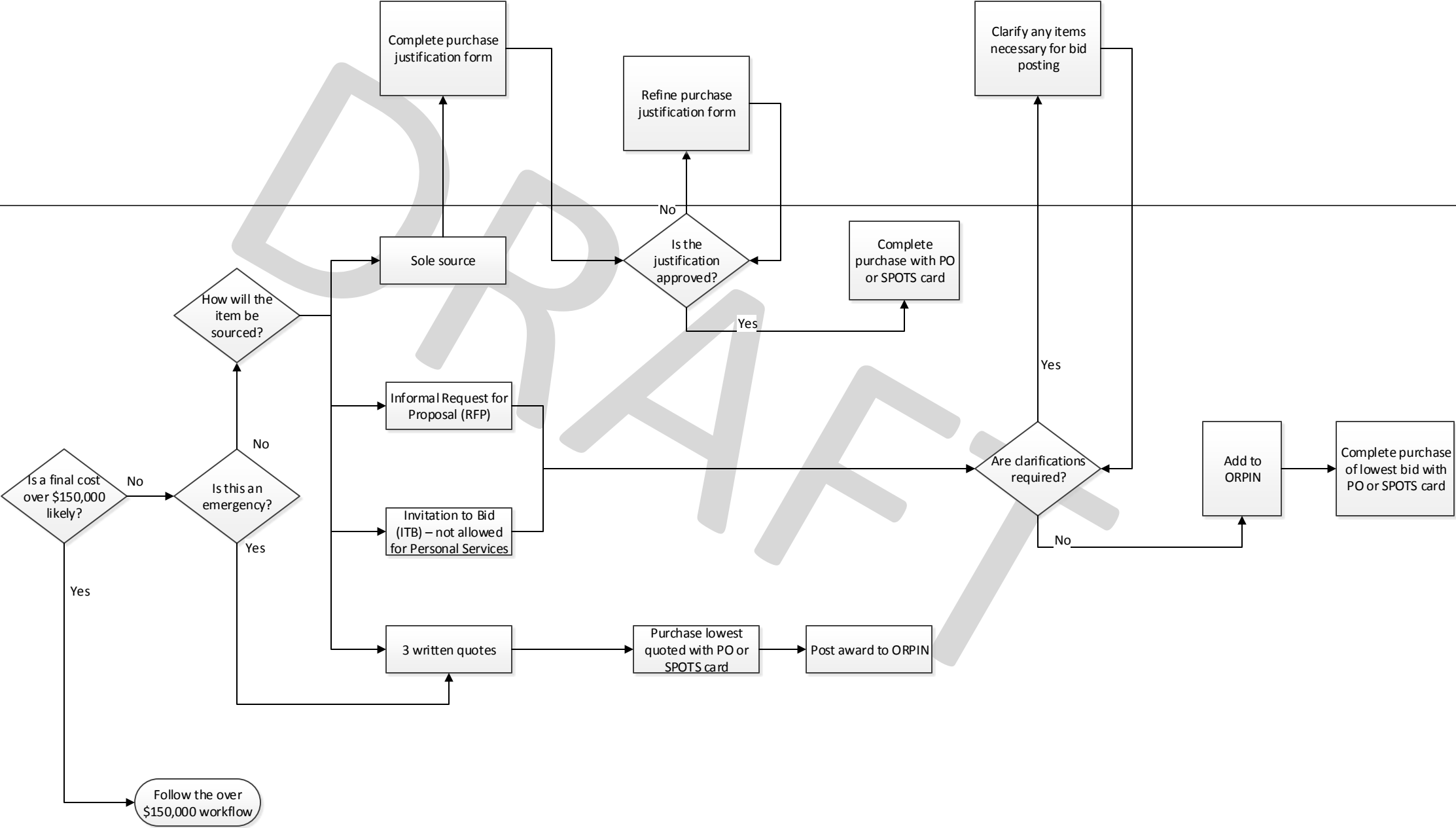
Requestor

Procurement



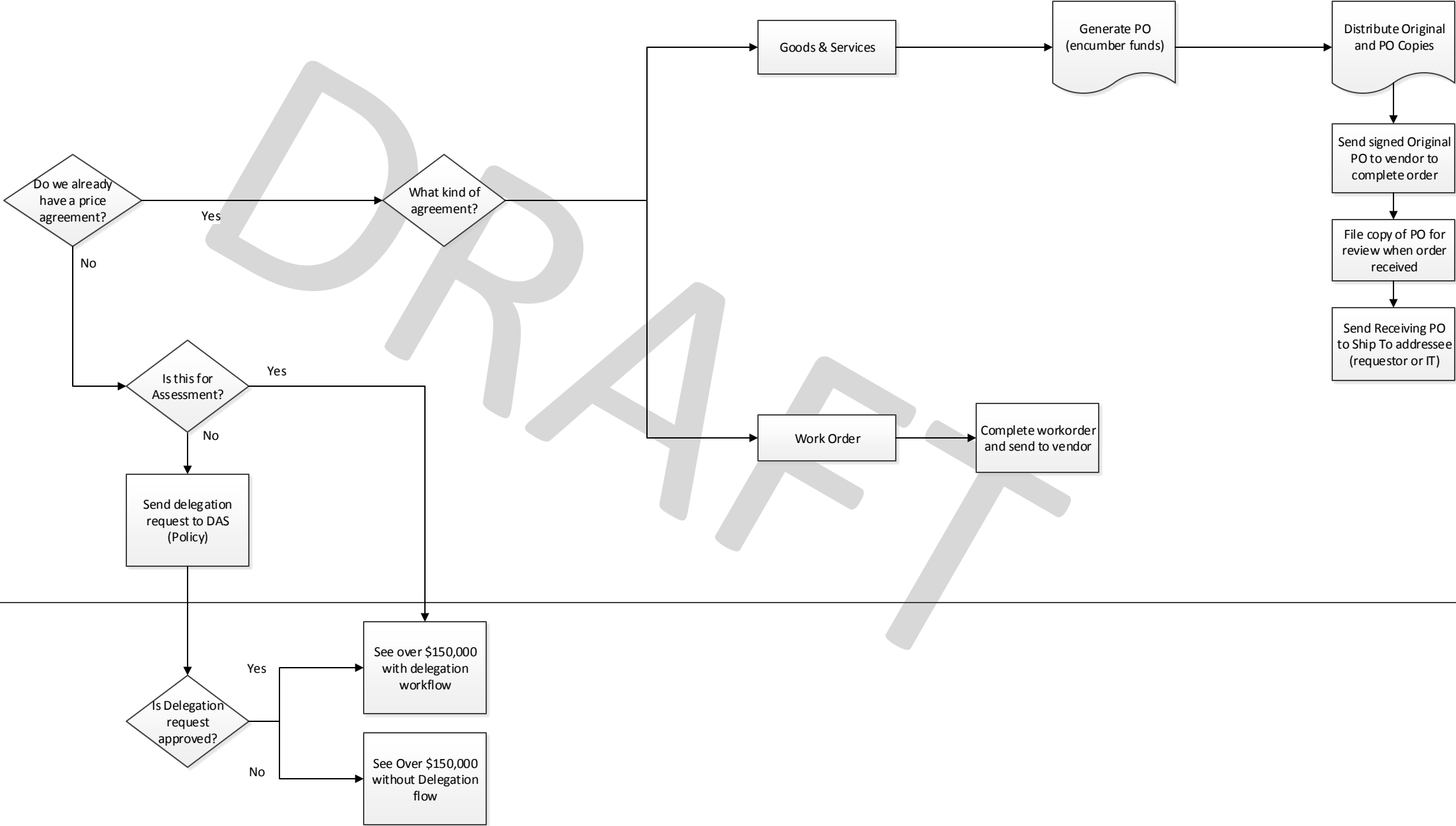
Requestor

Procurement



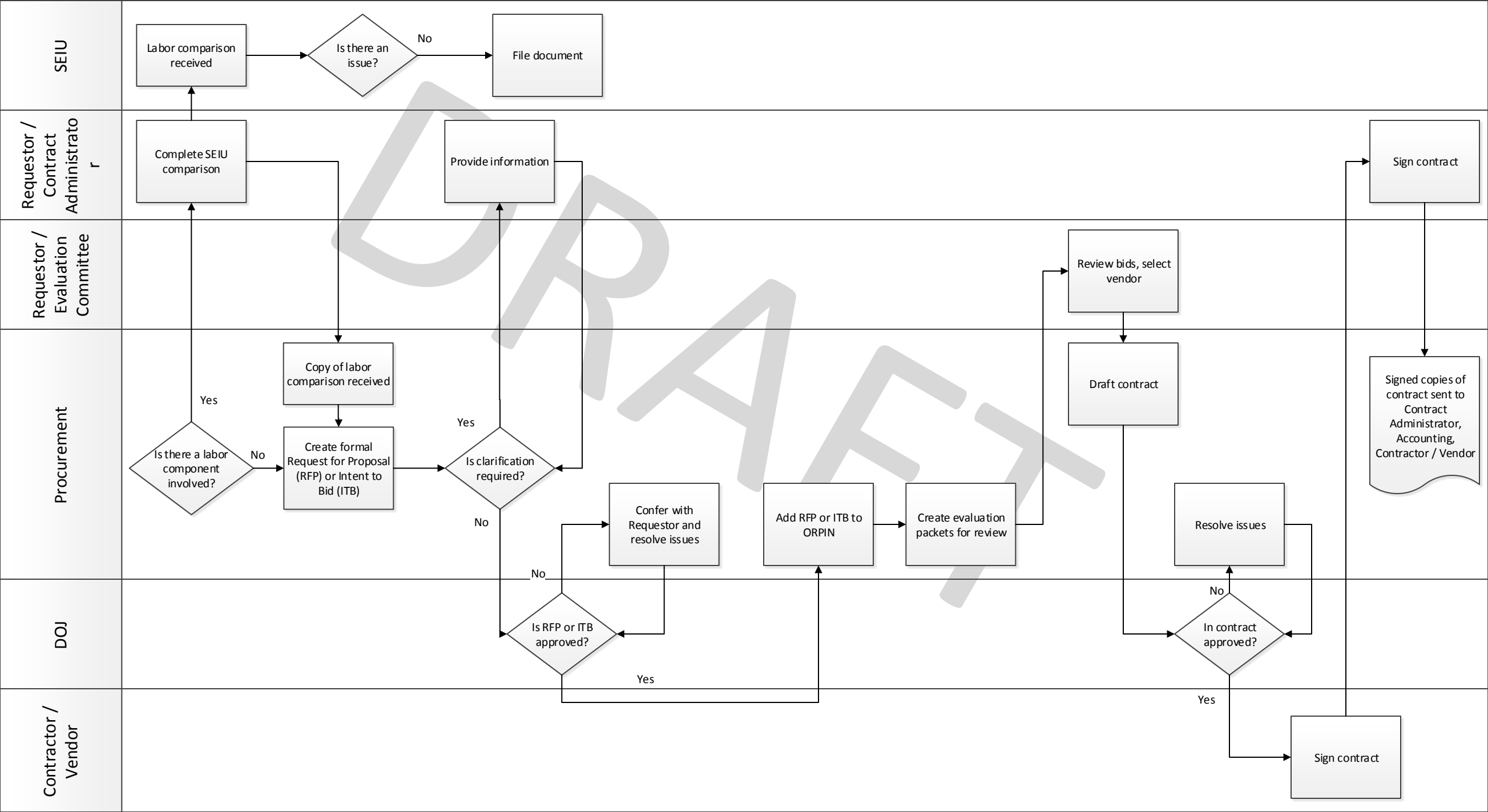
Procurement

DAS (Policy)



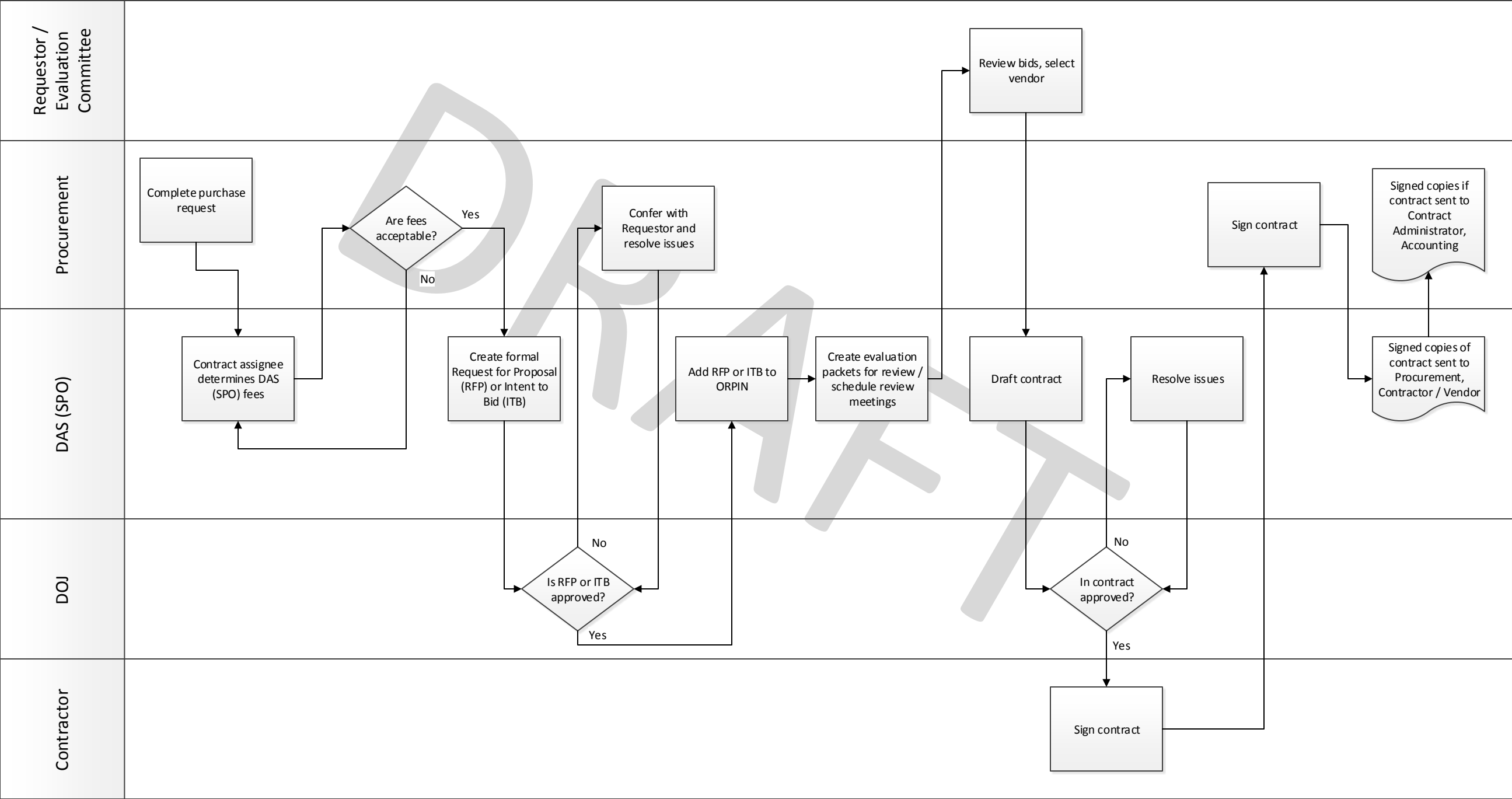
ODE Procurement

Purchase >= \$150,000 with Delegation



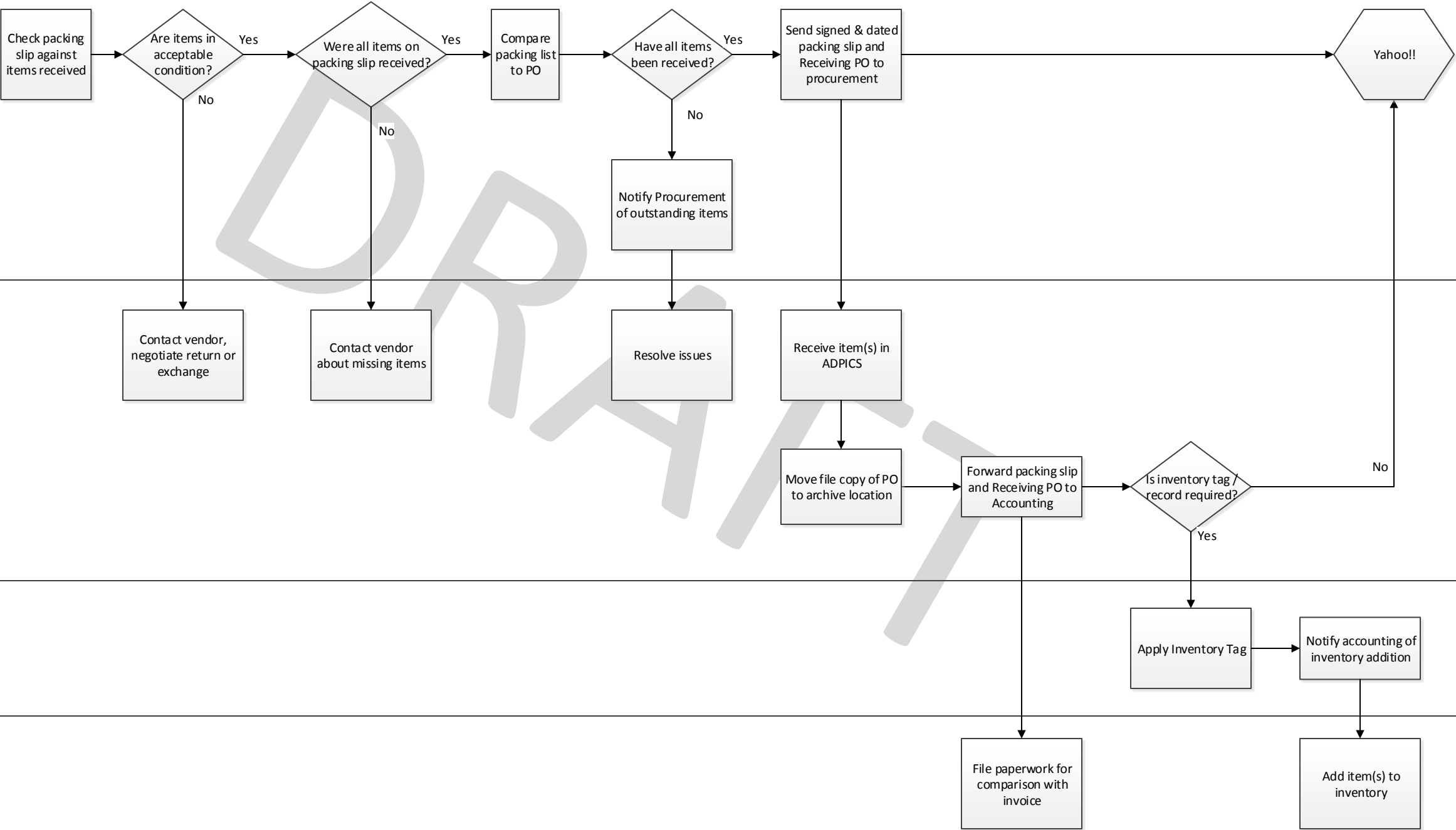
ODE Procurement

Purchase >= \$150,000 without Delegation



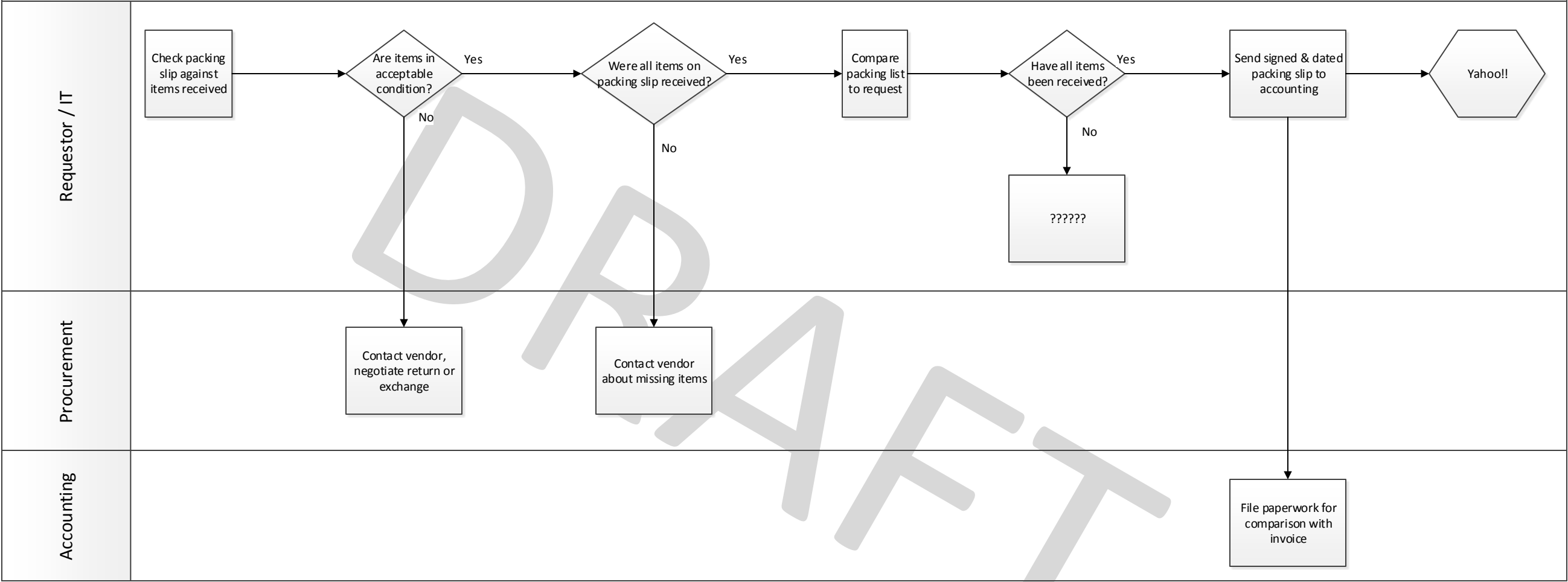
ODE Procurement

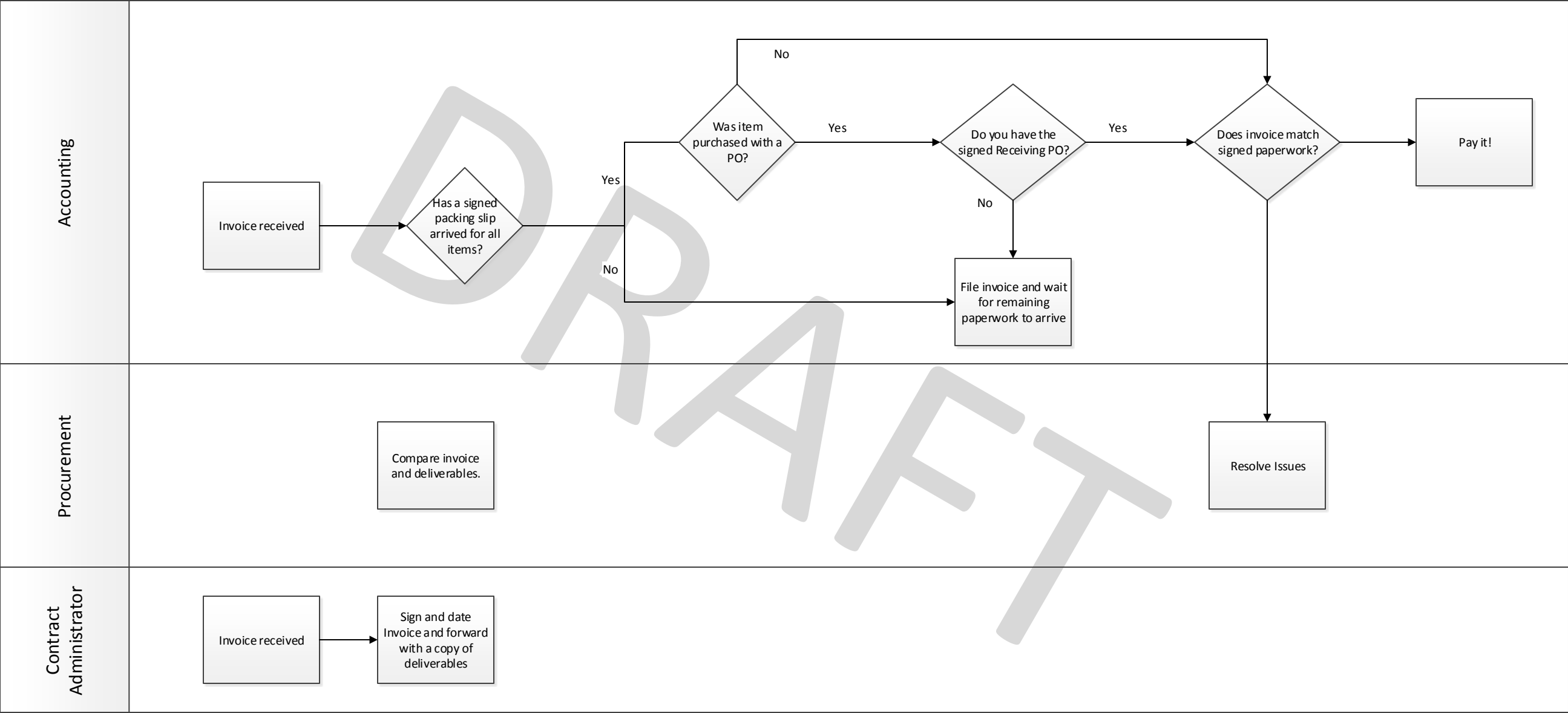
Receipt of PO order

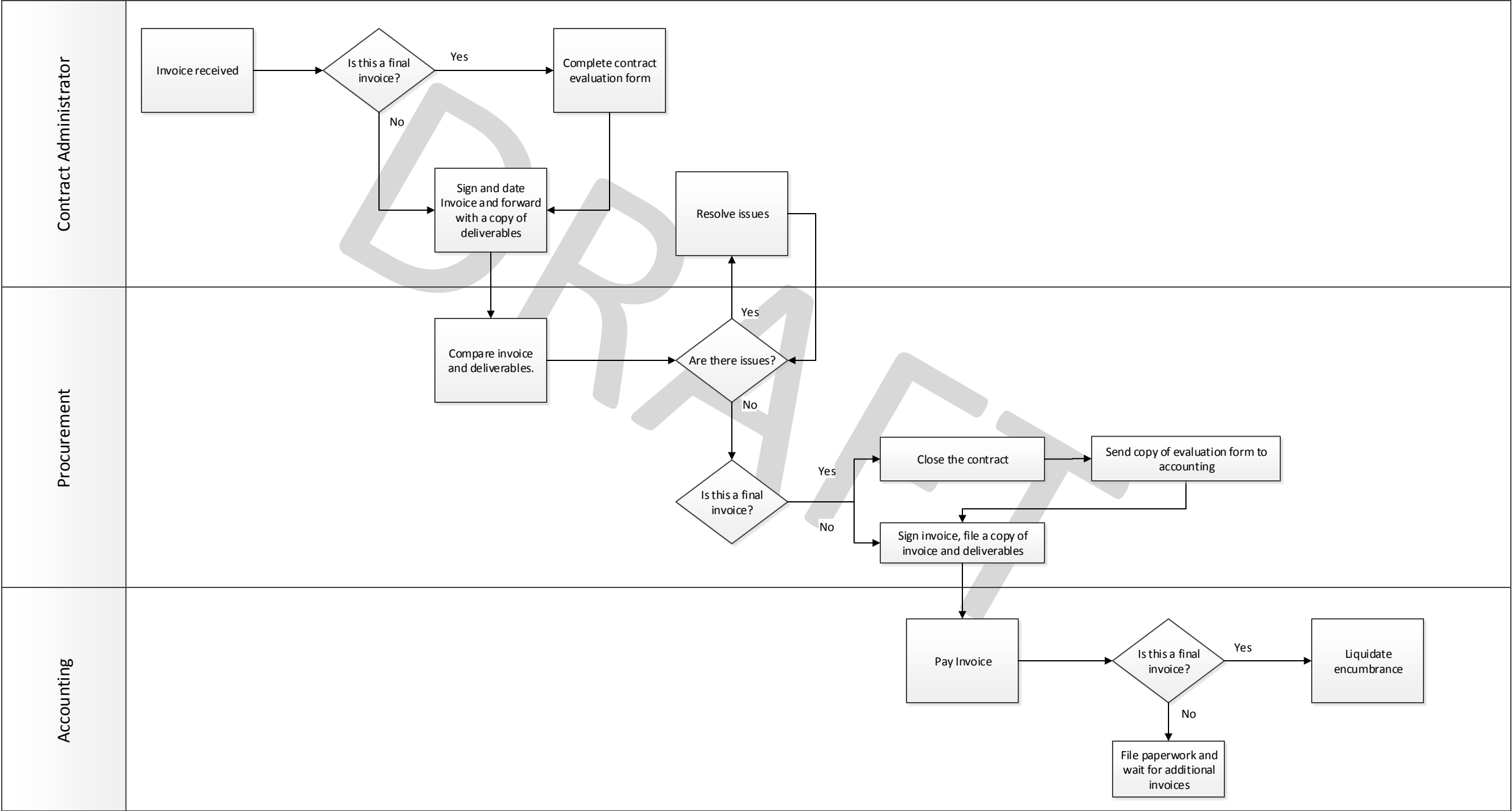


ODE Procurement

Receipt of Direct order







End-to-End eProcurement Software Acquisition Project																										
ID	Task Name	Duration	Start	Finish	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2016 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov		
36	Review/Approve Requirements	70 days	Mon 11/23/15	Fri 02/26/16													Agency SMEs									
37	Requirements Process Complete	0 days	Fri 02/26/16	Fri 02/26/16													26									
38	Procurement Process	133 days	Mon 02/29/16	Wed 08/31/16																						
39	Solicitation	65 days	Mon 02/29/16	Fri 05/27/16													Agency SMEs,Sarah,DAS Prouement									
40	Selection	45 days	Mon 05/30/16	Fri 07/29/16													Agency SMEs,Sarah,DAS Prouement									
41	Contract	23 days	Mon 08/01/16	Wed 08/31/16													Sarah,DAS Prouement									
42	Contract Signed	0 days	Wed 08/31/16	Wed 08/31/16													31									
43	Closing	20 days	Thu 09/01/16	Wed 09/28/16																						
44	Close Out/Lessons Learned Reports	4 wks	Thu 09/01/16	Wed 09/28/16													Dave									

Project: End-to-End eProcurement Date: Thu 10/15/15	Task	<div></div>	Project Summary	<div></div>	Inactive Milestone	<div></div>	Manual Summary Rollup	<div></div>	Deadline	<div></div>
	Split	<div></div>	External Tasks	<div></div>	Inactive Summary	<div></div>	Manual Summary	<div></div>	Progress	<div></div>
	Milestone	<div></div>	External Milestone	<div></div>	Manual Task	<div></div>	Start-only	<div></div>	Manual Progress	<div></div>
	Summary	<div></div>	Inactive Task	<div></div>	Duration-only	<div></div>	Finish-only	<div></div>		