



FLAIR and CMS Replacement Project (FCR) SME Workgroup Meetings Meeting Notes and Action Items

Meeting Details

Process Area	Asset Requisition to Disposal (A2D) – R2
Meeting Date	Thursday, December 4, 2014
Meeting Time	9:00am – 12:00pm
Meeting Location	Fletcher Building, Room B103
Attendees	Lucinda Harris (DOC), Richard Gowdy (DOC), Greg Davis (DOE), Pamela White (DOE), Steve Waters (DEP), Cherie Ferrell (DMS), Steve Burch (HSMV), Pauline Washington-McNeil (HSMV), Rachael Lieblich (DFS), Tim Hsieh (DFS), Trevor Molnar (DFS), Stanton Beazley (DFS), Melissa Turner (FCR), Angie Robertson (FCR), Deana Metcalf (FCR)
Meeting Objective	Review and Discuss Standardization Level 1 Business Process Flows
Attachments/ Related Documents	SME Workgroup Meeting Notes and Action Items – A2D – R1 Agency Asset Business Systems (extract from FLAIR Study) FLAIR and CMS Replacement Project Business Process Standardization Level 1 Asset Acquisition to Disposal (A2D) 12/4/14 Draft Flowchart 12/4/14 Agenda

#	Topic	Leader	Allotted Time
1	Welcome <ul style="list-style-type: none"> • Overview of Today's Agenda • Review of Meeting Notes and Action Items • Thoughts from Workgroup Members 	Angie	20 min (9:00am-9:20am)

Notes:

- The group went over the Action Items from the last meeting.
 - Action item 1: to update the typo in SME Workgroup presentation – has been completed
 - Action item 2: brainstorm ideas for warehouse requirements – this will be more in Level 2, but the group should continue to brainstorm
 - Action item 3: prepare additional assumptions for consideration for A2D – some were added, but the group was asked to continue to think about what might not have been captured as we move through today's discussion and the next meeting
 - Action item 4: review proposed roles (and names) for separation of duties related to assets – recapped that the group specifically talked about custodian, think about what really needs to be critically laid out, and consider naming to capture for roles, this too will be expanded more in Level 2
 - Action item 5: add reference to insurance for scope section of A2D – has been completed
 - Action item 6: consider additional “nice to have” functionality and control points for assets – it was stated that the group will talk more about these in today's discussion
 - Action item 7: send additional accounting entries to Deana (with varying fund types) – has been completed
 - Action item 8: review proposed accounting entries for land sales – Steve was asked to review and is ready to discuss
 - Action item 9: send filtered list of inventory of agency business systems from FLAIR Study for asset management – has been completed
 - Action item 10: determine if your agency intends to update or implement a system that will interact with the Asset module – SME workgroup participants were asked to consider and still think about



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	<p>this one (are you going to keep these things, consider a new one, open discussion and building knowledge base)</p> <ul style="list-style-type: none"> The group discussed for inventory, requirements that target tangible personal property and differentiating and maintaining distinction between tangible personal property vs. capital assets. The group discussed the statutes having two sections, one dealing with inventory and one dealing with financial reporting and the FAC rules for inventory and rules for financial reporting. The group made a note to point out and revisit the assumptions to touch on these points. 		
2	Deeper Dive into Process Flow	Deana	40 min (9:20am-10:00am)
<p>Notes:</p> <ul style="list-style-type: none"> The group went over the handout/PowerPoint “Business Process Standardization Level 1 Asset Acquisition to Disposal (A2D) and flowchart; The participants were shown where the word “insurance” was added in the scope and they were advised they would edit as they went along. The group reviewed the definition of “capitalized asset”, “non-capitalized asset”, and “consumable inventory”. After discussion, the group added the word “property” under definitions and defined it as capitalized and non-capitalized asset that is tracked in the system. The group also updated the definitions for “capitalized asset” and “non-capitalized asset” to include real, intangible or tangible personal property. The group reviewed the assumptions in detail. The group discussed capital asset policy and added a bullet under assumption. More detail will be required in Level 2. Several bullets under assumptions were updated to state “for tracking purposes”. The group discussed how each did their inventory and when they removed items. There was additional discussion on reporting items. It was clarified that being “removed” was defined as inventory not reported to DFS. Agencies want to be able to track inventory and not report it, which will need to be a discussion in Level 2. Further discussion around a system that should allow items to be capitalized and recorded as assets and everything else can be tracked if desired. Some agencies record everything even if it is under the threshold. The groups agreed there needs to be future flexibility for a system to allow all property to be recorded and then determine which can be tracked. Further discussion on the assumptions and updates were made. The word ‘insurance’ was added to state the system will track warranty, registration, maintenance and insurance information. The group updated an assumption changing “from barcode of assets” to “scanning of tagged assets”. The group included federal surplus property program to an assumption. An additional assumption was added “the system will allow optional methods for depreciation”. A requirement for Level 2 is to make sure the group captures a level 2 flow item for agencies to be able to record improvements to existing assets and appropriately capitalize and depreciate those additions. The group revisited the Definitions. The word “barcode” was changed to “inventory tagged” and updated. The group also updated the Flowchart to remove the barcode scanner reference. There was discussion on physical inventory and sight verifying. After this discussion, the group agreed to update the word “physical inventory” to “inventory” and also removed the word ‘sight’ and rephrased it to the act of verifying. The group discussed the definition of “custodian” and highlighted it to determine if it needs to be removed at Level 1 and included in Level 2. 			



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	<ul style="list-style-type: none"> • The group reviewed the Flowchart and updated the flowchart from “physical inventory” to “inventory” since it was updated in definitions. Will make the same changes throughout the document. • The group discussed buying inventory and then turning it over to another entity to manage. A bullet was added under the Standardized Process Area Details, A2D 1.2 Maintain Asset “some assets may be loaned to or purchased by a non-state entity with State funds and will need to be tracked and/or inventoried”. This is thought to be a typical activity / occurrence for DOH and County Health Departments (CHDs). • Reviewed the Standardized Process Area Details, A2D 1.1 Create Asset Record and added a bullet “the asset attributes will be identified and recorded at this time (i.e., capitalized vs. non-capitalized, depreciation method, etc)”. Also added a bullet to state “property number assigned and inventory tag should be applied”. • Group discussion on things inventoried but not tagged which still have an identifier (i.e., VIN# on a car). • The group added “parent/child relationship” as an example under asset attributes. • Reviewed the Standardized Process Area Details, A2D 1.2. These will be expanded during Level 2. A2D 1.3 was reviewed in conjunction. Discussion around “physical inventory” and “physical verification”, which resulted in removing reference to “physical” from both inventory and verification. • Reviewed A2D 1.4 and added a bullet “The disposition of vehicles, watercraft, and aircraft must be approved by DMS”. This can be flowed at Level 1 or Level 2. • Discussed a requirement for the system to allow for further depreciation. Status codes currently keep it from depreciating further. FLAIR runs on active value. • Reviewed A2D 1.5. and bullets were revised to state “for some applicable land sales, DOE must be notified...”. The third bullet “The remaining proceeds are recorded in the Internal Improvement Trust Fund at DEP” was removed to be expanded on in Level 2. Discussed F.S. 270.22 for A2D 1.5 and removed the Accounting Event and accounting entry. • Under Integration, added an I2 for DEP Land Management Systems and included an integration description. Added I2 interface to the Flowchart. • Requirement note for Level 2 - to be able to correct or adjust an asset. • Detailed discussion on Accounting entries and changes were made to A1 and A4. The group discussed and added a new A3 Reference Number under Accounting Events for “Property valuation adjustment” and added accounting entries. Talking point to discuss having an original insurance value and a reporting value, this will be a requirement. • With the addition of a new A3 under Accounting Events, the original A3 and A4 were updated to A4 and A5 and the Flowchart was updated. • Integration Point I1 was updated from “Barcode Scanner/Inventory Systems” to “Agency Business Systems and the integration description was also updated. • The group reviewed the Control Points. C1 was updated to state “and to verify condition” and also added “an independent inventory”. C2 was updated to add “All vehicles, watercraft and aircraft must be approved by DMS prior to disposition”. A third Control Point was added, C3 “Agency Surplus Review Board must approval all disposals”. C3 was also added to the Flowchart. • For Reporting, there is a placeholder for Level 1. These will be expanded during Level 2. The group added a R2 “Inventory Evaluation Reporting for Risk Management and Insurance” as an annual frequency for Management. Audience was identified as DFS Division of Risk Management. • Discussion asking the agencies if there is a use or need for warehousing functionality. DMS mentioned shop agencies (shop type system). 		



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#	Topic	Leader	Allotted Time
	Break		10 min (10:00am-10:10am)
	Icebreaker	Angie	5 min (10:10am-10:15am)
2	Deeper Dive into Process Flow (<i>Continued</i>)	Deana	45 min (10:15am-11:00am)
	Break		10 min (11:00am-11:10am)
	Icebreaker	Angie	5 min (11:10am-11:15am)
2	Deeper Dive into Process Flow (<i>Continued</i>)	Deana	35 min (11:15am-11:50am)
3	Close Meeting <ul style="list-style-type: none"> • Action Items • Homework • Next Meeting Date / Time / Location 	Angie	10 min (11:50am-12:00pm)

Notes:

- The group recapped the action items.
- As homework, SME Workgroup Participants were asked to think about future functionality, “nice-to-haves”, etc. The group was also asked to get the new flowchart and review it, think about it.
- The next meeting is scheduled for Wednesday, January 7th.

Action Items			
Action Item #	Description of Item	Assigned To	Due Date
1	Review assumptions for consideration for A2D and think about what might not have been captured	SME Workgroup Participants	1/7/2015
2	Talk more in-depth about Future Enhancements	SME Workgroup Participants	1/7/2015
3	Determine if your agency intends to update or implement a system that will interact with the Asset module	SME Workgroup Participants	1/7/2015
4	Search and replace the word “asset” and change to “property” in all documents	Deana	1/7/2015
5	Search and replace the word “physical inventory” to “inventory”	Deana	1/7/2015
6	Determine how to flow the warehousing piece in Level 2	Angie Deana	1/7/2015
7	Check on the Governing Law or Rule associated with R2 Inventory Evaluation Reporting for Risk Management and Insurance	Stanton	1/7/2015
8	Brainstorm in Level 2 how to account for found assets (how you would record a found property)	Deana Tim	1/7/2015
9	Verify accounting entries to Deana (specifically Sale of General Fixed Assets)	Tim	1/7/2015



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Action Items

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10	Research Statutes around land sales	Steve	1/7/2015
11	Agenda item to talk about the agency business systems	Angie	1/7/2015