



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
INFORMATION SERVICES

KATHLEEN SEBELIUS, GOVERNOR

Strategic Sourcing Team Meeting
Location KDOR Docking State Office Building
Learning Center, Sunflower Room, 11th Floor
July 16, 2008
10:00 a.m. to 11:00 a.m.

ATTENDEES

Dale Bledsoe, KDOR/DISC
John Spurgeon, KDWP
Rick Baker, KDOT
Eric Meyer, KHPA
Jon Norris, KHPA
Nalita Wright, KDOR
Kathy McDaniel, KDOR
JoAnn Remp, Sunflower Project
Brett Bauer, Sunflower Project
Steve Berndsen, OJA
Lee Harmon, DOP
*Barry Swanson, KU
*Connie Torres, KSBE
*Karen Leslie, Sedgwick County
*Paul Geisler, KU
*Ilene Phillips, KU
*Bill Bauer, Coffey County
*Carla Bishop, KSU

*Phone Conference

AGENDA

- Introductions by Each Attending Member
- Review & Approval of May Minutes / Whole Team
- Data Gathering Idea's and Discussion / Whole Team
- Discussion on Vendors & Procedures / Whole Team
- Expiring Contracts / Whole Team / Chris Howe
- Next Meeting Assignments

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Review of June Minutes

Several team members for some reason did not receive Dale's e-mail with the June minutes and the reminder of this meeting. Since a majority of team members were not able to review the minutes prior to this meeting, the review of these minutes will be delayed until next meeting.

Data Gathering Idea's and Discussion / Whole Team

Object Codes

At the last meeting, JoAnn Remp shared with us information pertaining to object codes and team members were going to take this information back to their agencies to review. JoAnn received items from Peggy that KUMC would like to see the following added to the object coding guide:

- CD blank
- DVD blank
- DVD instructional
- DVD Player
- Domains
- Websites & Site Security Protection
- Webinar
- Fax Machines (not capital)
- Printers (not capital)
- Printer Cartridges
- Several categories of software
- Internet Service
- Database Access

JoAnn believes the items listed above are being coded but are not listed in the specific coding guide in the back of the book. Therefore, they are being coded inconsistently.

JoAnn indicated it would be easier for the individuals coding the vouchers if they could look up the item code for better consistency.

Something that came to mind when Dale was reviewing the object codes was that Revenue purchases equipment for the County offices. Whenever we purchase IT equipment for a county it is coded 5110 no matter what the cost may be. When you try to go back at the end of year to determine the dollar amount and purchases, the information is not available. JoAnn said there may need to be codes identified back more in the capital outlay series and Brett said it's possible the commodity code will help since we will be capturing two sets of information. The commodity code on the purchasing side that will tell us what was bought and the accounting will give you the cost. It would not be obtainable to get to a detailed level using commodity or object codes.

Barry said the ERP systems serves as the hub of the business process but they don't do application processing very well. Once we get the hub built, we need to look at some applications for the front end, like Syquest, the higher end software of choice that would feed that hub. You would then have the granularity because you would have transaction detail.

Brett said with commodity codes of either five or seven digit, the last couple of digits get down to the item level detail. A statewide decision can be made that the minim level of coding is the first three or four major categories so you don't have to look or code down to granule detail. If we made the code field available for all seven digits, an agency could have more detailed information, if chosen.

Barry said for the statewide system, if we could have a well designed object code structure within the commodity code structure then the agencies can design their own. This information needs to rollup to budget. Carla with KSU concurred with Barry's comment. She stated as JoAnn already pointed out, KSU has already broken out some specific object codes so they want that latitude to go into finer detail.

Barry offered to participate in the process of looking at object codes from top to bottom to break out the object codes or commodity codes. From his understanding, a lot of these objects are driven by legislative request. Object codes are generated in order for the accounts/reports staff to track the data.

JoAnn intends to do the process Barry mentioned with other agency groups or sub-staff of agency groups. She is thinking this group would be a good group to work on the IT series to catch all purchases in that realm.

To allow more input on this subject, it was suggested that this group have a full discussion at the August meeting since a number of individuals were unable to attend due to yearend tasks.

Dale was looking at the 3720 object code line items with KDOR and he said it would be nice if hardware/software that fits under the 3720 code would have separate codes or some kind of breakdown behind 3720 code. This would allow agencies to distinguish between spend. Brett said you can make separate codes like they have for the catch alls with ending numbers like 099.

Dale said it would be helpful to have a new object code book that includes items that didn't exist when the existing object code book was published. There also needs to be some education on how to code an item. Is it by unit price or by the whole voucher? It appears that not all agencies code purchases the same way. JoAnn indicated this has come about due to the decentralize nature we process things now and the desire for agencies to be self directed more. Accounts and Reports doesn't play the heavy on object codes and we don't see everything. We used to be stricter on coding in a more consistent manner. Now when we see a voucher, the only time we would question it is if it has a 1099 impact. JoAnn did say the codes could be better defined.

Lee clarified that under FMS, the object codes will be tied to the commodity codes.

Discussion on Vendors and Procedures

No discussion

Expiring Contracts List, 6 months out / Whole Team / Lee Harmon

- Contract #10330 for CISCO Products and Services will be renewed.
- Leader Technology teleconferencing services will be renewed.

Next Meeting Assignments

- FMS Object Code discussion will continue at August meeting after they have had recommendations/suggestions from their accounting departments.

Next meeting will be Wednesday, August 20, at KDOR Learning Center, Sunflower Room, 11th Floor, DSOB, 10:00 a.m. to 11:00 a.m.