LUMA REQUEST FOR PROPOSAL DRAFT INVENTORY REQUIREMENTS

This document contains draft requirements for the State of Idaho's Enterprise Resource Planning (ERP) system Request for Proposal (RFP). It was compiled through the combined efforts of the Functional Teams, Information Services Group (ISG), and the Luma project team. When complete, the requirements will be provided to prospective vendors during the RFP process.

We request your assistance in reviewing the draft requirements and providing feedback to enable the project team to identify the most accurate and complete listing of requirements in order to enable the State of Idaho to identify and procure the best ERP software system. Thank you for your interest and participation.

The Inventory Requirements consist of 1 categories and 8 subcategories. For ease in reviewing:

- You may select any subcategory of interest from the table of contents
- To go to page 1, hold down the shift and control button and push the up arrow
- You may also find it easy to review by using the bookmarks

We invite you to attend one of the statewide workshops to provide feedback and ask questions or to send comments or questions to luma@sco.idaho.gov.

Thank you!

Luma Project Team

Explanation of Requirements

The requirements are a list of proposed capabilities that the functional team members believe best represent the needs of Idaho agencies. Tremendous time and effort has been put into the draft requirements, but they may need to have items added, subtracted, or modified in order to best capture the needs of all Idaho State Agencies for the new Enterprise Resource Planning (ERP) system Request for Proposal (RFP).

Key principles for reviewing requirements:

1. The requirements are designed to be general in nature and explain what business activities need to be accomplished by the State of Idaho, but to stay away from the "how" of doing those business activities. The "how" of doing business activities will generally be defined by the software system selected and the configuration capabilities.
2. Since ERP systems have matured over the years and have tremendous functionality, the requirements should avoid identifying general tasks for which all ERP systems have that functionality. ISG, our consultants with experience in ERP implementation across dozens of states, will continue to guide us in this regard.
3. Requirements should capture unique business activities that are specific to the state of Idaho.
4. Requirements should try to identify business activities that might help the evaluation committee differentiate between software vendors (software vendors may approach the same process from a very different perspective).
5. Requirements should try to identify areas of functionality that may be difficult for software vendors to meet.
6. Requirements are not designed to be "mandatory" requirements. Vendors often respond to requirements with an explanation that their core software offering can meet the requirement or they have a third party add-on that meets the requirement. The Evaluation Committee will use the requirements as a qualitative measure when reviewing the software offerings.

Inventory Requirements Table of Contents

Category

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
101	Inventory	Inquiry and Reporting	Perform forecasting for analyzing item usage and projecting future usage.	
102	Inventory	Inquiry and Reporting	Perform seasonal forecasting by item usage (e.g., seasonal/peak usage, reorder quantities, delivery schedules, etc.).	
103	Inventory	Inquiry and Reporting	Generate ad hoc reports on any item information field and any transaction data field.	
104	Inventory	Inquiry and Reporting	Report issued inventory by customer id, by item, by class, by job, by frequency, etc.	
105	Inventory	Inquiry and Reporting	Search items/commodities by buyer, COA element, etc.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
201	Inventory	Items	Establish, maintain, adjust and delete inventory stock item records in real-time.	
202	Inventory	Items	Include the use of bar-coding/Radio Frequency Identification (RFID) technology.	
203	Inventory	Items	Indicate items approved for use as substitutes for the original item.	
204	Inventory	Items	Perform multiple quantity unit of measure conversions (e.g., 4 boxes = 48 units, conversion of pounds of 12 gauge insulated copper wire into feet of wire, etc.).	
205	Inventory	Items	Attach documents, notes, links, etc., on the inventory item records (i.e., Items with hazardous material indicators linked to the MSDS, etc.).	
206	Inventory	Items	Items that are identified as obsolete, discontinued, damaged or otherwise un-issuable to be removed from inventory, with appropriate accounting entries posted to the general ledger.	
207	Inventory	Items	Track item/lot expiration, shelf life expiration, etc.	
208	Inventory	Items	Associate a buyer name or code with a commodity item.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
301	Inventory	Physical Counts	Generate a physical inventory worksheet to be filtered and sorted by user defined criteria (e.g. Item, Group, Class, Location, Keyword, etc.).	
302	Inventory	Physical Counts	Designate whether zero quantity and/or zero cost items are included on the physical inventory worksheet.	
303	Inventory	Physical Counts	Accommodate automatic scheduling of physical inventory when different schedules are used for different groupings of inventory items.	
304	Inventory	Physical Counts	Select and sequence physical inventory, cycle count and spot check documents (e.g., stock, bin, location, order, etc.).	
305	Inventory	Physical Counts	Perform cycle counts and/or spot checks of items by weight, volume or other, units of measure.	
306	Inventory	Physical Counts	Optionally freeze the perpetual balances of an item at the time the item is selected for cycle counts, spot checks or physical inventory.	
307	Inventory	Physical Counts	Enter physical count data from count sheets and compare the physical count amounts to the quantity on hand, and calculate variances.	
308	Inventory	Physical Counts	Automatically calculate the next cycle count date for each commodity based on user defined cycles.	
309	Inventory	Physical Counts	Generate a book-to-physical adjustment transaction once physical inventory counts are determined.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
401	Inventory	Receiving	Receive over-shipments with the over-shipment amount subject to a user-defined tolerance setting (e.g., a percentage and/or dollar amount).	
402	Inventory	Receiving	Automatically generate returns to vendors for items that do not pass inspection.	
403	Inventory	Receiving	Populate the receiving information with appropriate data after the receiver references the purchase order.	
404	Inventory	Receiving	Receive items and not have them available for consumption (e.g., received into inspection).	
405	Inventory	Receiving	Receipt goods into inventory from donations, with appropriate accounting entries.	
406	Inventory	Receiving	Receive $0 cost items into inventory.	
407	Inventory	Receiving	Receive an item into inventory without a Purchase order.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
501	Inventory	Reorder	Automatically recommend reorder of stock items, including electronic request and approval.	
502	Inventory	Reorder	Track item usage and generate reorders automatically based on item usage and/or defined ordering schedules.	
503	Inventory	Reorder	Define, by item, the variables used in determining reorder points and reorder quantities.	
504	Inventory	Reorder	Perform reorder-point calculation.	
505	Inventory	Reorder	Take into account on-hand and on-order amounts along with receipts during the reordering process.	
506	Inventory	Reorder	Generate an online list of commodities to reorder and be able to select items from this list to reorder.	
507	Inventory	Reorder	Allow manual overrides of reorder points and reorder quantities.	
508	Inventory	Reorder	Flag inventory items to prevent future purchases.	
509	Inventory	Reorder	Prioritize vendors and item requirements for reorder.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
601	Inventory	Transactions	Default values for transactions (e.g. account distributions, UOM, etc.), inferred from transaction type.	
602	Inventory	Transactions	Track usage statistics including location on inventory items for user defined periods.	
603	Inventory	Transactions	Search and view all locations and show which have the item when a stock-out is experienced for an item in one location.	
604	Inventory	Transactions	Track and report on inventory funded by grants separately than inventory funded by operating funds in the same location.	
605	Inventory	Transactions	Create pick tickets based on requisitions from inventory.	
606	Inventory	Transactions	Bundle items into groups or kits.	
607	Inventory	Transactions	Unbundle items from groups or kits.	
608	Inventory	Transactions	Place a cap on the quantity and dollar amount of an item that can be issued to a requestor during a specified time period, with an override capability.	
609	Inventory	Transactions	Issue items at a certain cost and credit the item back (if returned) at the issue cost from the original transaction. This feature should be the default regardless of inventory costing method used (i.e., average cost, etc.)	
610	Inventory	Transactions	Process emergency issues (i.e., deduct anything shipped from on-hand stock immediately and print a receipt for shipment to the requestor).	
611	Inventory	Transactions	Compare stock items received to open requests for stock items to determine which requests (i.e., backorders, aged backorders) may be filled.	
612	Inventory	Transactions	Match items returned to the original issue (can't return what you weren't issued)	
613	Inventory	Transactions	Allow transfers of stock items from project to project, between cost centers, among divisions, and among warehouses with corresponding addition and depletion figures.	
614	Inventory	Transactions	Allocate purchases and stock to various departments, divisions, warehouses, section of warehouse, cost center, etc.	
615	Inventory	Transactions	Issue an item and identify it to a specific grant, program, project, contract, and/or other elements in the financial data classification structure.	
616	Inventory	Transactions	Support the following inventory costing methods, by departments and/or inventory warehouse: Actual Cost, LIFO, FIFO, Average Cost, Replacement Cost, Weighted Average, and Standard Cost.	

617	Inventory	Transactions	Support interagency transfers of items, including interagency billing and accounting transactions.	
618	Inventory	Transactions	Support issuance to outside organizations and indicate if the transaction is a sale, donation, inventory reduction, etc.	
619	Inventory	Transactions	Issue an item without a requisition.	
620	Inventory	Transactions	Have reason codes for all inventory moves, adjustments, returns, etc.	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
701	Inventory	Warehouse	Transfer items to locations internal to the warehouse such as a module or floor location.	
702	Inventory	Warehouse	Track and differentiate between warehouse order quantities (i.e., case) and inventory issue quantities (i.e., box, when there are 12 boxes in a case).	
703	Inventory	Warehouse	Accommodate a multi-level location structure.	
704	Inventory	Warehouse	Temporarily move an item to a location outside of a warehouse location, and put a hold on issuance of the item, including comments for purpose of move, etc. (e.g. vendor repair, warranty claims, etc.).	

Tracking #	Category	SubCategory	Requirement: System provides the ability to:	Comment
801	Inventory	Workflow	Create and route electronic forms for approval (e.g., approval notification and reporting for write-off of damaged, non-moving, or obsolete inventory, etc.).	
802	Inventory	Workflow	Support electronic approval for goods receipts, issues, and other related inventory functions.	