



No.: BSNL/ERP/FICO/2013-14/

Dated: 20/12/2013

To

All Chief General Managers/IFAs

All Circles (except Karnataka, Maharashtra, WTP, STR, TF MUM, ALTTC)
BSNL.

Sub : Important Activities for Smooth Transition from Legacy to SAP.

The following important activities need immediate attention for smooth transition from legacy to SAP:

1. Central Settlement Cell (CSC) has to be constituted in terms of letter No 14-25/2010 SEA BSNL dated 10.09.2010. CSC has to be equipped with adequate infrastructure and manpower. Going ahead in ERP, all payments will be made centrally by CSC at Circle level. The CSC will carry out the payment and settlement through NEFT/RTGS/Cheque only. No cash payments of whatever nature/amount will be made by CSC.
2. Cheque cum payment advice Format/NEFT/RTGS/same bank file formats are to be finalized in consultation with the Bank. Also, discussion needs to be held with bankers as in SAP for employee's payment only single clearance in bank statement will be required whereas for vendor payments line item clearance will be required. This will facilitate in timely preparation of Bank reconciliation.
3. From the date of migration to ERP, only one Operation account in each Circle will service all organizational activities. The detailed guidelines have already been issued by BFCI of Corporate Office vide letter No 1-1/BBF-CMTS/TM/2009 dated 23.10.2013. Dormant/Inactive Bank accounts should be immediately closed. The Bank Accounts which are not reflected in TB are to be regularized in consultation with CA/BFCI section of BSNL Corporate Office.
4. In ERP, there will be not any separate accounting unit (SSA/Business Area) for Civil/Electrical units. The existing CMTS accounting unit has to be merged with SSAs. Assets/WIP/Inventory appearing in the TB of CMTS at Circle level has to be transferred to SSAs and the same should be duly accounted for in the legacy trial balance. Only one trial balance per SSA will be taken for migration to SAP. The CMTS Division at Circle level will be part of Circle Office Business Area.
5. Similarly, there will be not any separate accounting unit (SSA/Business Area) for Civil/Electrical units. The existing Civil/Electrical accounting unit has to be merged with SSAs. In case of single division catering to multiple SSAs, Circle may decide the SSA for merger as per their convenience based on location, scale of operation. The merged trial balance will be taken for migration to SAP and separate Civil/electrical trial balance will not be migrated.
6. The list of Cost Centers has already been circulated to all the Circles. The Circles have to finalized the same in consultation with the FICO Core team
7. All Processes (viz Revenue posting, TR refund process, collection accounting) in SAP have been developed keeping in view the CDR system. Hence, any deviation will involve manual process/JV postings in SAP.
8. List of prospective Temporary Advance Holders has to be finalized and if separate bank account for temporary advance (other than salary account) is to be opened, the process for opening of bank accounts in bulk with MOU banks may be immediately done. It may be noted that all employees' payment will be credited in the bank account and no cheque is to be issued in any case. All the temporary advance holders have to be assigned proper role in the roles and authorizations template. Wherever, the SSAs are not headed by SAG level officer, the information of that SSA unit head have to mandatorily captured in the prescribed template for temporary advance.

9. Final Approver list for various types of payments (PO, Non PO, Rent, Electricity, Civil Bills, etc) are to be finalized by Circle IFA in consultation with CGM. This activity should be completed before GO live. Appropriate roles and authorizations have to be assigned to the Final Approver in the prescribed template.
10. The FICO Transaction Data Migration strategy already circulated vide letter no BSNL/ERP/FICO/RoP/2013-14 dated 07.07.2013 has to be scrupulously followed. The critical points which need to be given priority are:
 - a. All Schedules (Contractors/Suppliers/Advances/TDS, etc) are to be duly reconciled with TB figures.
 - b. Inventory (MM Module) should be duly tallied with Trial Balance Figures. The Inventory classification has to be proper.
 - c. CWIP (PS Module) to be duly tallied with Trial Balance Figures. Estimates already completed should be immediately capitalized.
 - d. Employees Loans and advances (interest & non-interest bearing) should be duly tallied with Trial Balance Figures.
11. The following FICO Master Data Templates have to be carefully filled:
 - a. Vendor Master Data (Domestic, Foreign, Rent, HR Third Party, IUC, Electricity, Fuel, Retired Employees/Existing Employees, Hospital Vendors)
 - b. Bank Template (Collection/Operation Bank Details)
 - c. Assets Template
 - d. Electricity Meter Master
 - e. Generator Master (and Parent/Child Cards) Templates.
12. Employee HR (HCM Module) data will be extracted from HRMS and will be given to Circle/SSA for validation. The Circle should ensure that all the discrepancies are sorted out without delay. Any shortfall will hamper the salary process in SAP.
13. The Position Template (Organization Structure) is the most crucial HCM template. The user has to be careful in filling/validating this template. Any laxity in filling/validating will have cascading affect on other processes after GO live like vendor payment approval process, temporary advance approval process, leave approval process, etc.
14. The Bank Particulars (particularly Account number, IFSC) & PAN of all employees are to be thoroughly checked and updated in HRMS as employee data will be extracted from the HRMS.
15. The Templates for legacy pay data/ Medical/GPF/Income tax details/GSLI/EPF/Payee key/Housing accommodation/loans and advances (HCM Module) have to be meticulously filled.
16. The period between the Cutoff date and Go live date will be Blackout period. During that period payments will be made only by Circle office CSC and that too in emergency cases. The shorter will the blackout period, lesser will be the issues.



General Manager (RA/TP/ERP)

Copy for kind information to:

1. Director (CFA)/Director (CM)/Director (HR), BSNL CO, New Delhi.
2. Executive Director (Finance)/Executive Director (CA), BSNL CO, New Delhi.
3. Sr. General Manager (CIT)/General Manager (CA)/General Manager (Estt)/General Manager (IA), BSNL CO, New Delhi.
4. All DGMs(ERP), ERP Development Centre, Ghaziabad, for necessary action please.
5. Shri D.K. Parsai, Project Director, HCL Infosystem.