

BPWG FT Discussion

Business Process Work Group Electronic Field Ticket Process

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Anti-trust Statement

Meeting participants should observe the following antitrust guidance:

- No discussion of any company's confidential or proprietary information;
- No discussion or agreements, either explicit or implicit, regarding prices of particular products or services provided by or received by a company;
- No forecasting of prices for goods or services;
- No discussion of any company's purchasing plans for particular products or services;
- No agreement among participants regarding the purchase or sale of a product or service – purchasing and selling decisions are independent company decisions;
- No disparagement of any products or third party entities or individuals, particularly any vendor.

- To develop business process guidelines supporting the exchange of electronic field tickets.

Why now?

- Increasing use of electronic invoices
- Anticipated adoption of electronic orders
- Electronic catalogs becoming more prevalent

Documents available in 3901

- Field Ticket
- Field Ticket Response



Time and labor intensive process for all:

- Errors due to manual processing (e.g., manual entry into back-end systems)
- Missing information or information provided by Operator when FT generated (onsite)
- Need to store trading partner data
- Manual FT-Inv reconciliation required
- FT to INV interval longer than desired
- Longer DSO than desired

Operators would like more visibility of daily operations/commitments

One FT per INV - desired by some

Related: FT frequency - per job, time-based (daily, weekly, monthly)



Primary objective: More efficient Field Ticket data exchange and reduced reconciliation effort for both supplier and buyer

Long-term goal:

Streamline order-to-pay process by providing Field Ticket (FT) electronically supporting:

- shorter FT to Invoice (INV) interval,
- automated FT to INV reconciliation,
- reduced DSO,
- Operators, ability to record estimated liabilities closer to incurment

Focus of discussion:

If we choose to do business electronically, how do we convey field ticket data to customer, on location and/or after the fact, while observing legal requirements and what are the business rules that guide this transaction?

Field ticket process w/in Order to Pay cycle with focus on automation of processes by providing FT electronically.

- Field Ticket
- Field Ticket Response
- Work Order to Invoice Reconciliation (Macro)
- Electronic exchange of field ticket data (micro) Not in scope: ERS

Parking Lot:

Consignment

Field Ticket Cancellation (e.g., for major adjustments)

Actors/Stakeholders

- Operators
- Suppliers
- Contractors/Third Party
- Networks (workflow)
- Vendors



Alternate Terminology

- Delivery ticket
- Delivery work ticket (DWT)
- TOUR sheet (daily drilling activities)
- Work ticket
- Service Order
- Sales Order
- Confirmation
- Receipt





Related Processes

- Purchase Order
- Invoice
- Catalogs/Price Lists





Process Flow Diagram

Overall context – Request to Payment

Macro View – Work Order to Invoice Reconciliation

Micro View – On Site – Service/Product Delivery to Field
Ticket Signature



Field Ticket Purpose

The field ticket is a communication device:

- ¾ Estimate of work performed, products delivered, quantity, financials
- ¾ Operator agreement
- ¾ Additional information (e.g., coding, etc.)

Suppliers:

- Legal documentation of work performed and products delivered/Operator acceptance
- Additional operator information
- Basis to create invoice
- Time sheet potential

Operators:

- Invoice reconciliation
- Capture costs/liabilities
- Metrics gathering opportunities (spend, performance, etc.)
- Logistics and routing (e.g., taking delivery then moving to another location)
- Materials inventory
- Safety information?

Assumptions

1. Approved, valid field ticket is required by both supplier and operator. Today, this is a scanned attachment to invoice.
2. Electronic field ticket in advance of invoice is of interest to both parties.
 - For suppliers, this may mean no longer providing scanned attachment, reduced data routing requirements of operators (e.g., hand-written GL codes, etc.) and data entry error reductions.
 - For operators, electronic data enables more automated reconciliation with invoice, an opportunity to capture liabilities earlier and accounting data retention.
3. Data should be entered and transmitted such that dual entry is not required (e.g., into operator systems).
4. Approved, “locked” (i.e., unalterable financials) document is available to both trading partners.
5. PIDX XML Field Ticket / Response will be the vehicle to convey field ticket data.
6. Process must handle one-to-many and one-to-one field ticket to invoice scenarios

Questions for consideration

1. **Is pricing a field ticket requirement? Yes. To what level (e.g., complex pricing/price structure)?** Must satisfy current requirements
2. **What information needs to be provided at time of order to facilitate electronic field ticket process?** Need to define best practices. Key win would be a reference # or code from the operator and one from the supplier that will point to all relevant information in their respective systems.
3. **How is additional supporting documentation handled?** Remains with the invoice.
4. **How are changes to field ticket handled (applied post signature)?**
 - **Additional charges (e.g., third party services) - line item coding**
 - **Significant adjustments (e.g., truck weight, missing charges) – focus on minor adjustments – major adjustments are fairly rare and would be handled by hand**
5. **What information needs to be on the field ticket to meet everyone's needs and do we have fields available?** Gap analysis task – be careful not to expand functionality of field ticket beyond original intent (at least for now)
6. **What is mechanism for electronic authorization?**
7. **How can field ticket be conveyed to customer?** Should be electronic data transfer – may be onsite or after the fact but should not be document on a portable USB drive or Email.
8. **What happens if supervisor makes changes in the field?**
9. **How do we handle unattended sites?** Ideally, electronic processing should address this need.

Data Field Requirements

KEY FIELD TICKET INFORMATION MAY INCLUDE:

- Supplier
- Date
- Location, incl. LONG/LAT
- Product/Service delivered/performed
- Personnel (payroll info)
- Safety performance (JSA)
- Service Type
- Date
- Quantity
- Rate
- Sub-total
- UOMs
- Field approver contact
- AFE #, PO#, WBS, Cost Center
- Business Unit
- Invoice Approver contact (?)

