Subject: Mexico New Service Company Code

Date: 11-15-2012 Attendees: Marianne, Jingsha, Joan

Date: 11-16-2012 Attendees: Mike, Jingsha, Lori, Joan

Action Items in: *III*

Discussion (reviewed Sai’s questions):

1. **What are roles and responsibilities of RSM for this new Service company?** RSM’s responsibility is to Process Payroll and do tax filings.
2. **What we are expecting to send/receive to/from RSM for month process?** Jill and David are expected to send to RSM NEC employee and pay information. RSM is expected to send to NEC monthly payments so that NEC can do journal entries. *Marianne looking into how Employee Expense Reports are handled.*
3. **Is the Mexican company code is going to be have its own company in SAP system or it belongs to the NEC company itself? This is for reporting. Will it belong to NECGLO?** Mexico will have a new company code that will be under NEC Global.
4. **We need to know what are the accounts that Mexico company intended to use?** Basic SG&A Trial Balance Accounts. Joan talked to Mike on 11-16-2012. He stated that the New Mexico Company Code in SAP will be 0029. Mike said that the mailing address etc can be copied from 0028 (Mexico) – *who on the team needs to agree with Mike? See Below screen shots of 0028.*
5. **What kind of postings the business intends to post for G/L*?*** Per Mike ALL ECC postings will be monthly journal entries.
6. **Will there be sales and purchases?** No
7. **Based on 6, any tax consideration? (deferred tax?)** No
8. **Any vendors or customers need to be set up for this service company?** No – Monthly Journal Entries based on what information we receive from RSM.
9. **Are the employees going to setup as internal vendors in the system, for payroll and/or commission purpose?** Employees will not be set up as internal vendors.
10. **Any check/wire payment needed for this service company code? Or does RSM handles all the incoming and outgoing payments? If New Era needs to do the payments within SAP, what other payment methods need to be considered?** There will be no wire payments done in SAP. There will be wire payments done from NEC’s Cash Account.
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