

**Meeting Details**

<b>Meeting Date</b>	Tuesday, April 14, 2015	<b>Meeting Time</b>	1:30 pm to 4:30 pm
<b>Meeting Location</b>	Department of Revenue Building 2 - Room 1220/1221 2450 Shumard Oak Boulevard		
<b>Meeting Objective</b>	Procurement to Payment (P2P) - Level 2 Workgroup: Review and discuss Level 2 Flows and Process Models		
<b>Attendees</b>	<p><b>Level 2 Subject Matter Experts (SMEs)</b>                  Sharon Bussey (FWC); Rachel Bozeman (FWC); <del>Lydia Louis (DEP)</del>; Darinda McLaughlin (DEP); Kelly McMullen (DMS); Maureen Livings (DMS); Anne Rabon (DMS); Masumi Das (JAC); Wayne Mayer (JAC); Dina Kamen (JAC); Vicki Nichols (JAC); James Dewayne Baxley (HSMV); Barbara Vaughan (HSMV); Vonda Murray (DOS); Lee Ann Hebenthal (DOS); Kim Holland (DFS); Angie Martin (DFS); Debra Owens (DACS); Vianka Apellaniz (DACS); Joanne Lane (DOH); Roger Twitchell (DOH); Nancy Quaney(DOH)</p> <p><b>Florida PALM Business Process Standardization (BPS) Team</b>                  Deb Gries, State Lead; Alden Schiller, EY Lead; Robin Chichester, EY Process Analyst; Gary Schneider, EY; Angie Robertson, Deana Metcalf, Stanton Beazley, Robert Hicks, Janice Jackson, Tanner Collins, Julian Gotreaux, State</p>		
<b>Attachments/ Related Documents</b>	P2P Level 1 Process Flow and Process Narrative DRAFT P2P Level 2 Process Flow and Narrative for Establishing Encumbrances and Payment: Invoice through Voucher		

Topic	Presenter	Allotted Time
Introduction and Welcome <ul style="list-style-type: none"> <li>General Housekeeping</li> <li>Participant Introductions</li> </ul>	Julian Gotreaux, Deb Gries	<b>15 min</b>
Review of Draft Level 1 Flows	Deb Gries	<b>15 min</b>
<p><b>Notes:</b>                      After introductions and orientation, Deb started the discussion of the Level 1 Process flows. She then informed the participants that a significant change from the Level 1 process to the Level 2 process was that we would not be building a procurement system within Florida PALM. MyFloridaMarketPlace (MFMP) is the state's procurement ERP and that would remain. Our goal now is to workflow the financial management and accounting processes as it relates to payment of the state's financial obligations, of which procurement related expenses are a part of.</p>		

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<p>Deb identified the Level 1 Purchasing related processes that would not apply to the Florida PALM project and then turned the meeting over to Alden for the Level 2 walkthrough.</p>		
<p>Overview of Level 2 Flows and Process Models</p>	<p>Alden Schiller</p>	<p><b>30 min</b></p>
<p><b>Notes:</b></p> <p><b>Workflow #1: Establishing Encumbrances:</b>          Alden walked the group through an overview of the P2P Establishing Encumbrances workflow and reviewed each process activity with the SME workgroup. The process was generally accepted and there were few comments from the participants outside those listed below:</p> <p><b>P2P1.3, P2P 1.5</b></p> <p>When the types of financial obligations are determined, the option to encumber all obligations will be available. The goal of DFS Division Director, Christina Smith, is to identify obligations for each agency for current and future years. This is for contracts, purchase orders, PCard, travel, utilities, etc. Pre-Encumbrances were briefly discussed and Deb mentioned that this will be discussed further in the Contracts workflow meeting as some requested changes may need to be addressed by policy.</p> <p>Questions raised:</p> <ul style="list-style-type: none"> <li>• Can an encumbrance be established without the use of a particular Vendor/FEID?</li> <li>• Is there Vendor Verification within the Manual Encumbrance submission?</li> </ul> <p>Responses:</p> <ul style="list-style-type: none"> <li>• The team will research this and find out if this is a capability of an ERP.</li> <li>• While DFS maintains the Statewide Vendor File, most of the registration of vendors comes through the Vendor Information Portal, maintained by MFMP. The Vendor Registration process for Florida PALM is assigned to the P2P team. We are working with the DFS Vendor Relations staff for these changes and welcome any modifications and enhancements from the P2P workgroup.</li> </ul> <p><b>P2P IP 1 (Integration Point)</b> IPs will be identified and established by Florida PALM for the few state agencies that do not use MFMP to integrate their information into Florida PALM. These state agencies will then be responsible for integrating their internal systems with Florida PALM.</p> <p><b>P2P CP 1.6 (CP=Control Point)</b>          When an encumbrance is to be manually established or established through an MFMP purchase order, as soon as the transaction/purchase requisition is submitted, it will</p>		

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<p>immediately go through a budget check , known as a control point. This budget check will check appropriations for the agency by Budget Entity, Fund, Category, and, depending on</p>		
<p>Level 2 Workflow Discussion, continued</p>	<p>Alden Schiller</p>	
<p>the agency’s business rules, will be capable of further checking allotments down to the unit level. The Budget Check involves calculating allotments from appropriations, minus encumbrances, minus disbursements, minus scheduled disbursements, minus payables (not yet approved for payment) to determine the available balance.</p> <p>Should the budget fail, the role of the agency personnel with the appropriate permissions will populate into the approval flow to change the accounting codes (requiring the transaction to run through another budget) and/or override the available balance check .</p> <p><b>P2P CP 1.11</b>                      The change we are proposing to MFMP is to “live” integrate with Florida PALM through all these steps and the same process identified above will be followed.</p> <p><b>Workflow #2: Invoice through Voucher</b>  <b>P2P2.1</b>                      Appropriate events occur outside of Florida PALM that documents goods have been received and/or services approved. An encumbrance does not need to be established to start this process.  <b>Note: another change we are proposing for MFMP is the ability to “receive” services.</b></p> <p><b>P2P2.3</b>                      The proposed design is an electronic shell in Florida PALM that mimics the required information needed on an invoice. The Invoice “Processor” will be able to enter information as well as select information (e.g. vendor, encumbrance number (if established )PO#, FEID), etc. from drop down fields to populate the online document, be able to enter comments, add attachments, etc. Upon submission, the electronic shell invoice will populate with an approval flow (additional approvers can be added) to begin the movement in Florida PALM.</p>		

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<b>Break</b>		<b>15 min</b>																
Icebreaker	Deb Gries	<b>10 min</b>																
Level 2 Workflow Discussion (Continued)																		
<p><b>P2P AE 2.4 (Accounting Event)</b>                      This is a new thought process for us and the agencies in that upon invoice <b>submission</b>, an accounting event will occur. Below are "T" tables to outline this event through payment:</p> <p>(Invoice Submission):</p> <table style="margin-left: 40px;"> <tr> <td colspan="2" style="text-align: center;">Accrued Expense</td> </tr> <tr> <td style="border-right: 1px solid black; padding: 5px;">DR (Payable Request)</td> <td style="padding: 5px;">CR</td> </tr> </table> <table style="margin-left: 40px;"> <tr> <td colspan="2" style="text-align: center;">Expenditure</td> </tr> <tr> <td style="border-right: 1px solid black; padding: 5px;">DR</td> <td style="padding: 5px;"></td> </tr> </table> <table style="margin-left: 40px;"> <tr> <td colspan="2" style="text-align: center;">Payable</td> </tr> <tr> <td style="border-right: 1px solid black; padding: 5px;">DR</td> <td style="padding: 5px;">CR</td> </tr> </table> <table style="margin-left: 40px;"> <tr> <td colspan="2" style="text-align: center;">Cash</td> </tr> <tr> <td style="border-right: 1px solid black; padding: 5px;"></td> <td style="padding: 5px;">CR</td> </tr> </table> <p><u>Invoice Submission</u>                      DR Accrued Expense                      CR Payable</p>			Accrued Expense		DR (Payable Request)	CR	Expenditure		DR		Payable		DR	CR	Cash			CR
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<p><u>Payment of the invoice</u>                      Entry #1 DR Expenditure                                CR Cash</p> <p>Entry #2 DR Payable                                CR Accrued Expense</p>		
<p>This does not affect the reduction of encumbrances or allotments yet; only at point of Voucher creation will those actions occur.</p> <p><b>P2P 2.6 Agency Invoice Reviewer and P2P 2.9 Agency Invoice Approver</b>                      These are the minimum recommended roles that Florida PALM suggests. If an agency determines that additional reviewers are needed, we will assist them in developing their workflows.</p> <p>Correlating roles in MFMP with proposed roles in Florida PALM, we have the:                      Exception Handler (MFMP)/Invoice Reviewer (Florida PALM), and;                      Invoice Manager (MFMP)/ Invoice Approver (Florida PALM)</p> <p><b>P2P AE 2.16</b>                      Once the transaction is fully approved, a voucher is created and the encumbrance is reduced (if one established) and allotments are reduced. It was suggested that the term “voucher” be changed.,</p> <p>Note: Voucher is currently defined in law. Any change to that term would require a change in law.</p> <p>Lastly, and as a reminder from our discussion and as noted in the narrative, payments are “scheduled” and will be issued once we start the review of the Workflow: Voucher through Payment.</p>		
<p>Close Meeting</p> <ul style="list-style-type: none"> <li>• Action Items</li> <li>• Homework</li> <li>• Next Meeting Date / Time / Location</li> </ul>	<p>Deb Gries</p>	<p><b>10 min</b></p>

**Action Items**

Description of Action Item	Assigned To	Due Date
Post DRAFT SME Workgroup Meeting Minutes in SharePoint	Robin Chichester	04/20/2015
Document the requirements resulting from the workgroup meeting <i>(See page 7 below)</i>	Robin Chichester	04/20/2015
Draft accounting events to show debits and credits and present in a "T" account	Deb Gries	04/22/2015
Add swim lane to Level 2 Process Flow – Invoice to Voucher – for separation of Agency Accounting Level 1 and Level 2 to Invoice Reviewer and Invoice Approver	Robin Chichester	04/22/2015
Follow-up on questions identified during the workgroup meeting	Deb Gries / Robin Chichester	04/27/2015

**Other Needs/Requirements Identified or Discussed During Meeting**

- If document has been created in MFMP it needs to be changed in MFMP
- No duplicate invoice numbers
- Possibility of having multiple purchase order fields available for selection and population on the same electronic invoice
- Possibility to enter multiple lines for multiple invoices received on the same day for the same vendor (e.g. food or linen service invoices, etc.).

**Next Meeting Date / Time / Location**

Monday, April 27 from 1:30pm-4:30 pm at the Betty Easley Center, Room 166 .