

### 1.1. General Information

<b>Process Area</b>	R2R - Record to Report
<b>Process Workflows</b>	(1) General Ledger/Chart of Accounts Maintenance (2) Record Updates to Ledgers (3) Execute Month-End Period Close (4) Execute Year-End Period Close (Includes the CAFR Development)
<b>As of</b>	05/05/2015

### 1.2. Authors and Contributors

<b>Authors</b>	Janice Jackson, BPS Team Stanton Beazley, BPS Team Robert Bolton, EY Process Lead Elizabeth Chao, EY Process Analyst
<b>Contributors</b>	Department of Agriculture and Consumer Services Department of Economic Opportunity Department of Children and Families Department of Education DFS, Division of Treasury Legislature DFS, Bureau of Financial Reporting Agency for Persons with Disabilities Lottery Agency for Health Care Administration

### 1.3. Scope

This document depicts the Level 2 detailed proposed business process design for the Record to Report (R2R) process area. The following four key process areas define R2R:

- (1) General Ledger/Chart of Accounts Maintenance
- (2) Record Updates to Ledgers
- (3) Execute Month-End Period Close
- (4) Execute Year-End Period Close (Includes the CAFR Development)

The R2R process area establishes and maintains the underlying accounting structure and ledger control for financial transactions to produce financial management reporting. The related Process Flow Diagrams provide references to Control Points, Report Needs, Accounting Events, and Integration Points. The diagrams also reflect connections to other process areas within Florida PALM.

## 1.4. Assumptions

- The CAFR schedules and statements will be substantively produced directly from Florida PALM
- Transactions and correcting entries will originate predominantly in the source process area
- Multiple periods, including fiscal years, may be open at one time
- There will be one primary General Ledger and multiple subsidiary ledgers to handle the financial processing and reporting requirements of the State (e.g., cash, treasury, project, grants)
- There will be a variety of methods for updating the General Ledger, e.g., batch, real-time, or scheduled processing parameters
- There will be a variety of system security measures available when designing access and update capabilities for Chart Of Accounts (COA) Updates
- There will be a variety of reporting tools available (e.g., canned reports, ad-hoc queries, data extracts, user defined reports, queries, dashboards)
- Effective dating for accounting code usage will be utilized
- Integration - Agency Subsystems and Ancillary Systems will be responsible for integration to Florida PALM-(Via Interfaces, Flat-File Uploads, Excel-CI Spreadsheet Uploads, etc.)

## 1.5. Standardized Process Area Overview

This process area will establish and control the Chart of Accounts structure in Florida PALM, e.g., General Ledger codes, organizational codes, program codes, fund codes, agency codes, grant codes, and project codes. A primary General Ledger and multiple subsidiary ledgers (e.g., budget, cash and treasury) will be used to manage the financial processing, control, and reporting requirements of the State. Financial reports of transactions and events may be presented on a full or modified accrual accounting basis or on a cash basis, as required by the impacted fund.

The overall R2R Process is comprised of four specific processes:

- General Ledger/Chart of Accounts Maintenance
- Record Updates to Ledgers
- Execute Month End Period Close
- Execute Year End Period Close

**General Ledger/Chart of Accounts Maintenance** - Requests for account code changes will be initiated and submitted to DFS for review and approval (via Validation Workflow). This validation will facilitate control of the Chart of Accounts and associated account codes for consistency across all agencies. Alternatively, designated and limited agency specific account code changes may be initiated and executed by the individual agencies. When the account code change is approved, updates to the General Ledger will be executed and reports produced reflecting the new Chart of Accounts. MFMP, People First, and Agency subsystems will be interfaced with Florida PALM to receive Chart of Accounts changes. LAS/PBS will be interfaced to send budgetary codes and receive

updated codes from Florida PALM. New accounts codes are transmitted from or to these systems on an on-going basis as updates occur. After updates are finalized notifications are sent to the appropriate agencies and statewide (as applicable) to communicate the new Chart of Accounts structure and the effective start/end date for using the new account codes.

**Record Updates to Ledgers** - Transactions occurring in other process areas will validate against the established Chart of Accounts structure and create accounting entries at various intervals. Agency transactions and adjusting journal entries will be made in the agency subsidiary ledgers and consolidated to the Chart of Accounts for processing and posting (real-time or batch) to the General Ledger. External systems, e.g., MFMP, People First, LAS/PBS, will also validate against the established accounting structure to send and receive data via interfaces. After entries have been posted to the General Ledger, trial balance and other financial reports will be available as applicable by both DFS and the agencies.

**Execute Month End Period Close**- In order to manage the financial activities of the State, monthly and annual accounting periods will be established. The close schedule will be generated by DFS and communicated to agencies. Each period must be opened before transactions can be processed, likewise multiple periods may remain open at one time. At the end of a monthly period, the system or the agency will initiate a "Soft Close" of the period at which time new financial transactions cannot be entered to the subsidiary ledgers account balances will be monitored throughout the closing process and reports generated to assist agencies in performing period closing activities. The system or the agency will initiate a "Hard Close" at which time no additional adjusting entries or corrections can be made to the General Ledger. Final trial balances and other reports for the period being closed can be produced by both DFS and the agencies as applicable.

**Execute Year End Period Close** - The annual close schedule will be generated by DFS and communicated to agencies. Agencies will perform the Month End Close process for June by executing a Soft Close of June and opening the July period (the new fiscal year). The new fiscal year budget is loaded to the budget ledger when the July period is opened. Upon completion of the June Month End Close process, the system or agencies will initiate a Hard Close to close and update the Period 12 balances. Period 13 will be opened to begin the Comprehensive Annual Financial Report (CAFR) development and preparation process. CAFR preparation will be performed substantively in the system to produce the unaudited CAFR for review by the Auditor General. At year end, additional reports and schedules will be produced to assist in the preparation of the CAFR. Financial results will be consolidated after closing and then adjusted as needed within the system, which will include material adjustments, Component Unit financial statements and additional Agency year-end adjustments (key information that supports the notes to the financial statements may also be maintained in the system). The Auditor General will perform the Statewide Financial Statement Audit and the Federal Awards Audit to identify audit adjustments to be made to the financial statements. The agencies and DFS will review the Auditor General's audit adjustments to determine the applicability of identified audit adjustments to be posted to the General Ledger. After

audit adjustments, DFS will execute the Hard-Close for period 13, generate the final CAFR, and update the current fiscal year with the final adjusted prior year balances.

### 1.6. Process Area Details

The table below describes each step in the process envisioned to use the Record to Report process functionality. The Process Step ID refers to the step as depicted in the respective BPS Business Process Workflow diagram.

The workflow diagrams use horizontal swim lanes to depict where activities are likely to be performed by different parties. Each swim lane is titled with a role either agency-based or enterprise-based and in some cases representative of an external party. The swim lanes roles may be different at an agency.

The swim lanes may change from page to page within a single process area as more or fewer roles are required to execute sections of the overall process.

Workflow Page 1 of 4: R2R – General Ledger/Chart of Accounts Maintenance	
<b>Swim lanes – Definition</b>	Enterprise (DFS Financial Reporting) Agency

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R 1.1 and R2R 1.1a	Enterprise Initiated Request or Agency Initiated Request	<ul style="list-style-type: none"> <li>• Florida PALM will provide functionality allowing specified Enterprise or agency users the ability to initiate a request for a COA change through a workflow approval process.                             <ul style="list-style-type: none"> <li>○ Requests can be to create a new code, update an existing code or deactivate an existing code</li> </ul> </li> <li>• The requestor will obtain authorization and approval to submit the change prior to initiating the workflow request in Florida PALM.                             <ul style="list-style-type: none"> <li>○ Agency/Enterprise level review has been conducted to verify the need for a change (e.g., an existing code value cannot meet the need)</li> </ul> </li> <li>• Agencies may have the ability to establish agency specific codes in Florida PALM (Policy Issue).</li> </ul>	<ul style="list-style-type: none"> <li>• Section 215.86, F.S.</li> <li>• Section 215.93(3), F.S.</li> <li>• Section 215.94(2)(a), F.S.</li> <li>• Section 216.141(2), F.S.</li> <li>• CFO and Accounting and Auditing Memorandums as applicable</li> <li>• Reference Guide for</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
			State Expenditures
R2R 1.2	Passed Validation Workflow?	<ul style="list-style-type: none"> <li>• Workflow requests for new code values will be received and validated by DFS Enterprise for use in Florida PALM.                             <ul style="list-style-type: none"> <li>○ DFS will confirm that request does not violate COA rules and that the change was authorized prior to submittal of the code change request</li> </ul> </li> <li>• If a request does not meet the established criteria or further clarification is needed, Enterprise will return the request back to the requestor for resubmission.</li> <li>• LAS/PBS will define and send codes for Budget Entity, Category, Fund, and state Program component which will be validated for COA structure consistency prior to use in Florida PALM.</li> <li>• If a budget code is not valid, details will be communicated to LAS/PBS.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 215.86, F.S.</li> <li>• Section 215.93(3), F.S.</li> <li>• Section 215.94(2)(a), F.S.</li> <li>• Section 216.141(2), F.S.</li> <li>• CFO and Accounting and Auditing Memorandums as applicable</li> <li>• Reference Guide for State Expenditures</li> </ul>
R2R 1.3	Chart of Accounts Maintenance	<ul style="list-style-type: none"> <li>• The COA change is set up in Florida PALM pending the execution of ledger updates.</li> <li>• This includes establishing hierarchical relationship to existing values – parent/child relationship, e.g., LAS/PBS fund and State FID.</li> <li>• Maintenance will include associating the COA values to users based on established security roles within the agency.</li> <li>• If a COA value is specific to an agency, access will be assigned during the maintenance process (Policy Issue).</li> </ul>	<ul style="list-style-type: none"> <li>• Section 215.86, F.S.</li> <li>• Section 215.93(3), F.S.</li> <li>• Section 215.94(2)(a), F.S.</li> <li>• Section 216.141(2), F.S.</li> <li>• CFO and Accounting and Auditing Memorandums as applicable</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
			<ul style="list-style-type: none"> <li>Reference Guide for State Expenditures</li> </ul>
R2R 1.4	COA Change Ready for Update?	<ul style="list-style-type: none"> <li>If review of the edit reports disclose errors in the set-up, the user will correct via the maintenance process (R2R 1.3).</li> <li>If review of the edit reports show no discrepancies, the user will move forward with submitting the change in the system.</li> </ul>	<ul style="list-style-type: none"> <li>CFO and Accounting and Auditing Memorandums as applicable</li> </ul>
R2R 1.5	Execute Ledger Updates	<ul style="list-style-type: none"> <li>The COA changes are executed to the General Ledger in Florida PALM.</li> <li>Accounting structure reports will be available which will include the new COA value or removal of a deactivated value.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.89, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> </ul>
R2R 1.6	New Chart of Accounts Available for Users	<ul style="list-style-type: none"> <li>New COA values are available for users in Florida PALM.</li> <li>New COA values are transmitted to MFMP, People First, LAS/PBS and agency business systems on an on-going basis.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> <li>Section 216.141(2), F.S.</li> <li>CFO and Accounting and Auditing Memorandums as applicable</li> <li>Reference Guide for State Expenditures</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R 1.7	Notification Sent	<ul style="list-style-type: none"> <li>System generated notifications are sent to original requestor, and state wide if needed, indicating the new COA updates are available for use (e.g., distribution through workflow, email, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>CFO and Accounting and Auditing Memorandums as applicable</li> </ul>

Workflow Page 2 of 4: R2R – Record Updates to Ledgers	
Swim lanes – Definition	DMS, Legislature, and EOG (Executive Office of the Governor) Enterprise (DFS Financial Reporting) Agency

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R 2.1	Process Subsidiary Ledgers Financial Transactions	<ul style="list-style-type: none"> <li>Process areas in Florida PALM will utilize subsidiary ledgers to capture daily transactions. The resulting accounting entries first post to the subsidiary ledgers and subsequently to the General Ledger.</li> <li>This includes any identified journal entries needed to correct account balances, interagency and inter-fund transfers, and to record/reverse accruals in the subsidiary ledgers prior to processing and posting to the GL.</li> <li>MFMP will send transactional data on an ongoing basis to the P2P process area for posting to the P2P subsidiary ledger.</li> <li>People First will send payroll data to the Payroll process area for posting to the Payroll subsidiary ledger.</li> <li>LAS/PBS will transmit the approved budget periodically to the Budget process area for posting to the Budget Ledger.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> <li>Section 216.141(2), F.S.</li> <li>CFO and Accounting and Auditing Memorandums as applicable</li> <li>Reference Guide for State Expenditures</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		<ul style="list-style-type: none"> <li>Agency business systems will integrate with Florida PALM via the specific process area(s) impacted.</li> </ul>	
R2R 2.2	Consolidation of Subsidiary Ledgers to Chart of Accounts	<ul style="list-style-type: none"> <li>Florida PALM will systematically initiate the consolidation of the accounting transactions in the subsidiary ledgers to allow processing of the journal entries in the General Ledger.</li> <li>Consolidation will entail validation of subsidiary transactions and rolling the transactions up to the corresponding General Ledger account code classification (e.g., assets, expenses, cash, etc.). Details will continue to reside in the subsidiary ledgers.</li> <li>Transactional reports can be generated to assist with reconciling the subsidiary ledgers to the consolidated accounts for posting to the General Ledger.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> <li>Section 216.141(2), F.S.</li> <li>CFO and Accounting and Auditing Memorandums as applicable</li> <li>Reference Guide for State Expenditures</li> </ul>
R2R AE 2.3	General Ledger Account Adjustments	<ul style="list-style-type: none"> <li>Designated agency users can make General Ledger account adjustments (High-Level) as required, prior to processing the Journal Entries (Policy Issue).</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> <li>Section 216.141(2), F.S.</li> <li>CFO and Accounting and Auditing Memorandums as applicable</li> <li>Reference Guide for State Expenditures</li> </ul>
R2R 2.4	Process Journal Entries	<ul style="list-style-type: none"> <li>Once the system consolidation process is completed, the journal entries are staged/scheduled for posting to the General Ledger.</li> <li>Florida PALM can be configured to post</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a),</li> </ul>



Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		journal entries either real time or by batch (Policy Issue).	F.S. • Section 216.141(2), F.S. • CFO and Accounting and Auditing Memorandums as applicable • Reference Guide for State Expenditures
R2R 2.5	Post to General Ledger	<ul style="list-style-type: none"> <li>Journal entries are posted to the Florida PALM General Ledger.</li> <li>Posted General Ledger Data is passed to MFMP, People First, LAS/PBS, and agency business systems.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.86, F.S.</li> <li>Section 215.93(3), F.S.</li> <li>Section 215.94(2)(a), F.S.</li> <li>Section 216.141(2), F.S.</li> <li>CFO and Accounting and Auditing Memorandums as applicable</li> <li>Reference Guide for State Expenditures</li> </ul>
R2R R 2.6	Trial Balance and Other Reports	<ul style="list-style-type: none"> <li>Trial balance and other financial reports are produced for operational and managerial reporting (Enterprise – DFS).</li> </ul>	<ul style="list-style-type: none"> <li>CFO and Accounting and Auditing Memorandums as applicable</li> </ul>
R2R R 2.6a	Trial Balance and Other Reports	<ul style="list-style-type: none"> <li>Trial balance and other financial reports are produced for operational and managerial reporting: (Agency).</li> </ul>	<ul style="list-style-type: none"> <li>CFO and Accounting and Auditing Memorandums as applicable</li> </ul>

Workflow Page 3 of 4: R2R – Execute Month End Period Close	
<b>Swim lanes – Definition</b>	DMS, Legislature, and EOG (Executive Office of the Governor) Enterprise (DFS Financial Reporting)

Agency
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Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R 3.1	Create General Ledger Close Schedule (Development and Communications)	<ul style="list-style-type: none"> <li>The General Ledger Monthly Close Schedule is developed and communicated to the agencies.</li> <li>Florida PALM can be configured to allow closing by all agencies at once or staggered closing (Policy decision).</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.01, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R 3.2	Open a New Period	<ul style="list-style-type: none"> <li>Based on the predetermined General Ledger Monthly Close Schedule, a new period will be opened for transactional processing.</li> <li>The new accounting period is opened so that financial transactions can be processed.</li> <li>Prior month account balances are rolled forward to the new period.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.01, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R 3.3	Record Updates in Subsidiary Ledgers	<ul style="list-style-type: none"> <li>Entire process to record and post to subsidiary ledgers (R2R 2.1-R2R 2.3).</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.01, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R 3.4	Period Ending Soft Close for Financial Transactions	<ul style="list-style-type: none"> <li>At the end of a monthly period, a "Soft Close" is executed.</li> <li>Agencies will not be able to enter or update financial transactions in the process area subsidiary ledgers after the "Soft Close".</li> <li>Florida PALM can be configured for a system</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.01, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		generated soft close or to allow manual closure by agency staff (Policy decision).	Statement Compliance Checklist
R2R 3.5	Conduct Trial Balance Review	<ul style="list-style-type: none"> <li>Agencies can trigger generation of Trial Balance Reports or schedule system generated Trial Balance reports based on the General Ledger close schedule to identify any needed corrections, and record/reverse accruals.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.94(2), F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R AE 3.6	Journal entries to correct account balances, Record interagency/inter-fund transfers, record/reverse accruals and post to the General Ledger	<ul style="list-style-type: none"> <li>Record any journal entries needed to correct account balances, record interagency/inter-fund transfers, and record/reverse accruals in the source process areas.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.94(2), F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R R 3.7	Reports to Detect Exceptions	<ul style="list-style-type: none"> <li>Agencies can produce Edit and Exception reports to detect exceptions in posted financial transactions (e.g., out of balance accounts, incorrectly keyed accounts).</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.94(2), F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R AE 3.8	Correct Consolidated GL Balances	<ul style="list-style-type: none"> <li>Corrections should primarily take place in the related subsidiary ledgers to preserve the detail associated with the transaction, however review may disclose a need to adjust the balances at the GL level.</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.94(2), F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		<ul style="list-style-type: none"> <li>In this case, journal entries can be made to correct the consolidated account balances (Policy decision).</li> </ul>	<ul style="list-style-type: none"> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R 3.9	Conduct Preliminary Financial Report Review	Preliminary Financial Reports are generated <ul style="list-style-type: none"> <li>Review is initiated to confirm financial transaction accuracy for the period being closed. This step represents the final opportunity for any adjustments prior to the "Hard Close".</li> </ul>	<ul style="list-style-type: none"> <li>Section 215.94(2), F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R 3.10	Hard Close for Financial Transactions per General Ledger Close Schedule	<ul style="list-style-type: none"> <li>The Hard Close for financial transactions is executed at which time no further adjustments can be made to the General Ledger.</li> <li>Florida PALM can be configured for a system generated hard close or to allow manual closure by agency staff (Policy decision).</li> </ul>	<ul style="list-style-type: none"> <li>DFS Statewide Financial Statement Guidance</li> <li>DFS Statewide Financial Statement Compliance Checklist</li> </ul>
R2R R 3.11	Create Period End Financial Reports	<ul style="list-style-type: none"> <li>Agencies can generate or schedule the generation of the month end financial reports for the closed period.</li> </ul>	TBD
R2R R 3.12	Create Enterprise Period End Financial Reports	<ul style="list-style-type: none"> <li>Enterprise can generate or schedule the generation of the month end financial reports for the closed period.</li> </ul>	TBD

Workflow Page 3 of 4: R2R – Execute Month End Period Close	
Swim lanes – Definition	DMS, Legislature, and EOG (Executive Office of the Governor) Enterprise (DFS Financial Reporting) Agency

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
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Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R 4.1	Create Year End General Ledger Close Schedule Development and Communication	<ul style="list-style-type: none"> <li>• DFS Enterprise Financial Reporting will set the General Ledger close date for year-end reporting.</li> <li>• The General Ledger Year End Close Schedule is developed and communicated to the agencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.2	Execute Month End Period Close (June)	<ul style="list-style-type: none"> <li>• Execute the Month End Close Process as flowed in R2R 3.4 to R2R 3.9 for June prior to executing the Year End Close Process.</li> </ul>	TBD
R2R 4.3	Open July Period (New Fiscal Year)	<ul style="list-style-type: none"> <li>• The July period is opened (the New/Current Fiscal Year).</li> <li>• Appropriation balances are loaded to the General Ledger and Budget Ledger for the New Fiscal Year.</li> <li>• Daily transactions occurring in the other process areas are recorded in the new Fiscal year as of July 1<sup>st</sup>.</li> <li>• Unaudited balances from June Soft Close become the beginning balances for the new fiscal year.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.4	Hard Close for June-Period 12 (End of Fiscal Year-Period 12)	<ul style="list-style-type: none"> <li>• At the completion of the Month End Close Process for June, execute a Hard Close for June, R2R 3.10. The closure of June represents the close of Period 12 for the fiscal year.</li> <li>• The General Ledger is closed for the Fiscal Year for Periods 1- 12 at the designated</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		<p>date of the Hard Close, and no further adjustments can be posted by the agencies</p> <ul style="list-style-type: none"> <li>Agencies may produce Year End Financial Reports/Statements if needed.</li> </ul>	<p>Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</p>
R2R 4.5	Current Fiscal Year Balances Updated	<ul style="list-style-type: none"> <li>The Current Fiscal Year (July) beginning balances are updated to reflect any changes in the balances due to the adjustments made between Soft Close and Hard Close.</li> <li>The Hard Close balances are the new beginning balances for the year.</li> </ul>	<ul style="list-style-type: none"> <li>Section 216.102, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.6	Open Period 13 for Year End and Audit Adjustments	<ul style="list-style-type: none"> <li>Period 13 is opened for use by Enterprise to post Material Adjustments, Component Unit Financial Statements, Agency Year-End Adjusting and Audit Entries identified during the on-going year-end review and CAFR preparation process.</li> <li>The opening of Period 13 can be executed manually or scheduled within the system.</li> </ul>	<ul style="list-style-type: none"> <li>Section 216.102, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R R 4.7	Create the Year-End Financial Reports	<ul style="list-style-type: none"> <li>Year-End Financial Reports are generated for the Prior Fiscal Year (periods 1-12).</li> </ul>	TBD
R2R 4.8	Conduct	<ul style="list-style-type: none"> <li>DFS Enterprise will conduct its year-end</li> </ul>	TBD

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
	Financial Report Review	review.	
R2R 4.9	Material Adjustments are Identified	<ul style="list-style-type: none"> <li>Review of the financial reports may identify material adjustments (e.g., change in accounting policy, significant omissions or errors).</li> </ul>	TBD
R2R AE 4.10	Material Adjustments are Posted to the GL	<ul style="list-style-type: none"> <li>Any material financial adjustments identified during the Financial Statement Review are entered into the system to generate required management reports for review prior to executing the reconciliation process.</li> <li>The material financial adjustments are posted to the impacted General Ledger account(s) in Period 13.</li> <li>Agencies and Enterprise may run Financial Reports/Statements after the adjustments post to the General Ledger.</li> </ul>	<ul style="list-style-type: none"> <li>DFS Statewide Financial Statement Guidance</li> <li>Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R R 4.11	Execute Management Reporting	<ul style="list-style-type: none"> <li>Management Financial Reports for the Year End will be generated for use in performing the Reconciliation Process. Reports may include:                             <ul style="list-style-type: none"> <li>Final trial balances and other reports for the Year End</li> <li>Additional schedules, forms and reports for the Year End</li> </ul> </li> <li>Supporting documents and selected transactions will be reviewed and revised.</li> </ul>	<ul style="list-style-type: none"> <li>DFS Statewide Financial Statement Guidance</li> <li>Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.12	Perform Reconciliations and Reviews	<ul style="list-style-type: none"> <li>DFS Enterprise Financial Reporting will perform reconciliations and reviews prior to producing the preliminary CAFR. Such may include:                             <ul style="list-style-type: none"> <li>Reconciliation of certain General Ledger accounts (e.g., cash, investments)</li> <li>Reconciliation of inter-fund balances and transfers between agencies</li> <li>Review and summarization of information submitted by agencies for</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Section 216.102, F.S.</li> <li>DFS Statewide Financial Statement Guidance</li> <li>Generally Accepted Accounting Principles (e.g.,</li> </ul>

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
		<p>disclosure notes</p> <ul style="list-style-type: none"> <li>• DFS Enterprise will communicate with agencies as needed during this process.</li> </ul>	<p>statements issued from the Governmental Accounting Standards Board)</p>
R2R4.13	Run the Preliminary CAFR Financial Information	<ul style="list-style-type: none"> <li>• DFS Enterprise Financial Reporting will run the preliminary CAFR. Such will include:</li> <li>• Compilation by Fund (Governmental, Proprietary, Fiduciary)                             <ul style="list-style-type: none"> <li>○ Compilation of Funds into major functions and programs; for example, Governmental Funds include: General Fund; Environment, Recreation and Conservation; Public Education; Health and Family Services; Transportation</li> <li>○ Preliminary disclosure notes to the CAFR</li> </ul> </li> <li>• Data is routinely transmitted to the Auditor General during the CAFR preparation.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.14	Component Units Submit Financial Statements	<ul style="list-style-type: none"> <li>• Component Units will submit required Financial Statements by September each year for inclusion in the CAFR. Component Units include: Pension Funds, Trust Funds, Special Assessment Bond Funds, and other Non-State Agency Funds.</li> <li>• Financial information for Component Units will be captured in Florida PALM via an upload process or direct entry by the Component Unit (Policy decision).</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> </ul>
R2R 4.15	Agency Year-End Adjustments are Identified	<ul style="list-style-type: none"> <li>• Agency specific year-end adjustments may be identified by the agency and communicated to DFS or identified by Enterprise.</li> </ul>	TBD
R2R 4.16	Enterprise Level Adjustments Identified	<ul style="list-style-type: none"> <li>• Enterprise level year end adjustments are identified for recording to the GL</li> <li>• Adjustments will include Pension Liability Allocations and Fair Market Value adjustments for Investments.</li> </ul>	TBD



Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R AE 4.17	Year-End Adjusting Entries are Posted to the General Ledger	<ul style="list-style-type: none"> <li>• DFS will make year-end adjusting entries directly to the impacted General Ledger account(s).</li> <li>• Agencies and Enterprise may run Financial Reports/Statements after the adjustments post to the General Ledger.</li> </ul>	<ul style="list-style-type: none"> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R 4.18	Unaudited CAFR with Notes and Financial Information Transmitted to the Auditor General	<ul style="list-style-type: none"> <li>• The unaudited CAFR Report will be generated for transmission to the Auditor General. The Unaudited CAFR may include):                             <ul style="list-style-type: none"> <li>○ Compilation by Fund (Governmental, Proprietary, Fiduciary)</li> <li>○ Compilation of Funds into major functions and programs; for example, Governmental Funds include: General Fund; Environment, Recreation and Conservation; Public Education; Health and Family Services; Transportation</li> <li>○ Component Units Financial Statements</li> <li>○ Agency and Enterprise Level Year-End Adjustments</li> </ul> </li> <li>• All required Disclosure Notes to the CAFR.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>
R2R CP 4.19	Perform Audits	<ul style="list-style-type: none"> <li>• The Auditor General will perform the annual audits (e.g., Statewide Financial Statement Audit, Federal Awards Audit).</li> <li>• Additional audits may be performed for specific purposes or needs (e.g., Legislature, Florida Turnpike).</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> </ul>
R2R 4.20	Audit Adjustments Identified	<ul style="list-style-type: none"> <li>• Adjustments identified by the Auditor General will be communicated to DFS Enterprise for review and update as applicable.</li> </ul>	TBD
R2R 4.21	Review of Identified Audit Adjustments	<ul style="list-style-type: none"> <li>• Audit adjustments applicable to an agency may be presented and reviewed by the individual agency.</li> </ul>	TBD

Process Step ID	Process Name	Description of Process	Governing Laws and Policies
R2R AE 4.22	Record and Post to the General Ledger Applicable Audit Adjustments from the Auditor General	<ul style="list-style-type: none"> <li>• Audit adjustments, which have been reviewed and accepted by DFS will be posted to the General Ledger.</li> <li>• Agencies and Enterprise may run Financial Reports/Statements after the adjustments post to the General Ledger.</li> </ul>	TBD
R2R 4.23	Hard Close Period 13 (Close Prior Fiscal Year)	<ul style="list-style-type: none"> <li>• Period 13 will be Hard Closed.</li> <li>• No additional Financial Statement adjustments for the fiscal year may be entered to the General Ledger.</li> <li>• After the hard close, period 13 adjusted balances will update the current year beginning balances. This is usually an automatic event occurring in the system after Period 13 is closed.</li> <li>• A file of Unreserved Fund Balances will be transmitted to LAS/PBS after the Hard Close.</li> </ul>	TBD
R2R 4.24	Generate the Final CAFR	<ul style="list-style-type: none"> <li>• The Final CAFR will be generated with the completed financial statements, notes, and supporting documentation for fiscal year.</li> <li>• CAFR will be published and distributed as per DFS policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Section 216.102, F.S.</li> <li>• DFS Statewide Financial Statement Guidance</li> <li>• Generally Accepted Accounting Principles (e.g., statements issued from the Governmental Accounting Standards Board)</li> </ul>

### 1.7. Integration

This section will describe the timing, frequency and critical data points of the interfaces for the sending and receiving systems. For example it will say whether an interface is run nightly, ad hoc, etc.

Wherever feasible the list will include the scheduled events for each process area. For events that are dynamically triggered, the list will include the triggering criteria and the estimated timing/cadence.

Integration ID	FMIS or Key System	Integration Description
R2R IP 1	MFMP	COA Updates and transactional data
R2R IP 2	People First	COA Updates and transactional data
R2R IP 3	LAS/PBS	COA Updates and transactional data
R2R IP 4	Agency Business Systems	COA Updates and transactional data

### 1.8. Control Points

Control Pt. ID	Control Point Description
R2R CP 1	Account Code Review: The COA request is reviewed and validated by confirming the consistency of the request to the approved COA structure (e.g., Fund, Organization, Project, etc.) and the validity of code to its intended use, e.g., an organization code should not be approved when it describes the function of another field (ex: Project).
R2R CP 2	Accounting staff will reconcile, balance, and monitor accounts during the Soft Close and the Hard Close for financial transactions: <ul style="list-style-type: none"> <li>○ Account balances will be monitored throughout the closing process</li> <li>○ Reports will be generated to support the monitoring process as applicable</li> </ul> For example, the following will be monitored: atypical balances, invalid General Ledgers, comparison to prior year and analytics (various).

### 1.9. Reporting

In the description column of the report table, this should include the critical data included in the report and the overall purpose for the report.

Report No.	Description	Frequency and Triggering Event	Audience(s)	Classification	Governing Laws and Policies
R2R R 1	Edit and exception reports are	On Demand (Change to the Chart of	DFS Accounts Control Staff	Operational	TBD

Report No.	Description	Frequency and Triggering Event	Audience(s)	Classification	Governing Laws and Policies
	generated to confirm the accuracy of the code set up	Accounts)			
R2R R 2	Account Structure Report - displays the current COA codes (this may be an on-screen view or a printed report)	Run when ledger updates have been executed	DFS Accounts Control Staff	Operational	TBD
R2R R 3	Transactional Reports to detect Exceptions are generated	On Demand (Consolidation of Subsidiary Ledgers to Chart of Accounts)	Agency accounting staff	Operational	TBD
R2R R 4	Management level transaction reports to show unconsolidated balances	On Demand	Agency management staff	Operational	TBD

### 1.10. Accounting Events

Accounting Event ID	Description	Accounting Entry DR - Debit CR - Credit
R2R AE 1	Record transactions occurring in process area subsidiary ledgers	See entries documented in the other process areas
R2R AE 2	Record Adjusting Journal Entries to Subsidiary Ledgers to correct/adjust account balances, record interagency and inter-fund transfers, and record/reverse accruals	Various accounting entries as applicable
R2R AE 3	DFS Period 13 financial statement adjustments: Material Adjustments, Agency and Enterprise Level Year-End Adjustments, Audit Adjustments	Various accounting entries as applicable

### 1.11. Key Performance Indicators/Measures

Measure	Relevance	Data Elements Needed to Generate Measure
Number and type (e.g., agency, CFO, audit) of post-closing entries at year end	Control and improved processing time	Number of year-end adjusting entries by type
Number of transactional correcting entries identified during period end close	Control and improved processing time	Number of correcting entries made in the subsidiary ledgers
Number of General Ledger correcting entries identified during period end close	Control and improved processing time	Number of correcting entries made to the General Ledger that were generated as a result of activities occurring within the agency's control
Timeliness of executing COA Maintenance	Improved processing time	Number of COA changes requested and processed; Time to process change
Duration of CAFR preparation process	Improved processing time	CAFR Preparation Process Cycle for Year-End Close
Cycle Time for the Period Close-monthly/yearly	Improved processing time	Month End Close and Year End Close Cycles
Number of days to prepare Financial Reports/Statements	Improved processing time	Reporting Generation Cycle
Agency compliance with Year-End Checklist/Calendar	Validation of year-end processing to produce the CAFR	TBD (Based on the development of year-end CAFR preparation process)

### 1.12. Future Enhancements

- Improved CAFR development and preparation
  - Document and store non-financial statistical information
  - Citizens' dashboard to display financial information of interest to other public entities and citizens