

70.1 Manage Banking Relationship

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Business Process Name

General Information

This document describes and depicts the process steps and supporting information for the identified State business process. Within the *Process Flow Details* section, included for each process step are:

- **Process Step ID** – A unique number assigned to each process step
- **Process Step Title** – A short description assigned to each process step
- **Description of Process** – A detailed narrative description of the process step
- **Ledger Impacts ID** – The number assigned to the documented accounting entry associated with the step

Also described below are the Ledger Impacts and *Reports*, which are displayed as icons on the *Business Process Flow Diagrams*. Finally, included in the *Terminology* section are definitions of terms which will help the reader to better understand the document.

Dependencies and Constraints

- Active banking relationships and bank accounts are maintained in Florida PALM for all bank accounts.
- Agencies submit all requests for assistance to the Department of Financial Services (DFS), Division of Treasury (Treasury) for assistance through Florida PALM.

Business Process Overview

Section 17.57(6), Florida Statutes (F.S.), provides that Treasury is responsible for maintaining banking relationships and setting up authorized bank accounts in Florida PALM. The Maintain Bank Accounts Business Process describes the process by which the Bank Account/Banking Service Request Form facilitates an agency's ability to request outside banking services as well as opening or closing bank accounts and sub-accounts from Treasury. Once a new bank account has been opened with the banking partner, the account is configured in Florida PALM. This step facilitates an agency's ability to record related transactions in Florida PALM. The Manage Treasury Correspondence Business Process describes the process by which agencies request assistance from Treasury through the Treasury Assistance Request Form.

Subprocess Flow Details

The table below describes steps in the business subprocess as reflected on the Process Flow diagrams. The table also reflects information associated with each step describing the intent of the specific process.

The Business Process Flow Diagrams use horizontal swim lanes to depict where activities are performed by different parties or systems. Each swim lane is titled with a role, either agency-based or enterprise-based, and in some cases, are representative of an external party or system. The swim lanes may change from page to page within a single business subprocess as more or

fewer roles are required to execute sections of the business subprocess. Optionally, the process flow diagram may reflect vertical swim lanes to further designate information such as systems or time intervals.

| 70.1.1 - Maintain Bank Accounts | |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Swim Lanes – Definition | <p>Agency Account Approver: agency role responsible for approving requests for new/changes to bank accounts prior to the request routing to the DFS Bank Account Maintainer</p> <p>Bank Account Request Processor: agency role responsible for submitting requests for new/changes to bank accounts</p> <p>DFS Bank Account Maintainer: DFS Treasury role responsible for requesting new bank accounts with the banking partner and for maintaining bank account configuration in Florida PALM</p> |

| Process Step ID | Process Step Title | Description of Process |
|-----------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Need to Open/Close Bank Account/Banking Service | The agency determines whether there is a need to open/close a bank account (sub-account, revolving fund, clearing fund, Consolidated Revolving Account (CRA), or non-CRA bank account) or new banking service. If it is for a revolving or clearing fund, it is handled through the Add or Modify Fund Values subprocess. |
| 2 | Submit Bank Account/Banking Service Request Form | Agencies which need new sub-accounts, deposit locations, or outside banking services make a request to Treasury for approval. If the request form is approved by the Agency Account Approver, it routes to Treasury to review and approve. If the request is not approved, it routes back to the requestor for correction or denial. |
| 3 | Notify Agency | Treasury notifies the agency that the banking service is approved. |
| 4 | Open/Close Bank Account | Accounts outside of Treasury (requested via the Fund Request Form) are routed back to the agency. The agency establishes or closes the non-CRA account at the bank. |
| 5 | Route Fund Request Form to Treasury | Once the account is closed or opened and the agency knows the bank routing number and account number, this information is added to the Fund Request Form and routed back to Treasury. |
| 6 | Open/Close Bank Account | If the account is inside of the Treasury, the DFS Bank Account Maintainer works with the banking partner to open or close the bank account. |
| 7 | Maintain Bank Account | If the request is approved, the DFS Bank Account Maintainer establishes the bank account in Florida PALM. The agency is not able to transact in the account until this is complete. For closed accounts, the DFS Bank Account Maintainer deactivates the bank account, which stops all processing in that account in Florida PALM. |
| 8 | Maintain Interface Configuration | If bank statements are imported for the account, the interface configuration is updated by the DFS Bank Account Maintainer to support the integration for that account. |

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| Process Step ID | Process Step Title | Description of Process |
|-----------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9 | Notify Agency of Account | The Bank Account Maintainer notifies the agency that the new account is configured and ready for use. If the account is a revolving fund, the Fund Request Form is routed through the Add and Update Suppliers Business Process. This process adds the bank account as a payment location on the Agency's supplier record, which facilitates funding the bank account. |

70.1.2 - Manage Treasury Correspondence

| | |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Swim Lanes – Definition | <p>Agency Requestor: agency role responsible for submitting correspondence request to Treasury</p> <p>DFS Correspondence Processor: DFS Treasury role responsible for reviewing and responding to Treasury correspondence requests</p> |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Process Step ID | Process Step Title | Description of Process |
|-----------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Determine Need for Treasury Assistance | The agency determines there is a need to request assistance from Treasury (e.g., deposit support, order supplies, transaction research). |
| 2 | Submit Treasury Assistance Request | The agency submits the Treasury Assistance Request Form. Treasury reviews the request and determines if research is required. |
| 3 | Research Request | If research is required, Treasury researches the request. |
| 4 | Order Supplies | If the request is for supplies, Treasury orders the supplies. |
| 5 | Respond to Request | Treasury responds via the Treasury Assistance Request Form. |
| 6 | Review Treasury Response | The agency reviews the response and determines if further resolution is needed. If the request form is updated and resubmitted. |

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Ledger Impacts

| Ledger Impact ID | Ledger - Ledger Impact Title | Ledger Impact Description |
|------------------|------------------------------|---------------------------|
| N/A | | |

Reports

| Report Number | Report Description | Report Frequency | Audience |
|---------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------|------------|
| R1 | Outside Banking Services Authorization Letter – letter authorizing agencies to negotiate banking services outside of Treasury | Periodic, On Demand | DFS Staff |
| R2 | Revolving Fund Account Listing – listing of bank accounts maintained for revolving funds | On Demand | DFS Agency |
| R3 | Closed Account Report – listing of bank accounts which have been closed | On Demand | DFS Agency |

Terminology

Accounts Outside of Treasury – agency bank accounts not associated with banking contracts negotiated and managed by Treasury.

Accounts Payable (AP) – a sub-module containing detailed disbursement transactions.

Accounts Receivables (AR) – a sub-module containing detailed receipt transactions.

Banking Partner – any financial institution providing banking services to the State of Florida.

Cash Management (CM) – a sub-module containing detailed banking transactions.

Clearing Fund – local funds established by an agency and approved by the Treasurer for use as a depository for cash to account for collections pending distribution to the appropriate State fund.

Consolidated Revolving Account (CRA) – single bank account managed by the Treasury with sub-accounts for individual agencies that is used by the agencies as a revolving fund to make direct payments and is replenished with General Revenue or a Trust Fund.

Local Funds - used to account for funds (resources) held outside the State Treasury.

Revolving Fund – any Fund, except an authorized clearing Fund or other Fund specifically provided by law, maintained by an agency outside the State Treasury at a financial institution which is used to make disbursements on behalf of that agency or the State; any imprest Fund maintained as cash-on-hand by an agency and used to make disbursements; or any imprest Fund maintained as cash-on-hand by an agency for the purpose of making change for cash payments received by the agency for goods or services.

Sub-module – a module within Florida PALM containing detailed transactions, which ultimately impact General Ledger balances (e.g., AP, AR, CM).

Business Process Flow Diagrams

Please see 70.1 Manage Banking Relationships located in the [D54 Standardized Business Processes > Working > Workstream D folder](#).