

70.1 Manage Banking Relationships

Revision History

Version	Date	Revision Notes
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General Information

This document describes and depicts the process steps and supporting information for the identified State of Florida financial management business process. This information should be read in conjunction with the Business Process Flow Diagrams.

The Dependencies and Constraints section describes any conditions or criteria that impact how or when the business process should be executed. These could be set within Florida PALM or from external sources (i.e., Law or Rule).

The Business Process Overview section summarizes the business process and provides context for understanding the objectives and desired outcomes of the described business process.

Within the Business Process Flow Details section, included for each process step are:

- **Process Step ID** – A unique number assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Process Step Title** – A short description assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Description of Process** – A detailed narrative description of the process step, which provides additional information and context for understanding the process step

Also described below are the Ledger Impacts and Reports, which are displayed as icons on the Business Process Flow Diagrams. Ledger impacts describe where there is an update to one of the ledgers used to track activity for accounting, budget management, or financial reporting purposes. Reports describe where a report is identified to be produced at a particular process step or is used to support the completion of a process step.

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

The Maintain Banking Relationships business process is within the Treasury Management (TM) business process grouping. TM includes a collection of business processes that:

- Manage banking relationships;
- Manage investments and interest apportionment for agencies and external entities;
- Support reconciliation of the concentration bank account, agency sub-accounts, and the bank account balances to general ledger balances;
- Support the management of cash transfers between bank accounts; and
- Support agency requests of Treasury.

This business process documents how bank accounts will be set up and maintained in Florida PALM. It also describes how agencies will correspond with Treasury to request approval for

outside banking services, request new sub-accounts or changes to existing sub-accounts, order supplies, request Treasury assistance with transaction research, or to contact Treasury with questions.

The business subprocesses included are:

- 70.1.1 Maintain Bank Accounts
- 70.1.2 Manage Treasury Correspondence

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.

Business Process Flow Details

The tables below describe steps in each business subprocess as reflected on the Business Process Flow Diagrams. The tables also reflect 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 within Department of Financial Services (DFS), and in some cases, are representative of an external entity 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

Table 1: Maintain Bank Accounts

70.1.1 - Maintain Bank Accounts		
Swim Lanes – Definition	Bank Account Request Processor: agency role responsible for submitting requests for new/changes to bank accounts 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	
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 (e.g., 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 business subprocess.
2	Submit EPS Request Form	The agency determines whether there is a need to request a new Electronic Payment Service (EPS). If there is, the agency submits the EPS Request Form.
3	Submit Bank Account/Banking Service Request Form	Agencies that need new sub-accounts, deposit locations, or outside banking services make a request to Treasury for approval. The request routes to Treasury to review and approve. If the request is not approved, it routes back to the requestor for correction or denial.
4	Review Fund Request Form	Treasury reviews the proposed banking information on the Fund Request Form received from the Add or Modify Fund Values business subprocess.
5	Notify Agency	Treasury notifies the agency that the banking service is approved.
6	Open/Close Bank Account	Bank accounts not managed by Treasury (requested via the Fund Request Form) are routed back to the agency. The agency establishes or closes the agency managed account at the bank.
7	Route Fund Request Form to Treasury	Once the account is closed or opened and the agency knows the bank routing number and account number, it is added to the Fund Request Form and routed back to Treasury.

Process Step ID	Process Step Title	Description of Process
8	Open/Close Bank Account	If the account is managed by Treasury, the DFS Bank Account Maintainer works with the banking partner to open or close the bank account.
9	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. Prior to deactivating a bank account, all reconciliations must be completed with no remaining bank account balance.
10	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.
11	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.

Table 2: Manage Treasury Correspondence

70.1.2 - Manage Treasury Correspondence		
Swim Lanes – Definition	Agency Requestor: agency role responsible for submitting correspondence request to Treasury DFS Correspondence Processor: DFS Treasury role responsible for reviewing and responding to Treasury correspondence requests	
Process Step ID	Process Step Title	Description of Process
1	Determine Need for Treasury Correspondence	The agency determines there is a need to request correspondence from Treasury (e.g., deposit support, order supplies, or 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 so, the request form is updated and resubmitted.

Ledger Impacts

Table 3: Ledger Impacts Included on Business Process Flow Diagrams

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

Reports

Table 4: Reports Included on Business Process Flow Diagrams

Report Number	Report Description	Report Frequency	Audience
R1	Outside Banking Services Authorization Letter – letter authorizing agencies to negotiate banking services outside of Treasury	Periodic	DFS Staff
R2	EPS Application Form – letter authorizing agencies to use EPS	Periodic	DFS Agency
R3	Bank Account Listing – listing of bank accounts for all bank account types (e.g., revolving, clearing, depository, and disbursement) and status	Periodic	DFS Agency

Terminology

Clearing Fund – fund 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.

Concentration Account – depository account used by the Treasury to deposit cash received by the State. The Concentration Account has sub-accounts with unique identifiers to track balances by agency and location.

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.

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 that 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.