

70.4 Process Bank Cash Transfers

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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 help the reader to better understand the document.

Dependencies and Constraints

- Suppliers are eligible for electronic payments via Automatic Clearing House (ACH), Electronic Funds Transfer (EFT), and wire as the business need arises.
- Wires are requested directly in the banking platform and are not generated via interface.

Business Process Overview

Florida PALM records requests to transfer money between bank accounts via ACH, EFT, and wire. These requests go through an internal workflow to review and approve prior to transferring the money. Once supplier payments are issued, the electronic disbursements are combined with the transfers between accounts. For wire payments, the Department of Financial Services (DFS), Division of Treasury (Treasury) requests the wire directly with the bank. For ACH and EFT payments, payment files are generated and transferred to the bank. Once received, the bank returns an acknowledgement file. The acknowledgement file updates Florida PALM to show the payments and transfers as complete. Treasury updates wire disbursements manually, once they have been completed by the bank.

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.

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Swim Lanes – Definition	<p>Bank: the banking partner by which bank accounts are provided</p> <p>Cash Transfer Processor: agency or DFS role responsible for requesting transfers between bank accounts</p> <p>Cash Transfer Approver: agency or DFS role responsible for approving transfers between bank accounts</p> <p>DFS Transfer Approver: DFS Treasury role responsible for submitting requests for new bank accounts</p>

Process Step ID	Process Step Title	Description of Process
1	Request EFT Cash Transfer	Based on cash position needs determined within the Manage and Forecast Bank Cash Position subprocess, the Cash Transfer Processor determines the timing needed for the transfer of cash. When the cash transfer is not needed the same business day, the Cash Transfer Processor enters an EFT request. These requests include the transfer amount, account from which the money is being transferred, and account to which the money is being transferred.
2	Request Wire Cash Transfer	The Cash Transfer Processor enters wire requests when the cash transfer is needed the same business day. These requests include the transfer amount, account from which the money is being transferred, and account to which the money is being transferred.
3	Select Settlement	The Cash Transfer Approver reviews the EFT and wire requests for accuracy. If modifications are needed, the Cash Transfer Approver sends the transaction back to the Cash Transfer Processor. If the cash transfer request is correct, the Cash Transfer Approver approves the transaction. This routes the transaction to the Treasury Cash Transfer Approver.
4	Approve Settlement	The Treasury Cash Transfer Approver reviews the EFT and wire requests for accuracy. If modifications are needed, the Cash Transfer Approver sends the transaction back to the Cash Transfer Processor. If the cash transfer request is correct, the Treasury Cash Transfer Approver approves the transaction. This stages the transaction for dispatch.
5	Request Cash Transfer from Bank	Transfers via wire (both cash transfer requests and payments to Suppliers as described in the Process Pay Cycle subprocess) are requested directly with the bank by entering the request in the banking partner’s web portal.
6	Process Wire Cash Transfer	Once the request is released in the banking partner’s web portal, the bank processes the wire and transfer the cash between account.
7	Dispatch Settlement	The Treasury Transfer Approver dispatches EFT and wire cash transfer requests in Florida PALM.

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8	EFT Payment Interface	Florida PALM automatically sends an EFT interface file to the banking partner containing cash transfer requests and payments to suppliers.
9	Receive EFT Cash Transfer Request	The banking partner receives the EFT interface file and processes the request.
10	EFT Acknowledgement File	Once the banking partner's system processes the EFT interface file, it generates an EFT Acknowledgement file to send to Florida PALM.
11	Import EFT Acknowledgement File	Florida PALM automatically imports the EFT Acknowledgement file when it is received. This confirms the bank has received the requests.
12	Process Cash Transfer Confirmation	For EFT cash transfer requests, the import EFT acknowledgement file automatically creates the confirmation. For wire cash transfer requests, the Treasury Cash Transfer Approver updates the wire requests to confirm the transfer after confirmation is obtained from the banking partner's web portal. The confirmation step allows Florida PALM to generate accounting entries for the transfers.
13	Generate Treasury Accounting	Florida PALM generates accounting entries for accounting events associated with EFTs and wires not generated in the Process Payments process.

Ledger Impacts

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Actuals Ledger – Bank Account Transfer	Increases Bank Account 1 Cash Decreases Bank Account 2 Cash
LI2	Actuals Ledger - Wire Transfer	Increases Expense Decreases Bank Account Cash

Reports

Report Number	General Journal Entries Report	Periodic, On Demand	DFS
R1	General Journal Entries Report – provides the detailed journal entry detail	Periodic, On Demand	DFS

Terminology

Automatic Clearing House (ACH) – debit transactions generated by Florida PALM to move money between accounts or pay suppliers using the ACH network

Electronic Funds Transfer (EFT) – the electronic transfer of money from one bank account to another, either within a single bank or across banks. EFTs are used for internal transfers or supplier payments.

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Wire – the direct and immediate electronic transfer of money from one bank account to another across banks.

Business Process Flow Diagrams

Please see 70.4 Process Bank Cash Transfers located in the [D54 Standardized Business Processes > Working > Workstream D folder](#).

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