

80.1 Manage Cash Checking

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.

Finally, included in the Terminology section are definitions of terms which will help the reader to better understand the document. These are terms that are used within this document that may be new or that require a description for common understanding.

Dependencies and Constraints

- All transactions that record Fund cash movement are subject to Cash Checking
- Agencies track and record transactions impacting cash at the lowest level as required to support financial reporting needs
- Transactions recorded to support management of cash by the Department of Financial Services (DFS), Division of Treasury (Treasury) are not subject to Cash Checking

Business Process Overview

The Manage Cash Checking business process is within the Cash Management (CM) business process grouping. CM includes a collection of business processes that:

- Ensure adequate cash balances to support disbursements and alignment of State and federal cash management requirements;

- Support the forecast and management of cash balances within agency and General Revenue Funds, including managing Fund loans; and
- Support the management for Revolving Funds located within and outside the State Treasury.

This business process addresses how balances will be checked for transactions disbursing cash from Trust Funds or General Revenue (GR) as the disbursements are generated. This includes validating cash is sufficient for vouchers prior to the creation of payments or for journal entries prior to those entries posting to the General Ledger (GL).

Section 215.32, Florida Statutes (F.S.), requires all monies received by the State to be deposited in the GR Fund, agency Trust Funds, or the Budget Stabilization Fund, unless specifically provided otherwise by law. GR cash balances are controlled at a statewide level and are managed by DFS Division of Accounting and Auditing (A&A). Trust Fund cash balances are managed at the agency level and are controlled at the Fund level by A&A. Certain agencies are required by law to track and report cash at levels lower than the Fund level (e.g., entity, activity, and funding source).

The Manage Cash Checking Business Process accounts for the control and movement of all cash in and out of Florida PALM. The system provides a real-time cash balance for allowing or disallowing all cash outflow transactions. Cash is controlled at the Chart of Accounts (COA) level using a hierarchy of ChartField values (e.g., Business Unit, Fund, and Organizational Code). The inflow and outflow of cash is updated real-time to determine available cash. Cash is continuously monitored at the Fund level, and overriding system controls for outflows at the Fund level are managed by A&A. Overriding system controls for outflows at a level lower than Fund are managed at the agency level.

Business Process Flow Details

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

The Business Process Flow Diagram uses 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: Manage Cash Checking

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Swim Lanes – Definition		DFS Override Processor: DFS role responsible for overriding transactions at the Fund level Fund Cash Checking Processor: agency or DFS role responsible for reviewing and resolving exceptions to Cash Checking Transaction Processor: agency or DFS role responsible for processing transactions in Florida PALM that are subject to Cash Checking
Process Step ID	Process Step Title	Description of Process
1	Run Cash Checking	Cash Check compares the transaction from the Create/Modify Journal Business Process and/or Process Pay Cycle business subprocesses to the available Fund cash. If there is cash available, the transaction continues processing as described in the Create/Modify Journal Business Process and/or Process Pay Cycle business subprocesses. If cash is not available, the transaction fails Cash Check.
2	Manage Cash Checking Errors	If cash check errors exist, the Transaction Processor works with the Fund Cash Processor to resolve the Cash Check exception.
3	Modify Source Transaction	If the source transaction needs an accounting adjustment and should be modified, the transaction is updated at the source through the Create/Modify Journal Business Process and/or the Process Pay Cycle business subprocesses.
4	Hold Transaction Until Cash Is Available	If the source transaction does not need an adjustment to the accounting, and there is a future deposit that provides enough cash to cover the transaction, then the transaction is held until the deposit is verified. After the deposit is verified, the transaction automatically passes Cash Check the next time the process runs.
5	Override	If the Cash Check error is at a level lower than the Fund (e.g. organizational code, project, or grant), the Fund Cash Processor can override the cash exception and the transaction continues processing.

Process Step ID	Process Step Title	Description of Process
		After the override is granted, the source transaction continues processing as normal. If the Cash Check error is not overridden, the Fund Cash Processor follows the Monitor Trust Fund Cash Balance and Forecast Trust Fund Cash Balance Business Processes to manage Fund balances.
6	Override	If the Cash Check error is at the overall Fund level, the DFS Override Processor reviews the request to override cash and determines if an override may be granted. In limited cases where override is granted, the source transaction continues processing as normal.
7	Review Fund Type	If the source transaction does not need an adjustment to the accounting, there is no upcoming deposit, and no override to the Cash Check error, the Fund Cash Processor returns to the Monitor Trust Fund Cash Balance Business Process to review disinvestment or loan alternatives for Trust Fund cash shortages. For GR cash shortages, the Fund Cash Processor returns to the Monitor and Forecast GR Fund Cash Balance Business Process to resolve the Cash Check error.

Ledger Impacts

Table 2: Ledger Impacts Included on Business Process Flow Diagrams

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Cash Ledger – Cash Check	Decrease Spendable Cash

Reports

Table 3: Reports Included on Business Process Flow Diagrams

Report Number	Report Description	Report Frequency	Audience
R1	Cash Checking Exceptions – display cash check exceptions, including reasons for exceptions, and the length of time outstanding	Periodic	DFS Agencies
R2	Cash Check Override – all transactions for which cash check has been overridden	Periodic	DFS

Terminology

Cash Check – the process by which Florida PALM validates that sufficient cash is available in a Fund to cover the disbursement associated with a transaction.

Chart of Accounts (COA) – compilation of uniform data codes that are used for reporting governmental assets, liabilities, equities, revenues, and expenditures to the CFO. Uniform data codes capture specific details of the assets, liabilities, equities, revenues, and expenditures that are of interest to the public.

ChartField – the Florida PALM field that stores COA information and provides the basic structure to segregate and categorize transactional and budget data.

Fund – used by governmental units to control, monitor, and report on specific resources allocated/budgeted for a specific purpose.

General Revenue (GR) Fund – a Fund of all monies received by the State of Florida from every source, except for monies authorized by law to be deposited into Trust Funds and the Budget Stabilization Fund.

Trust Fund – state account(s) established by the Legislature consisting of monies received by the State, which under law or under trust agreements are segregated for a purpose authorized by law.