

## 10.2 Enter and Process Journals

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## Enter and Process Journals

### 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

- In accordance with section 216.141(3) F.S., the Chief Financial Officer shall use Florida PALM for account purposes in the performance of and accounting for all his or her constitutional and statutory duties and responsibilities. However, state agencies and the judicial branch are responsible for maintain accounting records necessary for the effective management of their programs and functions.

### Business Process Overview

The Enter and Process Journals Business Process area addresses how journal entries are created and posted within the General Ledger (GL). The GL is the official financial module to record, summarize, and report financial data within Florida PALM. Agencies can make direct journals within the GL. Journals are created via an online journal, using the spreadsheet upload tool, or imported from enterprise external systems. Agencies are to use the GL journals for accruals, closing entries, corrections, cost allocations, investment transactions (Trust Fund investing or disinvesting activity), Statewide Cost Allocation Plan (SWCAP), Trust Fund Loans, or General Revenue (GR) Loans.

### 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.

10.2.1 – Create and Approve Journals	
<b>Swim Lanes – Definition</b>	<b>GL Journal Approver:</b> role responsible for approving journals at first level <b>GL Journal Processor:</b> role responsible for creating journals

Process Step ID	Process Step Title	Description of Process
1	Prepare to Record Journal	Requestors provide GL journal requests and supporting documentation to the GL Journal Processor through established agency processes. The GL Journal Processor receives the request and reviews the supporting documentation. Requests for accruals, closing entries, corrections, cost allocations, investment transactions (trust fund investing and disinvesting), SWCAP, Trust Fund Loans, GR Loans or intra/interunit transfers are acceptable types of GL journals.  The GL Journal Processor can create a GL journal using three different methods: direct online journal through Florida PALM, spreadsheet upload tool in Florida PALM, or importing from an enterprise external system. Florida PALM Financial submodules also create GL journals through an automated process.
2	Prepare Journal Using Spreadsheet Upload	Using the spreadsheet upload tool, which is based on Microsoft's Excel application, the GL Journal Processor inputs necessary transactional information into the template. The spreadsheet template contains prepopulated ChartField column headers and allows the GL Journal Processor to quickly create a journal with many lines.
3	Import Spreadsheet Journal	Once a Journal is prepared using the spreadsheet upload tool, the Journal can be imported to Florida PALM.
4	Import External System Journals	Journals are also imported into Florida PALM from external systems. This includes allocations from in external systems.
5	Create/Modify Journal	Successful imports or online entries within Florida PALM create GL journals. If errors occur, the GL Journal Processor reviews the Load/Import Reconciliation report for further information.  Before posting to the GL, the journal must go through the Edit Check process to verify that the ChartField values and combinations are

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Process Step ID	Process Step Title	Description of Process
		<p>valid, the journal is balanced, and the appropriate entries are generated. If the journal passes Edit Check, it continues processing. If the journal does not pass Edit Check, the GL Journal Processor reviews the error and corrects the issue.</p> <p>Budget Check compares the transaction to available spending authority. If there is available spending authority, the journal continues processing. If there is not available spending authority, then the journal fails Budget Check. Budget Check exceptions are resolved via the Budget Execution and Management Business Process.</p>
6	Route for Approval	A valid journal, which results from a successful Edit Check and Budget Check, routes to the GL Journal Approver.
7	Approve Journal	<p>Journals appear in the GL Journal Approver's queue via workflow within Florida PALM. The GL Journal Approver reviews the journal to decide if the journal is approved or denied.</p> <p>Approved journals are Cash Checked. Cash Check compares the transaction to the available fund cash. If there is cash available, the journal continues processing. If cash is not available, then the journal fails Cash Checking. Cash Check exceptions are resolved via the Cash Checking business process.</p> <p>Denied journals route back to the GL Journal Processor for modification and resubmission. The modified journal is subject to the Edit Check, Budget Check, and Cash Check processes and internal approval.</p>
8	Deny Journal and Recommend Deletion	If a journal is denied, the GL Journal Approver decides if the journal is needed. If not, the GL Journal Approver denies the journal and enters a comment to recommend journal deletion. If the journal is needed, the journal routes to the originating GL Journal Processor for modification.
9	Post Journal	<p>Valid and approved journal are posted manually, nightly via the Journal Generator process, or periodically via a scheduled automatic process. Upon posting, balances and appropriate ledgers update and are available for reporting purposes.</p> <p>Journal originating within a submodule automatically posts via the Journal Generator process. The Journal Generator process systematically creates journals from accounting entries generated in the enabled submodules. The Journal Generator process is a scheduled process. Submodule Journals skip approval within the GL module since approval processes takes place within the respective submodules.</p>

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Process Step ID	Process Step Title	Description of Process
10	Extracted Posted Journals to Agency Business Systems	A GL Journal Approver extracts posted journals for use in agency business systems.

10.2.2 – Edit Check	
<b>Swim Lanes – Definition</b>	<p><b>GL Journal Processor:</b> role responsible for initiating and completing the Edit Check process</p> <p><b>COA Maintainer:</b> role responsible for reviewing and assisting with researching Edit Check error</p>

Process Step ID	Process Step Title	Description of Process
1	Determine Edit Check Method	The Edit Check process checks the journal to verify that the ChartField values and combinations are valid, that the journal is balanced and that the appropriate entries are generated. The Edit Check process is performed manually or via an automatic system process. The GL Journal Processor determines the preferred method of edit checking based on the business need driving the journal.
2	Manually Trigger Edit Check	If triggered manually, the GL Journal Processor performs the Edit Check upon saving the journal.
3	Edit Check Journal	If via automatic system process, Florida PALM performs the Edit Check on a periodic basis.
4	Review Edit Errors	Upon successful completion of the Edit Check, the journal status is valid. If the journal fails the Edit Check, the transaction does not post, and the errors must be examined and corrected.
5	Correct Edit Errors	The GL Journal Processor resolves the error with assistance from a COA Maintainer if necessary. The corrected journal goes through the Edit Check Process manually when triggered by the GL Journal Processor or automatically as part of the scheduled process.
6	Assist with Error Correction	If the GL Journal Processor is not able to resolve the error, then a COA Maintainer within their agency or within DFS is consulted to assist with error correction. For example, a ChartField value was inactivated or was not established.

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Process Step ID	Process Step Title	Description of Process
7	Delete Journal	If the edit errors cannot be corrected by the GL Journal Processor or the COA Maintainer, the GL Journal Processor deletes the journal.

**10.2.3 – Submodule Journal Entry**

<b>Swim Lanes – Definition</b>	<b>DFS GL Journal Processing:</b> system function responsible for generating the required journal entries to update the Actuals Ledger
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Process Step ID	Process Step Title	Description of Process
1	Florida PALM Financials	Journals are created in the GL from accounting entries generated in the Florida PALM Financials submodules. Submodules within Florida PALM include: Accounts Payable/Purchase Order, Accounts Receivable, Billing, Asset Management, Grants Management, Project Costing, Cash Management, and Deal Management. Journals from submodules are the result of an automated process.
2	Execute Journal Generator	The Journal Generator process creates journals from accounting entries from the enabled submodules. The Journal Generator process is scheduled to run nightly to post subsystem journals.
3	Journal Created	Once the Journal Generator process runs, the journal is created and posted in the GL without any additional approval.

## Ledger Impacts

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	<b>Actuals Ledger</b> Expenditure Transaction Reclassification	Decreases expenses in ChartField String 1 Increases expenses in ChartField String 2
	Revenue Transaction Reclassification	Decreases revenue in ChartField String 1 Increases revenue in ChartField String 2
LI2	<b>Budget Ledger</b> Expenditure transaction	Decrease Available Spending Authority Increase Expenses
	Revenue transaction	Increase total estimated revenue Increase recognized and collected revenue

## Reports

Report Number	Report Description	Report Frequency	Audience
R1	Load/Import Reconciliation Report – lists both successful and unsuccessful journals	On Demand	Agency, DFS
R2	Transactional Reports – listing of GL transactions completed for the day with a summary total	On Demand	Agency
R3	Trial Balance/Other Reports – provide a Trial Balance	On Demand	Agency, DFS
R4	Ledger Inquiry Report – listing of all successfully posted journals including inter/intra journals	On Demand	Agency, DFS
R5	Journals in Audit Status –listing of all journals that are in audit status with DFS	On Demand	Agency, DFS

## Terminology

**Agency Business System** – system, database, or other source of data wholly owned and operated by a State agency.



**Cost Allocations** – process of assigning a cost, or a group of costs, to one or more cost objectives, in reasonable proportion to the benefit provided or other equitable relationship. An amount or portion of a resource assigned to a recipient, which includes expense allocations, revenue allocations, indirect allocations for grants, and miscellaneous GL allocations (e.g., service fees).

**Florida Financial Management Information System (FFMIS)** – statutorily defined collection of information systems providing fiscal, management, and accounting support for state decision makers. It provides a means of coordinating fiscal management information and information that supports state planning, policy development, management, evaluation, and performance monitoring. FFMIS is the primary information resource that provides accountability for public funds, resources, and activities. FFMIS is described in Sections 215.90 – 215.96, F.S. as the following:

- LAS/PBS - the planning and budgeting subsystem's functional owner is the EOG;
- Florida PALM - the planning, accounting, and ledger management subsystem's functional owner is the Chief Financial Officer; and
- MyFloridaMarketPlace and People First, the purchasing and personnel subsystems' functional owner is DMS.

**Florida PALM Financials** – single enterprise accounting system where agencies record and process operational activities in respective subsidiary modules that are reconciled in the general ledger from which statewide and agency reporting is accomplished.

**General Ledger (GL)** – master set of accounts in which the State of Florida's financial transactions are recorded in detail or in summary form. This serves as a central repository for accounting data transferred from all sub-ledgers or process areas.

**GL Journal** – accounting entries recorded directly in GL to update or transfer balances.

**Ledger** – permanent summary of amounts entered in supporting journals, which list individual transactions by date.

**Posting** – This is the process that posts journal data to the LEDGER table.

**Reclassification** – used to allocate an expense or revenue from one ChartField string to another ChartField String.

**Statewide Cost Allocation Plan (SWCAP)** – prorated share of the cost of services provided by state central service agencies which are reimbursable to the state pursuant to the provisions of Office of Management and Budget (OMB) Uniform Guidance. Preparation of the Statewide Cost Allocation Plan and coordination thereof with all applicable parties is the responsibility of the Department of Financial Services.

**Workflow** – orchestrated and repeatable patterns of business activity enabled by the systematic organization of resources into processes with specific approvals that transform materials, provide services, or process transactional information.

## Business Process Flow Diagrams

Please see 10.2 Enter and Process Journals located in the [D54 Standardized Business Processes > Working > Workstream A folder](#).

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