

## 80.2 Monitor and Manage Fund Cash

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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

- Cash transactions for Trust Funds and General Revenue (GR) are recorded in Florida PALM
- Cash balances increase as deposits are verified or disinvestments are recorded
- Cash balances decrease as payments are made or investments are recorded
- Forecast models are created annually for Trust Funds and GR
- Transactions impacting cash balances are integrated to Florida PALM Business Intelligence at a minimum of nightly
- GR Service Charge report configuration is maintained as changes to GR Service Charge criteria occur
- Agency Revolving Fund payments are recorded as manual payments as described in the Process Vouchers subprocess

## Business Process Overview

The Monitor and Manage Fund Cash 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 cash balances in Trust Funds and GR will be managed. This business process also supports the payment of GR service charge and the management of Fund loans. Also documented, are the business processes for recording Revolving Fund transactions and generating the annual CMIA report.

The business processes included are:

- 80.2.1 – Monitor Trust Fund Cash Balance
- 80.2.2 – Forecast Trust Fund Cash Balance
- 80.2.3 – Monitor and Forecast GR Cash Balance
- 80.2.4 – Process InterUnit Cash Transfers
- 80.2.5 – Process GR Service Charge
- 80.2.6 – Manage Fund Loans
- 80.2.7 – Manage Revolving Funds
- 80.2.8 – Monitor CMIA

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. The majority of cash collected by agencies is received and recorded to GR or agency Trust Funds. The combination of GR, Trust Funds, and the Budget Stabilization Fund account for the total balance of the State Treasury. Section 17.61, F.S., establishes the Chief Financial Officer's (CFO) powers and duties in the investment of funds and requirements for agencies to invest Trust Funds. It requires agencies to notify the CFO at least monthly of the amount of Trust Fund cash available for investment.

Trust Fund cash balances are managed at the agency level and controlled at the Fund level by the Department of Financial Services (DFS), Division of Accounting and Auditing (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 Monitor Trust Fund Cash Balances subprocess describes how Florida PALM maintains the real time Trust Fund cash balance at a detailed level to support agency reporting needs. Trust Fund cash balance is increased as agency deposit entries are verified and is decreased by disbursement transactions at the time of payment. As part of monitoring activities for those Trust Funds, agencies determine investment/disinvestment needs and enter investment and liquidation transaction information in Florida PALM. The Forecast Trust Fund Cash Balances subprocess describes how agencies forecast the cash balances of Trust Funds and analyze cash trends to support long term Fund cash planning.

GR cash balances are controlled at a statewide level and managed by A&A. GR cash balances are increased as agencies' deposit entries are verified and decreased by disbursement transactions at the time of payment. The Monitor and Forecast GR Cash Balance subprocess describes how A&A monitors and forecasts the cash balance of GR at the enterprise level for sufficiency to meet short-term cash needs. If needed, A&A initiates escalation procedures to request a loan to the Fund. As part of GR cash balance monitoring, A&A validates that agencies timely remit payments to GR for Trust Fund sweeps; GR Service Charge, as described in the Process GR Service Charge subprocess; and Trust Fund loans, as described in the Manage Fund Loans subprocess. Additionally, A&A monitors negative cash balances for both GR and Trust Funds monthly to validate that all negative balances are corrected throughout the year and prior to closing for financial reporting purposes. During year-end these balances are monitored daily.

The Process InterUnit Cash Transfers subprocess occurs when a Fund cash transfer is needed, between two agencies or within an agency, that requires budget authority and is not for payments for good and services. Examples of InterUnit Cash Transfers include administrative assessments, Statewide Cost Allocation Plan (SWCAP) payments, and insurance claims. Florida PALM performs a Budget Check to validate the appropriation balance will support the transfer. If the transfer is crossing agencies, the Fund cash transfer is reviewed and approved by both agencies. The Cash Checking process confirms there is sufficient Fund cash to support the transfer prior to the transfer being posted to the GL.

The Manage Revolving Funds subprocess documents the process by which agencies record transactions for accounts not managed by Treasury. Agencies record disbursements in Accounts Payable (AP) as described in the Process Vouchers subprocess and replenishment deposits in Accounts Receivable (AR) as described in the Direct Journal subprocess. Revolving Fund accounts transactions are either automatically reconciled to an electronic bank statement, or manually reconciled once the agency receives monthly bank statements. The Consolidated Revolving Account (CRA) is automatically reconciled daily. Agencies monitor Revolving Fund balances and request replenishment or increases to Revolving Funds as needed. Revolving Fund cash balances are reconciled manually each month as part of month end close.

The Manage CMIA subprocess documents the process by which the annual Cash Management Improvement Act (CMIA) report is compiled. Data from Florida PALM Financials and agency business systems are used to track the grant expenditures, and federal reimbursement receipts. The top 90 percent of grants are calculated based on the Audited Schedule of Expenditures of Federal Awards (SEFA) data. From this calculation, the annual CMIA report is drafted, reviewed, and finalized.

## 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: Monitor Trust Fund Cash Balance

80.2.1 - Monitor Trust Fund Cash Balance		
Swim Lanes – Definition		<b>Fund Cash Processor:</b> agency role responsible for managing the cash balance of Trust Funds
Process Step ID	Process Step Title	Description of Process
1	Record Florida PALM Financials	The real-time fund cash balance associated with Trust Funds, from AR and AP transactions and journal entries, are captured in Florida PALM Financials. Scheduled transactions that affect the Trust Fund cash balance are also captured in Florida PALM Financials (e.g., scheduled disbursements, and scheduled receipts).
2	Monitor Real Time Fund Cash Balance	The Fund Cash Processor reviews the real time Trust Fund cash balances dashboard to validate there is enough Fund cash to continue operations. If cash is needed for future transactions, a decision is made to determine the source of cash to cover disbursements. Transactions that were not resolved during the Manage Cash Checking subprocess are included to determine the appropriate action to enable the disbursement to pass Cash Checking.
3	Request Federal Draw	If the cash is needed immediately for future transactions that are grant related, then a Federal Draw is requested using the Customer Billing subprocess.
4	Determine Need to Disinvest or Transfer Cash	If cash is needed immediately for future transactions and there is a sufficient investment balance to supply the needed cash, then a journal entry is created to request a withdrawal of cash from investments. If the cash is needed immediately and there is an insufficient investment balance to supply the needed cash but there is authority to transfer cash from elsewhere, then an InterUnit Cash Transfer entry is created to request the transfer of cash.
5	Request Loan	If there is not a sufficient cash balance to cover future transactions, and cash is not needed immediately but is needed long-term, the

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Process Step ID	Process Step Title	Description of Process
		Fund Cash Processor requests a Trust Fund loan as described in the Manage Fund Loans subprocess.
6	Create Entry to Invest Cash	If there is excess cash in the Trust Fund and the Trust Fund does not have investment authority, the cash remains in the Fund. If the Trust Fund does have authority to invest, a journal entry is created to invest excess cash.
7	Extract Transparency Portal Data	This process generates an export data file for State Transparency Portals.
8	Cash Transaction and Balance Data	The CFO Transparency portal receives cash transaction and balance information by Fund and Fund Type.
9	Update ADB Ledger Balances	Investment journal entries follow the Create and Approve Journal subprocess. Monthly, balances from the GL update the Trust Fund balances in the Average Daily Balance (ADB) ledger. This allows Florida PALM to track the investable balance in each Trust Fund to support the apportionment of interest as described in the Distribute Interest Apportionment subprocess.

Table 2: Forecast Trust Fund Cash Balance

80.2.2 - Forecast Trust Fund Cash Balance		
Swim Lanes – Definition	<b>Fund Cash Processor:</b> agency role responsible for managing the cash balance of Trust Funds	
Process Step ID	Process Step Title	Description of Process
1	Create Annual Forecast Model	In preparation for the new fiscal year (FY), the Fund Cash Processor creates the annual Trust Fund cash forecast model.
2	External Forecast Data	If applicable, data from the Office of Economic and Demographic Research (EDR) projections and agency provided information are loaded into the Trust Fund cash forecast model.
3	Record Florida PALM Financials	Historical data provides the information for historical trends. The real-time Trust Fund cash balance, from AR and AP transactions, and journal entries, are captured in Florida PALM Financials. Scheduled transactions that affect the Trust Fund cash balance are captured in Florida PALM Financials (e.g., scheduled disbursements, scheduled receivables).

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Process Step ID	Process Step Title	Description of Process
4	Extract Transparency Portal Data	This process generates an export data file for State Transparency Portals.
5	Cash Transaction and Balance Data	The CFO Transparency portal receives cash transaction and balance information by Fund and Fund Type.
6	Load BI Data	Florida PALM Financials data are automatically loaded to Florida PALM Business Intelligence.
7	Generate Fund Cash Balance Forecast	The Fund Cash Processor reviews the Fund Cash Balance Forecast based on interfaced Financials data. This supports short-term and long-term Trust Fund cash balance forecasting.
8	Update Parameter	If updates are needed to the parameters (e.g., date range and view type) of the forecast, the Fund Cash Position Processor manually enters the change in parameters to the forecast and regenerates the forecast. As additional information is available from EDR or agencies, the information is interfaced into the Trust Fund cash forecast model.
9	Compare Actuals to Forecast	The Fund Cash Processor compares the actual Trust Fund cash balance to the baseline Trust Fund cash balance forecast. This comparison is used to create an updated baseline for the remainder of the year.
10	Monitor Fund Cash Trends	The Fund Cash Processor monitors the Trust Fund cash balance trends via the dashboard. The Actuals to Forecast comparison and Fund Cash Trends are used as inputs to long-term Fund cash planning.

Table 3: Monitor and Forecast GR Fund Cash Balance

80.2.3 - Monitor and Forecast GR Fund Cash Balance		
<b>Swim Lanes – Definition</b>	<b>DFS Fund Cash Processor:</b> DFS role responsible for managing the cash balance of the GR Fund	
Process Step ID	Process Step Title	Description of Process
1	Create Annual Forecast Model	In preparation for the new FY, the Fund Cash Processor creates the annual GR Fund cash forecast model.
2	External Forecast Data	Data from EDR projections and agency provided information are loaded into the cash forecast model.

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Process Step ID	Process Step Title	Description of Process
3	Record Florida PALM Financials	Historical data provides the information for historical trends. The real-time GR Fund cash balance, from AR and AP transactions, and journal entries, are captured in Florida PALM Financials. Scheduled transactions that affect the GR Fund cash balance are captured in Florida PALM Financials (e.g., scheduled disbursements and scheduled receivables).
4	Extract Transparency Portal Data	This process generates an export data file for State Transparency Portals.
5	Cash Transaction and Balance Data	The CFO Transparency portal receives cash transaction and balance information by Fund and Fund Type.
6	Load BI Data	Florida PALM Financials data is automatically loaded to Florida PALM Business Intelligence.
7	Generate Fund Cash Balance Forecast	The Fund Cash Processor reviews the Fund Cash Balance Forecast based on interfaced Financials data. This supports short-term and long-term GR cash balance forecasting.
8	Update Parameter	If updates are needed to the parameters (e.g., date range and view type) of the forecast, the Fund Cash Position Processor enters the change in parameters to the forecast and regenerates the forecast. As additional information is available from EDR or agencies, the information is interfaced into the GR Fund cash forecast model.
9	Compare Actuals to Forecast	The Fund Cash Processor compares the actual GR cash balance to the baseline Fund cash balance forecast. This comparison is used to create an updated baseline for the remainder of the year.
10	Monitor Fund Cash Trends	The Fund Cash Processor monitors GR cash balance trends via the dashboard and watches for projected cash shortages. The Actuals to Forecast comparison and Fund Cash Trends are used as inputs to long-term GR cash planning.
11	Monitor Real Time GR Fund Balance	The Fund Cash Processor reviews the real-time GR cash balances dashboard to validate there is enough cash to continue operations and cover all disbursements from GR. Transactions that were not resolved during the Manage Cash Checking subprocess are included to determine the appropriate action to enable the disbursement to pass cash checking.
12	Manage Payment Schedules	If the anticipated cash shortage is short-term, payment schedules for disbursements are modified to schedule the payment after the cash shortage is resolved as described in the Process Pay Cycle subprocess.
13	Request Loan	If the anticipated cash shortage is not short-term but within the FY, the Fund Cash Processor requests a loan for GR as described in the Manage Fund Loans subprocess.

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Table 4: Process InterUnit Cash Transfers

80.2.4 – Process InterUnit Cash Transfers		
<b>Swim Lanes – Definition</b>	<p><b>Cash Transfer Initiation Processor:</b> agency role responsible for creating InterUnit Cash Transfers</p> <p><b>Cash Transfer Initiation Approver:</b> agency role responsible for approving the initiation of InterUnit Cash Transfers</p> <p><b>Cash Transfer Receipt Processor:</b> agency role responsible for processing the receipt of InterUnit Cash Transfers</p> <p><b>Cash Transfer Receipt Approver:</b> agency role responsible for approving the receipt of InterUnit Cash Transfers</p> <p><b>DFS GL Journal Approver:</b> DFS role responsible for final approval of InterUnit Cash Transfers</p>	
Process Step ID	Process Step Title	Description of Process
1	Determine Need to Transfer Cash	Requestors provide InterUnit Cash Transfer requests and supporting documentation to the Cash Transfer Initiation Processor through established agency processes. The Cash Transfer Initiation Processor receives the request and reviews the supporting documentation.  The Cash Transfer Initiation Processor can create an InterUnit Cash Transfer using three different methods: manual online entry through Florida PALM, the spreadsheet upload tool in Florida PALM, or by importing from an external system.
2	Prepare Cash Transfer Spreadsheet	Using the spreadsheet upload tool the Cash Transfer Initiation Processor inputs necessary transactional information into the template. The spreadsheet template allows the Cash Transfer Initiation Processor to quickly create an InterUnit Cash Transfer with many lines.
3	Import Cash Transfer Spreadsheet	Once an InterUnit Cash Transfer is prepared using the spreadsheet upload tool, the InterUnit Cash Transfer can be imported to Florida PALM.
4	External System Cash Transfer	If InterUnit Cash Transfers are initiated from an External Agency Business System, the external system sends the InterUnit Cash Transfer to Florida PALM via an interface as needed.
5	Import Cash Transfer	Florida PALM imports the external Agency Business System InterUnit Cash Transfers.
6	Create/Modify Cash Transfer	Successful imports or online entries within Florida PALM create InterUnit Cash Transfers. Budget Check compares the expenditure ChartField string to the available spending authority. It also tracks the recognized and collected revenue for the revenue ChartField string. Cash Check validates there is sufficient Fund cash to support the transfer.
7	Correct Coding	The Cash Transfer Receipt Processor receives and reviews the InterUnit Cash Transfer. If the InterUnit Cash Transfer amount is correct, but the Receiving Agency coding is incorrect, the Cash

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Process Step ID	Process Step Title	Description of Process
		Transfer Receipt Processor updates the receiving ChartField string and runs Budget Check and Cash Check to validate the changes.
8	Request Amount Adjustment	If the Receiving Agency disagrees with the amount, the Cash Transfer Receipt Processor requests an amount adjustment and sends the InterUnit Cash Transfer back to the Cash Transfer Initiation Processor.
9	Approve Cash Transfer	The Cash Transfer Initiation Approver reviews the InterUnit Cash Transfer to decide if the transfer is approved. Transfers that are not approved are sent back to the Cash Transfer Initiation Processor for correction.
10	Approve Cash Transfer	Once the amount and coding is correct for the Receiving Agency, the InterUnit Cash Transfer routes to the Cash Transfer Receipt Approver to review and approve. If the Cash Transfer Receipt Approver finds coding errors with the transfer, it is sent back to the Cash Transfer Receipt Processor. If the Cash Transfer Receipt Approver finds amount errors with the transfer, it is sent back to the Cash Transfer Initiation Processor.
11	Request Amount Adjustment	If the Receiving Agency disagrees with the amount, the Cash Transfer Receipt Approver requests an amount adjustment and sends the InterUnit Cash Transfer back to the Cash Transfer Initiation Processor.
12	Approve Cash Transfer	Approved InterUnit Cash Transfers route to the DFS GL Journal Approver for audit based on pre-defined criteria. If the DFS GL Journal Approver determines an adjustment is necessary, the transfer is routed back to the Cash Transfer Initiation Processor for correction. InterUnit Cash Transfers that are not subject to audit continue processing.
13	Post Cash Transfer	InterUnit Cash Transfers that have passed Budget Checking, Cash Checking, and all levels of approval are posted to the General Ledger. Upon posting, balances and appropriate ledgers update and are available for reporting purposes.

Table 5: Process GR Service Charge

80.2.5 - Process GR Service Charge	
<b>Swim Lanes – Definition</b>	<p><b>Agency GRSC Approver:</b> agency role responsible for reviewing the GR Service Charge invoice</p> <p><b>Agency Voucher Processor:</b> agency role responsible for managing payments of GR Service Charge invoices</p> <p><b>DFS Billing Processor:</b> DFS role responsible billing agencies for the GR service charge</p>

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Process Step ID	Process Step Title	Description of Process
1	Update GRSC Report Configuration	The GR Service Charge report configuration is updated, as changes occur to ChartField combinations (e.g. Business Unit, Trust Fund, and Category) that are exempt from GR Service Charge. This allows the report to calculate the GR Service Charge for all applicable agency Trust Fund revenue.
2	Generate GRSC Report	Based on the agency's desired frequency (e.g., quarterly or monthly), the DFS Billing Processor generates the GR Service Charge Report.
3	Create InterUnit Invoice	<p>The DFS Billing Processor uses the spreadsheet upload to load data from the GR Service Charge Report. The invoice follows the InterUnit Billing subprocess to generate the invoice starting at the Need to Create InterUnit Invoice step. The invoice is submitted to the agencies for approval. The Agency GRSC Approver reviews the GR Service Charge invoice to validate that the invoice does not need adjustments. If adjustments are required, the Agency GRSC Approver works with the DFS Billing Processor to agree on the needed updates. The invoice is resubmitted to the agency for approval. If the agency and DFS are unable to agree on the invoice amount, DFS has the ability to bypass the agency approval. If necessary, agencies continue to work with DFS to obtain a credit at a later time. If the adjustments are complete, or no adjustments are necessary, the invoice is finalized.</p> <p>Once the GR Service Charge invoice is finalized, Florida PALM automatically creates a pre-approved voucher for the Agency Voucher Processor with the appropriate expense/expenditure accounting. The payment is scheduled according to the invoice schedule date. The voucher follows the InterUnit Billing subprocess. When the scheduled payment date has arrived, the voucher follows the Process Pay Cycle subprocess to create an InterUnit payment.</p>
4	Load GRSC Payments	Florida PALM loads the GR Service Charge payments generated during the Process Pay Cycle subprocess. This process automatically creates the deposit with the appropriate information for Payment Predictor to apply the payment automatically. Payment Predictor runs as described in the AR Deposits subprocess and applies the InterUnit payment to the outstanding GR Service Charge invoice.

Table 6: Manage Fund Loans

80.2.6 - Manage Fund Loans	
<b>Swim Lanes – Definition</b>	<p><b>Agency Voucher Processor:</b> agency role responsible for managing payments of Trust Fund loans</p> <p><b>DFS Billing/AR Processor:</b> DFS role responsible for recording Trust Fund loans</p> <p><b>Fund Cash Processor:</b> agency or DFS role responsible for managing the cash balance of Trust Funds</p>

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Process Step ID	Process Step Title	Description of Process
1	Submit Loan Transfer Request	If the Fund Cash Processor determines that a loan is required as described in the Monitor Trust Fund Cash Balance subprocess, the Fund Cash Processor submits a request for a loan transfer to the DFS Billing Processor. This request includes a copy of the authorizing documents. For GR loans as described in the Monitor and Forecast GR Cash Balance subprocess, the Fund Cash Processor in DFS works with the DFS Billing Processor to request the GR loan.
2	Review Loan Transfer Request	The DFS Billing Processor reviews the loan transfer request to validate that appropriate authorization is provided and a sufficient approved balance is available to meet the request. If either of these criteria are not met, the DFS Billing Processor notifies the Fund Cash Processor and the two work together to determine if the loan transfer occurs and the amount for the loan transfer. If the request is approved, the DFS Billing Processor records a journal entry to transfer the cash to the Trust Fund or GR using the Prepare to Record Journal subprocess.
3	Generate Loan Invoice	The DFS Billing Processor uses the InterUnit Billing subprocess to generate an invoice to the agency for the loan repayment and receive approval on the expense/expenditure accounting from the agency. The invoice due date is the date the loan must be repaid. Florida PALM automatically creates a pre-approved voucher for the Agency Voucher Processor, and the payment is scheduled for the date the loan must be repaid. The voucher follows the InterUnit Billing subprocess.
4	Split into Multiple Payments	The Fund Cash Processor and Agency Voucher Processor work together to determine if the loan is repaid in installments prior to the final payment due date. If the agency would like to make payments on the loan, the Agency Voucher Processor updates the voucher to have multiple payments. Each payment has a unique payment date. When the scheduled payment date arrives, the voucher automatically follows the Process Pay Cycle subprocess to create an InterUnit payment. The final payment automatically generates on the invoice due date.
5	Load Loan Payments	Florida PALM loads the loan payments generated during the Process Pay Cycle subprocess. This process creates the Deposit with the appropriate information for Payment Predictor to apply the payment automatically. Payment Predictor runs as described in the AR Deposits subprocess and applies the InterUnit payment to the outstanding loan invoice. If the loan is not repaid in full, the outstanding loan balances follow the Collections subprocess for monitoring the outstanding balance until final payment is received.

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Table 7: Manage Revolving Funds

80.2.7 - Manage Revolving Funds		
Swim Lanes – Definition	<p><b>Agency Bank Reconciliation Processor:</b> agency role responsible for reconciling bank accounts in Florida PALM</p> <p><b>Agency AP Processor:</b> agency role responsible for issuing payments in AP for Revolving Fund disbursements</p> <p><b>Agency AR Deposit Processor:</b> agency role responsible for entering AR deposits for Revolving Funds in Florida PALM</p> <p><b>Fund Cash Processor:</b> agency or DFS role responsible for managing the cash balance of Trust Funds</p>	
Process Step ID	Process Step Title	Description of Process
1	Need to Record Revolving Fund Payment	Agencies identify the need to record Revolving Fund payments and use the Process Vouchers subprocess to record the expenditure. Payments are created via the Process Pay Cycle subprocess.
2	Need to Record Deposits in Revolving Fund	Agencies use the Direct Journal Deposits subprocess when they identify the need to make deposits for replenishments and refunds. The deposits update the Fund cash balance in the Revolving Fund.
3	Receive Monthly Bank Statements	For bank accounts without automated reconciliation, agencies receive bank statements from banking partners each month detailing checks cleared and deposits received.
4	Manually Reconcile Bank Statement	The Bank Reconciliation Processor uses the detail from the bank statement to manually reconcile each transaction on the bank statement in Florida PALM. This includes the date that the transaction occurred in the bank account (e.g., the date deposits are received and the date checks cleared).
5	Previous Day Bank Statement	For Revolving Fund bank accounts with automated reconciliation, the banking partner provides a daily bank statement detailing deposits and withdrawals from each bank account.
6	Import Previous Day Bank Statement	Nightly, the bank statement file is imported automatically in Florida PALM. As described in the Manage and Reconcile Bank Statement Transactions Business Process, the transactions for each bank account are reconciled to Revolving Fund payments and receipts. Each month, agencies follow the Reconcile Book to Bank Balances Business Process to reconcile Revolving Fund bank account balances to Revolving Fund ledger cash balances as part of month end close.
7	Monitor Revolving Fund Cash Balance	The Fund Cash Processor monitors the Revolving Fund ledger cash balance and the Revolving Fund bank cash balance to validate that there is sufficient cash for upcoming transactions. If a replenishment is needed, the agency requests a replenishment according to the Process Vouchers subprocess to obtain cash to restore the account balance. The requested amount should include any bank fees and/or

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Process Step ID	Process Step Title	Description of Process
		<p>interest earnings to accurately capture all transactions in Florida PALM.</p> <p>If the agency determines a need to change the Revolving Fund account balance or close the account, the agency submits the Fund Request Form as described in the Add or Modify Fund Values subprocess. Monthly, the agency reconciles the bank statement balance to the GL balance as part of the Analyze and Reconcile Accounts Business Process.</p>

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Table 8: Monitor CMIA

80.2.8 - Monitor CMIA		
Swim Lanes – Definition		
<p><b>Agency CMIA Processor:</b> agency role responsible for reviewing the CMIA report and confirming information for Agency funds</p> <p><b>Agency Various Roles:</b> agency roles responsible for processing payments in AP and reconciling payments once they have cleared the bank</p> <p><b>DFS CMIA Processor:</b> DFS role responsible for preparing the annual CMIA report</p> <p><b>DFS Various Roles:</b> DFS roles responsible for recording financial impacts of the CMIA report</p>		
Process Step ID	Process Step Title	Description of Process
1	Record Florida PALM Financials	<p>Transactions are associated with grants by capturing the Project ID as part of the transaction in Florida PALM Financials:</p> <ul style="list-style-type: none"> <li>The agency makes grant expenditures in the Process Pay Cycle subprocess</li> <li>Bank Reconciliation updates the payments and deposits with the date each transaction impacted the bank account balance as described in the Manage and Reconcile Bank Statements subprocess. For payments, this is the date the payment cleared the bank</li> </ul>
2	Load Data to BI	Payment issuance and clearance information is integrated automatically to Florida PALM Business Intelligence.
3	Audited SEFA Data	The Auditor General's Office sends Florida PALM data for the audited SEFA.
4	External CMIA Data Interface	If agency grant payment transactions are not in Florida PALM, grant transactions are transmitted from agencies to Florida PALM. For grant draw transactions, data is transmitted to Florida PALM from agencies.
5	Calculate Top 90% of Grants	The audited SEFA data is used to identify the grants that make up the top 90 percent of grant expenditures.
6	Calculate Clearance Pattern	Florida PALM calculates the Clearance Pattern for each grant. The Clearance Pattern is the difference between the payment issuance date and the payment clearance date.
7	Annual CMIA Report Generated	Florida PALM generates a report in accordance with the CMIA by agency, CFDA, and Component (e.g., direct, admin, and salary). The agency receives the report from DFS Division of Treasury (Treasury) and reviews their grants for accuracy and provides concurrence. This represents approval of the report by the agency's authorized grants manager.
8	Generate Final CMIA Report	Treasury generates the final report and enters the amounts in the U.S. Treasury system. The original report is signed and mailed (by Treasury) to the U.S. Treasury. If, based on the submitted report, the State owes the federal government interest under CMIA, a CMIA

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Process Step ID	Process Step Title	Description of Process
		payment is generated according to the Process Vouchers subprocess. If, based on the submitted report, the federal government owes the State interest under CMIA, an invoice is generated according to the Customer Billing subprocess.

## Ledger Impacts

Table 8: Ledger Impacts Included on Business Process Flow Diagrams

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Actuals Ledger – Disinvestment Journal	Increases Spendable Cash Decreases Invested Cash
LI2	Cash Ledger – Disinvestment Journal	Increase Spendable Cash
LI3	Actuals Ledger – Investment Journal	Increases Invested Cash Decreases Spendable Cash
LI4	Cash Ledger – Investment Journal	Decreases Spendable Cash - Fund Decreases Spending Authority - Fund
LI5	Budget Ledger – Cash Transfer	Decreases Spending Authority - Initiating Unit/Fund Increases Recognized Revenue - Receiving Unit/Fund Increases Collected Revenue - Receiving Unit/Fund
LI6	Cash Ledger – Cash Transfer	Decreases Spendable Cash - Initiating Unit/Fund Increases Spendable Cash - Receiving Unit/Fund
LI7	Actuals Ledger – Cash Transfer	Increases Transfers Out - Initiating Unit/Fund Decreases Cash - Initiating Unit/Fund Increases Cash – Receiving Unit/Fund Increases Transfers In – Receiving Unit/Fund
LI8	Actuals Ledger – Invoice Generation	Increases GR Service Charge Revenue Increases Open Receivables - GR
LI9	Cash Ledger – Invoice Generation	Increases Recognized Revenue (earned) - GR
LI10	Actuals Ledger – Voucher Post	Increases GR Service Charge Expenditure - Trust Fund Increases Payables Liability - Trust Fund
LI11	Cash Ledger – Voucher Post	Decreases Spending Authority
LI12	Actuals Ledger – Payment Creation	Decreases Payables Liability - Trust Fund Decreases Cash - Trust Fund
LI13	Cash Ledger – Payment Creation	Decreases Spendable Cash - Trust Fund
LI14	Actuals Ledger – Deposit Application	Increases Cash - GR Decreases Open Receivables - GR

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Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI15	Cash Ledger – Deposit Application	Increases Collected Revenue Increases Spendable Cash - GR
LI16	Actuals Ledger – Fund Loan Entry	Increases Loan Due From Fund - Loaning Fund Decreases Fund Cash - Loaning Fund Increases Fund Cash - Receiving Fund Increases Loan Due To Fund - Receiving Fund
LI17	Cash Ledger – Fund Loan Entry	Decreases Spendable Fund Cash - Loaning Fund Increases Spendable Fund Cash - Receiving Fund
LI18	Actuals Ledger – Generate Invoice	Decreases Loan Due From Fund - Loaning Fund Increases Open Receivables - Loaning Fund
LI19	Cash Ledger – Generate Invoice	Increases Recognized Revenue (earned)
LI20	Actuals Ledger – Loan Repayment Voucher	Decreases Fund Loan Due To Fund - Receiving Fund Increases Payables Liability - Receiving Fund
LI21	Cash Ledger – Loan Repayment Voucher	Decreases Spending Authority - Receiving Fund
LI22	Actuals Ledger – Loan Repayment Payment	Decreases Payables Liability - Receiving Fund Decreases Fund Cash - Receiving Fund
LI23	Cash Ledger – Loan Repayment Payment	Decreases Spendable Fund Cash - Receiving Fund
LI24	Actuals Ledger – Loan Payment Receipt	Increases Fund Cash - Loaning Fund Decreases Open Receivables - Loaning Fund
LI25	Cash Ledger – Loan Payment Receipt	Increases Collected Revenue Increases Spendable Cash - Loaning Fund
LI26	Actuals Ledger – Revolving Fund Voucher	Increases Expense - Revolving Fund Increases AP Liability - Revolving Fund
LI27	Actuals Ledger – Revolving Fund Payment	Decreases AP Liability - Revolving Fund Increases Outstanding Payments - Revolving Fund
LI28	Actuals Ledger – Replenishment Receipt	Increases Cash - Revolving Fund Decreases Expense - Revolving Fund
LI29	Actuals Ledger – Revolving Fund Payment Clearance	Decreases Outstanding Payments - Revolving Fund Decreases Cash - Revolving Fund
LI30	Actuals Ledger – Replenishment Voucher	Increases Expense/Expenditure - Advancing Fund Increases Payables Liability - Advancing Fund
LI31	Cash Ledger – Replenishment Voucher	Decreases Spending Authority
LI32	Actuals Ledger – Replenishment Payment	Decreases Payables Liability - Advancing Fund Decreases Cash - Advancing Fund
LI33	Cash Ledger – Replenishment Payment	Decreases Spendable Cash - Advancing Fund

## Reports

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Table 9: Reports Included on Business Process Flow Diagrams

Report Number	Report Description	Report Frequency	Audience
R1	Report of Transactions including Fund Receipts and Payments – receipt and disbursement transactions by requested combination of ChartFields	Annual	Governor, President of Senate, Speaker of the House of Representatives
R2	Cash Balance and Activity Report – cash balance and related cash transactions for requested combination of ChartFields	On Demand, Periodic, Annual	EOG/OPB, Legislature, Agency, DFS, EDR
R3	Cash Balances by Fund Type – summarizes balances by fund type	Annual	Public
R4	Investment Activity Report – investment/disinvestment activity by requested combination of ChartFields	On Demand, Periodic	Agency
R5	Actuals to Forecast Report – compares forecast balances to actual balances by requested combination of ChartFields	On Demand	DFS Agency
R6	Fund Balance Cash Forecast - provides projected cash balances by fund based on actual transactions, trends, and parameters	Periodic	DFS Agency
R7	Cash Transfers Report – provides a listing of all InterUnit Cash Transfers for a designated period	On Demand	DFS Agency
R8	Atypical Balance Report – provides atypical balances by agency, Fund, and account	On Demand	DFS Agency
R9	Inconsistent Transfer Report – details journal entries containing transfer and non-transfer accounts	On Demand	DFS Agency
R10	Cash Transfer Reconciliation Report – assists in reconciling initiating and receiving agency cash transfers	On Demand	DFS Agency
R11	GR Service Charge Report – lists service charges by	Monthly	DFS Agency

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Report Number	Report Description	Report Frequency	Audience
	ChartField combination for each Agency		
R12	Vouchers for Loan Report – lists all vouchers for Fund loan repayment for a designated period	On Demand	DFS Agency
R13	Loans Report – lists all invoices generated for Fund loans for a designated period, including outstanding balance if applicable	On Demand	DFS Agency
R14	Bank Statement – provides the bank statement for sub accounts and CRA bank accounts.	Periodic, On Demand	Agency DFS
R15	Report for Clearing and Revolving Accounts – compares ledger cash balance for clearing and revolving funds to the authorized amount for each clearing/revolving fund for all agencies	Periodic, Monthly, Quarterly, Annually	DFS Agency EOG
R16	Replenishment Report - details the amount due from the advancing fund to replenish the revolving fund activity	Periodic	DFS Agency
R17	Project Expenditures – expenditure details for a designated grant related project	Periodic	Agency
R18	Clearance Pattern Report – details the clearance pattern for designated projects	Annual	DFS Agency
R19	Draft Annual CMIA Detail Report – draft detail of the CMIA calculation to be reviewed by Agencies	Annual	DFS Agency
R20	Final Annual CMIA Report – final CMIA report for the State	Annual	DFS Agency Federal Government

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## Terminology

**Actuals** – financial transactions which have been posted to the GL.

**Budget Stabilization Fund** – a Fund which contains the State of Florida's surplus revenue to be used in the case of a shortfall or budget deficit in GR.

**Cash Management Improvement Act (CMIA)** – Federal Cash Management Improvement Act of 1990 provides general rules and procedures for the efficient transfer of federal financial assistance between the federal government and states.

**Clearance Pattern** – the difference in the payment issuance date and the payment cleared date.

**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 GR or a Trust Fund.

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

**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

**General Revenue Service Charge** – the estimated pro-rata share of the cost of general government paid from the GR Fund assessed against the revenues of various Trust Funds.

**Initiating Agency** – the agency that creates and sends the InterUnit Cash Transfer to the Receiving Agency.

**InterUnit** – transactions between agencies or within an agency (e.g., billing for goods or services, payments for goods or services, cash transfers).

**InterUnit Cash Transfer** – the transfer of Fund cash across agencies or within an agency that is not for payments for good and services.

**Payment Predictor** – the automated process which compares and applies deposited payments to outstanding receivables in Florida PALM.

**Receiving Agency** – the agency that accepts the InterUnit Cash Transfer from the Initiating Agency.

**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

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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.

**Schedule of Expenditures of Federal Awards (SEFA)** – report of all federal expenditures within the current FY by Catalog of Federal Domestic Assistance (CFDA) number

**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.

DRAFT