

# Florida **PALM**

Planning, Accounting, and Ledger Management



# EXECUTIVE STEERING COMMITTEE MEETING

DEPARTMENT OF REVENUE  
BUILDING 2  
NOVEMBER 1, 2017



# ROLL CALL AND OPENING REMARKS

FACILITATOR: RYAN WEST, CHAIR



# REVIEW OF SEPTEMBER 27, 2017 MEETING MINUTES

FACILITATOR: MELISSA TURNER



# FLORIDA PALM PROJECT UPDATE

FACILITATORS:  
MELISSA TURNER,  
JANICE JACKSON, DEANA METCALF



# Florida PALM Project Update

## Budget – FY 2017-18 Spend Plan

### FY 2017-2018 Spend Plan Summary *As of September 30, 2017*

Category	Projected	Incurred	Remaining Balance	% Remaining
Salaries and Benefits	\$2,969,230.27	\$671,273.18	\$2,297,957.09	77%
Special Category	\$2,289,775.03	\$332,135.14	\$1,957,639.89	85%
Risk Management Insurance	\$3,304.00	\$3,304.00	\$0.00	0%
DMS Transfer	\$16,770.00	\$4,192.50	\$12,577.50	75%
<b>Total</b>	<b>\$5,279,079.30</b>	<b>\$1,010,904.82</b>	<b>\$4,268,174.48</b>	<b>81%</b>



# Florida PALM Project Update

## Risks and Issues

Since the last ESC meeting:

- ▶ Closed one risk related to sufficient funding for FY 17/18
- ▶ No new risks or issues reported
- ▶ Risks and issues with high probability and impact will continue to be shared via monthly status reports and discussed (if necessary or as requested) with the ESC



# Florida PALM Project Update

## Schedule – SSI ITN

Negotiation Activities (04/18/2017 – 06/20/2018)

- ▶ Appoint negotiators (08/16/2017)
- ▶ Support negotiator strategy sessions (***In Progress***)
- ▶ Conduct negotiations (***In Progress***)
- ▶ Make recommendation
- ▶ Post Intent to Award
- ▶ Execute contract





# Florida PALM Project Update

## Scope – Readiness Activities

- ▶ Finalized Accounting Entries Analysis Template
- ▶ Submitted Data Retention Analysis
- ▶ Completed planning for Initial Draft of Recommended Statutory Changes
- ▶ Conducted SDS Knowledge Transfer sessions
- ▶ Conducted readiness collaboration sessions with the DFS Office of Information Technology (OIT)
- ▶ Secured contract support services for integration-related activities



# Florida PALM Project Update

## Scope – Financial Process Overview

- ▶ Process Models - Comprehensive document that includes flow diagrams and narratives that describe the State's proposed future financial management processes, including Accounting Events, Control Points, Integration Points, and Reports
  - Developed through collaboration with DFS divisions, State agencies, and FFMIS partners
  - Included by reference in the ITN
  - Published on the [Florida PALM website](#)



# Florida PALM Project Update

## Scope – Financial Process Overview

- ▶ One integrated financial management solution that includes the functions of all components of FLAIR and select components of CMS
- ▶ One ledger that will serve as the “book of record” for State financials, instead of separate Departmental and Central records
- ▶ New functionality for Grants, Projects, Assets, and Contract Management, and for Accounts Receivable and Billing, which will increase the user base within Florida PALM



# Florida PALM Project Update

## Scope – Financial Process Overview

- ▶ Users will access through a web-based interface leveraging role-based security
- ▶ Automation for many manual processes enabling capability for real-time processing, update, inquiry, and reporting



# Florida PALM Project Update

## Scope – Financial Process Overview

- ▶ Document management capabilities that will support the move to electronic processing of transactions, as well as storage and retention of records
- ▶ Users will perform “business functions” within Florida PALM, not just “accounting functions” or “cash functions”

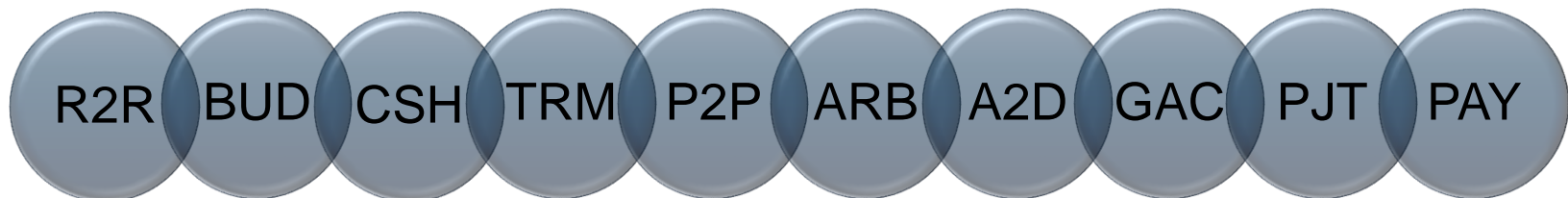


# Florida PALM Project Update

## Scope – Financial Process Overview

For each Process Area, we will discuss:

- ▶ Overview
- ▶ Significant Business Events
- ▶ Anticipated Changes

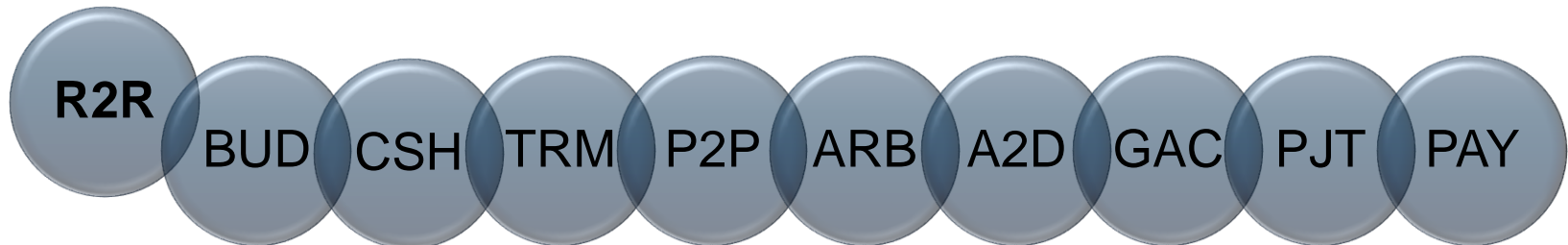


# Florida PALM Project Update

## Scope – Record to Report

### Overview:

Establishes and maintains the underlying accounting structure and ledger control for financial transactions to produce financial management reporting



# Florida PALM Project Update

## Scope – Record to Report

### Significant Business Events:

- ▶ Establish and Maintain Chart of Accounts Code Structure
  - To provide the framework and controls which govern the consistent capture and reporting of information needed to manage the financial activities of the State
- ▶ Control and Record Financial Transactions
  - To ensure business transactions are accounted for and captured accurately and consistently





# Florida PALM Project Update

## Scope – Record to Report

### Significant Business Events:

- ▶ Perform Financial Reporting
  - To provide processes and controls to support the consistent, accurate, and timely compilation of financial reports, which disclose financial status at varying points in time



# Florida PALM Project Update

## Scope – Record to Report

### Anticipated Changes:

- ▶ Automated workflow will be used to send and receive requests for chart of account code additions and updates
- ▶ Effective dating will allow codes to be established in Florida PALM in advance of the date needed
- ▶ Agencies may be limited in the codes they will be able to add



# Florida PALM Project Update

## Scope – Record to Report

### Anticipated Changes:

- ▶ Multiple accounting periods may be open at one time
- ▶ Real-time update of accounting entries will occur within the system
- ▶ Functionality will provide better control of Inter-Agency transactions to avoid out-of-balance situations



# Florida PALM Project Update

## Scope – Record to Report

### Anticipated Changes:

- ▶ Transition to modified accrual accounting throughout the fiscal year will minimize the entries needed at year end
- ▶ Agencies will not have to manually update account balances after completion of Comprehensive Annual Financial Report

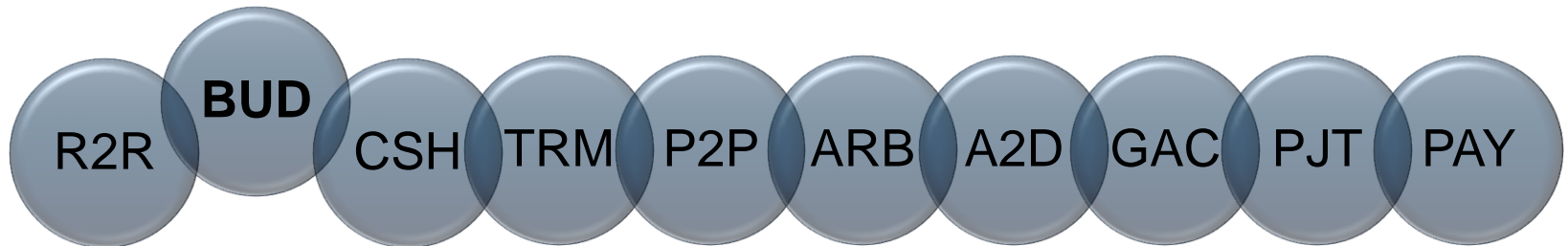


# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Overview:

Establishes and maintains the accounting controls for adjusted appropriations. Focuses on the functions of the Budget Control Subsidiary Ledger



# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Significant Business Events:

- ▶ Record Adjusted Appropriations
  - To ensure the accurate and timely capture of appropriations that have been adjusted to reflect vetoes, supplementals, failed contingents, non-operating, and releases
- ▶ Control and Monitor Recorded Appropriations
  - To establish parameters and controls which support the effective management of adjusted appropriations using allotments and various reporting tools



# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Significant Business Events:

- ▶ Perform Appropriation Reversions
  - To provide processes and controls for managing appropriations at the end of the fiscal year



# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Anticipated Changes:

- ▶ Automated workflow and integration with the set-up of budget-driven Chart of Account code fields will eliminate manual processes
- ▶ Automated reconciliation of appropriation amounts including Carry Forward and Certified Forward
- ▶ Effective dating will allow adjusted appropriations to be added in Florida PALM prior to the start of the fiscal year





# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Anticipated Changes:

- ▶ Multiple accounting periods can be open simultaneously
- ▶ Customizable templates will facilitate the process of establishing allotments
- ▶ Enterprise Performance Management/Business Intelligence tool(s) will provide robust reporting capabilities



# Florida PALM Project Update

## Scope – Budget Preparation to Reversion

### Anticipated Changes:

- ▶ Automated workflow will support resolution of negative balances and accounts
- ▶ Customizable Certified Forward templates will support iterative review of fixed capital outlay projects

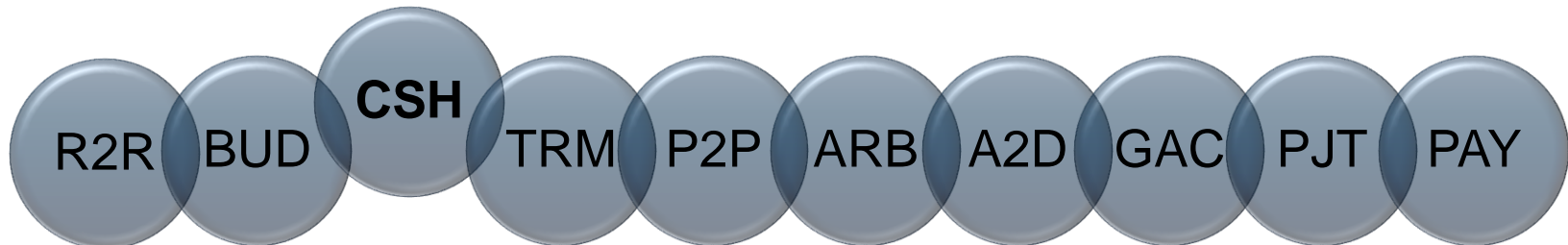


# Florida PALM Project Update

## Scope – Cash Inflow to Outflow

### Overview:

Establishes the processes used to account for and control cash by recording to the Cash Control Subsidiary Ledger



# Florida PALM Project Update

## Scope – Cash Inflow to Outflow

### Significant Business Events:

- ▶ Capture and Control Cash Inflow to Outflow
  - To provide the structure and controls which govern the consistent capture and accountability of cash transactions
- ▶ Monitor Cash Balances
  - To provide processes for monitoring and reporting on current and anticipated cash balances



# Florida PALM Project Update

## Scope – Cash Inflow to Outflow

### Anticipated Changes:

- ▶ Additional functionality to support agencies adding specific criteria to a fund in order to better control cash transactions and balances
- ▶ Automated workflow to add, review, and approve specific fund criteria
- ▶ Automated methods and reporting to monitor and forecast cash needs

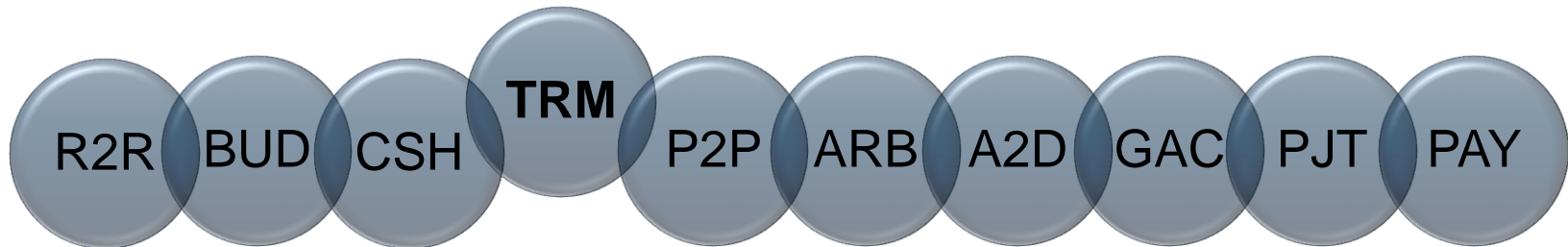


# Florida PALM Project Update

## Scope – Treasury Management

### Overview:

Establishes the processes used to account for and control cash maintained in accounts at financial institutions (bank accounts) utilizing the Treasury Management Control Subsidiary Ledger



# Florida PALM Project Update

## Scope – Treasury Management

### Significant Business Events:

- ▶ Establish and Manage Bank Accounts
  - To provide the structure and controls which govern the establishment of bank accounts and that supports the capture, reconciliation, and accounting for cash transactions
- ▶ Purchase and Manage Investments
  - To provide processes and controls for investing all available funds in the State Treasury and the Special Purpose Investment Account



# Florida PALM Project Update

## Scope – Treasury Management

### Significant Business Events:

- ▶ Establish and Manage Revolving Funds
  - To provide processes and controls needed to establish and manage revolving funds, including the capture of revolving fund transactions in Florida PALM
- ▶ Perform Cash Management Improvement Act Compliance Reporting
  - To provide processes and controls to accurately capture data and report compliance with the Cash Management Improvement Act





# Florida PALM Project Update

## Scope – Treasury Management

### Anticipated Changes:

- ▶ All bank accounts, including agency-managed, will be setup in Florida PALM
- ▶ Florida PALM will have the ability to move cash between bank accounts
- ▶ Electronic receipt of investment detail from Custodial bank and automated reconciliation



# Florida PALM Project Update

## Scope – Treasury Management

### Anticipated Changes:

- ▶ Automated workflow to establish or modify revolving funds
- ▶ Electronic data received from local banks, if available
- ▶ Automated tracking of expenditures and related draws

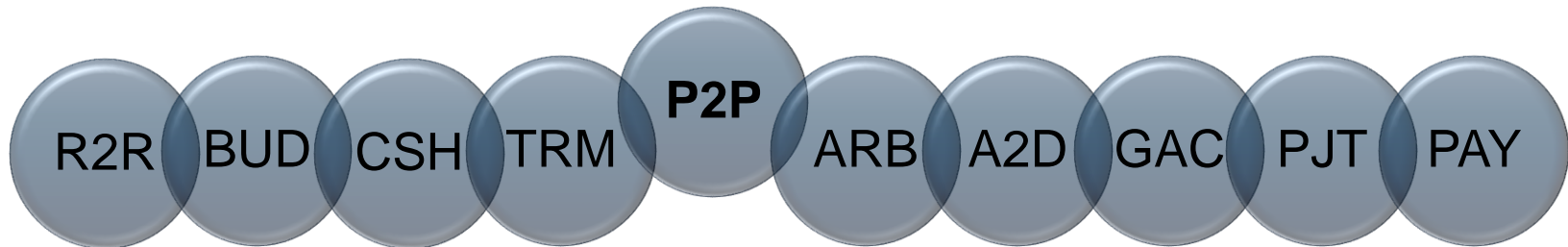


# Florida PALM Project Update

## Scope – Procurement to Payment

### Overview:

Establishes the processes used to settle and account for amounts owed (e.g., encumbered and incurred obligations) by the State for goods and services



# Florida PALM Project Update

## Scope – Procurement to Payment

### Significant Business Events:

- ▶ **Establish Payment Requirements**
  - To establish parameters and controls needed to support payments for the State's obligations, including the vendor record, electronic payment methods, contract information, and encumbrances
  
- ▶ **Authorize Requests for Payment**
  - To establish parameters and controls needed to support the authorization of requests for payment for the State's obligations, including the receipt of goods and/or services, processing requests for payment, payment scheduling, auditing, and approval for payment



# Florida PALM Project Update

## Scope – Procurement to Payment

### Significant Business Events:

- ▶ **Make Payments**
  - To establish parameters and controls needed to support the issuance of payments for authorized requests for payment including the processing of offsets, verification of cash, review of wire and requests by Treasury
- ▶ **Perform Payment Reconciliation and Reporting**
  - To provide the controls which govern the consistent capture and reporting of information needed to manage the payment activities of the State



# Florida PALM Project Update

## Scope – Procurement to Payment

### Anticipated Changes:

- ▶ Florida PALM will replace Florida Accounting Contracts Tracking System (FACTS) for agency and DFS processes but will remain for transparency reporting
- ▶ Contract allotments and encumbrances will be identified when setting up the contract
- ▶ Multi-year encumbrances can be established instead of one year at a time



# Florida PALM Project Update

## Scope – Procurement to Payment

### Anticipated Changes:

- ▶ A match will be performed of the request for payment against the receiving report
- ▶ Efficiencies in inputting requests will include identification of duplicate requests, copying of requests from previous or similar requests, and splitting of charges against multiple accounts
- ▶ Upon submission of a travel advance request, the key elements will create a receivable



# Florida PALM Project Update

## Scope – Procurement to Payment

### Anticipated Changes:

- ▶ Due To/Due From (inter-agency requests for payment) will be facilitated by a “shared view” available to both agencies
- ▶ Florida PALM will provide better visibility and tracking for vendor discounts
- ▶ Request for payment rejections will reverse all accounting events, restore budget and the encumbrance, and remain in Florida PALM for historical purposes





# Florida PALM Project Update

## Scope – Procurement to Payment

### Anticipated Changes:

- ▶ Payment scheduling will allow the State to better manage cash flow
- ▶ Payments can be consolidated to a vendor from multiple funds
- ▶ Offsets will be integrated within the payment and receivable functions



# Florida PALM Project Update

## Scope – Procurement to Payment

### Anticipated Changes:

- ▶ The integration of Treasury functions into Florida PALM will greatly reduce the amount of payment reconciliation required by Enterprise
- ▶ The amount of data that will be captured about the State's expenditures will expand, giving more and better data for management and operational decision making

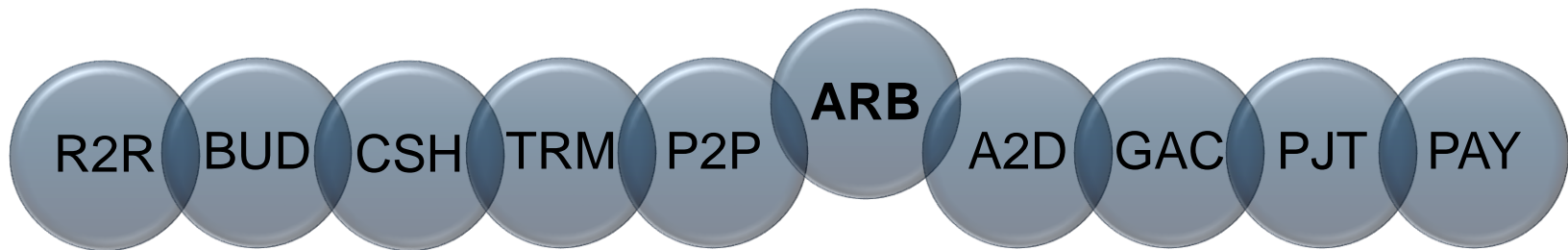


# Florida PALM Project Update

Scope – Accounts Receivable and Billing to Receipt

## Overview:

Establishes the processes used to account for amounts owed to the State and any amounts received by the State including the process of using Florida PALM to facilitate customer accounts and billing



# Florida PALM Project Update

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## Scope – Accounts Receivable and Billing to Receipt

### Significant Business Events:

- ▶ Record and Maintain Customer Billing Information
  - To capture detailed customer and accounts receivable information used to track and bill for monies owed to the State
- ▶ Manage Delinquent Accounts Receivable
  - To implement processes and controls which support the analysis and collection of past due amounts owed to the State



# Florida PALM Project Update

## Scope – Accounts Receivable and Billing to Receipt

### Significant Business Events:

- ▶ Receive and Deposit Payments
  - To ensure that processes and controls are in place to support the deposit and verification of monies received by State agencies
- ▶ Closeout Accounts Receivable
  - To ensure that accounts receivable meet the criteria for closure, and are properly accounted for through the implementation of the reconciliation and write-off processes



# Florida PALM Project Update

## Scope – Accounts Receivable and Billing to Receipt

### Anticipated Changes:

- ▶ Integration with Grants, Projects, Payroll, and Treasury functions to receive data and bill to recapture costs or collect on amounts owed
- ▶ Automated workflow to create, validate, and generate a customer bill
- ▶ Automated processes for performing aging analyses



# Florida PALM Project Update

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## Scope – Accounts Receivable and Billing to Receipt

### Anticipated Changes:

- ▶ Automated processes for sending accounts to collection agencies
- ▶ Automated workflow to request and approve write-off of delinquent accounts
- ▶ Automated cash movement process to transfer money between financial institutions

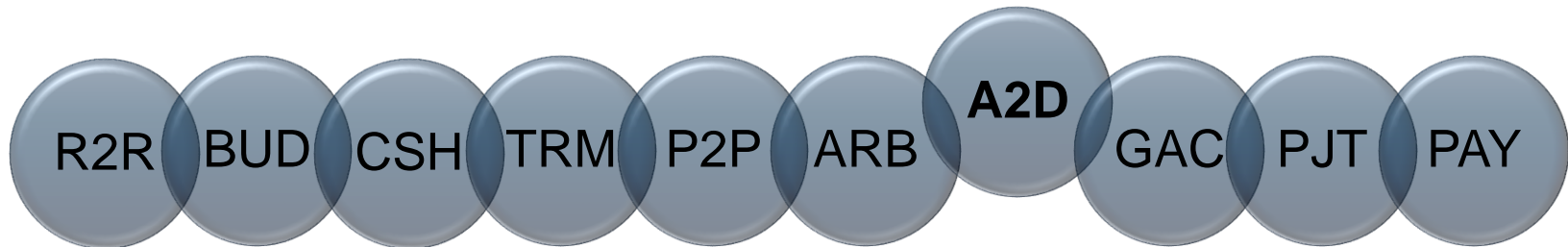


# Florida PALM Project Update

## Scope – Asset Acquisition to Disposal

### Overview:

Establishes the processes used to manage financial and other relevant information to enable custody of and reporting about the agency's property





# Florida PALM Project Update

## Scope – Asset Acquisition to Disposal

### Significant Business Events:

- ▶ Acquire and Record Assets
  - To ensure that an agency's accountable property is recorded timely and completely
- ▶ Manage the Asset
  - To ensure that custody and reporting for agency property is accomplished and useful to enterprise and agency
- ▶ Dispose of Asset
  - To ensure that property disposal is authorized and accomplished as directed



# Florida PALM Project Update

## Scope – Asset Acquisition to Disposal

### Anticipated Changes:

- ▶ Additional financial and non-financial data fields will be available to capture asset information
- ▶ Information about the acquired asset is available before payment is made



# Florida PALM Project Update

## Scope – Asset Acquisition to Disposal

### Anticipated Changes:

- ▶ Integration with 3<sup>rd</sup> party inventory software and hardware tools will support agency inventory processes
- ▶ System edits will help to control the transfer of Property between users to allow for concurrent update of asset records



# Florida PALM Project Update

## Scope – Asset Acquisition to Disposal

### Anticipated Changes:

- ▶ Enhanced data capture functionality will support the determination of asset viability and fit for use
- ▶ Workflow will support the write off request and disposal processes

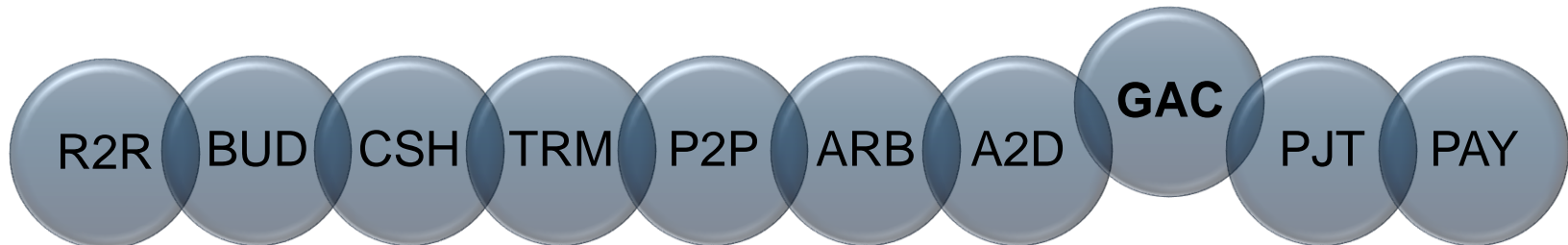


# Florida PALM Project Update

## Scope – Grant Application to Closeout

### Overview:

Establishes the processes used to account for, administer, control, and report on grants received and awarded by the State



# Florida PALM Project Update

## Scope – Grant Application to Closeout

### Significant Business Events:

- ▶ Establish Grant Accounting Details
  - To define the requirements and controls necessary for the consistent capture and reporting of information required to effectively account for and manage a grant
- ▶ Manage Grant Activity
  - To ensure the timely and accurate capture of programmatic and fiscal data for grant reporting
- ▶ Closeout Grant
  - To ensure that all grant requirements are met and that all costs and revenues are appropriately recorded



# Florida PALM Project Update

## Scope – Grant Application to Closeout

### Anticipated Changes:

- ▶ Templates, protocols, and workflow will support the set up and maintenance of grant records
- ▶ Grants may be established with a future effective date
- ▶ The ability to share grant information for grant funds made available to multiple agencies (such as disaster grants) will allow for more effective and efficient management and reporting



# Florida PALM Project Update

## Scope – Grant Application to Closeout

### Anticipated Changes:

- ▶ Integration that will improve asset accounting, capitalization, and tracking
- ▶ Functionality will be available to support management of subrecipient relationships
- ▶ Agencies will be able to track compliance details
- ▶ Additional functionality will be available to support agencies' cost allocation needs, including management of indirect and Statewide Cost Allocation Plan costs





# Florida PALM Project Update

## Scope – Grant Application to Closeout

### Anticipated Changes:

- ▶ Integration will support automation of receivable and billing functions
- ▶ Templates, protocols, and workflow will support the closeout of grant records
- ▶ Grants can be put into a status that allows for processing of open items (i.e., outstanding encumbrances and payables) without creation of new obligations

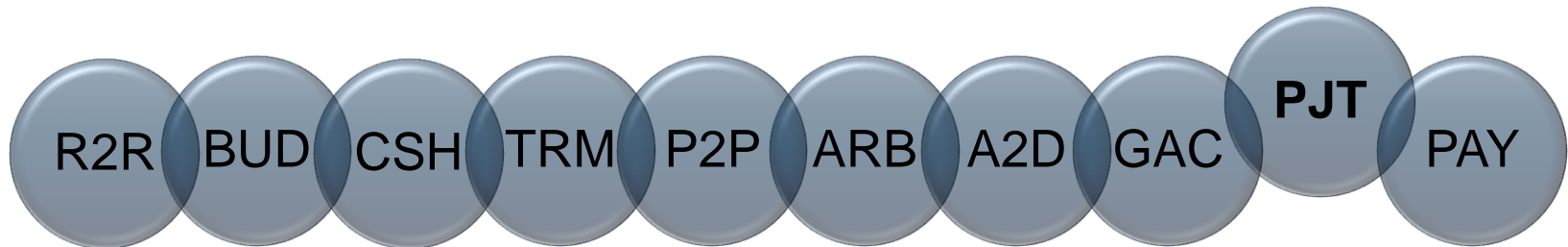


# Florida PALM Project Update

## Scope – Project Development to Closeout

### Overview:

Establishes the processes used to account for, administer, control, and report on projects managed by the State



# Florida PALM Project Update

## Scope – Project Development to Closeout

### Significant Business Events:

- ▶ Establish Project Details
  - To provide the requirements and controls necessary for the consistent capture and reporting of information needed to effectively account for and manage a project
- ▶ Manage Project Activity
  - To ensure the timely and accurate capture and monitoring of tasks/activities and fiscal data to facilitate project execution and reporting



# Florida PALM Project Update

## Scope – Project Development to Closeout

### Significant Business Events:

#### ▶ Closeout Project

- To ensure the completion of all project tasks that were associated with the project and that all costs and revenues have been recorded and reported as necessary



# Florida PALM Project Update

## Scope – Project Development to Closeout

### Anticipated Changes:

- ▶ Grants and contracts will be able to be associated with one or more projects
- ▶ Templates, protocols, and workflow will support the set up and maintenance of project records
- ▶ Projects may be established with a future effective date
- ▶ Annual budgetary reporting of fixed capital outlay appropriations will be supported by the use of projects



# Florida PALM Project Update

## Scope – Project Development to Closeout

### Anticipated Changes:

- ▶ Additional project management functionality (e.g., schedule variances, milestone reporting) will be available to support execution of the project objectives
- ▶ Parent-child relationships will support management and reporting of project financial and operational information
- ▶ Integration will support automation of receivable and billing functions



# Florida PALM Project Update

## Scope – Project Development to Closeout

### Anticipated Changes:

- ▶ Integration will automate the booking of assets including those constructed with project resources
- ▶ Templates, protocols, and workflow will support the closeout of project records
- ▶ Projects can be put into a status that allows for processing of open items (i.e., outstanding encumbrances and payables) without creation of obligations

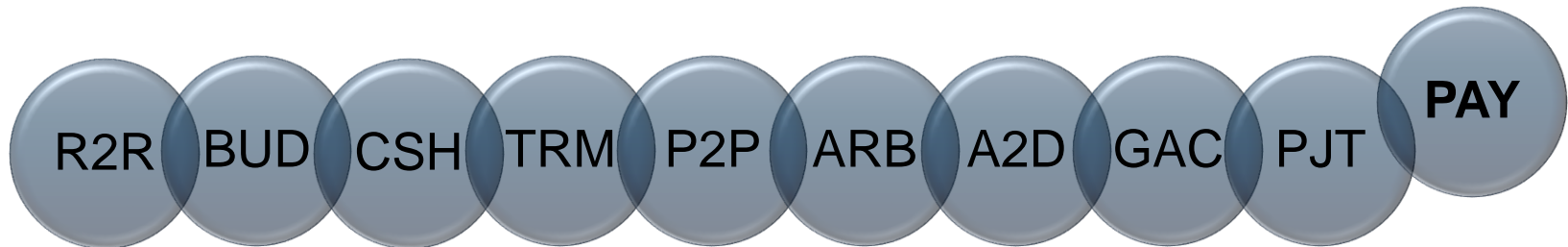


# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Overview:

Establishes the controls and processes used to generate payroll and issue pay to State employees with a primary focus on compliance with Federal laws





# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Significant Business Events:

- ▶ Establish and Maintain Employee Pay Records
  - To establish a common employee master record containing elements used to calculate payroll and act as a storehouse for payroll-related transactions
- ▶ Calculate and Prepare Payroll
  - To generate pay records for employees including deducting amounts for taxes, benefits, and retirement in order to comply with Federal and State labor, employment, and tax laws



# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Significant Business Events:

- ▶ Perform Federal Tax Reporting
  - To ensure the State's compliance with federal tax laws through the calculation and remittance of tax deposits and the filing of quarterly and annual wage statements



# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Anticipated Changes:

- ▶ An enhanced employee self-service portal which will support:
  - Automatic monitoring and notification for IRS withholding mandates
  - The establishment and update of employee withholding elections
  - Employee designation of direct deposit to multiple banks



# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Anticipated Changes:

- ▶ A more comprehensive employee record will be established, including amounts owed by employees for salary overpayments
- ▶ Effective dating will be available for changes to benefits, retirement and garnishments



# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Anticipated Changes:

- ▶ The State will implement simulated payroll runs allowing the simulation of multiple payroll scenarios prior to the production payroll run
- ▶ Enhanced payroll distribution capabilities
- ▶ Compensated absences will be calculated and the related financial transaction generated as part of the production payroll run



# Florida PALM Project Update

## Scope – Payroll Hire to Separation

### Anticipated Changes:

- ▶ Tax deposits and deposit dates will be automatically calculated
- ▶ Tax credits will be applied to future tax deposits and not credited back to the agency
- ▶ Quarterly federal tax reports Form 941 will automatically be generated
- ▶ Annual notifications will be sent to employees claiming exempt status for tax withholding



# Florida PALM Project Update

## Scope – Summary of Anticipated Changes

- ▶ One integrated system that provides the ability to better control, monitor, and forecast financial data at both an agency and statewide level, including:
  - No Departmental and Central!
  - Unified banking and investment information
  - Seamless integration across system modules
- ▶ Ability to record and report on a modified accrual basis, accrual basis, and cash basis of accounting throughout the fiscal year



# Florida PALM Project Update

## Scope – Summary of Anticipated Changes

- ▶ More robust subsidiary ledgers that support operational and reporting objectives
- ▶ Comprehensive cash management and forecasting functionality
- ▶ Enhanced customers and accounts receivable management functionality





# Florida PALM Project Update

## Scope – Summary of Anticipated Changes

- ▶ Additional asset, project, and grant management functionality
- ▶ Improved payment management capabilities, including payment consolidation and scheduling



# INDEPENDENT VERIFICATION & VALIDATION (IV&V) ASSESSMENT

FACILITATOR: BRIAN EPPIG



# IV&V Assessment

## Monthly Assessment – September 2017

- ▶ IV&V evaluation focused on DDI readiness
  - Pre-DDI execution in progress
  - Significant activity across all tracks on high impact, high profile activities

Overall Pre-DDI Execution Assessment Status =  
**Green**

On track per current timeline



# IV&V Assessment

## Focus on Readiness

- ▶ Follow-up on DDI Readiness Assessment
  - Impacted Parties
    - Florida PALM
    - A&A
    - Treasury
    - OIT
  - Progress against recommendations
  - Focus on Knowledge Sharing and Staffing / Staff Capabilities



# UPCOMING ACTIVITIES

FACILITATOR: MELISSA TURNER



# Upcoming Activities

- ▶ Support SSI ITN
- ▶ Execute DDI readiness activities across tracks
- ▶ Begin drafting the Initial Draft of Recommended Statutory Changes



# NEW BUSINESS & OPEN DISCUSSION

FACILITATOR: MELISSA TURNER



# NEXT MEETING(S)

SCHEDULED - WEDNESDAY, NOVEMBER 22,  
2017

SCHEDULED - WEDNESDAY, DECEMBER 27,  
2017

*TO BE CONFIRMED BY ESC*





# CONTACT INFORMATION

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