

# I.80.2.A Trust Fund Investments and Disinvestments

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### Revision History

Version	Date	Revision Notes

DRAFT

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## Business Process Overview

The Trust Fund Investments and Disinvestments interim business process describes how Wave organizations invest and disinvest Trust Fund balances, and record interest and administrative fee apportionment received in Trust Funds to manage cash balances in Florida PALM and Departmental FLAIR. Trust Fund cash balances are managed at the organization level and are controlled at the Fund level by the Department of Financial Services (DFS), Division of Accounting and Auditing.

## Dependencies and Constraints

- Wave organizations access Florida PALM to view the Fund cash and investment related reports and enter investment/disinvestment transactions.
- Wave organizations enter Departmental FLAIR only transactions to record investment/disinvestment transactions and interest apportionment.

## Business Process Flow Details

Table 1: Process Steps Included on Interim Business Process Model Flow

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Swim Lanes – Definition	<b>DFS GL Journal Processor:</b> DFS role responsible for creating journal entries <b>Wave Organization GL Journal Processor:</b> Wave organization role responsible for creating journal entries	
Process Step ID	Process Step Title	Description of Process
1	Run and Review Cash and Investment Balances	The Wave organization reviews the Trust Fund cash balances within Florida PALM to determine if there is enough Fund cash to continue operations, or if excess cash is available for investing.
2	Determine Investment and Disinvestment Needs	The organization determines if an investment/disinvestment is needed.
3	Create Journal Entry	Wave organization creates a journal entry in Florida PALM for the investment and/or disinvestment transactions.
4	10.2.1 Create and Approve Journals	The journal entry continues through the 10.2.1 Create and Approve Journals standardized business process. Once finalized the cash and investment balances are updated.
5	Enter Investment or Disinvestment	Upon confirmation of posted journal entry, a Departmental FLAIR only investment or disinvestment transaction is entered to update their Departmental cash and investment balances.
6	70.7.2 Distribute Interest Apportionment	The 70.7.2 Distribute Interest Apportionment standardized business subprocess calculates the average daily investment balance and apportions interest accordingly.
7	Run Investment Reports	The Wave organization logs into Florida PALM to run the Investment Activity Report and the Apportionment Report.

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Process Step ID	Process Step Title	Description of Process
8	Enter Apportionment Transaction	Wave organization enters a general accounting entry in Departmental FLAIR to increase the investment balance and record interest earnings and the administrative fee.

## Interim Reports

Table 2: Reports Included on Interim Business Process Model Flow

Report Number	Report Description	Report Frequency	Audience
R1	Cash Balance and Activity Report – cash balance and related cash transactions for requested combination ChartFields	Periodic	DFS, Organizations
R2	Investment Activity Report – investment/disinvestment activity by requested combination of ChartFields	Periodic	DFS, Organizations
R3	Apportionment Report – interest and administrative fee apportionment details by pool and participant	Monthly	DFS, Organizations