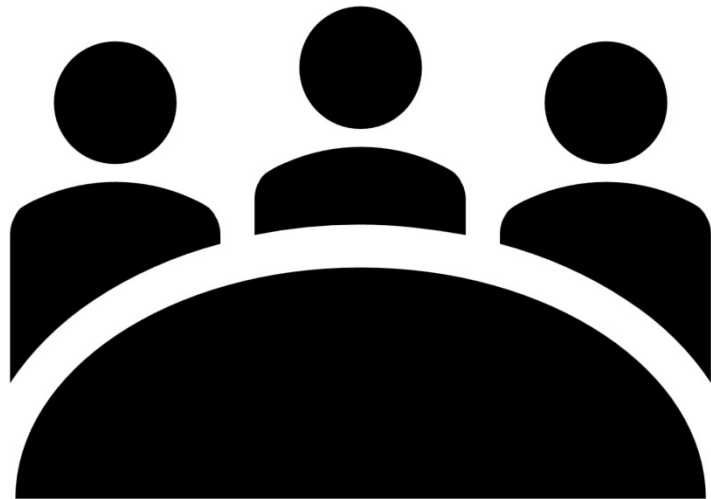


WELCOME!



Division of Accounting &
Auditing
Financial Policy Workgroup



Agenda

- Review draft financial policies
- Discuss topics
- Review next steps

Review Draft Financial Policies

New Policy: A&A Request Processing Time

- Agencies should understand the normal processing times and adhere to them.
 - Departmental payments – 3 to 5 Business Days
 - EFT Authorization - 10 Business Days
 - Manual Warrant - 2 Business Days
 - Vendor Add -1 Business Day
 - Vendor Validation (W9) - 1 Business Day
 - Wire Transfer - 2 Business Days
- Agencies are expected to engage A&A when a request is anticipated.
- The Director of A&A, or delegate, will approve all non-standard processing requests.
- A&A will notify the agencies Administrative Services Director (ASD) or equivalent of the special handling requests.
- To mitigate timing risks, agencies must provide:
 - Justification for the request
 - Sufficient notice
 - A point of contact for potential issues
 - Sufficient documentation

New Policy: Advance Payments and Prepayments

- Advances are payment made for goods/services prior to the receipt of goods/services
- To meet the requirements for an advance payment the following must be met:
 - The advance must be for grants to non-profits, and local governments to support cash flow needs, and maintenance Agreements, software licenses, and non-software subscriptions
 - Savings must be greater than investment earnings and if the essential goods/services must be paid in advance (not applicable for grants)
 - Advances exceeding Category Two Purchasing Threshold must be approved by the Bureau of Auditing
 - Startup costs for local governmental entities and not for profit organizations
 - Grants and Aid Appropriations
 - Advances cannot exceed the expected cash needs within the initial three months
 - Advance requests exceeding three months of initial costs require special approval with legislative consultation.
- All advanced payments will need to have a final certification that the goods and services were satisfactorily received.
- Prepayments are upfront payments for items that provide future benefits (e.g., payments for software)
- Prepayments can only be made one year at a time since Legislative appropriations are made once a fiscal year
- Note: The statute (215.422) that drives the current policy for advanced payments may need to be amended to reflect the changes in technology that have occurred in the past forty years.

Discussion Topics

Discussion: PCard – Use of Employee ID

- Florida PALM will continue the use of Employee IDs
- Employee ID is required for all employee related expenditures, (e.g., travel, moving expenses)
- Discussion:
 - Are there other instances not mentioned above?
 - Are there instances where this is not feasible?

Discussion: Revolving Funds

- Per 216.71 F.S. A revolving fund is defined as “a cash fund maintained within or outside the State Treasury and established from an appropriation, to be used by an agency or the judicial branch in making authorized expenditures.”
- Discussion:
 - Should agencies be required to record Revolving Fund activity in Florida PALM beyond the initial set up as a Local Fund?
 - If so, at what level of detail and at what frequency will activity be recorded?
 - If not, what hurdles would prevent this?

Discussion: Accounts Receivable Collections Write-Off

- Accounts can be written off when the respective statute of limitations has been reached.
- Written off accounts must be recorded on the report referenced in Section 17.20(4)(c), F.S.
- Agency must provide justification for written off debts.
- Written off debts can remain with third party debt collectors.
- Discussion:
 - Are there reasons accounts receivables should not be written off?
 - How will agencies track debt that's been written off in the State systems but remains with debt collectors?

Discussion: Management Framework

- Management Framework is used for the P-card program and has these elements:
 - Roles & Responsibilities
 - Purpose
 - Authority
 - Internal Controls
 - Maintenance and Security
- Agencies batching into Florida PALM should follow a similar framework.
- Every agency is going to work differently.
- Discussion:
 - What elements are important to your agency?
 - What barriers do you foresee in implementing a management framework in your agency?

Next Steps

Next meeting

- Time:
 - Thursday February 20, 2025 from 2:30pm – 4:30pm.
- Location:
 - Room 116 in the Larson Building, 200 East Gaines Street

THANK YOU!



Financial Policy Workgroup

AccAudPMT@MyFloridaCFO.com