



The A&A Ledger

Florida Department of Financial Services | Division of Accounting & Auditing

Issue 4: April 2024

APPROPRIATION CYCLE

BY MARK MERRY

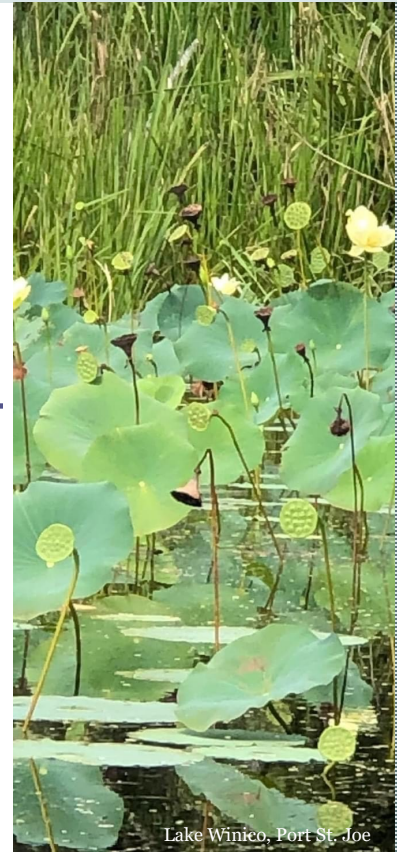
The process for spending state funds is generally a two-year cycle which includes legislative budget requests, the governor’s approved budget, legislative deliberation and approval, and governor approval. Generally, most of this occurs in the fiscal year prior to the year the expenditures are to be incurred. Sometimes during this process, the purpose for expenditures can change from what was originally intended or in some instances, the appropriations are recorded incorrectly.

Article 7, Section I of the State Constitution provides no moneys should be drawn from the Treasury except in pursuance of appropriation made by law. Section 216.011(1) defines “appropriation” as a legal authorization to make expenditures for specific purposes within amounts authorized by law. The State’s General Appropriations Act (Act) and supplemental appropriations become law when signed by the Governor. To further prescribe legislative intent, the Act is further broken down into budgetary categories (e.g., salaries, fixed capital outlay, contractual services, grant and aid). The Legislature can include proviso language to qualify or restrict the appropriation.

Most of the State’s appropriations are on a single fiscal year cycle which means funding needs to be obligated under contract/PO by June 30 of each year and expended by September 30. Exceptions to this would be language in the General Appropriations Act where revert and reappropriate clauses can continue an appropriation or in the case of fixed capital outlay which statutorily has a nineteen-month window to become obligated. It is not uncommon in the payment processing world for obligations to not be timely incurred and goods or services not timely received prior to the expiration of an appropriation. When these situations occur, there is nothing we can do to continue the appropriation and the appropriation will systematically revert.

Occasionally, we receive payment vouchers where the appropriation category or proviso language does not agree with the actual purpose of the expenditure to be incurred. This often leads to various payment issues including delaying payment to seek Legislative clarification, or not being able to make payment due to the absence of legal authority. Examples include attempting to purchase vehicles with a fixed capital outlay appropriation or using a contractual service appropriation to construct a building.

It is very important to be consistent throughout this entire process. The appropriation categories, proviso language and when the obligations are to be incurred and expended must agree with Legislative intent.



Lake Winico, Port St. Joe

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Bok Tower Gardens



Lake Seminole, Chattahoochee

FYE REMINDERS

BY DERRICK WALTERS & RACHAEL LIEBLICK

The Bureau of Auditing’s workload increases at year-end due to the volume of vouchers received. During year-end there is an “all hands on deck” approach amongst the process teams.

To help us and you prepare for the upcoming year end, be proactive in monitoring outstanding obligations:

- Process invoices timely
- Use reports to identify unpaid items
- Work with program areas to get invoices approved
- Contact vendors and request invoice submission
- Send internal agency memos to share submission deadlines and impacts if not met

The Division will release yearend guidance this Spring with processing deadlines. Please adhere to these deadlines to avoid corrective actions in July. An investment of effort now can save time and headaches later.

FYE 2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

BY TAMMY A. EASTMAN

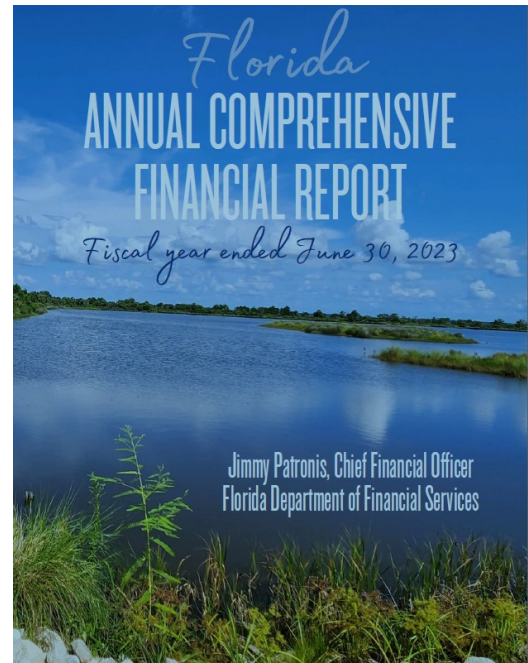
BFR would like to thank all agency team members that contributed to the ACFR process and helped make this a very successful year! The ACFR was published February 28, with an unmodified audit opinion. Your contributions made this possible. Section 216.102(3)(b), Florida Statutes, requires the Chief Financial Officer to prepare and publish the State’s Annual Comprehensive Financial Report (ACFR) using generally accepted accounting principles on or before February 28 of each year. Credit for this year’s ACFR cover goes to Suzette Harris, Bureau of Auditing! An ACFR cover photo contest was held and more than 50 photos were submitted.

FYE 2023 ACFR was the first year Workiva was used to gather Forms. It had its challenges, but overall was successful. This process will be expanded to include the remaining forms that were not included in FYE 2023:

- Form 3 – INTRA
- Form 3 – INTER
- Form 4 – Due to General Revenue Unallocated
- Form 52 – New Fiduciary General Ledger Codes
- GASB 91 – Conduit Debt Disclosure
- GASB 94 – PPP, SCA and APA Disclosure
- Consideration of Fraud in Financial Reporting Certification
- Compliance Checklist and Checklist Attachment

The ACFR process is continuing to move into an automated world. The goal is to reduce the workload and improve accuracy. This is an exciting and fun time to be financial reporting.

Light at the end of the tunnel – only one Governmental Accounting Standard Board Statement to implement in FYE 2024 and the implementation will not require a new form or additional work for agency financial reporting team members.



WEBSITE PROJECT UPDATE

BY RENEE HERMELING & NIKI NOLTON

The Division of Accounting and Auditing (A&A) website is a valuable resource of information for State Agencies, local governments, vendors, and our citizens. Earlier this fiscal year, we launched a project to revamp our website and make it a user friendly, intuitive place where information can be accessed with just a few button clicks.

We gathered feedback on our current website through a stakeholder survey, which resulted in responses from many different groups including, the public and state agency personnel. These survey results, along with recommendations from our internal teams were used to develop over 60 requirements for our new website.

We prioritized our requirements and are starting to make changes now. These updates will be made in a few waves so website users will not have to wait long to benefit from the planned changes. We are building the new design now and will be releasing some new features this fiscal year.

A couple of exciting updates include:

- a dedicated manuals page with all Division manuals in one place;
- a robust training and job aids page with trainings from each bureau in one place
- a new user friendly 'Site Map' with an expanded topic based menu

Changes will be communicated to our user community. Be on the lookout!

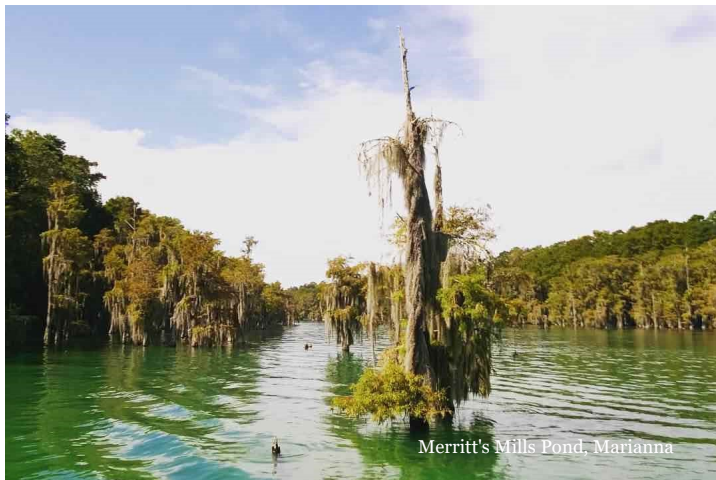
Check out the Website Updates button on the A&A homepage, www.MyFloridaCFO.com/division/aa, for a snapshot of the recent changes. We hope you like the changes!.



A&A FLORIDA PALM TRANSITION TEAM

BY JULIA COLLINS-OKANE

Our Change Champion Network (CCN) was established to prepare us for implementation of Florida PALM. This network is comprised of a team of various functional and technical liaisons throughout the department who are working together to identify how Florida PALM will impact our business processes, agency business system, and team members. Our Florida PALM Transition Team has a supporting role within the CCN that focuses on policy impacts statewide.



Our statewide focus allows us to consider the impacts people, processes, technology, and data will have on enterprise processes that we manage. By sharing our views from a statewide level, it allows the CCN to better identify process gaps and focus on implementing best business practices.

We also serve as the DFS Training Liaison. This role is to identify the various training needs of DFS stakeholders, develop agency specific training, and prepare our staff for go-live. Our Training Liaison, along with the support of our Office of Florida Financial

Education are identifying how we can provide general knowledge of today's data, processes, and accounting practices.

Even though we all have different areas of focus, our different perspectives allow the CCN to enhance each other's talents to help DFS and the State of Florida move toward a more successful implementation.

MEMOS OF NOTE

CFO Memo#27: ASSIGNMENT OF CONTRACT PAYMENTS – Provides guidance to State Agencies when they receive a notice for the assignment of a contract payment to a third party.

AAM#13: TRAINING MATERIALS AND CALENDAR ANNOUNCEMENTS FOR DIVISION OF ACCOUNTING AND AUDITING CLASSES PUBLISHED – Provides information related A&A lead and available training classes. All classes are available in the People First LMS.

AAM#14: JUDGEMENT INTEREST RATE FOR THE QUARTER BEGINNING APRIL 1, 2024 – Provides information related to the interest rate established for the quarter beginning April 1, 2024.

AAM#15: AGENCY FLAIR MASTER FILE CLEAN-UP APPROACH AND WORKSHOP – The Department of Financial Services (DFS) will be working with agencies on the FLAIR Master File clean-up efforts for the eventual cutover to Florida PALM.



TRAINING OPPORTUNITIES

BY KIM JACOBS

It's a new calendar year, and with that comes new training opportunities!

The Office of Florida Financial Education (OFFE) shared big news at the December Florida Administration Services Meeting (FASM)...there will be more in-person trainings available to all agencies in the 2024 calendar year. The major benefits of in-person trainings include immediate instructor support, increased topic clarification, increased interaction, and so much more.

In addition to the in-person trainings, the OFFE team is hosting monthly webinars to support current FLAIR topic specific training that is in the People First Learning Management System. See the monthly training calendar for more information. Remember, the FLAIR webinars support the trainings in PF. Also, watch for Florida PALM trainings as the team begins to ramp up with Florida PALM.

This is only the beginning! OFFE has hit the ground running in 2024 and the opportunities are endless. If you have any in-person training recommendations, please feel free to contact OFFE via email at DFSFinancialEd@MyFloridaCFO.com.

BE IN THE KNOW!

<p>Coming Soon FYE Workshops - be on the lookout for an AAM announcing the workshop in late April.</p>	<p>Did you know instructor led Florida PALM training is available? Register for these using PeopleFirst LMS.</p>	<p>We're updating our forms. Pull the most current forms from the A&A website.</p>	<p>The standardized Revenue Accounts will be launched with Florida PALM and are available online!</p>	<p>We updated the Florida PALM End User Manual to reflect the January PUM changes; check out the manual online!</p>



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