

DATE: October 16, 2026

TO: Agency Addressed (No. 12, 2026 – 2027)

FROM: Renée Hermeling, Division Director
Division of Accounting and Auditing
Department of Financial Services

SUBJECT: REVISED PROCESSING ADVANCED DISBURSEMENTS TO PREPARE
FOR FLORIDA PALM CUTOVER

As the State of Florida prepares to implement the Florida Planning, Accounting, and Ledger Management (PALM) system, agencies must plan for approximately fourteen days of downtime, without access to an accounting system. To help agencies plan for this period, the Department of Financial Services, Division of Accounting and Auditing will be authorizing agencies to process disbursements before the downtime that can be reasonably planned for and estimated. Each agency may approach their transition planning differently, as their operations differ from one another. The following information may be beneficial.

Disbursements

It will be important for each agency to review their historical data and develop a plan with a strategy for ensuring a smooth transition with limited interruptions in operations.

1. Run a query to obtain historical Florida Accounting Information Resource (FLAIR) payment data for the months of December through January and sort by vendor
 - Identify your population of recurring payments.
 - Include the number of fixed dollar payments.
 - Include the number of variable dollar payments that fall within a range during the for the period.
 - Identify your population of one-time payments or single payees.
 - These will not recur but based on historical averages you may be able to estimate trends during the period. These payments by their nature cannot be advanced and the data usually resides within agency business systems. Program areas could increase production and make adjustments to process many of these into FLAIR before the transition downtime begins.
 - Identify your estimated population of travel reimbursements.
 - Attempt to minimize travel during this time period.
 - If travel is a must, you may delay the reimbursement until Florida Palm is operational, you may use your revolving fund, or you may process travel advances before STMS deadlines.
 - Determine if a purchase order can be used for lodging to reduce need for travel advances.
 - Identify your population of infrequent payments (quarterly or simi annually).
 - Use data to obtain an estimate of payments processed during downtime.

- Make special notes when debt service payments are due because these payments will need to be paid ahead of time.
- Consult with Program Areas for possible grants where payments could be due in this time period.

2. Consider Vendor Payment Expectations

- Keep in mind the State of Florida typically pays vendors early. The average payment cycle time in FLAIR is six days.
- Most vendors require payment within 20 to 30 days from the date of invoice. Consider this when prioritizing.
- If payments routinely come in during the last week of the down period, then deferral could be the better option.

3. Request Advance Payments

- Prioritize and estimate critical payees requiring an advance.
- Document all advance payments by using Form DFS-A2-1004 and include the FLAIR Agency Doc Number as a reference.
- Advanced payments do not need pre-approval from the Bureau of Auditing.
- All advanced payments over \$100,000 must be input using a Bookkeeping Indicator (BKI) of A and will be sent to the Bureau of Auditing for logging and review prior to posting in FLAIR.
- Include the voucher schedule and any supporting documentation in the payment request package.
- Maintain an up-to-date spreadsheet of all recorded advanced payments, regardless of amount.
- All disbursement requests must be processed in Departmental FLAIR by December 17 and should be submitted to the Bureau of Auditing by December 21, 2026.

4. Track Advance Payments

- Each agency will need to maintain the spreadsheet and a tickler file for each voucher as new invoices come in to evidence the final resolution of all advance payments.

5. Reconcile After Go-Live

- Reconcile and resolve all advance payments by March 15, 2027.
- Have a process in place to ensure duplicate payments are not processed after go-live.

6. Maintain Documentation

- Maintain all documentation for audit purposes.

Purchasing Card (PCard) Activity

During system downtime for Works, agencies will have limited PCard usage to allow a mechanism for critical need purchases.

1. Identify Accountholders for Critical Purchases

- Provide the Enterprise Purchasing Card Administrator Team with a list of accountholders who will be utilizing their PCard during this downtime by December 1, 2026.

2. PCard Transactions During System Downtime

- Transactions made during the downtime will need to be processed using the new Chart of Accounts upon Florida PALM Go-live.
- Accountholders must maintain copies of receipts to attach to transactions in Works after go-live.

3. PCard Transactions After Go-live

- Agencies will be expected to process these charges within 10 days after system go-live.

Agency Revolving Funds

Agencies can seek prior approval for expanded use of their revolving funds unplanned for critical needs payments through the Bureau of Financial Reporting. Please provide the following information:

1. What is your contingency plan? Provide examples of expenditures you plan to pay.
2. What is the funding source?
3. Who will be reviewing and approving payments made from the account?
4. Who will be authorized signers on the account?
5. What is your timeframe to have the fund reconciled and either closed or reduced to the original authorized amount?
6. How do you plan to track the expenditure made during the downtime for reconciliation and recording in the accounting system upon go-live?

If you have any questions or concerns, please contact the **Bureau of Auditing** at audit.info@myfloridacfo.com, or the **Bureau of Financial Reporting** at FinancialReporting@myfloridacfo.com.