CW.70.5 Reconcile Book to Bank Balances

Department of Financial Services

Date: 06/30/2020

Revision: DRAFT

Florida PALM

Planning, Accounting, and Ledger Management

Revision History

Version	Date	Revision Notes
0.1	06/30/2020	Initial Submission

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Business Process Overview

Section 17.57, Florida Statutes (F.S.), requires the deposit of money in the State Treasury to be deposited in qualified public depositories. Section 116.01, F.S., requires funds collected and due to the State to be deposited in the State Treasury no later than seven working days from the close of the week in which funds were received. Section 215.31, F.S., provides that revenue collected or received shall be promptly deposited in the State Treasury, immediately credited to the appropriate fund, and properly accounted for by the Department of Financial Services (DFS) as to source. Section 17.52, F.S., provides that DFS Division of Treasury (Treasury) is responsible for paying all warrants on the State Treasury drawn by the Chief Financial Officer (CFO) and other orders by the CFO for the disbursement of State funds by electronic means. Section 17.555, F.S., requires Treasury to keep a record of the warrants or other orders of the CFO that Treasury pays.

During the Central Wave, the Reconcile Book to Bank Balances business process addresses how the balances from the State's bank accounts and the General Ledger (GL) in Florida PALM, are reconciled at the end of each month. To begin the reconciliation process, Treasury reviews and compares the ledger cash balances to the bank account balances. When discrepancies exist, Treasury reviews the Book to Bank Reconciliation results to determine the appropriate action. After the book to bank reconciliation is complete, the Monthly GL Close process may begin within Florida PALM.

Dependencies and Constraints

- Receiving bank transactions is dependent upon bank systems being operational and the availability of statement files.
- Daily bank statement reconciliation must be completed for all statements in the month before balances can be reconciled.

Business Process Flow Details

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

CW.70.5 Reconcile Book to Bank Balances		
Swim Lanes – Definition	**Book to Bank Reconciliation Processor:** DFS role responsible for reconciling bank account balances to ledger balances in Florida PALM **Exception Handler:** Agency or DFS role responsible for resolving exceptions in Florida PALM	
Process Step Title	**Process Step Title**	**Description of Process**
1	Identify Need for Book to Bank Reconciliation	At the end of each month, the Book to Bank Business Processor confirms that bank statements have been reconciled in Florida PALM. If all statements are not in a final status, then the CW.70.2 Manage and Reconcile Bank Statements business process must be completed. If all statements are finalized, then the Book to Bank Reconciliation Processor runs the Book to Bank Reconciliation process.

Process Step Title	Process Step Title	Description of Process
2	Run Book to Bank Reconciliation	The Book to Bank Reconciliation process confirms that the ledger balances reconcile with the month end bank statement balance. If the account balances do not match, the Book to Bank Reconciliation Processor resolves the exceptions following the CW.70.2 Manage and Reconcile Bank Statements business process. Once balances are corrected, the Book to Bank Reconciliation Processor reruns the Book to Bank Reconciliation.
3	Review Exceptions	If the balances do not reconcile, the Book to Bank Reconciliation Processor verifies: • All transactions from the Accounts Receivables (AR), Accounts Payable (AP), and Cash Management (CM) modules are reconciled to the bank statement transactions; • All journal entries from AR, AP, and CM have been posted to the GL; and • All transactions posted to the GL have been recorded by the bank.
4	Resolve Exceptions	Once the source of the exception is identified, the Book to Bank Reconciliation Processor works with the source agency's Exception Handler to resolve the exception within Florida PALM. Once balances are corrected, the Book to Bank Reconciliation Processor reruns the Book to Bank Reconciliation.
5	Close Cash Management Period	Once the book to bank reconciliation has occurred, the period is closed to ensure no transactions are recorded to prior periods. Any prior period entries would generate an exception and would be handled through the regular exception process.
6	Report Cash Balances	If the balances in Florida PALM reconcile, the book to bank reconciliation process is complete. The Book to Bank Reconciliation Processor reports the cash balances in Florida PALM. The Cash Balance by Fund report assists in the creation of the monthly Governor's report and CAFR reporting.
7	Extract Transparency Portal Data	This process generates an export data file for State Transparency Portals.
8	Cash Transaction and Balance Data	The CFO Transparency Portal receives cash transaction and balance information by Fund and Fund Type.

06/30/2020

Ledger Impacts

Table 2: Ledger Impacts Included on CW Business Process Model Flow

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
N/A	N/A	N/A

Reports

Table 3: Reports Included on CW Business Process Model Flow

Report Number	Report Description	Report Frequency	Audience
R1	Unreconciled Book to Bank Accounts – provides bank accounts that have not been confirmed during Book to Bank Reconciliation	Monthly	DFS
R2	Cash Balance by Fund – provides data by individual trust fund and GR. The data is used to assist the CAFR division and Auditor General	Monthly	DFS