

30.4 Process Payments

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Revision History

Version	Date	Revision Notes
1.0	07/30/2019	Accepted Version
2.0	04/29/2021	Accepted Departmental Version
3.0	11/13/2023	Updates for Financials Wave
3.1	12/22/2023	Updates per Financials Wave BPM Workshops to add Periodic frequency to Key Reports Section

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Business Process Overview

The Process Payments business process is within the Disbursements Management (DM) business process grouping. DM includes a collection of business processes that:

- Manage supplier information, including demographic and payment information for tax withholding and reporting purposes.
- Support the disbursement process for State obligations from encumbrance through payment request, payment creation, and escheatment; and
- Perform month-end and year-end closing activities.

The Process Payments business process includes the payment of scheduled payments, the creation of warrants and electronic payments, and the generation of the payment files.

The business subprocess included are:

- 30.4.1 – Process Pay Cycle
- 30.4.2 – Process Warrant Payments

The Process Payments business process consists of business subprocesses that include selecting vouchers scheduled for payment, creating electronic and warrant payments, verifying sufficient cash is available for creating the payments, transmitting payment files to the bank via Financial Gateway, and creating payment registers, remittance advice, and information required for transparency sites.

Definitions for terminology used within this business process can be found at [Terms and Definitions Catalog](#)¹

Dependencies and Constraints

Dependencies and Constraints describe any conditions or criteria that impact how or when the business process should be executed. These could be set within Florida PALM or from external sources (i.e., Law or Rule).

- Default payment terms are identified on the supplier record.
- Payment Terms can be updated on the voucher. The Payment Term included on the voucher is what is used for the payment to the supplier.
- Suppliers must have an approved record and have no holds to receive payment.
- Suppliers must have a valid W9 to receive a payment for 1099 applicable Account Values.
- Posted vouchers identify the applicable schedule date for payment processing.
- An interface between the bank and Florida PALM Financial Gateway is established.

Business Process Flow Details

The tables below describe steps in each business subprocess as reflected on the Business Process Flow Diagrams. The tables also reflect information associated with each step describing the intent of the specific process. Florida PALM screenshots are included within the sections to

¹ <https://app.smartsheet.com/b/publish?EQBCT=0145b968d515454e9753d4943702576a>.

allow connections to be made from specific business subprocess steps to screens within Florida PALM.

The Business Process Flow Diagrams use horizontal swim lanes to depict where activities are performed by different parties or systems. Each swim lane is titled with a role, either agency-based or within Department of Financial Services (DFS), and in some cases, are representative of an external entity or system. The swim lanes may change from page to page within a single business subprocess as more or fewer roles are required to execute sections of the business subprocess. Optionally, the process flow diagram may reflect vertical swim lanes to further designate information such as systems or time intervals.

This information should be read in conjunction with the Business Process Flow Diagrams.

30.4.1 – Process Pay Cycle

Table 1: Process Pay Cycle

30.4.1 – Process Pay Cycle		
Module	Accounts Payable	
Related Module(S)	Cash Management	
Swim Lane – Definition	Agency AP Processor: agency role responsible for entering invoices, voucher corrections and issuing and maintaining disbursements in Florida PALM Financial Gateway: a component of the Cash Management module leveraged by other modules for payment processing functionality Florida PALM: system used to process and manage payments for the State of Florida	
Process Step ID	Process Step Title	Description of Process
1	Eligible Vouchers Ready for Payments	All approved disbursements (vouchers) are loaded for payment scheduling based on the payment terms defaulted on the voucher from the supplier record or updated on the voucher.
2	Suppliers Ready for Prenote Validation	Supplier records where the Automated Clearing House/Electronic Funds Transfer (ACH/EFT) Payment Method was added, or their Payment Method was updated to ACH/EFT are scheduled for prenote validation. <i>Below Figure 1 provides an example of the Payment Tab on the voucher page where payment-related information, such as Payment Method, Payment Reference and the Payment Inquiry link is displayed.</i>
3	Schedule Payment	Florida PALM selects vouchers for payment based on the payment terms and the criteria for the Pay Cycle, such as: Scheduled Payment Date and Payment Method (ACH/EFT, System Check (warrant), or Wire). Different Pay Cycles are configured to handle different payments. ACH/EFT, System Check (warrant), Wire, FRS, may have separate Pay Cycles.

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Process Step ID	Process Step Title	Description of Process
		The Scheduled Payments Report identifies vouchers that are scheduled for payment.
4	Run Pay Cycle Payment Selection	<p>This step initiates the Pay Cycle, determines the vouchers for payment based on the Payment Selection Criteria, and processes all scheduled vouchers for payment creation.</p> <p>All vouchers with a Payment Method set to Wire are sent through Voucher Audit Workflow for approval within the Enter and Process Vouchers business process. Suppliers must be approved by DFS Treasury to be eligible to receive wire payments.</p>
5	Run Cash Check	<p>The Cash Check process will run at the designated interval. Cash Check validates transactions to spendable cash and confirms use of valid ChartField strings. Spendable cash represents the remaining available fund cash balance reflected in the Cash Ledger.</p> <p>If the transaction exceeds the spendable cash balance, the transaction will fail. Transactions with errors stop at the Cash Checking stage and do not proceed until the error is corrected, adjusted, or cancelled.</p>
6	Manage Cash Checking Errors	<p>The Agency AP Processor can update the amount and/or ChartField strings, cancel the transaction to resolve the error, or contact the Agency KK Cash Maintainer for guidance.</p> <p>Please see 20.2.2 Manage Cash Checking and D66 - Chart of Account Design for more information regarding spendable cash balances. Transactions that fail cash check do not consume spendable cash. Cash Check errors continue to be systematically checked until they are resolved.</p>
7	Proceed with Valid Transaction	<p>When the transaction passes Cash Check with no exceptions, the transaction will proceed with its lifecycle.</p> <p>Spendable cash balance is reduced by the amount of the transaction upon passing Cash Check.</p>
8	Run Payment Creation Process	Supplier payments are generated in accordance with the prescribed payment format based on the Payment Method (ACH/EFT, System Check (Warrant), or Wire). Once payments are created, the Payment Reference is populated on the

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Process Step ID	Process Step Title	Description of Process
		<p>payment, which is viewable on the Payments tab of the voucher. The Payment Reference is a system generated number used to identify a specific payment in Florida PALM.</p> <p>Supplier payments are consolidated by Business Unit (BU) within a Pay Cycle, unless the Separate Payment Flag is selected on the supplier record or on the voucher.</p> <p>The Payment Method and Payment Reference can be found on the Payments tab of the voucher online in Florida PALM. The Payment Status, Reconciliation Status and Reconciliation Date can be found by clicking on the Payment Inquiry link on the Payments tab. Payment Status values are Paid and Void. Reconciliation Status values are Reconciled and Unreconciled which indicate if payment has been paid by the bank.</p> <p>After payments are created, the remaining steps happen within Florida PALM simultaneously.</p> <p>If the Payment Method is System Check, then the Positive Pay File and Warrant Print Extract are created within 30.4.2 Process Warrant Payments Business Subprocess.</p> <p><i>Below Figure 1 provides an example of the Payment Tab on the voucher page where payment-related information, such as Payment Method, Payment Reference, and the Payment Inquiry link, is displayed.</i></p> <p><i>Below Figure 2 provides an example of the Payment Inquiry page where the Payment Status, The Reconciliation Status and the Reconcile Date are displayed.</i></p>
9	Remittance Advice Email	Suppliers that have a valid email address in their supplier record receive an emailed Remittance Advice. The Remittance Advice for each Pay Cycle can also be accessed within the Report Manager for a limited period of time, which can then be printed and mailed to the supplier, as needed. The Remittance Advice for each Pay Cycle will also be placed on the file server for access by each agency, as needed.

Process Step ID	Process Step Title	Description of Process
		<i>Below Figure 3 provides an example of the Remittance Advice that is generated during Pay Cycle.</i>
10	Payment Post	<p>Payment Post creates accounting entries from payment-related transactions, such as Manual payments, System Checks (warrants), ACH/EFT payments, Wire payments, and cancelled payments. These accounting entries are stored in the General Ledger.</p> <p>Multiple payment-related reports are available within Florida PALM to assist users in managing the payment process.</p> <p>The Journal Generator (JGEN) process runs following Payment Post to process posted accounting entry data from the Florida PALM source modules, summarizes the data, and creates journals in the General Ledger. The Journal Generator process will edit, budget check and post the journal entries created during the process. Please see 10.2, Enter and Process Journals for more information on source module journal entries.</p> <p>Following Payment Post, automatic bank reconciliation is initiated within the 70.2 Manage and Reconcile Bank Statements Business Process.</p>
11	Outbound Voucher and Payment Extract (API031)	The Outbound Voucher and Payment Extract interface is a flat file that provides voucher and payment detail information to FFMIS and agency business systems, as well as internally and externally managed transparency websites and source data systems, including State of Florida Transparency Portal, and Vendor Payment History.
12	Outbound ACH/EFT CTX (CMI002)	The outbound interface files are generated in Florida PALM and sent to the bank by Financial Gateway. This file contains detailed ACH/EFT information, including prenote validation records in the CTX format.
13	Outbound ACH/EFT CCD+ (CMI016)	The outbound interface files are generated in Florida PALM and sent to the bank by Financial Gateway. This file contains detailed ACH/EFT information, including prenote validation records, in the CCD+ format.
14	Process ACH/EFT Files	The bank receives the ACH/EFT files, processes them, and sends an acknowledgement and return payment file to Florida PALM using the Financial

Process Step ID	Process Step Title	Description of Process
		Gateway within the 30.5 Manage Payments Business Process.

[Favorites](#) | [Main Menu](#) | [My Homepage](#) | [Regular Entry](#) | [Home](#) | [Sign Out](#)

FloridaPALM | [Vouchers](#) | | [Advanced Search](#) | [Last Search Results](#) | [Add To](#) | [Notification](#) | [NavBar](#)

[Summary](#) | [Related Documents](#) | [Invoice Information](#) | **[Payments](#)** | [Voucher Attributes](#) | [Error Summary](#)

Business Unit 37000 | Invoice No 0002 | Invoice Date 05/15/2023 | Action | [Run](#)

Voucher ID 00000002 | Voucher Style Regular Voucher | Total Amount 2,500.000 | *Pay Terms 0 | Due Now | [Schedule Payments](#)

Supplier Name Joannes Bakery

Payment Information | [Find](#) | [View All](#) | First | 1 of 1 | Last

Payment 1
 *Remit to 0000000002 | Gross Amount 2,500.000 USD | Scheduled Due 05/15/2023
 Location MAIN EFT | Discount 0.000 USD | Net Due 05/15/2023
 *Address 1 | Accounting Date 05/18/2023

Joannes Bakery
 1234 Main Street
 Tallahassee, FL 32301

Payment Options

*Bank CHASE | Pay Group | *Netting Not Applicable | Supplier Bank Messages Layout
 *Account 3136 | *Handling Regular Payment | L/C ID | ☐ Hold Payment
 *Method ACH | Hold Reason | ☐ Separate Payment
 Message | [Actions](#)

Message will appear on remittance advice.

Schedule Payment

*Action Schedule Payment | Payment Date 05/18/2023
 Pay | Reference 0000000001

[Payment Inquiry](#)

☐ Discount Denied
 Express Payment
 Payment Note(0)
 Holiday/Currency

Figure 1: Payments Tab on Voucher

Payment Inquiry Result | | [1-1 of 1](#) | [View All](#)

[Payment Details](#) | [Additional Info](#) | [Supplier Details](#) | [Financial Gateway](#)

Actions	Source	Payment Reference ID	Payment Method	Amount	Currency	Creation Date	Payment Date	Payment Status	Reconciliation Status	Reconcile Date
Actions	VCHR	0000000001	Automated Clearing House	4,500.000	USD	05/18/2023	05/18/2023	Paid	Unreconciled	

Figure 2: Payment Inquiry on Voucher

STATE OF FLORIDA DEPARTMENT OF FINANCIAL SERVICES PAYMENT ADVICE					
Business Unit	Supplier Name	Payment Handling Code	Payment Handling Description	Warrant Number	Warrant Date
Dept Of Financial Services	SUPPLIER ONE	00	DFS - DISBURSEMENTS	009060	9/27/2023
Voucher ID	Invoice ID	Invoice Date	Payment Date	Payment Amount	Payment Message
00000001	INV1	9/26/2023	9/27/2023	100.00	PLEASE DIRECT QUESTIONS TO: (850) 413-2118 DFS DISBURSEMENTS
00000002	INV2	9/26/2023	9/27/2023	150.00	
00000003	INV3	9/26/2023	9/27/2023	200.00	PLEASE DIRECT QUESTIONS TO: (850) 413-2118 DFS DISBURSEMENTS
Warrant Number	Warrant Date	Total Payment Amount			
009060	9/27/2023	450.00			

Figure 3: Sample Remittance Advice

30.4.2 – Process Warrant Payments

Table 2: Process Warrant Payments

30.4.2 – Process Warrant Payments		
Module	Accounts Payable	
Related Module(s)	Cash Management	
Swim Lanes – Definition	<p>DFS Payment Viewer: enterprise role responsible for managing and reconciling disbursements of warrant payments across all agencies</p> <p>Financial Gateway: a component of the Cash Management module leveraged by other modules for payment processing functionality</p> <p>Florida PALM: system used to process and manage payments for the State of Florida</p>	
Process Step ID	Process Step Title	Description of Process
1	Generate Warrant Payment Files	<p>After Payment Creation, Florida PALM generates the warrant files for all vouchers where System Check Payment Method was selected. Suppliers are paid by warrant if the prenote validation is not complete or if an electronic payment has been returned by the bank.</p> <p><i>Below Figure 1 provides an example of the Payment Tab on the voucher page where payment-related information, such as Payment Method, Payment Reference, and the Payment Inquiry link, is displayed.</i></p>
2	Outbound Warrant Print Extract (API007)	The Outbound Warrant Print Extract is generated by Florida PALM to be saved in the appropriate location on the DFS Transmittal server for access by authorized users.
3	Print Warrants	The authorized print user has access to the Warrant Print Extract on the specified server location and sends the print ready file to print the warrants. The DFS Payment Viewer sorts the warrants for distribution.
4	Receive/Sort/Distribute Warrants	<p>After all warrants have been printed, they are sorted by BU and Payment Handling Code, and mailed to suppliers or distributed to agencies.</p> <p>The Warrant Printing Report is used by the DFS Payment Viewer to reconcile the count of warrants actually produced in each Pay Cycle against the count of warrants in the Warrant Print Extract. The Warrant Printing Report is also used to assist with the distribution of warrants to each agency. Agency personnel reviews the BU specific page of the report to make sure the count of warrants listed on the report matches the actual count of warrants received and signs the report as confirmation.</p>
5	Outbound Positive Pay File (API005)	The Positive Pay File identifies all warrants issued within the Pay Cycle and is sent to the bank using Financial Gateway. The Positive Pay File is an input

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Process Step ID	Process Step Title	Description of Process
		for the bank reconciliation, and is a control used by the bank to validate the warrants when presented to the bank.
6	Process Positive Pay File	The bank receives the Positive Pay File and uses it to match the warrants issued with those presented to the bank to be deposited or cashed. The bank compares the information it has on file with each warrant presented, and any warrant considered to be potentially fraudulent is provided to DFS for examination.

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Accounting Events

Accounting events originate during transaction processing in the applicable source module. The accounting events impact the source module, Commitment Control ledgers, and the General ledger (Actuals).

- Source Module accounting entries require user input (U) of the primary line (i.e., expenditure, revenues) with an automated system (S) offsetting line (i.e., payable, receivable) during transaction entry. The source model transaction must pass Edit Check, Budget Check, and Cash Check (on applicable entries) prior to posting the transaction.
- The Run Budget Check (Commitment Control) process automatically affects balances in the appropriate budget ledger (i.e., appropriation, spendable cash) if the transaction passes the budget check process.
- After the transaction is posted in the source module, an automated system process summarizes and posts the entries in the General Ledger module to the Actuals Ledger.

The table below provides the most common accounting events applicable to this business process.

Table 3: Accounting Events Included on Business Process Flow Diagrams

Acct Event ID	Accounting Event	Source Module Accounting Entry	Commitment Control Ledger(s) Impact	General Ledger (Actuals) Entry
AP03	Payment Issuance	Debit: Accounts Payable (U) Credit: Agency Fund Cash (S)	Reduces spendable cash balance	Debit: Accounts Payable Credit: Agency Fund Cash

Key Reports

Key Reports are displayed as icons with the Report Number on the Business Process Flow Diagrams. The table below provides the reports identified to be produced at a particular process step or is used to support the completion of a process step.

Table 4: Key Reports Included on Business Process Flow Diagrams

Report Number	Report RICEFW ID	Report Description	Report Source	Report Frequency	Audience
R1	APR007	Scheduled Payments Report – a listing of vouchers scheduled for payment	PeopleSoft	Periodic, Daily, Monthly	Agency, DFS
R2	KKR058	Budget and Cash Checking Exceptions Report – a listing of budget and cash check exceptions along with balances, vouchers with errors and budget exceptions, and vouchers where an override was applied	PeopleSoft	Periodic	Agency, DFS
R3	APR001	Prompt Payment Compliance Report – a report that measure the time elapsed between the receipt of invoice, receipt of goods and services, approval of goods and services and payment date, by Business Unit.	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R4	APR006	Supplier Payments Report – a report that summarizes payments by supplier and other key data elements	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R5	APR021	Payment Register Report – a listing of electronic, warrant or manual (recorded) payments made as part of the Pay Cycle	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R6	APR027	Payment Summary – a report used to compute the number and dollar amount of payments made by warrant and/or ACH run by day, per month, or other user-defined time-period	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R7	APR032	Payment Detail Report – a listing of payment details and statuses for all payments, electronic and warrant.	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R8	APR034	Payment Discounts and Discounts Lost Report – a listing of discounts received for payments made in compliance with supplier	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS

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Report Number	Report RICEFW ID	Report Description	Report Source	Report Frequency	Audience
		payment terms and payments made that were not in accordance with supplier payment terms.			
R9	APR049	Project and Contract Expense Summary Report – project and contract payment information by month, quarter, fiscal and calendar year, inception date, or time period	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R10	APR052	Unencumbered Disbursements Report – a listing of payments made that are not associated with an encumbrance	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R11	APR053	Encumbered Disbursements Report – a listing of payments made that are associated with an encumbrance	Data Warehouse	Periodic, Daily, Monthly	Agency, DFS
R12	APR098	Post Audit Sampling Report – a listing of payments subject to post audit sampling	Data Warehouse	Periodic, Daily	Agency, DFS
R13	APR033	Warrant Printing Report – a listing of warrants printed for distribution	PeopleSoft	Periodic, Daily	DFS

Note: A complete list of reports may be found in the [Reports Catalog](#)².

Conversions

The table below identifies the Conversions related to this Business Process. These items are not included within the Business Flow Diagrams; however, these items are important elements of each Business Process.

Table 5: Data Converted from External System to Florida PALM

Conversion Number	Conversion Description	Source
N/A		

Note: A complete list of conversions may be found in the [Conversions Catalog](#)³.

² <https://app.smartsheet.com/b/publish?EQBCT=a8d51896f0144ef6a87314b3c7824ba5>

³ <https://app.smartsheet.com/b/publish?EQBCT=78f9327c658040d0bc1e8cc829e51efa>

Interfaces

The table below provides the Interface IDs for each interface identified on the Business Process Flow Diagrams.

Table 6: Interfaces Included on Business Process Flow Diagrams

Interface Number	Interface Description	Interface Frequency	Source	Target
API005	Outbound Positive Pay File – outbound interface containing detailed warrant information to the bank to facilitate warrant clearance	Daily	Florida PALM	JPM Chase
API007	Outbound Warrant Print Extract – outbound interface containing print ready warrants for printing warrants via the external printer application system	Daily	Florida PALM	DFS Transmittal Server
API031	Outbound Voucher and Payment Extract – outbound interface containing voucher accounting and payment information to source systems, transparency sites and Vendor Payment History	Daily	Florida PALM	Agency Business Systems, Transparency Sites, Vendor History
CMI002	Outbound ACH/EFT CTX – outbound interface containing detailed ACH/EFT information sent to the bank in the CTX format	Daily	Florida PALM	JPM Chase
CMI016	Outbound ACH/EFT CCD+ - outbound interface containing detailed ACH/EFT information sent to the bank in the CCD+ format	Daily	Florida PALM	JPM Chase

Note: A complete list of interfaces may be found in the [Interface Catalog](#)⁴.

⁴ <https://app.smartsheet.com/b/publish?EQBCT=78f9327c658040d0bc1e8cc829e51efa>

Forms

The table below provides the Form Numbers for any forms identified on the Business Process Flow Diagrams.

Table 7: Forms Included on Business Process Flow Diagrams

Form Number	Form Description	Audience
N/A		

Workflows

The table below provides the Workflow Numbers for any workflows identified on the Business Process Flow Diagrams.

Table 8: Workflows Included on Business Process Flow Diagrams

Workflow Number	Workflow Description	Audience
N/A		

Agency Configurations

The table below identifies the Agency Configurations related to this Business Process. These items are not included within the Business Flow Diagrams; however, these items are important elements of each Business Process.

Table 9: Configurations Defined and/or Maintained by Agencies

Configuration Number	Configuration Description	Configuration Maintainer
N/A		

Appendix

• Appendix A – Budget Period and Budget Date

○ Budget Period

- Represents the State of Florida's fiscal year (FY) that runs from July 1 through June 30, (i.e., appropriations year).
- Four-digit value that is the last year of the designated fiscal year, (i.e., FY 23/24 will be budget period 2024).
- Will remain open to enable Carry Forward, Fixed Capital Outlay and Continuing Appropriations transactions to process using prior years' appropriations.
- The budget period field is in the Commitment Control Module.
- Used only on budget journal transactions (i.e., appropriations load, agency allotment budget journals, Enterprise manual budget adjustments).

○ Budget Date

- Represents a calendar date field on module transactions.
- Budget date will default to the current date when a new transaction is created in Florida PALM.
- Agencies using current fiscal year appropriations, the budget date does not need to be changed, as it defaults to the current date.
- Agencies using Fixed Capital Outlay and/or Continuing Appropriations, the budget date should be changed to 06/30/XXXX, where XXXX is the budget period (i.e., 06/30/2022 = budget period 2022 = FY 21/22).
- Based on the budget date entered, budget checking functionality checks the transaction against the appropriate budget period (i.e., FY).

Example of Budget Date field on Voucher line:

Agencies using Fixed Capital Outlay and/or Continuing Appropriations, the budget date should be 06/30/XXXX, where XXXX is the budget period (i.e., 06/30/2022 = budget period 2022 = FY 21/22).

Budget Period

Represents the fiscal year (FY) that runs from July 1 through June 30, i.e., appropriations year.

Four-digit value that is the last year of the designated fiscal year, i.e., FY 23/24 will be budget period 2024.

	From Date	To Date
2020	7/1/2019	6/30/2020
2021	7/1/2020	6/30/2021
2022	7/1/2021	6/30/2022
2023	7/1/2022	6/30/2023
2024	7/1/2023	6/30/2024

Based on the Budget Date entered, budget checking functionality checks the transaction against the appropriate Budget Period (i.e., FY).

Budget Date

Agencies using current fiscal year appropriations, the budget date does not need to be changed, as it defaults to the current date.

Figure 4: Budget Period and Budget Date

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