

10.4 Close General Ledger and Consolidate Results

This document is a draft and is subject to change

Revision History

Version	Date	Revision Notes
1.0	07/30/2019	Accepted Version
2.0	04/29/2021	Accepted Departmental Version
2.1	01/24/2022	Updates per Financials Wave Module Workgroup Sessions

Table of Contents

General Information	4
Dependencies and Constraints	4
Business Process Overview	5
Business Process Flow Details	6
10.4 – Close General Ledger and Consolidate Results	6
Ledger Impacts	11
Key Reports	11
Conversions	12
Interfaces	12
Forms	13
Workflows	13
Agency Configurations	13
Terminology	14

General Information

This document describes and depicts the process steps and supporting information for the identified State of Florida financial management business process. This information should be read in conjunction with the Business Process Flow Diagrams.

The Dependencies and Constraints section describes 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).

The Business Process Overview section summarizes the business process and provides context for understanding the objectives and desired outcomes of the described business process.

Within the Business Process Flow Details section, included for each process step are:

- **Process Step ID** – A unique number assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Process Step Title** – A short description assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Description of Process** – A detailed narrative description of the process step, which provides additional information and context for understanding the process step

Florida PALM screenshots are included within the sections following the Business Process Flow Diagrams to allow connections to be made from specific business subprocess steps to screens within Florida PALM.

Also described below are the Ledger Impacts, Interfaces and Key Reports, which are displayed as icons on the Business Process Flow Diagrams. Ledger Impacts describe where there is an update to one of the ledgers used to track activity for accounting, budget management, or financial reporting purposes. Key Reports describe where a report is identified to be produced at a particular process step or is used to support the completion of a process step. Interface IDs are provided for each interface identified on the Business Process Flow Diagrams.

Tables are included to identify the Conversions, Forms, Workflows, and Stakeholder Configurations related to this Business Process. These items may not be included within the Business Flow Diagrams; however, these items are important elements of each Business Process as a whole.

Finally, included in the Terminology section are definitions of terms to help the reader to better understand the document. These are terms that are used within this document that may be new or that require a description for common understanding.

Dependencies and Constraints

- The Chief Financial Officer (CFO) is responsible for maintaining accurate financial data on behalf of the State of Florida.
- The Department of Financial Services (DFS) publishes fiscal year (FY) end closing memorandums that provide instructions, guidance, and deadlines
- The DFS State Expenditure Guide provides agencies guidance on classifying the obligations the state has incurred

- The DFS Statewide Financial Statements Guidance provides agencies additional guidance on accounting policies related to performing close.
- The Government Accounting Standards Board establishes accounting and financial reporting standards for U.S. state and local governments that follow the Generally Accepted Accounting Principles (GAAP).
- Component units are required to file all financial information and any supporting documentation with the parent agency for reporting purposes.
- The CFO must prepare and furnish the annual financial statements to the Auditor General (AG) by December 21.
- The CFO must prepare and publish the ACFR, in accordance with GAAP, by February 28.

Business Process Overview

The Close General Ledger and Consolidate Results business process is within the Account Management and Financial Reporting (AMFR) business process grouping. AMFR includes a collection of business processes that:

- establish the statewide accounting framework and provide for agency-specific accounting and reporting needs;
- update to the general ledger and maintain the integrity of the financial activities; and
- perform month-end and year-end closing and reporting activities.

This business process addresses the execution of the year end close process and data preparation to assist in the generation of the Annual Comprehensive Financial Report (ACFR). DFS manages and communicates the closing process to agencies. State agencies are required to follow the outlined closing schedule and perform the month end closing process for the month of June.

The June closing process gives state agencies a chance to make corrections in the source module prior to the source module close. DFS coordinates with agencies to address additional adjustments needed for general ledger (GL) balances being closed for the prior FY. Financial results are consolidated after closing and then adjusted as needed within Florida PALM, which include material adjustments, Component Unit financial statements, and additional agency year-end adjustments (e.g. key financial information that supports the notes to the financial statements may also be maintained in the system). Year-end GL adjusting entries are made within the GL adjustment period called 998. Period 998 is monitored and controlled by DFS. GL Journals must be approved prior to posting within the adjustment period. DFS continues to review and reconcile fund balances until balances are ready to be reported fairly.

The Auditor General performs the Statewide Financial Statement Audit and the Federal Awards Audit to identify audit adjustments required to ensure financial balances are reported fairly. The agencies and DFS review the Auditor General's audit adjustments to determine the applicability of identified audit adjustments to be posted to the GL. After audit adjustments have been addressed, DFS generates preliminary close reports, produce the final ACFR data to be used by their business system to produce the official ACFR, and initiates the closing of the GL adjustment period. Closing of the GL adjustment period will update balances based on the closing rules and roll forward specific accounts to Period 999 to establish the beginning balances for the next fiscal year.

Business Process Flow Details

The table below describes steps in the business subprocess as reflected on the Process Flow diagrams. The table also reflects information associated with each step describing the intent of the specific process.

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 enterprise-based, and in some cases, are representative of an external party 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.

10.4 – Close General Ledger and Consolidate Results

Table 1: Close General Ledger and Consolidate Results

10.4 – Close General Ledger and Consolidate Results		
Module	General Ledger	
Related Module(s)		
Swim Lanes – Definition	Agency GL Financial Statement Processor: Role responsible for performing GL year end close activities within an Agency Auditor General: Role responsible for performing audits DFS GL Financial Statement Processor: Role responsible for year-end close activities on an Enterprise level DFS GL Close Processor: Role responsible for opening and closing periods within Florida PALM EOG/OPB: Role responsible for receiving Florida PALM year end and closing reports as appropriate	
Process Step ID	Process Step Title	Description of Process
1	Create Closing Schedule	Close activities associated with month end and year end close are scheduled and communicated appropriately to track completion of tasks and manage dependencies. Agencies are notified of the year end closing schedule and the expectations of the closing process before the closing period starts. Agencies are expected to continue the monthly process of proactively monitoring and performing reconciliations as outline in Business Process Model 10.3.1 Perform Month End Close until the end of the fiscal year. During the final month of the fiscal year, agencies will conduct the year end close activities outlined in the closing directives.
2	Create or Update Closing Rules	The DFS GL Close Processor reviews, manages, and monitors the closing rules as appropriate for a successful close of the FY. Closing rules are modified on an as needed basis and are discussed prior to implementing.

Process Step ID	Process Step Title	Description of Process
3	Close General Ledger Period for Prior Fiscal Year	Based on the established close schedule, the DFS GL Close Processor will initiate the close of source modules and the GL for the prior year.
4	Execute Year-End Close Process	To close the prior fiscal year, the Close Request page is used to close revenue and expense accounts to fund balance and roll forward beginning balances to the accounting period 999 for the new year based upon the configured closing rules. If the execute close process is not run, balances are not updated to include the prior year results.
5	Generate Year-End Close Reports	Once the year end close process has been executed, the update trial balance and agency balance sheet reports are available to be reviewed.
6	Coordinate Review of Year-End Close Reports	The DFS GL Close Processor coordinates the review and analysis of the closing reports with the appropriate enterprise section. The reports are analyzed and validated to confirm that the balances reflect expected outcomes.
7	Run Undo Process	If problems are identified within the closing reports, the Close Undo process runs to reverse all closing actions taken by the system and return Florida PALM balances back to the previous state prior to executing close.
8	Notify of Options for Corrections	To correct the issues, the DFS GL Close Processor notifies the appropriate enterprise section that corrections can be processed. DFS may reach out to agencies to verify the reason for the required correction and provide a recommended solution to the agency. If the agency does not agree with the solution, the agency can provide a solution to resolve the issue. DFS ultimately prepares and enters all corrections that are necessary.
9	Receive Annual Agency Closing Reports	If there are no issues identified from the closing process or once all issues have been corrected, the designated Annual Agency Closing Reports are transmitted to the Executive Office of the Governor/Office of Policy and Budget (EOG/OPB) for review and use including the Trial Balance Report, Agency Balance Sheet Report, the Interunit Journal Entry Report, Interunit Transaction Reconciliation Report and the Inconsistent Transfer Report.
10	Outbound Disbursement Load	EOG/OPB receives an interface file containing all disbursements issued by Florida PALM. This file is used at the discretion of EOG/OPB for further analysis or budget purposes.
11	Outbound Actuals Extract	If no issues are identified with closing process, the Outbound Actuals Extract is transmitted to the Auditor General containing year end GL balances for audit.
12	Perform Transactional Audit	The Auditor General performs a transactional audit using the year-end balance data provided by DFS.

This document is a draft and is subject to change

Process Step ID	Process Step Title	Description of Process
13	Identify Audit Adjustments	The Auditor General identifies any necessary audit adjustments to ensure balances are reported fairly and communicates those adjustments to the agency.
14	Review Year-End General Ledger Balances	<p>The DFS GL Financial Statement Processor begins the ACFR data analysis process by reviewing the year-end GL balances using the closing Trial Balance Report and other forms submitted by the agencies as a part of the annual closing process. Form submission is communicated to agencies via the closing directives from DFS. The DFS GL Financial Statement Processor recommends additional agency balance adjusting entries as needed to support the proper reporting of financial fund balances.</p> <p>If the DFS Financial Statement Processor can create, compile, and post additional year end accrual entries as necessary to balance using the GL Journal Process. After the entries have been input, the DFS GL Financial Statement Processor needs to analyze and review the reports again to verify the corrections were successful.</p>
15	Compile Year-End Accrual/ Adjusting Journal Entries	<p>The Agency GL Financial Statement Processor processes year end accrual and adjusting journal entries as needed within Florida PALM. The Agency Financial Statement Processor works with the Agency Reconciliation Processor from Business Process 10.3.1 to perform the year-end closing activities identified in the directive from DFS and based on the agency specific business.</p> <p>Accrual entries can reflect entries related to Component Units, Compensated Absences, audit adjustments, or other financial balance updates. The agency attaches all supporting documentation to the journal to be reviewed and approved by DFS before posting to the GL as outlined in Business Process in 10.2.1 Agency Enter and Approve Journals.</p>
16	Perform Review and Reconciliation	Once the adjustments have been posted to the GL, the DFS GL Financial Statement Processor reviews the Ledger Activity with Attributes Report and the updated Trial Balance to continue performing the reconciliation process and verify corrections impacted the balances appropriately. If the reconciliation is not balanced, additional review and adjustments are required to ensure the balances are reported correctly.
17	Weekly Adjustments Reports	EOG/OPB receives the Ledger Activity with Attributes Report by business unit.
18	Perform ACFR Audit	The Auditor General performs the annual audit of the financial statements using the unaudited data provided by the DFS

This document is a draft and is subject to change

Process Step ID	Process Step Title	Description of Process
		based upon the audit engagement letter provided. If the Auditor General does not have any suggested adjustments to the fund balances, then it is available for further refinement and publishing by DFS. If during the audit, the Auditor General suggests adjustments, the adjustments are provided to the Agency Financial Statement Processor and the DFS Financial Statement Processor.
19	Audit Adjustments	If audit adjustments are identified, the Auditor General provides the adjustment to the Agency Financial Statement Processor for review and response. The entry is also provided to DFS Financial Statement Processor for input.
20	Address Audit Adjustments	The Agency Financial Statement Processor reviews the suggested adjustment provided by the Auditor General. The agency reviews and responds to the suggest change as needed. If the agency accepts the change, the agency notifies the DFS Financial Statement Processor to process the GL journal entry as outlined in Business Process Model 10.2.4 Enterprise Create and Approve Journals. The agency also needs to provide follow up response to the Auditor General related to the adjustment.
21	Generate Preliminary Year-End Close Reports	Once the reconciliation has been completed, the preliminary agency year end close reports are generated and available to retrieved. The reports reflect the audited final fund balances.
22	Outbound ACFR Data	The audited financial balances are extracted and provided to DFS to create the ACFR.
23	Load ACFR Data	DFS receives the ACFR data from Florida PALM to load within the agency database. The data is reformatted to create and publish the ACFR.
24	Request Close General Ledger Adjustment Period	The DFS Financial Statement Processor notifies the DFS GL Close Processor that all adjustments to the GL adjustment period have been completed and the period is ready to be closed.
25	Outbound Unreserved Fund Balances File	EOG/OPB receives a final unreserved balance file from Florida PALM for all agencies.
26	Receive Final Audited Balance/Year-End Reports	EOG/OPB also receives the finalized copy of the Trial Balance, Agency Balance Sheet, InterUnit Transaction Reconciliation Report, and the Equity Comparison by Fund Report.

Run Control ID RequestLedgerClose Report Manager Process Monitor Run

Process Request Parameters 1 of 1 View All

Process Frequency

Once
 Always
 Don't Run

Request Number 1

*Close Request Type Close

Business Unit for Prompting

Closing Group

Fiscal Year

Ledger Group

Ledger

Check only, Do not process

Closing Date Option

BU Process Date
 As of Date

Specify

Selections

Selected Detail Values
 Detail - Selected Parents

Tree SetID Tree Level

Business Unit to Close

*Select Value

Save Notify Refresh Add Update/Display

Figure 1: Request Ledger Close Page

Ledger Impacts

Table 2: Ledger Impacts Included on Business Process Flow Diagrams

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Actuals Ledger - Expenditure Transaction Reclassification Or Actuals Ledger - Revenue Transaction Reclassification	Decrease expense in ChartField String 1 Increase expense in ChartField String 2 Or Decrease revenue in ChartField String 1 Increase revenue in ChartField String 2
LI2	Budget Ledger - Expenditure transaction Or Budget Ledger - Revenue transaction	Decrease available spending authority Increase expense Or Increase total estimated revenue Increase recognized and collected revenue
LI3	Cash Ledger - Expenditure transaction Or Cash Ledger - Revenue transaction	Decrease cash Increase expenses Or Increase cash Increase recognized and collected revenue

Key Reports

Table 3: Reports Included on Business Process Flow Diagrams

Report Number	Report Description	Report Frequency	Audience
R1	GLR099 - Trial Balance Report – Report that lists debit and credit activity by ChartField and date.	On demand	DFS, Agency, EOG
R2	GLR112 - Agency Balance Sheet Report – A report of the finalized agency balance sheet reflecting the balances of assets, liabilities and fund balance with any adjustments that were made during the close process.	On demand	DFS, Agency, EOG
R3	GLR102 - InterUnit Journal Entry Report – Report that lists all InterUnit journal entries for a designated period.	On demand	DFS, Agency, EOG
R4	GLR113 - Ledger Activity with Attributes Report – report detailing the entries that were created during the adjustment period	Annual	DFS, Agency, EOG
R5	GLR164 - Equity Comparison by Fund Report – Report	Annual	DFS, Agency, EOG

This document is a draft and is subject to change

Report Number	Report Description	Report Frequency	Audience
	comparing the beginning and ending balances of equity by fund		
R6	GLR116 - Interunit Transaction Reconciliation Report – Report that lists balances between InterUnit payments and InterUnit deposits to validate balances are equal by BU and relevant ChartFields.	On demand	DFS, Agency, EOG
R7	GLR016 - Inconsistent Transfer Report – A report that details InterUnit transactions containing transfer and non-transfer accounts. If this crosses fund or BU confirm if type is transfer, if not transfer type, it will be pulled into report.	On demand	DFS, Agency, EOG

Note: A complete list of reports may be found in the [Reports Catalog](#)¹.

Conversions

Table 4: Data Converted from External System to Florida PALM

Conversion Number	Conversion Description	Conversion Frequency	Source
N/A			

Note: A complete list of conversions may be found in the [Catalog of Conversion Offerings](#)². This is a protected publication that requires login. If your business or technical teams do not currently have access to the Smartsheet Florida PALM Dashboard, contact your Readiness Coordinator to request their access.

Interfaces

Table 5: Interfaces Included on Business Process Flow Diagrams

Interface Number	Interface Description	Interface Frequency	Source	Target
GLI009	Outbound Unreserved Balances File – Outbound interface to EOG/OPB containing Unreserved Balances for all agencies.	Periodic, Annual	Florida PALM	LAS/PBS

¹ <https://app.smartsheet.com/b/publish?EQBCT=a8d51896f0144ef6a87314b3c7824ba5>

² <https://app.smartsheet.com/dashboards/xW9gQgMRP6w5pfRGMQJh4wvP676gf2h4mf57hP1>

Interface Number	Interface Description	Interface Frequency	Source	Target
GLI071	Outbound Disbursement Load – Outbound interface to LAS/PBS containing all disbursements issued by Florida PALM.	Periodic, Annual	Florida PALM	LAS/PBS
GLI078	Outbound ACFR Data – Outbound interface that contains data from Florida PALM to designated DFS business system used to generate the ACFR reports.	Annual	Florida PALM	DFS A&A

Note: A complete list of interfaces may be found in the [Catalog of Interface Offerings](#)³. This is a protected publication that requires login. If your business or technical teams do not currently have access to the Smartsheet Florida PALM Dashboard, contact your Readiness Coordinator to request their access.

Forms

Table 6: Forms Included on Business Process Flow Diagrams

Form Number	Form Description	End User Role
N/A		

Workflows

Table 7: Workflows Included on Business Process Flow Diagrams

Workflow Number	Workflow Description	End User Role
N/A		

Agency Configurations

Table 8: Configurations Defined and/or Maintained by Agencies

Configuration Number	Configuration Description	Frequency
N/A		

³ <https://app.smartsheet.com/dashboards/xW9gQgMRP6w5pfRGMQJh4wvP676gf2h4mf57hP1>

Terminology

Adjustment Period – Period 998 is an accounting period created specifically for entering adjustment and closing entries.

Annual Report – report produced once a year for varying user needs, such as for statutory reporting requirements or federal reporting requirements.

Component Unit – legally separate organization for which the elected officials of the State are financially accountable (e.g., state universities, colleges, and water management districts) and for which the nature and significance of their relationship with the primary government is such that exclusion of these organizations from the primary government's financial statements would be misleading.

Annual Comprehensive Financial Report (ACFR) – annually audited report that presents the financial condition of the State at FY end and the results of operations during the FY, as well as other financial information.

Fiscal Year (FY) – any consecutive twelve-month period when an organization's annual financial records commence and conclude. The FY for the State of Florida begins on July 1 and ends the following June 30.

General Ledger (GL) – master set of accounts in which the State of Florida's financial transactions are recorded in detail or in summary form. This serves as a central repository for accounting data transferred from all sub-ledgers or process areas.

Ledger – permanent summary of amounts entered in supporting journals, which list individual transactions by date.

Parent Agency – state agency that has a significant relationship with a separate legal entity, is financially accountable for the entity, and has the responsibility of reporting the financial information of the entity.

Reports – formal records/statements of the financial activities and position of the State. Reports can be generated in many forms, such as Edit, On-Screen, Query, and Printed Reports for review.

Trial Balance – report of balances of the GL accounts.

Workflow – orchestrated and repeatable patterns of business activity enabled by the systematic organization of resources into processes with specific approvals that transform materials, provide services, or process transactional information.