

<b>Change Request Information</b> <i>(completed by PCR Requestor)</i>			
Requested by		Submitted By	
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Title	Florida PALM Functional Architect	Title	Application Development Lead
Requesting Department Name	Department of Financial Services	Date Requested	11/4/2022
PCR Need Description <i>(Include description of change, why it is needed, how it was discovered)</i>	<p><b>Background</b>                      This PCR formalizes the addition of the following enhancements into the CMS Wave functionality for Florida PALM.</p> <p><b>Enhancements</b></p> <ol style="list-style-type: none"> <li>INC30938093 - Custom Categorization Solution to classify and populate Florida PALM cash transactions into a new custom record to enable cash reporting and cash reconciliation - Option 1 (GLE009)</li> </ol> <p><u>Description:</u> As part of the Florida PALM month end close process, Division of Treasury ("Treasury") and Division of Accounting and Audit (A&amp;A) perform reviews of transaction data in Florida PALM to ensure transactions have completed their life cycle and accounting entries have been posted to the General Ledger. In addition, a process is run monthly to reconcile transactions between Florida PALM and Central FLAIR. Lastly, Florida PALM cash balances are also reconciled with Central FLAIR.</p> <p>Florida PALM cash transactions and balances are identified for various internal and external (statutory) reporting purposes, such as the Governor's Report. The Florida PALM Chart of Accounts structure and attribute classifications allow cash transactions to be identified appropriately for most reporting needs. However, certain cash transactions are not able to be classified at a level of granularity necessary to identify specific categorization. Examples of this are the Balance Summary Register (GLR150) report and the Outbound Treasury Balances (GLI068) interface.</p> <p>As a result, Treasury and A&amp;A requested an enhancement to establish a cash categorization solution that would allow cash transactions to be systematically assigned appropriate categories, thus providing a single source to support cash reporting, reconciliation needs and data extracts.</p> <p>The following provides additional details regarding the requested enhancements:</p> <ol style="list-style-type: none"> <li>A new custom program would be created to select "Cash in State Treasury" daily activity to systematically classify and tag cash data into the following categories:                             <ul style="list-style-type: none"> <li>State Fund Indicator                                     <ul style="list-style-type: none"> <li>General Revenue</li> <li>Trust Fund</li> <li>Budget Stabilization</li> <li>Treasurer's Fund</li> </ul> </li> <li>Transaction Type                                     <ul style="list-style-type: none"> <li>Verified Receipts (direct receipts)</li> <li>InterUnit Receipts (receipts by transfer)</li> <li>Verified Disbursements (direct disbursements)</li> <li>InterUnit Disbursements (disbursements by transfer)</li> </ul> </li> </ul> </li> <li>A new custom page will be provided to allow DFS to classify cash data that is not able to be systematically classified based on program business logic/rules.</li> </ol> <p><u>Business Benefit/ Justification:</u> Implementing the cash categorization solution enhancement will systematically classify cash transactions, enabling streamlined cash reconciliation and reporting activities. In addition, the cash classification solution will support timely month end close</p>		

	<p>processing, generation of accurate cash reports (e.g., Governor’s report) and completion of Florida PALM and Central FLAIR cash reconciliation.</p> <p><u>Implications of Not Making the Change:</u> Treasury and A&amp;A will continue to manually categorize, reconcile, and report cash balances by running various individual queries to identify the classification that is not directly identified. These manual activities may cause downstream delays in Florida PALM month end activity and statutory reporting.</p> <p>2. INC30712489 - Automate GLI010 and GLI047 process for Interest Apportionment (GLE010)</p> <p><u>Description:</u> The 70.7.2 Distribute Interest Apportionment business subprocess documents the monthly process for allocating investment earnings and fees to Trust Funds, GR, CAP, and SPIA participants. The daily balances for participants are maintained in the Florida PALM ledger. Based on the participant’s average daily balance, Treasury apportions investment earnings and administrative fees earned monthly. Once interest has been apportioned for a given month, the GLI010 Outbound Interest Apportionment interface and GLI047 Monthly Investment and Interest (IW) interface are run to provide interest earnings data to the appropriate legacy systems.</p> <p>Treasury currently runs the interest apportionment process and upon completion sends a service request email to the Florida PALM Solution Center requesting the Batch Scheduling team to execute both the GLI010 Outbound Interest Apportionment and GLI047 Monthly Investment and Interest interfaces.</p> <p>Treasury is requesting an enhancement to create a process that will allow the GLI010 Outbound Interest Apportionment and GLI047 Monthly Investment and Interest interfaces to be generated automatically once the interest apportionment process has been completed.</p> <p>The following provides additional details regarding the requested enhancements:</p> <ul style="list-style-type: none"> <li>• Create a page for Treasury to confirm the completion of the interest apportionment process for the respective month as the notification for Florida PALM to systematically execute the GLI010 and GLI047 interfaces.</li> <li>• Institute a history record to indicate the last run of the process and alert if it has previously been run during the current month.</li> <li>• Add security to the history record for query access.</li> <li>• Update security for the FLP_STATE_GL_JOURNAL_PROC role to grant access to the new page.</li> </ul> <p><u>Business Benefit/ Justification:</u> Implementing this change will eliminate the need for Treasury to send a service request email to the Solution Center each month requesting the execution of the GLI010 Outbound Interest Apportionment and GLI047 Monthly Investment and Interest interfaces. The job will be initiated automatically once the user clicks save on the Acknowledgement Page.</p> <p><u>Implications of Not Making the Change:</u> Treasury will continue to send a service request email to the Solution Center to have the Batch Scheduling team execute the GLI010 Outbound Interest Apportionment and GLI047 Monthly Investment and Interest interfaces.</p> <p>3. INC31039704 - Modify Semi-Manual Reconciliation page to include fields (e.g., Lockbox Payment ID, OPERID/USERID) to assist with reconciling transactions and mitigating SOD conflicts. (CME011)</p> <p><u>Description:</u> The 70.2 Manage and Reconcile Bank Statements business process supports the reconciliation of the concentration bank account, agency sub-accounts, and the bank account balances to General Ledger (GL) balances. Electronic bank statement files are loaded into Florida PALM on a daily basis via the Inbound Previous Day Bank Statement File (CMI003) interface. In addition, external cash transactions are loaded into Florida PALM on a daily basis via the Inbound External Transactions (CMI005) interface. Once the files are loaded, Florida PALM provides several capabilities to reconcile the bank transactions to the respective source system (i.e., AP / AR) transactions:</p>
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- **Automatic Reconciliation** – Systematically reconcile bank file transactions to source system transactions based on a configured set of reconciliation rules
- **Semi-Manual Reconciliation** – Manual reconciliation of bank file transactions to source system transactions where there is not a one-to-one match or there are automatic reconciliation exceptions
- **Manual Reconciliation** – Manual reconciliation of statements for banks that do not provide an electronic file of transactions

Bank statement and external transaction files are loaded and run through the Automatic Reconciliation process to allow Florida PALM to systematically reconcile the bank/cash transactions to source system transactions. Transactions that are not able to be automatically reconciled are flagged as exceptions, (e.g., Not Found in System (NTF)). Treasury researches and resolves the exceptions by semi-manually reconciling the matching transactions. The Semi-Manual Reconciliation page allows Treasury to view a list of unreconciled bank statement transactions (left side of the page) compared to a list of unreconciled system transactions (right side of the page) that failed to automatically reconcile.

Specific to reconciling deposit payments, the process for Treasury to identify the applicable bank transaction to semi-manually reconcile often requires research. The Semi-Manual Reconciliation page offers limited criteria to search for unreconciled transactions. In addition, key deposit information, such as Lockbox Payment ID (i.e., Reconciliation Reference ID), Agency Deposit Number and Deposit Type, is not viewable on the Semi-Manual Reconciliation page which assists in identifying the appropriate transactions to reconcile. As a result, Treasury must navigate to alternate deposit transaction pages and/or run queries to research and obtain the necessary information which ultimately slows down the reconciliation process.

Treasury requests an enhancement to modify the Semi-Manual Reconciliation page to: 1) include additional fields to minimize the reconciliation research efforts, and 2) add additional search by criteria to improve user experience in identifying and reviewing unreconciled deposit payments.

The following provides additional details regarding the requested enhancements:

- Display the Lockbox Payment ID, Agency Deposit Number, and Deposit Type fields on the Semi-Manual Reconciliation payment details subpage
- Add a new search page to allow users to search for unreconciled deposit payments by:
  - Lockbox Payment ID
  - Statement ID
  - Reconciliation Run ID
  - Reconciliation Cycle Number
  - Record Sequence Number

**Business Benefit/ Justification:** Implementing this enhancement will improve the efficiency of completing the Semi-Manual Reconciliation process, enabling Treasury to conduct subsequent downstream processing (i.e., Book to Bank Reconciliation, month end close and interest apportionment processing) in a timely manner.

**Implications of Not Making the Change:** Treasury would continue using existing search criteria to identify unreconciled transactions in conjunction with using the deposit page (and/or queries) to obtain the deposit information required to complete the Semi-Manual Reconciliation.

**Deliverables and Deliverable Acceptance Criteria**  
 No new deliverables are created for this PCR.

Business Benefit/Justification <i>(Provide the tangible/intangible value(s) that support the for the Project's goals)</i>	These enhancements were requested by the business areas and will improve the functionality of Florida PALM.		
Implications of Not Making the Change <i>(If we do nothing, what is our "Impact Prediction" to the project in terms of risk or issue)</i>	The business areas will not fully utilize Florida PALM and will find other methods to achieve the desired business outcomes.		
Project Goals <i>(Please choose all that apply)</i>	Goal		
	<input checked="" type="checkbox"/>	Reduce the State's risk exposure by harnessing modern financial management technology built on the premises of scalability, flexibility, and maintainability	
	<input type="checkbox"/>	Improve state and agency specific decision making by capturing a consistent and an expandable set of data	
	<input type="checkbox"/>	Improve the State's financial management capabilities to enable more accurate oversight of budget and cash demands today and in the future	
	<input checked="" type="checkbox"/>	Increase internal controls by enabling standardization and automation of business processes within and between DFS and agencies	
<b>Initial Review</b> <i>(completed by PMO Team)</i>			
PCR Title	CMS Enhancements – Part 4		
Initial Review Date	11/4/2022	PCR ID	92
<b>PCR Historical Information</b> <i>Please enter the following IDs from the Project SharePoint logs (when applicable)</i>			
Decision ID	Enter Decision ID	Decision Name	Enter Decision Name
Risk ID	Enter Risk ID	Risk Name	Enter Risk Name
Issue ID	Enter Issue ID	Issue Name	Enter Issue Name
<b>Impact Analysis</b> <i>(completed by Florida PALM Project team members)</i>			
PCR Analysis Resources	Name		Role
	Blake Goodwin		Financial Administrator
	Renee Hermeling		Assistant Director, A&A
	Jennifer Reeves		Reporting Architect
	Deana Metcalf		Functional Architect
	Stanton Beazley		Data Analyst
Kurt Meisner		Application Development Lead	
Tier Specification	<input checked="" type="radio"/> Tier 1 (Project Director Approval Required) <input type="radio"/> Tier 2 (ESC Approval Required)		
Scope	Changes that do not relate to additions or deletion of Business Requirements	Addition or deletion of Business Requirements	
Schedule	Changes not associated with Major Project Deliverables or Go/No-Go Decision due dates	Changes to Major Project Deliverables or Go/No-Go Decision due dates	
Cost	Changes within budgeted Spend Plan categories and no overall Project cost overrun	Results in request for funds from the Legislative Budget Committee (LBC)	
Alternatives to Making the Change <i>(Describe solution options to fulfilling the change request)</i>	Viable		
	<input type="radio"/> Yes <input checked="" type="radio"/> No		
	Risk Category	None identified	

