SEGMENT IV DESIGN WORKSHOP

SEPTEMBER 12, 2024

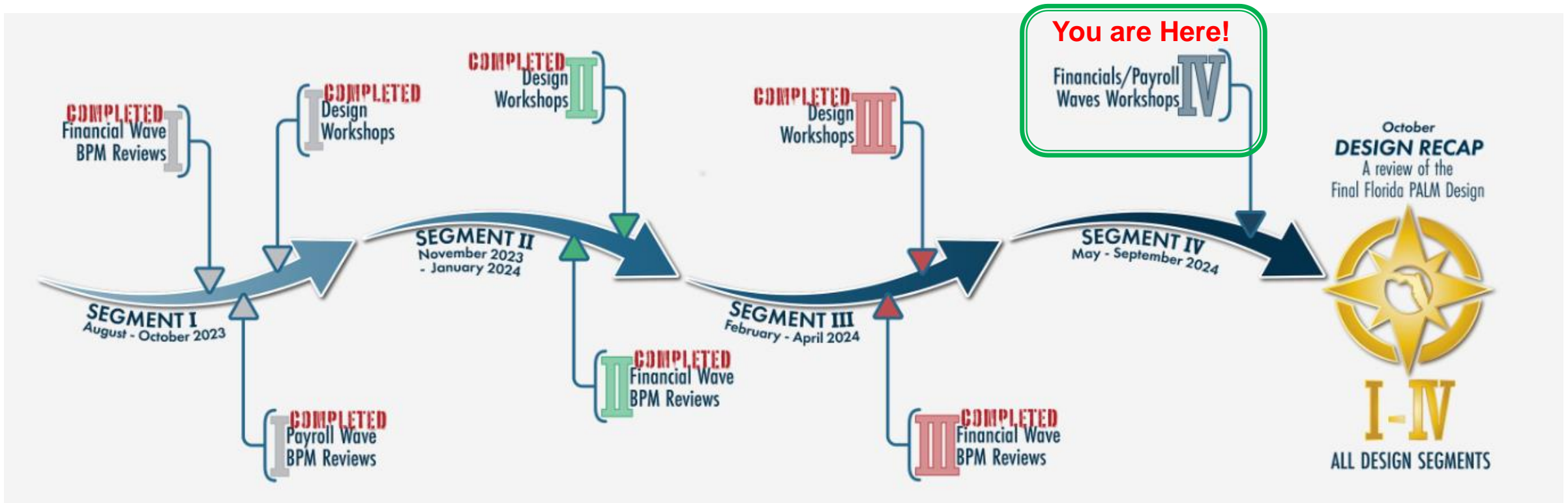# Solution Design Workshops
Agenda

▸ Welcome and Introductions

▸ Design Phase Overview

▸ General Ledger Review

▸ General Ledger Updates

▸ Financial Year End Processes

▸ Business Process Model

  ◦ 10.4 Close General Ledger and Consolidate Results

▸ Wrap Up

Design Phase Overview

You are Here!
Financials/Payroll Waves Workshops IV

COMPLETED Financial Wave BPM Reviews I
COMPLETED Design Workshops I
COMPLETED Design Workshops II
COMPLETED Design Workshops III

SEGMENT I
August – October 2023

SEGMENT II
November 2023 – January 2024

SEGMENT III
February – April 2024

SEGMENT IV
May – September 2024

October
DESIGN RECAP
A review of the Final Florida PALM Design

COMPLETED Payroll Wave BPM Reviews I
COMPLETED Financial Wave BPM Reviews II
COMPLETED Financial Wave BPM Reviews III

I-IV
ALL DESIGN SEGMENTS

PALMcast

For more information, listen to
Episode #11: The Design Phase

Florida PALM
Planning, Accounting, and Ledger Management

GENERAL LEDGER (GL) REVIEW

General Ledger Review

General Ledger Review
Quiz

Question # 1:
Florida PALM will have 35 independent General Ledgers

❑ True

❑ False

General Ledger Review
Quiz

Question # 1:

Florida PALM will have 35 independent General Ledgers

- ❑ True
- ✅ ❑ False

General Ledger Overview
General Ledger Review

▸ There is one General Ledger in Florida PALM

▸ The General Ledger serves as the master set of records in which the State of Florida's financial transactions are recorded in detail or in summary form

▸ It serves as a central repository for accounting data transferred from all source modules

▸ The General Ledger is the official book of record for the State of Florida and contains financial data for all State of Florida agencies and designated component units

General Ledger Review
Quiz

Question # 2:

Florida PALM has established the General Ledger and Module Closing Timelines/Dates for Financials Wave

❑ True

❑ False

General Ledger Review
Quiz

Question # 2:

Florida PALM has established the General Ledger and Module Closing Timelines/Dates for Financials Wave

❑ True

✅❑ False

General Ledger Overview
Closing Schedule

▸ DFS A&A will define the closing schedule for the operational accounting periods. Once the closing schedule is defined, it will be communicated to all agencies and enterprise partners

▸ The closing schedule for the Financials Wave **has not been established**

▸ Today's presentation will contain general timelines or timeframes **for illustration purposes only**

General Ledger Review
Quiz

Question # 3:

The systematic process which creates journal entries in GL from the accounting entries in source modules is known as:

❏ De-Generate

❏ Journal Generate

❏ Generation Gap

General Ledger Review
Quiz

Question # 3:

The systematic process which creates journal entries in GL from the accounting entries in source modules is known as:

❑ De-Generate

✅ ❑ Journal Generate

❑ Generation Gap

General Ledger Review
Quiz

Question # 4 :

The General Ledger holds which of the following ledgers?

❑ Actuals

❑ Cash Basis

❑ Financial Reporting

❑ All of the above

General Ledger Review
Quiz

Question # 4 :

The General Ledger holds which of the following ledgers?

❑ Actuals

❑ Cash Basis

❑ Financial Reporting

✓❑ All of the above

General Ledger Overview
General Ledger Review

Actuals Ledger
- Primary ledger and State's book of record for financial reporting
- Represents the table where all non-budgetary financial transactions are posted
- Contains summarized revenue, expense, asset, liability, and equity balances by ChartField string
- Does not contain budget or encumbrance data

Cash Ledger
- Contains cash impacting transactions from the Actuals Ledger
- Transactions are systematically posted to the Ledger
- Used to support cash basis reporting for agencies and enterprise partners

Financial Reporting Ledger
- Contains data from the Actuals Ledger
- Contains adjustments entered to affect financial data during the adjustment period
- Used for annual financial statement preparation
- Allows DFS Bureau of Financial Reporting to manage consolidated financial reporting entries

General Ledger Review
Quiz

Question # 5:

The Accounting Date determines the operational accounting period to which the transaction will be posted.

❑ True

❑ False

General Ledger Review
Quiz

Question # 5:

The Accounting Date determines the operational accounting period to which the transaction will be posted.

✔️ ☐ True

☐ False

General Ledger Overview
Accounting Date Concept

All transactions within Florida PALM contain an accounting date

Within the source module, the field is called accounting date. In the GL and Commitment Control modules, the journal date field is the accounting date

Accounting dates default to the current date and should only be changed if needed and based upon agency internal policy

The accounting date dictates which operational period a transaction is to be posted

General Ledger Review
Quiz

Question # 6:

The Adjustment Period in Florida PALM . . . .

❑ Represents a designated timeframe that is available to perform balance adjustments that should not be reflected in the current transactional period

❑ Only used by the General Ledger

❑ Enterprise controls the opening and close of this period

❑ All of the above

General Ledger Review
Quiz

Question # 6:

The Adjustment Period in Florida PALM . . . .

❑ Represents a designated timeframe that is available to perform balance adjustments that should not be reflected in the current transactional period

❑ Only used by the General Ledger

❑ Enterprise controls the opening and close of this period

✅ ❑ All of the above

General Ledger Overview
Adjustment Period

‣ **Adjustment Period (998)**

◦ The adjustment period represents a designated timeframe that is available to perform balance adjustments that should not be reflected in the current transactional period

◦ Only used by the General Ledger

◦ Enterprise controls the opening and close of this period

‣ **Adjustment Period (997)**

◦ Will be discussed today

General Ledger Review
Quiz

Question # 7:

The General Ledger can apply security to transactions based on journal source.

❏ True

❏ False

General Ledger Review
Quiz

Question # 7:

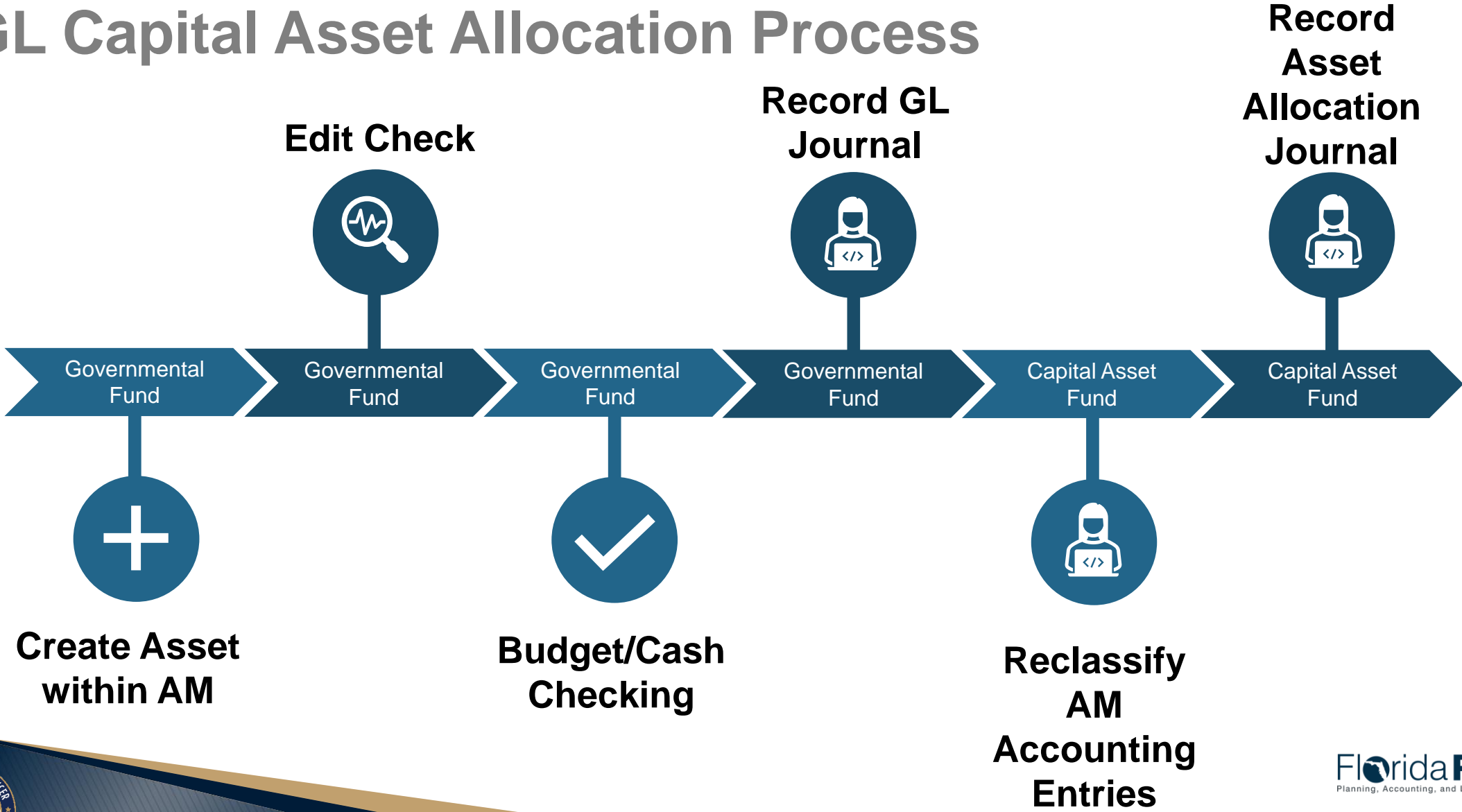**The General Ledger can apply security to transactions based on journal source.**

✅ ❏ True

❏ False
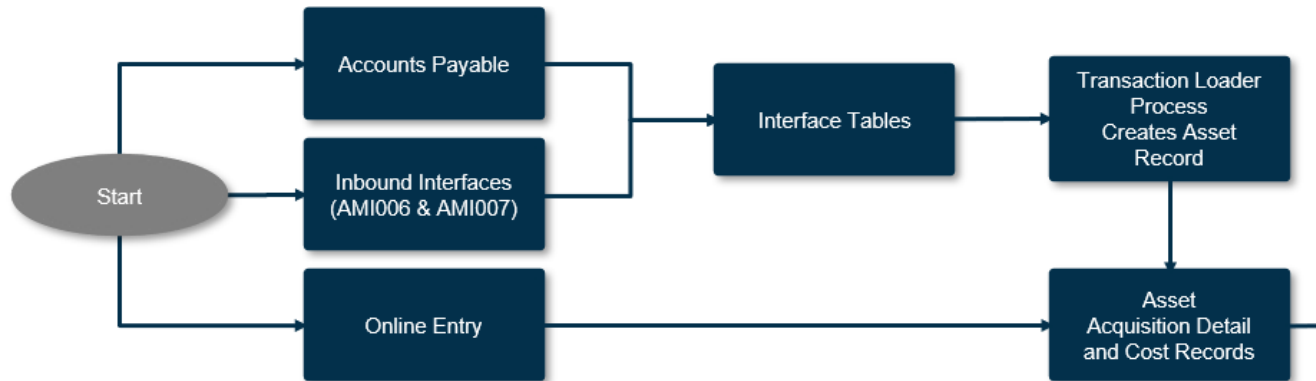
GENERAL LEDGER UPDATES

GL CAPITAL ASSET ALLOCATION PROCESS

# General Ledger Updates
GL Capital Asset Allocation Process

Edit Check

Record GL Journal

Record Asset Allocation Journal

| Governmental Fund | Governmental Fund | Governmental Fund | Governmental Fund | Capital Asset Fund | Capital Asset Fund |

Create Asset within AM

Budget/Cash Checking

Reclassify AM Accounting Entries

General Ledger Updates
GL Capital Asset Allocation Process

- Assets can be created in the asset module from either the:
  - Accounts payable source module
  - Inbound interfaces
  - Online entry
- Asset accounting transactions contain the original purchasing fund which will be recorded in the asset module
- Asset accounting and other details will need to be verified prior to creating the asset
- More information on asset creation is available in Business Process Model 40.1

General Ledger Updates
GL Capital Asset Allocation Process
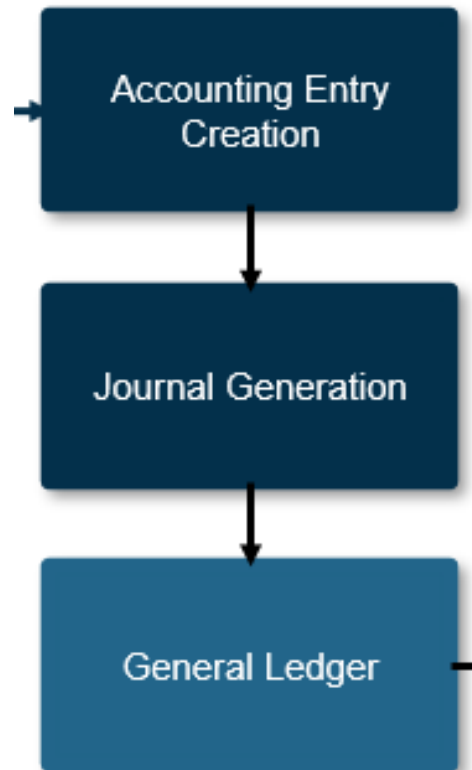
▸ Assets that are created in the AM module create accountings entries which will reflect the correct fund type (i.e., governmental, proprietary, or fiduciary)

▸ Qualifying asset accounting entries are summarized and posted to the GL with the original ChartField string

▸ Nightly, the GL Allocation process runs to reclassify the qualifying asset accounting transactions to the correct Capital Asset fund

Why do we need to reclassify transactions?

- Governmental Funds can only report current assets and liabilities. Assets and liabilities that span longer than a year must be reconciled and reported separately from the Governmental Fund

- Proprietary and Fiduciary funds can contain both current and long-term assets and liabilities

GL Capital Asset Allocation

Simplifies data entry, reduces errors, and improves transaction efficiency by systematically reclassifying qualifying capital asset transactions from the purchasing governmental fund to the ownership capital asset fund group

How will we reclassify the transactions?

- The GL Allocation runs and reclassifies transactions based on the governmental fund and capital asset fund relationships

- Agencies create and maintain the governmental fund to the Capital Asset fund relationship using the Government to Ownership fund page

General Ledger Updates
GL Capital Asset Allocation Process

Add a New Value   🔍 Find an Existing Value

*Business Unit [🔍]

[Add]

To add a new value, agencies will need to identify their business unit from the prompt list

Agencies will complete all the fields present on the screen and update the status to ensure the relationship is used appropriately by the allocation process

Govt To Ownership Fund Mapping

Business Unit   43000

Fund Mapping Values   1-5 of 5 | View All

*Effective Date	Status	Governmental Fund	Description	Ownership Fund	Description	
1/1/1901	Active	00090 🔍	DOE VOLUNTARY PRE-K GR	00120 🔍	DMS PURCHASING DIV GR	+ −
1/1/1901	Active	00092 🔍	DOE BD OF GOV GR	00121 🔍	DMS FAC GR	+ −
1/1/1901	Active	00095 🔍	DVA GR	00122 🔍	DMS MOTOR POOL DIV GR	+ −
1/1/1901	Active	00096 🔍	FDOT GR	00123 🔍	DMS COMS GR	+ −
1/1/1901	Active	00098 🔍	DCF GR	00127 🔍	DOR GEN TAX ADMIN GR	+ −

[Save] [Return to Search] [Previous in List] [Next in List] [Notify]   [Add] [Update/Display] [Include History] [Correct History]

General Ledger Updates
GL Capital Asset Allocation Process

▶ Key Controls:

- ◦ If a governmental fund is entered, the ownership (Capital Asset) fund must also be entered and vice versa
- ◦ Must contain an effective date
- ◦ Updates must contain a new effective dated row
- ◦ Must be a valid governmental fund
- ◦ A governmental fund can ONLY be mapped to ONE capital asset fund
- ◦ A capital asset fund can be mapped to many governmental funds

General Ledger Updates
GL Capital Asset Allocation Process

Below is an example of AM Governmental Fund transactions which posted to the General Ledger for the current period:

Journal ID	Journal Source	Journal Date	Business Unit	Account	Fund	Monetary Amount
ADD1170699	AM	7/05/2024	43000	107008	00015	1500.00
ADD1170699	AM	7/05/2024	43000	707502	00015	-1500.00
DEPR170700	AM	7/05/2024	43000	107009	00015	-12.50
DEPR170700	AM	7/05/2024	43000	707530	00015	12.50

General Ledger Updates
GL Capital Asset Allocation Process

- Journal Date = 07/05/2024
- Reversing original entries in the Governmental Fund - 00015

- Recording new entries in the Capital Asset Fund – CA001
- Subsystem Journal ID is stored on "Journal Line Reference"

Allocation Journal	Journal ID	Journal Date	Business Unit	Account	Fund	Monetary Amount	Journal Line Reference
Capital Asset Fund Entries	0001170701	07/05/2024	43000	107008	CA001	1500.00	ADD1170699
	0001170701	07/05/2024	43000	707502	CA001	-1500.00	ADD1170699
	0001170701	07/05/2024	43000	107009	CA001	-12.50	DEPR170700
	0001170701	07/05/2024	43000	707530	CA001	12.50	DEPR170700
Reversing Original Entries	0001170701	07/05/2024	43000	107008	00015	-1500.00	ADD1170699
	0001170701	07/05/2024	43000	707502	00015	1500.00	ADD1170699
	0001170701	07/05/2024	43000	107009	00015	12.50	DEPR170700
	0001170701	07/05/2024	43000	707530	00015	-12.50	DEPR170700

General Ledger Updates
GL Capital Asset Allocation Process

What should I do next?

▸ Agencies are responsible for reconciling and monitoring the governmental fund to the capital asset fund

▸ The following reports are available for agencies to use for reconciliation:

  ◦ Capital Asset Account Reconciliation Report

  ◦ Trial Balance

▸ Agencies are responsible for ensuring property is maintained within the AM module

▸ Agencies are responsible for maintaining the relationships between the governmental funds and the capital asset funds

General Ledger Updates
GL Capital Asset Allocation Process

Questions?
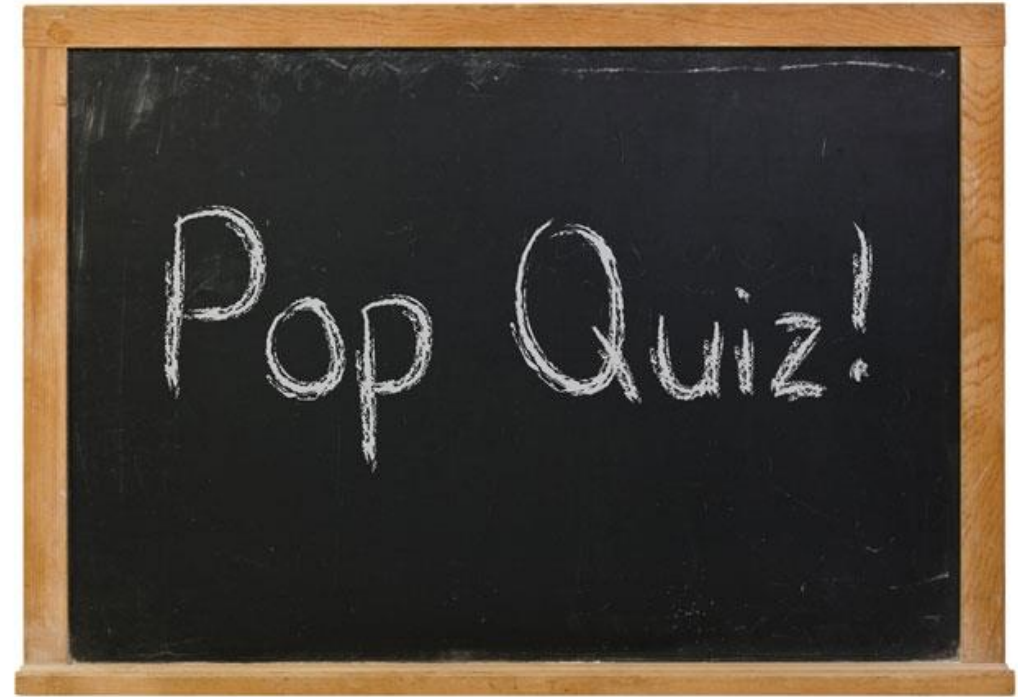
Pop Quiz!

▸ Can governmental funds record as   at have a life longer than a year?

No, Governmental Fun   rt current assets and liabilities.

▸ Accounting entries recorde   ill be recorded with the governmental (use) fund ?

Yes

▸ DFS creates and maintains t   Fund to Capital Asset Fund relationship?

No

GENERAL LEDGER UPDATES

LEDGER UPDATES

Actuals Ledger

Cash Basis

Financial Reporting

General Ledger

Actuals Ledger

Cash Basis

Financial Reporting

- ▶ Primary ledger and State's book of record for financial reporting
- ▶ Represents the table where all non-budgetary financial transactions are posted
- ▶ Contains summarized revenue, expense, asset, liability, and equity balances by ChartField string
- ▶ Does not contain budget or encumbrance data
- ▶ Agencies and DFS are primary users

Actuals Ledger

Cash Basis

Financial Reporting

- ▸ Contains both sides of cash impacting transactions from the Actuals Ledger
- ▸ Transactions are systematically posted to the Ledger and resulting journals do not require approval, edit check, or budget check
- ▸ Uses the same calendar and periods as the Actuals Ledger
- ▸ Used to support cash basis reporting for agencies and enterprise partners
- ▸ Contains data for all Florida PALM business units
- ▸ Does not impact the Actuals Ledger or Financial Reporting Ledger
- ▸ No manual entry to this ledger
- ▸ Agencies, DFS, and enterprise partners are primary users

Actuals Ledger

Cash Basis

Financial Reporting

- ▶ Contains data from all periods recorded in the Actuals Ledger
- ▶ Does not update the Actuals Ledger or Cash Basis Ledger
- ▶ Used by Enterprise (DFS) to prepare Annual Comprehensive Financial Report
- ▶ Data entered is not subject to edit check or budget checking
- ▶ Allows DFS Bureau of Financial Reporting to manage consolidated financial reporting entries
- ▶ DFS is only user

General Ledger Updates
Ledger Updates

Questions?

Pop Quiz!

Suzie from DOH is responsible for reconciling the County Health Department Trust Fund. Which ledger, in the GL, should she use to get information for her reconciliation?

a) Actuals and Cash Basis
b) Encumbrance, Allotments, and Appropriation
c) Actuals
d) None of the above

GENERAL LEDGER UPDATES

ACCOUNTING PERIOD UPDATES

General Ledger Updates
Accounting Period Updates

System Driven Accounting Period

Period 0 is the automated opening period for the new fiscal year.

Beginning balances for all real accounts are posted here to start the new fiscal year.

Period 999 represents the end of the fiscal year finalized balances. These balances are automatically updated during the closing process. The balances from all periods are summarized and closed into this period.

Operational Accounting Period

Periods 1 -12 represent one-month timeframes within the fiscal year.

For the State of Florida, our period 1 represents the month of July, period 2 represents the month of August, etc.

Adjustment Accounting Period

Period 998 is the adjustment period agencies will have to perform balance adjustments that should not be reflected in the current transactional period.

Period 997 is the adjustment period DFS will have to perform balance adjustments that should not be reflected in the current operational period or the agency's adjustment period 998.

General Ledger Updates
## Accounting Period Updates

Questions?

FINANCIAL YEAR END PROCESSES

Financial Year End Processes
ACFR Reporting Trees

- There will be trees configured to support the creation of the ACFR through Workiva

- These trees will provide roll ups for account values and fund values based on the needs of DFS/BFR

- The ACFR financial reporting account tree will contain accrual roll up values (6xxACR and 7xxACR) that are transactable for financial reporting use only and can only be used within the GL
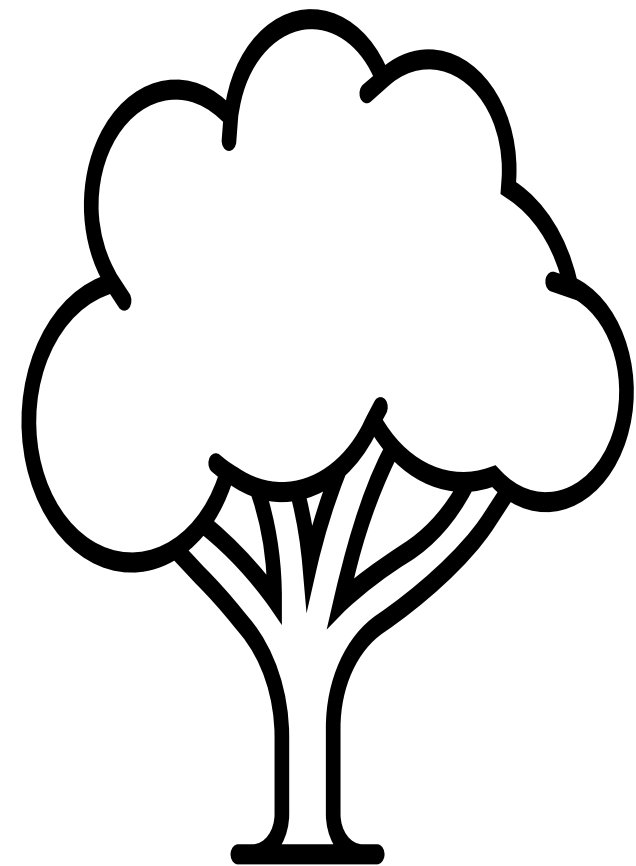
General Ledger Updates
ACFR Reporting Trees

Questions?

FINANCIAL YEAR END PROCESSES

FINANCIAL ADJUSTMENTS & OTHER YEAR END ENTRIES

Source Module Transactions

Fund Group Accounting Entries

Trust Fund & GR Accounting Entries

Financial Year End Entries

Source Module Transactions

Fund Group Accounting Entries

Trust Fund & GR Accounting Entries

- ‣ Transaction accounting date will dictate the period to post the transaction
- ‣ The budget date will indicate the budget period the transaction will post
- ‣ Transactions which should be posted in period 12 must contain an accounting date within that period (June 1 – June 30)
- ‣ Source Module transactions can come from IU, AM, AP, or Purchasing
- ‣ Source module edit, budget, and cash check processes will run

| Accounting Event	Module	Ledger	Accounting Date	Journal Source	Accounting Period	Owner
Inter/IntraUnit Accrual & Payable Entries: Record/Update balances to meet reporting requirements determined by GASB and DFS (e.g., recording additional payables & receivables, reclassifying expenditures to represent a receivable, recording loans, etc.)	IU* * IU will be used per A&A timelines and guidance	Actuals	6/30/PY	IU	Periods 12	Agencies
Capital Assets: Update the balances or changing the purchasing ChartField string	AM* * AM will be used as per A&A timelines and guidance	Actuals	6/30/PY	AM	Period 12	Agencies
Carry Forward Payables: Record additional payables related to outstanding invoices to a supplier which will use prior year budget	Purchasing* * Carry Forward Payables will be used per A&A timelines and guidance	Actuals	6/30/PY	PO	Period 12	Agencies
Carry Forward Payroll Payables: Record payables related to payroll which was paid in the current year but was related to time worked in June	GL	Actuals	6/30/PY	CFP	Period 12	Agencies

Accounting Event	Account Values on Transactions	Budget Date	Budget Ledger Impact	Cash Check
Inter/IntraUnit Accrual & Payable Entries: Record/Update balances to meet reporting requirements determined by GASB and DFS (e.g., recording additional payables & receivables, reclassifying expenditures to represent a receivable, recording loans, etc.)	1xxxxx - Assets 2xxxxx - Deferred Outflows 3xxxxx - Liabilities 4xxxxx - Deferred Inflows 5xxxxx - Equity 6xxxxx - Revenue 7xxxxx - Expenditure	6/30/PY or Default to Current Date	**Expense Account Value Used:** Appropriation Release Reserve Encumbrance Expense **Revenue Value Used:** Estimates Recognized Collected	Yes
Capital Assets: Update the balances or changing the purchasing ChartField string	6xxxxx - Revenue 7xxxxx - Expenditure	Default to Current Date	N/A	N/A
Carry Forward Payables: Record additional payables related to outstanding invoices to a supplier which will use prior year budget	7xxxxx - Expenditure	6/30/PY or Default to Current Date	Appropriation Release Reserve Encumbrance Expense	N/A
Carry Forward Payroll Payables: Record payables related to payroll which was paid in the current year but was related to time worked in June	3xxxxx – Liabilities 7xxxxx – Expenditure	6/30/PY and Default to Current Date	Appropriation Release Reserve Encumbrance Expense	N/A

Carry Forward
Payroll Example

Accounting Event	Accounting Date	Journal Source	Account	Fund	BE	Budget Date	Amount
Creating Payroll Carry Forward Payables:							
1. Establish the Estimated Carry Forward Payable in GL - The entry will create the payable in the General Ledger. Budget check will run and consume budget for the fiscal year indicated in the budget date field. The accounting date indicates which fiscal year and period the transaction will be recorded in	6/30/2024	CFP	Expense/ Expenditure	12345	43124578	6/30/2024	100.00
	6/30/2024	CFP	Liabaility	12345	43124578	6/30/2024	(100.00)
2. Payment - Payroll runs and creates the expenditure in the current fiscal year	7/8/2024	PAY	Expense/ Expenditure	12345	43124578	7/8/2024	25.00
	7/8/2024	PAY	Cash	12345	43124578	7/8/2024	(25.00)
3. Reduce the orignal payable to the correct amount and move the expenditure	7/9/2024	CFP	Liabaility	12345	43124578	6/30/2024	75.00
	7/9/2024	CFP	Expense/ Expenditure	12345	43124578	6/30/2024	(75.00)
	7/9/2024	CFP	Liabaility	12345	43124578	7/9/2024	25.00
	7/9/2024	CFP	Expense/ Expenditure	12345	43124578	7/9/2024	(25.00)

Pop Quiz! – True or F
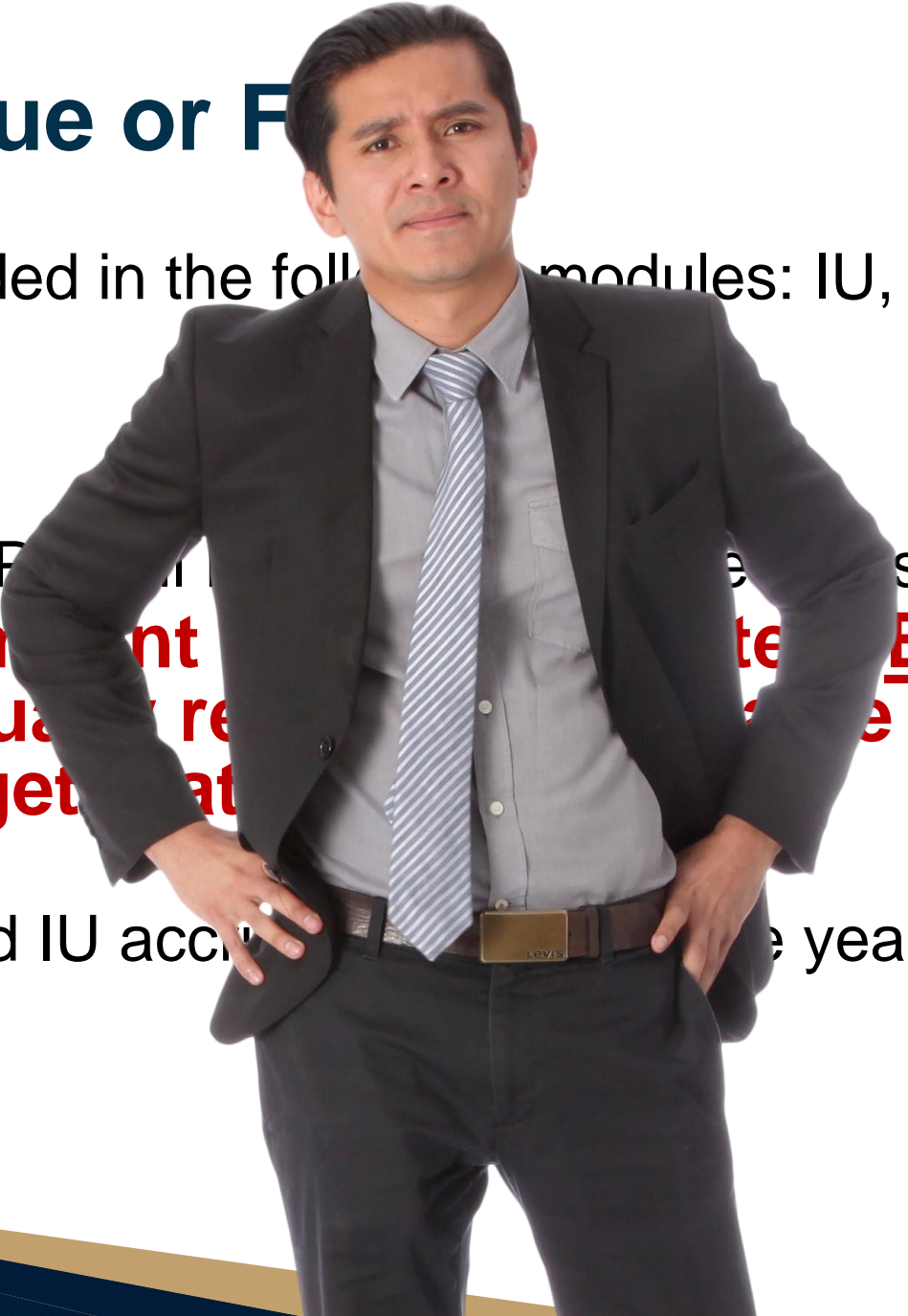
▸ Payables are recorded in the foll   modules: IU, GL, Purchasing, and AP.

True

▸ The Carry Forward R   r   e   stimated amount.

False, the am   nt   te   BUT! Agencies will need to manua   re   e by 9/30 to release any budget   at

▸ Agencies can record IU acc   e year.

True

Source Module Transactions

Fund Group Accounting Entries

Trust Fund & GR Accounting Entries

- ▶ Fund groups are identified by their alpha numeric fund value
- ▶ Accounting entries can be entered in period 12 or period 998 based on A&A guidance, only in the GL
- ▶ Accrual account values can be used at agency discretion only in the GL; these values will not be budget or cash checked and periodically reviewed by DFS
- ▶ Transactions will not budget or cash check
- ▶ Fund group updates will post the Actuals Ledger

Accounting Event	Module	Ledger	Accounting Date	Journal Source	Accounting Period	Owner
Component Unit Entries: Record/Update balances based on the financial statements provided by the authorized component units	GL	Actuals/ Financial Reporting*	6/30/PY	ACR/ADJ	Period 12/ Period 998/Period 997*	Agencies/DFS*
Long Term Debt: Record/Update long-term liabilities for payments extending beyond one fiscal year						
Revolving Funds: Update the balances related to revolving funds						
Capital Assets: Update the balances related to fixed assets						

Accounting Event	Account Values on Transactions	Budget Date	Budget Ledger Impact	Cash Check
Component Unit Entries: Record/Update balances based on the financial statements provided by the authorized component units	1xxxxx – Assets 2xxxxx – Deferred Outflows 3xxxxx – Liabilities 4xxxxx – Deferred Inflows 5xxxxx – Equity 6xxACR – Revenue Accrual 7xxACR – Expenditure Accrual 6xxxxx – Revenue 7xxxxx – Expenditure	Default to Current Date	N/A	N/A
Long Term Debt: Record/Update long-term liabilities for payments extending beyond one fiscal year				
Revolving Funds: Update the balances related to revolving funds				
Capital Assets: Update the balances related to capital assets				

Pop Quiz!

An entry to record a Component Unit must contain the following?

a) A BD/DP Fund Value
b) An accounting date of 6/30/PY
c) An account value that starts with 9****
d) A and B only

Source Module Transactions

Fund Group Accounting Entries

Trust Fund & GR Accounting Entries

- ▸ Adjustments are made based on analytical procedures and processes as per DFS/A&A guidance
- ▸ Accrual account values can be used at agency discretion only in the GL; these values will not be budget or cash checked and periodically reviewed by DFS
- ▸ Entries will be created and posted within the General Ledger via GL Journal
- ▸ Transactions may budget and cash check based on the account value used

Florida **PALM**
Planning, Accounting, and Ledger Management

Accounting Event	Module	Ledger	Accounting Date	Journal Source	Accounting Period	Owner
Year End Accrual/Accounting Entries: Record/Update balances to meet reporting requirements determined by GASB and DFS (e.g., recording additional payables & receivables, reclassifying expenditures to represent a receivable, recording loans, balance corrections, etc.) **Prior Year Corrections**: Update balances due to an error, change in accounting principle, change in estimate, or changes to/within the reporting entity ***Note:** Accounting changes and error correction adjustments over $1 million adjust equity with the correct equity account value and Form 28 is required	GL	Actuals/ Financial Reporting*	6/30/PY	ACR/ADJ	Period 12 / Period 998/ Period 997*	Agencies/DFS*
Audit Adjustments: Balance updates based on the agreed upon audit finding results with the Auditor General	GL	Actuals	6/30/PY	ADJ	Period 997*	DFS*

Accounting Event	Account Values on Transactions	Budget Date	Budget Ledger Impact	Cash Check
Year End Accrual/Accounting Entries: Record/Update balances to meet reporting requirements determined by GASB and DFS (e.g., recording additional payables & receivables, reclassifying expenditures to represent a receivable, recording loans, balance corrections, etc.)	1xxxxx – Assets 2xxxxx – Deferred Outflows 3xxxxx – Liabilities 4xxxxx – Deferred Inflows 5xxxxx – Equity 6xxACR – Revenue Accrual 7xxACR – Expenditure Accrual 6xxxxx – Revenue 7xxxxx – Expenditure	Default to Current Date	**Yes, Expense Account Value Used:** Appropriation Release Reserve Expense **Yes, Revenue Value Used:** Estimates Recognized Collected	Yes, Only if a Cash in State Treasury Account Value on transaction
Prior Year Corrections: Update balances due to an error, change in accounting principle, change in estimate, or changes to/within the reporting entity ***Note:** Accounting changes and error correction adjustments over $1 million adjust equity with the correct equity account value and Form 28 is required				
Audit Adjustments: Balance updates based on the agreed upon audit finding results with the Auditor General				

Prior Year Non-Carry Forward Payable

Establishing Payables with No Prior Year Budget:	Accounting Date	Journal Source	Account	Fund	BE	Budget Date	Amount
1. Establish Payable in GL - The entry will create the payable in the General Ledger. Budget check will run and consume budget for the current fiscal year indicated in the budget date. The accounting date indicates which fiscal year and period the transaction will be recorded in	6/30/2024	ADJ	Expense/ Expenditure	12345	43124578	7/3/2024	100.00
	6/30/2024	ADJ	Liabaility	12345	43124578	7/3/2024	(100.00)
2. Payment - Agencies will issue payment through the source module. These accounting entries will be summarized and recorded to the General Ledger **(AP Example listed)**	8/15/2024	AP	Expense/ Expenditure	12345	43124578	7/5/2024	100.00
	8/15/2024	AP	Liability	12345	43124578	7/5/2024	(100.00)
	8/15/2024	AP	Liability	12345	43124578	7/5/2024	100.00
	8/15/2024	AP	Cash	12345	43124578	7/5/2024	(100.00)
3. Reverse Payable in GL - The entry will reverse the payable in the General Ledger. Budget Check will reverse budget check for the current fiscal year indicated in the budget date field. The accounting date indicates which fiscal year and period the transaction will be recorded	8/31/2024	ADJ	Liabaility	12345	43124578	8/31/2024	100.00
	8/31/2024	ADJ	Expense/ Expenditure	12345	43124578	8/31/2024	(100.00)

Pop Quiz!

Rachael has an adjustment for a balance from a previous fiscal year. She has determined the adjustment is due to an error correction. The adjustment will be for $1.5M.

▸ How should Rachael handle this adjustment?

   a)   Record the transaction in the current year
   b)   Contact DFS – BFR for guidance
   c)   Complete Form 28 in Workiva
   d)   All of the Above

Segment IV Design Works

Pop Quiz!

DOT and the AG have agreed that there will be an audit adjustment for $2M to their fund. The AG prepares the entry, and Rachel reviews and approves the adjustment on behalf of DOT.

▸ Who will post the audit adjustment and what period will it be posted?

  a) Agency, Adjustment Period 998
  b) Agency, Adjustment Period 997
  c) DFS – Bureau of Financial Reporting, Adjustment Period 997
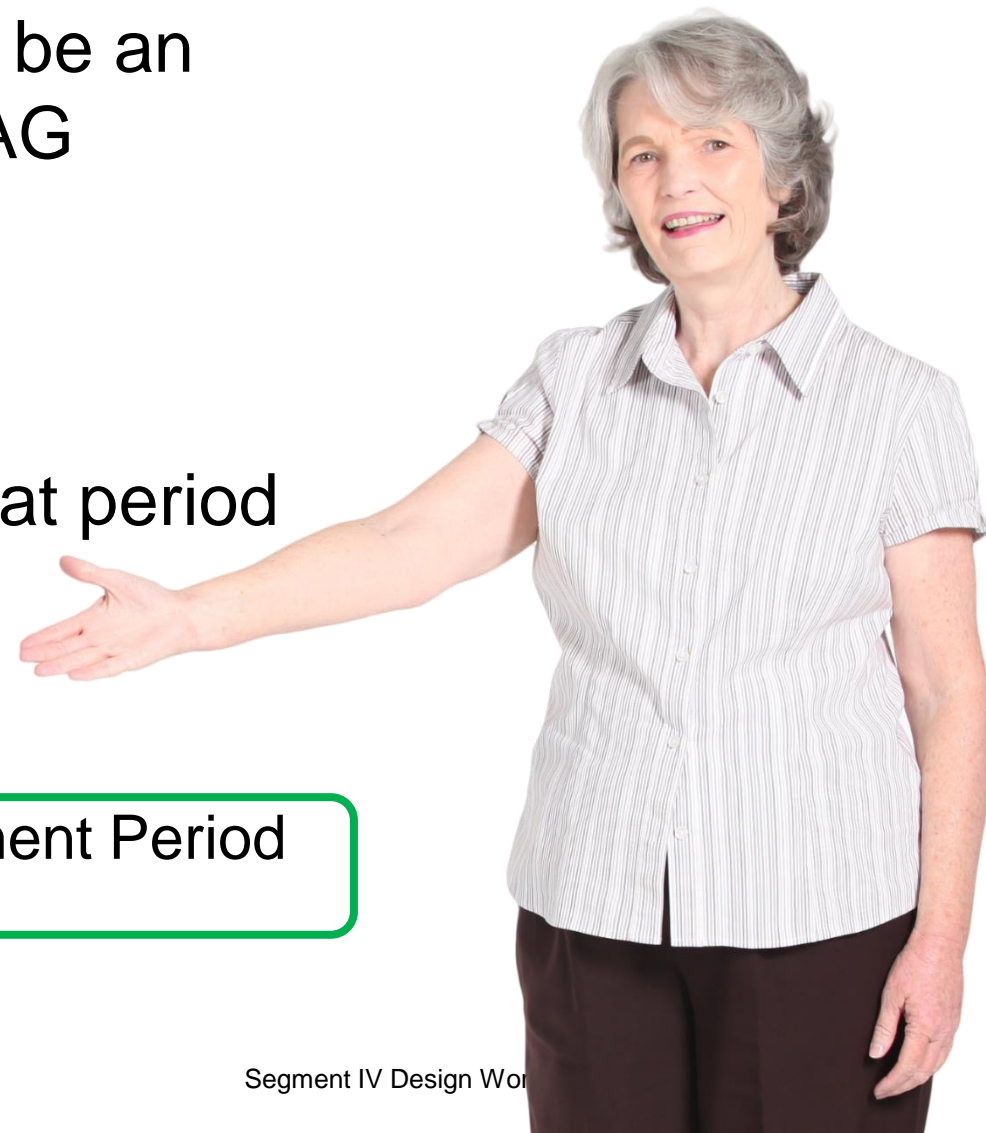
Financial Year End Processes
Financial Adjustments & Other Year End Entries

Questions?

10.4 Close General Ledger and Consolidate Results

Business Process Model

10.4 Close General Ledger and Consolidate Results
Business Process Model

- DFS controls the fiscal year close process and communicates with agencies important dates and procedures through memos and additional guidance
- Agency reconcilers complete the June month end close process by monitoring transaction status, performing the source module reconciliation, and performing internal balance analysis
- Based on the predetermined date(s), DFS closes the operational period 12 for the source modules and GL and opens the Adjustment Period 998 for agencies; DFS notifies agencies when period 12 has closed and 998 is open
- Agencies records additional accounting entries in the GL using the Adjustment Period 998
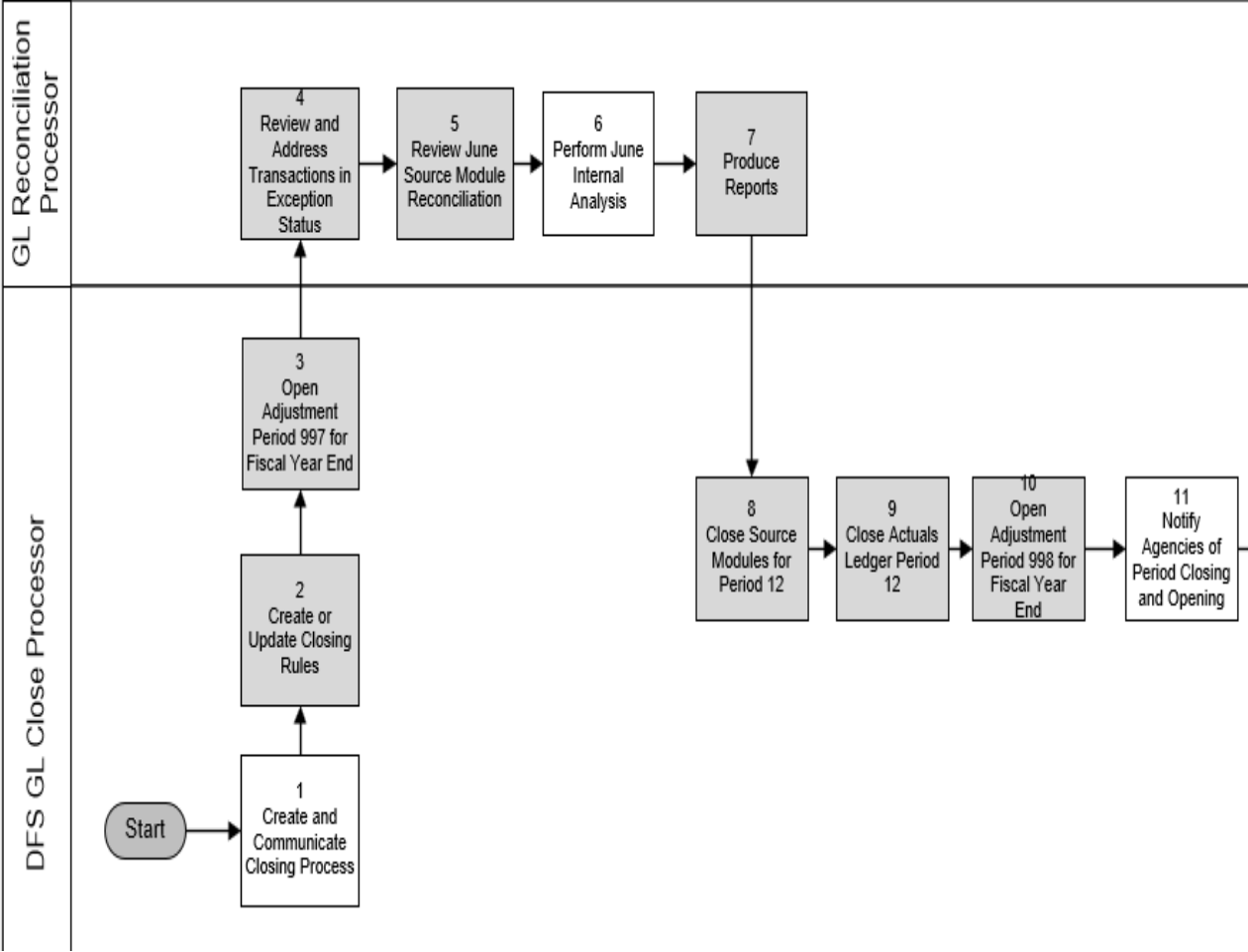
10.4 Close General Ledger and Consolidate Results
Business Process Model

- ▸ DFS runs the preliminary year end close process; this process runs to:
  - ◦ Establish starting balances for the next fiscal year
  - ◦ Generate preliminary closing reports
- ▸ After the preliminary close process runs, EOG receives a disbursement file detailing all cash disbursements by agency for the fiscal year
- ▸ The Auditor General also receives summary balance data and detailed GL Journal information as source data while conducting the annual agency audit and audit procedures
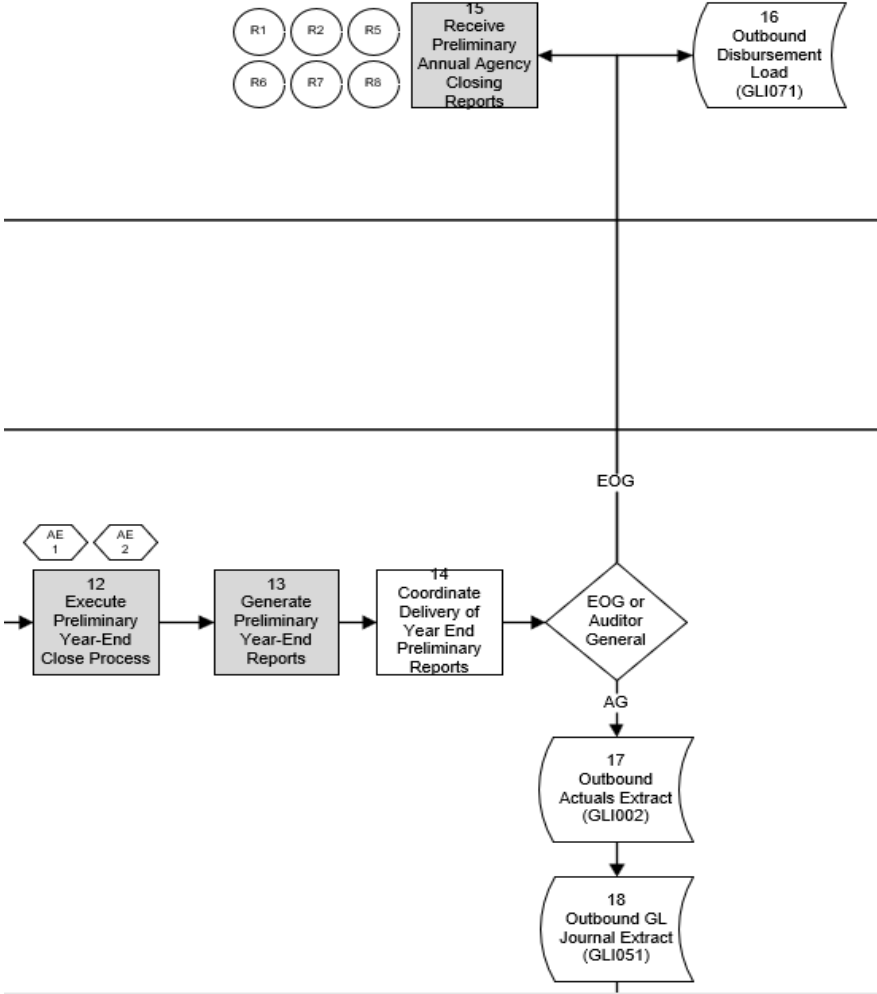
10.4 Close General Ledger and Consolidate Results
Business Process Model

▸ Agency GL Financial Statement processors will perform analytical procedures for all funds; tasks could include:
  ◦ Reviewing for proper account value use
  ◦ Reviewing balances that have not changed
  ◦ Reviewing long term debt, capital asset, revolving fund, and component unit balances

▸ Agencies should reference guidance or memos provided by DFS during the fiscal year close process

▸ Agency which have component units will record appropriate balances within Florida PALM using the Florida PALM COA

▸ Any agency balances adjustments will be entered into Florida PALM using a GL Journal; Journals can be created via online entry, spreadsheet upload, or interface as outlined in business process 10.2.3.
  ◦ Agencies can start analytical procedures and perform balance updates starting in July. If period 12 is still open, agencies can post adjustments directly to period 12 using a June 30 accounting date and the applicable journal source
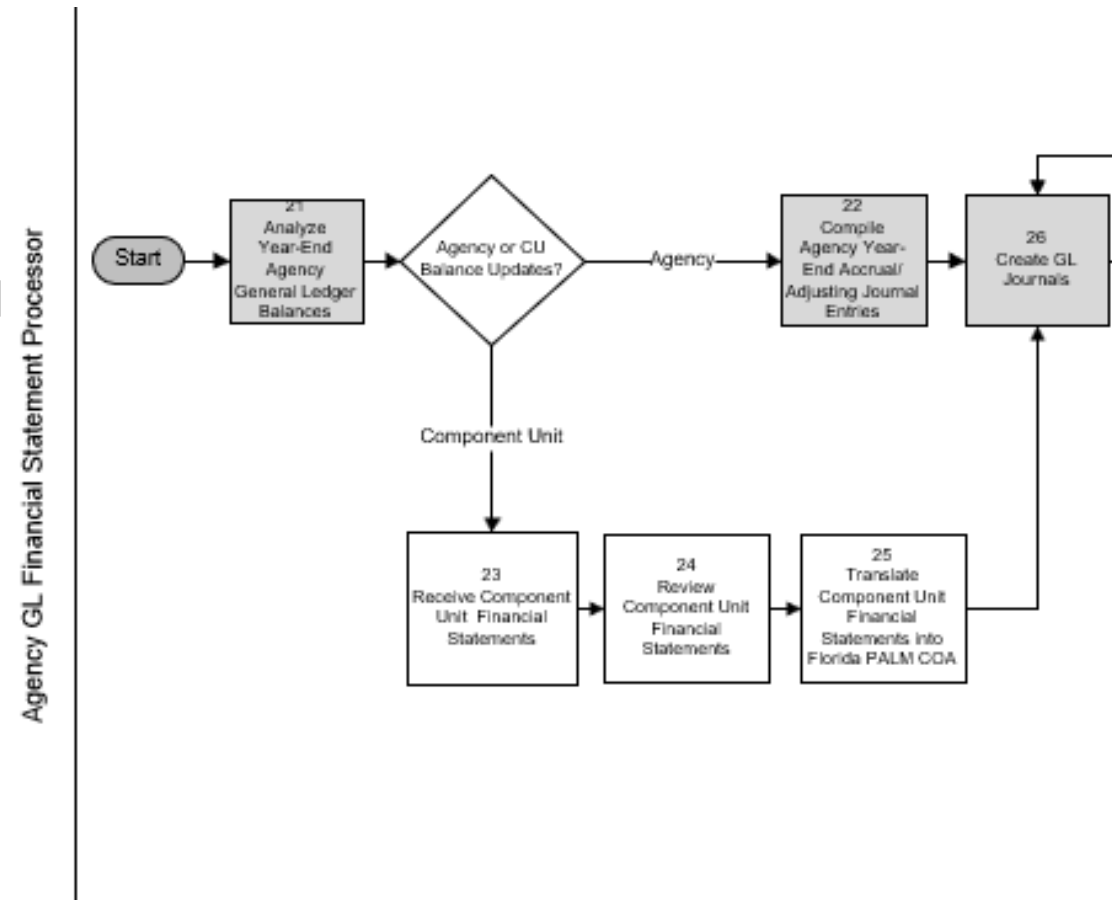
10.4 Close General Ledger and Consolidate Results
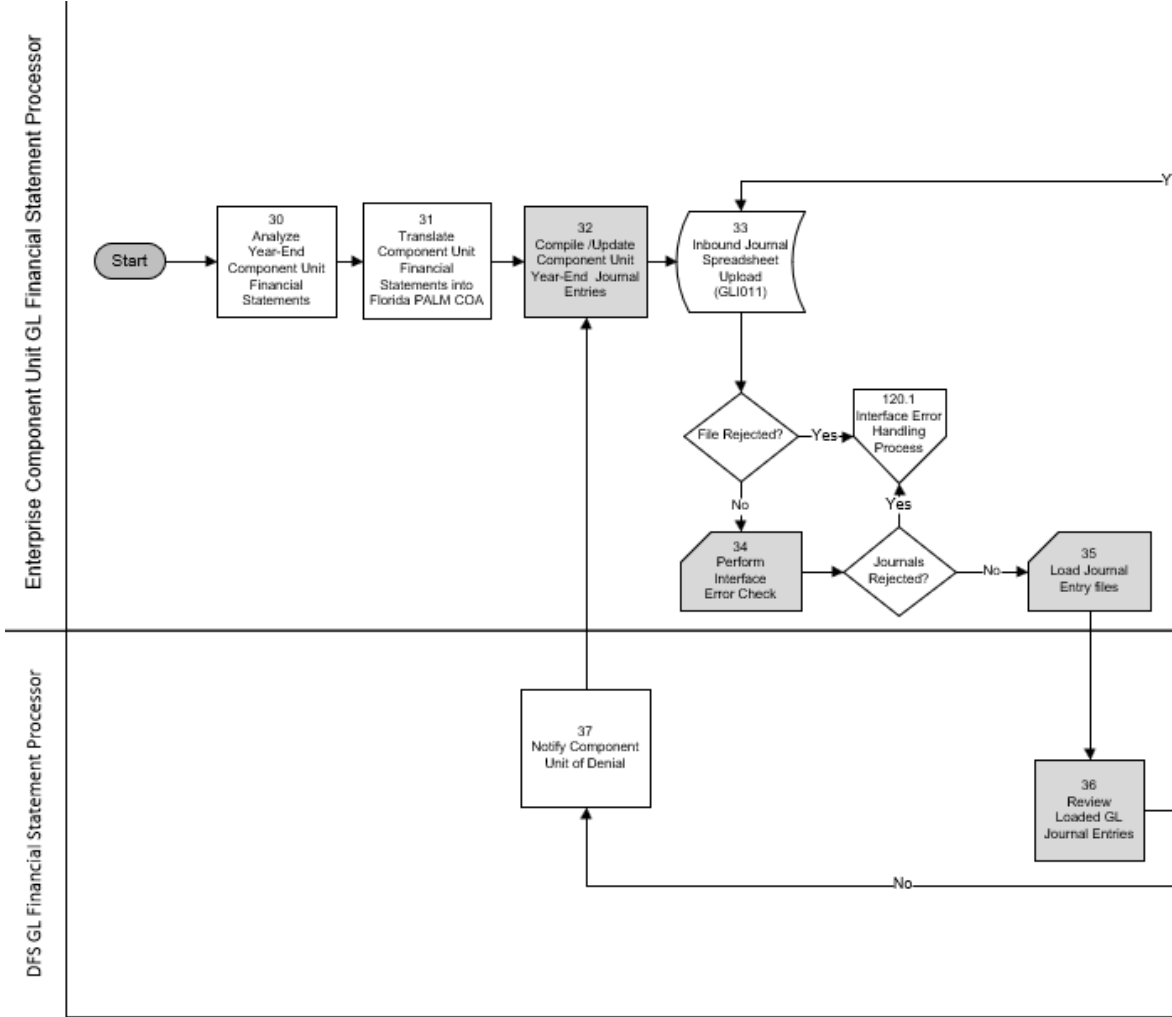## Business Process Model

- Agency GL Financial Statement processors will perform will review and adjusted balances within Florida PALM

- Data is periodically transferred to Workiva by DFS

- Agency GL Financial Statement processors review and complete agency forms as necessary within Workiva

- Based on the predetermined date, DFS closes the agency Adjustment Period 998 for the fiscal year
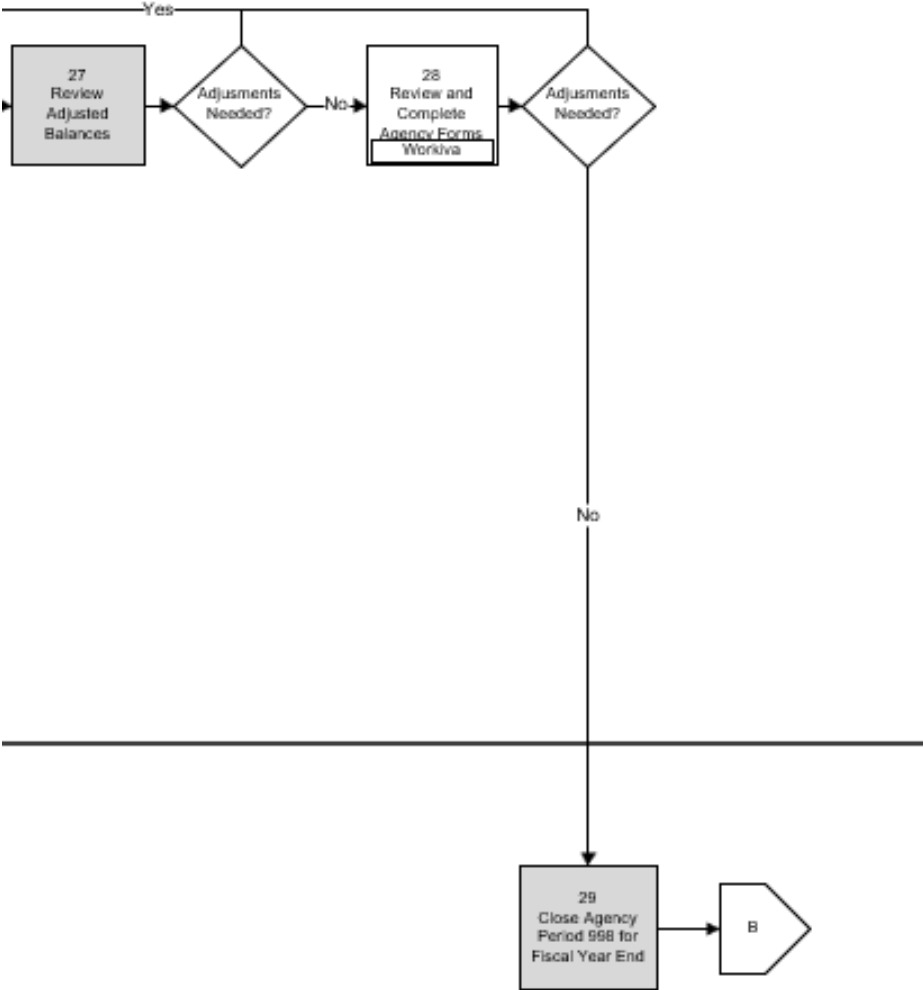
10.4 Close General Ledger and Consolidate Results
Business Process Model

- Enterprise Component Unit GL Financial Statement processors analyze their year end financial statements and balances for input into Florida PALM

- Balances are entered into Florida PALM using the Florida PALM COA and the spreadsheet upload tool
  - Enterprise Component Unit balances are recorded in the Financial Reporting Ledger in period accounting period 998

- The spreadsheet upload go through Florida PALM's interface handling process before loading into Florida PALM

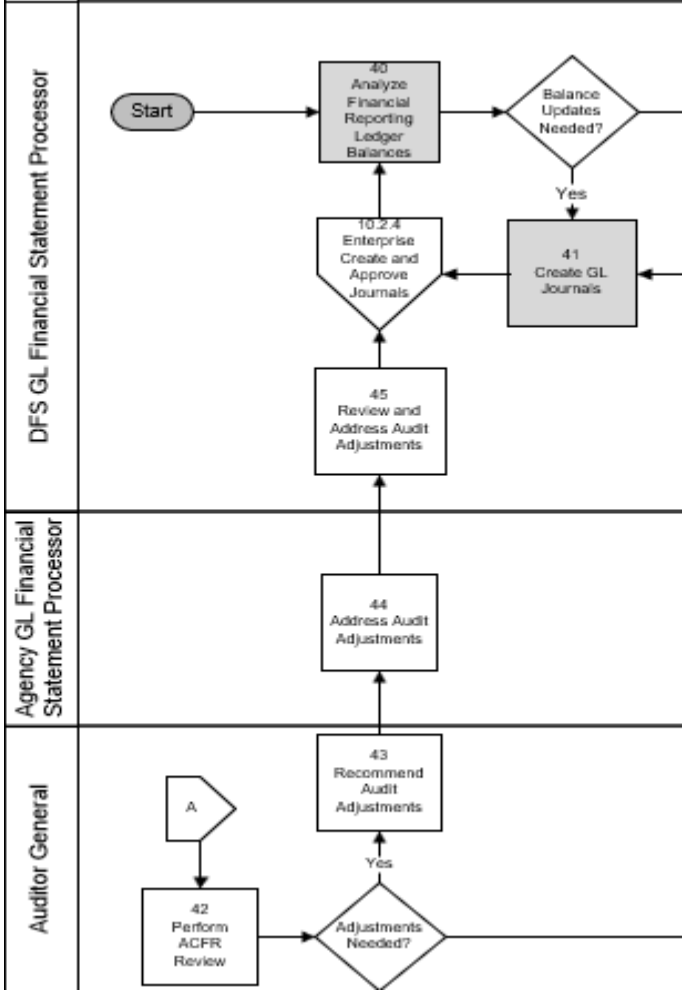# 10.4 Close General Ledger and Consolidate Results
Business Process Model

▸ Successfully loaded journals route to the DFS GL Financial Statement Processor fo review and approval

▸ If there is an issue, DFS notifies the Enterprise Component unit of the issue; the Enterprise Component unit submits an adjustment for the journal until the adjustment is approved

▸ Data is periodically transferred to Workiva by DFS

▸ Enterprise Component Unit Financial Statement processors review and complete agency forms as necessary within Workiva

◦ If updates are needed, the Enterprise Component Unit Financial Statement processer uses the spreadsheet upload tool
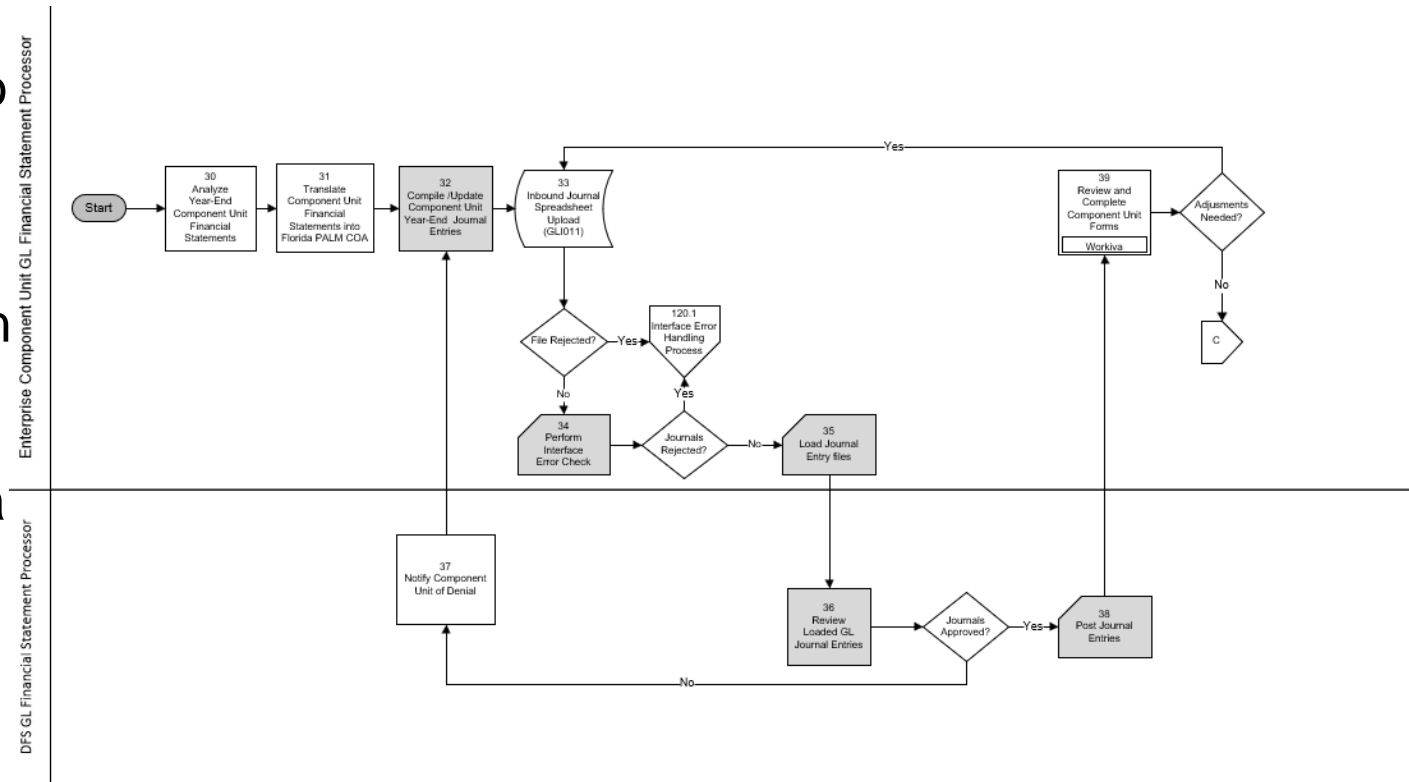
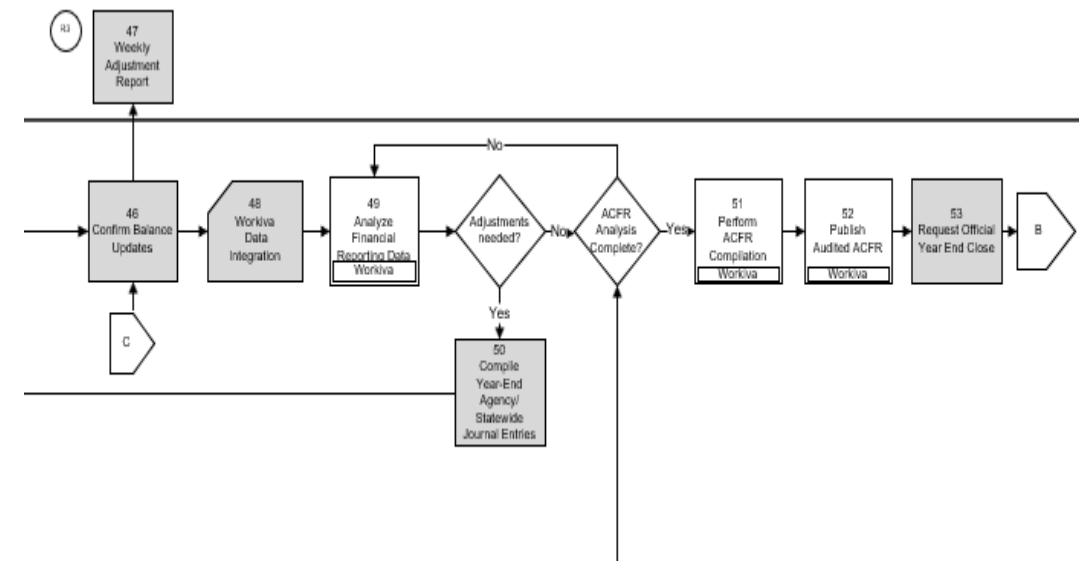# 10.4 Close General Ledger and Consolidate Results
Business Process Model

▸ The DFS GL Financial Statement Processor analyzes financial balances of the Financial Reporting Ledger

- The Ledger contains data for all agencies, reportable component units, and compilation entries
- DFS updates the balances to the ledger by either spreadsheet upload, interface, or direct entry into the ledger as outline in business process model 10.2.4

▸ The Auditor General works with agencies to address audit adjustments; agency approved adjustments are provided to DFS for posting into the Agency Actuals Ledger

- Audit adjustments post to period 997 in the Actuals ledger by DFS

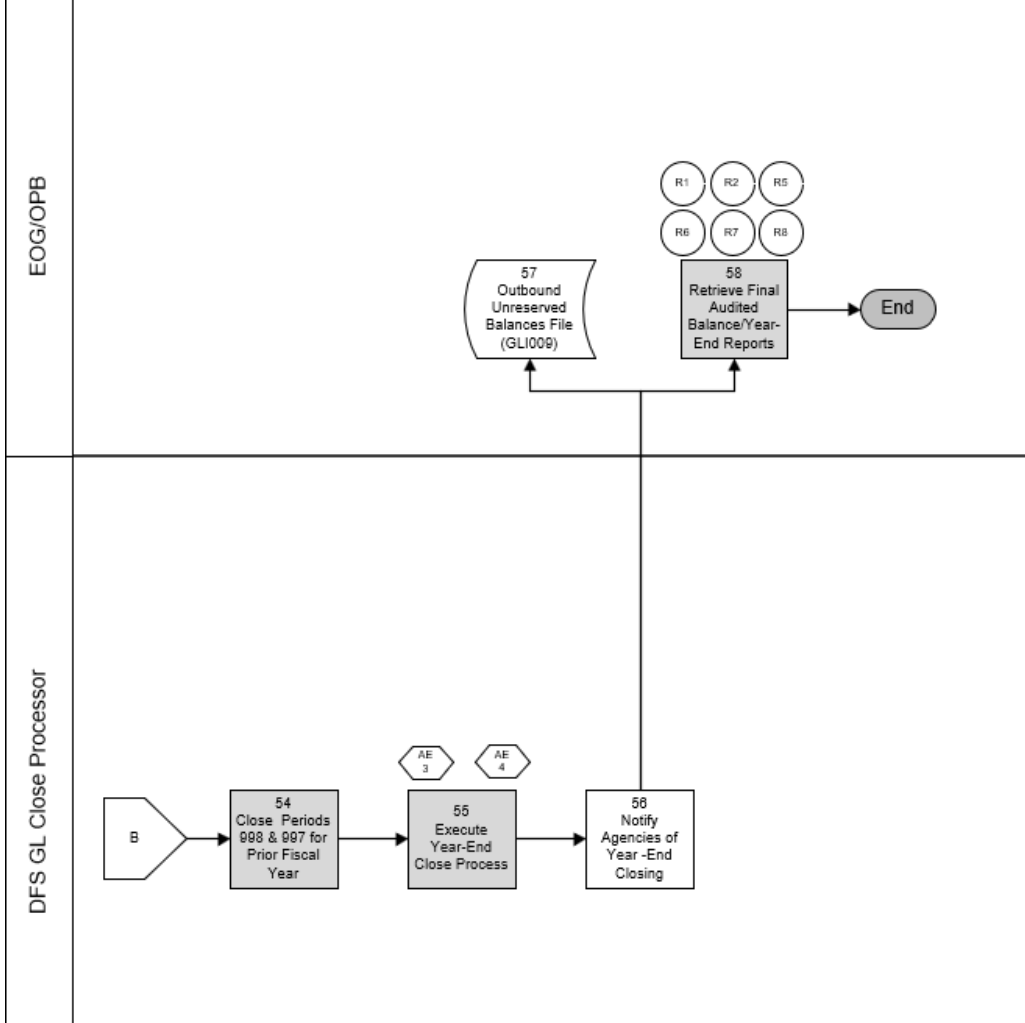# 10.4 Close General Ledger and Consolidate Results
Business Process Model

▸ As agencies and DFS post adjusting journals, EOG/OPB monitors the weekly adjustment report

▸ Data is periodically transferred to Workiva when DFS is ready to refresh that database

▸ The DFS GL Financial Statement Processor analyzes financial balances results which have transferred to Workiva

  ◦ If updates are needed for financial statement preparation, adjustment entries are entered into Florida PALM to update balances

▸ Once all balances are correctly reported in Workiva, the DFS GL Financial Statement Processor compiles and publishes the Audited ACFR

10.4 Close General Ledger and Consolidate Results

Business Process Model

▸ The DFS GL Financial Statement Processor requests the official close of the accounting periods 998 and 997 for the Financial Reporting Ledger and any agency Actual Ledgers

▸ The DFS GL Close Processor executes the final fiscal year end close

  ◦ This process establishes the final audited balances in period 999 for all Ledgers and the opening beginning balances in period 0 for all Ledgers

▸ EOG/OPB receives all final audited reports and unreserved fund balances

10.4 Close General Ledger and Consolidate Results
Business Process Model - EXAMPLE

Fiscal Year End Close
Activities Timeline
Example

Year End Activity	Pre-Close	Close	Post Close
A&A Create and Communicate Close Process	■		
DFS performs analytical procedures and balance adjustments in Adjustment Period 997	■	■	■
Agency perfom source module reconciliation, review and address June Exceptions, perfom internal analytical procedures for June, and record any balance adjustments or accurals for		■	
A&A notify agencies period 12 is closed, open Adjustment Period 998, perform the preliminary year end close to establish balances, and send data to EOG/OPB and the Auditor General		■	
Auditor General perform audit procedures and recommending audit adjustments		■	■
Agency perform analytical procedures and balance adjustments in Adjustment Period 998		■	
A&A close Adjustment Period 998 and communicate close to agencies		■	
Enterprise Component Units perform analytical procedures and balance adjustments in Adjustment Period 998, withinin the Financial Reporting Ledger		■	
A&A excute the Year end close process for all agencies and notify agencies			■
A&A sends final audited balances and unreserved fund balances to EOG/OPB			■

10.4 Close General Ledger and Consolidate Results
Business Process Model

Questions?

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