

CW.30.5 Manage Payments

Revision History

Version	Date	Revision Notes
1.0	10/19/2020	Accepted Version

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Business Process Overview

The Manage Payments business process encompasses all activities that are required to record manual payments, manage ACH and EFT notifications, manage stale payments, process payment cancellations and reissue payments in Florida PALM during the Central Wave.

The business subprocesses included are:

- 30.5.1 Record Manual Payments
- 30.5.2 Manage ACH/EFT Notifications
- 30.5.3 Manage Stale Payments
- 30.5.4 Cancel and Reissue Payments

Dependencies and Constraints

- Florida PALM is used to issue payments.
- Agencies initiate and manage disbursements in Departmental FLAIR.
- Agencies request payment cancellations in Florida PALM.
- Payroll payment cancellations continue to be processed through the PYRL system. Payroll reissues are initiated separately in PYRL.
- Suppliers are interfaced to Florida PALM from the FLAIR Statewide Vendor File.

Business Process Flow Details

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

CW.30.5.1 Record Manual Payments		
Swim Lanes – Definition	Agency AP Maintainer: Agency role responsible for managing exceptions DFS AP Processor: DFS role responsible for recording the accounting for payments issued outside of Florida PALM	
Process Step ID	Process Step Title	Description of Process
1	Issue Warrant(s) Outside of Florida PALM	Warrants are issued outside of Florida PALM, such as a revolving fund check, payroll warrant, or DFS manual warrant.
2	Record Manual Payment	<p>The DFS AP Processor records manual warrants made outside of Florida PALM as a manual payment voucher.</p> <p>All valid vouchers are loaded and uniquely identified with a Voucher ID and ready for Budget Check. Budget Check validates the applicable budget against ChartField values entered in the voucher distribution. This step consumes the budget and creates an expenditure entry within Commitment Control within the Budget Execution and Management Central Wave business process.</p>

Process Step ID	Process Step Title	Description of Process
3	Review Budget Check Exceptions	<p>Vouchers with budget errors are handled in the Budget Execution and Management Central Wave business process.</p> <p>If the voucher has passed budget check, the Voucher Post process runs, and the voucher is scheduled for immediate payment and included in daily payment processing during the Central Wave within the Enter and Process Vouchers Central Wave business process.</p> <p>Payment Post creates accounting entries from payment-related transactions. These accounting entries are recorded in the General Ledger within the Process Payments Central Wave business process.</p>
4	Reconcile Manual Payments	<p>If Manual Payments were made from a bank account which resides within Florida PALM, then automatic reconciliation is initiated within the Manage and Reconcile Bank Statements Central Wave business process.</p> <p>If Manual Payments were made from a bank account that resides outside of Florida PALM, the reconciliation occurs outside of Florida PALM.</p>

Table 2: Process Steps Included on CW Business Process Model Flow

CW.30.5.2 Manage ACH/EFT Notifications		
Swim Lane – Definition	<p>Bank: (Non-Florida PALM role) A financial institution that processes financial transactions and maintains bank accounts for the state</p> <p>Florida PALM: System used to manage payments during the Central Wave</p>	
Process Step ID	Process Step Title	Description of Process
1	Inbound ACH/EFT Return Payment File	The Bank creates and sends an ACH/EFT Return Payment file which contains details of electronic payments, the results of the prenote validation, and notice of bank changes.
2	Import ACH/EFT Return Payment File	<p>The ACH/EFT Return Payment file is imported into Florida PALM.</p> <p>If the file contains a payment failure notification, payment cancellation is initiated within the Cancel and Reissue Payments Central Wave business subprocess.</p> <p>The ACH/EFT Failures and Notices of Changes and the Prenote Failures reports are available for review.</p>
3	Update Supplier Record	If the payment is successful but there was a change to the financial institution that processed the payment, such as a new bank account number, or a bank merger, then an update is

Process Step ID	Process Step Title	Description of Process
		made to the supplier record in Florida PALM to reflect the new information.
4	Update Prenote Status	If the notification is related to a prenote, then the supplier's prenote status is updated in the supplier record in Florida PALM.
5	Outbound NOC Data to Departmental FLAIR EFT File	The updated banking information and prenote status in the supplier record within Florida PALM is interfaced to Departmental FLAIR within the EFT File to keep the systems in synch and to provide validation to Departmental FLAIR that the supplier record and prenote status were updated in Florida PALM.

Table 3: Process Steps Included on CW Business Process Model Flow

CW.30.5.3 Manage Stale Payments		
Swim Lanes – Definition	Agency AP Reporter: Agency role responsible for reviewing reports, contacting suppliers, and managing funds related to stale payments DFS Stale Payment Processor: DFS role responsible for running reports and jobs related to stale payments	
Process Step ID	Process Step Title	Description of Process
1	Manage Stale Payments	The DFS Stale Payment Processor manually enters warrants for transfer to Unclaimed Property, if needed for an exception to the automatic process.
2	Process Stale Payments	Florida PALM executes a transfer for the stale payments applicable for handling by Unclaimed Property to the Unclaimed Property Management Information System (UPMIS) on a scheduled basis. The Funds Transferred to Unclaimed Property report is available for review.
3	Review Funds Exempt from Transfer to Unclaimed Property Report	The Agency AP Reporter reviews the Funds Exempt from Transfer to Unclaimed Property report to identify transactions that need to be managed in Departmental FLAIR.
4	Manage Funds Exempt from Transfer	The Agency AP Reporter manages the funds that are exempt from transfer to Unclaimed Property in Departmental FLAIR.
5	Outbound Stale Payments File to Unclaimed Property	Florida PALM creates a file of stale payments for handling by Unclaimed Property which identifies the payee information for UPMIS.
6	Receive Outbound Stale Payments File	UPMIS receives and processes the Stale Payments File sent from Florida PALM.

Process Step ID	Process Step Title	Description of Process
7	Generate Outstanding Warrants Report	Florida PALM generates the Outstanding Warrants report to identify warrants issued but not presented to the bank for over three months from the issuance date. The report is available to agencies for follow-up actions.
8	Review Outstanding Warrants Report	The Agency AP Reporter reviews the Outstanding Warrants report, which lists the warrant and electronic payment details and statuses to identify outstanding payments.
9	Contact Suppliers	The Agency AP Reporter contacts all suppliers with outstanding warrants.

Table 4: Process Steps Included on CW Business Process Model Flow

CW.30.5.4 Cancel and Reissue Payments		
Swim Lanes – Definition	<p>Agency Payment Cancellation Approver: Agency role responsible for reviewing payment cancellation requests</p> <p>Agency Payment Cancellation Processor: Agency role responsible for identifying and initiating payment cancellations</p> <p>DFS Payment Cancellation Processor: DFS role responsible for identifying, initiating, and processing payment cancellations</p>	
Process Step ID	Process Step Title	Description of Process
1	Identify Payment for Cancellation	The Agency Payment Cancellation Processor identifies the need to cancel a payment based on applicable business events.
2	Request Payment Cancellation	<p>The Agency Payment Cancellation Processor uses an electronic form in Florida PALM to request a payment cancellation for any payment recorded in Florida PALM, whether it was issued as a standard disbursement or issued from an external bank account.</p> <p>The Payment Status report is used to assist in determining whether payment cancellation is possible.</p>
3	Receive/Review Cancellation Request	The Agency Payment Cancellation Approver provides oversight for payment cancellation requests of a Florida PALM disbursement (made through Florida PALM).
4	Identify Payment for Cancellation	The DFS Payment Cancellation Processor identifies the need to cancel a payment based on applicable business events, such as a supplier request for a replacement warrant.
5	Request Payment Cancellation	<p>The DFS Payment Cancellation Processor uses an electronic form in Florida PALM to request a payment cancellation for any payment recorded in Florida PALM, whether it was issued as a standard disbursement or issued from an external bank account.</p> <p>The Payment Status report is used to assist in determining whether payment cancellation is possible.</p>

Process Step ID	Process Step Title	Description of Process
6	Receive/Review Cancellation Request	The DFS Payment Cancellation Processor receives and reviews payment cancellation requests of Florida PALM disbursements.
7	Reissue Payment	<p>If the payment is to be reissued, the DFS Payment Cancellation Processor reissues the payment in Florida PALM using the original voucher. If there are no changes to the voucher (to replace the original payment), the voucher is activated for inclusion in the applicable pay cycle within the Process Payments Central Wave business process.</p> <p>If the voucher must be changed, the payment cannot be reissued under associated voucher. In this case, the payment must be cancelled, and the voucher closed. A corrected voucher needs to be sent from Departmental FLAIR for payment that is subject to a new review and approval workflow.</p>
8	Cancel Payment/Close Liability	<p>Florida PALM records payment cancellations that cannot be reissued by reversing the liability and closing the associated voucher. The Payment Status and Payment Cancellation reports are available for review.</p> <p>Payment Post creates reversing payment accounting entries from cancelled payments, which are recorded in the General Ledger within the Process Payments Central Wave business process.</p> <p>Voucher Post creates reversing accrual accounting entries for closed vouchers, which are recorded in the General Ledger within the Enter and Process Vouchers Central Wave business process.</p> <p>Cancelled payment information is sent to the bank within the Positive Pay File within the Process Payments Central Wave business process.</p> <p>Florida PALM provides an interface file to Departmental FLAIR for deleted and closed vouchers. Departmental FLAIR creates the TR 58s for the accounting in Departmental FLAIR within the Enter and Process Vouchers Central Wave business process.</p> <p>Florida PALM generates an Outbound Payment Cancellations file to send to PYRL as validation of cancelled payroll payments within the Manage Payroll Payments Central Wave business process.</p>

Process Step ID	Process Step Title	Description of Process
9	Update Cancellation Request	The DFS Payment Cancellation Processor updates the Payment Cancellation Request Form with the status of the payment.
10	Review Updated Cancellation Request	The Agency Payment Cancellation Processor reviews the updated status of the Payment Cancellation Request Form to determine if any further action is needed.

Ledger Impacts

Table 5: Ledger Impacts Included on CW Business Process Model Flow

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Actuals Ledger – Stale Payments	Increase Asset Decrease Expenditure
LI2	Actuals Ledger – Stale Payments	Increase Revenue Increase Liability
LI3	Actuals Ledger – Cancel Payments	(Cancel and Close Liability) Increase Cash Clearing Decrease Accounts Payable Decrease Expenditure
LI4	Budget Ledger – Cancel Payments (Current Year Warrants)	Increase Available Budget Balance Decrease Expenditure
LI5	Budget Ledger – Cancel Payments (Prior Year Warrants)	Decrease Expenditure

Reports

Table 6: Reports Included on CW Business Process Model Flow

Report Number	Report Description	Report Frequency	Audience
R1	Manual Payments – a report of payments made outside of Florida PALM that are entered/loaded into Florida PALM either via manual entry, an agency business system, or PYRL	Periodic	Agency, DFS
R2	ACH/EFT Failures and Notice of Changes – a report that identifies ACH/EFT failures and Notice of Changes from the bank	Periodic, Monthly	DFS
R3	Prenote Failures – a report of payments that failed prenote validation	Periodic, Monthly	Agency, DFS
R4	Funds Transferred to Unclaimed Property – a report payment information	Periodic, Monthly	Agencies, DFS

Report Number	Report Description	Report Frequency	Audience
	for funds transferred to the Unclaimed Property Trust Fund, pursuant to Sections 17.26 and 717.117, Florida Statutes, and payment information for funds returned to the original source		
R5	Funds Exempt from Transfer to Unclaimed Property – a report of payment information for funds exempt from transfer to the Unclaimed Property Trust Fund, pursuant to Sections 17.26 and 717.117, Florida Statutes, and returned to the original source	Periodic, Monthly	Agencies, DFS
R6	Outstanding Warrants - a report that lists the stale-dated warrants of all outstanding warrants not cleared by the Bank	Periodic, Monthly	Agencies, DFS
R7	Payment Status – a report of a warrant and electronic payment detail and status (cleared, outstanding, cancelled, or reissued)	Periodic, Monthly	Agencies, DFS
R8	Payment Cancellation – a report of all cancelled payments and the number of days outstanding at the point of cancellation	Periodic	Agencies, DFS