

“To-Be” Gap Analysis Implementation Steps

1. Gap Identification: FO Gap Number 3: Automated Omnibus Reconciliation (Includes Process Step FO.4.0)
2. Implementation Steps:
 - a. Step 1: Develop policies and procedures on how to retrieve or obtain data from different sources
 - b. Step 2: Develop policies and procedures on responsibilities for different levels of reconciliation
 - c. Step 3: Train central office staff in new process and changes
 - d. Step 4: Train central office staff in analytical and interpretative accounting skills
 - e. Step 5: Automatically generate a reconciliation and produce reconciliation reports
 - i. Reclassify cash data in the Trust accounting system into Treasury-required reporting format
 - ii. Produce Trust “budgetary” funds data into OMB-required reporting format
 - f. Step 6: Automatically generate exception reports
 - i. Provide exception reports periodically to proactively track and remedy exceptions prior to final reconciliation
 - ii. Reconcile exceptions periodically

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3. Dependencies on Business Processes:

Business Process Name	Process Name (As specified in “To- Be” Model)	Dependency Description
BRDM		
Predecessors	1. None	
Successors	1. None	
FO		
Predecessors	1. FO.1.2a Receive and Post Trust Funds 2. FO.1.2b Receive and Post Non-Trust Funds 3. FO.2.2 Pool and Sweep Funds for Short Term Investment 4. FO.2.3 Execute Trades for Long Term Investment 5. FO.3.5 Post Disbursements	1. Trust funds received will be included in the reconciliation. 2. Non-Trust funds received will be included in the reconciliation. 3. Investment activity may be included in the reconciliation. 4. Investment activity may be included in the reconciliation. 5. Actual cash disbursements will be included in the reconciliation.
Successors	1. FO.5 Reporting and Statements	1. Reconciled data is available to support accurate management reports and beneficiary statements.
LNRP – Wide Area Plan		
Predecessors	1. None	
Successors	1. None	
LNRP - Appraisals		
Predecessors	1. None	
Successors	1. None	

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Business Process Name	Process Name (As specified in “To- Be” Model)	Dependency Description
LNRUM		
Predecessors	1. None	
Successors	1. None	
Ownership – Title		
Predecessors	1. None	
Successors	1. None	
Ownership – Probate		
Predecessors	1. None	
Successors	1. None	
Ownership - Conveyance		
Predecessors	1. None	
Successors	1. None	
Ownership - Survey		
Predecessors	1. None	
Successors	1. None	

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4. Dependencies on Universal Support Functions:

Universal Support Function	Dependency Description
Automated System Requirements	<ol style="list-style-type: none"> 1. System generated reconciliation between Treasury and integrated Trust data, such as reclassification of cash transactions into Treasury-required format. 2. Interface capability from “budgetary” trust funds data into USSGL data forma. 3. System capability to generate automated exception reports.
Policies, Procedures and Regulations	<ol style="list-style-type: none"> 1. Policies and procedures on responsibilities for different levels of reconciliation. 2. Policies and procedures on how to retrieve or obtain data from different sources.
Training	<ol style="list-style-type: none"> 1. Train staff in analytical and interpretative accounting skills. 2. Train staff in new process and changes.
Records Management	<ol style="list-style-type: none"> 1. Storage of electronic records.
Risk Assessment	<ol style="list-style-type: none"> 1. Data integrity and accuracy.
Workforce Planning	<ol style="list-style-type: none"> 1. Trust service, Report and Reconciliation office staff available for performing reconciliation. 2. Develop an internal audit control group to ensure service standards are met, reconciliation processes have an overview, and management has proper oversight to ensure controls are in place and followed.
Internal Controls / Fiduciary Security	<ol style="list-style-type: none"> 1. Develop business performance metrics and measures for reconciliation quality assurance. Develop service standards with management oversight to ensure adherence to the financial controls. 2. Reconciliations must be performed timely and reviewed by a person other than the one performing the reconciliation. 3. Reconciliations with high risk need to be tracked in a Control Book and periodically (quarterly) reviewed by a manager to ensure reconciliations and reconciliation reviews are being performed. 4. Place accountability on program and integrated servicing offices to follow-up until exceptions are cleared. 5. Reconciliation must be accountable to identify and follow to resolution and ensure exceptions are cleared within specified timeframes. 6. [Segregate] receipting/disbursing cash [from] reconciliation of cash flow to the trust accounting

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Universal Support Function	Dependency Description
	<p>system.</p> <ol style="list-style-type: none"> 7. Trust Services is responsible to ensure Field Operations, Financial Accounting, Compact and Contract complies with providing research information within specific timeframes. 8. Put in place an internal audit control function following OCC requirements to monitor the various processes ensuring compliance with state objectives. 9. Internal control review by management giving oversight to Trust administration, reconciliation processes, fund receipt and fund disbursement. 10. Annual internal audit review to ensure segregation of duties, one person reconciling and another person reviewing reconciliations, ensuring exceptions are identified, aged and cleared timely. Exceptions aged past the stated standard are reviewed and signed off on by a senior manager and cash disbursements have the proper authorization to release funds. Annual account review ensures that cash is receipted and disbursed using the correct receipt and disbursement codes.