

“To-Be” Gap Analysis Implementation Steps

1. Gap Identification: FO Gap Number 2: Disbursements Processing (Includes Process Steps FO.3.1 – 3.7)
2. Implementation Steps:
 - a. Step 1: Create a funds payable system, which includes:
 - i. A payee master file, which includes:
 - a. Payee name
 - b. Payee address
 - ii. Funds payable entries, which include:
 - a. Payment identification
 - b. Type of payment
 - c. Amount of payment
 - d. Effective and termination dates for recurring payments
 - e. Frequency of payment for recurring payments
 - f. Payment terms
 - g. Payment date
 - h. Related accounts and amounts to be deducted
 - iii. Automated disbursement forms and work tickets with electronic signature capability
 - iv. Capability to identify pre-disbursement review date
 - b. Step 2: Beta test the system
 - c. Step 3: Develop a roll-out schedule for the funds payable system
 - i. Pilot sites
 - ii. By region
 - d. Step 4: Revise policies and procedures for:
 - i. Purchasing authorization
 - ii. Exception reconciliation
 - e. Step 5: Develop system training
 - f. Step 6: Develop Disbursements Process training
 - g. Step 7: Develop business performance metrics and measures for disbursements

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3. Dependencies on Business Processes:

Business Process Name	Process Name (As specified in “To- Be” Model)	Dependency Description
BRDM		
Predecessors	<ol style="list-style-type: none"> 1. B.6.3.1 Beneficiary Account Administration 2. B.6.3.3 Payable Administration 	<ol style="list-style-type: none"> 1. A beneficiary account is updated so that name and address information is accurate. 2. A disbursement request, such as to disburse monies received from a judgment, to a beneficiary or a 3rd party assignment (e.g. mortgage, child support) has been received. This information will be used to create a funds payable entry. If a beneficiary has selected automatic disbursements (auto pay option) from his/her account whenever the balance meets the specified threshold, that information is indicated on the beneficiary account.
Successors	<ol style="list-style-type: none"> 1. B.6.3.3 Payable Administration 	<ol style="list-style-type: none"> 1. Staff monitors requested payments to third parties. A pre-disbursement and a disbursement report are received and staff helps to resolve problems with requested disbursements that cannot be made.
FO		
Predecessors	<ol style="list-style-type: none"> 1. FO.1.1a Create Trust Funds Receivable 2. FO.1.1b Create Non-Trust Funds Receivable 3. FO.1.2a Receive and Post Trust Funds 4. FO.1.2b Receive and Post Non-Trust Funds 	<ol style="list-style-type: none"> 1. Trust funds that are projected to be received before the scheduled disbursement date. 2. Non-Trust funds that are projected to be received before the scheduled disbursement date. 3. Trust receipts, including investment earnings, which are available to cover requested disbursements. 4. Non- Trust receipts, including investment earnings, which are available to cover requested disbursements.
Successors	<ol style="list-style-type: none"> 1. FO.2.1 Review 	<ol style="list-style-type: none"> 1. Scheduled and actual disbursements from beneficiary accounts are

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Business Process Name	Process Name (As specified in “To-Be” Model)	Dependency Description
	<ul style="list-style-type: none"> Accounts and Investment Options 2. FO.2.3 Execute Trades for Long Term Investment 3. FO.4 Omnibus Reconciliation 4. FO.5 Reporting and Statements 	<ul style="list-style-type: none"> available for review in determining if a beneficiary account balance is sufficient for long-term investment. If sufficient, the information is also valuable in selecting an investment strategy option. 2. If a beneficiary account balance is not sufficient to cover requested disbursements, investments may be sold to provide the necessary funds. 3. Funds payable and cash disbursements documentation is available for inclusion in the central office reconciliation. 4. Scheduled and actual disbursement information will be detailed on beneficiary statements.
LNRP – Wide Area Plan		
Predecessors	1. None	
Successors	1. None	
LNRP - Appraisals		
Predecessors	1. None	
Successors	1. None	
LNRUM		
Predecessors	<ul style="list-style-type: none"> 1. UM.2.6 Approve Land Use Contract 2. UM.2.7 Administer Land Use Contract 3. UM.2.1.2 Process Pre-Contract Receipt Encoding 4. UM.3.2 Contract for Support Activity 	<ul style="list-style-type: none"> 1. Scheduled disbursements as a result of a land use contract approval are used to create a funds payable entry. 2. Scheduled disbursements resulting from a modification to a land use contract are used to create a funds payable entry. 3. Scheduled disbursements against pre-contract receipts are used to create a funds payable entry. 4. Scheduled disbursements for contracted land use management support are used to create a funds payable entry.
Successors	1. UM.4.1 Monitor	1. A pre-disbursement report and a disbursement report are received and

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Business Process Name	Process Name (As specified in “To-Be” Model)	Dependency Description
	Management Units	staff helps to resolve problems.
Ownership – Title		
Predecessors	1. None	
Successors	1. None	
Ownership – Probate		
Predecessors	1. O.3.1 Prepare Probate Case 2. O.3.2 Adjudicate 3. O.3.3 Close Probate	1. Probate staff may release emergency funds against an in-process probate. 2. A judge may release emergency funds against an in-process probate. 3. Projected disbursements from a probate settlement are used to create a funds payable entry.
Successors	1. O.3.3 Close Probate	1. A pre-disbursement report and a disbursement report are received and staff helps to resolve problems.
Ownership - Conveyance		
Predecessors	1. O.1.5 Close Transaction	1. Projected disbursements from conveyance receipts are used to create a funds payable entry.
Successors	1. O.1.5 Close Transaction	1. A pre-disbursement report and a disbursement report are received and staff helps to resolve problems.
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. Funds payable system that tracks scheduled disbursements of funds from beneficiary or escrow accounts to beneficiaries or third parties and actual disbursements made. 2. Escrow tracking system that tracks pre-contract monies received and disbursed. 3. Trust technology systems, such as the Trust Financial Accounting System (TFAS) and the Trust Asset and Accounting System (TAAMS) that apply receipts and disbursements to the appropriate accounts, and contain account information and balances. 4. Technology that produces beneficiary account statements with detailed transaction information. 5. Cash management system that contains both projected and actual receipts and disbursements for beneficiary accounts. 6. Imaging. 7. Automated disbursement request forms and work tickets with electronic signature capability. 8. An interface with probate data. 9. A tracking system to track financial inquiries, incidents and identify training and process improvements.
Policies, Procedures and Regulations	<ol style="list-style-type: none"> 1. Detailed desk procedures are needed and should include identified service standards and management overview to ensure service standards are met. 2. Purchasing authorization procedures. 3. Exception reconciliation procedures. 4. Deficiency reconciliation procedures. 5. Procedures must be defined for the reversal of any entries that are not processed as they were originally requested. 6. Need to identify a central point where all inquiries are received and that area must be responsible for timely resolution of all inquiries in compliance with set service standards.
Training	<ol style="list-style-type: none"> 1. Develop and provide proper training on system capability to utilize the cash management and funds payable systems. <ol style="list-style-type: none"> a. Introductory / overview training

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Universal Support Function	Dependency Description
	b. Complex query training
Records Management	<ol style="list-style-type: none"> 1. Storage of electronic records. 2. Retention requirement for electronic records, forms, and signature. 3. Retention requirement for imaged documents.
Risk Assessment	<ol style="list-style-type: none"> 1. Providing investment information based on erroneous or misleading data in an automated system. 2. Providing erroneous or misleading information on beneficiary statements. 3. Mitigate the risk of staff handling bid and performance bond storage and disbursement. 4. Pre-determined approval and submission amount thresholds must be set and management level periodic review required to ensure approval amounts are not exceeded. 5. Clear segregation of duties is required for the submission and approval of disbursements to ensure that the request is processed and verified to match the original request. 6. Functions of creating the system request, approving the disbursement and printing and mailing of the disbursement check must be segregated to ensure dual control.
Workforce Planning	<ol style="list-style-type: none"> 1. 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 disbursements processing. Develop service standards with management oversight to ensure adherence to the financial controls. 2. Place accountability on program and integrated servicing offices to follow-up until exceptions are cleared. 3. Field Operations, Financial Accounting, Compact and Contract must review reconciliations as requested within state timeframes. 4. Trust Services is responsible to ensure Field Operations, Financial Accounting, Compact and Contract complies with providing research information within specific timeframes. 5. Put in place an internal audit control function following OCC requirements to monitor the various processes ensuring compliance with state objectives. 6. Quarterly Control Book review by management of processes with greatest risk. Staff performs the task, supervisor reviews the process and manager ensures both processes are completed. 7. Internal control review by management giving oversight to Trust administration, reconciliation

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Universal Support Function	Dependency Description
	processes, fund receipt and fund disbursement. 8. Trust Administration oversight at the tribe level to ensure funds are properly disbursed according to the individual tribe requirements. 9. If dual cash accounting is required, ensure that the proper receipt/disbursement codes are in use to track cash by income and principal.