



**Financial Operations
Advisory Engagement
March 06, 2024**

Table of Contents

- **Project Objective & Scope**
- **Controls Gaps and Recommendations**
 - ✓ Budgeting
 - ✓ Forecasting
 - ✓ Reconciliations
 - ✓ Non-workers' compensation payables
 - ✓ Annual and Biannual reporting
 - ✓ Key financial activities performed by OAG on behalf of and/or for the benefit of SORM
- **Appendix A – Priority List**
- **Appendix B - Staffing Roles and Responsibilities versus Job Descriptions**
- **Appendix C - Example Service Level Agreement Metrics**

ADVISORY OBJECTIVES

To assess management controls and process to identify opportunities for efficiencies and effectiveness to add value and improve SORM's operations. Components included:

- ✓ **Budgeting process operates effectively to support sound financial management.**
- ✓ **Forecasts provide appropriate financial information to facilitate informed decision making.**
- ✓ **Reconciliations are accurate, ensure the validity of financial information, and are completed timely.**
- ✓ **Annual and Biennial Reporting results are accurate and reliable.**
 - Data capture is efficient and timely.**
 - Tracking and planning for due dates is monitored and enforced.**
- ✓ **Non-workers compensation payables are properly approved and required supporting documentation maintained.**
- ✓ **Activities performed by the OAG on SORM's behalf and/or for SORM's benefit are clearly identified, completed timely, and comply with service level expectations**

To review financial management's roles and responsibilities and assess opportunities for improvement in resource allocations.

SCOPE PERIOD: SEPTEMBER 1, 2023 – JANUARY 31, 2024

ADVISORY ENGAGEMENT PROCESS

We performed this advisory engagement as part of the approved FY 2024 Annual Internal Audit Plan. An advisory engagement differs from an internal audit reviews as follows:

- Internal audits provide assurance on the effectiveness of an organization's processes and controls at mitigating risks to increase the likelihood of achieving their business objectives.
- An advisory engagement's focus is to identify control gaps, control weaknesses, and management control structure to then work with the organization to design a control structure to mitigate risks to achieving their business objectives.

A Management Control Structure can be made up of one or any a combination of processes, meeting, processes, etc. that allows management:

- To know their controls are working, and
- If their controls stopped working, they would know about it.

The International Standards for the Professional Practices of Internal Auditing (IPPF) states the nature and scope of advisory services may be subject to agreement with the party requesting the services. The agreed upon nature for this advisory engagement was to review SORM's processes for the following areas for potential gaps in controls, potential segregation of duties issues, and detective controls for identification potential fraud:

- Budgeting,
- Forecasting,
- Reconciliations,
- Non-workers' compensation payables,
- Annual and Biannual reporting, as well as
- Key financial activities performed by OAG on behalf and/or for the benefit of SORM.

Business Objective: Activities performed by the OAG on SORM’s behalf and/or for SORM’s benefit are clearly identified, completed timely, and comply with service level expectations.

Process/Function: SORM Interface with OAG

Criteria: SLA Best Practices and 2022-2023 Interagency Contract (IAC) (OAG & SORM Contract)

Conclusion:

- A lack of access to CAPPs and/or reporting prohibits SORM from monitoring and/or validating the accuracy of their financial transactions and reporting completed by OAG on their behalf.
- The current check deposit process lacks controls to prevent the loss or theft of checks.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<p>SORM Financial staff follow-up with OAG as issues are identified. Examples of issues are a vendor inquiring why an invoice is unpaid or SORM detects a PO has not been generated.</p>	<ul style="list-style-type: none"> • SORM is missing necessary access to CAPPs and/ or reporting to validate the accuracy of financials and reports submitted by OAG on its behalf. • SORM is unable to monitor outstanding and aging of payables. Additionally, they are unable to validate that payables are processed in a timely manner. 	<ul style="list-style-type: none"> • Obtain from OAG or develop required reports or queries including the following: <ul style="list-style-type: none"> ✓ Weekly Open PO Listing ✓ Accounts Payable ledger with aging ✓ Accounts Receivable ledger with aging ✓ Budget Variances ✓ Expenditure Trend Analysis
<p>The OAG contract defines SORM and OAG roles and responsibilities which documents management expectations and requirements to fulfill the contract.</p>	<ul style="list-style-type: none"> • OAG not providing all deliverables named in current contract. 	<ul style="list-style-type: none"> • Include service level agreements in future contracts to address timeliness of deliverables, that can be measured by SORM with current resources. • Assign management of the OAG contract to either Legal, Compliance, or the CFO until contract management position is filled to provide oversight and enforce provisions including measurement of service level agreements and timeliness of deliverables..

Business Objective: Activities performed by the OAG on SORM’s behalf and/or for SORM’s benefit are clearly identified, completed timely, and comply with service level expectations. (Continued)

Process/Function: SORM Interface with OAG

Criteria: SLA Best Practices and 2022-2023 IAC (OAG & SORM Contract)

Conclusion:

- A lack of access to CAPPs and /or reporting prohibits SORM from monitoring and/ or validating the accuracy of their financial transactions and reporting completed by OAG on their behalf.
- The current check deposit process lacks controls to prevent the loss or theft of checks.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> • Checks are received through the OAG’s Information Governance Division (IGD), (mailroom) logged, taken to SORM for processing in Access. • Once checks are processed in Access, SORM completes a Receipt Allocation form to provide along with the checks to OAG for processing in CAPPs. 	<ul style="list-style-type: none"> • Checks are deposited by OAG on an average of 9 days of being received for the period September through November 2023, with a range of 2 through 30 days. • Actual checks are used to code by SORM accountants then handed over to OAG to process in CAPPs. • Current check processes provide multiple opportunities for checks to be lost or stolen. <ul style="list-style-type: none"> ✓ Checks are processed through three departments. ✓ Copies of signed OAG’s logs reflecting checks received are not provided to SORM for their records. 	<ul style="list-style-type: none"> • Work with OAG to tighten controls over check processing. <ul style="list-style-type: none"> ✓ Revamp process to utilize check copies for coding purposes and deposit checks with 24 to 48 hours of receipt. ✓ If unable to rectify current control gaps, consider moving the responsibility of depositing checks internally. ✓ Request copies of the OAG log showing checks received from SORM.

Management Response (optional)

Business Objective: Non-workers compensation payables are properly approved and required supporting documentation maintained.

Process/Function: Non-workers compensation payables

Criteria: 2022-2023 IAC section 5)A. and 5)E. (OAG & SORM Contract)

Conclusion: SORM’s ability to monitor the purchase requisition and purchase order (PO) status is limited. This prevents Finance staff from efficiently monitoring the status of purchase requisitions or open POs .

Opportunities to improve efficiencies could be obtained by utilizing technology to complete Expenditure Request Forms.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> SORM accountant searches CAPPs by PO to check the status. 	<ul style="list-style-type: none"> An outstanding PO report is not available to monitor the status of expenditure requests. 	<ul style="list-style-type: none"> SORM should work with OAG to obtain PO status reports or create queries to monitor PO statuses.
<ul style="list-style-type: none"> Requestor signs and submits an Expenditure Request Form with supporting documents (e.g., vendor quote). The senior accountant verifies that funds are available and signs and dates the budget section. Authorized staff approve the form (e.g., department managers, legal, and contract administrator). The accountant II enters the request information into CAPPs and obtains a verification receipt from CAPPs. After OAG approves the request, then accountant II receives a CAPPs-generated email that OAG approved the requisition for further processing into a purchase order. 	<ul style="list-style-type: none"> The Request for Expenditure is a hard copy form that is manually distributed from the requestor to several approvers. 	<p>Opportunities for Improvement</p> <ul style="list-style-type: none"> To improve efficiency, replace the paper request with a PDF form which can be electronically completed and signed. Also, considering dollar thresholds for approval limits. Utilize MS workflow with electronic signatures to approve Request for Expenditure form.

Business Objective: Non-workers compensation payables are properly approved and required supporting documentation maintained. (Continued)

Process/Function: Non-workers compensation payables – Continued

Criteria: 2022-2023 IAC section 5)A. and 5)E. (OAG & SORM Contract)

Conclusion: OAG’s process for notifying SORM when goods are received does not provide a backup method to allow SORM to research receipts when the warehouse fails to notify SORM. This could cause reordering of product that has not been received timely.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> SORMs creates POs for needed goods, obtains appropriate approvals, and provides POs to OAG to place order, receive and notify SORM of delivery. 	<ul style="list-style-type: none"> Notifications on SORM deliveries into OAG warehouse are not consistently received when goods are delivered. Needed goods are unavailable for use and may cause reordering to fill need. For example, Finance staff stated that laptops were stored in the warehouse and SORM was not aware until SORM staff happened to visit the warehouse. 	<ul style="list-style-type: none"> Request access to view status of POs to identify when goods have been received but no notification is provided by OAG.

Management Response (optional)

Business Objective: Reconciliations are accurate, ensure the validity of financial information and are completed timely.

Process/Function: Reconciliations

Criteria: ACFE Fraud Risk Management Guide and 2022-2023 IAC Addendum A Section E (OAG & SORM Contract)

Conclusion:

- SORM does not receive status of account and system (CAPPS, USAS, RMIS) reconciliations performed by OAG. SORM is unable to confirm reconciliations are performed timely and reconciling items are addressed. Without the completion of reconciliations, any financial reporting produced would be considered questionable in its accuracy.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> • Addendum A Section E of the contract states: The Financial Reporting Section in the OAG's Accounting Division shall reconcile SORM's accounting records against the Comptroller's records on USAS on a monthly basis to ensure accuracy and reliability. Discrepancies will be identified and resolved by OAG Accounting staff. 	<ul style="list-style-type: none"> • Account reconciliations are not prepared internally nor obtained from OAG to verify accuracy and timeliness. • Reconciliation of CAPPS to USAS is not completed. 	<ul style="list-style-type: none"> • Work with OAG to obtain copies of the reconciliations performed monthly to validate timely completion and resolution for any reconciling items.
<ul style="list-style-type: none"> • On a monthly/quarterly basis, SORM prepares a reconciliation of checks received and recorded in an Access to the receipts recorded in CAPPS by OAG. • OAG notifies SORM via CAPPS when checks have posted. SORM verifies each check recorded in the Access is posted to CAPPS and post the payment into RMIS. 	<ul style="list-style-type: none"> • No monthly report is obtained from OAG to summarize the total amount of receipts posted in CAPPS to verify that RMIS and CAPPS and USAS agree. 	<ul style="list-style-type: none"> • Obtain a CAPPS report to reconcile total check receipts to RMIS. When comparing what is in ACCESS vs RMIS, SORM should compare that data to CAPPS and USAS. The comparisons will validate all data is flowing appropriately from one system to the next.

Management Response (optional)

Business Objective: Annual and Biennial Reporting results are accurate and reliable.

- Data capture is efficient and timely.
- Tracking and planning for due dates is monitored and enforced.

Process/Function: Annual and Biennial Reporting

Criteria: State Regulatory Reporting Requirements

Conclusion: Due to a lack of training and documented procedures for completing annual and Biennial regulatory reports, there is a significant risk of inaccurate or untimely reporting.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> • A statutory reporting tracking spreadsheet is maintained by the Office of Compliance to monitor the due dates for statutory reports. • The Office of Compliance sends an email reminder to department management when reports are due. 	<ul style="list-style-type: none"> • The statutory reporting tracking spreadsheet does not indicate the date reports were submitted, if submitted timely, and the direct SORM point of contacts. • Reminder of reports due is a manual process which allows for the potential to miss sending and reports to being completed and submitted on time. 	<p>Opportunities for Improvement</p> <ul style="list-style-type: none"> • Update the tracking spreadsheet to indicate the date reports were submitted and direct point of contact. • Consider utilizing workflow functionality with MS Office or other existing applications to manage the tracing of reports. Alternatively consider a creating invites in MS Office to place due dates on the calendars of those who are required to provide information.
None identified	<ul style="list-style-type: none"> • Current Finance staff lack knowledge of how to prepare annual and financial reports or the process for capturing data for the reporting processes. 	<ul style="list-style-type: none"> • Provide training to Finance Staff on annual and Biennial reporting. Once understood, document procedures to prepare all reports. In addition, within the documented procedures, note the purpose of the report and the frequency it is to be completed.

Management Response (optional)

Business Objective: Budgeting process operates effectively to support sound financial management.

Process/Function: Budgeting

Criteria: State Regulatory Requirements and 2022-2023 IAC Section 5)D. (para. 4 and 5)

Conclusion: SORM is not receiving necessary information to perform expenditure forecasts and analysis from OAG. This lack of information prevents SORM from effectively monitoring the PO status of vendor contracts. There is no documented procedures regarding the budget process, SORM runs the risk of data of not being report correctly or missing data for the budget.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> Per the contract, OAG will provide SORM with the necessary administrative support related to the following budgetary functions performed by the OAG's Budget Division: Maintain the forecast of all budget line-item expenditures using query systems for trend analysis and reviewing contract and purchase order information. 	<ul style="list-style-type: none"> OAG does not provide SORM budget line-item expenditures forecast or trend analysis. SORM cannot effectively monitor the PO status of vendor contracts. For example, the cost containment vendor (Caseworks) no analysis is being performed to validate that Caseworks did not exceed the PO dollars. SORM accountants are manually tracking the PO for this vendor. 	<ul style="list-style-type: none"> Work with OAG to obtain reports that show the trends of SORM's expenditures. Obtain training to pull information from systems to generate reports and become less reliant on OAG to provide.
<ul style="list-style-type: none"> An informal process to review for data accuracy is completed by the senior accountant prior to entering the information into the ABEST system. 	<ul style="list-style-type: none"> The budget process is not documented to specify how to complete template to prevent the ABEST system from erroring out. 	<ul style="list-style-type: none"> Document the budget processes including spreadsheets and reports utilized to monitor, reconcile, and review documents for quality control.

Management Response (optional)

Business Objective: Forecasts provide appropriate financial information to facilitate informed decision-making.

Process/Function: Forecasts

Criteria: LBB Forecasting based on Texas Labor Code Section 412.0121 and 28 Texas Administrative Code Sections 251.505 and 251.507.

Conclusion: No written procedures exist regarding the Workers' Compensation forecasting process and only one staff currently understands how to perform process. Without written procedures and cross-training SORM may not be able to provided the correct documentation to the third-party vendor who does the assessment projections.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
A third-party vendor provides actuary services to SORM.	<ul style="list-style-type: none"> • Only one accountant understands and performs the Worker's Compensation forecasting utilizing multiple spreadsheets and calculations. The results are used internally to look at quarterly trends over the last 32 years. • Instructions on how to complete and provide information needed by the third-party actuary do not exist. 	<ul style="list-style-type: none"> • Document the purpose and process for providing the data to the third-party, along with the internal processes for using the data.
Management Response (optional)		

Business Objective: Staff Roles and Responsibilities include completion of OAG contract requirements and align with job descriptions.

Process/Function: Staff Roles and Responsibilities

Criteria: Job Descriptions

Conclusion: Training and procedure manuals are not available to provide staff guidance on performing essential job duties. Management has not reassessed if the current jobs description align with the department roles and responsibilities as well as the OAG contract. Employees are not cross-trained to keep the workflow moving effectively and efficiently. As a result, there is a gap between current and required staff activities to ensure the integrity and accuracy of data processed as well as data reported by OAG.

Key Controls in Place	Control Gaps Noted	Management Control Structure Recommendations for Consideration
<ul style="list-style-type: none"> None noted. 	<ul style="list-style-type: none"> Employees have not received the training needed to perform their roles and responsibilities expected based on their job description. 	<ul style="list-style-type: none"> Develop and regularly update a training plan for employees. Research the FMX or SAO websites for potential training that would benefit team members.
<ul style="list-style-type: none"> None noted. 	<ul style="list-style-type: none"> Current employee roles and responsibilities do not align with job descriptions. 	<ul style="list-style-type: none"> Update job descriptions to match current responsibilities or establish greater management oversight of job responsibilities.
<ul style="list-style-type: none"> None noted. 	<ul style="list-style-type: none"> Lack of monitoring and/ or review of reports provided by OAG. 	<ul style="list-style-type: none"> Assign monitoring and review the reports provided by OAG to appropriate staff.
<ul style="list-style-type: none"> None noted. 	<ul style="list-style-type: none"> When employees are out of the office or no longer with the agency, it is difficult to assign tasks to other employees due to the lack of cross-training. 	<ul style="list-style-type: none"> Cross-train other staff to perform the duties of others.

Management Response (optional)

Appendix A – Priority List

Priority	Recommendation	Area(s) of Impact	Risk Level	Resource Requirement
1	<ul style="list-style-type: none"> Update job descriptions to match current responsibilities or establish greater management oversight of job responsibilities. 	Staff Roles and Responsibilities	High	Med
2	<ul style="list-style-type: none"> Work with OAG to tighten controls over check processing. 	Activities performed by OAG on SORMS behalf	High	Med
3	<ul style="list-style-type: none"> Develop and regularly update a training plan for employees. Research the FMX or SAO websites for potential training that would benefit team members. Topics to include: <ul style="list-style-type: none"> ✓ annual and Biennial reporting ✓ how to pull information from systems to generate reports and become less reliant on OAG to provide. 	Staff Roles and Responsibilities Annual and Biennial Reporting	High	High
4	<ul style="list-style-type: none"> Work with OAG to obtain copies of the reconciliations performed monthly to validate timely completion and resolution for any reconciling items. 	Reconciliations	High	Med
5	<ul style="list-style-type: none"> Obtain a CAPPs report to reconcile total check receipts to RMIS. When comparing what is in ACCESS vs RMIS, SORM should compare that data to CAPPs and USAS. The comparisons will validate all data is flowing appropriately from one system to the next. 	Reconciliations	High	Med
6	<ul style="list-style-type: none"> Obtain from OAG or develop required reports/queries for the following: <ul style="list-style-type: none"> ✓ Weekly Open PO Listing ✓ Accounts Payable ledger with aging ✓ Accounts Receivable ledger with aging ✓ Budget Variances ✓ Expenditure Trend Analysis 	Activities performed by OAG on SORMS behalf	High	Low
7	<ul style="list-style-type: none"> Update future OAG contract to include service level agreements to address timeliness of contract deliverables, that can be measured by SORM with current resources. 	Activities performed by OAG on SORMS behalf	High	Low
8	<ul style="list-style-type: none"> Assign management of the OAG contract to either Legal, compliance, or CFO until contract management position is filled to provide oversight and enforce provisions including measurement of service level agreements and timeliness of deliverables. 	Activities performed by OAG on SORMS behalf	High	Med

Appendix A – Priority List

Priority	Recommendation	Area(s) of Impact	Risk Level	Resource Requirement
9	<ul style="list-style-type: none"> Cross-train other staff to perform the duties of others. 	Staff Roles and Responsibilities	Med	Low
10	<ul style="list-style-type: none"> Request access to view status of POs to identify when goods have been received but no notification is provided by OAG. 	Non-workers Compensation Payables	Low	Low
11	<ul style="list-style-type: none"> Document the budget processes including spreadsheets and reports utilized to monitor, reconcile, and review documents for quality control. 	Budgeting Process	Low	Low
12	<ul style="list-style-type: none"> Document the forecasting purpose and processes, including providing the data to the third-party actuary, along with the internal processes for using the data. 	Forecasts	Low	Low
13	<p>Opportunities for Improvement</p> <ul style="list-style-type: none"> To improve efficiency, replace the paper request with a PDF form which can be electronically completed and signed. Also, considering dollar thresholds for approval limits. Utilize MS workflow with electronic signatures to approve Request for Expenditure form. 	Staff Roles and Responsibilities	Low	Low
14	<p>Opportunities for Improvement</p> <ul style="list-style-type: none"> Update the tracking spreadsheet to indicate the date reports were submitted and direct point of contact. Consider utilizing workflow functionality with MS Office or other existing applications to manage the tracing of reports. Alternatively consider a creating invites in MS Office to place due dates on the calendars of those who are required to provide information. 	Annual and Biennial Reporting	Low	Low

Appendix B – Overview of Staff Roles and Responsibilities Summary

Legend:	R	Responsible for task.
		Items in green are tasks included on the employee's job description that are done .
		Items in yellow are tasks included on the employee's job description and are not done .
		Items in blue are tasks not included on the employee's job description that are done. These are considered other related duties.

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Reports and Analysis/Special Projects	Daily/As needed	R	R	R				
Write policies and procedures	As Needed		R					
Budget and Budget Proposal	Every other year	R	R	R				
Quality control reviews/Invoice Payments	Daily		R	R				
Invoicing/Coding/Initial approvals	Daily		R	R				
Payments	Daily			R	R	R		
Zero Payments on Explanations of Benefits (EOBs)	Daily			R	R	R		
Travel	As needed				R			
Expenditure Request	Daily	R		R				
Invoice Errors	As needed		R	R				
Refund Checks	As needed		R					
Check Deposits	Weekly/As Needed			R	R	R	R	R
Cash flows	Daily		R			R	R	R
Financial Reconciliations								
Accounts Payable, Accounts Receivable, Bank Reconciliations	Not done	R						
Reconciles total invoice amounts from Medical Cost Containment Services upload to CAPPS.	Daily /250 per month		R	R				
Audits accounting and financial documents for accuracy and compliance with departmental policies and procedures and state and federal statutes. Yearly/quarterly/monthly.	Not done	R	R	R				
Prepares spreadsheets for reconciliation, production and data analysis purposes including for warrants and direct deposit	Daily					R	R	R
Performance Measure Audits	Quarterly		R					
Warrant Processing	Daily				R	R		R
Cancellations	As needed/Daily		R	R	R	R	R	R
Explanation of Benefits (EOB) or Explanation of Review	Daily (Rotated Weekly)					R	R	R
External Communication						R	R	R
Benefit Correction forms								R

Appendix B - Staff Roles and Responsibilities – Detailed Tasks

Legend:	R	Responsible for task.
		Items in green are tasks included on the employee's job description that are done.
		Items in yellow are tasks included on the employee's job description and are not done .
		Items in blue are tasks not included on the employee's job description that are done. These are considered other related duties.
Frequency		Rate of regular occurrence of the responsibility is performed
Note 1: If the matrix does not show the average time taken to complete responsibilities, no estimated time was provided.		
Note 2: Two Accountants were out of office during our review and were unable to complete the survey.		

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Reports and Analysis	Daily	R						
Researches and reports on specialized projects for the department director and division chief	As Needed	R	R	R				
Update policies and procedures	As Needed		R (Writes Desktop Procedures)					
Analyzes and recommends improvements, adaptations, or revisions to the accounting system and accompanying procedures.	As needed	R	R	R				
Budget and Budget Proposal	Every other year	R	R	R				
Prepares and/or processes general journal entries; to establish budget, transfer funds, and other transactions		R						
Prepares periodic analyses of fund balances and expenditures; and prepares technical reports on payroll, estimates, cost data, and budget items.		R						
Prepares different Legislative Budget Board (LBB) reports including the Legislative Appropriations Request (LAR), Operating Budget, and Performance Measures.		R						
Assists with in the preparation of all fiscal and budgetary required reports, schedules, exhibits and processes; including biannual assessments to clients, board presentations and Legislative required reports such as the Performance Measures, Legislative Appropriation Request and the Operating Budget.			R					
Assists in the preparation of budget projections and revisions		R (OAG does projections)						

Appendix B - Staff Roles and Responsibilities – Detailed Tasks (Continued)

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Other duties as assigned								
Validate data from payment services	As needed		R					
Ensure data transfers accurately from legacy systems Alchemy and CMS	As needed		R					
Performs accounting batch activity work	Daily		R	R				
Update Scheduling Calendar	Daily					R	R	R
Quality control reviews								
On individual line items from payment services teams for documents such as warrants and cancellations	Daily		R	R				
Third reviewer	Daily		R					
Ensure department's work is reviewed for quality assurance	As needed		R					
	Daily		R (4 hours (half a work day))					
Invoicing								
Prepares, processes and validates journal vouchers, accounting, documents, invoices and transactions	Weekly-Daily		R	R				
			R	R (5-10 minutes/invoice)				
Payments								
Receive in-house payment form and invoice	Daily			R	R	R		
Upload in-house payment form and invoice into RMIS	Daily			R	R			
Workman's compensation Check processing	Daily				R, (1-2 hours)			
Zero Payments on Explanations of Benefits (EOBs)								
Sends out medical bills and checks that go with zero dollar pay EOBs	Daily			R	R	R		
	Daily				R	R		

Appendix B - Staff Roles and Responsibilities – Detailed Tasks (Continued)

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Travel	As needed				R			
Reimbursements for travel to go to doctor	As needed				R			
Employee Travel								
Expenditure Request	Daily	R		R (3 requisitions /day)				
Sign budget section on expenditure request form	Daily	R						
Fills out the form for the requisition	Daily			R				
Send form to OAG for processing	Daily			R				
Helps finds items for the agency in accordance to the Comptroller's purchasing and contract management handbook	Daily			R				
Invoice Errors	As needed		R	R				
Find out what is wrong with invoice	As needed		R	R				
Check if mail codes are out of date in the system	As needed		R					
Check that they have the right forms	As needed		R					
Refund Checks	As needed		R					
Check Deposits								
Prepares checks for deposit, processes direct deposit reversals and Automated Clearing House (ACH) Returns	As needed			R (not mentioned in interview)	R	R (30-45 minutes for deposit reconciliation)	R	R (30 minutes of data entry, then wait for approval)
Cash flows	Daily		R			R		
Prepares Expenditure/Cash Flow for both Claims and Administrative Funds.	Daily					R	R (an hour or less)	R (1-2 hours)
Keep track of cash flows for appropriations (compliance with GAA and budget set by LBB)	Daily		R					
Drafting a spreadsheet to track cash flows			R					
Appropriation cash flow	Monthly							R (2-2.5 hours)

Appendix B – Staff Roles and Responsibilities – Detailed Tasks (Continued)

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Financial Reconciliations		R	R	R				
Accounts Payable, Accounts Receivable, Bank Reconciliations		R						
Performs Reconciliations of complex invoices for our Medical Cost Containment Services			R	R				
Audits accounting and financial documents for accuracy and compliance with departmental policies and procedures and state and federal statutes.	Yearly, Quarterly, and Monthly	R	R	R				
Prepares spreadsheets for reconciliation, production and data analysis purposes						R	R	R
Performance Measure Audits	Quarterly		R					
Warrant Processing	Daily				R	R		R
Process checks from Alchemy	Daily					R		R
Distribute checks to providers, medical facilities, and indemnity payments	Daily				R			R
Cancellations	As needed/Daily		R	R (not mentioned in interview)	R	R	R	R (30 minutes of data entry, wait for approval)
Processes cancellations and enters into CAPPS, Treasury Operations System and Origami Claims System.	As needed/Daily					R	R	R
Processes cancellations vouchers and the associated data entry						R	R	R
Process return warrants	As needed/Daily				R		R	R
Process indemnity cancellations (Employees gone back to work still receiving Indemnity are cancelled in the system)	As needed/Daily				R	R		
Performs and analyzes reconciliations to deposits, cancellations, and administrative and claims fund activity; identifying discrepancies	Quarterly/Monthly		R	R (not mentioned in interview)				
Train Others		R	R		R			R
Oversee others, help as requested, and provide guidance		R	R		R			R

Appendix B – Staff Roles and Responsibilities – Detailed Tasks (Continued)

Responsibility	Frequency	Senior Accountant	Senior Accountant	Accountant II	Accountant I	Accounting Technician II	Accounting Technician II	Accounting Technician II
Explanation of Benefits (EOB) or Explanation of Review	Daily (Rotated Weekly)					R	R	R
Ensures medical provider warrants and electronic payments are matched with the corresponding Explanation of Benefits daily.	Daily (Rotated Weekly)					R	R	R
Ensures indemnity benefit warrants and electronic payments are matched with the corresponding Explanation of Benefits daily.	Daily (Rotated Weekly)					R	R	R
Explanation of Review for medical bills that are reduced to zero paid, are distributed to the proper party per Division of Workers' Compensation (DWC) rules and regulations within two business days of receipt.	Daily (Rotated Weekly)					R	R	R
Responds to Inquiry letters and Requests for Explanation of Benefits.	Daily (Rotated Weekly)					R	R	R
External Communication						R	R	R
Responds to phone and other claim fund inquiries.	Daily					R (5-6 calls/day; 2-3 mins/call)		R
Responds to Returned Mail.	Daily (Rotated Weekly)					R	R	R
Benefit Correction forms								R

Appendix C - Example Service Level Agreement Metrics

Metric	Metric Description
Intragovernmental Payment and Collection (IPAC)	98% of Federal IPAC payments are processed within 10 business days.
Temporary Duty Travel (TDY)	95% of travel vouchers are paid within 5 business days for automated vouchers and within 7 business days for paper vouchers when a complete package is submitted. Travel vouchers are returned after the 7th business day if proper information has not been received to process payment.
Vendor Payments	98% of commercial payments are processed in accordance with the Prompt Payment regulations upon timely receipt of valid documentation.
Vendor Payments	Interest paid does not exceed 3% of total applicable monthly payments provided supporting documentation is received timely.
Application Availability	Production system is available 24/7/365 except during established periods of maintenance, pre-approved downtime, and downtime requested by the customer, 95% of the time.
Annual Assurance Statement on Management Controls over Financial Reporting	The Annual Assurance Statement on Management Controls over Financial Reporting identifies no material weakness for Oracle Federal Financials. Reported Year End.
Account Setup/Maintenance Assistance	Users utilize self-service password resets. 95% of user access requests, account modifications, and non-self-service password resets will be completed within 2 business days of receipt of a valid and properly completed request.