COST BASIS REPORTING PROJECT (CBR)

BACKGROUND

The IRS mandated new rules for brokerage firms and financial institutions to report and track cost basis, acquisition and disposition dates, gains / losses along with the type (i.e. Short/long) of gain/loss for all securities held by their clients.

As regulatory requirements dictated the necessity of this effort, our Client's vendor failed to deliver required system changes to address the production and processing gaps. Our Client engaged GSS to deliver a solution that that could effectively prepare their data to meet the regulatory requirements.

SOLUTION

GSS custom designed and developed a DMSS data hub that allows for the receipt and acquisition of cost basis information. The GSS Data hub tool was fed position, tax lot and applicable corporate action information from multiple trust accounting systems.

The GSS tool aggregated data from various systems and automatically performed the calculations necessary for tracking cost basis information and allowed for staging of data in preparation for the reporting required by the cost basis initiative.

GSS PROJECT TEAM / RESPONSIBILITIES

GSS Business Analysts with Cost Basis and Corporate Action experience

+ Requirements Gathering

+ Database Requirements

+ Test script development

GSS DMSS Development Techs

+ Database Development

+ Testing

+ Movement of the developed tool into production

Client's cost basis reporting team

+ Approval of all design requirements and testing scripts

+ Testing assistance and approvals

+ Facilitate implementation into development and production environments

> **"THE GSS DATA HUB TOOL WAS FED POSITION, TAX LOT AND APPLICABLE CORPORATE ACTION INFORMATION FROM MULTIPLE TRUST ACCOUNTING SYSTEMS."**

KEY DELIVERABLES

Requirements Gathering

+ Reviewed all of the data input files (in this case a total of 30 input files).

+ Worked to identify fields where required data may be missing from input data files.

+ Reviewed the corporate action events and any current cost basis reporting calculations.

+ Defined and documented the business requirements.

Database Requirements

+ GSS translated business requirements into functional database requirements.

Database Development

+ GSS developed the data hub tool using existing programs (Access, SQL, etc.) to avoid additional cost for the client.

Testing

+ GSS lead and managed all testing efforts associated with the CBR tool development, including test script development, staging of test data, analysis and reporting of test results, troubleshooting and resolving testing defects.

Implement the CBR Instance

+ GSS worked with the cost basis reporting team to move the CBR instance into the production environment.