

The Advanced Corporate Treasury: Simplifying Connectivity and Centralizing Payments

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Introduction



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Agenda



- **The Evolving Needs of the Business**
- **What is Driving This Need**
- **Solutions and Strategies**
- **Conclusion**





The Evolving Needs of the Business



Top priorities for 2015:
Financial risk management
Centralizing treasury functions
Operational efficiency
Bank relationship management
Greater visibility to cash
Better reporting
Cyber risk

Treasury Strategies' 9th Annual State of the Treasury Profession:

<http://www.treasurystrategies.com/content/state-treasury-profession-2015-priorities>





What is Driving This Need



Top priorities for 2015:
Financial risk management
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Operational efficiency
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Cyber risk



Driving This Need
Connectivity <ul style="list-style-type: none">• Multiple internal and external communication channels• Multiple technology systems and platforms• Multiple communication standards and formats
Centralization <ul style="list-style-type: none">• Need for greater visibility and control• Need for more robust, timely, accurate information and reporting• Need for greater coordination within the business and externally
External Drivers <ul style="list-style-type: none">• Lack of IT resources and support• Manual, inefficient, undocumented processes, policies and procedures (workflow)• Lack of sufficient skills and knowledge within the treasury function



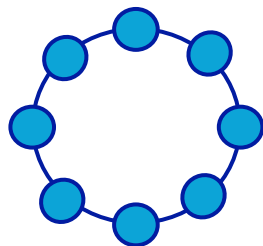


Evolution of Corporate Payment Architecture



Increased functionality and value

Connectivity

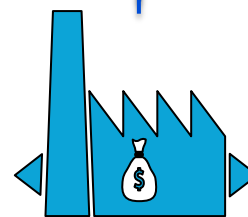


- Connectivity
- Internal and external
- Single pipe to banks
- Network agnostic

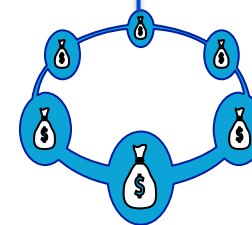
Centralization



- Payment & Collection Hub
- Central translation, validation & visibility
- Standard work flow



- Payment Factory
- Payment on behalf (POB)
- In-House Bank (IHB)
- Intelligent routing



- Internal Banking Portal
- Single view of data

“Treasury is becoming a value creation center, not a cost center or a profit center.”





Solution: Connectivity



CHALLENGE

- Unique external connection and format for each bank and payment type
- Dependence on bank-specific channels
- High cost of changing banks
- Internal IT resources required to build/manage connections to ERP systems

SOLUTION

- Consolidates all internal and external connections onto one platform
- Able to handle all transformation to/from any format including SWIFT, SEPA, ISO 20022
- Bank, technology, and channel-agnostic

BENEFITS

- Validates, repairs, transforms payments into a single format
- No need to change existing file formats
- Centralized transaction reporting reduces bank fees





Solution: Centralization



Increased functionality and value

BASIC CENTRALIZATION

CHALLENGE

- Increased payment cost
- Internal IT resources required to manage connections to ERP
- Workflow varies around globe

SOLUTIONS

- Payment & collection hub
- Single view
- Standardized global formats
- Workflow can be different for each region/ business unit

BENEFITS

- Reduced external and internal cost of payments
- Reduced dependency on external resources
- Consolidated centralized view of workflows

ADVANCED CONTROLLED CENTRALIZATION

CHALLENGE

- Lack of visibility and control
- Increased cross-border payments and FX fees
- Business units (BUs) need daily transaction information and ability to query data

SOLUTIONS

- Use of an In-House Bank (IHB) structure
- Payment factory
- Pay-on-behalf-of
- Single view of all transactions with IHB

BENEFITS

- Greater visibility and control, allowing for business performance and risk avoidance
- Reduced FX and bank fees
- Greater control while giving your BUs the autonomy they need to perform





Conclusion: Success Stories



“We gained two days of working capital visibility when we went to a POBO structure.”

“We were able to virtually eliminate our dependence on IT and greatly reduce the cost of making payments.”

“When we bring on a new partner or bank, we can now have them up and running with full reporting capabilities within a matter of weeks, rather than months.”

“We are now able to confidently support our global entities while maintaining visibility and a documented control process.”

The Evolving Needs
of the Business

What is Driving This
Need

Solutions and
Strategies

Conclusion





Thank You



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About Treasury Strategies, Inc.



Who We Are

Treasury Strategies, Inc. is the leading treasury consulting firm working with corporations and financial services providers. Our experience and thought leadership in treasury management, working capital management, liquidity and payments, combined with our comprehensive view of the market, rewards you with a unique perspective, unparalleled insights and actionable solutions.

What We Do

Corporations

We help you maximize worldwide treasury performance and navigate regulatory and payment system changes through a focus on best practices, technology, liquidity and controls.

Treasury Technology

We provide guidance through every step of the technology process – which includes creating a roadmap, selection, implementation and optimization. Our expert approach will uncover opportunities to optimize the value of your treasury through fully integrated technology solutions.

Financial Services

Our experience, analytic approach and benchmarks provide unique consulting solutions to help you strengthen and grow your business.

Locations


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Accreditations



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ACE Company Overview



A global provider of next-generation payments management and sanctions compliance technology for banks and corporates

Our History

Established in 1992 as a specialist consultancy company for Artificial Intelligence and Natural Language Parsing techniques.

By 1996, ACE evolved to become a software company focusing on STP and compliance for the financial services sector.

Today we employ over 150 people, 75% of whom are in development.

ACE has offices in New York, London, Amsterdam, Dubai and Mumbai.



	<i>Certified Application</i>	2014 Treasury - for Corporates
	<i>Certified Application</i>	2014 Cash Management - for Corporates