

# OAPT June Training Program

## Fundamentals of Treasury Management Game Show

Maureen Shildwachter, Steve Broerman, and Joe Farris

The Kahoot! logo is displayed in a bold, blue, sans-serif font. The letters are slightly irregular and have a playful, rounded appearance. The exclamation point is also in blue and matches the font style.

1

## Maureen Shildwachter

Senior Vice President, Government Banking Relationship  
Manager

Huntington National Bank  
(216) 515-6135

[maureen.Shildwachter@huntington.com](mailto:maureen.Shildwachter@huntington.com)

[ 2 ]

2

## Steve Broerman

Vice President, Treasury Management Advisor

Huntington Bank

(216) 515-0744

[Stephen.a.Broerman@huntington.com](mailto:Stephen.a.Broerman@huntington.com)

[ 3 ]

3

## Joe Farris

Vice President, Senior Relationship Manager

JP Morgan Chase Bank, N.A.

(216) 348-6682

[Joseph.farris@chase.com](mailto:Joseph.farris@chase.com)

[ 4 ]

4

## Class Objective

- Provide a high-level overview of Cash and Treasury Management services, Commercial Card best practices and Issuing an RFP
- Topics to include:
  - Cash flow management
  - Treasury Management products
  - What's new in Treasury Management
  - Commercial Card use & best practices
  - Merchant Services
  - Issuing & Evaluating RFPs

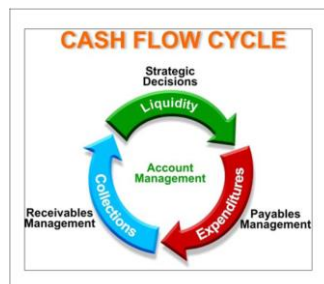
5

5

## Cash Flow Cycle

### What is Treasury Management?

- Treasury Management helps you manage your working capital. Bank's liquidity solutions help government entities save and invest wisely. Payables and receivables capabilities help you manage the purchases and the receipt of payments for good and services.



6

6

# Treasury Management

- What services can banks provide to assist government entities with their Cash Flow and What's New:

**Checking Account**

Hybrid Account

Real Time Payments (RTP)

E-bill present & pay

Online Banking

Export

ACH and Wires

**Zero Account Balance**

Integrated Payables

Fraud Protection

*Lockbox*

Remote Deposit Capture

*Safe Cash*

{ 7 }

7

# Treasury Management

**Hybrid Account**: provides clients with Treasury Management services the ability to offset fees through an ECR rate, as well as automatically earn an interest rate on any excess balances

## **Online Banking – Export**

Use the Export feature to electronically export previous data into a CSV, BAI2, Quicken®, and/or QuickBooks® file format which can be imported into accounting packages, such as Quicken, QuickBooks or Microsoft Money; treasury workstations, such as Treasury Manager; or reconciliation software, such as Recon Plus.

{ 8 }

8

# Treasury Management

**Fraud Protection:** a collection of services that help prevent fraud on business accounts- Positive Pay services are among the strongest and most immediate controls available to detect and prevent fraud

**Best Practices – Ohio State Auditor’s Office – September 2016**

<https://ohioauditor.gov/publications/bestpractices.html>

## **Electronic Protection Options**

### **ACH Positive Pay**

- An online fraud mitigation service which allows customers to manage ACH debits and/or credits posting to their business account via filters and blocks

### **Wire Block**

- Customers may choose to block all incoming and/or outgoing wires on a specific account. Once established, the block will prevent all wires from posting.

( 9 )

9

# Treasury Management

## **Check Protection Options**

### **Check Positive Pay**

- Provides early detection of fraudulent, altered or counterfeit checks by verifying items presented against a check issue file. If the information does not match, the customer will be notified to review and submit a decision to either Pay or Return exception items

### **Reverse Positive Pay**

- Provides early detection of fraudulent, altered or counterfeit checks by creating and posting a daily report of all presented items. Each business day, the customer will be responsible for reviewing the report to determine if any items should be returned.

### **Check Block**

- Eliminates the risk of check fraud by restricting the checking account to electronic activity. All paper-based transactions are automatically rejected, preventing checks from posting to the account.

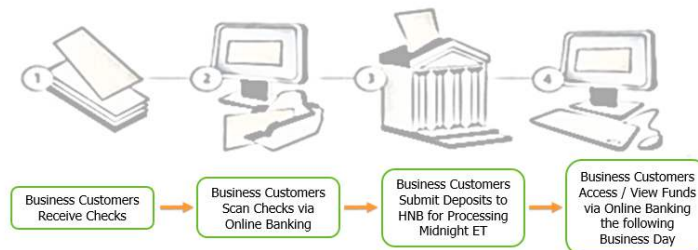
( 10 )

10

# Treasury Management

**Remote Deposit Capture** –accepts checks for deposit using electronic images

**Remote Deposit Capture** • How does it work?



11

**Huntington**

Member Bank Only. Funds and Property Information. © 2022

11

# Treasury Management

## **Real Time Payments (RTP)**

Supported by The Clearing House's real-time payments system, enables customers to make an immediate payment at any time. RTP payments may be made 24/7/365 with real-time confirmation of receipt. This innovative and emerging payment method combines around-the-clock payment capability and redefines the digital experience for both business and consumer payments.

- **Optimize cash flow**

RTP credits are available in a deposit account within seconds  
Option to include additional information like remittance data

- **Provides improved communication between the payer and payee**

Simply provide your routing number and account number to a payer that can send RTP credits

- **Secure**

RTP transactions move directly through banking channels and are protected by bank security measures

12

12

# Treasury Management

- **E-bill present & pay (EBPP)**

A comprehensive, configurable electronic billing and payment collection solution that gives businesses more control over how they are paid, automates receivables, and streamlines operations.

**Benefits**

- Enterprise grade software tailored to efficiently meet business needs
- Reduce expenses – lower print, mail, and postage costs
- Secure and compliant – ensure payments compliant with different industries
- Receive payment – improve collection cycle, cash flow, and customer satisfaction
- Branded for you – white-labeled platform puts your brand first
- Configurable platform – point and click provisioning allows you to decide which features suit your business

( 13 )

13

# Treasury Management

- **Integrated Payables**

Provides customers the ability to pay their vendors via Virtual Credit Card, ACH, Real Time Payment (RTP) or Check within one user interface, and with the use of one payment file. Business to business.

Reconciliation data, including vendor ID, vendor name, invoice number(s), payment amount, check number, current payment status, etc. is available for viewing and export through the Web Portal at any time.

**Market:**

500+ payments per month

\$1 million in spend on commercial card annually

( 14 )

14

## Commercial Cards

### Use of Commercial Cards and Best Practices



[ 15 ]

15

## Commercial Cards

Are designed to address your spending needs and help you save money. They typically:

- Pay in full each billing cycle with an electronic debit from your checking account or electronic payment
- Provide rebates based on your spend
- Can be used instead of check when making approved purchases in-person; online or for accounts payable
- Provide a valuable working capital tool with far-reaching impact

[ 16 ]

16



## Commercial Cards

Benefits would include:

- Control organizational spending
- Enhance vendor relationships and negotiate discounts
- Improve working capital
- Streamline reporting and accounting
- Immediate online access

( 17 )

17

## Commercial Cards

- Enhance Payment Capabilities – Increase Days Payable Outstanding (DPO)
  - Time from purchase to payment
- Spending Controls
  - Monthly/Daily limits
  - Merchant Category Controls
  - Cost Allocation – collect purchase order and receipt image

( 18 )

18

## Commercial Cards

- Online Integration Efficiency
  - Online card orders and maintenance
  - Web based reporting that can be electronically imported into your ERP system
- Enhanced Capabilities
  - Virtual “Ghost” cards to reduce risk
  - Batch issuing process – Easily send file of payables, unique cards (card#, Ex, CVV) issued for each payment

19

19


## Commercial Cards

- Vendors are realizing the benefits of accepting electronic payments
  - Virtual Cards are replacing payments to vendors on distributed cards
  - Integrated Payables is automating payment process and maximizing savings

**\$ Batch Information** Approve Delete Export Close

Search Batch  Type

Extra Columns

Type	Payable To	Supplier Code	Invoice #	Check #	Amount	Send Date (CDT)	
	excellence	147	258	369	\$600.00	05/06/2015 10:00 AM	<input checked="" type="checkbox"/>

Showing 1 to 1 of 1 entries

1	Virtual MasterCard Totalling	1	Invoices	1	Payments	\$600.00	Total
\$600.00							

20

20

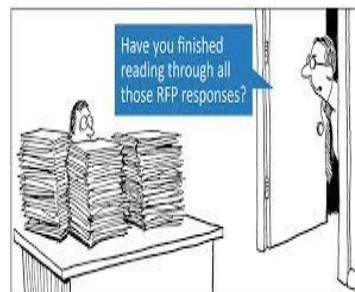
## Commercial Cards – Best Practices

- Have a written policy/procedures for use of cards
  - Who can use
  - Procedures for issuing and cancelling cards
  - What can be purchased
  - What restrictions
  - Consequences for misuse of card
  - Monitoring of transactions and reconcilements

21

21

## Issuing an RFP



Open Door Technology | opendoorerp.com

22

22

## The 7 Step Program To Writing & Evaluating RFPs

- 1 – Establish Review Team
- 2 – Set Objectives
- 3 – Create Scoring template
- 4 – Schedule Vendor Meetings/Presentations
- 5 – Create & Issue RFP
- 6 – Simplified Evaluation, Score, Award
- 7 – Implementation Process

( 23 )

23

## Questions???



( 24 )

24