

PRINCIPLES OF PAYMENT ASSESSMENTS

PAYMENT SECURITY WEBINAR SERIES



CRAIG JEFFERY

Managing Partner, Strategic Treasurer



WHAT

Considering practical insights and leading practices for completing a thorough inventory and examining your organization's overall situation with regards to payments.



WHEN

Friday, June 16, 2023
12:00 – 12:30 PM EDT



WHERE

Live online presentation
Replays at StrategicTreasurer.com

ABOUT THE SPEAKER

GET TO KNOW TODAY'S SUBJECT MATTER EXPERT



CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



ADVISE

- Global & Domestic Treasury
- Connectivity & Onboarding
- Working Capital Optimization



RESEARCH

- Industry Surveys
- Benchmarking
- Data Subscription



ASSIST

- Treasury & Risk Technology
- Bank Fee Management
- Temporary Treasury Staffing



INFORM

- Webinars
- Podcasts
- Analyst Reports, eBooks & Executive Summaries

TOPICS OF DISCUSSION

KEY AREAS OF FOCUS &
ANALYSIS



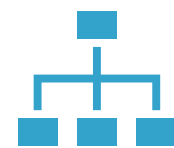
SITUATION

FRAUD THREAT AND TREND



INVENTORY

IDENTIFYING AND ASSESSING
PAYMENT FLOWS



BANKING STRUCTURE

REVIEWING ACCOUNTS



IMPROVING STANDARDS

HOW TO MOVE FORWARD

THE THREAT

AND THE INCREASE IN CRIME



Take money directly



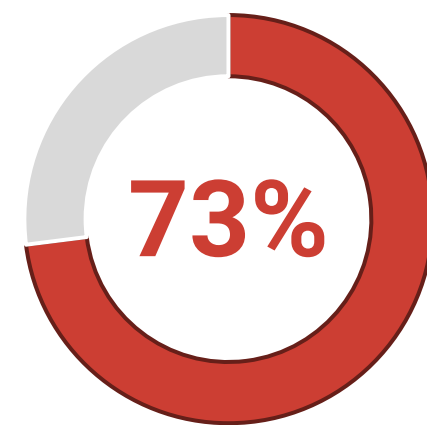
Convince you to send money



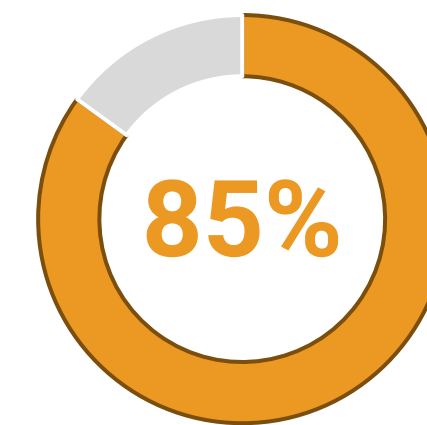
Steal your data and sell it



Lock up your data for ransom



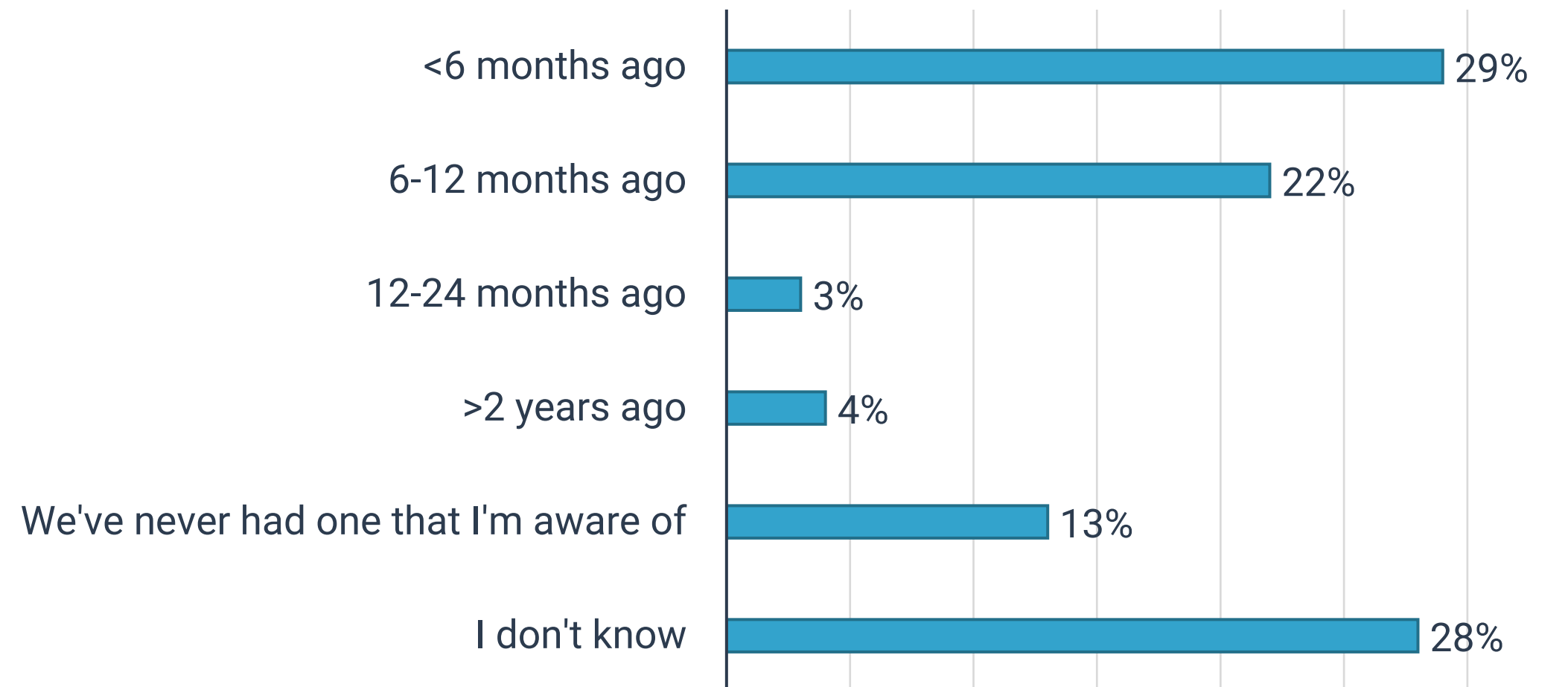
In the past twelve months, 73% of corporates experienced or suspected fraud



85% of corporates plan to spend more, significantly more or about the same as last year on treasury fraud prevention, detection and controls

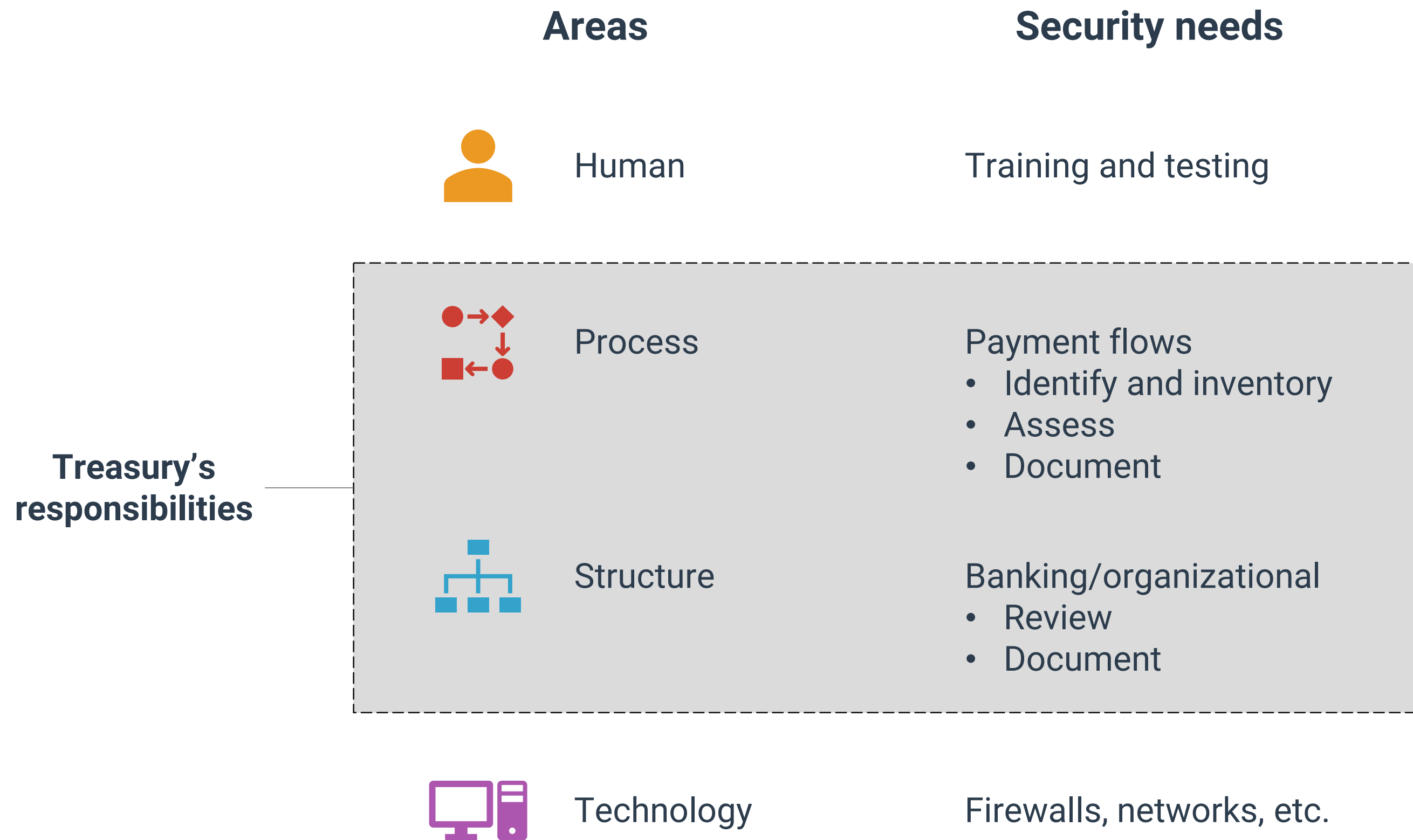
POLL QUESTION

Poll 1 - When is the last time your organization had a payment security assessment?



SECURITY NEEDS

AND TREASURY'S ROLE AS SUPERINTENDENT OF PAYMENT SECURITY



PAYMENT PROCESSES

DEVELOPING A FULL INVENTORY OF ALL PAYMENT FLOWS



Company

- Parent
- Subsidiaries
- Affiliates



Types of payment

- AP 1
- AP 2
- Treasury
- Payroll
- Admin system/process 1
- Admin system/process 2



Banking accounts

- Cash accounts (GL)
- Account analysis statements (banks)
- Bank statements (activity, banks)



Systems

- ERP
- Treasury
- FX
- HR
- Etc.

Discuss with treasury team and controllers

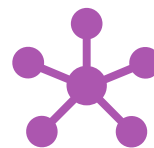
Formally document

PAYMENT PROCESSES

ASSESS THE PAYMENT FLOW FROM START TO FINISH



ERP, TMS, etc.



Payment batch/process



Value transfer
(bank)



Reconciliation

Start —————→ **Finish**

Validate
information

Control
handoffs

File
control

Limit
access

Transaction
limits

Confirmation

Method of storage

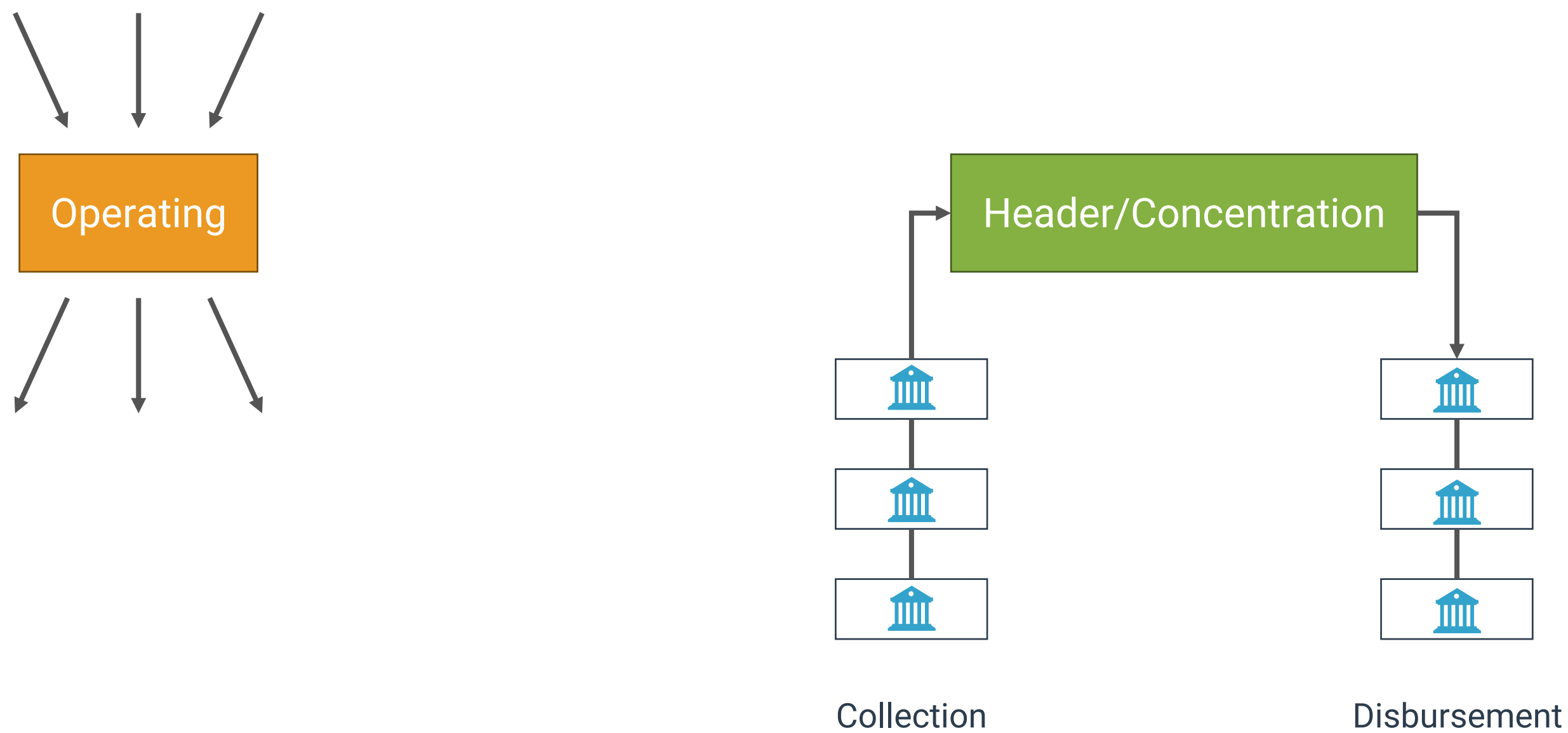
Method of confirmation

Method of transport

File and batch control

REVIEW BANKING STRUCTURES

CASH CONCENTRATION AND FUNDING PROCESS

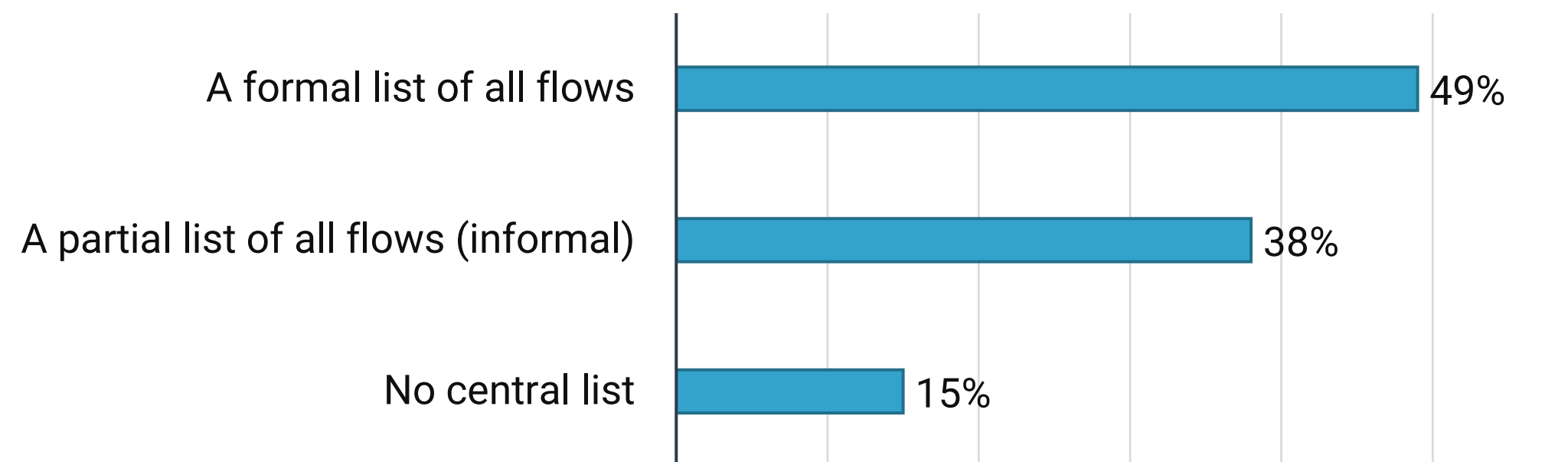


Identify standardized bank controls

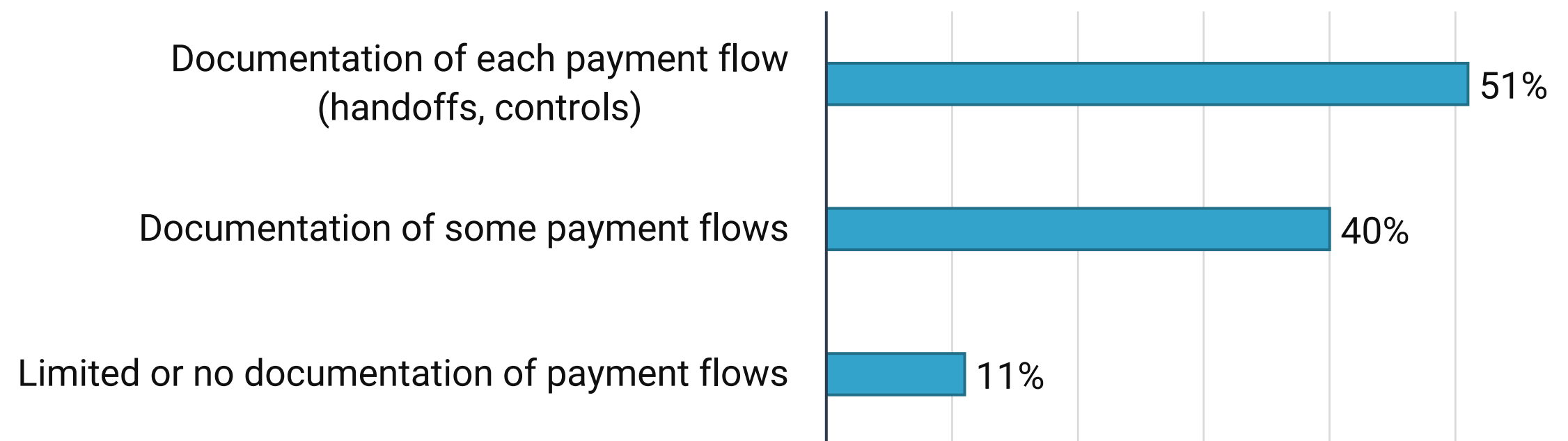
- Account level
- Transaction level

POLL QUESTION

Poll 2 - Regarding payment flow inventory, we have: (all that apply)



Poll 3 - Regarding payment flow documentation, we have: (all that apply)



ORGANIZATIONAL STANDARDS

ASSESSING AND IMPROVING YOUR STATUS



World-class

Review payment processes and bank structures every 24 months



Strong

All banks and payment flows inventoried and documented



Standard of good corporate conduct

Improve:

- Compensating controls
- Process change



Below standards

Remediation steps

- Short-term adjustments
 - Complete list
- Long-term adjustments
 - Systematic change
 - Process change

SCORING

SAMPLE POSITION REGARDING INVENTORY OF PAYMENT FLOWS

Payment Processes				Scoring		
Entity	Area	System	Bank	Current state	With compensating controls	Long-term position with changes
Acme 1	AP 1		Bank A	A	NA	A
	AP 2		Bank C	B	NA	B
	Admin 1		Bank A	A	NA	A
	Admin 2		Bank D	C	B	B
	Admin 3		Bank B	F	C	B
	Treasury	TMS	Banks A, B, C, D	F	C	A

TAKEAWAYS

IDEAS AND POINTS TO BRING BACK TO THE OFFICE



LEVEL OF IMPORTANCE

- Every bank account is a point of exposure and a point of cost
- Every payment flow is a point of exposure and a point of cost
- I can't protect what I don't know exists



BE THOROUGH

- Typical assessments find 50-100% more payment flows than previously thought



OUTSOURCING

- Consider shifting burden of inventory and documentation to third party

LET'S CONNECT

DON'T LET THE LEARNING END HERE...
CONTACT US WITH ANY FUTURE QUESTIONS.

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



STRATEGIC TREASURER

Craig Jeffery,
Managing Partner

✉ craig@strategictreasurer.com

☎ +1 678.466.2222



Don't wait and find out the hard way just how vulnerable your treasury and payment practices are. Start the assessment now. In less than 5 minutes, you can complete the 8-question self-assessment to receive instant results and recommendations.



Free Snapshot

PRACTITIONERS

CORPORATE TREASURY & FINANCE

We help treasury do more of the right work with less of the waste.
[Learn from our experience. Leverage our expertise.](#)



ADVISE Major Projects

- Treasury Structures
- Liquidity & Risk
- Banking Services
- Treasury Technology



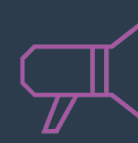
ASSIST Outsourced Services

- Fee Management
- Employee Security Training
- Compliance Services
- Connectivity & Onboarding



RESEARCH Market Data

- Survey Participation
- Research Report Access
- Industry & Peer Benchmarking
- Critical Treasury Assessment



INFORM Industry Insights

- Technology Analyst Report
- Webinars (CE Credits)
- Podcasts & Videos
- eBooks & White Papers



Learn more or schedule an introduction today at strategictreasurer.com/practitioners

PROVIDERS

BANKING, FINTECH AND INVESTMENT

We help providers engage treasury with smart marketing solutions.
Extend your reach. Strengthen your impact.



ADVISE Major Projects

- Go-to-Market Advising
- Product Design & Roadmapping
- Messaging Optimization
- Investment Validation



ASSIST Outsourced Services

- Sales Optimization & Training
- Marketing Team Support
- Content Amplification
- SME Speaker Bureau



RESEARCH Market Data

- Treasury Insights (Data Services)
- Tailored Market Research
- Survey Program Sponsorship
- Client Benchmark Reporting



INFORM Industry Insights

- Expert Content Creation
- Platform Access & Distribution
- Targeted Demand Generation
- Custom Campaign Programming



Learn more or schedule an introduction today at strategictreasurer.com/providers