

Convert Corporate Treasury Insights into Actions

SAP In-House Cash, Cash Management and Transaction Manager

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In This Session

- Company Background
- Business Background
- Business Case
- Capabilities Built in SAP
- Journey & Go-Live
- Value Realization
- Question & Answer
- Wrap-Up

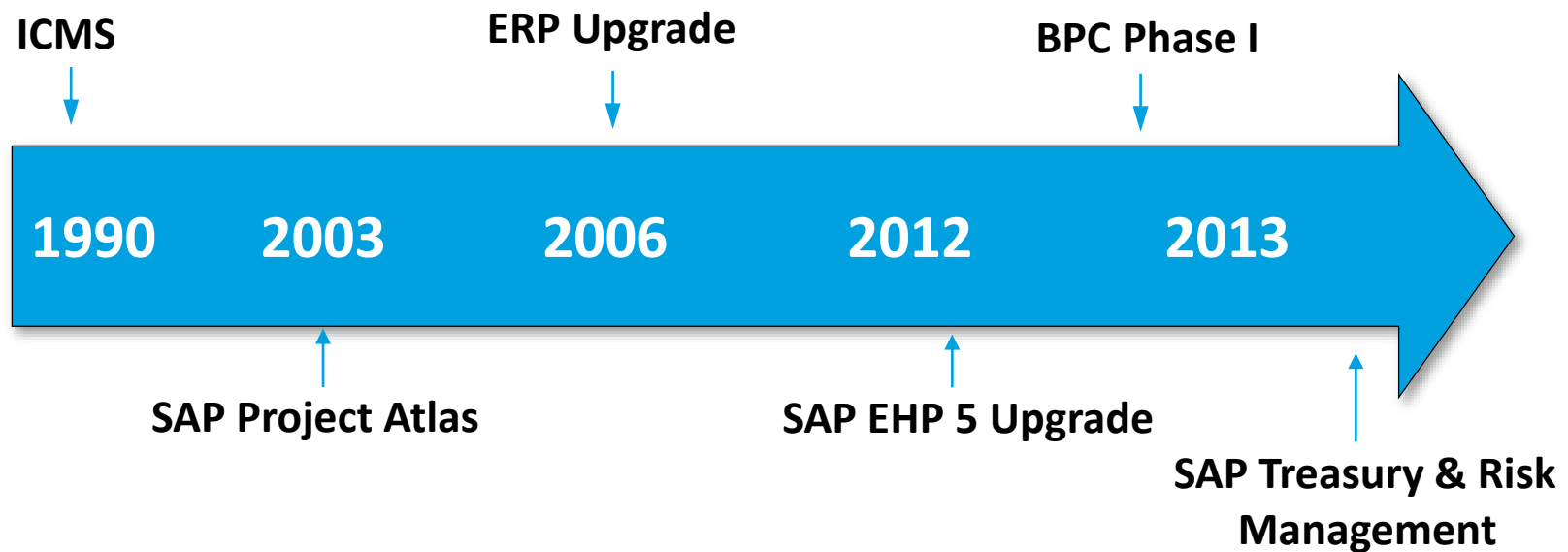
About Hunt

- The Hunt Family of companies is one of the largest privately held companies in the US
- Hunt Oil Company, founded in 1934, is one of the largest independent oil and gas companies, with operations domestically and around the world
- Organizationally, Hunt consists of a parent holding company with business units responsible for energy, real estate, investments, agribusiness, and infrastructure
- Headquarters located in Dallas, Texas



Where we've Been

Over the past years, HCI has implemented several systems and tools designed to improve the efficiency of our financial processes.



Our Business Case for SAP Solution

Much of the existing environment for our treasury and accounting processes was inefficient, non-integrated, and did not provide access to real-time data.

Key Challenges

- Highly manual effort involved to construct cash position reporting
- Multiple methods of connectivity with bank partners with dual entry and reconciliation of cash ledgers
- Manual effort involved for managing debt
- Dual entry and reconciliation of cash ledgers
- Multiple systems and interfaces
- Manually intensive, paper driven processes



Expected Future Benefits

- Global and real-time visibility to cash through high level of automation of cash management processes
- Single system of record for all cash and bank postings
- Greater efficiencies through automation of processes
- Access to information online and real-time
- Foundation for BPC / BW Long term cash planning and forecasting

Capabilities Built in SAP

Capability	High-level Scope
Cash Position Reporting	<ul style="list-style-type: none"> Enable standard cash position reporting in SAP
Cash Forecasting	<ul style="list-style-type: none"> Enable standard cash forecasting reporting in SAP
Investments & Borrowings	<ul style="list-style-type: none"> Enable investment and borrowings processing in SAP for multiple instruments including – Money market funds, Long term debts, Revolver, Government backed securities
Electronic Bank Statement (EBS) processing	<ul style="list-style-type: none"> Multiple banks Approximately 70 bank accounts Approx. 200 company codes BAI format Prior day and intra-day bank statement processing
SAP Bank Communication Management (BCM)	<ul style="list-style-type: none"> Payment routing, approval for treasury payments, and payment status monitoring Bank statement monitor
In-house Cash	<ul style="list-style-type: none"> Centralized Payments (Checks, Wires, ACH & International Payment) including Vendor payments, Employee Expense Reimbursement, Employee Garnishment payments, Intercompany (IC) settlements Centralized collections on-behalf Interest settlement on monthly average balance Approximately 200 participants
Automated Payments Processing	<ul style="list-style-type: none"> Enable payment medium workbench to define payment file formats and convert from current classic payment medium for select payment methods on prioritized basis

Journey to Go-Live

START

EXECUTION

CLOSURE

- We had a good start
 - Clearly defined goals and objectives
 - Well defined roles and responsibilities
 - Highly experienced and motivated team from Hunt and Deloitte
 - Established methodology, tools and accelerators
- Our execution of the project was well-controlled
 - Adherence to methodology and standards
 - Early discovery of potential integration challenges
 - Continuous monitoring of issues and resolution
 - Focus on business engagement and change management
 - Close collaboration with other organizations within Hunt
 - Effective scope-change process
- The project went live on-time and on-budget
 - Clearly defined open issues and a plan for remediation at go-live
 - Successful first month-end close
 - Clean transition from implementation to support mode

Value Realization

- One year after go-live

- HCI has been able to realize the projected benefits in the areas of:
 - Automation of treasury processes
 - Straight-through processing of bank transactions to and from SAP
 - Significantly improved capability for cash flow forecasting and planning
 - Single source of information for bank and cash postings
 - Consolidated repository for treasury instruments including debt and investments
 - Robust platform for BPC and Long-term planning capabilities

Treasury Solutions from SAP have helped Hunt...

- **CFO**... to receive more accurate and up-to-date information about global debt, cash and accounting operations
- **Treasurer**... to get a better global picture of the companies debt and investments, automate loan payments, and provide visibility to cash and intercompany transactions.
- **Controller**...to automate many accounting steps and implement appropriate controls. The SAP solutions have also made the financial close process more efficient with less time spent reconciling cash transactions.
- **Enterprise**...eliminate multiple systems and move to a single system of record for all cash, debt and investments. Realize greater efficiencies through automation. Elimination of paper in house cash bank statements.

Q & A



Wrap-up

- Implementing SAP Treasury will add significant capabilities to an organization already on an SAP Platform
- Good planning, strong execution and effective adoption of SAP Treasury solutions will reduce time to realization of benefits
- Leverage experiences of other companies, implementation partners and team members who have previously been down this road



Thank You!