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Treasury Institute for Higher Education

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Current Issues & Trends in Strategic Treasury Management

July 2026

SACUBO
SOUTHERN ASSOCIATION OF COLLEGE AND UNIVERSITY BUSINESS OFFICERS

UK Auxiliary Services

Agenda

James F Lock, III, MBA, CTP

Managing Director

James F. Lock, III, MBA, CTP, is a Managing Director at JPMorgan Chase Bank, N.A. He leads the national treasury strategy for Middle Market Not-for-Profit Banking within Commercial Banking's healthcare, higher education, and nonprofit specialized industry business, partnering with regional leaders to help clients solve payment challenges and optimize treasury practices by leveraging the firm's extensive platform and deep industry expertise. In addition to this strategic remit, James serves as a Senior Global Treasury Management Officer for a portfolio of the firm's largest non-governmental organization clients, showcasing how JPMorgan's treasury solutions address efficiency opportunities, integrate best practices, and support optimized operations worldwide.

With 35 years in treasury and banking, his experience spans nonprofit, nongovernmental organizations, higher education, healthcare, government, and consumer banking sectors. James has built his career in relationship management and business development, beginning at Bank of America in 1990 and joining J.P. Morgan in 2000. He earned a Bachelor of Science in Organizational Leadership and Management from Regent University and an MBA from Georgia College & State University and has held the Certified Treasury Professional (CTP) credential since 2002. An active member of the Association for Financial Professionals, James serves as President of the Atlanta AFP chapter. He also serves on the board of the Atlanta Music Project, which empowers youth in under-resourced communities through world-class music training and performance opportunities in metro Atlanta.

Stan Park
Vice President

Stan Park is a Higher Education and Nonprofit Industry Solutions Specialist within J.P. Morgan's Commercial Bank. He works with colleges and universities to strengthen treasury operations, drawing on deep experience in liquidity management, forecasting, and process improvement. His focus is on helping institutions improve efficiency, strengthen financial visibility, and align treasure practices with strategic goals.

Stan most recently served as Assistant Director of Treasury Operations at the University of Arizona. He managed cash and investment strategies, maintained banking relationships, and led PCI compliance efforts. He developed new forecasting tools to improve working capital management, oversaw reporting for auditors and rating agencies, and partnered across finance functions to modernize treasury processes.

Earlier in his career, Stan spent more than a decade in asset management. He was a Partner Arcoda Capital Management, co-managing a healthcare-focused portfolio and leading a team of investment analysts. He also held trading and analyst roles at Valesco Capital Management and SAC Capital Advisors, where he built expertise in risk management and financial reporting.
Stan holds a Bachelor of Science in Finance and Management from New York University. He enjoys spending time with his family and watching sports.

Agenda

Course Overview

- Operating environment and top of mind trends
- Fortifying payments and fraud protection
- Modernization imperative
- Commerce (R)evolution
- Treasury technology supporting AR and AP processes
- AI driving treasury technology
- Future strategic themes for treasury management

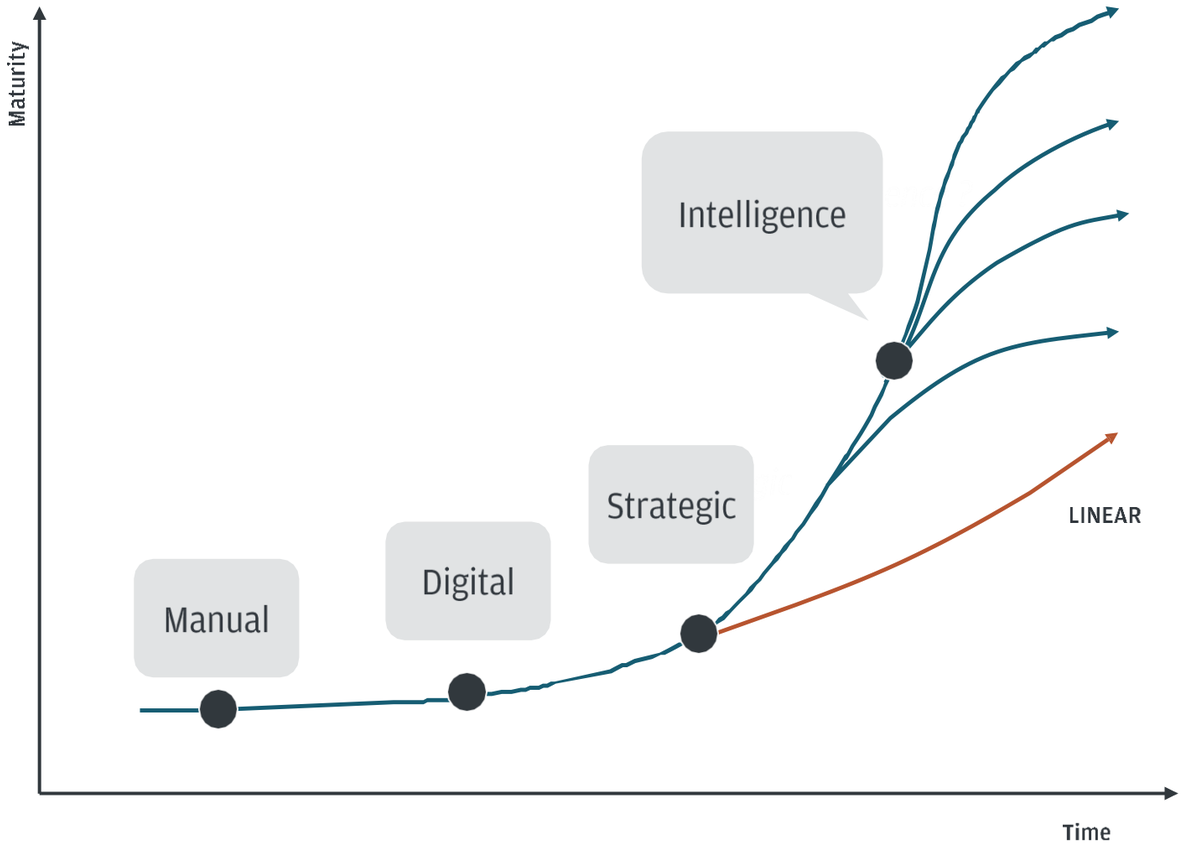
Finding Success in Today's Session

- Think broadly
- Ask questions
- Share your perspective
- Give feedback

Agenda

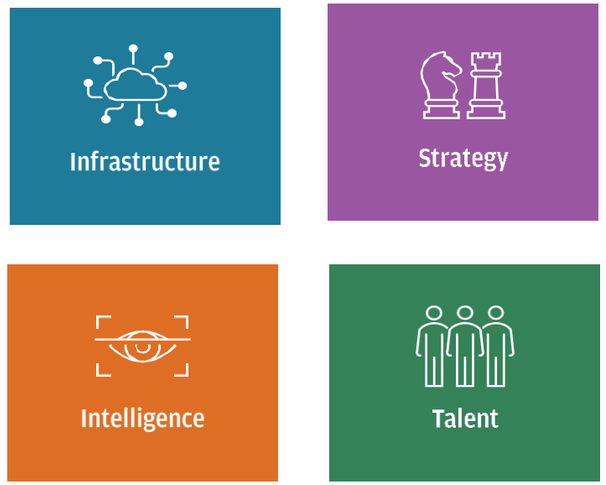
Foreword

The Next Wave...



TREASURY TRANSFORMATION

The next wave of treasury transformation will follow an exponential curve driven by intelligent technologies. The shape of this curve, will be driven not by technology alone, but by how CFOs and treasurers adapt and innovate across four foundational pillars – Infrastructure Intelligence, Talent & Strategy.



Key Themes in Treasury

Liquidity reimagined	AI fraud	Payments evolution	Always on	Building the blockchain muscle
Liquidity management is now agile and real-time, enabling seamless cash flow and resilience. Treasury teams need proactive, data-driven strategies to stay resilient amid market volatility.	AI-driven fraud is rising, prompting stronger prevention efforts. Digital IDs aid inclusion, but secure account-to-account payments and robust validation are now essential.	Agentic commerce enables seamless, personalized payments, increasing customer loyalty and driving growth through innovation and engagement.	Digital-first, seamless user experience is standard. Omnichannel and embedded services offer flexible solutions. AI-driven treasury and APIs are modernizing operations.	Blockchain unlocks 24/7 trading and more efficient financial ecosystems driven by programmability, automation and decentralized data sharing.

Building for resiliency

Today's treasury environment is undergoing profound disruption and transformation

Geopolitical fragmentation | **Shifting supply chains** | **Increased volatility** | **Technological advancements**

Agile

Span entities, locations and currencies

Intelligent

Optimize cash with precision and foresight

Real time

Move funds anytime, all the time

Challenges Shaping Treasury

Driving factors

Market drivers

- Trade & tariff tensions
- Interest rate volatility
- Currency fluctuations
- Rising fraud and cyber

Technology drivers

- Real-time data, AI, and automation
- Cloud Platforms and Embedded Banking

Bank drivers

- Strategic partnerships & advisory
- Service quality and innovation

Recommendations for treasury

Simplify and standardize

Streamline processes and systems across regions and business units to improve control and lower costs

Strengthen controls and vigilance

Implement robust fraud prevention measures, including multi-factor authentication and regular staff training

Leverage technology

Adopt automation, real-time data, and digital platforms to enhance visibility and accelerate decision-making

Benchmark and collaborate

Regularly compare key metrics to industry peers available when working with your banking providers to identify opportunities for improvement and innovation

The Future of Treasury

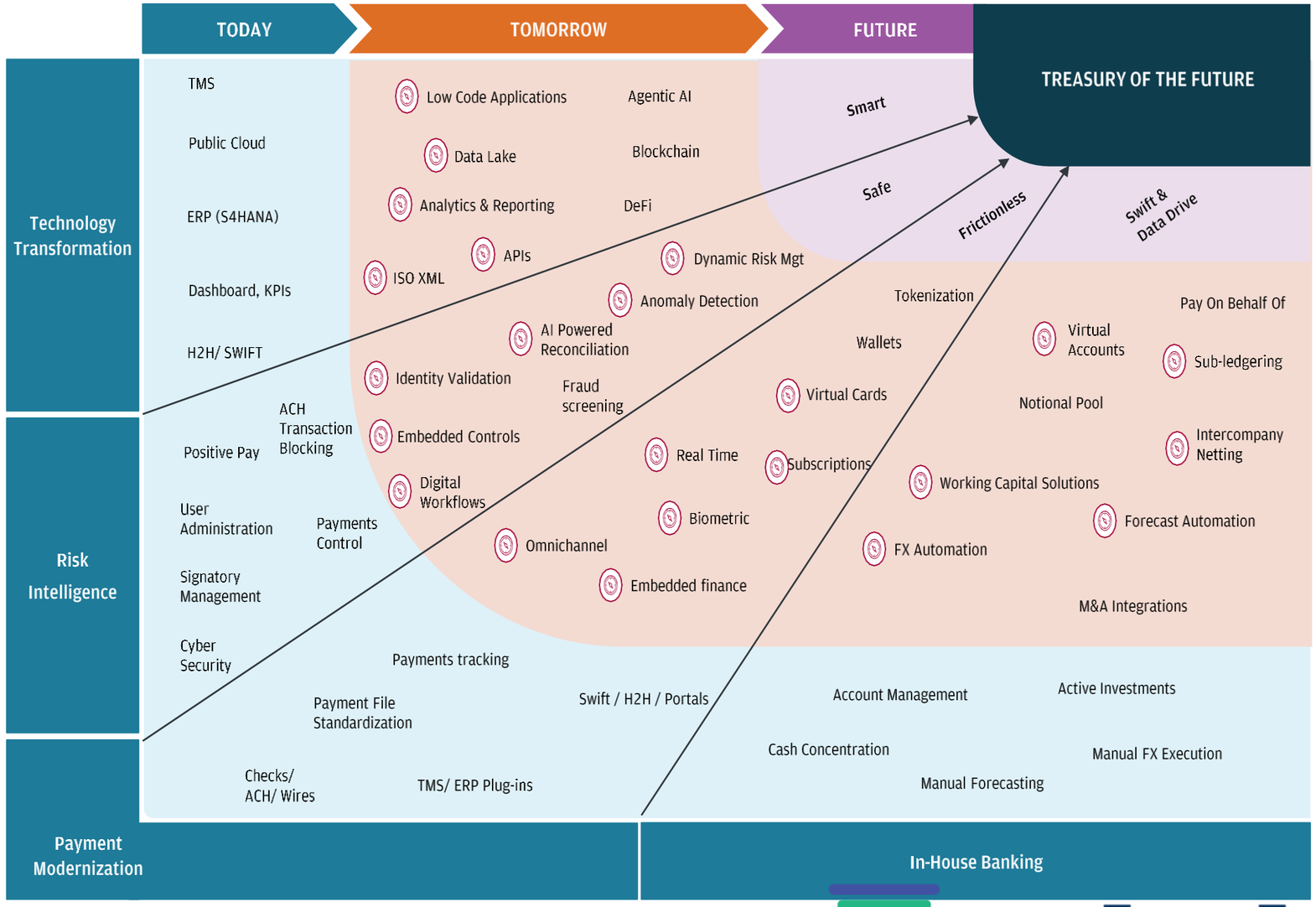
The Future of Treasury is poised for transformation and fundamental changes with companies **moving up the value chain** across four key areas:

Technology transformation strategy focuses on strengthening platform layer, higher investments in data lakes and re-imagining of core treasury functions with data tools, low code applications and AI agents at work

Risk Intelligence framework that proactively identifies threats, weak controls and suggests the next plan of action leveraging data and embedded solutions

Modernizing Payment infrastructure that supports treasury & business payment needs, prioritizing not only speed and cost optimization but also an enhanced user experience

In-house Banking solutions delivering higher degree of automation, visibility and control over global liquidity and payments



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Treasury's broader risk management scope

Risk management today is multi-faceted and spans beyond liquidity and banking counterparties. In turn, Treasury needs to broaden its scope to include these new contemporary risk classes.

Remote workforce

Security and privacy risk

- Virtualization of controls environment
- Extension of security and privacy requirements to work from home
- Rise in cyber attacks
- Ability to meet and share information virtually

Staff reductions

Operational risk

- Loss of institutional knowledge
- Lack of cross-functional skills
- Manual or non-system based processes still in place

Supply chain disruptions

Trade counterparty risk

- Increased due diligence and monitoring of vendors and customers
- Impact of counterparty footprints on inventory and delivery commitments
- Corporate ESG agendas requiring Treasury support

Economic uncertainty

Liquidity risk

- Increased importance of working capital as funding costs increase
- Uncertainty around the availability of future external funding

Digital evolution

Controls and technology risk

- Use of niche, bolt-on solutions to address unique needs adds operational complexity
- Fragmented infrastructure and maintenance of systems and processes

Combating New Fraud Vectors

Finance can serve as the last line of defense against a range of sophisticated threats making effective mitigation strategies an imperative

Finance is the last line of defense against:

Escalating Fraud Losses and Volume

Heightened Trade Counterparty Risk

Sophisticated AI/Deepfake scams

Business E-mail Compromise

Five mitigation strategies:

1. **Establish/Strengthen third-party risk management and validation policies**
2. **Implement ongoing finance team fraud detection and mitigation training**
3. **Empower employees to challenge suspect executive payment requests**
4. **Establish and practice incident response plans for finance threats**
5. **Digitize and document procurement, accounts payable and disbursement processes and payment methods**

Combating New Fraud Vectors

Finance leaders must now consider a wider variety of attack vectors, points of vulnerability

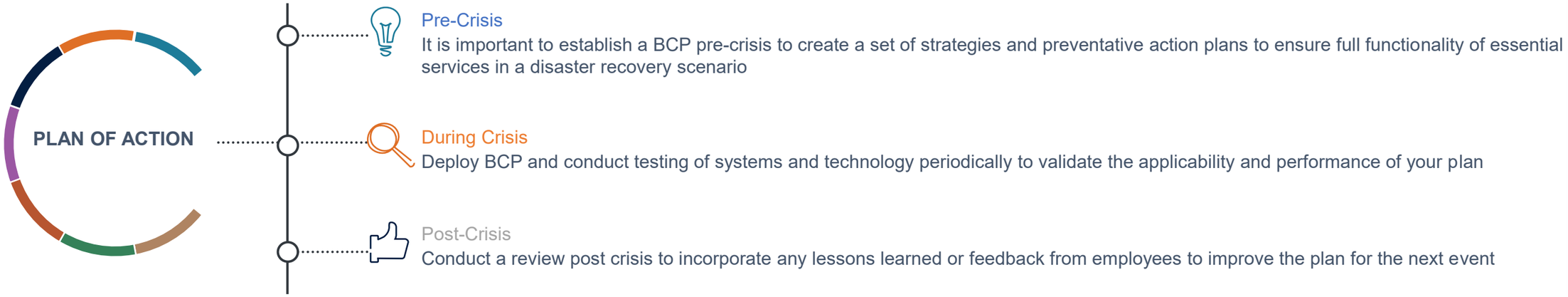
Trading parties – Vendors, partners and other service providers support critical business activities and may also interface directly with internal systems. Their vulnerabilities become your vulnerabilities.

Executives and owners – More sophisticated attempts to impersonate requestors and validators leveraging AI and deepfake technology increase likelihood of being defrauded.

Checks and manual processes – Paper check-related incidents were reported by 65% of organizations.[1] Manual workflows and approvals can be manipulated; steps can be missed when not governed systemically.

Business Continuity Planning (BCP) for Technology and System Resilience

Establishing an effective technology and system continuity plan to limit losses and quickly stand back up the organization during a disruptive event



Fraud Assessment Questions

1) Paper check-related incidents were reported by what percent of organizations?
   a. 30%
   b. 45%
   c. 58%
   d. 80%
2) Which of the following types of risk is NOT explicitly included in Treasury's Risk Management Mandate?
   a. Operational Risk
   b. Documentation Risk
   c. Security and Privacy Risk
   d. Liquidity Risk
3) Finance is the last line of defense against which of the following threats?
   a. Business email compromise
   b. Sophisticated AI/Deepfake Scams
   c. Escalating fraud losses and volume
   d. All of the above

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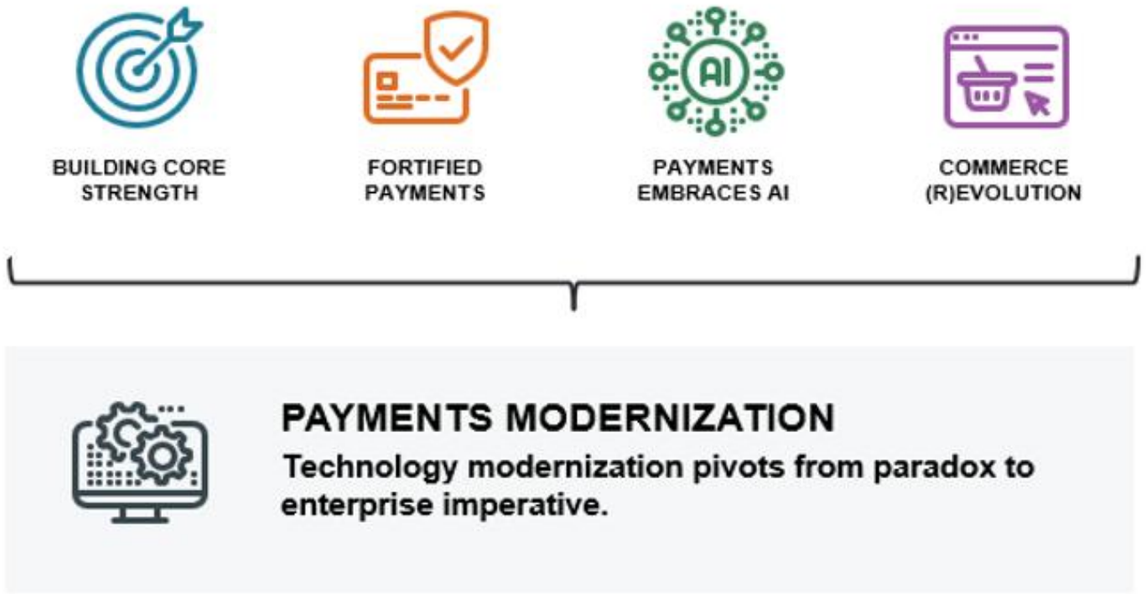
Modernization Imperative: A Paradox for Many Organizations



Modernization Priority

58% of CFOs are investing in AI and advanced analytics to adjust planning in today's volatile environment

Cash Forecasting

47% of CFOs are investing in enterprise performance management and reporting tools to streamline forecasting and reporting

Cost risks

57% of CFOs say they're rethinking short-term strategy because of US economic policy

Source: PwC Pulse Survey: CFOs and finance leaders 100 days in: What's next for business; 2025

Realizing the value of faster payments

Treasury and finance teams should collaborate with internal partners on the adoption of new payment systems to assess emerging payment solutions and operating and risk frameworks to meet the demands of customers and the business

Treasury needs to lead the charge in real-time payments

- Instant payments and other same-day payment mechanisms offer **faster and more efficient transaction options**
- Real-time payments enable Treasury to **control settlement timing, optimize working capital and more accurately forecast cash**
- Real-time payment options can be seen as a **competitive differentiator by customers and position Treasury as a value creator**

Assessing & deploying real-time payment options

1. **Define** the objectives and business requirements to be fulfilled by the new payment options
2. **Evaluate** your options – Assess payment types across different dimensions and business requirements
3. **Assess** impact to current payment processes and systems
4. **Identify** internal resources required to support the implementation and maintenance of the payment rail and process
5. **Select** the right partners to support the solution – understand their scope of service, experience with the payment type, and support model

Realizing the value of faster payments

Treasury's call to action:

Generate cross-functional collaboration

- Establish a working forum with business teams to align on strategies
- Foster partnerships with IT and business units to streamline payment processes
- Work with banking and fintech partners to understand the considerations when adopting new payment types, particularly when it involves cross-border movements

Embed the customer's voice

- Design payment solutions with a focus on meeting customer needs, and defining a user-friendly experience
- Implement feedback mechanisms to gather insights and drive continuous improvement

Remain aware of new global payment rails and channels across jurisdictions

- Leverage your banking partners to understand the mechanism, specifications and limitations of the payment methods and channels as well as innovations in the space for ecommerce, biometrics, etc.

Building the Treasury Skills of Tomorrow

Treasury must identify and fill critical technical and management skills gaps through programs to upskill existing talent and fresh recruitment strategies

Treasury leaders must evaluate and future-proof their teams

Ways to upskill Treasury talent

- **Require technical acumen** for new hires, prioritizing applicants with coding and software development skills that translate to automating core processes
- **Encourage current employees to attend industry events** to gain insights into best practices, emerging trends and innovative ideas
- **Provide sponsorship for professional qualifications or advanced degrees** to enhance employee skills and support their career growth
- **Create mentorship programs for treasury staff** to connect with leaders across Finance and the business
- **Develop comprehensive rotational programs** for incoming treasury professionals to explore different business functions, learn new skills and gain varied perspectives
- **Leverage key partners to provide market and technical insights** and training to bridge skills gap and even address resource challenges

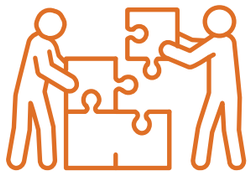
Building the Treasury Skills of Tomorrow

The top 3 business competencies needed by treasury professionals going forward

1. Strong analytical skills
2. Change management skills
3. Leadership and people management skills

60%

of companies cite upskilling as a significant talent issue[1]



The top 5 talent gaps identified by treasury professionals[1]

1. Problem-solving skills
2. Strategic and innovative skills
3. Leadership skills
4. Interpersonal skills
5. Analytical skills

1 2024 AFP Compensation and Benefits Survey Report

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The Payments Ecosystem

Method of Payments

300+ Payment methods worldwide [16]

driven by several factors such as consumer preference, government push, innovation, and regulatory initiatives

Channel selection

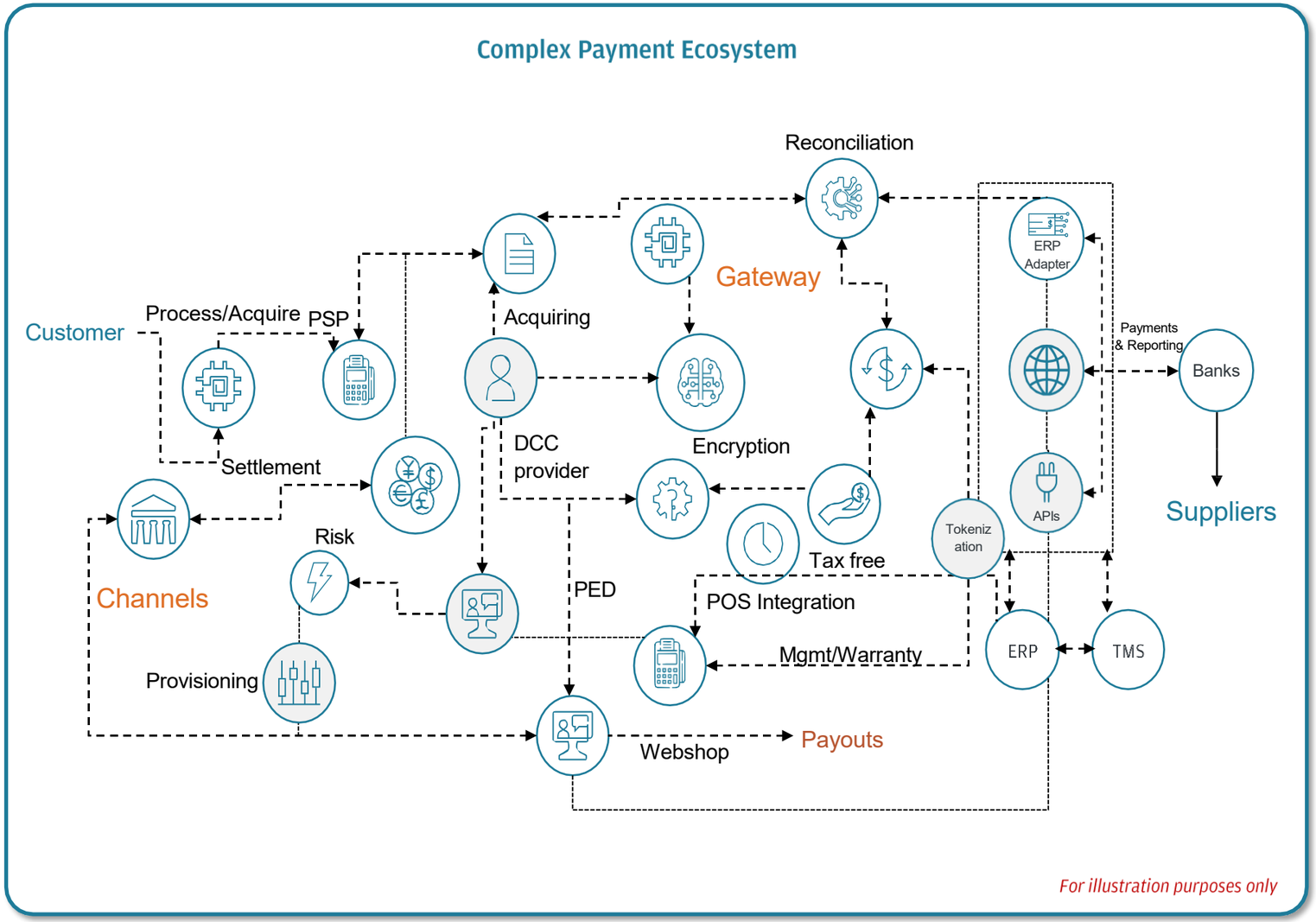
Cost, speed, ubiquity and security continues to be key driver for payment channels selection and use cases

Growing need for payment experience

Customer payment experience increasingly influencing channel selection, with approximately 70% of customers abandoning their online shopping carts due to complexity or poor user experience [17]

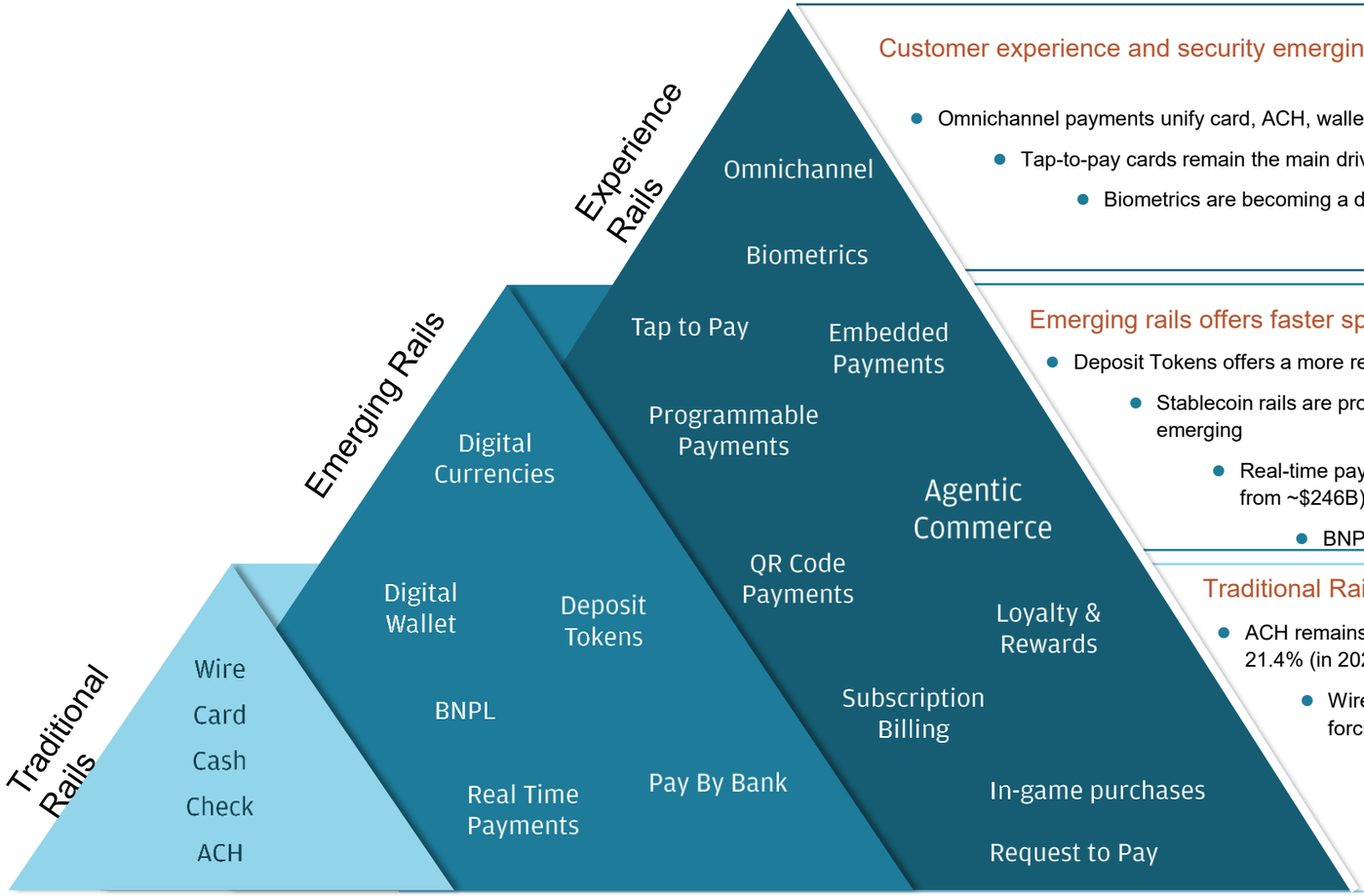
Infrastructure complexity

Multiple payment methods, integration points, middleware, and partnerships are amplifying infrastructure complexity for payments teams supporting global operations



Source: [16] PayU - Global Payments Article; [17] Baymard Report - Baymard Institute 2025

Building the Treasury Skills of Tomorrow



Customer experience and security emerging as a key driver of future payment innovations

- Omnichannel payments unify card, ACH, wallets, and alternative methods into one consistent experience
- Tap-to-pay cards remain the main driver of contactless behavior
- Biometrics are becoming a default layer for payment authentication

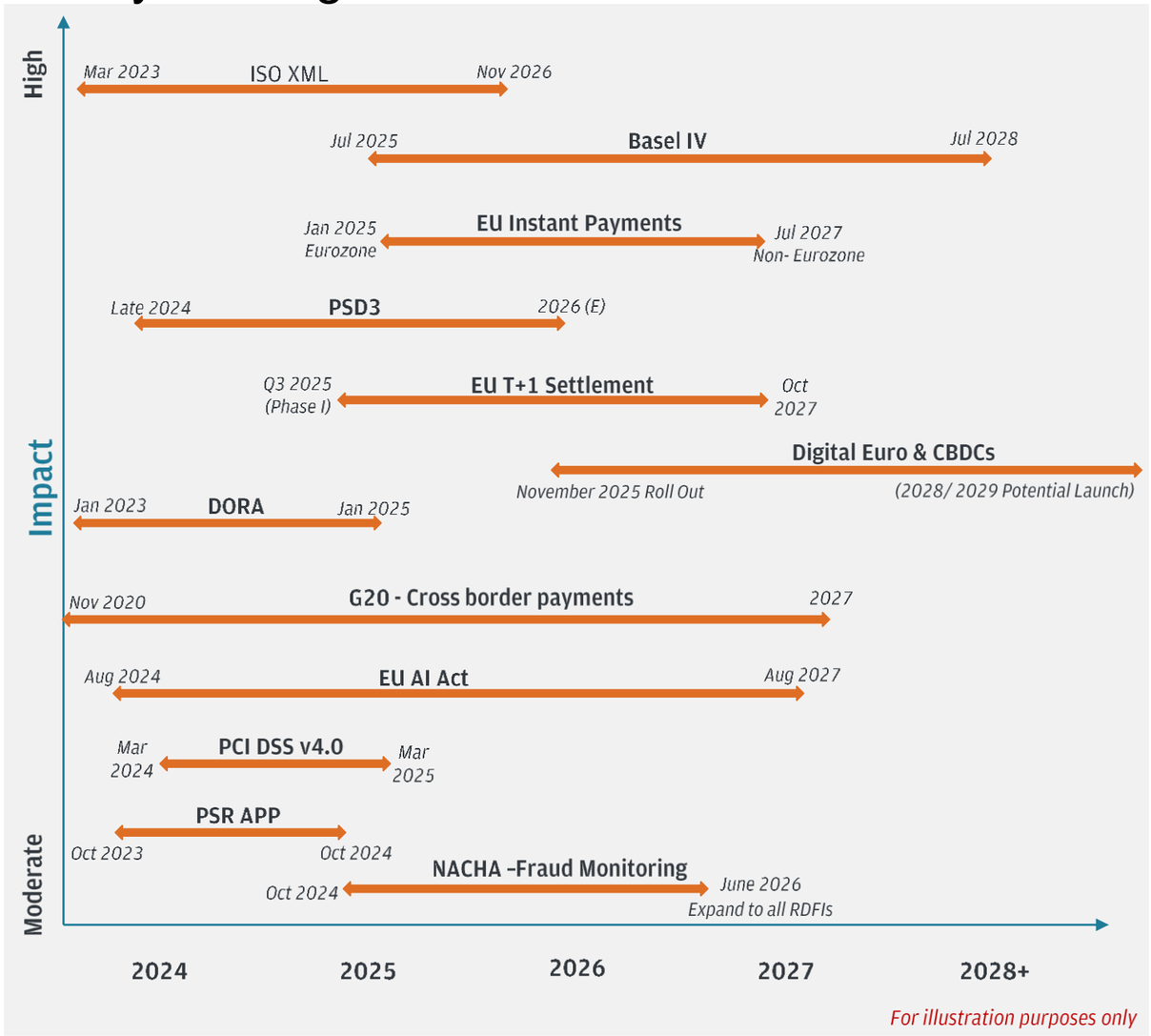
Emerging rails offers faster speeds and greater execution flexibility

- Deposit Tokens offers a more regulated, bank-native, institutionally aligned path for digital payments
- Stablecoin rails are proven for speed and throughput, but the commercial payment use case is still emerging
- Real-time payments are signaling modest adoption – RTP surpassed $1.3 trillion in 2025 (up from ~$246B)
- BNPL is expanding beyond retail into healthcare, automotive, and services

Traditional Rails will continue to exist

- ACH remains the undisputed backbone of U.S. B2B payments, Same day ACH growing by 21.4% (in 2025)[2]
- Wire remains essential for high-value and cross-border finality, but rising costs are forcing treasurers to deploy it surgically rather than by default
- Checks are in structural decline as corporates digitize AP/AR workflows
- Cards remain preferred method for consumer payments, with ~50% of POS and ~20% of e-commerce transactions[6]

Eye on regulations



For illustration purposes only

Aligning Treasury Strategy

With numerous financial regulations on the horizon, treasuries require proactive planning and impact assessment to be compliant and drive strategic financial resilience, thereby future-proofing their operations. The downstream implications of these regulatory changes may necessitate treasuries to carry out policy refinements, system updates, and process-level changes.

- Policy:
  - Engage early with trusted advisors and banks to stay ahead of regulatory implementation plans
  - Update policies as needed to manage digital assets and currencies
- Platform:
  - Update treasury systems to handle instant payments and standardized file formats
  - Evaluate current and planned AI systems for compliance with new regulatory requirements
- Process:
  - Implement changes to strengthen fraud control procedures and prevention strategies
  - Adapt intraday liquidity management procedures to accommodate shorter (T+0) settlement timelines

Note: DORA stands for Digital Operational Resilience Act. Start date refers to when the regulation begins to take effect or when the first phase of implementation begins. End date indicates when full compliance is required.

Horizon Scanning: Emerging Tech Frontiers

CONCEPTS YET TO GO MAINSTREAM

Brainwave/ Neural Payment

Pay by Brainwave
Imagine ordering something online just by thinking

...Wired Report [20]

Pay by Heart
Wristband that can authenticate user by analyzing an individual's unique heart rhythms

...Bionym [25]

Digital Twins

Digital Twin to Modernize Payments
Enables organization to Virtually Stimulate scenarios and outcomes, before applying to real world

...Payments Journal [21]

Digital Twin validation
Customer initiates a payment, the digital twin will validates the transaction within milliseconds and also update the balance *...FinXtech* [26]

Digital Currency

CBDC can drive Payments in Future
Digital Currency can reduce reliance on cash and enhance transaction efficiency...

...Forbes [22]

De-dollarization ?
Project mBridge is a CBDC platform that connect banks across China, HK, Thailand, U.A.E and Saudi Arabia

...J.P. Morgan [27]

Quantum Economics

Quantum Technology Matters
Quantum technologies can solve problems traditional computers can't...

...World Economic Forum [23]

Google's Willow
Solved a math problem in 5 minutes – a problem that would have taken a supercomputer longer than the age of the universe to solve *...Google* [28]

Data on DNA

Ultimate Data Storage Solution
DNA storage can squeeze entire world information into a size of a ping pong ball, with room to spare...

...ScientificAmerican [24]

Nature's code for Data Storage
DNA can store billion times more information than silicon-based storage and last for centuries

...ASU News [29]

Emerging Technology In their infancy, yet mighty in their potential to transform treasury and finance!

Note: [20] J.P.Morgan - Wired Reports; [21] PaymentsJournal Article - Taking a Digital Twin Approach to Payments Modernization; [22] Forbes report - the Future Of Payments, Digital Money And The Underlying Technol...; [23] World Economic Fo... - The Ul... Storage Solution; [25] Bionym - CNBC; [26] FinXTech - Future-Proofing Your Core with the Digital Twin Approach; [27] J.P.Morgan - De-dollarization: Is the US dollar losing its dominance?; [28] Google Willow; [29] ASU News Report - Harnessing nature'...

Commerce Revolution Assessment Questions

1) All of the following are key drivers for channel selection EXCEPT:
    a. Ubiquity
    b. Presentation
    c. Speed
    d. Security
2) Which of the following regulations has already fully taken effect?
    a. Basel IV
    b. EU AI Act
    c. DORA
    d. NACHA – Fraud Monitoring
3) Which of the following are in the “Emerging Rails” layer of the payments spectrum?
    a. Real-Time Payment
    b. ACH
    c. Tap to Pay
    d. Omnichannel

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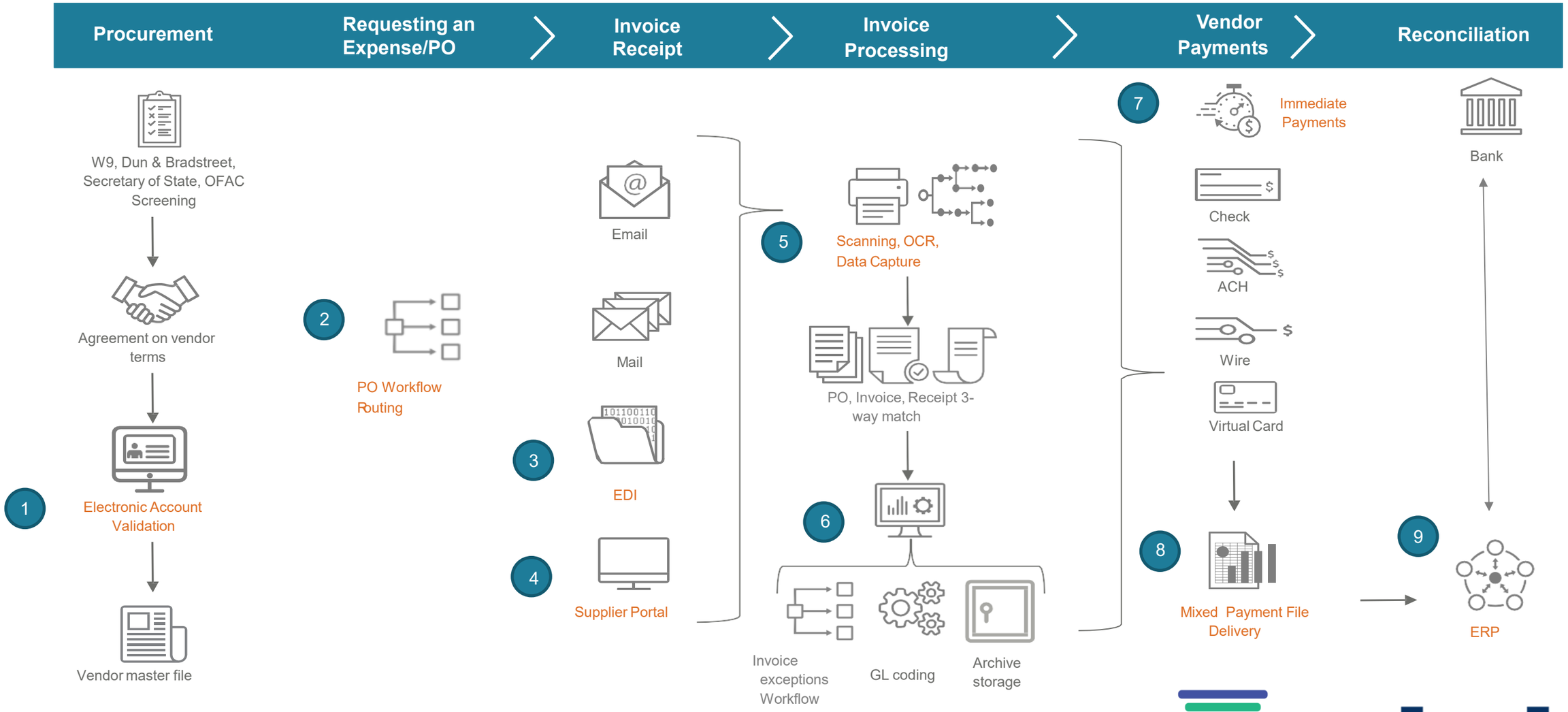
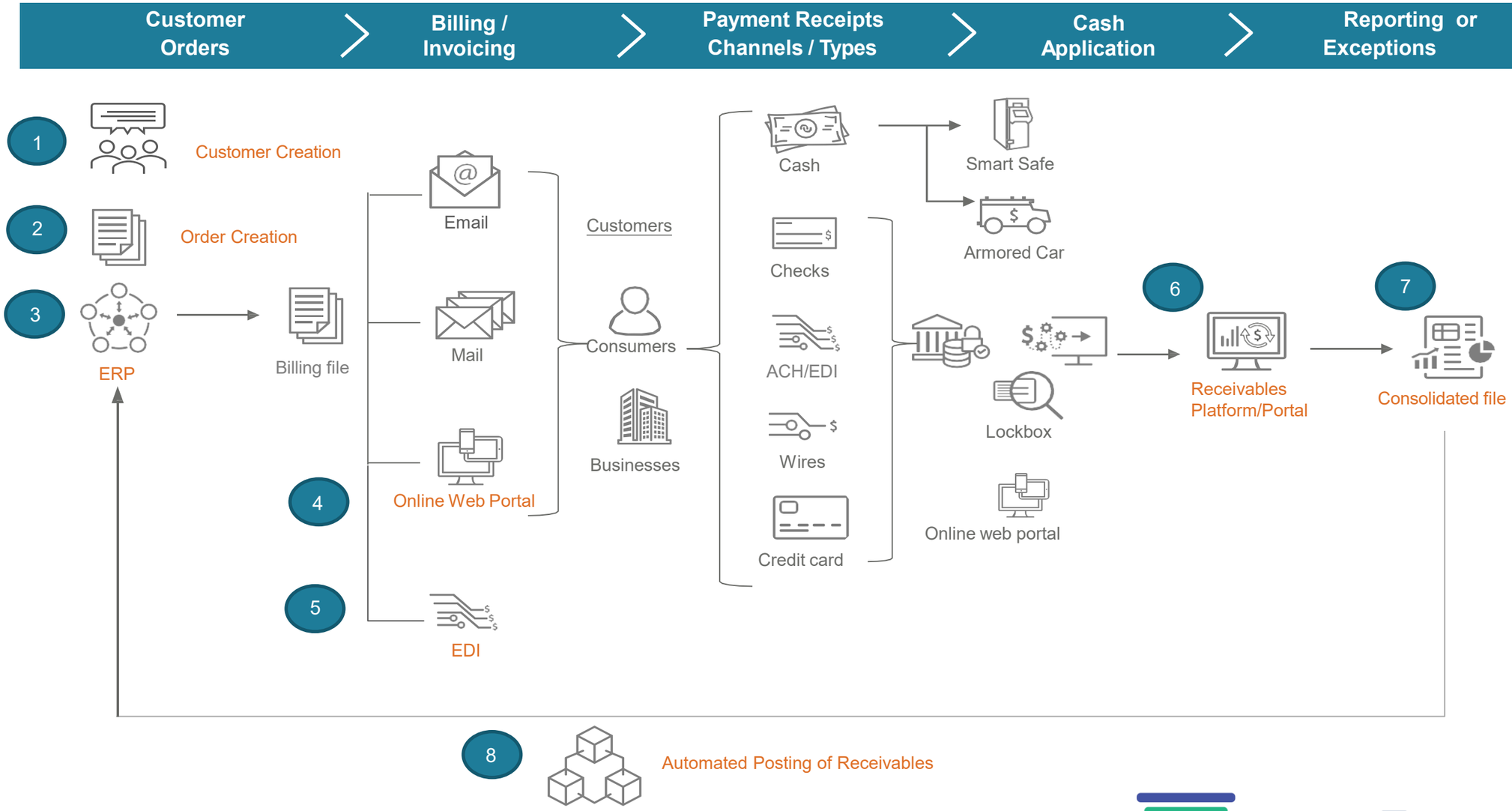
Opportunities to automate the Procure to Pay process



Procure to Pay technology

	STEP	Technology Description
1	Electronic Account Validation	System/process that allows for account information to be queried prior to executing payments to ensure account is open, active, and matches beneficiary information
2	EDI	EDI is an automated business that uses a software system or an outsourced managed service to send and receive electronic documents such as purchase orders, invoices, payment documents, etc. It is done by onboarding trading partners, and mapping document fields and integrating with an ERP system
3	Requesting an Expense/ Purchase Order (PO)	Technology that will automate the request and approval workflow to create Purchase Order (PO) . The request can exist within ERP or in additional tools.
4	Supplier Portal	Software used to help manage supplier information related to the invoicing process.
5	Scanning/OCR, Data Capture	Software that recognizes text from scanned documents and translates the characters into an electronic version that can be used for data processing. Information such as invoice amount, number of items, vendor name, date, etc. can then be transferred into ERP to automate approval and payment processing.
6	Workflow routing	Technology that can manage automated invoice approval. Workflow can exist within ERP or other tools.
7	Immediate Payments	Payments that are sent real time, leveraging API connectivity
8	Mixed Payment File Delivery	Technology that will enable payment disbursements by connecting with third party payment systems, processors, and financial institutions to make payments. Ability to include EFT, ACH vendor payments, wires, FX in different file formats such as EDI, ISO XML
9	ERP	Software used to support activities related to accounts payable. Including invoice capture, PO process, invoice approval, payment file creation, reconciliation, and treasury operations.

Opportunities to automate the Order to Cash process



Order to cash technology

	STEP	Technology Description
1	Customer Set up	Software used to collect customer information (name, address, tax ID, contact information, etc.) and documentation to be added to an ERP or other order management system.
2	Order Creation	Technology to support the automated receipt of customer orders
3	ERP	Software used to support activities related to accounts receivable. Including invoice creation, invoice disbursement, and posting rules.
4	Online Web Portal	Software used to help automate the delivery of invoices via electronic channels
5	EDI	EDI is an automated business that uses a software system or an outsourced managed service to send and receive electronic documents such as purchase orders, invoices, payment documents, etc. It is done by onboarding trading partners, and mapping document fields and integrating with an ERP system
6	Receivables Platform/Portal	Software that matches the remittance information to the payment
7	Consolidated File	File that contains payment and remittance information that is consumed by the ERP to post receivables
8	Automated Posting of Receivables	Technology to support matching of cash received with outstanding invoices and automatically posting to the GL

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Grounding in Key AI Terminology

The following definitions align on common AI terminology used across our strategy and use cases.

Artificial Intelligence (AI)

Any technique that allows computers to mimic human intelligence encompassing rule-based problem solving to complex decision making

Machine Learning (ML)

A subset of AI that uses machines to search for patterns in data and build logic models to autonomously improve model accuracy over time

Deep Learning (DL)

A subset of ML composed of deeply multi-layered “neural networks”, computer systems modeled off the human brain, to perform complex tasks like speech and image recognition

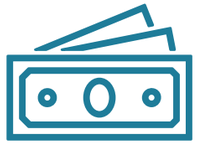
Generative AI

Relies on ML and DL techniques to generate new content, ideas or data that resemble human-like creations based on learned patterns and provided prompts/context

Agentic AI

Autonomous artificial intelligence systems that can independently set goals, plan, reason and take multi-step actions with some autonomy and minimal human intervention

Why AI is Rising Now (and what to consider)

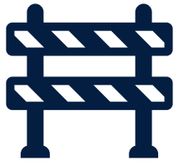


Spend is increasing:

- 78% of respondents expect to increase total AI spend in the next fiscal year.
- Organizations allocating 20%–39% of their AI budget to GenAI rose by 12 percentage points.
- Those allocating under 20% of their AI budget to GenAI fell by 6 percentage points.

Value pressure is coming:

- Pressure to prove GenAI value is rising; senior leaders will soon expect measurable financial results.
- More organizations are moving from GenAI experimentation to deployment and scaling.
- Proven use cases are emerging, with the most advanced GenAI initiatives showing significant ROI.



Scaling barriers are real:

- GenAI is advancing fast, but most organizations are moving slower than the pace of the relevant technology.
- Even with rapid tech progress and strong push from companies, change can only happen so quickly.
- Barriers to scaling and value creation remain common across several key areas.

Top adoption impediments:

- Several issues could significantly slow GenAI adoption across the market over the next two years.
- The leading barriers are real-world mistakes/errors (35%) and not delivering expected value (34%).
- Other major concerns include limited high-quality data (30%), reduced trust from bias, hallucinations and inaccuracies (29%).

Deloitte's State of Generative AI in the Enterprise Quarter Four Report, January 2025

AI value map: mission outcomes, levers and KPIs

1 Grow impact (Programs)

- **Intake & triage assistant:** Speeds responses, reducing beneficiary wait times.
- **Case note summarization:** Automates summaries, freeing staff for client engagement.
- **Staff knowledge base Q&A:** Delivers instant answers, reducing escalations and improving consistency.

2 Grow revenue (Fundraising)

- **Donor segmentation + next-best-action:** Improves conversion and retention to boost fundraising results.
- **Major donor research summaries:** Surfaces qualified prospects faster to grow the donor pipeline.
- **Grant drafting + reporting:** Shortens submission cycles and reduces manual effort.

3 Run leaner (Operations)

- **Finance narrative drafts + variance explanations:** Speeds close and improves reporting accuracy and timeliness.
- **HR / IT internal helpdesk agent:** Deflects tickets, reducing workload and improving response times.
- **Policy/document search assistant:** Cuts time spent searching for information, strengthening compliance and efficiency.

4 Strategic focus

- Nonprofits should prioritize measurable outcomes: time saved, donor conversion/retention, service response time and compliance adherence.
- Link mission outcomes to specific AI levers and KPIs to keep investments tied to core objectives.
- This helps demonstrate tangible impact and value from technology spend.

Grant writing & reporting	Donor modeling & triage	Social copy & translation	Autonomous decisions
Start here: High impact / high feasibility	Plan next: High impact / lower feasibility	Quick wins: Lower impact / high feasibility	Avoid early: Lower impact / lower feasibility

Risks and Responsible AI Usage

Efforts to mitigate AI risks are becoming more common as challenges materialize

AI Limitations	Sample Risks	Causes and effects of specific AI limitations	
Hallucinations	**Libel Risk**	Chatbot negligently or maliciously publishing wrong information	Made errors while summarizing the financial report of a company
Bias	**Reputational Risk**	When AI algorithm produces results that are based on biased training data	Scrapped its AI recruiting tool was biased against women
Data Privacy	**Security / Confidentiality Risk**	Sensitive company information accidentally ingested into an AI model	Banned its staff from using AI tools after spotting data leak
Unclear Sourcing	**Intellectual Property / Copyright**	Infringing on database rights	Sued company for using >2MM images to train its AI model
Deliberate Misuse	**Operational Risk**	Payment disbursements through AI software exceeding the approved amount	Lost US$400MM in 30 minutes after its trading algo malfunctioned
Latency	**Executional Risk**	Payments not executed at the right time due to slow payments settlement speed	Found that every 100ms of latency cost them 1% in sales
Regulatory Challenges	**Legal Risk**	Failure to comply with KYC regulations	US financial institutions paid ~$2B in fines for non-compliance with KYC requirements

Source: Broker reports, news articles

Potential AI use cases across Finance Business Processes

Source-to-pay (Payables) → ← **Order-to-cash (Receivables)**

Accounts payable automation | **Payment Management** | **Cash event** | **Cash event** | **Accounts receivable automation** | **Record to Report**

Collection and disputes | **Cash application** | **Invoicing** | **Credit Management**

Invoice data capture Counterparty& Invoice validation Purchase order matching & Anamoly detection STP Optimization Automated ERP Posting Virtual Assistants to handle Vendor query	Streamlined prioritization and approval workflow Regulatory compliance Fraud prevention Automated supplier notification, and tax reporting Returns and reconciliation	**Cash and treasury** Bank account management Cash and liquidity management Cash Forecasting **Working capital finance** AI Driven Trade Financing Supply-chain finance: AI based inventory optimization, AI based supplier selection, Pricing	Automated collections Dispute resolutions	Automate matching of payments information to invoice Report relevant taxes Report validity of dispute and deductions	Provide customers with request to pay and electronic invoice presentment and payments (EIPP) Discrepancy identification / Fraud prevention	Run improved credit checking on both new and existing customers Blocked order prediction	AI Driven Account Reconciliation

Future Trends and Opportunities

Data-Driven Decision Making

- AI will move from descriptive dashboards to decision intelligence, continuously combining internal data with real-time signals to forecast outcomes, recommend actions, and quantify trade-offs

Content Creation

- Generative AI will evolve from drafting text to multi-modal, brand-safe content pipelines that produce and adapt copy, images, video, and presentations tailored by audience, channel, and context

Operational Automation

- AI will expand beyond simple RPA into agentic workflows that can interpret requests, extract/validate information, route exceptions, and orchestrate across systems with approvals and audit logs

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AI Simplified: A Practical Approach

Run, Crawl, Walk Strategy

Crawl Phase: Start small and stack wins

- **Writing and editing:** Train staff to use a LLM to draft or edit emails. Show the time savings that can be achieved.
- **Data extraction and formatting:** Automate non-sensitive data tasks. Workflows that consist of repetitive tasks can be automated.
- **Building momentum:** Set realistic benchmarks. Try and free up 30 minutes to an hour of staff time a day.

Walk Phase: Build momentum and scale

- **Integrated cash forecasting:** System integrations that allow for bank balances to be pulled automatically. Rolling cash forecasts.
- **Rules-based reconciliation:** Creating rules to match bank transactions with general ledger entries.
- **Early warning detection:** Early anomaly detection of fraudulent or noncompliant transactions. Logic can be run on large datasets versus sampling.

Run Phase: Shape the future

- **Predictive cash flow forecasting:** Utilizing machine learning models to forecast inflows and outflows with scenario ranges.
- **Scenario and what-if planning:** Running multiple scenarios and simulations for enrollment, funding delays, or other disruptions.
- **Working capital optimization:** Automated models that identify idle cash in operating accounts and recommend sweeping funds into investment pools, money markets, or short-duration treasuries.

AI in Treasury Assessment Questions

1) Which of the following are *limitations* of AI?
    a. Libel Risk
    b. Deliberate misuse
    c. Operational Risk
    d. KYC Failure
2) Describe the relationship between the following terms: AI, Machine Learning (ML), Deep Learning (DL)
    a. AI is a subset of DL, which is a subset of ML
    b. ML is a subset of DL, which is a subset of AI
    c. ML is a subset of AI, which is a subset of DL
    d. DL is a subset of ML, which is a subset of AI
3) Future trends and opportunities include:
    a. Blockchain Integration
    b. Generative AI
    c. Cash forecasting
    d. Account Validation Services

Agenda

Risk in the treasury and cash management function

	Operational Risk	Security Risk	Liquidity Risk	Third-Party Risk	People Risk
What is it?	Risk of disruption due to inefficient and/or ineffective processes that stop or delay your ability to conduct business	Risk of unauthorized use or access to your business data	Risk of not being able to access your funds to power operations	Risk exposure from parties you do business with	Risk of being unable to coordinate effectively to ensure that functions are executed properly
What does it impact in my company?	• Accounts payable • Accounts receivable • Accounting • Treasury cash operations	• Technology environment that internal systems and platforms utilize • Third-party platforms that integrate or ingest/feed data into your systems	• Bank and account infrastructure • More banks and accounts typically mean potential pockets of trapped cash and exposure to more counterparties	• Vendors in your supply chain • Customers: credit and risk of non-payment • Third-party partners: providers, banks and outsourcing arrangements	• Organizational structure • Understanding of who does what (roles, responsibilities) • Understanding of who can do what as contingency (e.g approvals, account opening, account closing)

Why does it matter?	• Delayed interactions with vendors (you pay late) can cause service stoppage, including payroll
	• Don't see customer payments or it takes too long to process a payment
	• Increases the opportunity for fraud and errors
		• Companies will always have multiple platforms and systems, but risk is inherent in:
		  ◦ Data transfer between systems, especially if manual
		  ◦ Multiple systems that are redundant create confusion and compromise controls
			• Visibility and access to your cash is paramount to managing liquidity risk
			• Leveraging internal cash for funding, particularly in a rising rate environment, is a cheaper source of funding or an opportunity to increase yield from excess cash
				If your partners' operations are disrupted or become insolvent, this impacts your ability to:
				• Deliver your products/services
				• Operate your business and fulfill your obligations
				• Collect revenue
					• Treasury and cash management processes get more complex as a company matures
					• Lack of understanding of who can own what and when can lead to inability to execute, especially when key people may not be in the office

What can I do about it?	• Automate your processes, leveraging technology solutions and understanding contingencies if the automation breaks down • Standardize and centralize operations across your company • Document business-as-usual and resiliency processes for key banking and AP/AR providers if there are outages	• Rationalize systems • Establish automated interfaces between systems and third parties to reduce manual keying and risk of fraud • Minimize out-of-system activity for proper controls and audit purposes	• Rationalize your bank and account structure • Leverage cash sweeping solutions to concentrate cash into accounts • Automate cash positioning process and know your liquidity position daily • Ensure that access to your banks and accounts are limited to the appropriate people in your organization	• Vet your partners comprehensively, leveraging data and metrics to measure your exposure • Standardize your vetting process across the organization	• Clearly define and document your organizational construct, roles and responsibilities, including contingency procedures • Provide appropriate tools, training and support

In closing… setting the stage for change

1. Create the atmosphere for change. Set the tone for the team to prepare for and embrace the culture of change.
2. Conduct business process reviews and continual learning initiatives to know what the team is currently doing – how, when, for whom, etc. – and how can it improve.
3. Identify or hire a project manager who is critical thinker and acts as a people-focused change agent.
4. Understand the CFO’s perspective and obtain buy-in on treasury’s plan to redefine its role and bring more value to the organization