

GTreasury Insures Insurance Treasury

The treasury departments of insurance companies run like most other treasury operations; money comes in and money goes out, but it's the volume of transactions and the complexity of the legal structures that separates the insurance industry from most others. Managing and tracking cash across seemingly endless legal entities, banks, and geographic areas is forcing more and more insurance companies to seek world-class tools in order to keep track of their unique needs. The days of patching together spreadsheets and logging on to countless bank websites to manage such volumes and complexities are now a thing of the past.

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*~ Yvonne Lee,
Vice President of Cash Management
BCS Insurance*

Cash Visibility

Simply tracking daily cash can be daunting when dealing with the legal structures and massive volumes that exist in this industry. For a company like BCS Insurance, who is the premier source for insurance and reinsurance for Blue Cross Blue Shield Plans across the 50 states, tracking daily cash positions had become a serious issue, prior to adopting GTreasury. Yvonne Lee, Vice President of Cash Management at BCS, is responsible for tracking cash down to the legal entity, and then to the product line while ensuring all funds are segregated accordingly. Once in their most granular state, these cash inflows and outflows then have to be reported at a high level format that is forwarded to the executives so as to aid in senior management decisions. Ms. Lee deals with these product lines and cash positions on a daily basis and affirms "the treasury worksheets within GTreasury were able to provide an easy solution to viewing, reviewing, and reporting on cash inflows and outflows, and that was through the user codes." GTreasury's proprietary user codes are able to both strip down BCS' transactions to look one way for cash viewing while consolidating them back up in another fashion to facilitate strategy.

Cash Pooling

Viewing, reviewing, and reporting on cash goes even further in the insurance industry as a company like Prudential Financial is all too aware. Cash pooling is another key ingredient to managing cash in this industry. For Prudential, who merely started in insurance and has since grown into a multi-national diversified company, the ability to combine cash across multiple business units, currencies, and geographic locations allows them to borrow and lend within their corporate structure and thus limit external overdraft or borrowing fees. "GTreasury was able to handle our complex account structure" states Cheryl Kavka, Manager of Corporate Banking for Prudential. "We pool accounts for investment purposes which causes a more complex, large volume of accounts in one roll-up structure. We also have multiple reporting needs for cash flows and variances to share with our businesses." Having used GTreasury's worksheets and unique user codes for almost two decades, Cheryl and her team have been

able to create and adapt the matrix of structures required to allow Prudential to manage their pooling requirements for their global operations. “The worksheets are flexible and give us the ability to add, move or remove accounts in real time.” Ms. Kavka states.

Payment Processing

Viewing and reporting on cash is one thing, but something all insurance companies do (and do a lot of) is move cash. Another large insurance company, who wished to remain anonymous, is a great example of a company that simply outgrew their existing infrastructure and turned to GTreasury for a solution to help simplify their operations. This company kept growing, and as such, continued to add more financial institutions to their existing treasury processes. This growth was seriously impacting day-to-day operations. Prior to adopting GTreasury, the treasury group was required to store all their payment templates in Excel, needed to login to more than 10 different bank websites, enter tokens manually, and get everything approved separately. Now, with GTreasury, the users can go into a single application from any Internet based computer to schedule and approve any and all payments. The results of moving to GTreasury for their payment processing increased the speed of payment execution, expanded the accessibility for both payment requesters and approvers, as well as helped streamline annual audits.

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~Cheryl Kavka,
Manager of Corporate Banking,
Prudential Financial

These insurance companies and many of their industry peers have been turning to GTreasury, looking for solutions to accommodate an open structure for accounts, granularity in transactions, payment processing, data aggregation, roll ups for viewing cash, and executive level reporting. Although the insurance companies that GTreasury supports may deviate on where they believe the landscape of their treasury operations are heading, one thing is constant; all believe that partnering with GTreasury was and continues to be their best insurance against the ever changing landscape.

About GTreasury

For the past 25 years, GTreasury has provided the best-of-breed treasury and cash management software and services to leading banks and corporations of all sizes and all over the globe. GTreasury provides the ONE Enterprise Treasury Platform for both ASP/SaaS Services and On-Site Treasury Workstation Installations.