Americas' SAP Users' Group

Excel Zero to SAP Hero:

A Phased Approach to Implementing SAP Treasury

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Brooke McCullick, Senior Treasury Analyst, TDS

Session ID ASUG82538

About the Speakers

Patti Hocker

- Manager, Treasury Operations, TDS
- Over 30 years of experience in treasury and banking. MBA-Finance, CTP, AAP

Brooke McCullick

- Senior Treasury Analyst, TDS
- 11 years experience in Treasury

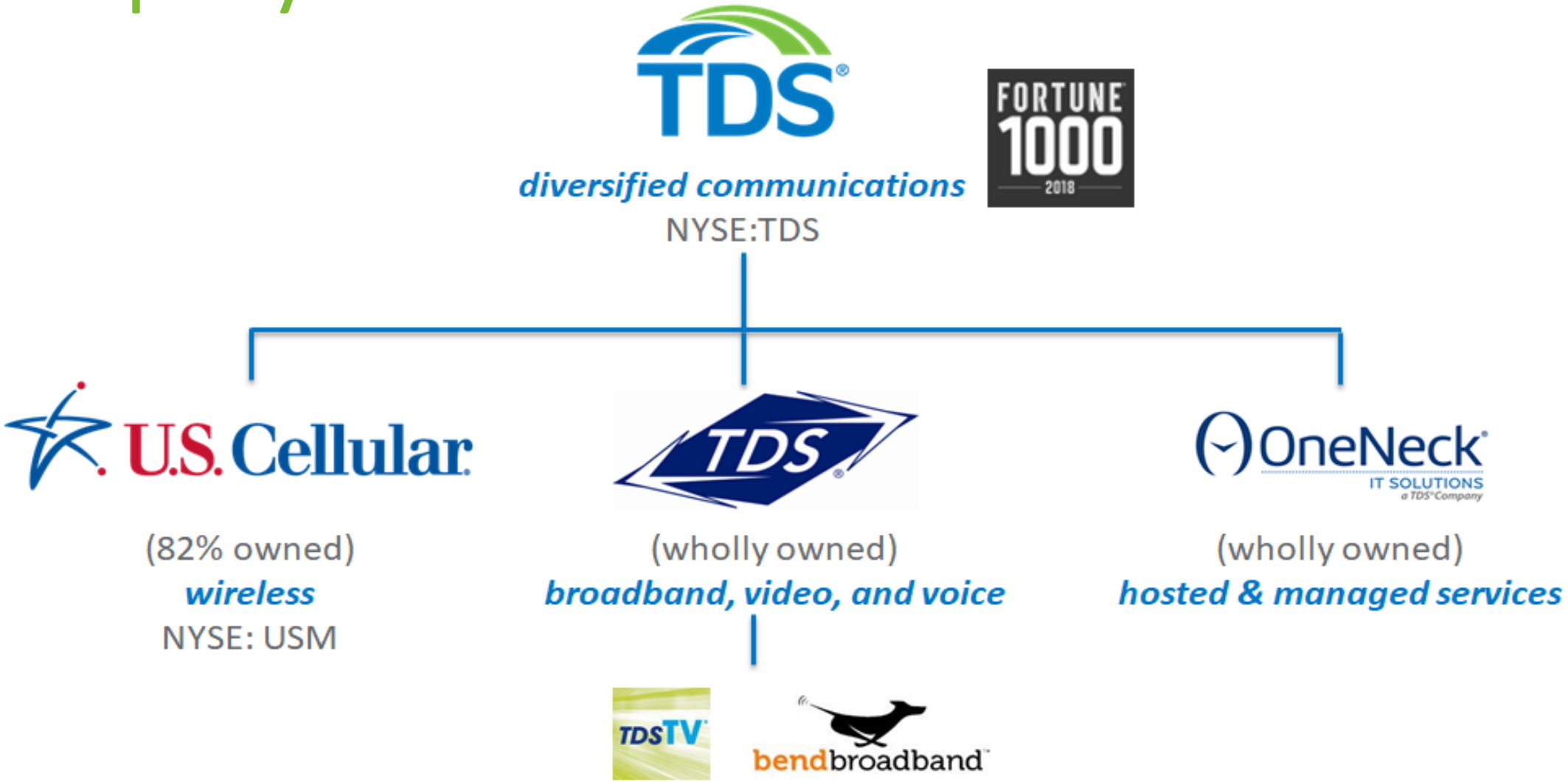
Key Outcomes/Objectives

1. Stop using Excel by creating a effective business case for SAP Treasury.
2. Implement treasury modules in phases to eliminate scope creep and stay on budget.
3. Structure your project team to enhance knowledge transfer and break down silos.

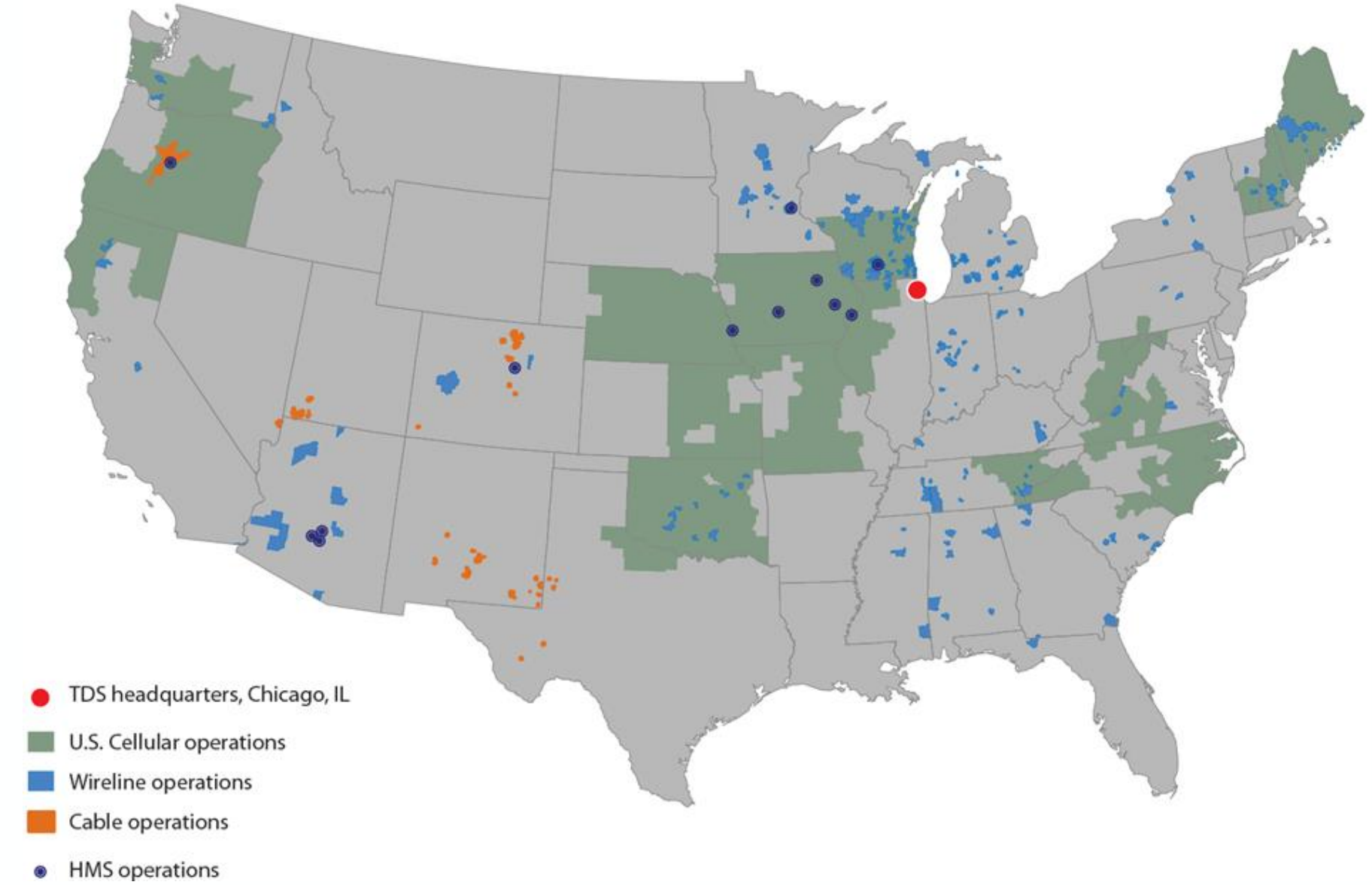
Agenda

- Company Overview
- Business Case
- Phased Approach
  - Phase 1
  - Phase 2
- Project Team Alignment
- Lessons Learned
- Questions

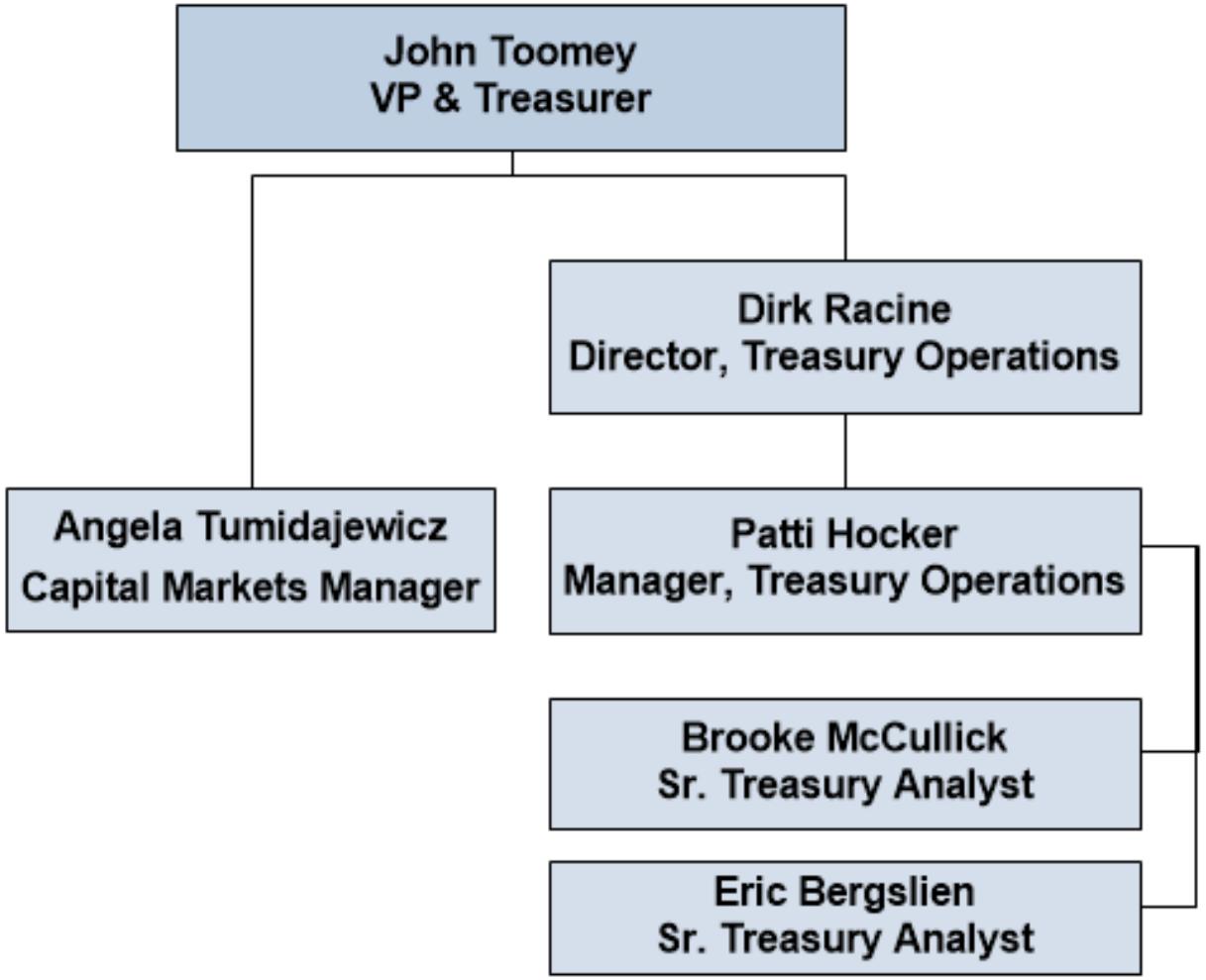
Company Overview



Operations


TDS headquarters, Chicago, IL
U.S. Cellular operations
Wireline operations
Cable operations
HMS operations

Treasury Organization



Cash Management Structure

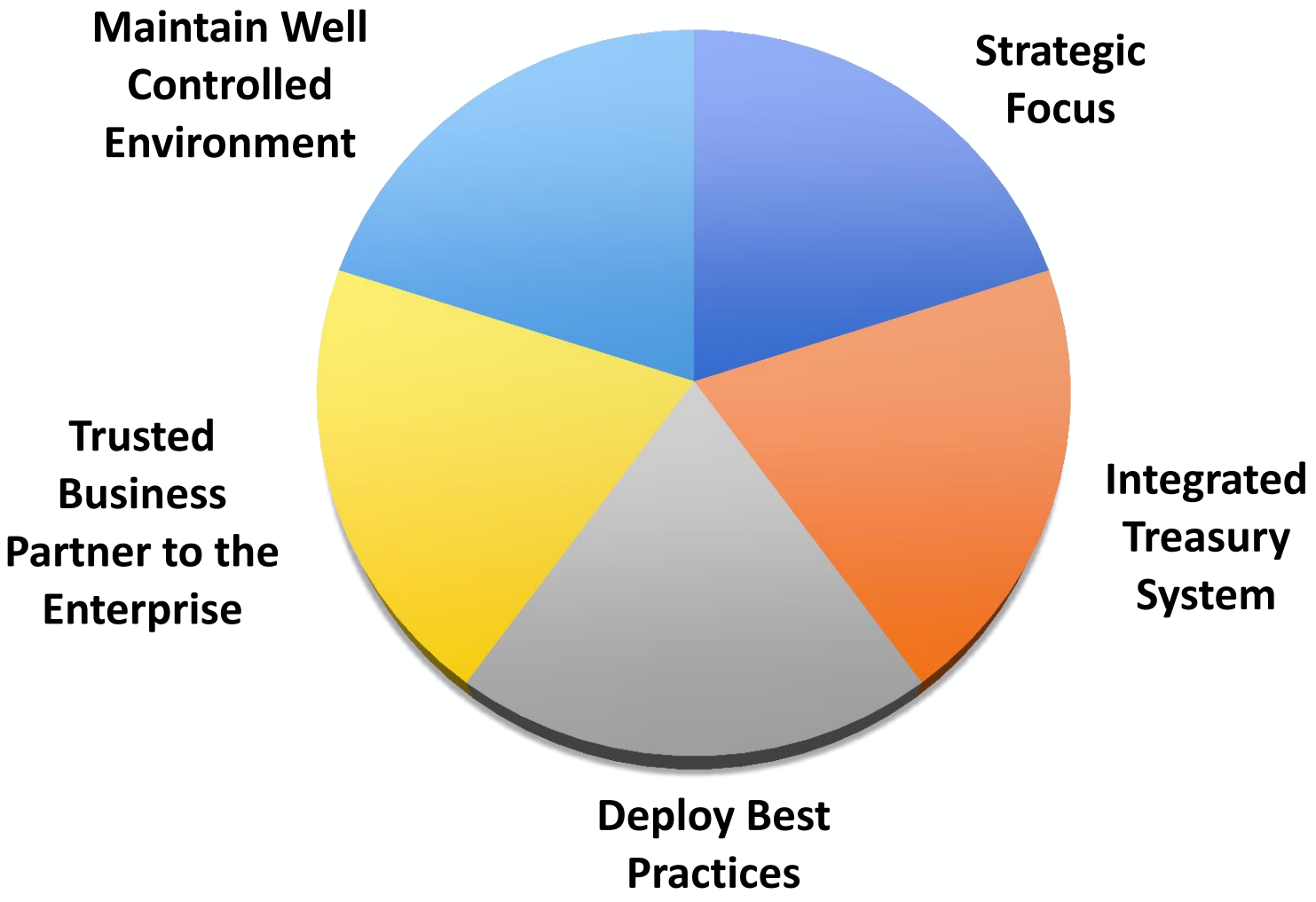
- Legal Entities
- Bank Rationalization
- Investments
- Debt

SAP Environment

- **One instance of SAP ECC 6.0**
  - **Enhancement Pack 7**

- **SAP Treasury and Risk Management:**
  - **Transaction Manager**
    - **Money Market**
    - **Debt Management**
  - **SAP Cash & Liquidity Management**
    - **Cash Management**

Business Case Strategy



Objectives

BEFORE

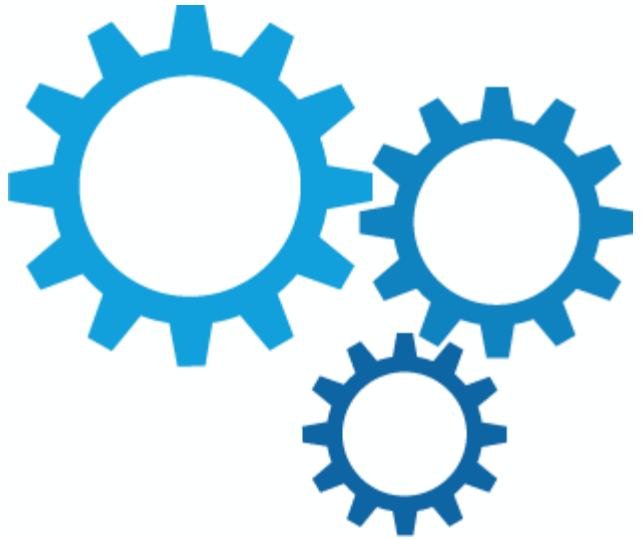
- Heavy reliance on Excel
- No integration between SAP & Treasury spreadsheets used to produce financially relevant data
- Limited IT technical support
- Manual amortization schedules and journal entries

AFTER

- No reliance on Excel
- SAP & Business Intelligence integration used to produce financially relevant data & reporting
- Full IT technical support
- Automated amortization and journal entries

Driving Factors

- Risk mitigation
- Improve internal controls
- Integration into SAP FI
- Improve operational efficiency
- Refine cash forecasting
- Enhance reporting functionality



Solution Assessment

- Socialized the treasury strategy internally
- Partnered with IT & stakeholders to identify requirements
- Evaluated several treasury workstations
- Consulted with treasury professionals and associations
- Performed a gap analysis
- Vetted industry-leading consulting firms
- Interviewed SAP Treasury clients

Recommendation

- Implement SAP Treasury
- External Consulting Firm
- Phased Approach
- Short Durations
- Limited Scope

Benefits of Phased Approach

- Control scope creep
- Stay on budget
- Achieve milestones on schedule
- Prevent team burnout
- Expedite business case approval
- Retain consistent resources
- Narrow focus for knowledge transfer
- Keep team focused on big picture
- Breathing room to solidify and document daily processes

Phase I

Cash Management

- Daily cash position
- Initiate ACH & domestic wire transfers
- Prior and current day BAI files

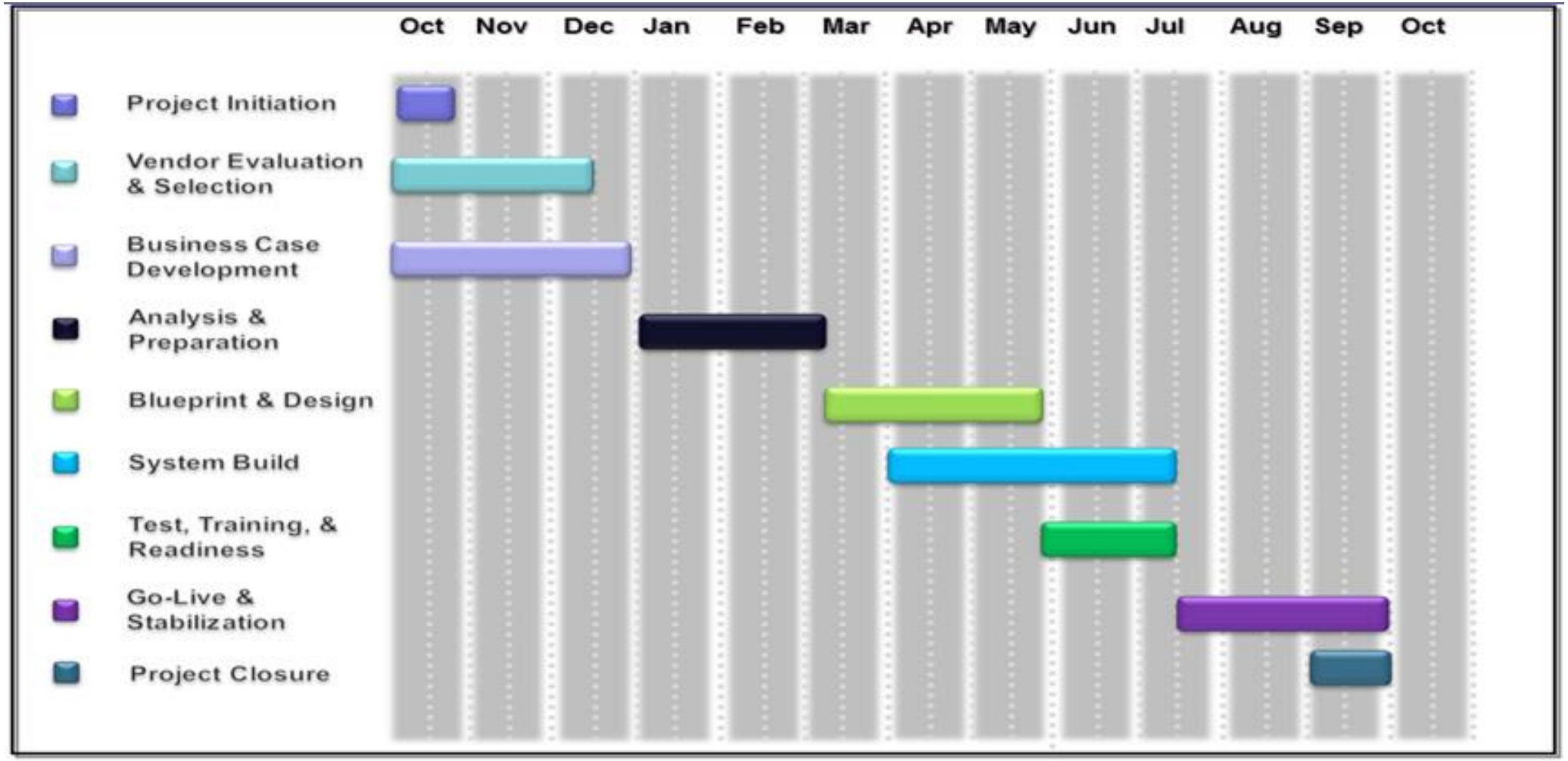
Short-term & Long-Term Investments

- Record interest accruals, amortization, coupon payments
- Distribute interest income to subsidiaries
- Utilize Business Objects for management reporting

Long-Term Debt

- Record deferred debt charges, accretion of discount, interest accruals and payments

Phase I Timeline



Phase II - Short Term Debt

Inter-Company Lines of Credit

- Capitalized Interest
- Initiate and record borrowing and repayment of principal
- Record interest payments through inter-company netting

Revolving Credit Agreements & Term Loan

- Initiate and record borrowing and repayment of principal
- Initiate and record interest and fee payments
- Record accruals for interest and fees

Standby Letters of Credit

- Initiate and record fee payments
- Record accruals for fees

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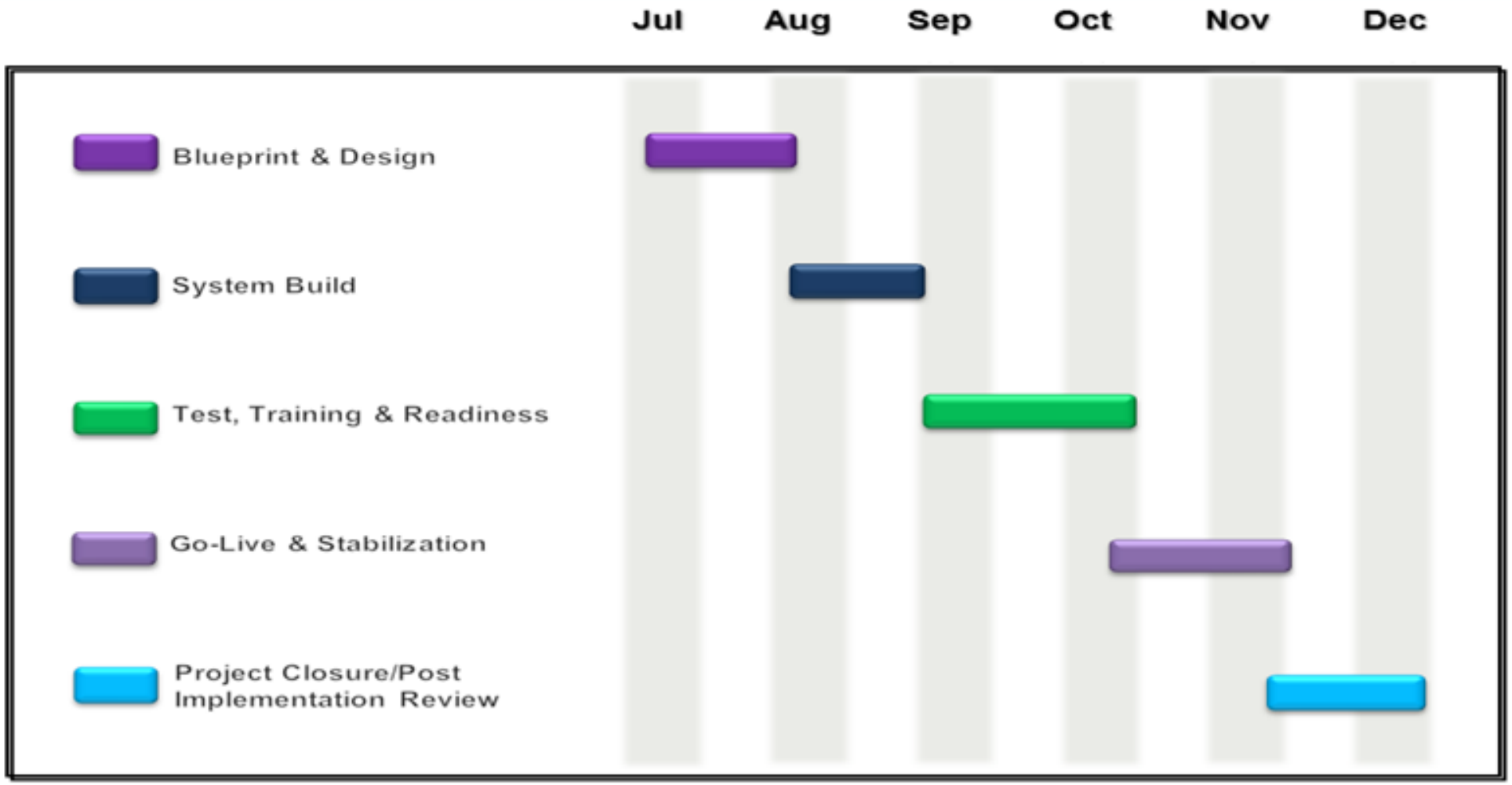
Phase II Timeline



Project Team Alliance

- Cross functional SMEs
- One large work room
- Duration is beginning to end
- Involved in all aspects including UAT
- Reduced functional silos, increased engagement & accelerated learning

Lessons Learned

- Timing of go-live
- Understand the big picture
- Open, sharing, fun environment
- Ownership and escalation of issues
- Adequate time for knowledge transfer
- Multiple pass & cross-functional testing
- Engage banking partners early and ofte..
- Have a clear understanding of deliverables
- Command center environment
- Don’t be afraid to ask for help and challenge the status quo
- Celebrate your success!

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Presentation Materials

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http://info.asug.com/2019-ac-slides

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Q&A

For questions after this session, contact us at:

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