



Save the Children

Maintaining Liquidity while Managing Volatility

Industry: Non-profit, International Humanitarian and Programming

Geographies: Global (directly over 60 countries, across the whole of the Save the Children movement over 110 countries)

Since its founding in 1919, Save the Children International has worked to better the lives of more than 1 billion children across the world. The non-profit operates in more than 100 countries every day and in times of crisis. The charity's treasury team has to be ready to respond to humanitarian emergencies at a moment's notice by channeling funding to some of the most remote and volatile places on Earth. The charity has established Fundraising Members in 30 nations – all of them operating under the umbrella of the Save the Children Association. The funds raised internationally are managed by the charity's treasury team in London.

Save the Children's International treasury team, based in London, serves as the financial backbone for the organization's charitable work worldwide. The team manages the money brought in by Fundraising Members, spread out across 30 countries.

"The individual Members raise funds in their home markets, both from the public and from institutional donors," explains Edward Collis, Save the Children International's Treasurer. "Save the Children U.S. might, for example, raise money in dollars, and they'll send those dollars to the Save the Children International treasury team for certain projects. We'll convert those dollars into the local currency for whichever countries we're funding, and then we'll send it on to those recipient locations."

The 15 staff members of the treasury team work with more than 120 banking partners and oversee over 500 bank accounts around the world. The team monitors more than 4,000 global non-functional currency/non-USD transactions each month, totaling up to more than \$1.5 billion annually.

The treasury team is also responsible for ensuring the charity maintains its liquidity at all times, in case crises emerge. To do this, the charity holds its liquidity in London, shielding donor funds from 'at risk' local country offices that may often be volatile and experience rapidly devaluing currencies. With the money centralized and secured, the team is able to propel financial donations into war zones and ensure the money is allocated to those who need it the most.

"We make sure that the right amount of money is in the right place at the right time in the right currency while managing the risk surrounding these cash flows," says Edward.

While managing risk, the treasury team must also ensure a high level of compliance. Save the Children International operates in several countries, that are subject to sanctions. The treasury team makes sure the funding of monies into sanctioned countries is both compliant (in line with relevant humanitarian licenses) and fully disclosed to banking partners, to ensure that SCI can maintain sanctioned money flows even in the face of risks to these flows from sanctions regulation. To date, the charity has reached more than 3 million Syrians, including at least 2 million children..

Coupa Treasury as SCI's core Treasury Management and Payments platform is the critical system that allows SCI Treasury to fund over 60 country offices consistently in a timely and pro-active manner.

Maximizing Impact with Available Technology

Save the Children International's treasury team relies on Coupa Treasury as its Treasury Management System (TMS). Coupa Treasury was originally implemented in the early days of the creation of SCI but until 2018 was not fully utilised with the result that many of SCI's central treasury processes relied on Excel spreadsheets and manual correspondence through phone calls and faxes.

"When I joined the charity in 2018, one of my key agenda items was to improve the usage of the TMS and ensure that the rest of the team were fully utilising it," shares Asha Kumari, the charity's Deputy Treasurer. "Over the past few years, much of my time has been spent improving our payments efficiency, including getting rid of all the Excel files and offline applications that were used in parallel with the TMS."

Opening up access to Coupa's TMS to Regional Office Finance teams helped the treasury team obtain in a far more efficient manner global funding requests, thus improving liquidity and its ability to respond to crises and offer immediate support

Asha has also overseen the improvement of automation in the charity's bank visibility and payments with Coupa being linked into the global payment messaging system, SWIFT. The use of MT940 bank statement reporting for over 90% SCI's bank accounts, the use of MT300 confirmation matching in Coupa Treasury, and the use of Coupa Treasury's payment connectivity to enable local payments in Coupa Treasury for 30 of SCI's country offices has been transformational.

"We didn't even have instant payments set up for intercompany movements of funds previously," reflects Asha. "If we were funding from one Barclays account to another, that was sent as a regular payment, which took time, was costly and, looking back, was quite inefficient."

"We're now on the journey to connect the rest of our 60 country office accounts," describes Asha.

Visibility Through Automating

Save the Children International and its treasury look to secure the best FX transaction rates as possible to maximise the use of G20 currency donations. Coupa Treasury is both integrated into SCI's electronic multibank dealing platform 360T EMS and also allows the SCI treasury team to exchange MT300 deal confirmation messaging with all their FX partners. This Coupa Treasury integrated positioning at the heart of SCI's processes and treasury system architecture allows the SCI Treasury team operate a highly efficient, highly controlled and very competitive FX process.

"Three years ago, when we started on this journey, our bank visibility in the TMS was just 35% – and that was across around 600 accounts," notes Asha. "Part of our push for visibility has been to close accounts where they're not needed." Through automating its finances, the charity's visibility over its bank accounts currently stands at over 90 percent. With limited technology available in some of the countries where the charity operates, complete visibility may not be possible. However, the gap can still be narrowed.

"We probably can't get to 100% because some field offices have nothing to work with, but we'll try to get up to 95% by the end of 2023. We can certainly live with that!" says Asha.

All of these transformations roll up into overarching changes for the Treasury team, but focus on Save the Children's one true mission.

Historically the SCI Treasury team have focused on providing treasury services to Save the Children International. Leveraging the efficiency advantages provided by Coupa Treasury, there is now a push roll out SCI Treasury's services across the Save the Children movement.

"We are currently working on an exciting project with our Transformation Delivery colleagues to deliver FX shared services to Save the Children Members. That is our mission for the future, alongside supporting every last child in even the toughest of situations," adds Edward.

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