

DESIGNING FIT FOR PURPOSE PROCEDURES

KEY CONSIDERATIONS: DEVELOPMENT OF PROCEDURE MANUALS

JANUARY 2021

Benefits of following a methodical approach:

- Consideration of key risks and internal controls
- Alignment with other business processes
- Consideration of people, processes and technology factors
- Segregated duties
- Inclusion of the delegation of authority matrix
- Completeness of the governance, risk and internal control matrix
- Buy-in from users and stakeholders
- Contribution towards combined assurance

Typical Treasury related manuals include:

- Key objectives of the treasury function
- Alignment with the business risk management framework
- Alignment with business risk appetite and tolerance levels
- Policies statements
- Operating procedure manual
- Alignment with authority limits

Typical Treasury categories:

- Investment management
- Borrowings and debt management
- Interest rate exposure management
- Foreign exchange exposure management
- Working Capital management
- Short-term / long-term funding
- Daily transactional banking

Other matters to consider:

- Training and awareness for users and stakeholders
- Governance process to be followed for approval of policies
- Legal framework and regulations including amendments
- Continual review and update of policies and procedures
- Business and business need changes
- Systems and tools to enhance efficiency
- Assurance on compliance with implementation

