

Building an API for Liquidity and Investments with ICD and Kyriba

CASE STUDY

As a multi-faceted, complex and growing business, Hunt Companies wouldn't even attempt to trade money market funds without automation. Now, with a single sign-on and automated cash sweeps between ICD Portal and Kyriba's TMS, Hunt Senior Vice President and Treasurer David Miller is making the most of his liquidity and investments, using an API he helped develop.

Based in El Paso, Texas, Hunt Companies is a diversified, family-owned holding company that invests in operating businesses, real estate assets and infrastructure assets, globally. It has grown substantially in size and scope since its founding in 1947, gaining considerable expertise across multiple real asset sectors.

CHALLENGE

Hunt either owns, operates or is involved in over 15 different companies, which fit together strategically like puzzle pieces. Every entity has a different ownership structure, so treasury cannot consolidate its more than 800 bank accounts across 30 active bank relationships.

"We have an account for every entity, and in many cases, multiple accounts for one entity," Miller explains. "We have a lot of cash,

but the cash is spread out among all of our accounts. This has made it difficult for us to park cash in money market funds or other short-term, fixed-income investment products. We would have had to establish a separate investment account for every entity because there's no co-mingling of funds. Without automation, we didn't even entertain it."

Miller's small team of four centrally manages treasury for eight businesses and needs to make sure they have sufficient liquidity to manage all of them. "Some of the money is within real estate funds, some in operating cash for the parent company, and some with our relationship banks to meet their various minimum liquidity requirements in support of the development side of the business. Within this complex structure, we need to know our cash flow, our cash forecast, our cash needs and where our cash resides."



HUNT COMPANIES, INC. – In addition to being one of the largest affordable housing developers through its investments in Pennrose and Envolve, Hunt participates in the facilitating of equity within the affordable housing marketplace through its syndicator, Hunt Capital Partners (HCP). HCP raises funds from corporations, including banks and insurance companies, and invests in affordable housing partnerships through the Section 42 Low Income Housing Tax Credit program. HCP then provides asset management and reporting services for those investments over a 15-year period. To date, HCP has raised over \$2.8 billion in tax credit equity and manages over 760 project partnerships representing over 75,000 homes for seniors and families in 51 states and territories. Hunt also has a portfolio of multifamily real estate where it builds luxury multi-family structures, which it will either hold long-term or sometimes sell before their completion. Hunt is also the largest military housing owner in the country with 52,000 homes on 49 military installations, and it has built 70,000 military homes equaling over \$9 billion in construction and development.

SOLUTION

Already using Kyriba's bank statement, general ledger, reconciliation, and real-time payments modules, Miller jumped at the opportunity to work with Kyriba and ICD to develop an API. Hunt Treasury had gained experience previously working with various partners to develop and implement APIs – two for real-time payments and one for real time balances.

Miller worked diligently with ICD and Kyriba to put an agreed-upon code in place, developing the API and implementing a seamless, end-to-end process to manage Hunt's liquidity and investments.

RESULTS

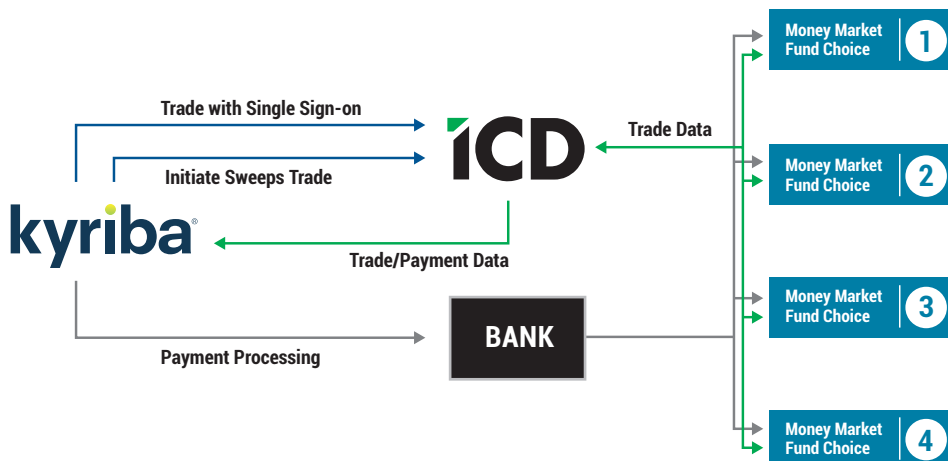
Now, when the treasury team logs in to Kyriba, they launch ICD through a single sign-on, place their investments, and within Kyriba's payment module, release the wire. The executed transaction data from ICD automatically updates in Kyriba and the team receives confirmation on their bank file.

Conversely, executed redemptions are captured on the BAI file, which flow into Kyriba's general ledger and general ledger reconciliation modules. "It's just our normal workflow, but now it's all seamlessly integrated, and it all gets captured in reporting," explains Miller. "Our accountants launch ICD Portal within the Kyriba application and gather information for reporting such as historical yields or investment positions, and they don't even know they are in another system."

Miller estimates that, without automation, both sides of every transaction would have taken 10-20 minutes of extra work, and with hundreds of accounts, investing was simply prohibitive. "With the API between ICD and Kyriba, we now have visibility into liquidity and investments and earn interest on cash that would otherwise sit idle," he says.

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DAVID MILLER
Senior Vice President
and Treasurer



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