Business Continuation Plan

Office of Treasury Operations

September 2005
I. Introduction

The following is an overview of the Disaster Recovery/Business Continuation Plan (“Plan”) for the Office of Treasury Operations. This overview is intended to describe the Offices’ risk assessment and address the plan for critical functions in the event of a disruption of normal activities. A detailed plan is maintained in the Office of Treasury Operations and is intended to supplement the Business Service Business Continuation Plan, Building Plan, ITaP Plan, and the overall University Disaster Recovery and Business Continuation Plan.

The Office of Treasury Operations is responsible for the cash management function of the University, debt management, and the banking/financial relationships for Purdue University. Therefore, the goal of the Plan is to minimize any disruption in financial activity of the University, and to quickly resume critical functions within the following priorities:

1. Protect human life
2. Eliminate or minimize risk of injury
3. Protect the University’s assets
4. Resume normal operations as quickly as possible

II. Prevention

In an effort to minimize losses that may occur from an interruption in business, various procedures have been implemented. These procedures include:

1. Cross training of staff and development of desk manuals
2. Password protection to all systems and dual control
3. Regular back-up of data to an off-site or vaulted area
4. Development of a Business Continuation Plan
5. Staff awareness
6. Quarterly update of Emergency Call Tree
7. Annual testing of the Continuation Plan
III. Risk Assessment

In assessing the risks to the Office of Treasury Operations, the following categories and scenarios were identified:

   Risk Categories: Site, Staff, Data, Products/Applications

These risks were then further identified as Internal and External Risks.

Internal and External Risks

The internal and external risks have been broken down into two broad categories:

A. Machine/Technology Failure: Any disruption resulting from the failure of automated treasury functions and the ability to access those systems.

1. No electricity
2. No Internet connection
3. Hardware failure
4. Software failure (including viruses, hackers)
5. Communication failure (No Modem/Telephone line)
6. Treasury workstation/ service provider(s) down

B. Emergency: Any incident resulting in the denial of access, or inability to access, the building or office, in addition to an emergency such as inclement weather, medical emergency, fire, or tornado.

1. Unable to enter the building or office
2. Unable to get onto the West Lafayette campus
3. Absence of Staff

Assessment of Critical Functions

A Critical Function for the Office of Treasury Operations has been defined as the disruption of an activity caused by an internal or external risk that would create a significant interruption in the University’s cash flow, or the inability to make critical electronic transfers, including the payment of taxes, debt payments, or the ability to fund payroll and benefit payments.

Critical Functions:
1. Set daily cash position to determine cash requirements
2. Concentration of funds
3. Monitor bank account balances
4. Fund disbursements (including payroll and taxes)
5. Manage debt program

IV. Action Plan

An initial review of the pertinent emergency information will be made by the Director and Assistant Director of Treasury Operations to determine appropriate action. Other University personnel may be consulted prior to declaring an emergency situation. A telephone call tree has been established to facilitate contacting necessary staff. In addition, a vendor call sheet has been established to facilitate contacting necessary individuals at various financial institutions.

During an emergency, the Assistant Director will assume responsibility for cash management. If the emergency is attributable to inaccessibility to the campus, building or office, the Assistant Director, Cash Analyst, Financial Analyst and Analyst Assistants will proceed to a designated alternate site. A PC equipped with access to necessary software is available at that site.

Should the emergency be the result of inclement weather, or other type of emergency that would prevent staff from assembling at the alternative site, the Director, Assistant Director, Cash Analyst, and any other staff deemed to be essential staff will confer via telephone or cell phone. Necessary cash management functions will be conducted via the Internet, or telephone procedures established with appropriate financial institutions will be implemented.

Additionally, specific staff has been assigned the task of customer notification. This includes notification on the departmental web site, update of departmental voice mail, as well as contact by either phone or email to appropriate University departments and appropriate financial institutions.