EX Implement Online Foreign Currency Exchange for Business Organizations and add this feature to Chase’s Commercial Electronic Office (CEO) portal to help them execute multi-currency transactions.



Project Charter V-1.0.0

EXCELLENT JOB!

10/10

JPMorgan Chase Online Foreign Exchange (FEx) for Business Organizations

Implementing Online Foreign Currency Exchange for Business Organizations and adding this feature to JPMorgan Chase’s Commercial Electronic Office (CEO) portal to help clients execute multi-currency transactions.



2010

Rajbir K Bajwa

Business Analyst

11/15/2010



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# General Information

Project Title: JPMorgan Chase Online Foreign Exchange for Business Organizations

## **Project Objective Statement**

Implement Online Foreign Currency Exchange (FEx) for Business Organizations and add this feature to JPMorgan Chase’s Commercial Electronic Office (CEO) portal to help clients execute multi-currency transactions. Missing the time line.

Prepared by: Rajbir K Bajwa and Carol Benison

Date : 11/15/2010

Version: 1.0.0

## Project Start and End Date

|  |  |
| --- | --- |
| Start Date: | October 5, 2010 |
| Estimated End Date: | April 10, 2011 |

Project Budget: $200,000

## Project Core Team Members

|  |  |  |
| --- | --- | --- |
| **Name** | **Role** | **Email/Phone number** |
| Shohreh | Sponsor | [Shohreh.info@gmail.com](mailto:Shohreh.info@gmail.com/)  408-734-6754 |
| Emily Deere | Project Manager | [Emily.deere@live.com](mailto:Emily.deere@live.com)  408-234-4532 |
| Rajbir K Bajwa | Business Analyst | [rkantaal@gmail.com](mailto:rkantaal@gmail.com)  408-347-2367 |
| Rick Espinoza | IT Architecture | [Espinoza.1980@gmail.com](mailto:Espinoza.1980@gmail.com)  925-238-8756 |
| Dennis Williams | Database Administrator | [Dennis.will@gmail.com](mailto:Dennis.will@gmail.com)  925-762-3956 |
| Max Garrick | Developer | [Garrick.max@aol.com](mailto:Garrick.max@aol.com)  925-568-3666 |
| Jennifer | Procurement Analyst | [Analyst.jenni@gmail.com](mailto:Analyst.jenni@gmail.com)  925-346-3765 |

# Insight into Project

## Project Overview

Foreign Exchange is the exchange of one currency for another that helps to facilitate trade and investment. Foreign Exchange instruments can help clients (business organizations) reduce risks that can affect their bank balances, profit margin, competitiveness, company financial statements and more. The Foreign Exchange market plays an indispensable role in providing a mechanism to make payments across borders, determine currency pricing and manage international business risk.

I feel that your project charter is getting too detailed. Ideally, I like the project charter to stay at a high level. E.g., there is no need to describe in a paragraph each the 4 kinds of contracts.

Statistics from the U.S. Department of Commerce show that U.S. businesses exported over $800 billion and imported $1.6 trillion in goods in 2007. This highlights the need of Online FEx for businesses. Providing Online FEx will help us attract more businesses and hence increase our client base. We can add functionality for online FEx to JPMorgan Chase’s already successfully implemented Commercial Electronic Office (CEO). We are going to cover up transactions involving these currencies- Dollar (U.S., Canada, Australia), Rupee (India, Pakistan, Nepal, Bangladesh), Yen (Japan), Yuan (China) and Euro. Our goal is to provide the following features to our clients (business organizations) using online FEx:

* *Spot contract* is a contract between JPMorgan Chase and its Client to exchange two currencies at an agreed exchange rate. Once client selects the currency it wants to buy or sell, the foreign exchange rate is presented for acceptance.
* *Forward contracts* allow clients to arrange today to buy or sell foreign currency with delivery of funds occurring on a future date beyond the spot date. This eliminates the impact of a rate fluctuation on client’s profit margins when they receive or make future foreign currency payments.
* *Forward window contracts* allow clients to buy or sell a foreign currency at a designated price during a specified period between two future dates, providing more flexibility than contracts tied to a single date.
* *Currency Call/Currency Put* is a contract between JPMorgan Chase and its Client whereby the buyer obtains the right, but not the obligation, to purchase/sell a specified foreign currency amount on or before a specific date in the future at a predetermined exchange rate (known as the ‘strike price’), agreed upon at the outset of the transaction.

## Strategic Fit

A secure online foreign exchange application for the clients.

## Stakeholders

* Clients(Business organizations)
* IT support team
* Finance Department
* Legal Department
* International Operations Management Department

## Client Benefits

* Ability to send wire requests from anywhere client has internet access.
* Ability to *lock in exchange rates* — on the day a foreign payment is made, the client knows the exact cost in U.S. dollars, and is protected against losses from fluctuating rates.
* Ability to send international wire transfers in foreign currency for greater control and payment accuracy.
* Ability to save details of frequent payee for fast and easy wire transfer.

## Successful Completion Criteria

* Foreign Exchange Option added to CEO portal for client’s easy access.
* Our system reflects the most recent currency value to avoid any conflicts.
* Timely and secure payments — International payments should be sent to the designated foreign bank within 2 business days; the U.S. equivalent is deducted from the client's account on the day the request is made and the currency payment is sent to the designated foreign bank.
* Clients are able to lock in exchange rates successfully.
* Our system keeps track of the contracts (*Spot contracts, Forward contracts, Forward window contracts and Currency Call/Currency Put*) associated with each user account.
* Clients are able to retrieve historical or maturing transaction data using a wide variety of customized reports.

# Major Project Components

## Accurate Foreign exchange transactions

Our system should be efficient enough to handle Foreign exchange transactions in timely manner. The system will provide built-in error-checking and dual verification features. A message will appear on client’s screen if a transaction cannot be processed, and settlement instructions can be set to require dual authorization.

## Security and Authentication

As a leader in electronic banking, JPMorgan Chase has several years of experience with Internet transactions. So it’s our responsibility to maintain the client’s confidence in Foreign Exchange Online as well. Our system will aim to take advantage of the highest level of commercially acceptable security available: 128-bit encryption. Our system requires three-factor authentication—company ID, user ID and password—in addition to a token card to initiate the transaction.

It would have sufficed to say that this project is extremely risky and therefore security is going to be of paramount concern (rather than delving into details of 128 bit encrypting, three factor id, etc.. These specific security features are more appropriate in documents that follow the project charter).

An authentication token card is a handheld card that generates a unique password each time client logs in to Foreign Exchange Online. More secure than traditional IDs and passwords, a token card provides greater assurance that transactions are being performed only by authorized staff at client’s end.

# Project Scope

## In Scope

* CEO Portal to provide option for FEx.
* Apply fee and surcharges for FEx.
* Provide secure transactions using 3-factor authentication-Company ID, User-ID and password.
* Update databases with current foreign currency values.
* Associate the contracted price of the currency with each Client account.
* Report generation to retrieve historical or maturing transaction data.

## Out of Scope

* Update or Creation of multi-currency account.
* Ability to sell and/or buy Foreign Currency notes.
* Send updates to clients about the currency rates through email.
* FEx by phone.
* Issue Letter of Credit.

## Project Deliverables

* Currency Conversion Documentation (Terms and conditions for all types of contracts)
* Tailoring of CEO to incorporate FEx
* Implemented authentication check
* Implemented Contract functionality for Spot contracts, Forward contracts, Forward window contracts and Currency Call/Currency Put.
* Implemented Report generation for Clients to retrieve historical or maturing transaction data.

## Major High Level Milestones

|  |  |  |
| --- | --- | --- |
| **Milestone** | **Planned** | **Actual** |
| 1. Project Charter Approved | 11/25/2010 |  |
| 1. Software Vendor Selected | 12/05/2010 |  |
| 1. Change User Interface | 12/25/2010 |  |
| 1. Database Tailoring Complete | 01/10/2011 |  |
| 1. Authentication and Security System Complete | 01/28/2011 |  |
| 1. CEO Portal ready with Online FEx functionality | 02/25/2011 |  |
| 1. FEx passes Quality Assurance successfully | 03/25/2011 |  |
| 1. FEx undergoes user acceptance testing | 04/10/2011 |  |
| 1. Implement all the changes approved | 05/05/2011 |  |
| 1. FEx ready to be used by the world | 06/05/2011 |  |

# Project Conditions

## Project Risks

As this is for the first time that we are offering FEx online there will likely be unknown challenges with this approach in terms of security, authentication and achieving the confidence of clients.

## Project Assumptions

We already provide facility of multi-currency account for Business Organizations. So FEx in CEO portal will not provide the option for the creation of new multi-currency account.

## Project Constraints

The user interface should remain the same with minimal changes to the basic layout of CEO portal for client’s convenience.

## Triple Constraints

|  |  |
| --- | --- |
| Resources | M |
| Schedule | S |
| Scope | N |

Where, N=Not Flexible

S=Somewhat Flexible

M=Most Flexible

# Communication Plan

Ongoing communication is an essential ingredient to any project. So we will make sure to be open about it using the following means.

## Project Status Report

Rajbir K Bajwa will send a short project status report every *Monday* to Gary Wilson (Executive sponsor), Charlotte Cathy (Functional Manager) and Sharon Smith (Project Manager). The purpose of the status report will be to summarize project progress and highlight how we are managing any newly discovered issues or risks. The project status report will include:

* Schedule: How we are progressing compared to the project schedule.
* Risks: Any risks that have been identified and how they are being managed.
* Issues: Any issues discovered during the week and how they are being managed.

## Weekly Meetings

The purpose of the weekly scheduled teleconference among various members is to discuss project status, issues, risks, dependencies, change requests, and any other relevant project discussion items.

### Attendees

|  |  |
| --- | --- |
| **Name** | **Role** |
| Shohreh | Sponsor |
| Emily Deere | Project Manager |
| Rajbir K Bajwa | Business Analyst |
| Rick Espinoza | IT Architecture |
| Dennis Williams | Database Administrator |
| Max Garrick | Developer |
| Jennifer | Procurement Analyst |

## Approval(s)

Project Manager: Date:

Sponsor: Date: