



PART-TIME CFO/CONTROLLER SERVICES

For many small to medium-sized trade associations and professional associations, outsourcing the CFO or Controller needs of the organization on a part-time basis is a common sense solution when the skillset provided by a CFO or Controller is not affordable or not necessary on a full-time basis. At Association ROI, we provide the senior level financial expertise needed to help your organization grow and your financial operation mature, and we do so in an efficient and cost effective manner.

MONTH END CLOSE:

- We reconcile all Balance Sheet accounts including but not limited to:
 - Bank Accounts
 - Investment Accounts
 - Accounts Receivable
 - Inventory
 - Prepaid Expenses
 - Fixed Assets & Acc. Deprec.
 - Other Current & Long-Term Assets
 - Accounts Payable
 - Payroll Liabilities
 - Capital & Equipment Leases
 - Accrued Vacation
 - Deferred Revenue
 - 401k Liabilities
 - Other Current & LT Liabilities
- We prepare monthly recurring and non-recurring adjusting journal entries including but not limited to:
 - Gain/Loss on Investments
 - Inventory Adjustments
 - Recording Prepaid Exp. – Overhead
 - Recording Prepaid Exp. – Events
 - Accumulated Depreciation
 - Bi-Weekly or Semi-Monthly Payroll
 - Accrued Vacation True-Up
 - Deferred Revenue-Dues
 - Deferred Revenue-Events & Other
 - Accrued Expenses-Overheads
 - Accrued Expenses-Events & Other
 - Income Adjustments
 - Expense Allocations
 - Other/Non-Recurring Adjustments
- We review General Ledger account detail to ensure proper posting and coding of revenue and expenses.
- We maintain detail of all adjustments made and the supporting documentation and will review with management.

MANAGEMENT REPORTING & ANALYSIS:

- We will generate GAAP based and FASB compliant financial statements monthly including:
 - Monthly Management Letter
 - This letter is provided monthly and outlines the financial results of the association for that month. The letter may include details on actual results for dues, programs, events, etc. as compared to budget and a year-over-year analysis. The letter also discusses expenses as compared to the budget and prior year(s). Items on the Balance Sheet are discussed along with the statement of cash flows. Operational events such as registrations to date for an event or new members added to the association are also discussed as they relate to the financial results of the association.
 - Income Statement/Statement of Activities/Profit & Loss Statement:
 - Customized for segment reporting; i.e. individual statements for dues, events, projects, publications, etc. are detailed and rolled up into a



consolidated statement for the association. Management determines the level of detail represented in the statements.

- Balance Sheet:
 - Customized to the needs of management as to the detail included. This may include sub-totaled amounts for items such as fixed assets, prepaid expenses, accrued expenses or deferred revenue.
- Statement of Cash Flows:
 - Often overlooked on a monthly basis, Financial Accounting Standard (FAS) 117 requires a statement of cash flows for all 501(c)(x) organizations. The statement will include the cash flows for Operating Activities, Investing Activities and Financing Activities.

BUDGETING & FORECASTING:

- We will work with management responsible personnel in detailing budgets for the following areas:
 - Annual budget on a consolidated basis presented to the Board of Directors, Executive Committee or Finance Committee for input and approval.
 - Individual budgets in detail for functional areas such as dues, events, publications, webinars, etc. These are produced annually along with the consolidated budget in support of that budget and also during the year, prior to the events, webinar, etc. The detail included for an event, as an example, would include the number of anticipated attendees at each rate, expenses such as food and beverage, postage, etc. These budgets are very important in supporting the overall goals of the association and in measuring the financial successes or missteps of the association.
 - Overheads and related expenses are budgeted in detail and by month. These budgets include items such as new employee hires, changes in employee benefits, changes in employee pay, bonuses and details on all non-revenue related expenses.

CASH FLOW ANALYSIS & REPORTING:

- The cash flow needs of an organization are receiving increased attention in regards to the forecasted inflows via contributions, donations and/or dues and also the cash outflows or the cost of operating the organization. We recognize the importance of cash flow management and forecasting and this is a critical component we offer and perspective we provide.
- Improving collections, identifying areas of negative cash flow and working to forecast the long term and short term cash requirements of an organization are just a few of the cash flow services we provide. Once the cash requirements of an organization are identified and the cash inflows optimized then an investment strategy can be devised, approved and implemented. The forecasting, planning and management of cash flow is critical to the success or failure of your organization.

AUDIT PREPARATION & SUPPORT:

- Your annual audit does not have to be a time consuming, painful and drawn out event resulting in financial statements with little insight, delivered months after your year end with an audit letter full of deficiencies. The best way to approach and complete your



annual audit is to ensure your internal monthly statements are complete and accurate eliminating any surprises or significant adjustments making the audit a validation of the processes and controls that your organization has in place. At Association ROI we work in the months prior to the audit to ensure that all known adjustments are made, internal controls exist and proper policies are followed in order to make your audit a simplified, organized and successful event. During the audit we manage the process in conjunction with your audit firm to ensure that all of the following occur:

- The functional expense schedules are completed and accurate
- Supporting documentation is provided
- Confirmations are returned
- Statements are prepared

POLICIES & INTERNAL CONTROLS:

- The internal controls for many small and medium-sized associations and are lacking due to staffing constraints or policies and procedures that have not been implemented. Often times the lack of controls are identified by the organizations audit firm as “significant deficiencies” in the management letter and may include items such as segregation of duties or procedures that lack control around banking or initiating wire transfers. Many of these controls can be remediated by implementing simple procedures. At Association ROI we work with your existing staff to implement procedures that satisfy audit and board requirements and give you peace of mind to the potential of any fraudulent activities. We ensure that your association has all relevant policies in place. The policies and procedures your association should have may include:

- Separation of Duties
- Safeguarding Assets
- Disbursement Policy
- Wire Transfer Policy
- Cash Receipts Policy
- Bank Statement Review & Recon.
- Petty Cash Policy
- Reserve Fund Policy
- Investment Policy
- Audit Policy
- Document Retention & Destruction
- Monthly Close Process
- Payroll Controls
- Computer Controls

APPLICATION OF BEST PRACTICES:

- By hiring Association ROI for your senior level accounting needs you are assured that the “best practices” learned while working with and for more than 75 small businesses, nonprofits and associations would be applied and used to improve your organization. You will receive an improved understanding of the financial side of your organization resulting in fewer surprises and more control for you, your board and management team.

For more on the services we can provide your association by providing part-time CFO or Controller services please visit <http://www.associationROI.com>.