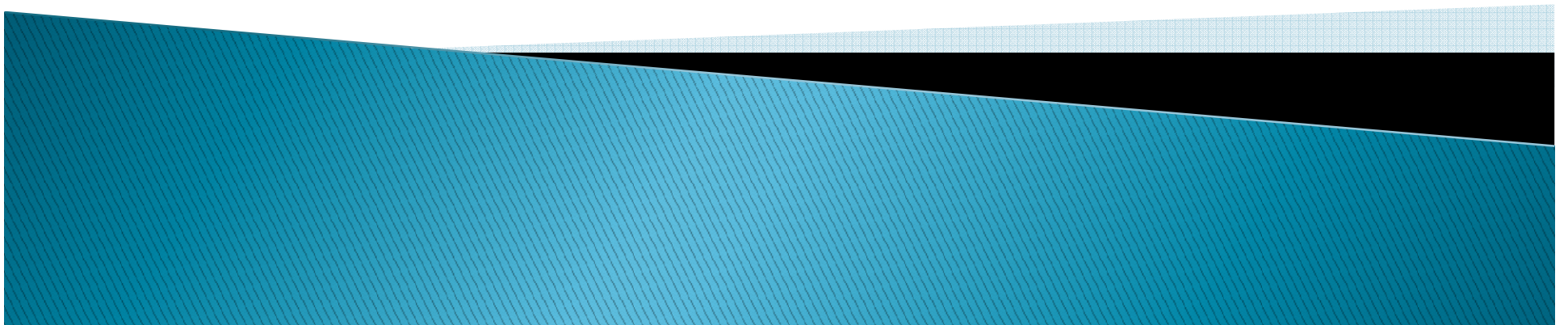


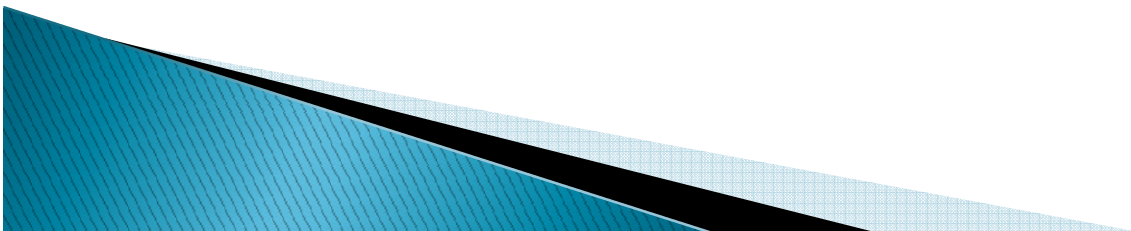
# Do You Need a Controller? Are You Ready for a CFO?

Steve McWilliams  
Panel Member



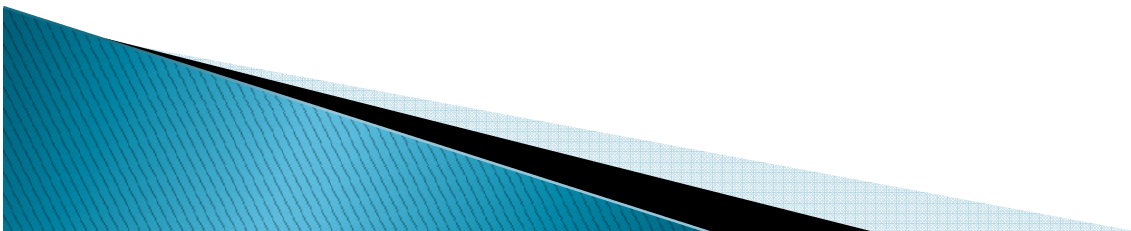
# Key Business Factors

- ▶ Size of Business



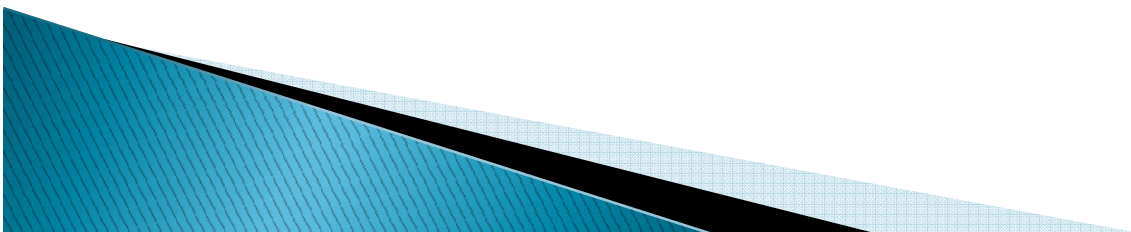
# Key Business Factors

- ▶ Size of Business
- ▶ Complexity of Operations and Number of Legal Entities



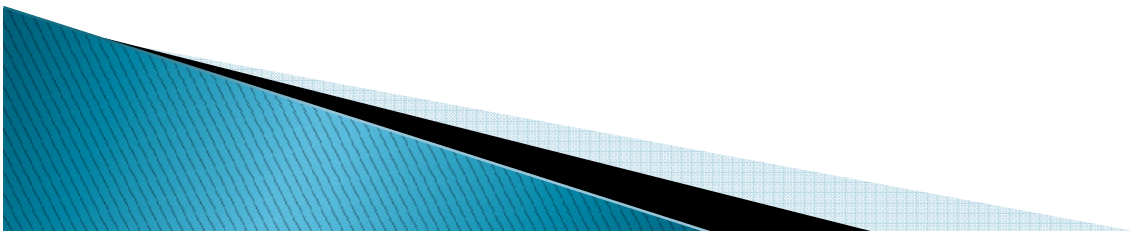
# Key Business Factors

- ▶ Size of Business
- ▶ Complexity of Operations and Number of Legal Entities
- ▶ Financial Reporting Requirements



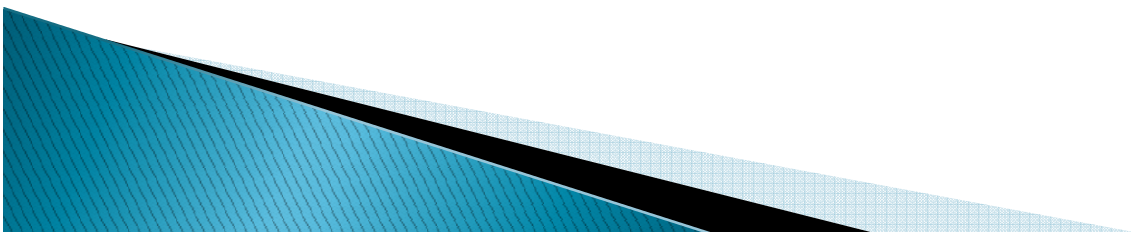
# Key Business Factors

- ▶ Size of Business
- ▶ Complexity of Operations and Number of Legal Entities
- ▶ Financial Reporting Requirements
- ▶ Rate of Growth and Change



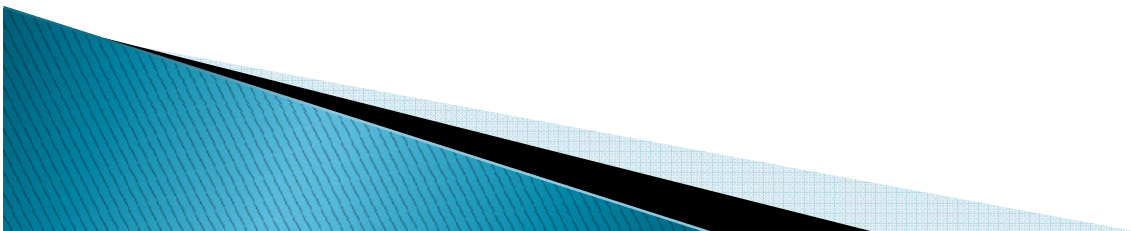
# Level of Expertise Needed

- ▶ Bookkeeper
- ▶ Controller
- ▶ Chief Financial Officer



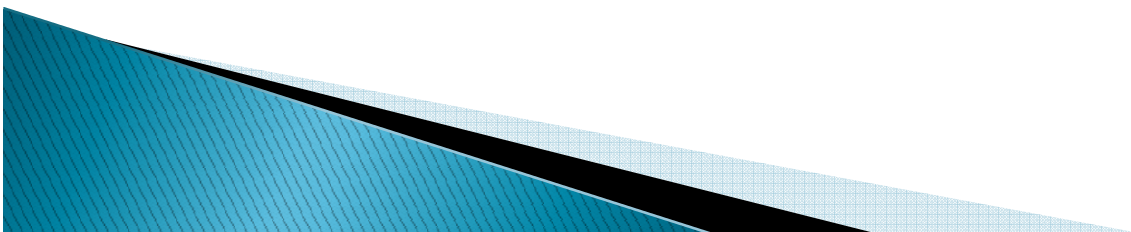
# Bookkeeper

- ▶ Basic Entry and Classification of Revenue and Expenses



# Bookkeeper

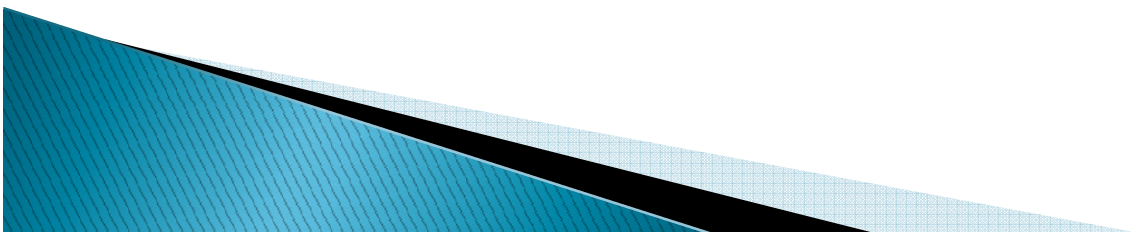
- ▶ Basic Entry and Classification of Revenue and Expenses
- ▶ Cross-checks Receipts and Bills





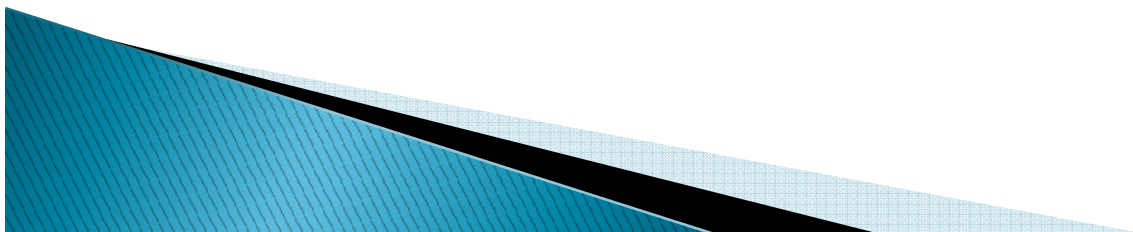
# Bookkeeper

- ▶ Basic Entry and Classification of Revenue and Expenses
- ▶ Cross-checks Receipts and Bills
- ▶ Balances Checking Accounts



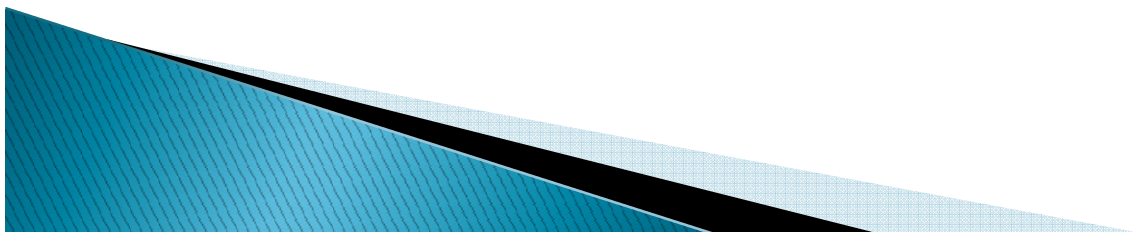
# Bookkeeper

- ▶ Basic Entry and Classification of Revenue and Expenses
- ▶ Cross-checks Receipts and Bills
- ▶ Balances Checking Accounts
- ▶ Cash-basis Orientation for Taxes



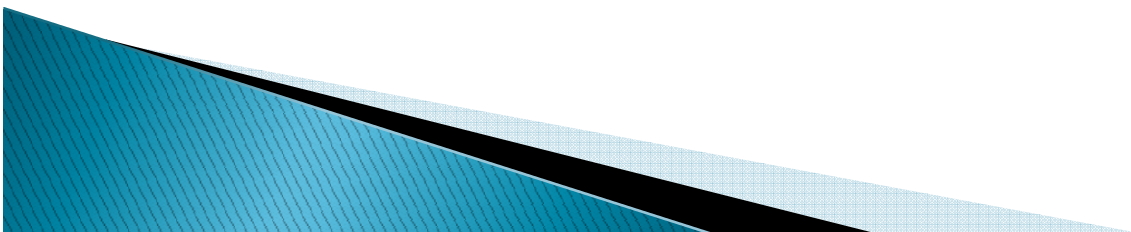
# Bookkeeper

- ▶ Basic Entry and Classification of Revenue and Expenses
- ▶ Cross-checks Receipts and Bills
- ▶ Balances Checking Accounts
- ▶ Cash-basis Orientation for Taxes
- ▶ Organizes Accounting Records



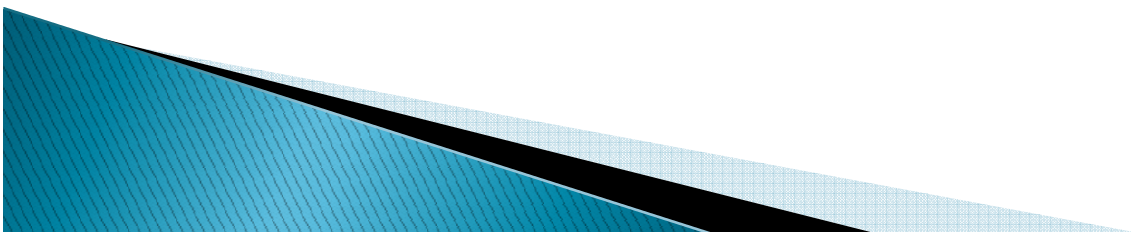
# Controller

- ▶ Bookkeeping Skills plus Accounting Degree—usually a CPA



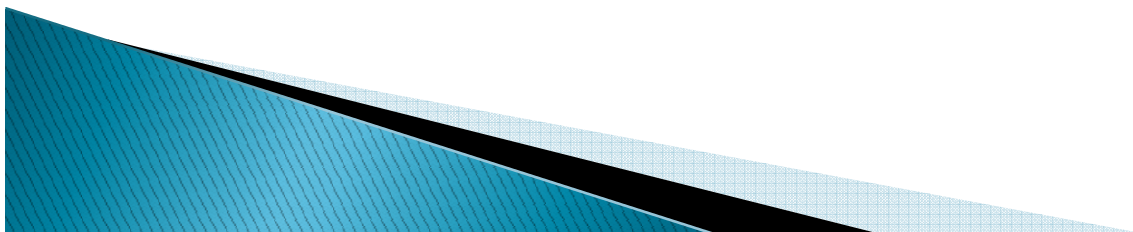
# Controller

- ▶ Bookkeeping Skills plus Accounting Degree—usually a CPA
- ▶ In-depth knowledge of both Tax and GAAP-based Accounting



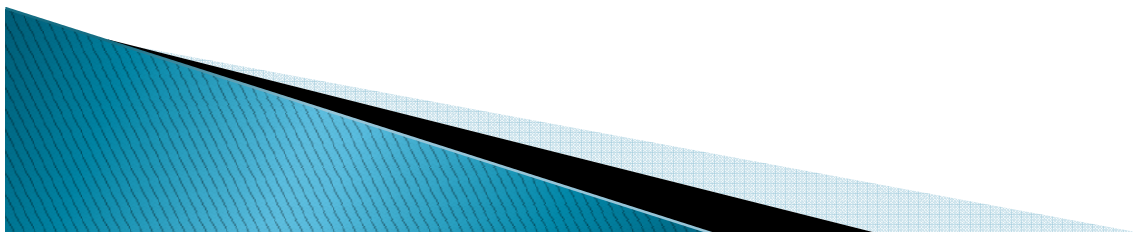
# Controller

- ▶ Bookkeeping Skills plus Accounting Degree—usually a CPA
- ▶ In-depth knowledge of both Tax and GAAP-based Accounting
- ▶ Experienced with accounting software and systems



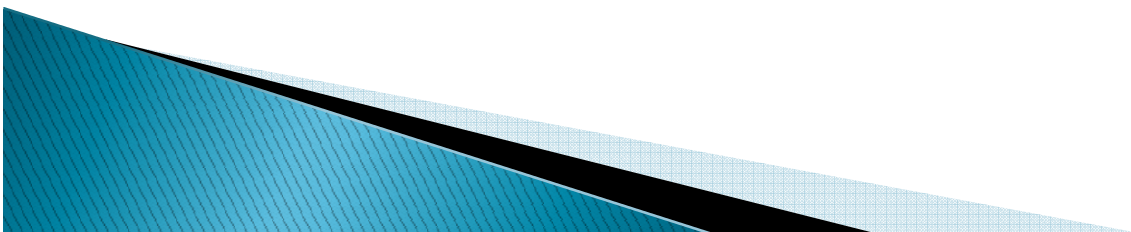
# Controller

- ▶ Bookkeeping Skills plus Accounting Degree—usually a CPA
- ▶ In-depth knowledge of both Tax and GAAP-based Accounting
- ▶ Experienced with accounting software and systems
- ▶ Understanding of Allocations



# Chief Financial Officer

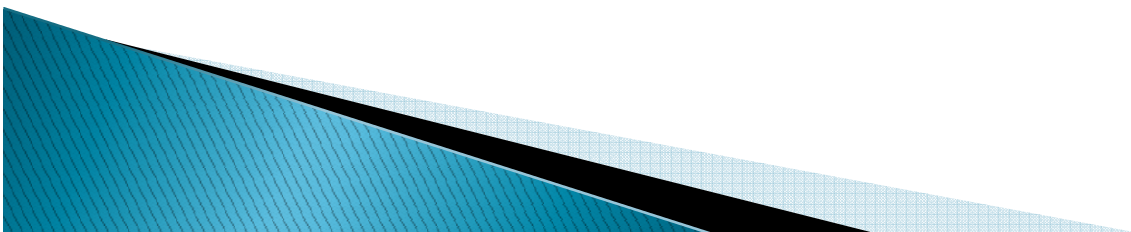
- ▶ High-level knowledge of GAAP and Tax-based accounting





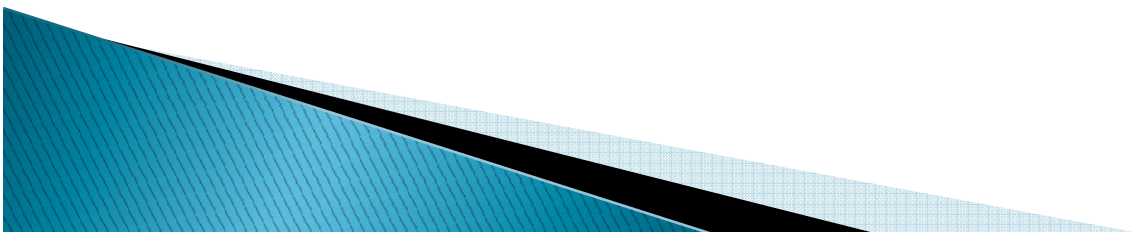
# Chief Financial Officer

- ▶ High-level knowledge of GAAP and Tax-based accounting
- ▶ Financing Experience



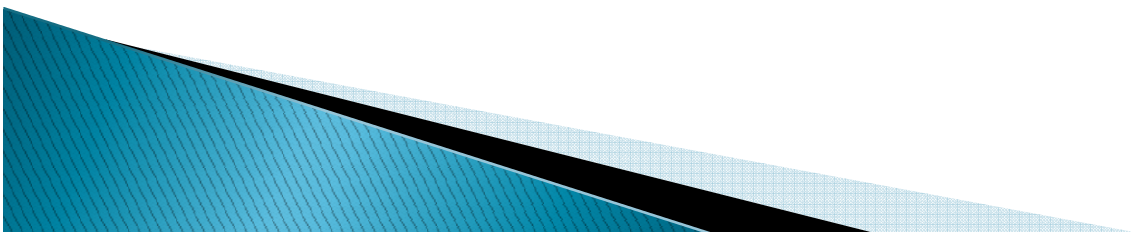
# Chief Financial Officer

- ▶ High-level knowledge of GAAP and Tax-based accounting
- ▶ Financing Experience
- ▶ Analysis Orientation



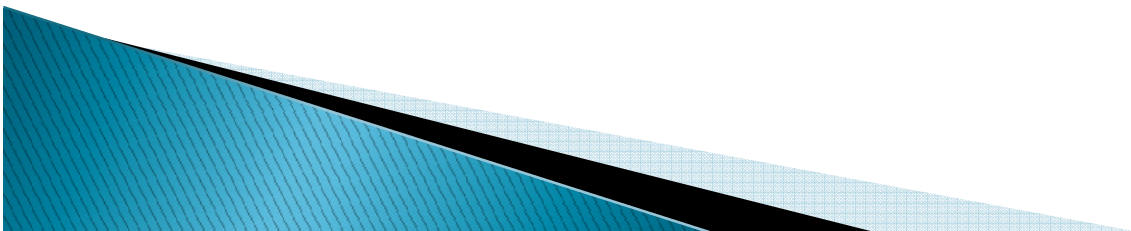
# Chief Financial Officer

- ▶ High-level knowledge of GAAP and Tax-based accounting
- ▶ Financing Experience
- ▶ Analysis Orientation
- ▶ Acquisition/Transaction Skills



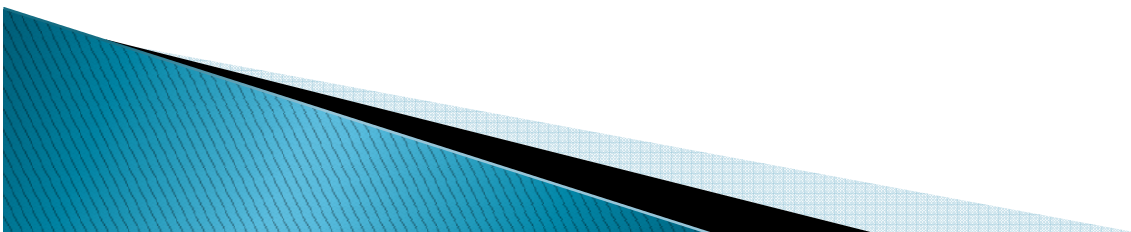
# Chief Financial Officer

- ▶ High-level knowledge of GAAP and Tax-based accounting
- ▶ Financing Experience
- ▶ Analysis Orientation
- ▶ Acquisition/Transaction Skills
- ▶ Insurance Structure & Reporting



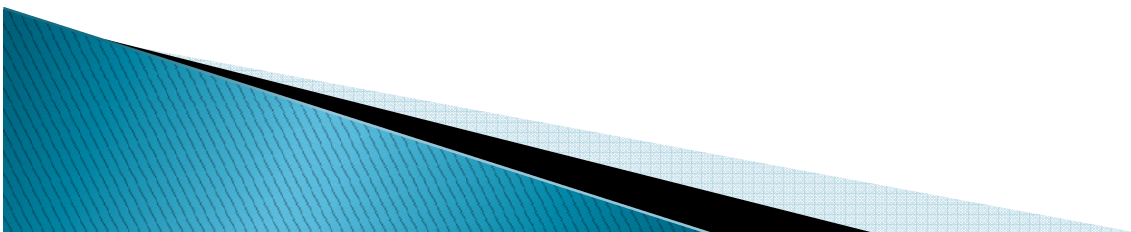
# Chief Financial Officer

- ▶ High-level knowledge of GAAP and Tax-based accounting
- ▶ Financing Experience
- ▶ Analysis Orientation
- ▶ Acquisition/Transaction Skills
- ▶ Insurance Structure & Reporting
- ▶ Legal Coordination



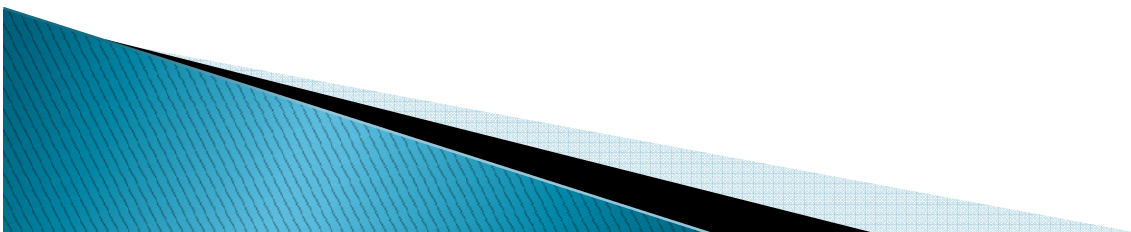
# Do you need all three?

- ▶ Cost–Benefit Decision



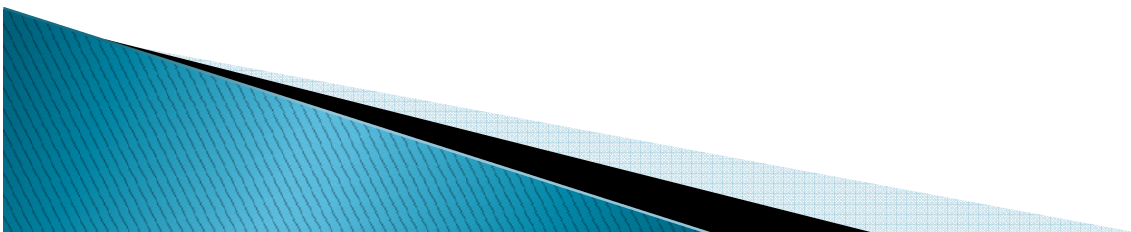
# Do you need all three?

- ▶ Cost–Benefit Decision
- ▶ Will the value to the business exceed the cost?



# Do you need the skills of all three?

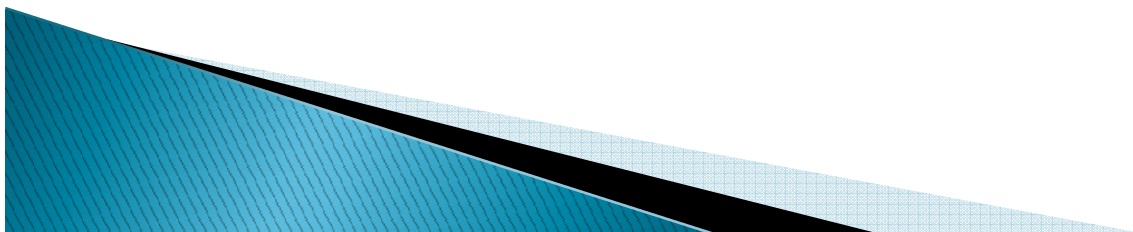
- ▶ If the answer is yes, an option is to consider *part-time* Controller and CFO positions





# Part-Time versus Full-Time

	<u>Part-Time</u>	<u>Full-Time</u>
Cost	Less Overall Cost	Fixed Cost
Flexibility	Easy to Change Personnel	Major Commitment
Knowledge of Operations	Challenging, Less Interaction	In the Business Flow
Industry Trends	Contact with Other Producers	More Isolated
Efficiency	Draws on Similar Experiences	May need Guidance
Availability	Requires Scheduling	Can Work Late, Pinch Hit



# Do You Need a Controller/CFO?

- ▶ It depends...

