

Roles and Responsibilities of the CAP Finance Department



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Goals for the session

- Help think about what you and fiscal staff should be doing
- Address obstacles & provide solutions to consider
- Provide an opportunity to plan how to get more done

Do you receive/have these questions or comments?

Questions or concerns

- Why don't I have a budget?
- Why don't I have a cash flow statement?
- We don't know our cash position.
- Why can't I get financial information sooner?
- Reports have too much or too little detail.
- We don't know when we have new grants until there is a bill to be paid.
- Fiscal procedures change and we don't know what they are.
- Fiscal does not receive all information needed



Your concerns – Worksheet



Worksheet – What is not getting done?

Challenges of Getting Things Done in the Finance Department

	What is not getting done? Be as specific as possible.	Obstacles	Next Steps
1.			
2.			

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Examples of obstacles

Technology

- Too many spreadsheets
- Several systems or databases
- Duplicate (triplicate) data entry

Processes

- Multiple review and approval steps
- Time-consuming forms
- Too many process steps

Task assignment

- Who does what?
- Is every position working at the correct level?

Legacy

- It's what we have always done
- Dated documentation (SOPs, P&Ps)

What must be done?

General responsibilities of Fiscal dept.



Planning & analysis



Manage cash flow



Prepare financial statements



Process transactions

What must be done?

Typical responsibilities of Fiscal roles

Chief Financial Officer

- Strategic planning
- Budgeting
- Contract negotiations
- Organizing resources
- Financial reports
- Board needs

Accounting Supervisor

- Operational efficiency
- Internal control
- Policies & procedures
- Grant reports
- Reviews & approvals

Accountants

- Transactional responsibilities
- Accounts payable
- Payroll
- Record cash receipts

Financial controls

Worksheet – What are the obstacles?

Challenges of Getting Things Done in the Finance Department

	What is not getting done? Be as specific as possible.	Obstacles	Next Steps
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Obstacles and Solution Options

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Obstacles and Solution Options

Obstacle

- Don't have a budget. No cash flow information. Don't know cash position.

Solution Options

- Establish a budget timeline
 - Start *several* months prior to due date
- Program & Fiscal must be involved
- Start with strategic plan, priorities
- Org-wide to monthly cash flow
- Change frequency of cash reconciliation



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Obstacles and Solution Options

Obstacle

- Managers need real-time information. Level of detail is too much/too little.

Solution Options

- Provide read-only access of accounting system to executive staff and/or managers; access for her/his specific program or department
- Allow managers to determine detail needed
- Review chart of accounts



Obstacles and Solution Options

Obstacle

- Fiscal staff doesn't know what's coming so they aren't ready for changes.

Solution Options

- Hold regular SHORT meetings
 - Facilitate flow of information
 - Gain better understanding of what information is needed by program and fiscal
 - Understand limitations of what can be provided by program and fiscal
- Who should attend?



Obstacles and Solution Options

Obstacle

- While on the topic of meetings...and emails

Solution Options

- Could it have been an email?
 - Break in productivity
- Set parameters for when emails will be addressed
 - Certain times of day
 - DDD – Do, Discard, Delegate
 - Use Outlook? Create folders



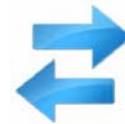
Obstacles and Solution Options

Obstacle

- Senior fiscal managers are performing tasks outside her/his position

Solution Options

- Reassign responsibilities
 - Start by streamlining the tasks of staff in other positions so they have capacity
 - Work up the org chart to streamline and reassign tasks and responsibilities; **process review**
 - This will create capacity at every level so tasks can be reassigned



Obstacles and Solution Options

Obstacle

- Senior fiscal managers are performing tasks outside her/his position (cont.)

Solution Options

- Review all tasks performed in the Finance Dept. for appropriateness
 - Should HR be doing tasks performed by Finance?
 - Should tasks be done in the program area?



Obstacles and Solution Options

Obstacle

- Small organizations have few fiscal staff members

Solution Options

- The CFO will be more involved in daily transactions than in a larger organization
 - Reviews and approvals
 - Reconciliations and financial statement preparation



Obstacles and Solution Options

Obstacle

- Small organizations have few fiscal staff members (cont.)

Solution Options

- Bring other staff into fiscal processes
 - Receptionist prepares bank deposits; vendor maintenance
 - CEO reviews journal entries
 - Board or Finance Chair review or approve



Obstacles and Solution Options

Obstacle

- Information received by fiscal is incomplete; increases processing time

Solution Options

- Connect with staff regarding missing info
 - Internal control; accountability
 - Consider the non-value add cost



Obstacles and Solution Options

Obstacle

- Program staff doesn't accept new procedures

Solution Options

- Training on policy and procedure changes
 - Make sure the reason for the change is clear
 - Provide training information so managers can train their staff
 - Provide information in a central location (shared server, intranet) so it can be referred to as needed by staff
- Don't assume that just because you provided training, staff learned it*

Obstacles and Solution Options

Obstacle

- Program staff doesn't accept new procedures (cont.)

Solution Options

- What is the culture of the organization?
- What is unfolding in the organization?
- Why is there a resistance to change?
- What has the management group allowed?
- How has management made sure the staff is appropriately prepared?



An Age Old Question

What prevents an employee from achieving effective levels of performance?

Why don't employees do what they are supposed to do?!



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Top 5 Responses

They don't know what they are supposed to do

They don't know how to do it

They don't know why they should do it

There are obstacles beyond their control

They don't think it will work

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Performance Management

What is performance management?

- The process of creating and maintaining an environment of accountability (the organization, the manager, and the employee) to enable employees to perform to the best of their abilities.
- A whole system that begins when an individual assumes a position and ends when an individual leaves the organization.



Who should do what?

Let's look at some examples



EXAMPLE #1

Examples of Finance Department Roles & Responsibilities

CEO (Accounting responsibilities)	CFO	Senior Accountants	Accounting Staff
<ul style="list-style-type: none"> Review financial information including Board and Program reports Provide input and review on budgets Review and approve Personnel Change Forms and other documents as required by organization policy Ensure effective internal controls are in place 	<ul style="list-style-type: none"> Responsible for overall management of: <ul style="list-style-type: none"> Accounting Facilities Information Technology Procurement Review financial statements and budgets Review and approve journal entries prepared by the Senior Accountants Work closely with the CEO and the Program Directors to budget for specific programs and the overall organization Meet monthly with Program Directors to review current financial results and discuss anticipated changes Prepare and present Board and Finance Committee reports Manage banking relations Manage insurance needs in conjunction with the HR Director Perform on-going analysis and forecasting Ensure effective internal controls are in place Oversee the retirement plan audit Ensure external reports are timely and accurate 	<ul style="list-style-type: none"> Supervise and train the Accounting Staff Review and approve transactions Approve check runs and disbursement of funds Approve bank transfers Review and approve reconciliations prepared by the accounting staff Back up accounting staff duties as needed Reconcile bank accounts (or oversee the reconciliation process) Prepare, review and approve journal entries Prepare financial reports Meet monthly with Program Managers to review current financial results and discuss anticipated changes Ensure effective internal controls are in place Work with the auditors on the annual financial statement/single audit 	<ul style="list-style-type: none"> Perform daily transaction processing, including: <ul style="list-style-type: none"> Accounts payable entry Record cash receipts Payroll Reconcile accounts payable and accounts receivable with subsidiary ledgers Maintain Foundation accounting records Initiate bank transfers Ensure effective internal controls are in place



EXAMPLE #2

Examples of Finance Department Roles & Responsibilities – Small Organization

CEO and/or Board Member (Accounting responsibilities)	Accounting Manager	Accountant / Bookkeeper	Non-Fiscal Staff
<ul style="list-style-type: none"> Responsible for overall management of: <ul style="list-style-type: none"> Facilities Information Technology Review financial information including Board and Program reports Review financial statements and budgets Review and approve journal entries prepared by the Senior Accountants Manage banking relations Manage insurance needs in conjunction with the HR Director Provide input and review on budgets Review and approve Personnel Change Forms and other documents as required by organization policy Review and approve reconciliations Sign checks, approve EFT disbursements, approve bank transfers Prepare bank deposits Ensure effective internal controls are in place 	<ul style="list-style-type: none"> Responsible for overall management of: <ul style="list-style-type: none"> Accounting Procurement Work closely with the CEO and the Program Directors to budget for specific programs and the overall organization Supervise and train the Accounting Staff Meet monthly with Program Directors to review current financial results and discuss anticipated changes Prepare and present Board and Finance Committee reports Perform on-going analysis and forecasting Approve check runs and disbursement of funds Oversee the retirement plan audit Ensure external reports are timely and accurate Review and approve transactions Back up accounting staff duties as needed Work with the auditors on the annual financial statement/single audit Ensure effective internal controls are in place 	<ul style="list-style-type: none"> Prepare and review journal entries Prepare financial reports Perform daily transaction processing, including: <ul style="list-style-type: none"> Accounts payable entry Record cash receipts Payroll Maintain Foundation accounting records Initiate bank transfers Ensure effective internal controls are in place 	<ul style="list-style-type: none"> Reconcile accounts payable and accounts receivable with subsidiary ledgers Reconcile bank accounts Maintain vendor database Ensure effective internal controls are in place



Next steps? Your plans for change

Map out tasks (see next slide)

Obstacles-
What steps
can you take
to begin
removing
them?

How will you
get started?

Next steps? Mapping

List out main
tasks

Determine
roles, positions

Assign tasks

- Separate preparation, review, approvals where possible

Worksheet – What are your next steps?

Challenges of Getting Things Done in the Finance Department			
	What is not getting done? Be as specific as possible.	Obstacles	Next Steps
1.			
2.			

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For Information on How We Can Help

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Roles and Responsibilities in the Finance Department

Challenges of Getting Things Done in the Finance Department

	What is not getting done? Be as specific as possible.	Obstacles	Next Steps
1.			
2.			
3.			

Roles and Responsibilities in the Finance Department

Examples of Finance Department Roles & Responsibilities

CEO (Accounting responsibilities)	CFO	Senior Accountants	Accounting Staff
<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Review financial information including Board and Program reports • Provide input and review on budgets • Review and approve Personnel Change Forms and other documents as required by organization policy 	<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Responsible for overall management of: <ul style="list-style-type: none"> ○ Accounting ○ Facilities ○ Information Technology ○ Procurement • Review financial statements and budgets • Review and approve journal entries prepared by the Senior Accountants • Work closely with the CEO and the Program Directors to budget for specific programs and the overall organization • Meet monthly with Program Directors to review current financial results and discuss anticipated changes • Prepare and present Board and Finance Committee reports • Manage banking relations • Manage insurance needs in conjunction with the HR Director • Perform on-going analysis and forecasting • Oversee the retirement plan audit • Ensure external reports are timely and accurate 	<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Supervise and train the Accounting Staff • Review and approve transactions • Approve check runs and disbursement of funds • Approve bank transfers • Review and approve reconciliations prepared by the accounting staff • Back up accounting staff duties as needed • Reconcile bank accounts (or oversee the reconciliation process) • Prepare, review and approve journal entries • Prepare financial reports • Meet monthly with Program Managers to review current financial results and discuss anticipated changes • Work with the auditors on the annual financial statement/single audit 	<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Perform daily transaction processing, including: <ul style="list-style-type: none"> ○ Accounts payable entry ○ Record cash receipts ○ Payroll • Reconcile accounts payable and accounts receivable with subsidiary ledgers • Maintain Foundation accounting records • Initiate bank transfers



Roles and Responsibilities in the Finance Department

Examples of Finance Department Roles & Responsibilities – Small Organization

CEO and/or Board Member (Accounting responsibilities)	Accounting Manager	Accountant / Bookkeeper	Non-Fiscal Staff
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<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Responsible for overall management of: <ul style="list-style-type: none"> ○ Accounting, including procurement ○ Facilities ○ Information Technology • Review financial information including Board and Program reports • Oversee financial statement audit work • Oversee the retirement plan audit • Oversee other fiscal audits and monitoring visits • Review financial statements • Review and approve budgets • Review and approve journal entries • Manage banking relations • Manage insurance needs • Review and approve Personnel Change Forms and other documents as required by organization policy • Review and approve reconciliations • Sign checks, approve EFT disbursements, approve bank transfers • Supervise and train the Accounting Staff • Approve check runs and disbursement of funds • Back up accounting staff duties as needed • Review and approve transactions • Perform on-going analysis and forecasting • Review external financial reports for timeliness and accuracy 	<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Prepare and review journal entries • Prepare financial reports • Perform daily transaction processing, including: <ul style="list-style-type: none"> ○ Accounts payable entry ○ Record cash receipts ○ Payroll • Prepare bank deposits • Initiate bank transfers • Work closely with the CEO and the Program Directors to budget for specific programs and the overall organization • Meet monthly with Program Directors to review current financial results and discuss anticipated changes • Work with the auditors on the annual financial statement/single audit • Work with other fiscal auditors and monitors to provide information as needed • Prepare external financial reports 	<ul style="list-style-type: none"> • Ensure effective internal controls are in place • Reconcile accounts payable and accounts receivable with subsidiary ledgers • Reconcile bank accounts • Maintain vendor database • Generate financial reports from system for CEO and Board • Back up accounting staff duties as appropriate • Process/prepare accounts payable information for payment 