

1

Speaker

- Technical Accountant specializing in operationalizing implementations of new accounting standards for ASC 606 and ASC 842, Cash Flow Controls, process-oriented leader
- CFO for Germfree Laboratories, LLC
- Public Accounting/ Big 4 background, moved into industry technical accounting with the Walt Disney Company, owner of G Hancock Advisory, LLC
- Named the FICPA's Experienced Leader Woman to Watch 2021
- Passionate about giving back to the community and accounting industry through volunteer positions including with the FICPA and VSCPA
- Lives in Daytona Beach, Florida, with her family

A portrait of Genevieve Hancock, a woman with short blonde hair, wearing glasses, a blue top, and a dark blazer. She is smiling and standing in front of green foliage.

2



3

Cash Flow Optimization

Important Note: The Cash Flow goals of the organization dictate how the cash flow optimization and controls work for each organization

Focus on the first three levers:

- Operating Inflows
- Operating Outflows
- Forecasting of Cash Flows
- Investing Activities
- Financing Activities
- Cash Reserves

What is Cash Flow Strategy?

A strong cash flow strategy involves managing both inflows and outflows of cash to ensure an organization can:

- 1) Meet its financial obligations, and
- 2) Achieve its financial goals

4

Tying your budget process to cash forecasting

- **13-week Cash Flow Forecast**

- Rolling forecast

- **Management View of the Business**

- How does the organization make the most sense?
- Geographically, by segments, by product lines?

+/- Net Income (Loss) or EBITDA
 +/- Change in Working Capital
 - Capital Expenditure Spending
+/- Non-cash Expenses
 = Cash Flows

Key Questions:

- Are there major differences in your P&L and cash flows other than terms?
- Unbilled receivables or contract liabilities?

5

Operating Cash Outflows

Key items:

- Treasury/ Interest
- FX
- Payroll
- Strategic Investments

Operating Cash Inflows

13-Week Cash flow

Beginning Balance Cash

Regular AP Expenses

Salaries, Benefits and Payroll Taxes
 Large Material (strategic) Purchases
 Credit Card/ Bank Fees

Total Cash Out

Cash available after Cash Outflows

Cash Receipts - Customers

Total Cash In

Weekly Cash Increase/(Dec)

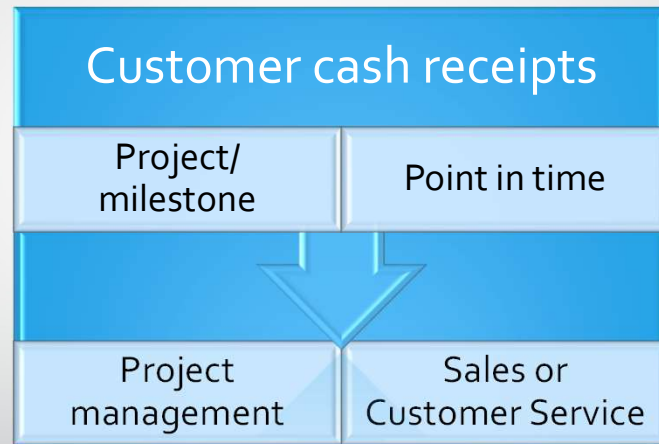
Beginning Cash Balance

Cash Available for Operations

6

Operating Cash Inflows

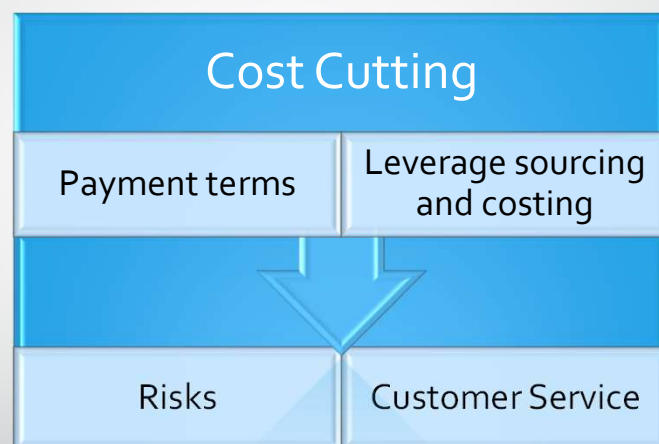
- Cash Receipts Escalation Process
 - Longest outstanding (>90 days)
 - Largest dollar amounts
 - Trends in overdue payments
- Tools for efficiency
- Contract alignment and contract clarity
- KPIs: DSO; Days to Collect



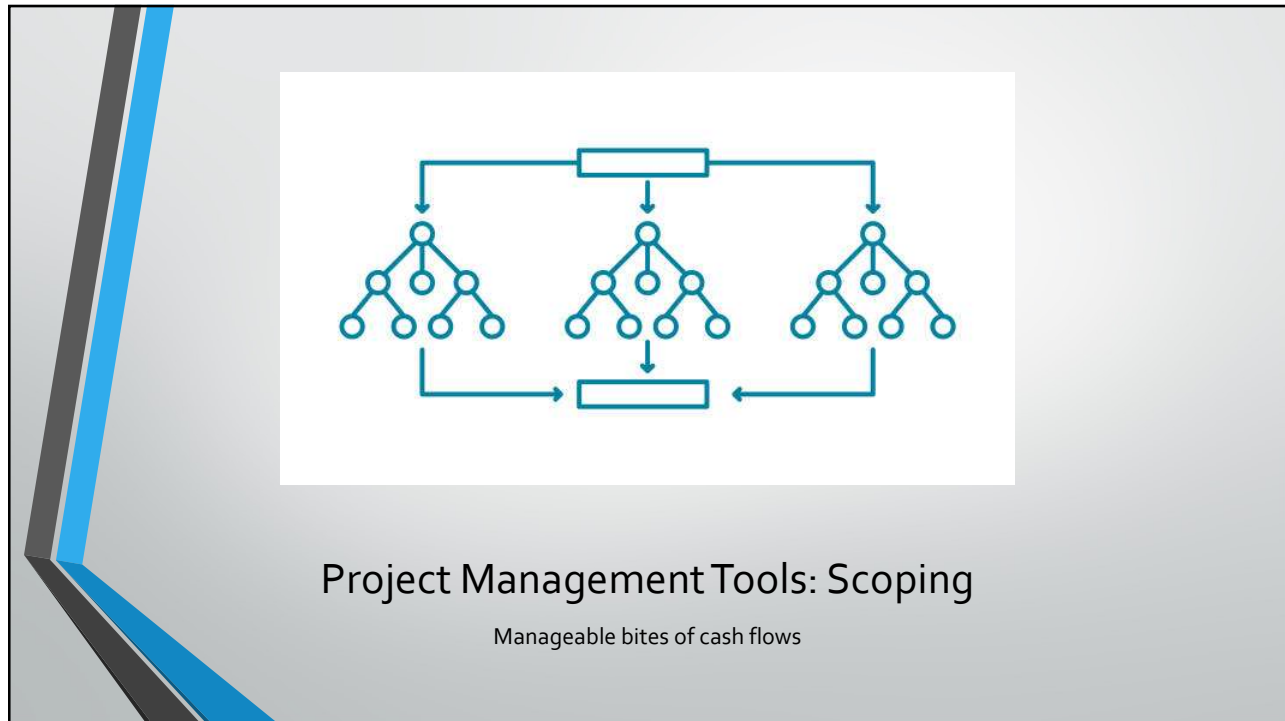
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Operating Cash Outflows

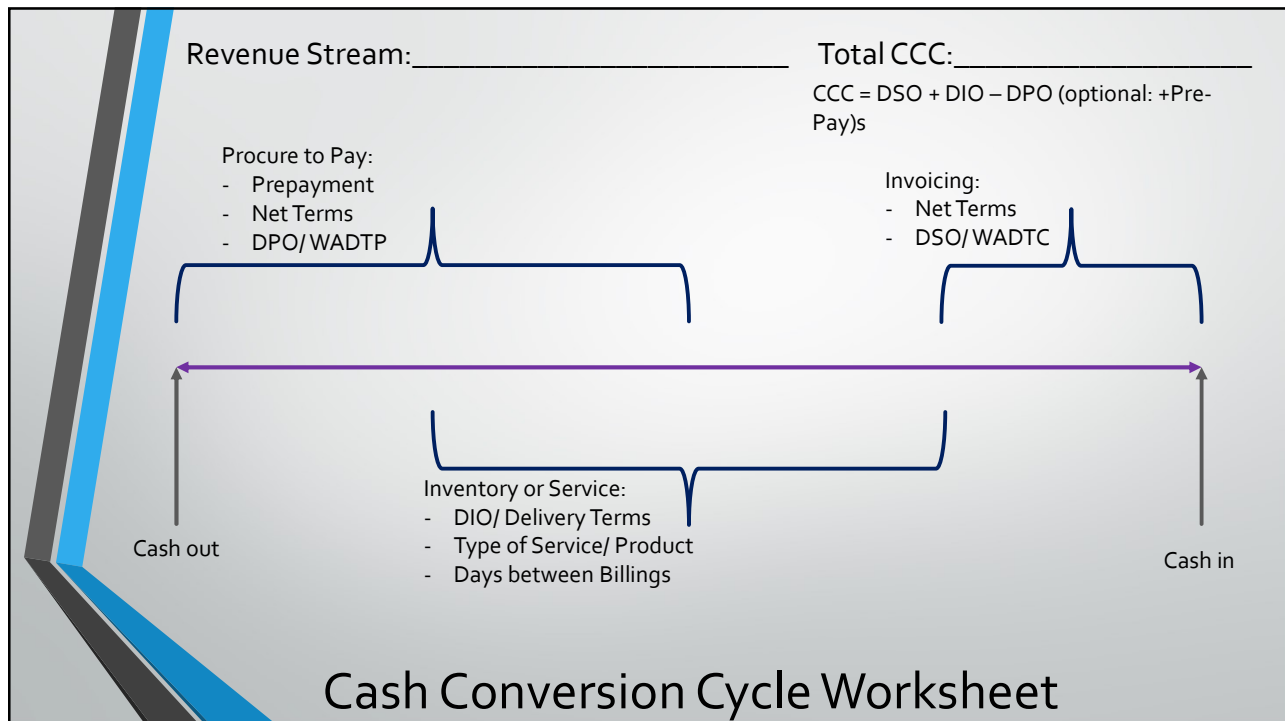
- Vendor Risk Assessment
- Vendor Terms Extension Request
- Working Capital Lines of Credit
- KPIs: DPO; Days to Pay



8



9



10



11