

	CFO	Controller
<u>Strategic Planning</u>		
Corporate Strategic Planning		
a) Participation in strategy discussions	X	
b) Selection of initiatives	X	
c) Creation of financial plan (p/l, b/s, cash)	X	
Tax strategy	X	
Risk management strategy	X	
Treasury Strategy	X	
Internal Control Strategy	X	
Market / Product Analysis	X	
<u>Functional oversight/management</u>		
Accounting: GAAP	X	X
Accounts Payable/Receivable/Billings		X
Financial Analysis	X	
Tax	X	
Treasury	X	
Non-finance staff areas (HR, IT, etc.)	X	
<u>Accounting</u>		
Manage Accounts Receivable - billing/collection		X
Manage Accounts Payable - payment/discouts		X
Process Payroll		X
Cost Accounting (job cost, per unit, etc.)		X
Reconcile Bank accounts/loans		X
Issue basic financial statements		X
Design Chart of Accounts		X
Maintain Chart of Accounts		X
Month end close process		X
Compliance with GAAP	X	X
<u>Management Reporting:</u>		
Design Management reports	X	
Prepare Management reports		X
Develop Action Plans from Mgt Reports	X	X
Design Financial Statements: historical & projections	X	
Prepare Financial Statements: historical & projections		X
<u>Financial Analysis:</u>		
Develop Performance Measurements	X	
Maintain Performance Measurements	X	
Operational Reporting package	X	
Develop Action Plans	X	X
<u>Budgeting/Forecasting</u>		
Develop Budget targets and other financial plans	X	
Facilitate budget process: accountability, schedule	X	
Prepare budgets & forecasts		X
Project cash flows	X	
Review Capital requests/approval process	X	
Process Capital requests		X
<u>SEC/SOX/Internal Controls/Audit</u>		
Review and submit SEC reports	X	
Prepare SEC reports		X
Design and review Policies and Procedures	X	X
Maintain Policies and Procedures		X
Review Internal Control system	X	X
Maintain Internal Control system		X
Manage Auditor relationship	X	X
Prepare Audit information/schedules		X
Develop Action Plans relative to internal control needs	X	X

	CFO	Controller
<u>Board of Directors/Investors</u>		
Board reporting - preparation/delivery	X	
Maintain investor relations	X	
<u>Contracts/Outsourced functions</u>		
Negotiate contracts	X	
Negotiate Outsourced functions	X	
Maintain Outsourced functions	X	
Maintain insurance coverage	X	
<u>M&A/Divesture activities</u>		
Develop M&A targets	X	
Financial offer	X	
Negotiate acquisitions	X	
Due Diligence	X	X
Implementation	X	X
Divestitures/Shutdown	X	X
<u>Investment/Funding Activities:</u>		
Develop banking relationships	X	
Maintain banking relationships		X
Arrange debt financing	X	
Conduct equity placements	X	
Invest funds	X	
Issue credit to customers	X	
Monitor cash balances		X

Company Size:

Pre-Revenue

Solution: Assuming the firm is in fund-raising mode with limited staff, may want to consider a CFO with fund-raising capabilities and outsource the basic accounting (i.e. Controller) functions until can build a management team

Under \$15MM in Sales

Solution: Full-time Controller + Project-based CFO for significant events (acquisition, major contracts, etc.) Consider a fund-raising CFO if capital is needed.

\$15MM - \$30MM

Solution: Typically the same as under \$15MM, unless the firm is in rapid expansion, secured substantial investment or in rapidly changing environment (new pricing models, etc.). If firm is going public, generally a CFO is added to oversee process.

\$30MM - \$50MM

Solution: Depends on the expected growth of the firm, if the company is expected to have a slow growth - then a strong controller who can manage banking and reporting will do.

Over \$50MM

Solution: Assuming firm is looking to grow, then a CFO is appropriate. The skill level need with vary with the company's needs (e.g. acquisitions, new systems, managing non-finance areas, etc.)