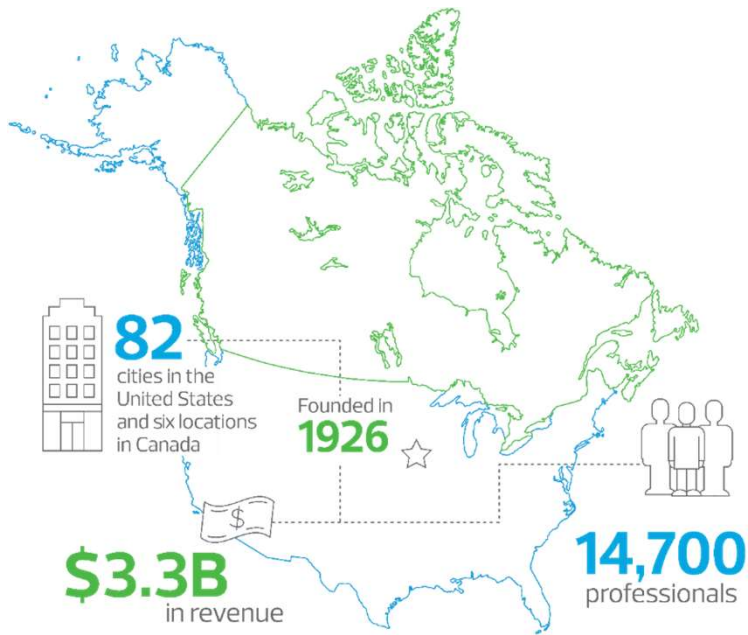


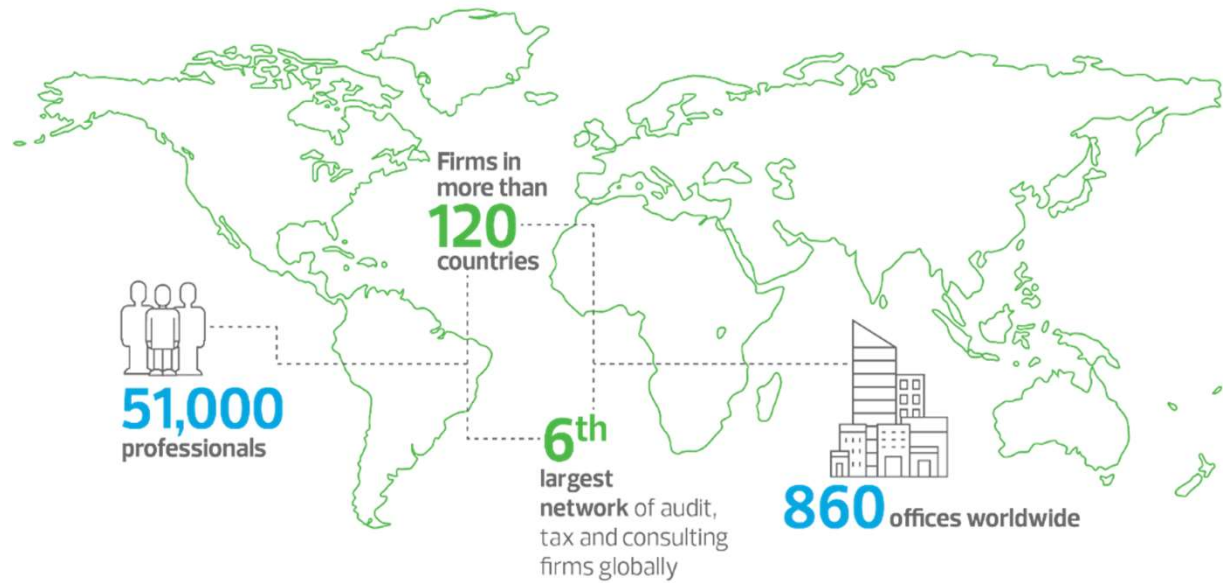
# CASH FLOW MANAGEMENT IN TURBULENT TIMES: TIPS, TOOLS AND BEST PRACTICES

4/26/2023

# RSM profile



RSM International is a global network of independent audit, tax and consulting firms.



- Middle market focus and expertise through leading insights on the business, industry, and market conditions
- Collaborative innovation powerhouse through our experiential technology centers, digital upskilling programs, ideation events and our strategic business relationships
- Cultural, diversity, and inclusion with our people, clients, and the community

# With you today: Megan Riley



## Megan Riley

Director  
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## Summary of experience

Megan leads the Workday Adaptive Planning product line within the Corporate Performance Management group. She is responsible for helping clients leverage software to improve their financial planning and analysis function. As a certified implementation partner of Workday Adaptive Planning, Megan provides value for her clients across the planning cycle by automating budgeting, forecasting, and reporting processes unique to each organization.

Prior to joining RSM, Megan acquired 15 years of accounting and finance experience in the Non-Profit industry. With this functional experience, Megan is well positioned to understand clients' perspectives and needs. Her experience includes several years at a fast-paced high growth global organization, the operations of which were governed by a matrix of regulatory bodies (USG, foreign governments, IRS, U.S. GAAP). Most recently, Megan served as the vice president of finance at a local NGO where she led a transformation of the finance function through improving processes, training people, and implementing technology. Through this process, Megan developed a model that allowed for full balance sheet projections, assumption-based modeling for long-term planning, and a methodology for projecting key KPIs.

## Professional affiliations and credentials

- Certified public accountant
- American Institute of Certified Public Accountants

## Education

- Master of Science, accounting, George Washington University
- Bachelor of Arts, Business Administration, Point Loma Nazarene University

# Objectives






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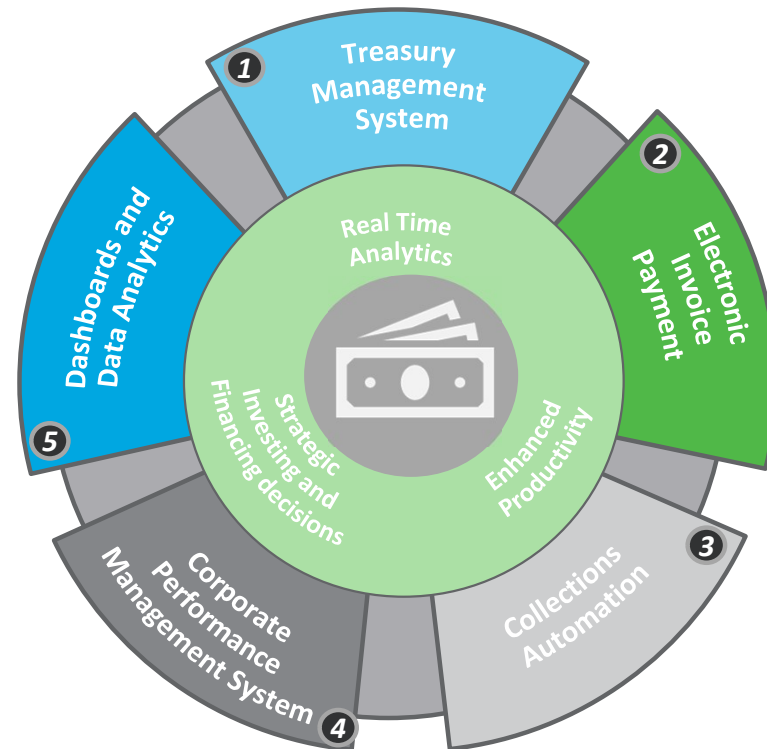
The goal of this presentation is to:

- Share best practices for monitoring/managing cash flows
- Demonstrate how Workday Adaptive Planning supports cash flow projections
- Highlight the ease of creating multiple versions and incorporating new assumptions in Workday Adaptive Planning

# Cash Flow Monitoring: Tools and Benefits

While short term cash strategies focus on **liquidity**, which is critical to keeping your business running, a focus on **solvency** and long-term goals is critical to the keeping your business growing. To be successful, you need both. What we see across industries includes a **suite of tools** that enable you to act on various components of a holistic approach while you **build, maintain, and grow your business**. RSM offers a comprehensive suite of services leveraging data analytics, tailored methodologies, and process excellence to provide **innovative solutions** aligned to your strategy and vision.

-  **1 Current cash position** – Near real time global cash visibility by integrating banking data, AP/AR forecast information, and associated debt/investment expected cash flows from storing these instruments within the application.
-  **2 Manage Payments and Improve Processing times** – Reduce manual effort for processing payables – avoid penalties and hold on to cash longer where you can.
-  **3 Cash Application & Collections Management** – Optimized cash collection and conversion cycles to ensure improved working capital and resource deployment. Achieve Faster Receivables Recovery to reduce DSO with automated worklist prioritization & automated dunning capabilities.
-  **4 Strategic Planning** – Knowing where you are is great; knowing where you wanted to be is ideal. Analysis has more meaning when you can compare your goals vs. reality. Understand when you will need cash and plan for investments of excess cash. Enable your organization to be proactively agile by analyzing various scenarios and discussing the options for each potential outcome.
-  **5 Insights across platforms** – Contextualize your data by overlaying operational metrics with business performance.



# Cash Flow Forecasting & Reporting Typical Journey

## Cash Flow Stages

### Derived Reporting



- Indirect Cash Flow developed in system to review cash position based on how you have planned your P&L
- This approach assumes Balance Sheet activity is minimal and nets activities that often are required to be reported distinctly (example: Proceeds from Sale of Assets grouped in change in Fixed Assets)



### Cash Forecasting

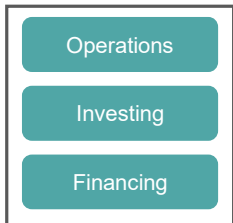
- Indirect Cash Flow developed in system, plans cash based on Balance Sheet drivers and other inputs (such as sale of assets)
- Considers full scale of operations to calculate and project cash balances
- Reporting incorporates covenants and reserves requirements



### Strategic Cash Planning

- Leverages projected cash balances to adjust financing decisions.
- Models for short-term & long-term debt
- Models and assumptions around Equity infusions
- Pre-defined investment assumptions for surplus cash

## Basic, Indirect Cash Flow Reporting

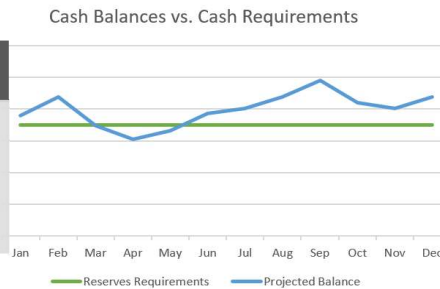


Pull Values from P&L and Balance Sheet

## Balance Sheet Drivers Forecast Cash Flow

**Balance Sheet Drivers**

- DPO
- DSO
- DIO
- Capital Expenditures



## Strategic Planning for Cash Requirements



- Short Term Debt
- Long Term Debt
- Fixed v. Variable
- Investment Assumptions

## Benefits



### Empowering Compliance

Ensures you plan for success and ensure covenant compliance



### Proactive Agility

Respond to cash needs before they become cash emergencies



### Organizational Health

Deeper analysis into sources and uses of cash. Provides insight into if there is enough cash to operate – and for how long.



### Spend Prioritization

Provides visibility into key patterns across the organization to enable strategic decision making

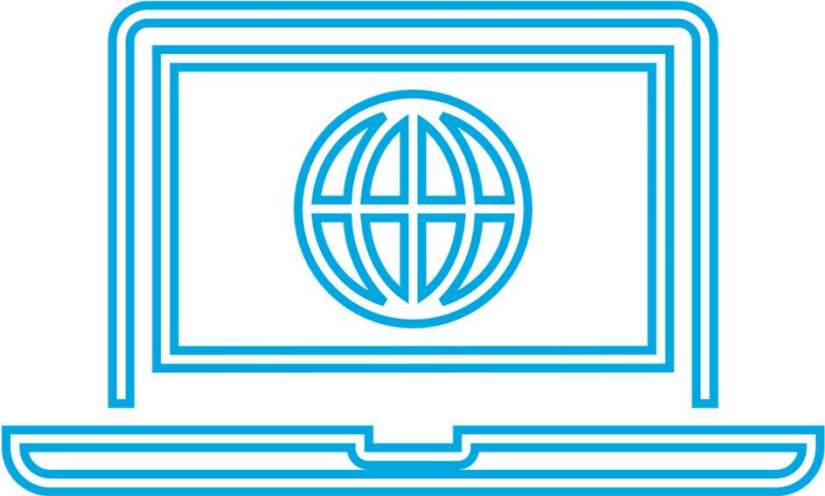


### Cost Savings

Leveraging excess cash to pay down debt as able decreases financing costs

# Workday Adaptive Planning Demo

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## Next Steps

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### Upcoming Webinar:

Collect cash, faster and more efficiently,  
with RSM and BlackLine

Thursday, May 25<sup>th</sup> 2:00 Eastern

<https://rsmus.com/events.html>





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