



## Three C's, Consistency, Controls, and Compliance

***“We are what we repeatedly do. Excellence, then, is not an act, but a habit.” – Will Durant***

Even for the most prepared and meticulous Controllers, maintaining the **Three C's, Consistency, Controls, and Compliance**, can be a bit of a challenge. While there is no standardized formula for it, we can offer several proven tips for being successful and creating an environment of accountability, efficiency and ultimately, profitability.

**Your Job, Your Company** - Every single person within the Company has the same exact job, every day, from day one, regardless of position, pay, or length of employment - PROTECT THE OWNERS ASSETS - TREAT EVERYTHING YOU DO AS IF IT WAS YOUR OWN COMPANY.

**Review Schedules** – It's been proven over and over again that assigning certain schedules to your accounting staff is a huge benefit. Not only does it create and maintain accountability, it's a great indicator of your team's work ethic. Assign a preset day (or days) to meet, have them bring two schedules, one for you and one for them, review the schedule and make notes for the next meeting. Make clear exactly what needs to be done and the time frame that you expect it to be done in. Set your next meeting and review the results. These meetings become an excellent training opportunity as well as keeping you informed on the day to day business.

*You may be thinking as you read this “who has time for this??!!” Too many times we are performing an audit and ask questions about a schedule or two and the Controller's response is “I have no idea, can you ask so and so?” Investing your time with your team is never a waste, the return is priceless.*

**Balance Sheet Folders** - Another proven simple system! Make a folder (hard file or electronic) for most balance sheet accounts for each year. Some items that should be stored in there:

- Used car physical with notes, and reconciliation
- Parts inventory monthly reconciliation, invoices for any scrapped parts, or large factory returns
- Floor plan reconciliation
- Sales tax filing and supporting documentation
- Petty Cash auditing and sign off sheet
- Bank reconciliations

So many times, we go into stores and want to review their parts inventory reconciliation, sales tax or various other items and the Controller must go into several months' folders to find such reports. PGA refers to these folders as the Controller's "Bible", this maintains your flow for the year! Wasted time is no benefit to the Company, use your time wisely.

**Counting Cash** - Set a stringent Company policy that 2 staff members must open cash envelopes/safe, count and jointly sign off. The Company requires the verification of cash to be performed by 2 staff members. Switch the 2nd person out on a regular basis, unannounced.

**Desk Manuals** - It is PGA's platform that every desk should have a "Desk Manual". Sometimes referred to as the "Bible". The Desk Manual will provide ANYONE with enough information to do the job of whoever sits at that desk. This is especially handy when someone is out. A temp or other employee can simply sit down, follow the manual and start working. It should include an overall outline of responsibilities, then broken down into daily, weekly, and monthly duties, examples of certain functions, print screens and so on. As a Controller, Corporate Controller, Director of Accounting or CFO, you want to make sure that there is little to no disruption should someone become ill. In addition, the cross training is imperative to the protection and growth of the Company. Manuals should be updated with any process changes and inspected on a regular basis (another indicator of your employee's work ethic).

**Daily Visits** – VISIT EVERY DESK, EVERY DAY! It lets people know you care, holds people accountable and puts you in touch with all daily activity. This will enable you to head off potential situations before they become issues.

**In Basket** - Every desk should have an in basket, this will be used as a mail drop, incoming check request and invoice drop. Teach staff to go through it several times during the day, must be empty at day's end. This is a great way to monitor the staff's work load and efficiency.

**Filing** - Implement the "touch it once" policy, there should never be "piles of files". A messy office/desk creates unclear thinking and wastes valuable Company time. Remember to always set the example, "The Speed of the Leader is the Speed of the Pack".

**Consistency** - Be consistent always, in all your processes, routines, entries and work flow. This will maximize your efficiency, allow exceptions to jump out at you, and result in great satisfaction. "Even if you are doing it wrong, do it consistently wrong!"

*These are only a few suggestions from a successful platform followed for years. Turn this document into a reference sheet that can be handed and reviewed with each new staff member. Instead of fixing something when someone does it wrong or not the Company's way, set them up for success from the beginning!*