



Financial Management Action Plan Homework

Homework is due the Monday of the week before you return for Parts Class

Student Name: Patrick Williamson Academy Class #: N352

Composite Data Reference: Depart: Svc/Parts/Body Page: 5 Column: 5 Line: A

GOAL WRITING

Example: I decrease my 5K run time from 30 minutes to 21 minutes by June 15, 2019.

What is your Goal? I would like to reduce the Amount of Frozen Capital tied up in S/P/B receivables
from? 33.75 % to? 23.75% by? Dec 31st 2019

How do you plan to achieve your goal:

Work with comptroller to implement a service charge or late fee on any Receivable that hits the
30+ Day mark. I will also implement a 15 day billing cycle on receivable accounts greater than
\$20K to reduce the amount of money the dealership is "fronting".

How will you track your progress? What measurements, KPI's? (think about current vs past measures)

Once implemented I will check receivable balances Every Monday to insure we are collecting in the
specified time frame. I will monitor all account increases and new account set ups to ensure
They are properly included in 15 day billing cycle if above \$20k.

The benefits of achieving this goal will be:

The Dealership will not be "the bank" for Larger Wholesale customers. We have some Accounts
that are purchasing above \$70K in parts each month. That is money the dealer is having to "front"
(until) the end of the month. If we can collect those higher balances faster and reduce the
Overall amount of tied up Capital, the dealer will be able to invest it to earn more in interest.

Take Action!

Potential Obstacles

Department managers worried their customers will stop
Buying from us.

Potential Solutions

The accounting dept's are paying the bills, the
customers most likely will not even be
Aware this is happening.

* Companies not wanting to pay "service fee" on past due balances because they have not had to do so in the past.

* Accounting office having to do additional work to print statements twice monthly

* Receivable customers thinking they already paid Invoice they received.

* Write Re Fee the first time but convey that it will not be waived going forward.

* Having the comptroller & office manager on board from the beginning will allow team to ensure the additional work is being completed.

* Schedule call from Accounting office 4 days after statements sent out to verify the receivable customer got the statement.

Who on your staff will need to be involved to accomplish this goal:

Myself, Comptroller, Office manager.

Specific Action Steps: What steps need to be taken to get you to your goal?

What?	Expected Completion	Completed
Implement 15 day statements in Accounting	5/31/2019	
Implement "Late fee" on 30+ day Late	5/31/2019	
Implement to call out 4 days after statements	5/31/2019	
Change all customers over to to 15 day.	5/31/2019	
Monitor the statement schedule to ensure the balance % is falling correctly	12/31/2019	