



Financial Management Objective Homework

Student Name:

Lisa Chrisler

Academy Class #

I plan to accomplish the following objective by our next class on:

Reduce CIT days supply from 21 to 5 by September 2017

Provide the relevant composite data

Department	Month	Page	Column
TOTAL DEALERSHIP – CASH AND RECEIVABLES	4/17	5	2B

Action plan for achieving objective
What is the area of focus?
Reduce days supply of CIT's from 21 to 5
Improve Deal Flow to 85% everyday
What is the proposed plan? How will you achieve it?
See Attached
How will you track your progress? What measurements, KPI's? How often will you track?
See Attached
Who are the employees that will be involved, or impacted? Will they require training or assistance?
See Attached
Is there a cost, or estimated cost for implementation?
No Cost to implement
Projected date of completion? September 1, 2017

Jan.	Feb.	March	April	May	June
July	Aug.	Sept.	Oct.	Nov.	Dec.

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Post Class Homework – Financial Management

WHAT IS THE AREA OF FOCUS:

This dealership is currently at a 21 days supply of CIT's, NADA guide is 3 days. My focus is to reduce the days supply of CIT's from 21 to 5.

WHAT IS THE PROPOSED PLAN? HOW WILL YOU ACHIEVE IT?

Going back "old school" with basic processes and daily CIT/Save a Deal Meetings.

1. Implement Daily CIT / Save a Deal Meetings with the following required attendees
 - a. General Manager
 - b. Accounting Manager
 - c. All available Finance Manager's
 - d. All available Sales Manager's
2. Accounting Manager's to have access to all banks (Dealer Track, Chrysler, etc.).
 - a. Print ALL funding delay notices and take to CIT / Save a Deal meeting
3. Implement process for Sales Personnel to obtain stips upfront. This should be done while waiting to go into Finance. With today's technology there are very few "stips" that cannot be obtained online prior to customer leaving the dealership.
 - a. Legible copy of current Driver License for all parties on deal
 - b. Call customers insurance with the customer and get proof of insurance faxed over to dealership
 - c. Go on line and print POR (most electrical companies or cable companies now have online statements)
 - d. Go online and print POI (most employers now have a site where you can print most current pay stub or W2's)
4. Improve Deal Flow to 80-90% everyday
 - a. Cash deals should be turned to Accounting same day or next business day at latest
 - b. Prime deals should be turned to Accounting within 3 business days
 - c. Secondary deals should be turned to Accounting within 5 business days
 - d. Review all pending deals everyday
5. Implement process of sending contract to bank for funding when missing compliance items such as missing down payment -

HOW WILL YOU TRACK YOUR PROGRESS? WHAT MEASUREMENTS? HOW OFTEN WILL YOU TRACK?

1. Daily tracking of CIT's and Deal Flow
 - a. Run CIT schedule daily
 - b. Pull all Funding delays daily / what can we do to help get these funded today
 - c. Run pending deal log daily / review all pending deals every day to ensure timely turn

WHO ARE THE EMPLOYEES THAT WILL BE INVOLVED? WILL THEY NEED TRAINING?

There will be ongoing training of Finance and Sales as well as Accounting Staff to ensure we are following these procedures and improving deal flow and CIT aging.

Required Employees are:

GENERAL MANAGER

ACCOUNTING MANAGER/ CONTROLLER

MARKET CONTROLLER

ALL AVAILABLE FINANCE MANAGERS
ALL AVAILABLE SALES MANAGERS

COST OR ESTIMATED COST TO IMPLEMENT?

There is no cost associated with the implementation of these processes.

Page 5 Cash and Receivables Analysis

AA01 April 2017

Dealer Code	A Total Cash		A Cash & Contracts minus Customer/Dep B Mo's Supply		Svc, Parts & Body A Receivables B Sales / Month (excl War&Intf)		Svc, Parts & Body Receivables A % Sales B Excess		Past Due Recvs A Svc, Pts, Body C Warranty B&D=%past due		Warranty A Sales / Month B Excess Over 7 Days		A Net Worth B Net Worth % Total Assets		A Total Assets B Asset Utilization		Net Profit Return on A Net Worth B Total Sales		C & D Lines = Current Month	
	1	2	3	4	5	6	7	8	9	10	11	12								
	Total Dealership Sales / Month	A Total Cash	Contracts minus Customer/Dep B Mo's Supply	Svc, Parts & Body A Receivables B Sales / Month (excl War&Intf)	Svc, Parts & Body Receivables A % Sales B Excess	Past Due Recvs A Svc, Pts, Body C Warranty B&D=%past due	Warranty A Sales / Month B Excess Over 7 Days	A Net Worth B Net Worth % Total Assets	A Total Assets B Asset Utilization	Net Profit Return on A Net Worth B Total Sales	A Net Profit Return on Assets B Curr Assets to Liabilities									
Brant-06	6,045,949	7,312,916	12.40	(2,058)	(0.36)	0	156,371	61,906	10,168,987	24,566,837	18.89	7.74								
6,661,283	1,395,397			(285,726)	(0.34)	0	252.59	62,960	41.39	3.25	2.38	130.44								
6,094,743		13.37	598,051	(301,084)	0.00	0	248.37	140,631		2.98	1.32	3.93								
Frank-07	51,977,378	54,022,558	84.71	0	0.00	0	43,830	123,273	17,209,261	71,702,719	6.05	1.45								
6,868,399	2,075,920			(186,066)	0.00	0	35.56	13,012	24.00	1.15	1.26	103.30								
6,647,741		87.83	303,497	(151,749)	0.00	2,502		121,697		1.11	5.06	1.21								
Robert-17	43,278,904	45,049,047	47.69	0	0.00	0	108,890	334,129	13,476,134	69,234,968	42.85	8.34								
8,958,217	2,070,213			(434,566)	0.00	0	32.59	25,358	19.46	1.55	5.37	98.31								
8,416,735		45.84	855,649	(427,825)	0.00	18,952		311,322		1.46	38.03	7.40								
Mike-11	88,673,190	91,828,499	176.32	0	0.00	0	39,439	132,125	9,822,151	104,647,540	8.86	0.83								
4,655,416	3,155,309			(173,279)	0.00	0	29.85	6,408	9.39	0.53	1.56	136.85								
4,914,306		176.29	333,285	(166,643)	0.00	4,544		122,614		0.56	7.18	0.67								
John-16	186,587,755	189,064,856	324.85	0	0.00	0	10,770	129,891	36,191,932	212,680,467	11.55	1.96								
7,876,154	2,477,101			(220,838)	0.00	0	8.29	(21,703)	17.02	0.44	4.42	114.11								
7,675,548		336.85	432,639	(216,320)	0.00	0	9.95	108,196		0.43	9.43	1.61								
Frank-13	(100,915)	429,400	1.37	0	0.00	0	0	0	1,926,281	3,718,337	21.82	11.30								
1,974,419	530,315			0	0.00	0	0.00	0	51.80	6.37	1.77	208.62								
2,150,710		1.34	0	0	0.00	0	0.00	0		6.94	27.62	14.31								
Josh-14	178,992,591	182,960,275	212.95	0	0.00	0	79,996	139,173	43,068,296	206,657,292	7.15	1.49								
7,975,212	4,022,434			(427,952)	0.00	0	57.48	45,203	20.84	0.46	3.22	120.94								
8,765,242		200.10	793,907	(396,954)	0.00	17,901		160,568		0.51	8.34	1.74								
Billy-15	193,877,802	196,768,128	234.23	99	0.01	0	15,665	240,972	52,114,671	209,594,523	9.36	2.33								
8,221,987	2,890,326			(332,109)	0.01	0	6.50	(44,578)	24.86	0.47	4.95	125.16								
7,568,446		231.91	678,509	(339,156)	0.00	0	5.64	(53,745)		0.43	8.88	2.21								
Del-09	32,115,348	33,749,922	34.72	2,205	0.26	0	97,395	255,947	4,044,464	62,082,863	53.69	3.50								
8,949,162	1,994,553			(415,802)	0.27	0	38.05	33,408	6.51	1.73	2.02	200.35								
7,952,876		37.18	828,268	(411,929)	0.00	0	40.34	241,470		1.54	9.43	0.61								
Alex-12	89,908,741	90,579,410	232.75	2,194	0.57	0	13,896	78,132	14,134,398	97,819,930	12.10	1.75								
3,156,835	670,669			(191,894)	0.53	0	17.79	(5,637)	14.45	0.39	4.51	115.34								
3,129,134		221.88	411,255	(203,434)	0.00	0	15.23	(8,909)		0.38	2.77	1.77								
Eddie-08	110,855,835	112,743,593	197.64	11,270	1.40	0	14,630	159,134	28,719,685	121,561,655	6.33	1.49								
5,382,229	1,887,758			(391,835)	1.57	0	9.19	(25,154)	23.63	0.53	2.81	130.48								
5,428,103		196.47	717,457	(347,459)	0.00	0	8.29	176,567		0.54	6.28	1.48								
Ron-19	55,441,322	57,300,457	99.49	10,443	2.79	8,406	4,978	161,305	25,794,878	73,789,629	10.99	3.84								
6,271,388	1,861,354			(176,606)	2.84	80.49	3.09	(35,348)	34.96	1.02	3.77	130.97								
6,270,971		97.41	367,097	(173,106)	0.90	45	3.54	140,677		1.02	11.25	3.93								

Dealer Code	A Total Cash		A Cash & Contracts minus Customer Dep B Mo's Supply		Svc.Parts&Body A Receivables B Sales / Month (excl War&Int)		Svc.Parts&Body Receivables A % Sales B Excess		Past Due Recvs A Svc Pts.Bdy C Warranty B&D=%past due		Warranty A Receivables B Receivables% Sales		Warranty A Sales / Month B Excess Over 7 Days		A Net Worth B Net Worth % Total Assets		A Total Assets B Asset Utilization		Net Profit Return on A Net Worth B Total Sales		C & D Lines = Current Month	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Jim-18	110,906,289	1,609,714	112,516,003	10,522	2,955	0	25,487	94,870	26,541,395	119,069,018	8.82	1.97	4,027,779	3,166,842	1,770	22.29	4.85	120.32	8.11	1.81		
4,186,989		227.94	333,190		3.16	2,475	22.98	110,912			4.28											
Tom-24	60,401,211	1,644,773	61,616,509	35,384	6,191	0	24,025	134,778	63,849,022	75,985,179	3.09	2.59	6,053,603	571,461	17,067	84.03	2.71	517.88	3.39	2.85		
6,394,581		104.20	593,087		5.97	0	17.83	168,281			2.82											
Jeff-05	185,609,231	4,633,130	190,242,361	1,014,389	12,444	40,598	72,160	220,373	72,337,394	204,076,456	10.25	3.63	11,029,334	1,014,389	17,067	35.45	5.60	154.00	9.67	3.43		
11,561,732		156.13	979,343		12.89	401	32.74	264,288			5.04											
Johnny-21	89,398,913	1,633,510	91,032,423	76,284	12,571	32,424	33,853	98,192	14,671,607	108,737,792	13.22	1.78	5,220,784	606,864	9,305	13.49	3.10	111.85	18.18	2.45		
5,173,373		130.29	659,293		11.57	0	34.48	106,760			4.30											
Paul-04	80,134,251	2,157,787	82,271,167	95,029	14,571	0	36,258	238,367	41,720,126	98,978,876	11.25	4.74	6,618,274	122,488	15,211	42.15	5.91	144.71	8.54	3.60		
6,455,207		117.48	623,638		15.24	0	22.57	160,665			4.60											
John-23	126,121,690	3,617,662	129,640,972	157,220	18,591	48,978	43,043	175,134	38,405,039	183,843,419	16.05	3.35	16,686,729	88,117	143,269	20.89	3.08	107.50	12.69	2.65		
15,861,906		90.89	829,214		18.96	39.65	30.04	7,226			2.56											
Group Avg	89,700,282	2,232,527	91,869,319	157,093	20,411	96,958	51,174	164,565	29,023,169	109,150,295	10.97	2.92	7,065,221	125,571	10,032	26.59	3.76	128.09	9.78	2.60		
6,969,174		124.66	643,731		20.37	10,895	31.50	162,476			3.40											
Patrick-10	126,207,724	2,556,801	128,764,525	130,401	21,991	85,790	30,455	93,566	26,230,517	143,927,182	11.60	2.11	6,558,304	206,261	7,064	18.22	3.87	106.63	11.76	2.14		
6,562,440		200.28	555,465		23.48	0	32.55	91,752			3.92											
BOC Lexus	4,080,884	6,122,834	6,122,834	210,522	24,781	4,810	115,564	273,818	12,705,914	26,893,737	32.59	15.40	8,678,290	849,658	47,109	47.24	3.98	153.03	55.37	26.16		
10,806,669		6.46	902,803		23.32	6,478	28.53	405,079			5.43											
BOC Honda	2,097,262	1,035,238	3,051,501	123,220	26,811	26,805	56,560	149,328	7,704,901	16,965,824	43.37	19.97	5,476,338	489,542	19,228	45.41	5.16	144.05	56.88	25.83		
5,979,191		4.56	496,387		24.82	2,222	28.11	6,259			6.11											
BOC Jag/LR	1,082,214	2,246,111	3,210,035	131,383	27,991	2,796	179,557	163,014	6,234,706	27,235,458	63.07	14.44	7,275,353	469,445	138,804	22.89	4.50	118.14	88.73	20.31		
8,560,160		4.51	512,205		25.65	0	110.15	166,401			5.39											
BOC BMW	3,141,925	2,597,239	5,630,188	466,342	29,511	74,912	167,993	516,209	16,486,232	40,848,461	39.23	15.83	13,814,356	1,560,449	38,941	40.36	3.90	127.15	51.04	20.60		
15,244,586		3.46	1,687,247		37.72	5,191	29.93	27,683			4.60											

Dealer Code	A Total Cash		A Cash & Contracts minus Customer Dep B Mo's Supply		Svc, Parts & Body Receivables / Month (excl War & Int'l)		Svc, Parts & Body Receivables / Month (excl War & Int'l)		Past Due Recvs A Svc, Pts, Bdy C Warranty B&D=%past due		Guide = 25% Warranty A Receivables B Receivables % Sales		Warranty A Sales / Month B Excess Over 7 Days		A Net Worth B Net Worth % Total Assets		A Total Assets B Asset Utilization		A & B Lines = YTD AVG		C & D Lines = Current Month	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Jose-03	5,547,065	1,321,739	6,868,804	34,819	30.24	0	42,879	83,791	10,498,800	11,617,873	9.91	8.95	21,931	90.37	2.41	3.71	168.61	22.69	22.69	20.50		
2,336,872			22.75	115,143	(22,753)	0	51.17	68,144	90.37	2.41	3.71	168.61	21,931	90.37	2.41	3.71	168.61	22.69	22.69	20.50		
3,107,221			22.07	119,096	(24,729)	0.00	62.92	25,843	19,658,865	95,464,693	15.45	3.18	106,738	20.59	3.21	3.72	115.27	8.20	8.20	1.69		
Andrew-02	77,446,804	2,523,723	79,970,527	77,765	33.39	0.00	31,550	106,738	19,658,865	95,464,693	15.45	3.18	4,866	122,758	0.86	3.72	115.27	8.20	8.20	1.69		
6,801,965			107.45	232,923	(38,697)	0.00	29.56	4,866	20.59	0.86	3.72	115.27	4,866	20.59	0.86	3.72	115.27	8.20	8.20	1.69		
6,765,847			103.83	271,822	(58,146)	0.00	25.70	861	19,658,865	95,464,693	15.45	3.18	122,758	20.59	0.85	3.72	115.27	8.20	8.20	1.69		