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Course Information

Course Title: *Working Capital Management*

#365024

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors CPE credits have been granted based on a 50-minute hour.

CPA: 5 (Accepted in all states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51 PSR

Pennsylvania Board of Accountancy: PX 178025

Texas State Board of Accountancy: 009349

Course Description

Poor management of working capital may trigger unexpected cash shortfalls that can cripple a business. This course discusses how to avoid these problems by maintaining tighter control over working capital. *Working Capital Management* does so with specific recommendations for how to manage cash, receivables, inventory, and payables. The course goes even further, describing how to achieve the ultimate goal of zero working capital.

Course Content

Publication/Revision date:8/9/2024.

Author: Steven M. Bragg, CPA.

Final exam (online): Twenty-five questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Management Services

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: None

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- **Once you have completed studying the course** and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least **70%** is required on the exam for this course.
- You will have **three attempts** to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

- Recognize the conditions that can lead to zero working capital.
- Identify the proper type of financing to be used for different working capital conditions.
- Specify the sources of information used for the development of a cash forecast.
- Recognize the benefits of cash concentration and the types of available cash sweeps.
- State the characteristics of the different types of short-term investments.
- Specify how the receivables investment will change in conjunction with differences in payment terms granted.
- Identify the possible contents of a credit rating system and how the scoring is organized.
- Recognize the circumstances under which software can be used to enhance collection activities.
- Specify the structure of the measurements used to monitor accounts receivable.
- State the activities that can be used to reduce the overall investment in inventory.
- Recognize the activities required to ensure the success of a produce to order system.
- Specify the behavioral effects of using inventory measurements.
- Identify the different types of float.
- State the different types of signals that may be sent to a supplier as part of the process of obtaining more credit.
- Specify the operational requirements demanded by lenders for asset-based lending arrangements.
- Recognize the contents of a borrowing base calculation.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*.

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Table of Contents

Chapter 1 - Working Capital Concepts	1
The Nature of Working Capital	1
The Importance of Working Capital.....	4
The Optimum Amount of Working Capital.....	4
Zero Working Capital.....	4
Working Capital for a Growing Business.....	5
Working Capital for a Declining Business	7
Responsibility for Working Capital.....	8
Chapter 2 - Cash and Investment Management	10
Reasons to Hold Cash.....	10
The Cash Forecast	10
The Short-Term Cash Forecast.....	11
The Medium-Term Cash Forecast.....	14
The Need for Cash Concentration	15
Cash Sweeping	16
The Zero Balance Account.....	16
Multiple Sweep Arrangements	17
Manual Sweeping	18
Sweeping Rules	18
Sweep Problems	18
Sweep Costs.....	19
Summary.....	20
Notional Pooling.....	20
Notional Pooling Problems.....	21
Notional Pooling Costs.....	21
Summary.....	21
Multi-Tiered Banking.....	21
Hybrid Pooling Solutions	22
Cash Concentration Best Practices	22
Cash Concentration Alternatives	23
Investment Guidelines	23
Investment Strategy	26
Types of Short-Term Investments	27
Money Market Funds.....	27
Commercial Paper	28
Certificates of Deposit.....	28
Bankers' Acceptances.....	28
U.S. Government Debt Instruments.....	28
Chapter 3 - Receivables Management	31
The Receivables Component of Working Capital	31
Receivables Strategy.....	31
Credit Exposure Risk.....	33
Internal Credit Rating System	33
Third Party Credit Ratings.....	35
Credit Insurance.....	35
Terms Alterations	36
Receivables Financing.....	37
Portfolio Approach to Risk.....	37
Cross-Selling Credit Exposure Risk	38
Early Payment Discounts.....	38
Billing Impact on Working Capital	39

Collections Management	40
Other Cash Acceleration Techniques	41
Receivables Measurements	42
Days Sales Outstanding	42
Bad Debt Percentage.....	43
Receivables Aging Report	44
Chapter 4 - Inventory Management.....	46
The Inventory Conundrum	46
Effective Inventory Management	47
Reduce Product Options	47
Shift Ownership.....	47
Reduce Inventory Reserves	48
Compress the Process	48
Rationalize Distribution.....	49
Prevent Obsolete Inventory	50
Engage in Rapid Disposition	51
Improve Inventory Records	51
Adjust Policies.....	52
Additional Concepts	52
Produce to Order (Pull) System.....	53
The Focus of Inventory Analysis.....	54
Responsibility for Inventory Reduction.....	54
Inventory Measurements	54
Inventory Turnover Ratio	55
Raw Materials Turnover	55
Work-in-Process Turnover	56
Finished Goods Turnover	57
Returnable Inventory Valuation.....	57
Opportunity Cost of Excess Inventory.....	58
Chapter 5 - Payables Management	60
Terms Enhancement	60
Effective Payables Management.....	61
Float.....	61
Early Payment Discounts.....	62
Payables for Distressed Businesses	63
Supplier Signaling	64
Special Situations	65
Payables Measurements.....	65
Chapter 6 - Asset-Based Lending	68
The Line of Credit	68
Invoice Discounting.....	68
Inventory Financing.....	69
The Borrowing Base.....	69
Inventory as Collateral.....	71
Answers to Course Questions	73
Glossary	78
Index	80