

## Forbes Funds Financial Management Series Frequency of Review for Key Financial Information

| Guide to Key Financial Information – Minimum Frequency of Review; by Whom |       |                      |     |     | Key Questions  |
|---|-------|----------------------|-----|-----|--|
|   | Board | Finance Comm./Treas. | CEO | CFO |  |
| <b>Financial Reports</b>  |       |                      |     |     |  |
| Dashboard   | M     | M                    | M   | M   | <ul style="list-style-type: none"> <li>Are the metrics we have included on our dashboard adequate to reflect our financial position and performance?</li> <li>How does our performance stack up against our targets for each metric?</li> </ul>  |
| Budget vs. Actual Report  | M     | M                    | M   | M   | <ul style="list-style-type: none"> <li>Are we regularly comparing our financial activity with what we have budgeted?</li> <li>What procedures do we use to make sure that the differences between what was budgeted and what actually happened are being appropriately addressed?</li> </ul> |
| Cash Flow Projection*   | M     | M                    | M** | M** | <ul style="list-style-type: none"> <li>Is our cash flow projected to be adequate?</li> <li>Are our cash-flow projections reasonable, objective and not overly optimistic/pessimistic?</li> </ul>   |
| Statement of Financial Position*  | M     | M                    | M   | M   | <ul style="list-style-type: none"> <li>How do our assets compare to our liabilities?</li> <li>Is the organization in a healthy financial position? If not, how are we addressing any issues?</li> </ul>  |
| Performance Ratios  |       | Q                    | M   | M   | <ul style="list-style-type: none"> <li>What do our ratios tell us about our liquidity, solvency, profitability and/or revenue diversification?</li> </ul>  |
| Program Revenues and Expenses   | A     | Q                    | M   | M   | <ul style="list-style-type: none"> <li>Which of our programs, if any, are sustainable? Which are not?</li> <li>Do we need to reexamine our programs to create a more sustainable financial picture?</li> </ul>   |
| <b>Policies &amp; Procedures</b>  |       |                      |     |     |  |
| Investment Policy   | A     | A                    | A   | A   | <ul style="list-style-type: none"> <li>Are we regularly reviewing our investment policy?</li> <li>Are we satisfied with the performance of our investments, given the level of risk appropriate for these funds?</li> </ul>  |
| Cash Reserves Policy  | A     | A                    | A   | A   | <ul style="list-style-type: none"> <li>Do we have sufficient reserves?</li> <li>Has the board adopted a formal policy for the establishment of</li> </ul>  |

|                         | Board         | Finance Comm./Treas. | CEO           | CFO           | reserves?   |
|-------------------------|---------------|----------------------|---------------|---------------|---|
| Internal Controls       | A             | A                    | A             | A             | <ul style="list-style-type: none"> <li>Do we have the appropriate checks and balances necessary to prevent errors, fraud and abuse?</li> <li>Are we alert to the possibility of fraud within our organization and taking safeguards to try to prevent fraudulent activities?</li> </ul> |
| <b>Other Items</b>      |               |                      |               |               |   |
| Audit                   | A             | A                    | A             | A             | <ul style="list-style-type: none"> <li>Do we have an external audit?</li> <li>Does our annual audit have a clean opinion? If not, why not and what is being done about it?</li> </ul>   |
| 990                     | A             | A                    | A             | A             | <ul style="list-style-type: none"> <li>Do we regularly review the Form 990? Does it accurately represent our organization?</li> </ul>   |
| Budget                  | A             | A                    | A             | A             | <ul style="list-style-type: none"> <li>Does our budget accurately reflect our projected activities for the year?</li> <li>Does the budgeting process include staff, management and board?</li> </ul>  |
| Bank Statements         |               | M (Treas.)***        |               | M             | <ul style="list-style-type: none"> <li>Are we regularly reviewing our bank statements to ensure all activity is legitimate?</li> </ul>  |
| Mgmt. Letter Compliance | M (if needed) | M (if needed)        | M (if needed) | M (if needed) | <ul style="list-style-type: none"> <li>Does our management letter indicate any issues we must address?</li> <li>How will we address these weaknesses in a timely manner?</li> </ul>   |

|  |     |                           |
|--|-----|---------------------------|
| *Supporting documents, as needed, for Dashboard, Budget vs. Actual, and Cash Flow Projection | Key |                           |
| **Should be more frequent  | M   | Review at least monthly   |
| ***In smaller orgs., bank statements should go directly to Treasurer to review before staff. | Q   | Review at least quarterly |
| All items should be available on request, as needed.   | A   | Review at least annually  |