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The 12 Tasks No Small Biz CEO Should Delegate - SmallBizDaily

## The 12 Tasks No Small Biz CEO Should Delegate

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As we face the unprecedented impact of COVID-19 on our economy, every CEO of a small business should seek to be more actively engaged. Even outside of a global economic crisis that is wreaking havoc on small companies, CEOs too frequently delegate tasks they mistakenly view as menial and open the company up to potential mishandling of finances.

This 12-step program could save your company.



1. **Open the daily mail.** Too often a CEO delegates this function. If you want to know what is happening in your business go through the mail. Make it a policy that only you can sign for certified mailings to the business.
2. **Have the bank statement sent directly to you.** One of the best ways to protect yourself financially is to review the bank statement and cancelled checks before your controller or business manager has a chance. Make note of any unusual items and have your accounting department provide you the back-up documentation. This will help keep people honest.
3. **Sign all the checks yourself.** Only pay the bills once or twice a month, when you will be in the office. This is of great importance in a small company. Have your staff prepare the accounts payable checks. Once you sign them, seal the envelope and drop them off at the post office yourself. Make it a policy that all vendor checks must be mailed. If you utilize online bill pay be certain only you can initiate electronic payment.
4. **Make certain every bank statement is reconciled within 5 days of receipt.** Have your business manager reconcile the account as soon as it is received and review the reconciliation yourself. Follow up on any outstanding deposits that are more than a week old.
5. **Control the bank deposits yourself.** Where possible, have all customer payments electronically deposited into your business account. When not possible, scan the checks and deposit them yourself electronically. Take the receipt back to the business manager and compare it to the office's copy of the deposit.
6. **Once a year compare your generated business to the deposits per the bank statements.** A good test of whether your revenue for the year is materially accurate is to add up your known business for the year and compare it to the credits on all 12 bank statements. It's not a perfect test but can give a general idea if something big is missing.
7. **Require a monthly financial statement.** Make it a policy that you will have a financial statement for each month. Have them prepared no later than the 15th of the following month. Review them with your business manager to make sure you can personally address anything that stands out as odd.
8. **Control the company credit card.** Most small companies only need one credit card, used solely by the owner (CEO). If you must give others a credit card, place spending limits on them with the credit card company. No one should use their own personal credit card. Again, all company credit card statements should go directly to you for review, before anyone else.
9. **Use a professional payroll service.** This will save you time and money. It will keep your headaches low and the propensity for tax penalties to non-existent. Have the payroll company call you personally to approve payroll totals.
10. **Run background checks on key employee positions.** Run a background check on your key employees before hiring. This may seem like a given, but many companies skip this step and would be surprised at what comes up in simple checks. Run a federal background check and confirm with licensing boards where applicable for complaints or other anomalies.
11. **Meet with your lawyer and accountant in person at least once a year.** Meeting with your lawyer and accountant face-to-face reminds them you are the boss and they answer to you. It is also an opportunity to update corporate minutes, review estates, leases, tax planning and preparation. These are important meetings for small companies. Don't miss them.
12. **Never believe you are "too busy."** These concepts are critical to protecting the financial aspects of your business. Make time. If necessary, get help on the things taking you away from these critical steps. The bottom line is, your financial security may well depend on it.

*David Evans runs several small businesses and is a board director on multiple boards, including Chairman of the world-renowned Mojave Air & Space Port. He is a certified public accountant and Vice President and Chief Financial Officer of a large automotive group.*