A CFO’s First 100 Days

Tuesday, May 24th, 3:35 – 4:50, 1.5 CPE

Merrill Shepherd King, Finance Director/ Treasurer, City of Minnetonka, Minnesota

Yousef Awwad, CPA, Chief Financial Officer, Portland Public Schools, Oregon

Marion M. Gee, CPA, Director of Finance, Metropolitan St. Louis Sewer District, Missouri
Merrill Shepherd King

• Finance Director and Treasurer of the City of Minnetonka, Minnesota

• 23 years experience in government finance at municipal, county and state levels

• Chair of GFOA’s Governmental Budgeting & Fiscal Policy Standing Committee
Yousef Awwad

• Chief Financial Officer of Portland Public Schools, Oregon

• Prior experience:
  • Deputy Superintendent and CFO of Tucson Unified School District, Arizona
  • Director of Finance of the Arizona Department of Education

• Certified Public Accountant, Chartered Global Management Accountant (CGMA), and a Project Management Professional (PMP)
Marion M. Gee

- Finance Director of the Metropolitan St. Louis Sewer District, Missouri

Prior experience:
- Assistant Finance Director of the City of San Antonio, Texas
- Finance Director of the Louisville Metropolitan Sewer District, Kentucky
- Various senior financial leadership for the Louisville Water Company, Kentucky

- Former chair of GFOA's Treasury and Investment Management Standing Committee

- Certified Public Accountant
Portland Public Schools - District Overview

• Established 1851

• District covers approximately 152 square miles and serves more than 650,000 people in 3 counties

• About 50,000 Students: 13.8% SPED, 7.3% ELL and 46.3% free and reduced lunch program

• FY2016 Budget: $1.2 billion, 35% from local taxes and 40% from state fund

• 119 schools/programs in 300+ buildings

• 7,000 Employees
## Organizational Structure - CFO

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District Priorities

• Ensure a strong principal and vice/assistant principal in every building who is well-matched to the school community.

• Create an environment in which supports are in place for teachers to thrive and have a voice in district-wide decision making.

• Every student prepared for life, college and career, and to meaningfully contribute to their communities.

• Create a system of quality instruction to increase literacy rates for all children.
District Priorities

• Create a system of behavior supports that will reduce disproportionality in expulsions and suspensions.

• Ensure that the School Building Improvement Bond continues tracking on time and on budget and delivers innovative, 21st century schools.

• Create a successful enrollment balancing framework that creates a foundation of equitable core programming across schools.
Metropolitan St. Louis MSD Background

Core Services

- Wastewater Collection
- Wastewater Treatment
- Drainage
- Flood Protection
Metropolitan St. Louis MSD Background

Customer Base
• 400,000 residential/multi-family
• 24,400 commercial
• Population served is approximately 1.3 million.
• Revenues totaled approximately $318 million in FY 2015.
• 1,000 budgeted FTE’s
Metropolitan St. Louis MSD Background

Finance Department

- 67 Budgeted FTE’s in FY 2016
- 3 Divisions
  - Accounting (20 FTE’s)
  - Purchasing (12 FTE’s)
  - Accounts Receivable (35 FTE’s)
Metropolitan St. Louis MSD Background

My Career Journey
Things You Should Do:

• A lot of listening
• Understand the culture
• Communicate clearly and set expectations
• Coach and train
• Empower
Identify the Good, the Bad, & the Ugly - Begin to Construct a SWOT Analysis
Being a Manager:

• Establishing effective staffing practices
• Providing support
• Monitoring activities
• Buffering staff
• Create action plans and supervise execution
• Manage resources and tasks
Being A Leader

• Motivate
• Encourage
• Plan Strategically
• Culture Change Agent
• Empower
• Set Objectives
Leadership

• Leadership: As leader influencing followers to act for certain goals that represent the values and the motivation – the wants and needs, the aspirations and expectations – of both leaders and followers. (Burns 1978)

• The genius of leadership lies in the manner in which leaders see and act on their own and their followers’ values and motivations. (Burns 1978)
Leadership

• Leaders are cultural agents who bring values to bear on decision-making and policy decisions (Leithwood et al., 1999). (John Collard, 2007).

• They are both the inheritors of established traditions and the transmitters of core values within nations, societies, organizations and families. Culture is both a product and determinant of human social interaction (Parsons, 1952). (John Collard, 2007)
Leadership Types

• Transactional
• Transforming
• Distributed / Democratic
• Authoritative
• Bureaucratic
The First 100 Days On The Job

• Meet with your staff
• Meet with your boss
• Reach out to colleagues on the executive team
• Meet with the governing body and committees
The First 100 Days On The Job

• Reach out to community leaders

• Meet with the auditors

• Reach out to previous CFOs

• Reach out to colleagues in the profession
The First 100 Days On The Job

• Do a lot of listening

• Take a lot of notes

• Review the organization’s strategic plan and its priorities

• See how financials are aligned to the budget priorities
The First 100 Days On The Job

• Start formulating ideas to help you in your strategic planning

• Review your direct report staff HR files and resumes

• Set the tone for your leadership style especially with your staff and colleagues

• Build credibility and trust - take advantage of your first opportunity
Useful Corporate Documents

- Charter
- CAFR
- Management Letter Comments
- Strategic Business Operating Plan
- Official Bond Offering Documents & Transcripts
- Rating Agency Reports
- Employee Evaluations
- Staff Personality Profiles
- Financial Policies (i.e., purchasing, billing policies)
- Employee Personnel Handbook
- Union Contracts
- Civil Service Rules and Regulations
- Job Descriptions
Identify Key Stakeholders
Things You Should Not Do

• Don’t rush to action and judgment
• Don’t act like you know it all
• Don’t micro manage
• Don’t let your ego get in the way
• Don’t do all the talking
• Don’t let others negatively influence your opinion of your colleagues
Don’t Sweat the Small Stuff – Stay Out of the Weeds
Wait until Day 101 to Change the World!

To Change the World, Change Yourself

"To know the world, first know yourself. To change the world, first change yourself."
~Anonymous
Navigating the Political Environment
Understand the Corporate Culture

- Who gets rewarded and how are they rewarded?
- What is the definition of success?
- Who really makes the decisions here?
Handling Internal Applicants that Applied for Your Position
Maintaining Work Life Balance
Critical Skills for Success

• Delegation and time management skills
• Communication
• Driving performance
• Listening
• Leading by example
• Being a strategist
Helpful Resources and References

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• Neil Amato, 2016. Controller to CFO: Not a straight, simple path. Journal of Accountancy, AICPA.  

• Jack Hagel, 2014. Expanded role requires expanded skills. Journal of Accountancy, AICPA.  
  http://www.journalofaccountancy.com/issues/2014/oct/cfo-skills.html

• Journal of Accountancy, 2016. 9 skills of great organizational coach. Journal of Accountancy, AICPA.  
  http://www.journalofaccountancy.com/issues/2016/feb/organizational-coaching-skills.html

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  http://www.journalofaccountancy.com/issues/2016/apr/leadership-tips-for-introverts.html
Helpful Resources and References


• Burns (1978) Chapter 6 – Leadership

• Supovitz a & Namrata Tognatta (2013). The Impact of Distributed Leadership on Collaborative Team Decision Making Jonathan A. University of Pennsylvania, Philadelphia, Pennsylvania, USA Published online.

• [http://www.businessdictionary.com/definition/authoritarian-leadership.html#ixzz47Bxc4UNw](http://www.businessdictionary.com/definition/authoritarian-leadership.html#ixzz47Bxc4UNw).
