CASH FLOW MANAGEMENT CHECKLIST

A professional SBH workbook for monitoring liquidity, collections, payments, working capital, and cash-flow risk.

Prepared by Dr. Sally Bazzi Hattar, DBA, MBA, MSF

A PRACTICAL SBH SBO CONSULTANTS WORKBOOK

Use this checklist to organize decisions, identify gaps, and prepare questions for the licensed professionals and advisors appropriate to your situation.

Client / Business Name: ____

Prepared / Reviewed On: ____________________ Target Date: ____________________

1. CASH POSITION & VISIBILITY

Cash management starts with knowing the real position today and the commitments already attached to that cash.

☐ Reconcile bank accounts on a consistent schedule.

☐ Separate unrestricted cash from money reserved for taxes, payroll, debt, or other obligations.

☐ List all business bank, savings, merchant, and payment-platform balances.

☐ Identify outstanding checks, pending ACH transactions, card settlements, and transfers.

☐ Maintain a minimum operating-cash target.

☐ Track available credit separately from cash on hand.

☐ Limit access to banking and payment systems based on role.

☐ Review unusual withdrawals, fees, reversals, and transfers promptly.

SBH REVIEW QUESTIONS

☐ How much cash is truly available after near-term obligations?

☐ How many weeks of normal operating expenses can current cash support?

NOTES / ACTION ITEMS

2. CASH-FLOW FORECAST

A forecast turns cash management from a historical report into a forward-looking decision tool.

☐ Maintain a rolling 13-week cash-flow forecast or another horizon appropriate to the business.

☐ Forecast receipts based on realistic collection dates rather than invoice dates.

☐ Forecast payroll, taxes, debt, rent, vendors, subscriptions, insurance, and other recurring obligations.

☐ Include known large purchases and seasonal expenses.

☐ Create conservative and expected scenarios.

☐ Update actual cash receipts and payments against the forecast each week.

☐ Investigate material forecast variances.

☐ Extend the forecast when considering hiring, equipment, expansion, or new debt.

SBH REVIEW QUESTIONS

☐ What is the lowest projected cash point?

☐ Which week creates the greatest liquidity pressure?

☐ What action can be taken before that week arrives?

NOTES / ACTION ITEMS

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3. ACCOUNTS RECEIVABLE & COLLECTIONS

Revenue does not improve cash until the customer pays. A disciplined receivables process can reduce the amount of working capital trapped in unpaid invoices.

☐ Invoice promptly after the triggering event.

☐ Use written payment terms consistently.

☐ Verify invoices are complete and sent to the correct contact.

☐ Offer convenient payment methods appropriate to the business.

☐ Review an accounts-receivable aging report regularly.

☐ Follow up on overdue balances using a documented schedule.

☐ Escalate materially overdue accounts according to company policy and applicable agreements.

☐ Track disputes and resolve billing errors quickly.

☐ Consider deposits, retainers, milestone billing, or automatic payments where appropriate.

☐ Measure days sales outstanding or another relevant collection metric.

SBH REVIEW QUESTIONS

☐ Which customers account for most overdue receivables?

☐ Are sales incentives encouraging revenue that is difficult to collect?

NOTES / ACTION ITEMS

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4. ACCOUNTS PAYABLE & VENDOR TIMING

Paying bills on time matters, but paying everything immediately can unnecessarily reduce liquidity. Manage obligations intentionally while protecting vendor relationships and contractual compliance.

☐ Maintain an accurate list of bills and due dates.

☐ Use vendor terms rather than paying early without a reason.

☐ Capture economically sensible early-payment discounts when cash permits.

☐ Avoid late fees and service interruptions.

☐ Schedule payments around forecasted cash receipts when contracts allow.

☐ Review duplicate invoices and unexpected price changes.

☐ Reconcile vendor statements.

☐ Negotiate terms before cash becomes an emergency.

☐ Prioritize critical suppliers and obligations.

☐ Separate approval, payment, and reconciliation duties where practical.

SBH REVIEW QUESTIONS

☐ Are vendor terms aligned with how quickly customers pay you?

☐ Which vendors are essential to continuity if cash becomes tight?

NOTES / ACTION ITEMS

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5. INVENTORY & WORKING CAPITAL

Inventory, deposits, receivables, and other working-capital items can absorb cash even while sales grow.

☐ Track inventory levels and aging.

☐ Identify slow-moving, obsolete, damaged, or excess inventory.

☐ Set reorder points using actual demand and supplier lead times.

☐ Avoid buying solely to obtain a discount when inventory will sit unused.

☐ Review customer deposits and deferred obligations.

☐ Track prepaid expenses and large vendor deposits.

☐ Monitor receivable and payable timing together.

☐ Review working-capital needs before seasonal growth.

☐ Measure inventory turnover where relevant.

☐ Create a plan for liquidating or reducing nonproductive stock.

SBH REVIEW QUESTIONS

☐ Where is cash sitting without producing a return?

☐ Would faster growth require more working capital than the business currently has?

NOTES / ACTION ITEMS

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6. PAYROLL, TAXES & OWNER WITHDRAWALS

Some of the most serious cash problems occur when money needed for mandatory obligations is used for ordinary operating expenses.

☐ Forecast gross payroll, employer costs, benefits, and payroll taxes.

☐ Maintain tax reserves where appropriate.

☐ Track sales tax or other collected amounts separately as required.

☐ Schedule estimated-tax planning with a qualified tax professional.

☐ Create a policy for owner draws, distributions, or compensation.

☐ Avoid using tax or payroll funds to cover unrelated shortages.

☐ Review overtime and staffing costs against sales volume.

☐ Model the full cash cost before adding employees.

☐ Plan for bonuses, commissions, PTO obligations, or seasonal labor.

SBH REVIEW QUESTIONS

☐ Are owner withdrawals consistent with the company's cash capacity?

☐ What payroll or tax obligation could create the largest short-term cash demand?

NOTES / ACTION ITEMS

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7. DEBT, CAPITAL SPENDING & FINANCING

Debt and equipment can support growth, but they also create fixed cash commitments. Evaluate the cash effect before signing.

☐ Maintain a debt schedule with balances, rates, payment dates, maturity dates, and collateral.

☐ Include principal and interest payments in the cash forecast.

☐ Identify balloon payments or refinancing dates well in advance.

☐ Calculate the cash impact of proposed equipment or technology purchases.

☐ Compare buying, leasing, and financing based on total economics and liquidity.

☐ Model debt service under conservative sales assumptions.

☐ Avoid using short-term financing for long-term problems without a plan.

☐ Review covenant or reporting requirements where applicable.

☐ Explore financing before liquidity becomes critical rather than after.

SBH REVIEW QUESTIONS

☐ Can normal operations support the payment without relying on best-case sales?

☐ What happens if refinancing is unavailable when a balloon payment comes due?

NOTES / ACTION ITEMS

8. CASH CONTROLS & FRAUD PREVENTION

Strong cash flow also requires protecting the cash the business already earned.

☐ Limit banking permissions and use multi-factor authentication.

☐ Use dual approval for material payments where appropriate.

☐ Review bank and card activity independently of the person initiating payments where practical.

☐ Control refunds, discounts, credits, and write-offs.

☐ Reconcile cash drawers and deposits where applicable.

☐ Restrict vendor-master changes and verify banking changes independently.

☐ Create procedures for ACH, wires, checks, and payment-platform transfers.

☐ Back up financial records securely.

☐ Review employee and contractor access when roles change or employment ends.

☐ Document suspected fraud or irregularities promptly and involve appropriate professionals.

SBH REVIEW QUESTIONS

☐ Could one person create a vendor, approve a bill, pay it, and reconcile the bank account?

☐ Which payment channel has the weakest control?

NOTES / ACTION ITEMS

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9. MONTHLY CASH-FLOW REVIEW

A monthly review connects the cash position to the operating decisions that created it.

- ☐ Compare beginning cash, receipts, payments, and ending cash.
- ☐ Compare actual cash flow with forecast.
- ☐ Review sales versus collections.
- ☐ Review gross margin and operating expenses.
- ☐ Review receivable and payable aging.
- ☐ Review inventory and major purchases.
- ☐ Review payroll and owner withdrawals.
- ☐ Review debt balances and upcoming maturities.
- ☐ Identify one-time items separately from recurring cash needs.
- ☐ Document the three biggest reasons cash increased or decreased.
- ☐ Update the next 13 weeks or other forecast horizon.
- ☐ Assign action owners and due dates for cash issues.

SBH REVIEW QUESTIONS

- ☐ Is the business generating cash from normal operations?
- ☐ Are cash problems caused by timing, profitability, growth, debt, or weak controls?

NOTES / ACTION ITEMS

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10. CASH FLOW HEALTH SCORECARD

Use this page as a recurring management review. Mark the current status and assign an action where attention is needed.

Cash Area	Healthy	Needs Attention	Next Action
Cash visibility	☐	☐	
Forecast accuracy	☐	☐	
Receivables	☐	☐	

Cash Area	Healthy	Needs Attention	Next Action
Payables	☐	☐	
Inventory / working capital	☐	☐	
Payroll & taxes	☐	☐	
Debt service	☐	☐	
Cash controls	☐	☐	
Operating cash generation	☐	☐	

THIS MONTH'S TOP CASH ACTIONS

1. ____
2. ____
3. ____
4. ____
5. ____

PROTECT CASH. PLAN EARLY. MAKE DECISIONS WITH VISIBILITY.

SBH SBO Consultants can help business owners organize cash-flow information, compare scenarios, identify pressure points, and build practical financial-management routines.

Professional-use notice: This workbook is for general educational and business-planning purposes. It is not accounting, tax, legal, lending, investment, or other licensed professional advice. Adapt the checklist to the business and consult qualified professionals where appropriate.