



**CONSTRUCTION
FINANCIAL
MANAGEMENT
ASSOCIATION**



Message from the President

“Share the Strength of Knowledge”

I just returned from the 2015 Mid Atlantic Conference in Baltimore, and it was a great conference. During the networking event on Sunday, I met people from various chapters, shared stories and experiences, and toasted with our business partners. Monday we had various speakers and panels talking about Leadership, Human Resources, Taxation, Economic Forecasts and Cyber Security. A great day of education.

I am proud to announce that the South Jersey Chapter will be hosting the September 2016 Mid Atlantic Conference in Atlantic City! We are in the beginning stages, and will have the exact date and location soon. The CCIFP Exam will be offered again, so if you are interested in sitting for it, you have a whole year to prepare. It is such an honor for the chapter to be chosen as host and I know we will all work with the other participating chapters to make this great. The tentative dates are September 26th and 27th and more information will be coming soon.

We have started a toy drive for Toys for Tots and are really excited about this. We will be collecting toys from now until December 9th (new, unwrapped only please). Donations have already started. You may bring a toy to our meetings, drop off at C. Abbonizio Contractors in Deptford, or contact a Board Member to make other arrangements.

We have a great fall schedule (See Programming Corner in October’s Newsletter, page 3 as well as our website [events page](#). We WILL see you there!

Kimberly A. Hullfish, CCIFP

SOUTH JERSEY

Volume 2, Issue 5

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Special points of interest:

- ◆ We just participated in the 12th Annual Mid Atlantic Conference.
- ◆ 19 People sat for the CCIFP Exam at the conference.
- ◆ We saw the ugliest giant eel, may have been the model for the Harry Potter movie!



Corporate Planning: Building a Foundation.

By Kimberly A. Hullfish

I have many meetings this time of year: Six-Month Statement meetings with Banking and Bonding partners; Insurance Renewals (commercial and health); Annual Audit Planning Meetings with our accountants; and various Tax Planning Meetings, both internal and with various business partners.



As we go through our forecasts of book income, and forecast the M1 timing differences for tax income, and talk about 2016 projections, one part of our financial statement impacts everything: The WIP.

Since the WIP is the foundation for virtually everything we

Corporate Planning: Building a Foundation*(Continued from Page 1)*

do, let's break it down in a very simplistic manor.

Amount Billed to Date should be relatively easy to input. **Current Contract Amount, Estimated Costs, and Total Cost Incurred to Date** require a bit more attention.

Current Contract Amount. Theoretically this should be easy and should include the base contract and approved change orders to date. However, if change orders are lagging behind for any reason, this could have an adverse effect. We always hear "cannot stop the progress of the project" and therefore we must perform change order work prior to receiving a written change order to the contract. Stay in touch with your project managers and understand what change order work has started but is not yet reflected in the contract value. And do not forget those negative change orders for work that will not be completed or associated back charges.

Total Cost Incurred. Again, if your accounting controls are working, all costs should be booked to the job through the period for which you are running your WIP / Financials. Unbooked costs must be reviewed for accruals, and discussions with project managers should help fill in any missing costs. Be sure to review your Revenue Matching rules.

Estimated Costs. Once the Current Contract Amount and Total Cost Incurred are reviewed, the project management team needs to do a thorough Cost to Complete and update the original budget. How often does your company require this? How often do you give the team job cost reports? What do the reports consist of? Do they give feedback as to what is missing, what has changed, in-between doing full cost to completes? This component is probably the most volatile and dynamic part of the WIP, and relies fully on the ability to see the future. Frequent updates and notifica-

tion of unforeseen circumstances and conditions are key.

All of the above come together to calculate **Billings in Excess of Costs and Costs in Excess of Billings (Over / Under Billings).** We will talk about these calculations next month.

Current Contract, Total Cost Incurred, and Estimated Costs involve input from outside the accounting department; therefore, having an accurate WIP requires a team working together for a common cause.

Last spring we had a seminar on Internal Wars: Leadership and Team Building. CFMA just had a webinar, "Best of 2015 Conference: Getting Things Done Through Emotionally Intelligent Leadership". In the coming months we will talk more about the WIP, more about Leadership. We look forward to your participation!

Membership Corner**Did you know?**

Sharing the knowledge and networking CFMA brings to you is a great reward in itself!

****Members can bring
A Contractor new to CFMA for free! ****

Contact membership and help spread the knowledge that is South Jersey CFMA!

*****Contact Mark Purfield, Chair of Membership @ mark_purfield@ajg.com

2015 SOUTH JERSEY FALL PROGRAMS

Our Programming Committee, chaired by Lee Boss and Nia Coombs, has put together an exciting fall agenda!

On October 7th, Mercadien and CPI Planning join forces to bring you two distinct topics. Mercadien will present the Annual Tax Planning Seminar with a new twist: In addition to the tax updates and what to expect from Congress in the closing months, they will do an in depth on Understanding the Book vs Tax Adjustments, including the impact of the bonus depreciation taken during the economic downturn. CPI Planning educate us on our Fiduciary Responsibilities on employment benefit plans in light of the recent Supreme Court Ruling. Both segments of the seminar will prove to be invaluable as you near year end and update your benefit disclosures.

On **November 4th** we will cover the State of the Construction Industry from a Legal Perspective, with a focus on important surety issues impacting your business. Rosenberg & Parker presents Surety Construction Forum – this is interactive so bring your questions!

The fall closes on **December 9th** with a panel from CBIZ and Hill International: Project Management: How to Stop the Bleeding when a Project Turns South. Tell your project managers now to reserve this date now!

All of the above meetings will take place at Adelphia's in Deptford. Registration is at 3:30; Seminar begins at 4:00 followed by dinner and drinks.

We are also looking forward to spring, where topics will include a Deep Dive into the WIP, Risk Man-



agement, Round Table on Communications with Business Partners, and Sales Tax Wars. We cannot wait to see you there!

Please contact Lee Boss (lboss@Mercadien.com), Nia Coombs (ncoombs@capitalbanknj.com) or Kimberly Hullfish (Khullfish@cabbonizio.com) if you wish to provide a topic idea or participate as a speaker!

Book Club Corner

Kimberly A. Hullfish

How nice it was to open the sponsor bags at the Mid Atlantic Conference and find a Book! The Key Note Speaker Jay C. Rifembary donated copies of his book "Return to Your Core, Principles for a Purposeful and Respected Life."

Though I have not yet had a chance to read it, this book is next on my list.

What are your core values? What principles do you follow: self-

responsibility, accountability, integrity, loyalty, passion, personal honesty. What defines success for you?

If his book is as good as his presentation, I will enjoy reading this weekend!

Didn't see our list of books? Visit our [News Letter Page](#)

<http://southjersey.cfma.org/newsletters> for our archive.

"Reflect and celebrate serendipity and the positive experience of luck and coincidence because you are part of that occurrence."

— Jay C. Rifembary, Return to Your Core.

Save the Dates:

National Conference: San Antonio, TX, June 25—29, 2016

2016 Mid Atlantic Conference, Atlantic City, NJ, September 2016

CONSTRUCTION FINANCIAL MANAGEMENT ASSOCIATION OF SOUTH JERSEY



The South Jersey Chapter of CFMA is proud to announce its participation in Toys for Tots for this holiday season!

What is your first memory of your favorite toy? Whether a stuffed animal, a toy fire engine, or maybe a Parcheesi Game that your family played on Friday nights with pizza and popcorn,



you have a memory that brings a smile to your face. Give that gift to a child this holiday season.

Bring a new, unwrapped toy to our meetings between now and December 9th; have a website deliver a toy to one of the board members' offices; drop off at C. Abbonizio Contractors Inc. in Deptford, NJ. There are many ways to participate in this toy drive.



Let's Share Our Hearts This Holiday Season!

Make a Donation

[click here >](#)

