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## Closing the books at a distance...

## Financial resilience during a crisis

#### The current reality

As shock waves propagate through today's business environment our workforce is adapting to social distancing and government orders to stay at home. Accounting and finance professionals will strive to be productive in this environment, recognizing that management's need to understand financial impact and financial reporting requirements remain in place to support the integrity of our services and markets. "Closing the books at a distance" offers recommendations and support for finance leaders during this crisis.

#### Framing your response

#### **RESPOND**



Requirements, capacity, and leadership



Resourcing, accessibility, and controls

#### **EXECUTE**





#### **Organize** | *Identify and assess*

- Launch virtual close schedule, outlining critical path activities
- Evaluate access, resource requirements, and capacity
- Create virtual command center to oversee and manage close

#### **Prepare** | Plan and communicate

- Develop virtual close playbook and risk mitigation strategy
- Prepare and communicate virtual close resource plan and RACI
- Conduct systems access and internal control preparedness



**Deliver** | Mobilize and execute

- Launch virtual close playbook and collaboration portal
- Activate virtual command center and technical support desk
- Drive issue resolution through execution of defined protocols

#### **Monitor** | Govern and comply

- Monitor team pulse and completion of virtual playbook tasks
- Evaluate controls and variances on ongoing basis
- Measure and address COVID-19 accounting impacts

#### Resilient leaders take deliberate actions

## **PRIORITIES**



Delivery



**Technology** 







RESPOND

Establish collaboration portal and user access (MS Teams, SharePoint, etc.)

**Timeframe** 

## **EXECUTE**

Deliver and Monitor

- Activate Virtual Command Center with shifts covering staff working hours Utilize collaboration portal communication channels (e.g. posts, chat, etc.)
- Launch activity completion in Virtual Close Schedule
- Monitor close activities and controls via Virtual Command Center
- **Check-in daily with managers** to evaluate morale and provide support
- Assign resources to activities on Virtual Close Schedule (RACI)

Baseline **resource requirements** / effort to complete close

Execute manager survey soliciting work impact for all staff

Stand up Virtual Command Center and leadership

Work with InfoSec to assess SSC's ability to perform secure remote work

Determine resource gaps and develop alternative resourcing plans

**Establish shifts** / working hours based on staff locations and preferences

- Confirm permissions to finance systems and provide Collaboration Portal
- Roll out home equipment request process to enable staff productivity **Develop onboarding procedures** for alternative staffing/3<sup>rd</sup> parties
- Validate VPN capacity, provisioning and procedures against IT policies
- Develop / launch Virtual Close Schedule, accessible remotely by all staff
- Communicate technical support desk protocols, time zones, expected
- Activate **technical support desk** to drive issue resolution
- Provision home equipment, as deemed appropriate
- Activate alternative staff onboarding procedures
- **Monitor VPN** performance, remote connectivity and response times
- Maintain virtual close schedule, with real time updates available to staff
- Enable issue resolution through use of **collaboration tools** and execution of defined protocols

# **Governance &** compliance

- Rebaseline and reprioritize virtual close tasks/critical path
- Develop Virtual Close Playbook governing process execution and controls Develop requirements for hard close versus soft close (YE vs M/Q)
- **Risk-rank** financial statement line items, journals, accruals, and reconciliations
- Identify required **control modifications** for high and medium-risk accounts Evaluate accounting impacts related to current crisis / market events
- Determine impacts from critical 3rd party vendors (data, services, etc.)
- Leadership shares expectations to set tone for the virtual close
- Communicate revised Virtual Close Schedule with all departments
- Distribute and monitor execution against Virtual Close Playbook
- Communicate and align around implications of hard versus soft close
- Execute modified control procedures for high and medium risk accounts
- Monitor and communicate material impacts to statements and disclosures

### **Deloitte resiliency insights**

The heart of resilient leadership: Responding to COVID-19

A guide for senior executives





COVID-19: People, technology, and the path to organizational

Insights for technology leaders facing COVID-19

COVID-19: ACCOUNTING & REPORTING IMPLICATIONS OF THE OUTBREAK

**What:** Special Edition Financial Reporting Dbrief Webcast

When: Monday, March 30th at 11:00 AMET **How:** Click <u>here</u> to register

CONTROLLERSHIP'S MEASURED RESPONSE **TO A CRISIS** 

**What:** Special Edition Controllership When: Friday, April 3rd at 11:00 AM ET

**How:** Click <a href="here\_to register">here\_to register</a> For further clarification on services & next steps to

#### consider, please visit:

**Combatting COVID-19 with Resilience** 

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