

Expense Management Action Checklist

Use this checklist to strengthen your financial management, make more informed spending decisions, and support the long-term success of your business.

- ☐ Review your Chart of Accounts and identify expense categories that are too broad. Organize them so they provide meaningful information for decision-making.
- ☐ Sort your expenses into four categories:
 - Fixed
 - Variable
 - Semi-variable
 - Discretionary
- ☐ Calculate the expense-to-revenue ratio for your largest expense categories to better understand where your money is going.
- ☐ Set one measurable expense management goal for the next quarter.
- ☐ Review your largest or fastest-growing expenses using an expense decision framework before making changes.
- ☐ Conduct a "profit leak" audit by reviewing recurring subscriptions, vendor costs, employee-related expenses, and annual renewals.
- ☐ Create or update your spending policies and approval guidelines so everyone understands how business funds should be used.
- ☐ Schedule a monthly expense review and a more comprehensive quarterly financial review.
- ☐ Create an inventory of your equipment and develop a replacement or maintenance schedule.
- ☐ Identify:
 - ☐ One expense to reduce.
 - ☐ One expense to optimize.
 - ☐ One investment that could help your business grow.

Remember: The goal of expense management isn't simply to spend less—it's to spend wisely. Every dollar should support the long-term health and growth of your business