

# FinOp, PFO, POO & Supervisory Services



## For Broker-Dealers

DFP Partners provides experienced FinOps and CPAs to oversee the financial operations and file all regulatory reports for broker-dealers.

Every broker-dealer is required to maintain the services of a FINRA Series 27 Financial and Operations Principal (FinOp), Principal Financial Officer (PFO) and Principal Operating Officer (POO). DFP Partners personnel can fulfill these roles.

A FinOp oversees the books and records and monitors a FINRA member firm's adherence to industry net capital requirements and related rules and regulations.

## The Outsourced FinOp Role

Regulators permit a licensed, off-site individual to fulfill the FinOp role. Outsourcing this role financially benefits brokerage firms choosing to engage an experienced, FinOp consultant instead of hiring that level of talent, full-time, in-house.

In addition, rather than hiring one full-time FinOp with DFP Partners, you have access to the full resource of all our FinOps and Accounting professionals with broad, on-going exposure to broker-dealer operations.

As a CPA firm providing FinOp services since the 1980's, DFP Partners brings four decades of experience to U.S., FINRA registered broker-dealers of all sizes, as well as foreign based broker-dealers operating in the U.S. under the Securities and Exchange Commission exemption, Rule 15a-6.

DFP Partners can assume the FinOp function of your broker-dealer or assist your in-house FinOp. A DFP Partner FinOp can also assume the role of Chief Financial Officer.

## FinOp Services for Broker-Dealers

A DFP Partners FinOp can be engaged to perform and supervise all aspects of this mandatory function for FINRA member broker-dealers. Our FinOp service includes:

### Financial Duties

- » Oversight of the member broker-dealer's books and records
- » Preparation of accurate, timely financial statements and the supervision of those who assist in their preparation
- » Oversight/execution of duties per 1934 Securities Exchange Act & Securities and Exchange Commission uniform net capital rules
- » Computation of the monthly net capital and all related schedules
- » Monitoring of net capital compliance

### FINRA Filings

- » Financial and Operational Combined Uniform Report, monthly or quarterly, and related Schedule I, annually
- » Supplemental Statement of Income, Form Custody and supplemental schedule off-balance sheets due quarterly
- » Securities Investor Protection Corporation Report, semiannually

### Authority Assistance

- » Interface with outside auditors during an audit exam
- » Interface with regulators during cycle exams, and as needed

# FINOP REPORTING & SUPERVISORY SERVICES

## FinOp New Firm Services

### DFP PARTNERS CAN ASSIST YOU AND YOUR FIRM DURING THE PRE-MEMBERSHIP PHASE OF YOUR FINRA REGISTERING BROKER-DEALER

- » Advising on the organizational structure and ownership of your broker-dealer
- » Assisting with forming the capital structure and the amount of capital required
- » Facilitating your financial projections by providing a standard format, assisting in allocation methodology for shared costs, for each line item in the budget
- » Assisting with your business plan, a required part of your FINRA application, as it relates to the duties of the FinOp
- » Providing accounting guidance to your team in the preparation of the required Supervisory Procedures Manual as it relates to the duties of the FinOp
- » Presenting advice related to setting up the books and records of the broker-dealer
- » Creating an initial chart of accounts for your Accounting software
- » Compiling books and records to prepare trial balances, balance sheets, Profit and Loss statements, net capital computations, and supporting documents, as required by the application process

## FinOp CFO Services

DFP Partners can serve as your FinOp Chief Financial Officer, whereby a licensed accounting professional can be retained to service your firm on a regular basis, to manage a variety of financial and business operation responsibilities.

Services may include but are not limited to: start-up management, strategic business & financial planning, cost reduction improvements, contract negotiation and administration, banking relationship management, risk assessment and advising, taxation and audit facilitation.

## Assistant FinOp Services

For those with an in-house FinOp, DFP Partners can support the role of your designated in-house FinOp to satisfy the required duties, computations, and filings. The “designated” FinOp is the Series 27 licensed professional on record with FINRA and ultimately responsible for the financial and operational duties of the firm. For varying reasons, a firm’s designated in-house FinOp often requires additional on-site and off-site support.

# FINOP REPORTING & SUPERVISORY SERVICES

## Reporting Review Services

DFP Partners can be engaged to review your firm's regulatory reporting such as the monthly or quarterly net capital, Financial and Operational Combined Uniform Single Report, quarterly Supplemental Statement of Income custody and Off-Balance Sheet. We can provide ongoing consulting related to the firm's regulatory filings, net capital procedures, and accounting systems.

## Principal Financial Officer (PFO) and Principal Operations Officer (POO) Services

DFP Partners will assign qualified Series 27 licensed individuals to be designated as your firm's POO and PFO. The Principal Operations Officer will be primarily responsible for overseeing that the day-to-day operations of your business are properly supervised by assigned personnel. This includes overseeing of the receipt and delivery of securities and funds, safeguarding customer and firm assets, calculation and collection of margin from customers, processing dividend receivables and payables, reorganization redemptions and those books and records related to such activities. A DFP Partners Principal Financial Officer will be responsible for financial filings and the related books and records.