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FDE INTERN ONBOARDING · SESSION 1 OF 2

# Finance and the Close

*What the FDE role bridges from, before we talk about the role itself*

SESSION 1

# Agenda

01 Why this session exists

02 The Finance department, briefly

03 Just enough vocabulary

04 What is “the close”?

05 Why the close is hard

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# Why this session exists

ClearSky Overview — **Finance & the Close** — The FDE Role — ClearSky Platform

*You are here*

## The goal

*Before you can build tools that read a client's paperwork, you need to know what that paperwork is describing.*

## What you'll be able to do after this session

- Read a close checklist and recognize what kind of work each line represents
- Follow the vocabulary in a discovery conversation without needing a glossary open

# The Finance Department, Briefly

*Orientation only, not a competency to master.*

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# Who does what

*The artifacts you'll process were written by specific teams, for specific purposes, and that shapes their structure and their gaps.*

### Controllership / Accounting

Owns the close

### FP&A

Planning & forecasting, consumes close output

### AP / AR

Payables & receivables

### Payroll

Compensation & benefits

### Tax

Compliance & filings

### Treasury

Cash & banking

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# Whose language you're reading

*ClearSky's typical buyer and user, so you know whose artifacts and phrasing you're looking at.*

1

### Chief Financial Officer

Oversees all finance processes; part of executive team

2

### Controller

Owns the close end to end, the most common day-to-day sponsor

3

### Operators

Perform the tasks of the close

# Just Enough Vocabulary

*In service of reading artifacts and interviews, not a mechanics course.*

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# Terms you'll see constantly (1 of 2)

**GL**

### General Ledger

The system of record for all financial transactions

**JE**

### Journal Entry

The unit of work that updates the GL. Most close tasks resolve to “post a JE” or “review one”

**CoA**

### Chart of Accounts

The categorization scheme transactions are recorded against. You'll see account numbers constantly

**Sub**

### Subledger

A detail ledger (AP, AR, fixed assets, payroll) that rolls up into the GL

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# Terms you'll see constantly (2 of 2)

| | | |
|---|---|---|
| A/C | **Accrual vs. Cash Basis** | Why companies record expenses & revenue before cash moves. This is why so many recurring tasks exist |
| Rec | **Reconciliation** | Confirming two numbers that should match, do. The single most common task type in any checklist |
| Co | **Entity / Company Code** | Large companies close separately per legal entity, then consolidate. This is why checklists repeat the same task dozens of times |

**Explicitly out of scope:** debit/credit mechanics, T-accounts, double-entry detail. Available as a follow-up resource, not needed for this work.

# What Is "The Close"?

*The shape of this process is exactly what makes it a fit for structured tooling.*

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# Definition and why it's time-boxed

*The recurring process (monthly, quarterly, annual) of finalizing the books for a period so the company can report accurate financial results.*

## Why it's recurring and time-boxed

- Reporting deadlines drive the calendar: internal management reporting, board reporting, and external/SEC filings for public companies
- Why speed matters: a slow close delays every decision that depends on it, including forecasting, board updates, and external commitments

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# Anatomy of a close

1. Subledger close
2. Data collection & reconciliation
3. Journal entries
4. Consolidation
5. Review & approval
6. Reporting

*Each step has sequence, owners, dependencies, and deadlines. This is the shape a task pipeline is built from.*

# Sequence. Dependencies. Owners. Checkers. Deadlines.

*That shape is exactly what makes the close a fit for structured tooling. It's the thread Session 2 picks up.*

# Why the Close Is Hard

*Building the motivation. Session 2 gives you the answer.*

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# Where the friction actually lives

### 1 Manual & spreadsheet-native

Checklists live in Excel, Wrike, SharePoint, email threads, and someone's memory

### 2 Hidden dependencies

Undocumented handoffs surface in passing during interviews, rarely in the checklist itself

### 3 Varies wildly by client

Team names, task granularity, tooling, and risk posture. None of it standardized

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**The stakes are real**

# Errors here mean restatements and audit findings.

*“Every client's close process lives in artifacts and in people's heads. Getting it into a structured, usable form is slow, expert-dependent work.”*

Next session: the person who does that today, and the tools you're building to help.

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# Glossary reference card

| | |
|---|---|
| **GL** | General Ledger. System of record for all transactions |
| **JE** | Journal Entry. The unit of work that updates the GL |
| **CoA** | Chart of Accounts. Categorization scheme for transactions |
| **Subledger** | Detail ledger (AP, AR, fixed assets, payroll) rolling up into the GL |
| **Accrual vs. cash** | Recording expenses/revenue before cash moves |
| **Reconciliation** | Confirming two numbers that should match, do |
| **Entity / company code** | A distinct legal entity closed separately, then consolidated |

UP NEXT

# Session 2: The FDE Role

*How this Finance context turns into your actual job.*