

Cash Flow and Control: A Good Deal Still Has to Work

By Jeffery A. Garfield · October 13, 2026 · Edition 1.0

Connect the numbers, the agreements and the people who must act. A practical exercise inspired by questions found in five books from Jeffery's working collection.

The opportunity looks attractive. The projected return gets attention. Then a payment falls due before a receipt arrives, an approval stalls, or the person assigned to act cannot change the agreement. The deal now depends on details that the headline never explained.

This exercise brings those details into view. It connects cash timing, negotiating choices, decision rights and follow-through. It is an original application of Infrastructure Literacy, prompted by the subject headings in five books from Jeffery Garfield's working collection.

Five books, five useful questions

Reading connections, with a clear boundary. We reviewed photographed covers and contents pages, not the full chapters. The questions below are our synthesis. They do not represent quotations, endorsements or verified summaries of the authors' arguments.

- **Capital:** Market Unbound, by Lowell Bryan and Diana Farrell, lists capital supply, capital demand and linkages to the real economy. Our question: how does available financing become usable resources for this particular undertaking?
- **Negotiation:** You Can Negotiate Anything, by Herb Cohen, organizes a section around power, time and information. Our question: what can each party change, how long can each wait, and what evidence would improve the conversation?
- **Structure:** Daniel S. Berman's How to Put Together a Real Estate Syndicate or Joint Venture includes cash distributions and a general partner's rights and powers. Our question: who may authorize a payment, and what commitments must be considered first?
- **Execution:** Hopkins's How to Master the Art of Listing & Selling Real Estate includes implementation and tracking. Our question: who will complete the next step, by what date, and how will we know?

- **Measurement:** Steven B. Achelis's Technical Analysis from A to Z lists market indicators, breadth measures and volume. Our question: does the measure describe the part of the system we actually need to understand?

Cash flow exercise: the property venture

Hypothetical teaching scenario. A property venture has \$30,000 of usable cash on day 1. It must pay an \$18,000 operating bill on day 5 and a \$20,000 repair invoice on day 10. A \$15,000 receipt is expected on day 20. An investor requests a \$10,000 distribution on day 7. No other receipts, payments or financing are assumed in this simplified example.

The venture's long-term profit is unknown. So are the agreement's distribution conditions, the reliability of the expected receipt and the scope of each manager's authority. A requested distribution is not an approved payment. Put the dates in order before choosing an action.

1. Follow the cash

Calculate the balance after each scheduled event without the distribution. Then repeat with it. Identify the first date on which the venture cannot meet a listed payment from the cash shown. A later receipt does not fund an earlier obligation unless a workable arrangement bridges the interval.

2. Find the decision rights

What documents establish who can approve a distribution, change payment terms or seek financing? Name the person who must obtain that evidence. Do not assume that the person receiving the request has authority to grant it.

3. Prepare the negotiation

List the information needed before discussing invoice timing, a partial payment or additional funding. What would the other party give up? An expected concession belongs in a scenario until the parties have actually agreed to it.

4. Assign the work

Choose one next step with an owner and a deadline before the earliest shortfall. Specify what confirms completion: an approved decision, a verified receipt or an executed agreement. A conversation and a completed arrangement are different milestones.

5. Test a delay

Move the expected receipt from day 20 to day 35. Which commitments change? Which backup is available, and who has confirmed its amount, timing and conditions?

What the calendar reveals

Without a distribution, \$30,000 minus \$18,000 leaves \$12,000 on day 5. The \$20,000 repair invoice creates an \$8,000 funding shortfall on day 10. The arithmetic balance would reach \$7,000 after the day-20 receipt, but that calculation assumes the earlier shortfall has somehow been addressed. A negative balance here identifies missing funding; it does not create an overdraft facility.

If the \$10,000 distribution were paid on day 7, only \$2,000 would remain for day 10, increasing the shortfall to \$18,000. Even after the day-20 receipt, the arithmetic balance would remain \$3,000 below zero. These calculations establish a timing problem under the stated assumptions. They do not establish profit, solvency, legal distribution rights or the best remedy.

Possible responses include verifying the receipt, examining whether invoice timing can change, or evaluating an authorized funding source. Each requires evidence and carries consequences. No unapproved distribution or uncommitted loan should be treated as settled.

Take one sentence back to work

“Before we commit to ___, ___ will verify the cash dates, decision authority and remaining conditions by ___.” Record the result and revisit the assumption most likely to change.

Source and scope notes

Source material: photographed covers and contents pages from the five books named above, supplied October 12, 2026 and reviewed October 13. Edition years were not verified. Historical tax, securities and regulatory topics in these books are not presented as current requirements. The scenario and all amounts are invented; the arithmetic and teaching questions are original.

This companion extends *Sales Are Up. Why Is Cash Tight?* by examining payment sequencing and decision rights. For the broader method, see *Why Good Plans Need Operating Structure*.

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