

ALTUS SUMMIT 2026 · WEDNESDAY, JUNE 10

CONTRACTING + CASH FLOW BRIDGING THE GAP.

*Kalah Sprabeary CLFP — Founder & CEO, HUB
Funding Solutions*



THE CASH FLOW GAP

NET 60-90

Most BSCs wait 60-90 days for first payment on a new contract.

Payroll starts on day one.



THE DANGER ZONE

From contract signing to first payment — where cash disappears.

Contract Signed

Day 0

Mobilization Costs

Equipment, supplies, hiring

Service Begins

Payroll starts

Invoice Sent

Net 30-60 terms

Payment Received

Day 60-90+

CASH OUT ----- CASH IN

SAME INDUSTRY, DIFFERENT PRIORITIES

TWO TYPES OF BSC. TWO CASH FLOW STRATEGIES.

VS

The financing question is the same — but the right answer depends on who owns the business.

GROWTH MODE

INVESTOR-BACKED BSCs

— Fast capital deployment

Win contracts and mobilize quickly — speed is the competitive edge.

— Consistent cash flow

Investors expect predictable reporting cycles. Gaps kill confidence.

— Low-to-no debt

Clean balance sheets for valuation events. Debt complicates exits.

PE



STABILITY MODE

PRIVATE & FAMILY-OWNED

— Avoid long-term debt

Owners carry personal risk. Every dollar borrowed is felt at home.

— Increase cash flow

More runway to cover payroll, equipment, and unexpected costs.

— Support new projects

Say yes to the next contract without betting the business on it.

FO



FINANCING OPTIONS

THREE TOOLS. KNOW WHEN TO USE EACH.

01

Invoice Factoring

Sell your receivables. Get paid in days, not months. Best for bridging the gap on large contracts.

02

Lines of Credit

Flexible access to capital. Draw what you need, pay back as revenue arrives. Best for seasonal swings.

03

Equipment Financing

Spread capital costs over time. Preserve cash for operations. Best for scaling without draining reserves.

MATCHING TOOL TO OWNER

INVESTOR-BACKED

Invoice Factoring

Accelerate receivables to maintain velocity. Keep the balance sheet clean.

Equipment Financing

Scale fleet without large capital draws. Spread costs across contract life.

Avoid traditional debt — it weighs on valuation and complicates reporting.

PRIVATE / FAMILY

Lines of Credit

Short-term access when needed. Only pay interest on what you draw.

Invoice Factoring

Convert large outstanding invoices to cash. No new debt on the books.

Preserve personal guarantees. Use short-term tools for short-term gaps.

PUBLIC SECTOR VS PRIVATE SECTOR

PUBLIC

- Net 60–120 day payment cycles
- Lengthy procurement and onboarding
- Reliable once flowing — but slow to start
- Requires financing runway upfront

PRIVATE

- Net 30–60 day payment cycles
- Faster start, more negotiation room
- Higher churn risk — plan for turnover
- Structure terms to protect cash early

The contract type changes the cash flow math. Plan financing before you sign — not after.

WHAT QUALIFIES — AND WHAT DISQUALIFIES



01 Contract quality and client creditworthiness

Who you're billing matters more than how much.

02 Accounts receivable aging

How fast you collect tells a lender how well you manage.

03 Revenue consistency and trajectory

Steady recurring revenue is the strongest signal.

04 Existing debt and obligations

Over-leveraged businesses are immediate disqualifiers.

PROTECT CASH FLOW FROM THE START

STRUCTURE THE CONTRACT BEFORE YOU SIGN IT.

- Negotiate mobilization payments or advance billing for startup costs
- Shorten billing cycles — bi-weekly invoicing instead of monthly
- Include late-payment penalties and early-payment incentives in the contract
- Line up financing before you take the contract — not after cash gets tight



OPEN DISCUSSION

If a BSC owner came to you today with a contract that's going to strain their cash flow —

WHAT'S THE FIRST CALL
YOU'D TELL THEM TO MAKE?

Kalah Sprabeary CLFP
Founder & CEO, HUB Funding Solutions

