An Orange County Business Journal Special Report

CFO OF THE YEAR Awards

PUBLIC MARKET PUSH:
IPOs, SPACs ABOUND IN OC

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The CFOs Who Took Their Companies Public

In the past 18 months, 10 area chief financial officers went through an often-grueling process to take their companies public, some via traditional initial public offerings, others by way of reverse mergers using the increasingly popular Special Purpose Acquisition Company, or SPAC, route.

Nine have seen the values of their companies increase higher than their initial public offering price, or their SPAC partners' IPO price, most notably **Montrose Environmental**, which is up about 250%.

Here are the backgrounds, shareholdings and other details of these CFOs, based on data in their companies' S-1 registration statements or reverse merger disclosure forms.

—Peter J. Brennan

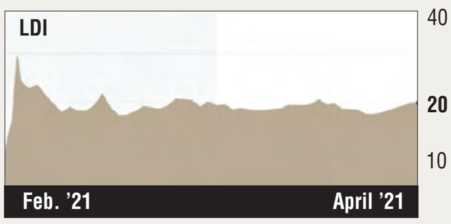
ENVISTA HOLDINGS

Howard Yu
CFO
Envista Holdings

■ **BUSINESS:** supplier of dental products; spun off from Danaher in 2019
■ **TICKER:** NVST (NYSE)
■ **2020 REVENUE:** $2.3B (down 17%)
■ **2020 NET INCOME:** $33M (down 98%)
■ **EMPLOYEES:** 12,000
■ **MARKET CAP:** $7B
■ **CFO:** Howard Yu
■ **AGE:** 49
■ **STARTED:** May 2019
■ **PRIOR JOBS:** Worked at Beckman Coulter from 2001-2011, including as VP of Japan operations and director of finance for Asia Pacific. After Beckman was acquired by Danaher, became CFO of various units. Also worked at Conexant, Hewlett Packard and Deloitte & Touche.
■ **EDUCATION:** UCLA BA in business economics; USC MBA
■ **STOCK PERFORMANCE SINCE GOING PUBLIC:** up 100%
■ **2018 TOTAL COMPENSATION:** $1.7M
■ **NO. OF SHARES CURRENT VALUE:** 77,584; $3.42M
■ **NOTABLE:** Management took a 10%-15% salary reduction due to the coronavirus' effect on the dental industry.

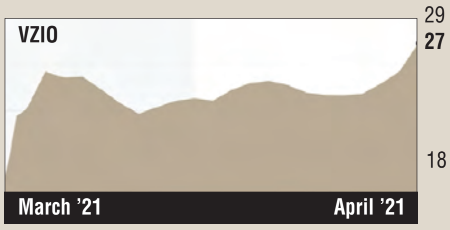
LOANDEPOT INC.

■ **BUSINESS:** mortgages
■ **TICKER:** LDI (NYSE)
■ **2020 REVENUE:** $4.3B (up 222%)
■ **2020 NET INCOME:** $2B (up 5,749%)
■ **EMPLOYEES:** 9,892
■ **MARKET CAP:** $6.1B
■ **CFO:** Patrick Flanagan
■ **AGE:** 56
■ **STARTED:** 2019
■ **PRIOR JOBS:** EVP at Carrington Mortgage Services. Served as CEO and founder of Cove Financial, which managed six distressed mortgage and real estate related funds, 2009-14. Previously managing director of Cerberus Capital Management, 2007-09. Was president of New Century Mortgage Corp until 2005.
■ **2020 TOTAL COMPENSATION:** $17.1M
■ **EDUCATION:** Monmouth College
■ **STOCK PERFORMANCE SINCE IPO:** up 48%
■ **NO. OF SHARES AT IPO/CURRENT VALUE:** N/A
■ **NOTABLE:** During his 30+ years in the industry, he's managed the origination, acquisition and servicing of more than $400B in residential mortgage and residential real estate assets.



Patrick Flanagan
CFO
loanDepot

VIZIO HOLDING CORP.

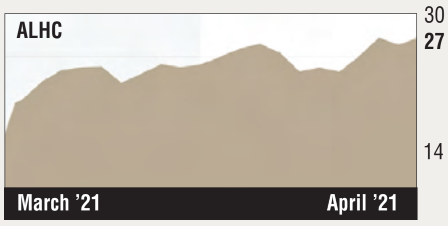


Adam Townsend
CFO
Vizio Holding

■ **BUSINESS:** TV seller
■ **TICKER:** VZIO (NYSE)
■ **2020 REVENUE:** $1.9B (up 6.9%)
■ **2020 NET INCOME:** $103.2M (up 345%)
■ **EMPLOYEES:** 444
■ **MARKET CAP:** $4.5B
■ **CFO:** Adam Townsend
■ **AGE:** 48
■ **STARTED:** December 2020
■ **PRIOR JOBS:** CFO of Showtime Networks Inc., subsidiary of ViacomCBS, from 2018-20. At CBS Corp. in various roles from 2008-16. Worked at E-Trade as managing director of corporate strategy and investor relations. Was equity analyst at JPMorgan.
■ **EDUCATION:** UCLA BS in biology
■ **STOCK PERFORMANCE SINCE IPO:** up 13%
■ **2020 TOTAL COMPENSATION:** $5.4M
■ **MARKET VALUE OF SHARES NOT VESTED (AS OF 12/31/2020):** $3.77M
■ **NOTABLE:** Vizio Founder/CEO William Wang said at time of hire: "Adam's exceptional record of financial operational experience within content, advertising, and streaming-based businesses—along with over a decade of media industry analysis—makes him a great addition to the existing talent at Vizio."

ALIGNMENT HEALTHCARE INC.

■ **BUSINESS:** Medicare insurance provider
■ **TICKER:** ALHC (Nasdaq)
■ **2020 REVENUE:** $955.4M (up 27%)
■ **2020 NET LOSS:** $44.7M (vs. $22.9M in 2019)
■ **MARKET CAP:** $4.7B
■ **EMPLOYEES:** 775
■ **CFO:** Thomas Freeman
■ **AGE:** 31
■ **STARTED:** 2017
■ **PRIOR JOBS:** Was growth investor on healthcare team at General Atlantic and worked in Investment Banking division at Morgan Stanley where he focused on healthcare sector.
■ **EDUCATION:** University of Kansas BS finance, where he graduated with Highest Distinction from the School of Business and University Honors
■ **2020 TOTAL COMPENSATION:** $1.3M
■ **STOCK PERFORMANCE SINCE IPO:** up 47%
■ **NO. OF SHARES AT IPO/CURRENT VALUE:** 455,741; $12M
■ **NOTABLE:** In 2014, he helped lead General Atlantic's $125M investment in Alignment. In 2015, he joined Alignment as VP of corporate development.



Thomas Freeman
CFO
Alignment Healthcare

ADVANTAGE SOLUTIONS INC.

Brian Stevens
CFO
Advantage Solutions

■ **BUSINESS:** marketing data provider
■ **TICKER:** ADV (Nasdaq)
■ **2020 REVENUE:** $3.2B (down 17%)
■ **2020 NET LOSS:** $161M (vs. $19.8M loss in 2019)
■ **EMPLOYEES:** 18,000
■ **MARKET CAP:** $4.1B
■ **CFO:** Brian Stevens
■ **AGE:** 47
■ **STARTED:** 2010
■ **PRIOR JOBS:** Served from 2004 to 2008 as VP of Finance at Multi-Fineline Electronix Inc. PricewaterhouseCoopers, 1999 to 2004.
■ **EDUCATION:** Cal State Fullerton BA in Business Administration; USC MBA with a concentration in finance.
■ **2020 TOTAL COMPENSATION:** $6.56M
■ **STOCK PERFORMANCE SINCE GOING PUBLIC:** up 44%
■ **NO. OF SHARES AT IPO/CURRENT VALUE:** N/A
■ **NOTABLE:** $600,000 base salary subject to reduction if EBITDA is below $350M. Has served on board of directors of Big Brothers Big Sisters of Orange County since 2012.

➡ *CFO Awards 24*

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CFO Awards

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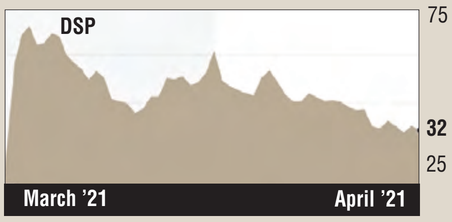
VIANT TECHNOLOGY INC.

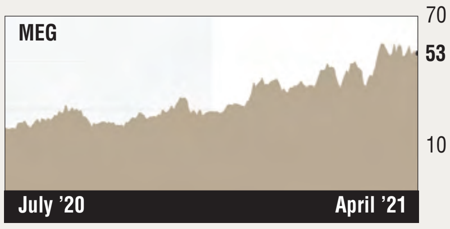


Larry Madden
CFO
Viant Technology

- **BUSINESS:** advertising software
- **TICKER:** DSP (Nasdaq)
- **2020 REVENUE:** $165.2M (flat)
- **2020 NET INCOME:** $20.6M (up 108%)
- **MARKET CAP:** $2B
- **EMPLOYEES:** 289
- **CFO:** Larry Madden
- **AGE:** 56
- **STARTED:** 2012
- **PRIOR JOBS:** CFO at the Weinstein Company, 2005-09, and two Nasdaq-listed companies and as a board member of a third Nasdaq-listed company. Spent eight years at E&Y.
- **EDUCATION:** University of Albany, SUNY BS Accounting; New York University MBA in finance and strategic management
- **2020 TOTAL COMPENSATION:** $845,840
- **STOCK PERFORMANCE SINCE IPO:** up 38%
- **NO. OF CLASS B SHARES AT IPO/EST. CURRENT VALUE:** 489,356; $16.8M
- **NOTABLE:** Shares rose 10% on April 27 after announcing a new partnership with DoubleVerify.

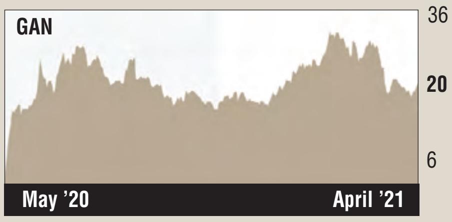
MONTROSE ENVIRONMENTAL GROUP INC.

- **BUSINESS:** environmental solutions
- **TICKER:** MEG (NYSE)
- **2020 REVENUE:** $328.2M (up 40%)
- **2020 LOSS:** $106.9M (vs. $43.2M loss in 2019)
- **MARKET CAP:** $1.4B
- **EMPLOYEES:** 1,850
- **CFO:** Allan Dicks
- **AGE:** 48
- **STARTED:** 2016
- **PRIOR JOBS:** CFO at Convalo Health International, Universal Services of America, Dole Food Co. Exec positions at Land O' Lakes, HD Supply. Began career at PwC where he spent nine years, including M&A group.
- **EDUCATION:** University of the Witwatersrand in South Africa, Bachelor of Commerce and Accounting degrees
- **2019 COMPENSATION:** $853,181
- **STOCK PERFORMANCE SINCE IPO:** up 256%
- **NO. OF SHARES AT IPO/CURRENT VALUE:** 247,187; $13.2M
- **NOTABLE:** Business Journal CFO of the Year Award winner in 2019.



Allan Dicks
CFO
Montrose Environmental

GAN LTD.

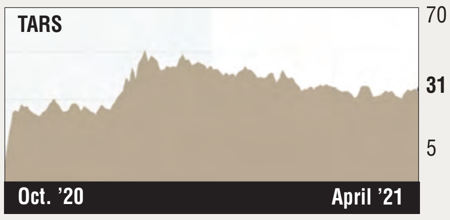


Karen Flores
CFO
GAN

- **BUSINESS:** online gaming solutions
- **TICKER:** GAN (Nasdaq)
- **2020 REVENUE:** $35.2M (up 17%)
- **2020 LOSS:** $20.2M (versus $1.79M net income in 2019)
- **MARKET CAP:** $781M
- **EMPLOYEES:** 242
- **CFO:** Karen Flores
- **AGE:** 46
- **STARTED:** January 2020
- **PRIOR JOBS:** VP of Corporate Finance and Analysis of Alorica, senior director of Financial Planning and Analysis for the Walt Disney Company, following Disney's acquisition of Maker Studios Inc., where she was serving as SVP. Additional senior financial roles include MySpace Music and Napster. Began career as financial analyst with Microsoft.
- **EDUCATION:** San Jose State University BS Finance
- **COMPENSATION:** N/A
- **STOCK PERFORMANCE SINCE IPO:** up 131%
- **NO. OF SHARES AT IPO/CURRENT VALUE:** 100,000; $2M
- **NOTABLE:** Helped launch MySpace Music and restructuring rounds of company prior to it being sold in 2011.

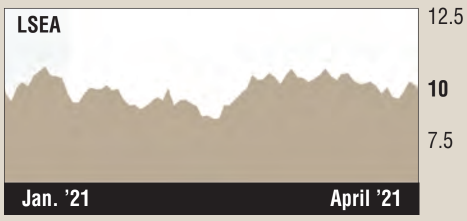
TARSUS PHARMACEUTICALS INC.

- **BUSINESS:** late clinical stage biopharmaceutical company with focus on eyecare
- **TICKER:** TARS (Nasdaq)
- **2020 REVENUE:** $0
- **2020 LOSS:** $26.8M (vs. $4.7M loss in 2019)
- **MARKET CAP:** $647M
- **EMPLOYEES:** 20
- **CFO:** Leonard Greenstein
- **AGE:** 44
- **STARTED:** April 2020
- **PRIOR JOBS:** SVP Finance and Corporate Controller at Spectrum Pharmaceuticals, 2013-20. VP of Finance and Corporate Controller at Endologix, 2011-13. Senior Director of Finance and SEC Reporting at Clarient, 2007-11. Spent 8 years at Arthur Andersen, PwC.
- **EDUCATION:** BA accounting Arcadia University, JD Temple University
- **TOTAL COMPENSATION:** N/A
- **STOCK PERFORMANCE SINCE IPO:** up 97%
- **NO. OF SHARES AT IPO/CURRENT VALUE:** 118,257; $3.73M
- **NOTABLE:** Still an active attorney and CPA.



Leonard Greenstein
CFO
Tarsus Pharmaceuticals

LANDSEA HOMES CORP.



John Ho
Interim CFO
Landsea Homes

- **BUSINESS:** homebuilder
- **TICKER:** LSEA (Nasdaq)
- **2020 REVENUE:** $734.6M (up 16%)
- **2020 LOSS:** $9M (vs. $17.2M profit in 2019)
- **MARKET CAP:** $459M
- **EMPLOYEES:** 252
- **INTERIM CFO:** John Ho
- **AGE:** 38
- **STARTED:** 2019
- **PRIOR JOBS:** Director at Jones Lang LaSalle, 2011-13, leading the firm in delivering real estate services to outbound Chinese businesses investing overseas.
- **EDUCATION:** USC bachelor's; UCLA MBA
- **2020 COMPENSATION:** $921,833
- **STOCK PERFORMANCE SINCE GOING PUBLIC:** down 9.6%
- **NO. OF SHARES AT IPO/CURRENT VALUE:** N/A
- **NOTABLE:** Ho, who formed Landsea in 2013 and is its CEO, has been interim CFO for two years.

RSM

Understanding the Makings of a $2 Trillion Infrastructure Project

Joe Brusuelas, Chief Economist

The latest report card on the nation's infrastructure from the American Society of Civil Engineers confirms what just about everyone already knows: It's old, it's broken and it doesn't work anymore.

To address this gap, the Biden administration has proposed spending roughly $2 trillion over the next decade. Among the initiatives are $621 billion for roads, bridges and highways; $480 billion to facilitate manufacturing growth and research; and $213 billion for housing infrastructure. The rest would go to projects including productivity-enhancing investment in technological infrastructure and resilient environmental infrastructure, as well as expanding access to home care.

It was of little surprise that the ASCE communicated the need for an ambitious effort to align America's national infrastructure with its economic and social needs. In 2019, the United States spent only 2.5% of gross domestic product on infrastructure, down from 4.2% in the 1930s. This implies a shortfall of close to $3.7 trillion over the next decade.

In 2019, the United States spent only 2.5% of gross domestic product on infrastructure, down from 4.2% in the 1930s.

Brusuelas

The economics of Biden's plan are straightforward. A project that modernizes the national infrastructure means increased jobs, productivity and growth, all of which will result in a meaningful increase in the living standards for Americans.

In our estimation, a $2 trillion infrastructure project would result in an additional $6.1 trillion in economic activity over the next decade, result in an improvement in gross domestic product of 0.4% per year and add 3.2 million jobs over 10 years.

In addition, with the term structure of real interest rates likely to be negative over the next year or two, now is the time to act boldly and with intent.

Understanding what such an ambitious infrastructure project entails is almost as challenging as figuring out how to pay for it. Since nothing of this scale has been attempted since the Eisenhower administration of the 1950s, such a project may require explanation.

From our vantage point, a modern-day effort to improve America's infrastructure will create the conditions for an acceleration and transformation toward the digital future of the American economy.

The foundation of that effort will likely revolve around the concept of what might be called I^2R. We would define I^2R in three parts.

First component: Big I

The first part would be what we refer to as "Big I," or the repair, rehabilitation or construction of traditional infrastructure projects like roads, bridges, ports, waterways, water delivery, sewers, rail, public transit, public aviation and public sector ventilation systems at schools.

These are the big, time-consuming and expensive projects that underscore everyday life. The federal government has done these before, financing and building the national highway system, the transcontinental railroad, Hoover Dam and the Erie Canal. These are the public projects that the private sector neither has the financial depth to finance or build on its own.

Second component: Little i

The second part is what we would refer to as "Little i," or the critical infrastructure of the digital economy. This includes 5G, broadband, electric charging stations, public health and other infrastructure to support the use of data analytics, internet of things, artificial intelligence and machine learning to push the outer boundaries of productivity that can lift living standards.

This will require innovative public-private partnerships to extend broadband and 5G connectivity to every corner of the U.S. economy. The need for this and its importance in the new economy became particularly apparent during the pandemic when so many people could not go to school or work because of lack of broadband.

Third component: R

The third component of any infrastructure program will revolve around "R," or making critical infrastructure resilient. Electrical grids need to be brought up to code to withstand current and future shocks associated with climate change, and to ensure that geostrategic competition and conflict do not result in widespread disruptions.

The recent near-catastrophic collapse of the Texas energy grid because of a significant winter storm or the SolarWinds cyberattack that compromised private and public sector assets should serve as a clarion call that the status quo is not sustainable. These needs demand to be addressed before the cost of doing so becomes prohibitive.

How to pay for this?

The first and most understandable question is how to pay for this. The Biden administration has proposed increasing the corporate tax rate to 28% from 21%, but that already faces uncertain prospects in the Senate.

We think that the optimal path would be to provide seed capital for a national infrastructure bank and then use the broad and deep American capital markets to leverage that to meet those needs.

The optimal path would be for Congress to provide seed capital for a national infrastructure bank.

Under this approach, Congress would provide $400 billion in seed capital next year, which the national infrastructure bank would then leverage up over the next 10 years to modernize I^2R so it aligns with where the economy is heading and could achieve $4 trillion in net infrastructure investment.

The national infrastructure bank could then take proceeds from the issuance of bonds to reinvest back into the development and innovation around future projects.

This would be a legacy project that solves the issue of infrastructure once and for all. Given that the approach makes so much sense, it is also equally clear that it will probably not be done.

What is more likely is a suboptimal approach that involves a mix of tax increases. What those tax hikes end up being is anyone's guess. Beyond the increase in the corporate tax rate, a host of proposals have been floated, including an increase in the gasoline tax, user fees for roads, higher individual tax rates and a carbon capture tax.

President Biden proposed during his campaign an increase in the marginal tax rate on those who earn above $400,000 annually from 37% to 39.6%, while simultaneously capping itemized deductions for individuals in that bracket at 28%. He has also proposed increasing the corporate tax rate from 21% to 28%.

It is equally clear that the Biden administration is somewhat hamstrung by a campaign promise not to raise taxes on anyone earning less than $400,000.

Whatever the case, it is critical that policymakers take advantage of the negative real rate environment. Following the shock of the pandemic, the Federal Reserve implemented a series of policies that have resulted in extremely low interest rates.

This presents the opportunity for long-term investment at negative inflation-adjusted interest rates. That is, the cost of newly issued debt will be paid in deflated dollars, resulting in investments that actually pay for themselves.

Is this politically doable?

Just as difficult as financing the project will be garnering political support in a U.S. Senate that is controlled by Democrats under a 50-50 split. Joe Manchin, Democrat of West Virginia, is thought to be the swing vote, and has indicated support for increasing the corporate tax rate to 25%.

Moreover, without any significant GOP support, Democrats will need to use budget reconciliation to move this legislation, which suggests that they will have to raise substantial revenue to meet the requirements under the Byrd Rule that governs reconciliation.

This implies that if revenues are raised to meet the requirements under reconciliation, then it would result in a drag on overall economic growth in 2022 and 2023.

For more information, visit us at rsmus.com.

MARSH & McLENNAN AGENCY

Looking Ahead: 3 Keys to Success for CFOs in 2021

Last year, the unthinkable happened. Whose contingency plans factored in a lockdown? How many companies were prepared to send employees home to work full-time? Did anyone forecast the financial impact of a global pandemic?

I have been amazed by the resilience and creativity that business leaders and CFOs have displayed in the face of these challenges. As vaccinations ramp up and the light at the end of the tunnel gets a bit brighter, let's discuss three main areas that CFOs should focus on as we look ahead in 2021.

1. Manage risk: Be prepared for the unknown.
In terms of managing risk, it is clear that CFOs now see the world differently. The pandemic prompted many to scrutinize their operating models and contingency plans. The pandemic also accelerated many operational changes, like strengthening IT infrastructure to accommodate working from home.

At the same time, some existing risks took on more urgency. After the social inequities and demonstrations of last summer, many now realize the business and reputational risk of failing to address diversity, equity and inclusion. Cyber risk snowballed as systemic, widespread cyber events like the Solar Winds and Blackbaud breaches emerged as a major concern for all employers.

These risks are consistent with the findings of this year's Global Risks Report published by Marsh McLennan. In addition to cyber, extreme weather events topped the list, with loss estimates for the Texas winter storm already predicted to cost more than $18B – which matches the entire hurricane losses for 2020. Asset bubbles, price instabilities and debt crises closely followed as growing concerns.

The key takeaway here: invest time in risk management. Look carefully at your risk profile and make sure it aligns with your operations.

2. Cost containment: What levers can you pull?
2020 made it imperative to rein in expenses, including the cost of insurance. Insurance carriers raised rates and prices for virtually every line of business insurance. In a market like this, the job of a broker, which is to get the best coverage for the lowest price, is more important than ever.

Why are things so dire? Carriers have drastically reduced their appetite for risk. They are reeling from years of catastrophic natural disasters, increased litigation, and nuclear jury awards, among other factors. Some employers did get a break on workers' comp, but that was the exception rather than the rule. The hardening market will continue at least through the first half of the year. Then, we should see rates level off in some lines of coverage by the end of the year.

We're working with many CFOs to find opportunities to right-size their coverage. For some, we actually recommend less coverage because their risk profile or risk tolerance has changed as a result of the pandemic.

This year, keep an open mind about the structure of your insurance programs. A creative broker can help you realize some cost savings if you are willing to think outside the box.

3. Employee retention and recruiting: Keeping your talent is imperative.
CFOs recognized the heightened importance of taking care of their employees and were supportive of initiatives to ensure the health and well-being of their colleagues. A "people first" policy in a time of great stress is essential for ongoing productivity as well as hitting your growth targets.

That sentiment was clear in our nationwide survey of over 600 organizations last summer. Here's what we heard:
• 41% said wellness is their top priority. They are focused on the physical, mental, and financial well-being of their employees.
• 32% are seeking to improve existing benefits to attract top talent.
• 30% want to migrate to a virtual or online platform to streamline benefits administration.

Looking forward, employee well-being will be an even bigger differentiator in attracting and retaining talent. The pandemic reinforced that your people are your most important asset.

Better days are ahead.
We're very optimistic about this year. Virtually every economic forecast is predicting strong growth. Take advantage of it by leaning on your partners to help you rethink expenses and continue to put the needs of your people first.

Our team at Marsh & McLennan Agency is here to help. We're strategic partners who develop cost-effective solutions to reduce risk and take care of your people.

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Withum
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About the Author

Nina Chmura is a partner at Withum with more than fifteen years of experience in the accounting and auditing field. She leads the Firm's OASyS practice and holds a strong role within the Firm's real estate, consumer products and not-for-profit service areas. She can be reached at nchmura@withum.com.

Conexus
CFO & HR Talent Solutions

Drivers of the Employment Market have Changed!

Despite the pandemic, lockdowns, and a recession environment, leaders in accounting, finance and human resources have maintained their livelihoods. These career paths are known to have a weak talent pipeline and a skills gap, and the unemployment data released recently bears this out.

The low unemployment rates were bolstered by a 20 percent increase in the number of job openings, led by industries traditionally hit by recessions. Construction is one example and was driven in part by a reinvigorated remodeling landscape, public works focus, and the associated purchasing needs.

We believe that the demand for hard-to-find professionals in both finance and accounting will grow at the manager level and above. As machine learning, AI, and general advances in ERP and HRIS systems make many of the clerical positions in accounting and human resources obsolete, technically skilled and experienced analytical thinkers will be crucial to analyze the data and make timely business decisions.

Skilled accounting, finance and HR professionals are always in demand. But no matter how much this feels unchanged, the reality is that hiring, and workplace dynamics have shifted dramatically. The needs of professionals have changed, workplace flexibility has become a priority, and both sides of the hiring process need more clarity. Looking for Consistency and Purpose.

Before the pandemic, accounting, finance, and human resources professionals actively searched for better opportunities: ones that would provide higher compensation or the ability to operate more strategically with technology. In a matter of months, the pandemic caused professionals in every industry to rethink their needs, their purpose, and their professional future.

Either because of the extended lockdowns or the return to a new normal, people are starting to look at options. However, the approach may be different from the past. The shock to the system has pushed employees to take a different approach to their needs. As professionals begin to look for new roles, they are looking beyond salary and job satisfaction—they are also looking for purpose and company values. Those in the corporate finance and human resource fields have been treated to long-term salary growth and are now looking for companies whose business values align with what they find important.

Remote work has been the name of the game in 2021, and companies have realized that the shift isn't as problematic as leaders once thought. But 2021 was built on the notion that this would not be a permanent gesture, and many fixes are still just meant to be in place temporarily. From video chat interviews to remote welcoming, onboarding, and training, leaders need to start understanding the overarching need for long-term remote management. The next decade will position remote work as a necessary component of any employment package, but the traditional workplaces are not disappearing. In speaking with most clients, we've found they believe that in-person collaboration is crucial, both to build a winning culture and also to stay strategically relevant in their marketplace.

In the second half of 2021, we will see a rather dramatic rebound of business demand in all areas. In 2021 businesses have remedied many bad decisions from the past, tightened spending, and trimmed overhead anywhere they could. This, plus deferred hiring decisions, is leading to pent up demand for expansion. With the cost of capital being at historic lows, it is a perfect time to borrow money to invest in business growth. For more information, please contact Mike at 949-540-9796 or mkelly@conexusrecruiting.com

About Conexus:
"Conexus" is Latin for "connection; joining together; combination." In addition to having a leadership team made up of former Big 4 CPAs, Controllers, and HR executives, we are experienced search experts who believe that clients benefit by partnering with an innovative, ethical, dedicated, and collaborative firm. The Conexus team brings decades of experience conducting challenging searches, identifying, recruiting, qualifying, and delivering the best and most appropriate candidates for positions at all levels. Our clients call on us to deliver candidates for their Permanent, Temporary, and Special Project recruiting needs in Finance, Accounting, Human Resources, and Information Technology.

While many search firms manage their employees via quotas solely tied to volume, Conexus manages its professionals using metrics that measure time to execute while maintaining a focus on quality, holding its team to a higher standard. Conexus' recruiting processes are designed around a pursuit for clients' success and satisfaction in all aspects of the Talent Acquisition process.

About Mike:

Mike has more than 20 years' experience in providing accounting, advisory, human capital, ERP system design/integration and human capital solutions. He is a Partner at Conexus, an Interim Solutions and Executive Search firm specialized in the areas of Finance, Accounting, Human Resources, and Information Technology. Mike was a Founding Partner of Irvine based Citadel CFO. In 2020, Citadel merged with Conexus, an Executive Search firm based in Los Angeles. The merger has turned Conexus into one of the largest and fastest growing recruitment firms in Southern California. With offices in Irvine, El Segundo, and Pasadena, Conexus provides human capital solutions to clients in a multitude of industries located throughout the SoCal region.

Prior to Citadel and Conexus, Mike founded, scaled, and sold multiple professional services firms:

He founded Spinnaker Financial Resources, which provided public and private companies with interim CFO, Controller, and direct hire accounting resources. The company was acquired by Tatum LLC, a national consultancy firm, and he played a lead role in growing their California presence to include offices in San Diego, Los Angeles, and San Francisco.

Next, Mike was a co-founder of Beacon Resources, which was named by the Orange County Business Journal as one of the fastest growing consulting companies in Orange County for four years in a row. Beacon was acquired by Gryphon Investors/DLC.

After Beacon was acquired, Mike co-founded Tactical Cloud, which grew to the fastest growing cloud ERP NetSuite partner in Southern California. Tactical Cloud was acquired by Eide Bailly, a top 20 CPA firm and the largest NetSuite provider in the company.

Mike is a former CPA who began his professional career in the Entrepreneurial Services Group of Ernst & Young, assisting an array of businesses from start-ups to mature public companies in audits and SEC reporting.

Mike received his BS degree with a concentration in accounting from Cal Poly State University, San Luis Obispo. He serves on the Ernst & Young alumni board of directors and is also a member of the American Institute of Certified Public Accountants.

94	8	30	48	93	96
% OF SEARCHES COMPLETED SUCCESSFULLY	AVG WEEKS TO COMPLETE AN EXECUTIVE LEVEL SEARCH	AVG DAYS TO MAKE A DIRECT HIRE PLACEMENT	AVG HOURS TO FILL AN INTERIM OR CONSULTING ROLE	% OF INTERIM CONSULTANTS WITH CPA OR MBA AND 15+ YEARS EXPERIENCE	% OF REPEAT CLIENTS

Save to Transform: Why Organizations Must Evolve Their IT Cost Reduction Initiatives into a Strategic Cost Management Program

Joey Lei, Director – Service Management and Jamie Mearns, CFO – Synoptek

IT cost reduction isn't an uncommon term. CIOs, IT Leaders, and CFOs in an enterprise discuss it in every budget cycle and executive meeting. The COVID-19 shutdown brought the topic to the spotlight once again. According to Gartner's report on cost-reduction mistakes, nine out of ten organizations have had their budgets cut in 2020. However, companies are simultaneously asked to strengthen their digital prowess by investing in transformative technologies that accelerate digital innovation and disruption. In this unique situation where companies need to expand their technological horizon with a slashed IT budget, immediate one-time actions to reduce IT expense levels are insufficient. Therefore, enterprises need to embrace more innovative and strategic cost initiatives that allow them to realign budgets to yield long-term savings that can be reinvested into new technology to drive business growth.

Short-Term IT Cost Reduction vs. Strategic Cost Transformation
The biggest challenge with IT cost reduction programs is companies don't leverage the savings. Gartner reports that less than 50% of leaders achieve their cost reduction program's set targets in the first year and stop there, and most programs fail because they focus too narrowly on reducing costs in one area with no plan for growth.

Companies that are overly focused on short-term IT cost reductions don't grow at the same pace as competitors who utilize long-term cost management planning. When overextended, these short-term cost reduction initiatives may distract from the company's objective to achieve growth in the long run.

Strategic cost transformation plans, on the other hand, work backward from the business objective and are more cost-efficient by nature. They take into account the continuous improvement cycle that businesses need to go through to optimize their IT organization and deliver sustainable business results along the way. However, strategic cost transformation initiatives need upfront investment and take time to show tangible, measurable results. A strategic cost transformation plan needs:

- An assessment of the organization's long-term business needs and complementary technology solutions necessary to support growth
- A business plan that justifies the technology investment
- An enterprise-caliber advisory team to help streamline decision-making and a world-class operations organization to regularly optimize and get it done

The 4-Step Process to Strategic Cost Transformation
When organizations are making a forced cost reduction, the goals for growth and digital transformation seem conflicting. However, when the scope of the reduction moves from a tactical, short-term measure to an important milestone in the creation of customer value, it is both tactically relevant and strategically important. Unlike one-time cost reduction techniques, cost transformation is an ongoing initiative. It gives the organization a force multiplier to utilize savings to supporting necessary innovation and process improvements that help the business grow at the desired pace.

To evolve a tactical cost reduction model to a strategic cost management program, organizations need to follow this 4-step process. Each of these steps helps mature an organization's IT environment.

1. Envision: Identify the desired business state and the financial investment needed to get to there.
2. Transform: Rationalize legacy solutions, renegotiate vendor contracts, minimize technology investments in the declining business units, and invest in growth technologies.
3. Evolve: As the business emerges to a more sustainable path to growth, optimize costs for day-to-day efficiency because technology demands are not static. They fluctuate according to real-world market conditions, seasonality, and the demands in one area will shift to others over time.
4. Grow: Consistently measure results against business objectives and align the spend against those objectives. Real-time insights are critical to visibility on how growth initiatives are performing.

Understanding the Business Drivers to Create Sustainable Cost Transformation
Along with the 4-step approach to the cost transformation plan, understanding the business drivers that shape the IT environment is critical as well. While putting together their cost management plan, organizations must consider these drivers:

- Strategic enablers (growth levers) – what is directly driving value?
- Causes of risk (security, IT, business) – what is a risk to achieving that outcome to mitigate?
- Understanding of areas of friction or lack of efficiency – what might cause that outcome to be achieved sub-optimally?

By understanding these drivers, organizations will have clarity on which transformation actions to initiate when pursuing the desired business outcome. Therefore, they will be able to create a long-term sustainable plan.

Tips to Get Started Now
1. Before embarking on the cost transformation journey, an organization should be ready to take the risk of changing its structure (mix of process, people, and technology change) and should care about the long-term growth more than immediate savings. Then, to get to the 'Envision' step, they should work backwards to identify the investments needed to realize the desired outcome. An evaluation of the desired goal and the technology required to get there also gives the proper understanding of the costs necessary to deliver timely results.

2. The second tip is to look at a multi-year horizon plan and incremental tactical innovations. Remember, incremental tactical innovations are essential because adding value in the short-term eventually creates the confidence and the capability to pitch cost-intensive technology-driven innovations for higher growth levels.

3. The last but most critical tip is to partner with a strategic IT consulting firm that has the experience of taking organizations from a tactical to a strategic IT cost management model. An experienced partner has insights into the technology and cost investments that are likely to succeed.

Synoptek's Cost Transformation Service
Synoptek's portfolio of consulting services include overall 'IT cost-transformation' that provides a complete review of all technology services and the costs associated with operating those services. By prioritizing business needs, the use of technology, and the costs of supporting those technologies, Synoptek has helped its clients improve profitability and achieve growth. To have a detailed conversation about how we at Synoptek can help you on your cost transformation journey, please contact us at www.synoptek.com.

About Synoptek:
Synoptek is a business and technology consulting firm that helps businesses envision, transform, and evolve. As a global systems integrator and managed technology services provider, Synoptek partners with organizations worldwide to help them navigate the ever-changing technology landscape and build solid foundations for their business. With its comprehensive offerings, global workforce, and strategic technology partnerships, Synoptek helps organizations grow their business while optimizing and protecting their ecosystem. With growth, ownership, inclusivity, and philanthropy embedded in its DNA, Synoptek is committed to delivering improved business results and unmatched service to all its stakeholders.

About the authors:
Joey Lei is Director, Service Management at Synoptek. With over 14 years of experience in Engineering and Product Management, Joey is responsible for development and growth of the Synoptek Service Portfolio as well as solution development with strategic technology alliance partners. His generalist business acumen and technical software background allow him to drive business strategy and execute solutions that solve customer priorities up and down the technology stack.

Jamie Mearns is the CFO at Synoptek. He comes with a demonstrated history of hands-on leadership working in the consumer goods, manufacturing industries, distribution, and financial services industries. Over the course of 27 years of his professional career, Jamie has worked for private equity, family-owned, and Fortune 500 companies and possesses skills across financial audits, strategic planning, mergers and acquisitions, compensation, risk management, and working capital management.

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Business Transformation Starts With You;

How the Finance Team is the New Driving Force for Business

Finance and Accounting are changing. The traditional corporate finance operating model is not positioned to meet the demands of your business. As CFO, you are expected to drive strategy, manage cross-functional resources and spend, evaluate the potential of new products and markets, and create a competitive edge - all while managing day-to-day finance and accounting activities! You need partners who can help.

Create Impact with Disruptive Technology

Technology is essential to the office of the CFO. Tools and resources are constantly changing and advancing, which is disrupting traditional ways of doing business. CFOs are now expected to embrace the digital financial movement. Because of this, we have seen an increase in need across our client base for financial consultants with experience in Artificial Intelligence, Machine Learning, Blockchain, Robotic Process Automation (RPA), and financial security – in addition to more traditional skillsets. Our firm is well-positioned to support these technical financial projects and needs.

The demands in finance teams are constantly increasing. According to the Bureau of Labor Statistics, finance roles will continue to grow into 2029 by an estimated 5% due to globalization, complexity to the tax and regulatory environment, and most notably, the increase in data, customer, and product usage demands and market research analysis. As the demands on finance and accounting organizations continues to expand, the ability to find the right talent becomes increasingly important – and increasingly difficult / time consuming / expensive. Partnering with a firm with flexibility across consulting and staffing opens up more opportunities.

Rethink Finance and Accounting Talent

The job market is tight, and the landscape of resources to support talent needs is complex and competitive. Temp firms are a dime a dozen – our CFO and Controller clients get cold-called by a new one every week. To simplify the market for our clients, we have built a unique and complete platform that offers high-quality, permanently retained bench consultants with DLC, as well as traditional individual and perm placements through Beacon Resources. Together, DLC and Beacon provide access to the entire market of available finance and accounting talent in Orange County – and beyond!

Your Initiatives Require a Team of Experts

Whether individual contributors or project consulting teams, we have you covered. We understand not only the job but the importance of relationships. Build a team that drives your strategy, analytics, and digital transformation with market data and intelligence. Create the ability to arm your teams understanding customer purchase history, product pricing, supply chain management, production cost and margin data, your companies financial performance, and more. With the right team, the impact is endless on what you, as the CFO, can offer.

With an increasingly remote world, the ability to scale is now on a national playing field. As part of national consulting and staffing company Addison Group, we support our clients in additional geographies across the country and additional functions such as Information Technology and Engineering, Digital Experience, Healthcare, Administration and Human Resources, via other sister companies.

Simply put, we are the best partner to give you a one-stop-shop experience for the finance and accounting roles you are seeking. Those already in our network, we greatly appreciate the opportunity to support you, and those we have not worked with, we are eager to meet and help with your F&A talent, either today or in the future. For more information about our partnership of brands, please visit us at www.dlcinc.com or www.hirewithbeacon.com

"We have the largest network and most **complete access** to Orange County's finance and accounting talent."

Dak Gilinsky
Managing Director, DLC


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DLC & Beacon Resources are your partners for all staffing and consulting requests. Our solutions will delight you- with an extensive network and exclusive access to Orange County's BEST finance and accounting talent.
For more information about DLC and Beacon Resources, please visit www.dlcinc.com or www.hirewithbeacon.com

Deloitte.

Getting the digital transformation process right

By Jennifer Veenstra, Managing Director, Deloitte Services LP

Facing new pressures and constraints, companies are working to improve their agility and flexibility, increase automation, and move to more real-time operations. Accelerating digital transformation efforts will likely take a rededication to improving cloud infrastructure, data and analytics capabilities, and cybersecurity. It will also likely require a renewed focus on business model transformation and ecosystem development. And very importantly, the digital transformation process often requires fundamental shifts in mindset, culture, and procedures.

How to think about the digital transformation process

Companies that recognize and leverage the power of digital transformation typically show stronger progress in critically important business areas, including growth acceleration, cross-functional talent, and new value-generating business models.

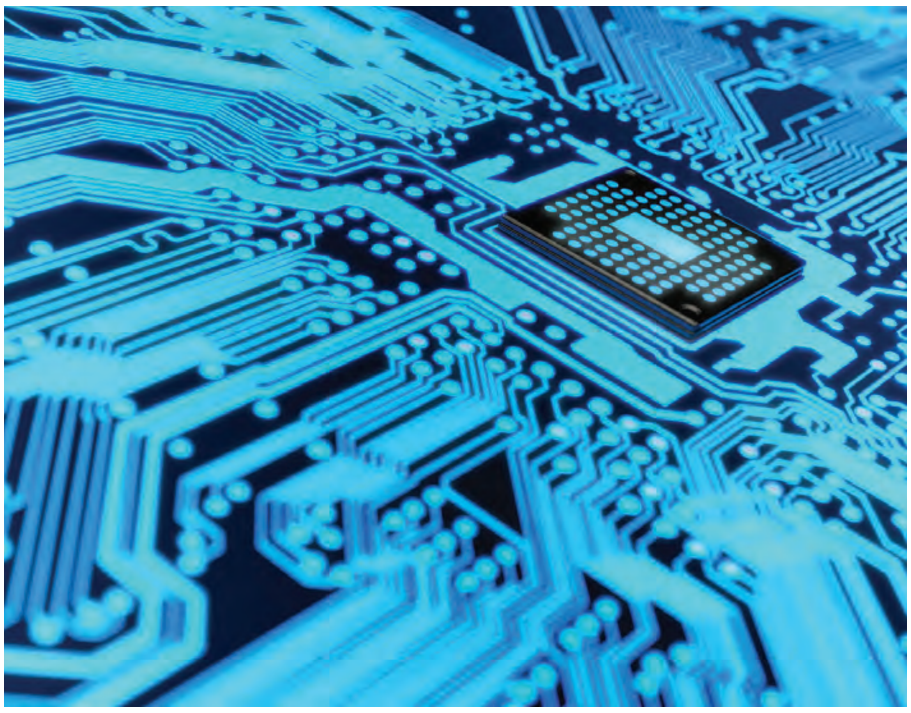
A recent study from Deloitte Digital and MIT found that companies reaching significant levels of digital maturity:

- Collaborate more with external partnerships, developing digital ecosystems and cultivating relationships to facilitate digital innovation.
- Exhibit greater flexibility as they work with internal and external teams.
- Give greater autonomy.
- Foster an environment where all are pushed to succeed.
- Are more likely to abide by the company's ethical standards in relation to digital initiatives.

Still, leaders shouldn't think about a digital transformation strategy from a technology-only perspective. A successful digital transformation process often requires deep organizational shifts in thinking, culture, and operations.

Digital transformation needs synergy and security

Digital transformation starts with people, not technology. Often the most difficult task when creating and implementing a digital transformation strategy is aligning people's mindsets, company culture, and the way work gets done.



Our study with MIT also found that companies thriving in the digital landscape all took similar approaches to their digital transformation process, including:

- Engaging with others outside the organization to drive innovation.
- Reevaluating the collaboration between teams and assessing how cross-functional teams may benefit the organization.
- Loosening the reins within the formal organizational structure, allowing teams to experiment, fail, learn, and course-correct.
- Defining ethical guidelines for digital innovation and transformation.

A mindset of change with ambition is what can open doors for digital transformation. Technology is constantly and quickly advancing. Businesses and their people should have ambition to keep up with the fast-paced environment, seek change, develop their competitive edge, and discover new business models.

To become comfortable with this mindset, organizations can focus on three things:

Think big. Look five, 10, or 15 years into the future and envision what trends and technologies can enhance, or potentially harm your business.

Start small. Develop a series of small steps instead of trying to take one large leap toward incorporating digital technology into your business.

Scale fast. Identify key takeaways and act quick to incorporate them elsewhere.

In a rapidly changing marketplace, a company's belief in the importance of change and innovation can be an important enabler of digital maturity. The mindset and change in fundamental processes and organizational culture should come first, followed by the digital tools.

Seize the future

The digital transformation process helps future-proof businesses with technology by creating a source of opportunity for organizations that can shift their mindset and seize the moment.

But with technology evolving at a rate that's difficult to keep up with, companies should implement compliance training around data protection to improve employee awareness about new data rules and regulations. When companies lack awareness around data protection, it can wreak havoc on their digital transformation strategy.

A modern data strategy should include continuous protection. Automation and mobility of digital applications and data can enable companies to protect not only consumer information, but also their own reputation.

For more information about how to ensure your digital transformation is on track, contact Marshall Solomon, Orange County Managing Partner, Deloitte LLP, 714.436.7688, or visit www.deloitte.com.

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INSPIRING BRAND STEWARDSHIP

The value of a brand is impossible to deny. We honor the nominees as outstanding brand stewards and commend their roles in protecting, preserving and championing their company's most important assets.

"From the start we have envisioned the Lugano brand to mean a unique and superior jewelry experience in every facet of our business," says Moti Ferder, CEO and design director of Lugano Diamonds. *"Our brand is all about the relationships we have with our clients, and our jewelry reflects those relationships as we work to deliver exquisite works of art that are meant to be worn and worn often."*

Lugano Diamonds presents the pieces below featuring exquisite sapphires and diamonds that add extra brilliance to any look.

Spellbinding Beauty

What dreams are made of — this statement-making Siren Necklace radiates with carats and carats of tanzanite, turquoise, mother of pearl, coral and both rose cut and round brilliant collection VS diamonds. Set in titanium and 18k white gold, you'll treasure this work of art for years to come.

Classic Perfection

What could be more gorgeous? This classically beautiful Sapphire and White Agate Ring astounds with a stunning 14-and-a-half carat oval sapphire accented by round brilliant collection VS diamonds surrounded by white agate and set in 18k white gold. Worn day or night, this ring will not only complement but enhance all of your important life occasions.

Timeless Artistry

Star light, star bright — these stunning Titanium Dangle Earrings exude impeccable style and eternal brilliance. Phenomenal artisanship weaves together blue titanium into a sophisticated design of kite-shaped, rose cut and round brilliant collection VS diamonds. Set in titanium and 18k white gold, these drops are a symbol of rarity and beauty that will last for generations.

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An experience as remarkable as our collection

We welcome you to view our stunning collection at the Lugano Diamonds Grand Salon located at 620 Newport Center Drive, Suite 100, Newport Beach, our additional locations in Aspen and Palm Beach, and our newest location opening in Ocala at the World Equestrian Center this spring. Call 866.584.2666 or email info@luganodiamonds.com for more information.

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If You Get a Divorce, Will You Still Control Your Business?

By Paul Nelson, Esq.

“If you fail to plan, you are planning to fail.” Benjamin Franklin said this a couple hundred years ago, but its wisdom remains just as potent today. Any successful businessowner knows thaat to survive in a competitive environment, let alone prosper, careful planning is essential. One must weigh likely future demand for one’s products or services against the predicted cost and myriad other factors.

It’s also not only critical to prepare for likely events, but unlikely ones as well. Which is why a well-run company will have insurance against fire, theft, the loss of key personnel, and even lawsuits.

Risky Business

But how many business owners also plan how to maintain control of their company in the event of divorce? It’s a contingency few consider a threat. If you believe you’re in a happy, stable marriage, making plans to prevail in the event of marital dissolution feels like undercutting the trust upon which your union is built.

This mindset can be highly risky. Ignoring the dangers a divorce poses to your business you spent a lifetime building is tantamount to going without health insurance or driving without a seatbelt. It’s professionally irresponsible. Why? What can happen to a privately held business in the event of divorce can be devastating — especially where we live.

Half of Your Company?

California happens to be a community property state. This means, in the event of divorce, a couple’s assets are divided equally between them. Such property not only includes homes, vehicles, cash, jewelry, and other personal items, but also business assets that may be owned individually or jointly by the spouses.

As a result of this reality, the person who owns a small business/sole proprietorship, is a partner in a firm, or owns stock in a corporation, may have to surrender half the value of such interests to their spouse in a divorce. This can force a divorced individual to buy out his/her “ex” to regain control of the business, a potentially expensive and not always doable proposition.

Fortunately, there are ways to plan for such a contingency. One strategy involves reducing the perceived value of the asset so when it comes time to split it in half, the loss is minimized. A skilled forensic accountant can employ numerous strategies to accomplish this goal, including:

- Reducing owner’s draws
- Separating the value of the business built before a marriage from its value achieved after nuptials
- Determining what value, if any, the spouse has in the business
- Minimizing the business’ total value for community property purposes

Having an experienced, knowledgeable divorce attorney steeped in California community property law is also critical to this process. Such an attorney can help you with the considerable planning that goes into maximizing one’s return while minimizing what you pay for it.

Ultimately, even if you consider your marriage to be as solid as Gibraltar, divorce planning should be just as important to you as business planning, financial planning, and estate planning. As another adage so eloquently reminds us, “It’s better to have it and not need it than to need it and not have it.” Truer words were never spoken.

PAUL NELSON

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What Tax Changes Might Be Around the Corner in 2021?

One of the main questions many people have in their minds as the Biden Administration moves into full swing is what potential tax changes to expect moving forward. Any answer has major implications for both businesses and individuals, with big questions as well about what anticipated changes might mean for the economy, including in the state of California, going forward.

While many answers are still in progress or even extremely speculative, plenty of well-connected minds are starting to queue up the questions and pose some theories about the answers. Of course, many of the changes the Biden Administration wants may be tweaked or even radically altered as the political process moves forward. But the anticipated changes to the tax code may be substantial and wide-ranging, so it's worth taking a moment to ponder what we might be able to expect. Here's just a touch of what many experts are saying.

Increases to the Corporate Tax Rate
The Biden Administration would reportedly like to hike the corporate tax rate from the current 21% to 28% — which is still lower than the previous 35% top tax rate. However, many in the know think the final corporate tax rate will be more in the 25% range.

Related Corporate Tax Changes
Many anticipated tax changes seem to focus on providing incentives to keep or return jobs to the United States from overseas. Among the other corporate tax changes, many of which are specific to business in certain industries, are the following:

- A "minimum tax" of 15% on corporations booking more than $2 billion in income
- An offshoring surtax on U.S. companies producing profits overseas for sales occurring in the United States. This surtax (or penalty, as some see it) for offshore activities would also apply to offshore services, including, for example, overseas call centers
- An increase of the GILTI (global intangible low-taxed income) rate on foreign-sourced income from 10.5% to 21%, with no exclusions.
- An end to deductions for consumer drug advertising expenses
- A 100% repeal on bonus depreciation
- A repeal of tax preferences for fossil fuel companies
- An end to deductions and write-offs for companies moving production or other jobs overseas

Anticipated Corporate Tax Credits
Tax credits and incentives also focus on bringing jobs back home, as well as on environmental concerns. Among the anticipated credits are expanded tax credits and new incentives for small businesses, as well as businesses in the carbon capture, manufacturing, and renewable energy sector. In addition, expect to see a 10% "Made in America" tax credit for foreign jobs, including call center jobs, brought from overseas to the United States.

Increased Personal Taxes for Taxpayers with Incomes Over $400,000
One of the most touted tax changes coming down the road is an increase in the tax rate for taxpayers making more than $400,000 per year. The top tax rate for that income bracket will rise to 39.6% from the current 37%. In addition, itemized deductions will be subject to a cap of 28%. The Biden Administration has stated repeatedly that no taxpayers with income under $400,000 will see an increase in their tax rates.

Increases in Capital Gains Tax Rates
High-income taxpayers, probably those with an adjusted gross income of over $1 million, are expected to see an increase in capital gains tax rates as well as on dividend income. However, it's not clear what kind of increase to anticipate over the current rate of 23.8%. While the number of 43.4% has been floated by some, others expect the Senate to balk at any number higher than 31.8%. All those figures include the 3.8% tax on net investment income.

Tax Cuts for Low-Income Families
While high-income households are likely to feel a bit of a tax pinch, lower-income families may reap benefits through anticipated tax cuts. The Child and Dependent Tax Credit may rise to $8,000 per year from its current level of $3,000, with a $16,000 cap per household. That credit should infuse more money into the economy by putting spending cash into the hands of households that need it for basic household or educational expenses.

Changes to the Cap on State and Local Tax Deductions
Currently, federal income tax deductions for state and local taxes (SALT) are capped at $10,000. This cap hits hard for many California taxpayers, who pay a lot in local taxes, including property tax. The cap may change in ways that are tough for some tax payers, less so for others.

Word is that the cap may be repealed entirely — but perhaps replaced with various limitations on itemized deductions. Those limitations may include a 28% on the value of itemized deductions for households earning over $400,000. While the removal of the cap sounds like potential good news for homeowners and other middle-class taxpayers, many may find that the changes mean they can no longer itemize deductions, which could increase their tax burden.

Tax Implications for Remote Workers
As the pandemic drove workers out of the office and into their homes, new tax issues have begun to arise. Employers are required to withhold income taxes and Social Security/Medicare in the state where the employee lives. Before the pandemic, this rarely caused any issues, as employees typically live near where they work.

Now, however, many office-based employees are working in other states. As a result, some states have implemented legislation aimed at capturing income taxes from remote workers whose employers are located across state lines. Notably, New York is now demanding state income tax from non-New York residents who work for employers based in the state.

This means employers need to be careful to check on employees' locations and to investigate state reciprocity rules to make sure they're paying taxes at the appropriate rate and to the appropriate state. Employees may find themselves in a quandary if they find two states are demanding state tax on their income.

Many of the above proposals haven't been well-defined yet, and certainly many face steep political opposition before they can be voted into effect. Others may find themselves subject to compromises before they become law. Keep an eye on these areas of tax law, however, to start to plan for both your business and personal tax situation in 2021.

As people get back to work and as we all try to adjust to the new normal, remember that Marquee Staffing is always here for you. As your business ramps up and looks for new talent, we are ready to help you take your company around the next corner to whatever lies ahead.

Renee Loignon Dion
Chief Financial Officer
Renee Loignon Dion joined Marquee Staffing in 1994, today she is the company's CFO, overseeing all Finance and Accounting functions for Marquee Staffing. Her expertise and understanding of the Finance and Accounting industry is a great asset to not only Marquee Staffing but our partners and clients.

To learn more about Marquee Staffing please visit us at www.marqueestaffing.com.

Your bank as a source of strategic and capital structure advice

We're at a point in the business cycle—with economists forecasting robust growth—that merger and acquisition activity is starting to percolate and companies are pondering strategic moves. If that's what's happening at your middle-market business, here's an important question to consider:

Are you working with a bank that can provide the strategic and capital structure advice you will need to grow or sell the business?

Traditionally there haven't been many financial institutions willing and able to offer that level of thought leadership to middle-market clients. So, with a bullish outlook for growth starting to spin the wheels of change, how do you determine if your current or prospective bank can provide you with timely advice?

What kind of advice do you need?

For starters, you will need strategic advice to help you figure out what you should buy (or continue to own and run) and how to pay for it.

The ideal bank to provide such advice has an approach that emphasizes learning about your business and current strategy, including your positioning, outlook, concerns and the opportunities you have identified. Ideally, you want a team of bankers who will engage you in a series of conversations in which they listen, ask questions and gently challenge you. Then, once they have the context and have established a dialogue with you on strategy, they can offer perspectives, advice, introductions and, ultimately, financing to support the execution of your chosen strategy.

In addition, you want bankers who can help you step back and think about your capital structure (both existing and potential) in context. You will need advice on how to balance debt and equity, alternative capital types that might be available, and how best to harness capital to benefit from an opportunity or solve a problem. Discussions with your bankers should cover the suitability, relative merits and possible shortcomings of particular types of debt and equity capital, in the context of your business's unique situation.

Once you settle on an approach, you want a bank that can engage its product teams to execute the transaction, whether on its own, with the participation of other local institutions, or in the syndicated debt, bond or equity market.

Evaluating a bank's advisory capabilities

Here are some questions to ask banks to gauge whether they can offer a high level of thought leadership:

- ***Does the bank have a dedicated corporate advisory team? What corporate finance experience do team members have?*** It's helpful to have advisors with investment banking backgrounds and experience buying and selling companies and raising various layers of capital from senior debt down to equity.
- ***Can they offer your finance team a capital markets "teach in"?*** This could be a business school level presentation, informational and broad, covering debt and equity capital markets from asset-backed loans to public equity, including market dynamics, requirements and potential challenges.
- ***Can they counsel you on your acquisition financing capacity?*** You want a bank that can assess your capacity to finance various acquisition scenarios with debt, and review potential acquisition targets with you.
- ***Can they walk you through debt financing alternatives?*** Let's say you are considering transitioning from a sole-bank financing relationship that you have outgrown. Does the prospective new bank have advisors who can sit down with you to explain and execute on your debt financing alternatives?
- ***Can they advise you on transaction structuring?*** For example, can the bank counsel you on how best to structure an arrangement with a private equity firm to partner in an acquisition?

Solving problems or selling you something?

As the economy heats up, companies of all sizes will be looking to make moves to grow or sell their businesses. Middle-market companies face a challenge in finding a bank that can help them navigate the corporate finance playing field.

In this environment, it pays to have a bank capable of engaging you in wide-ranging discussions about industry dynamics, strategy and capital structure alternatives. Through these discussions you can gain insights that can help your business grow efficiently; gather information to make well-advised, informed choices; and approach strategic alternatives with conviction.

When choosing a bank, pick a capital markets savvy institution that will listen to you and help you maximize value.

It boils down to this: You want a bank that can demonstrate it's focused more on helping you achieve your strategic and financial objectives than on selling you something.

Union Bank Brings Corporate Advisory Team to the West Coast

Union Bank has a long history in Southern California as a trusted partner for creative capital and banking solutions. Recently, the bank expanded its Corporate Advisory Team of finance specialists to serve Commercial Banking clients on the West Coast. In partnership with each client's relationship team, Corporate Advisory now offers strategic and capital structure advice to both public and private middle-market companies in the region.

To learn more, contact:

Paul A. O'Mara
Managing Director
Union Bank
Orange County Commercial Banking Office
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paul.omara@unionbank.com

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CFO of The Year Award Nominees

Jim Adams, CFO
Newport Healthcare, Irvine
Jim Adams has more than 30 years of experience in finance and accounting, eight of those in the field of behavioral health. He has led financial operations for both publicly traded and privately owned companies, including his role as VP of finance for Apria Healthcare Group, one of the nation's largest home healthcare providers. Adams also served in CFO positions for companies specializing in physician practice management, hospital reimbursement, and insurance and IT services. He is dedicated to supporting Newport Healthcare's mission to provide clinical excellence to as many families as possible in an underserved and growing market.

Ned Algeo, CFO
Xperience Restaurant Group, Cypress
Xperience Restaurant Group is one of the nation's leading operators of casual, polished casual, and fine dining brands. XRG concepts include Acapulco, Chevys Fresh Mex, El Torito, El Torito Grill, Las Brisas, Who Song and Larry's, Sinigual, and now, SOL and Solita. Ned Algeo has been CFO of Xperience Restaurant Group for over two and a half years. During his time, he has overseen the development and opening of two new locations in Boston and Miami. Algeo has successfully led and closed two strategic acquisitions, adding eight additional restaurants and two new brands to XRG's portfolio. Algeo also increased projected Company profit through these strategic initiatives by over 50%. He worked very hard during the pandemic to strategize cash preservation, negotiate rent relief and payment term extensions from all major vendors. Due to the strategy used by Algeo and the company, end of year cash balance is projected to be significantly higher than at the beginning of the year. Overall, Xperience managed through the pandemic without closing a single restaurant or taking on new debt.

Floyd Amuchie, VP & Corporate Controller
Iteris Inc., Santa Ana
Floyd Amuchie was a key member of the executive team that completed two acquisitions of complementary businesses, which expanded the geographical footprint of Iteris, as well as the divestiture of a business unit which enabled the organization to become a pure play. Amuchie also assisted in the development of the market strategy, as well as board and investor communication to drive support for the pure play strategy. Amuchie led the successful, on time, under budget, integration of the acquisition as well as the close out of the divestiture. Amuchie was a key member of executive team that led an oversubscribed confidentially marketed public offering, raising $29 million. He led the development, coordination, and filing of prospectus, and prepped the CEO and CFO for investor meetings. Amuchie initiated and implemented new technology in several areas, automating key processes and eliminating non-value-add work, which improved and accelerated decision-making. Amuchie further led the deployment of the Oracle Cloud ERP suite and Oracle business intelligence platform to displace multiple legacy systems and reduce costs while improving business outcomes.

Susan Berglund, CFO
Easterseals, Irvine
During Susan Berglund's two-plus decades with Easterseals Southern California (ESSC), gross revenues have grown from $6.5 million per year to nearly $300 million today, and she has built her team from five to 29. Overseeing and coordinating the corporate budgeting process, Berglund is responsible for the organization's financial management including all accounting, treasury, tax, credit/collections, audit, planning and analysis. As a member of the executive team, Berglund has developed the overall strategic plan for ESSC and her financial leadership has provided the organization with stability and the opportunity to grow all its programs, including autism therapies, employment services, child development centers, living options and adult day services. Due to Berglund's strategic planning and years of successful fiscal management, ESSC was well-positioned to face the unexpected challenges caused by the outbreak of COVID-19. During the pandemic ESSC was able to quickly pivot to providing telehealth and other teleservices to participants and their families, while maintaining the organization's full staff and their benefits. This was possible, during an economy where many businesses faced layoffs and other reductions, because of Berglund's long-term investment strategy that built solid resources ESSC could use to weather a crisis. As a result, the 13,000 participants and families that receive services from ESSC know first-hand that they can count on the organization to always be there to support them with essential services, no matter the challenge.

Brad Biddle, CFO
Insulectro, Lake Forest
As CFO of Insulectro, Brad Biddle has negotiated and closed new agreements with suppliers, resulting in a 20% growth in revenue. He has also negotiated and closed a new credit facility with Wells Fargo, reduced inventory write-offs from 1% of sales to 0.25% of sales and has reduced bad debt write-off from 1% of sales for nine consecutive years. In addition, Biddle has increased volume rebates with vendors, saving $500K per year.

Christina Bosserd, Vice President, Finance & Planning
Eaton, Irvine
As CFO of Eaton's Aerospace Group, Christina Bosserd has celebrated record financial

Turning Roadblocks into Building Blocks For Women-Owned Businesses

Today, there are nearly 13 million women-owned businesses, which represents 42% of all U.S. businesses. These businesses employ 9.4 million workers and earn $1.9 trillion in revenue. Over the past five years, the number of women owned small businesses increased by 21% while comparatively, all new businesses increased only 9%. Despite their successes, women entrepreneurs still face many challenges to obtaining funding for their enterprise and building a support network to ensure their business stands out and is positioned for success. As these business owners navigate these challenges - as well as ongoing difficulties of the COVID-19 pandemic- here are some steps that can help to turn these roadblocks into building blocks for their success:

Continue to explore funding options – Women-owned small businesses have been more heavily impacted by the coronavirus pandemic, with 71 percent reporting a loss in revenues or sales according to a Wells Fargo/Gallup study completed last year. As business owners continue to feel the impact of these unprecedented times, there are many assistance options to help businesses and non-profits continue their road to recovery. The U.S. Small Business Administration (SBA) is a great starting point to learn about available federal resources and programs. Traditional lending products such as 7(a) loans, 504 loans and SBA express loans can provide access to capital, as well as specific relief programs such as the Paycheck Protection Program (PPP). There are also many free resources and tools to help educate women business-owners on other credit and financing options. Additionally, when choosing a lender, consider financial institutions that have demonstrated a commitment and track record of working with minority and women-owned businesses, as well as a lender who may have implemented programs focused on women-owned businesses.

Identify your support network – Having a support system to lean on is a huge asset for any business owner, but it's especially important for women. While COVID has created many unique challenges to in person networking and meeting face-to-face, it's important as ever to seek virtual ways to get involved with organizations dedicated to supporting women business owners. For example, the National Association of Women Business Owners (NAWBO) and the Women's Business Enterprise National Council (WBENC) have chapters and regional partners across the country that offer peer-to-peer professional development programs for members. These organizations are dedicated to helping women find the right financial tools to successfully run and grow their businesses. Another great resource for women business owners is SCORE, which offers online newsletters and webinars in addition to an extensive database of female mentors.

Business owners should also consider the immense value of having an assigned relationship manager at their primary bank. According to a recent Barlow survey, 70% of small businesses who interact with a dedicated Account Officer are very satisfied with their bank compared to those who don't.

Be you and set measurable goals – Every business owner needs to consider market saturation and how to make their particular offerings stand out and get noticed. When thinking about starting a business and establishing goals, women business owners should consider both their personal and business objectives, and see where they align. What's motivating *you* to establish your business and what makes *your* business unique? One of the most important things women entrepreneurs can do to stand out is to be their authentic selves, while planning and setting measurable goals along the way. One way to organize is to get ideas down on paper by creating a written business plan to shape your strategy. It will also be important to check-out competitive intelligence tools that can help you map your business against competitors and inform your path forward. Your business plan should reflect changes in your business, the industry or the market. With COVID-19 impacts, it is equally important to incorporate the changing needs of customers and economic conditions in order to keep your plan current and respond to the ever-changing environment.

No matter which sources you choose to fund your business, build a network, and establish a plan, remember that knowledge is power. By taking the time to arm yourself appropriately, you can confidently navigate potential roadblocks and pave the path for your business success.

Keith Kobata

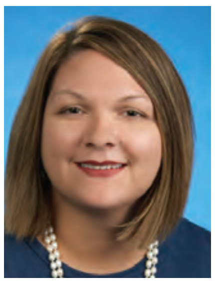
Keith Kobata is the region bank president for the Orange County region leading more than 1,200 team members and managing 79 Wells Fargo branches. His team is responsible for building relationships with existing and perspective customers by leveraging and optimizing Wells Fargo's products and services to help our customers succeed financially.

Keith Kobata
Region Bank President
Orange County
Wells Fargo & Company

In his 24-year banking career , Kobata has served as the area president for the Greater Orange County area where he was responsible for overseeing Wells Fargo's Community Banking throughout north Orange County and Long Beach, as well as banker, branch manager and district manager.

Kobata is actively involved in community events and nonprofits and serves on the board of directors for Orange County Business Council, Orange County United Way, Santa Ana Chamber of Commerce and Wells Fargo's local Foundation Giving Council.

He currently resides in Irvine.



performance in 2019, led the financial side of due diligence for two acquisitions and helped the business navigate the unprecedented challenges of the COVID-19 crisis. Bosserd's leadership in identifying and implementing cost containment actions and cash flow efficiency resulted in continued industry leading performance for the business. One of the many reasons she has been successful in leading the business through the pandemic crisis is because of her experience and knowledge of all aspects of the business. Whether it's representing Eaton on contract negotiations to earn the first price increase in 20 years with a key customer or generating the largest month of shipments ever as an interim operations leader for their aftermarket business in Jackson, MS. Since joining Eaton, Bosserd has moved up through the ranks quickly, which is another testament to her accomplishments and leadership.

Tracy Branson, CFO
Orange County Community Foundation, Newport Beach

As the Orange County Community Foundation's (OCCF) chief financial officer, Tracy Branson has played a pivotal role in OCCF's tremendous growth over the past three decades. In OCCF's Fiscal Year 2020 which ended June 30, 2020, OCCF recorded its highest year ever for granting, awarding $102 million in grants and scholarships in Orange County, across the nation and around the world. Since the organization's inception in 1989, OCCF has now granted more than $730 million to meet needs locally, across the nation and around the world. Nationally, OCCF ranks in the top 1% among 780 community foundations for grantmaking activity. In just the past five years, OCCF's assets have increased nearly 60% to $421 million, and the Foundation now averages $100 million in annual contributions. In FY'20, Branson led OCCF's acceptance of $118 million in contributions to OCCF. Nationally, OCCF ranks in the top 10% for assets among U.S. community foundations. This growth has been facilitated through a significant increase in appreciated stock gifts. In addition, OCCF accepts gifts of complex assets such as homes, commercial property and business interests that Branson leads the process of monetizing in partnership with OCCF's expert advisors to maximize the charitable dollars to be reinvested in the community. Aside from the financial expertise that Branson brings to OCCF, she is a trusted resource for the OCCF team, the Foundation's donors and the Orange County nonprofit sector.

Justin Cary, Controller
LSA Associates, Irvine
Justin Cary took over the accounting department at LSA Associates which had a vacancy at the controller position for the prior five months and the sole senior accountant was resigning the next week. Cary performed wholesale revamping of accounting procedures and general ledger entries to catch up on five months of monthly closing while also making numerous adjustments to prior periods to bring the company into compliance. He also concluded shepherding the company through it's first financial statement audit within four months of being hired.

Kitty Cheung, CFO
Red Digital Cinema, Irvine

Kitty Cheung is the first female CFO in the history of Red Digital Cinema. She streamlined business activities and led efforts to maximize operational efficiencies with approximately $10 million in cost reductions in 12 months. Cheung helped bridge the gap between finance and customers, built out a finance and IT team whilst cleaning up issues. She has also put processes and structure in place to allow the business to pivot from a start-up mode to a growing company. Cheung has developed and mentored team members by investing in their professional development and providing them with opportunities to advance their careers and personal goals.

Curt Christianssen, CFO
Pacific Mercantile Bank, Costa Mesa

Curt Christianssen has dedicated most of his career working in the banking industry, with a specific focus on community banks. Christianssen is a key member of the management team that turned around Pacific Mercantile Bank, which worked with its strong Board to implement and execute its strategy focused on banking medium sized businesses, designed to help those businesses succeed. Christianssen has made a difference in his leadership role at Pacific Mercantile Bank and with his community involvement. As CFO of Pacific Mercantile Bank he has shown to be a dedicated partner with clients during an unprecedented and challenging year serving medium-sized business clients. For example, he led the Bank's efforts to implement a successful Small Business Administration (SBA) Paycheck Protection Program (PPP) application process within days of the CARES Act passing into law, helping over 700 businesses protect the payroll of 36,000 employees. His passion and commitment to helping companies succeed extended to the PPP Forgiveness phase with his willingness to speak one-on-one with clients to advise them on forgiveness questions specific to each client's business needs.

Scott Christman, CFO
Noble Aerospace, Santa Ana
Scott Christman is a big four CPA with more than 30 years of progressive experience in finance and accounting. Throughout his career he has held leadership roles at both

RUTAN
RUTAN & TUCKER, LLP

Issues in Negotiating SPAC Mergers

What is a SPAC?
A special purpose acquisition company, which is formed for the purpose of merging with an operating business (we'll use the term "target" in this article) typically by 24 months after the SPAC's IPO. Notable companies that have merged with SPACs (and are now publicly traded) include DraftKings, Utz Brands, Fisker, and Virgin Galactic, to name a few.

Why do I need to be aware of SPACs?
In Q1 2021, over 300 SPACs have gone public, raising over $90 billion dollars. This is more than **all** of 2020 (both in terms of number of SPAC IPOs and proceeds raised), which itself was hailed as the year of the SPAC. As of the time of this writing, there are over 430 SPACs actively looking for private company targets. If your company is considering an IPO, it may receive some interest from one or more SPACs.

Has the SEC pumped the brakes on SPACs?
Yes, but there are still hundreds of active SPACs looking to complete a business combination within the next year or two and, as a result, owners of private companies may see interest from SPACs.

Traditionally, SPAC warrants were classified as equity. In April 2021, the SEC issued a staff statement suggesting that warrants should instead be classified as a liability in financial statements due to certain features of these warrants.

The SEC staff noted that warrants must be indexed to the entity's stock in order to be classified as equity under applicable accounting rules. After evaluating a fact pattern related to warrants issued by a SPAC, the SEC noted the warrants terms provided for different settlement amounts depending on the characteristics of the warrant holder. Because the holder of the warrant should not be an input into the pricing of an option on equity shares, the SEC staff believes the warrants should not be classified as equity.

SPACs that have already completed their IPO may need to analyze whether their warrants contain the provisions that have been identified as problematic by the SEC staff. If so, the SPACs and their auditors may need to analyze the impact on financial statements and whether the impact is material and requires a restatement of the financial statement.

What are some key considerations in negotiating a de-SPAC transaction?
While there is not much historical data to frame negotiations, there are some key issues to think through.

Valuation/Earnout
Unlike a traditional underwritten IPO (which has pricing and market risks), in a de-SPAC transaction, the valuation of the target company is fixed in the merger agreement. Valuation tools used in traditional M&A transactions can be used in the SPAC context.

If the parties disagree on valuation, they can use an earnout to bridge the gap. In 2020, slightly more than half of deals contained an earnout for the target stockholders. In de-SPAC transactions, the parties have another lever to pull. They may bridge any valuation gaps by negotiating whether or not (and to what extent) the SPAC sponsor's shares may vest, with shares forfeited if milestones tied to stock price are not attained.

Of the de-SPAC transactions that closed in 2020, 59% of them required the sponsor to subject its shares to vesting or forfeiture and, of these deals, over 80% had vesting periods of 5 years or less, with almost 20% imposing vesting requirements that are tied to stock price. And of those deals that resulted in sponsor forfeiture, almost half required forfeiture of both founder shares and warrants.

Mix of Consideration/Purchase Price Adjustment
In a de-SPAC transaction, the merger consideration will almost always consist of some stock consideration. In 2020, only 2% of closed de-SPAC transactions were cash-only. The number of deals that were stock only versus a mix of stock and cash were roughly equal. In 2020, the percentage of cash comprising the merger consideration, on average, was around 20%.

In 2020, almost three quarters of closed deals had no post-closing purchase price adjustment mechanism and no escrow. Of the minority of deals with an escrow, however, the most common use of the escrow was to secure indemnity obligations, followed by an escrow for purposes of purchase price adjustment.

Indemnification
It is no surprise that only 30% of closed de-SPAC transactions in 2020 had seller indemnification provisions and only 30% had a termination fee. In 2021, it will not be a surprise if these percentages trend downward.

Cash
In a de-SPAC transaction, each stockholder has the option to redeem its shares at the closing of the business combination for a pro rata portion of the cash held in the trust account. As a result, the amount of cash at the closing will be unknown and target companies are reluctant to close without a minimum cash closing condition. In 2020, approximately 80% of deals had a closing minimum cash condition.

SPACs typically raise capital through PIPEs to ensure that the minimum cash closing condition will be satisfied. If PIPE proceeds are not enough to make up the difference, a renegotiation may occur and target companies should be prepared for this possibility. One potential way to minimize the risk is to get commitments from PIPE financiers at the signing of the business combination agreement, if possible. In 2020, of the deals that required additional financing, over half were PIPE-only financings.

Post-Closing Board Composition
Most post-closing boards of directors of the combined business entity will be staggered. In 2020, approximately 70% of post-closing boards were staggered, with the typical size range of the board around 7 to 9 directors. In just over half of post-closing boards, SPAC sponsors designated one or two directors.

What considerations should a target company keep in mind if it will go public via a SPAC transaction?
A target company must have two to three years of financial statements, audited in compliance with the rules of the Public Company Accounting Oversight Board (PCAOB). As a result, even if a target company has audited financial statements, additional audit procedures may be required before financial statements are ready to be filed with the SEC. A PCAOB audit will often be a gating item and thus early discussions regarding financial statement and audit readiness will take place.

In addition, a target company should analyze whether it has people, procedures and systems required to handle the regular demands (which include speed and accuracy) of public reporting, including necessary internal controls and procedures.

A target company must also ensure it has the necessary corporate governance policies, procedures, and practices that meet public company compliance requirements, including those of the applicable stock exchange.

Target company stockholders should balance the potential upside of continuing to own a significant portion of the post-combination business against the cost and distraction of operating a public company and the need for immediate liquidity after closing.

Mohammed Elayan
Mohammed Elayan's clients are entrepreneurs, investors, executives and public and private companies who seek his counsel on their complex business transactions. He advises them on mergers & acquisitions (including SPAC transactions), SEC compliance and capital markets transactions (including IPOs, SPACs, and corporate governance), venture financings, and commercial and licensing agreements. Mohammed's clients know him for being responsive and focused on providing strategic advice that will further their business objectives in each transaction. Contact Mohammed Elayan at (714) 338-1865 or melayan@rutan.com.

CFO of The Year Award Nominees

corporate and operational levels within public and PE backed privately-held organizations. He takes a deliberate, focused and results-driven approach to developing and implementing initiatives and processes that drive financial performance and operational efficiencies. He presents excellent leadership, communication and interpersonal skills to develop credible relationships with key internal and external decision makers. Noble Aerospace is a $65 million metal finishing company serving the commercial aerospace and defense industry. The company currently owns two businesses in Orange County and is largest metal finisher on the West Coast and 2nd largest in the country. Noble Aerospace's businesses have been in operation for more than 60 years, serve over 3,000 customers and employ 450 employees. The company has grown revenues by 15% and EBITDA by 43% since its last acquisition in 2017, despite the headwinds created by the pandemic in 2020.

Brent Cranmer, CFO
Bal Seal Engineering Inc., Foothill Ranch

Brent Cranmer is a seasoned executive leader who leads the company's domestic and international corporate finance & accounting, it, and procurement departments. Cranmer also oversees the company's ongoing M&A activities. He has diverse industry experience in the fields of manufacturing and professional service companies ranging in size from $20 million - $200 million. While at Bal Seal Engineering, Cranmer guided the executive leadership team and the ownership of company through the M&A process of selling the company to Kaman Corporation for $330 million. Cranmer was responsible for overseeing the entire M&A process; beginning with the letters of intent, the confidentiality & exclusivity agreements, the due diligence process involving lawyers, bankers, accountants, tax advisors, and other professionals, from both sides of the transaction. He was instrumental and took the initiative in implementing and developing all of the safety protocols related to COVID-19. Cranmer organized the IT department to transition over 200+ employees from working in the office to work from home.

Scott Dalgleish, CFO
Oncology Institute of Hope & Innovation, Cerritos

Scott Dalgleish joined TOI as CFO in 2020, responsible for FP&A, accounting, revenue cycle, M&A, analytics and dispensary operations. He is passionate about healthcare and building businesses in value-based care delivery, addressing the runaway costs in US healthcare. TOI is the nation's largest provider of value-based oncology care. It is a rapidly growing platform across multiple markets in four states. Oncology care delivery today does not address quality and a rapidly increasing cost burden – TOI's model addresses these challenges head on by aligning interests of patients, payors and physicians. Dalgleish has also helped raise new growth capital to support expansion and established a new billing and collections system implemented in revenue cycle, substantial improvement in metrics.

Ralph Dao, Director of Finance
Community Legal Aid SoCal, Santa Ana

In his roles as CFO, VP of Finance, Director of Finance and Controller Ralph Dao has provided oversight of finance for major nonprofit organizations with revenues/budgets of up to $100 million. He has helped create stronger and more agile organizations in service to the communities' most vulnerable people, including currently at Community Legal Aid SoCal (CLA SoCal). He brings a strong sense of dedication, enthusiasm, and passion to CLA SoCal and devotes attention to both the small details and the big picture, tactically and strategically. Dao has an extensive background in nonprofit financial leadership that includes executive responsibility for organizational financial health, supporting employees, operations, and programs. During his tenures at Touro University International, California State University at Long Beach (CSULB), and the Hospital Association of Southern California, Dao developed teams and processes to successfully align and integrate three disparate finance systems into a unified statewide system for financial reporting efficiency and effectiveness. Dao has efficiently supported CLA SoCal, worked with all outside vendors, assembled bid proposals, facilitated bid conferences and meetings, and managed and oversaw contract awards and quality control.

Dan Dearen, President & CFO
Axonics Modulation Technologies Inc., Irvine

Dan Dearen is an accomplished senior executive, board member, and venture capitalist offering 30 years of proven results for public and private global companies in medical devices, life sciences, and software. He played key role in senior management of seven companies, with skills in strategic planning, investor relations, and corporate development, as well as raising capital from public and private sources. Dearen also developed deep understanding of board roles and structure through board service and collaboration with C-suite and shareholders to create alignment on objectives that increase company value and deliver ROI. He led Axonics from preapproval to $100 million+ revenue in first year of commercialization through strategic leadership and organizational transformation. Took company public with top-tier investment banks ($138 million IPO) and established coverage with leading Wall Street analysts. He generated 8x return on invested capital in less than two years by negotiating sale of Vessix Vascular to Boston

FIFTH THIRD BANK

How Companies Can Mitigate ACH and Check Fraud

Presented by Joseph Yurosek, California Market President, Fifth Third Bank

Check fraud and ACH fraud cost companies millions each year. However, with careful planning, company leaders can do a great deal to reduce their exposure to losses.

Understanding the Size of the Problem
The American Bankers Association 2019 Deposit Account Fraud Survey found that total attempted check fraud stood at $15.1 billion, while banks prevented $13.8 billion, for a net loss of $1.3 billion. And the threat associated with ACH fraud? In its 2019 report, the ABA noted that P2P, wire and ACH fraud generated losses of $265 million.

Risks of Check and ACH Fraud
Given their ease of use, businesses will continue to use checks for the foreseeable future. Therefore, minimizing losses requires a willingness to use checks coupled with mechanisms to detect fraud.

Common check fraud methods include the forging of signatures or endorsements, the alteration of payee names and dollar amounts, and the creation of counterfeit checks. Perpetrators look for companies that lack the people, processes and technology to prevent losses.

Yurosek

If a criminal possesses a company's bank account and routing number, they can engage in ACH fraud by originating the transaction. Alternatively, instead of providing their bank account information to pay for a good or a service, the fraudster can provide the bank account and routing number for a company they wish to defraud.

And unlike consumers who have 60 days to notify their bank of an ACH fraud, businesses must do so within two days. To increase the chances of recovering the proceeds of a fraudulent ACH from the bank of first deposit, companies should notify their bank within 24 hours of seeing a fraudulent ACH post to their account.

How Companies Can Protect Themselves from Check and ACH Fraud

• **Positive Pay –** Identified by many anti-fraud experts as the most effective form of defense against check and ACH fraud, positive pay is a service offered by banks that helps automate the detection of fraud by matching checks presented for payment to a bank with a list of ACHs or checks issued by the company, and matching incoming ACH Debits to authorized debits. Using automation, the bank highlights exceptions. The company can then choose to authorize the red-flagged item or have the item returned. Positive pay can also help mitigate the risk of internal fraud by inserting someone else in the process to approve checks written by another employee. Fifth Third Check Positive Pay Services offer companies a range of options, including payee name verification and teller-maintained positive pay. Companies can also use reverse positive pay, in which a company maintains control over its list of issued checks and assumes responsibility for detecting exceptions by reviewing checks issued versus those presented.

• **Check Block –** Using this method will block any checks from posting to an account. This allows companies to protect their account without having to play an active role in the process.

• **ACH Blocks and Filters –** Companies can also use an ACH Debit Blocking service which enables customers to specify which companies are authorized to post ACH debits to their accounts, blocking those that are not authorized.

• **Bank Account Reconciliation –** Performing daily reconciliation of accounts can substantially reduce check and ACH fraud by confirming the legitimacy of transactions posted against an account and highlighting anomalies quickly. Fifth Third Bank's Account Reconciliation service provides fast, accurate account activity information. If a company chooses to reconcile their bank accounts in-house, to prevent internal fraud, those involved in the reconciliation should not be involved in issuing checks as well.

• **Restrict Check Posting –** Placing a "post no checks" restriction on accounts that do not need to accept check payments can reduce the potential for check fraud. To further protect these accounts with no need to process checks, companies can also request that their bank only process ACH transactions from these accounts instead of checks.

• **Require Dual Approvals for Online (or Electronic) Payments –** To help minimize the potential for payment fraud, a corporate policy should define which executives can issue and approve check and electronic payments. It should also detail the dollar limits of their authorization. Additionally, the policy should identify who can order new check stock. Once received, blank checks should remain in a secure limited location, with limited employee access.

• **Designate Employees to Respond to Bank Enquiries –** If a bank uncovers suspicious payment activity, bank employees may need to contact the company to confirm their suspicions. Selecting an individual to answer calls from the bank can help ensure the bank's fraud detection team has the confirmation it needs to protect the company's funds. Additionally, companies should provide employees with examples of forged, altered and counterfeited checks, and their role in helping prevent losses. For example, if a company accepts checks from the public, point of sale employees should receive training in how to spot a fraudulent check.

In addition to the above strategies, one of the simplest ways to reduce check fraud is to reduce the number of checks issued. By moving to electronic payments, companies can minimize the number of checks in circulation with the potential to fall into a criminal's hands.

Fifth Third Bank's ACH processing is an ideal solution for repeat payables such as payroll, reimbursements, dividends, taxes, and other items. Wire transfer services through Fifth Third use the latest security technology on front-end and back-end processing for fraud protection, with the ability to process larger-dollar transactions that require immediate settlement. Contact us today to learn more.

Joseph Yurosek serves as California market president for Fifth Third Bank, overseeing the strategic middle market expansion effort throughout the state. In this role, he leads the team that provides dedicated resources in client coverage, credit, treasury management, capital markets and regional sponsor coverage. www.53.com/commercialbank

CFO of The Year Award Nominees

Scientific. In addition, Dearen raised hundreds of millions of dollars for companies through equity and debt financings from a variety of global investors.

Danielle DeBerg, Controller
Families Forward, Irvine

Danielle DeBerg is an invaluable asset to the Families Forward team and the vulnerable Orange County families the organization serves. DeBerg overseas over 30 government grants, including 12 that are providing $1.8 million in COVID-19 emergency funding, and manages the accounting and grant compliance departments. Through her leadership and quick action, Families Forward was the first Orange County Nonprofit to secure funding through the Payroll Protection Program (PPP) when the COVID-19 pandemic began. Families Forward received PPP funding less than a month after social distancing mandates were implemented, creating economic security for the organization's staff. Through her help and guidance, Families Forward has secured over $2 million in COVID-19 grant relief funding, including private foundation and government grants, to ensure the organization can continue to provide essential services to families experiencing or who are at-risk of experiencing homelessness.

Steve DeSantis, CFO
Mavenlink, Irvine

Steve DeSantis was named CFO of Mavenlink in September 2019. At Mavenlink, DeSantis is not only responsible for finance, but also HR, legal, business systems and information security, and IT. Before Mavenlink, he had more than 20 years of experience as a CFO for various companies-Mavenlink being number seven. Over his entire 24-year financial career, DeSantis has raised more than $500 million in VC, private equity and public capital over the seven companies he has worked for. He has formed close relationships with more than 50 VC and private equity firms over the span of his career. DeSantis has grown the company revenue by 56% over the past 18 months, achieving the highest growth rate the company has seen in more than five years. He has also helped maintain a consistent and steady growth rate throughout the global pandemic-one that is on the higher end for SaaS companies. DeSantis built a foundation to be able to more than double the company's size in the next few years by expanding the Infosec, compliance, legal, business systems and all G&A related operations.

Ed Dunlap, CFO
Coolsys, Brea

Although at CoolSys a short period of time, Ed Dunlap orchestrated eight acquisitions that helped propel double digit proform revenue growth over prior year; directed a 15% improvement in working capital turnover to help the growth of CoolSys; and directed further back-office integration in payroll and tax management/compliance. Coolsys is the U.S. leader in commercial refrigeration and HVAC services covering design, installation, post-installation and energy optimization serving primarily the grocery, drug/convenience, food retail and restaurant end markets. Lead all financial activities for the company (external and management reporting, planning, tax, treasury, billing, payroll, AP/AR, risk management and compliance) including M&A. The company serves its nationwide customer base from +70 locations.

Lourdes Felix, CEO & CFO
BioCorRx Inc., Anaheim

Lourdes Felix is the chief executive officer and chief financial officer of BioCorRx Inc., a leading-edge addiction treatment solutions company focused on developing and providing innovative treatment programs for substance abuse, weight loss and related disorders, particularly with respect to developing medication to prevent and treat opioid disorders and overdoses. Under Felix's leadership, BioCorRx Inc. has become a forerunner in the addiction treatment industry. Since joining BioCorRx in 2012, she has been instrumental in completing multi-million dollar equity financings. Felix is a CEO with success in leading the strategic development of digital health technology innovation and treatment programs of addiction in the pharmaceutical, biotechnology, and life sciences industries. instrumental in launching, developing, and significantly enhancing research products & services. Felix is skilled at cultivating relationships with and presenting to investors, investment banks, analysts, and shareholders. Felix has helped the company obtain federal grants from the National Institute on Drug Abuse (NIDA), part of the National Institutes of Health (NIH), awarded to support the advancement of a sustained release naltrexone implant for the treatment of opioid and alcohol use disorders being developed by BioCorRx's subsidiary, BioCorRx Pharmaceuticals Inc.

Richard Fiore, CFO
King's Seafood Company, Costa Mesa

Richard Fiore has been the CFO of King's Seafood Company for over two and a half years. He has implemented changes and processes within the company to improve overall financial growth. In addition, he has established relationships with suppliers, vendors and banks to help propel the company forward. Prior to his time at King's he worked at Honeywell for 16 years in multiple positions, his most recent was vice president of finance, global planning and forecasting.

Laurie Fitzgerald, SVP & CFO-Retirement Division
Pacific Life Insurance Co., Newport Beach

Laurie Fitzgerald joined Pacific Life in 2017 and currently serves as SVP & CFO for Pacific Life's retirement division and the CFO for Pacific Life Select Distributors LLC. Prior to joining Pacific Life, Fitzgerald was SVP, group head of risk assurance for QBE, a global insurance company traded on the Australian stock exchange. In this global role, she was responsible for the leadership over QBE's worldwide control assurance program, which were executed across 38 countries. Her previous roles include SVP, head of ERM for QBE's North American Division; SVP, risk & compliance executive for Bank of America's insurance and debt cancellation operations; and EVP, CRO & chief accounting officer for Countrywide Financials' insurance operations. Fitzgerald has also served as a board member for Balboa Insurance and as an audit senior manager at Deloitte. She has led several national and global transformation implementations; managed rating agencies and regulatory relationships; structured and negotiated reinsurance transactions and led strategic planning.

Tiffany Gentile, CFO
CISOSHARE, San Clemente

Tiffany Gentile has led all of CISOSHARE's financial management since the very beginning of the company, including enabling and supporting significant rapid growth as the 2nd and 7th fastest growing cyber security company on Inc. 5000 in 2019 and 2020 respectively and the 2nd fastest growing small company in OC in 2020 on the business journals list. Gentile managed all this growth only using organic capital channels as the organization has always been bootstrapped. In 2021, she supported all of the financial management and planning as both the CISOSHARE core business and its CyberFoward subsidiary further grew and expanded to meet swelling demand enabled by the pandemic.

Kelli Gerasimou, Vice President, Finance & Administration
Ivantis Inc., Irvine

As vice president of finance and administration for Ivantis, Kelli Gerasimou has transitioned the company from an outsourced accounting and finance function to full inhouse functions. Gerasimou has implemented processes applicable to a growing global commercial company from R&D focused company through the commercialization period. In addition to establishing, leading and growing the finance and accounting departments, Gerasimou has negotiated debt financing and line of credit, and set up banking to maximize benefit to the company. She has implemented an annual operating plan and cash forecast 2+ years out including midyear updates as needed. Ivantis is now tracking to be among the top five first full year first product launches in MedDev VC history. Gerasimou leverages technology to drive efficiency while negating the opportunity for errors across multiple departments within the organization as well as leads efforts to implement successful and hands off e-commerce

CFO of The Year Award Nominees

site to ease order to cash process for both customers and customer service team.

Joseph Gilliam, CFO & SVP, Corporate Development
Glaukos Corp., San Clemente

Joe Gilliam joined Glaukos Corporation in May 2017 and has had a significant impact on the organization. He was instrumental in transforming and growing the finance department to prepare the organization for current and future growth. Having a strong background in business development and a seasoned vision for creating value, Gilliam led the company to complete five successful in-licensing and acquisition transactions over the last two years. In November 2019, Gilliam played a key role in helping shepherd Glaukos to the finish line in closing the acquisition of Avedro, Inc, a NASDAQ listed company that had recently completed an IPO. This acquisition was valued at approximately $438 million and was by far the largest transaction undertaken by Glaukos in its 20-year history. Avedro serves as the cornerstone of Glaukos's new corneal health franchise. Gilliam also completed the acquisition of privately-held Dose Medical Corporation and led the successful consummation of three additional in-licensing agreements. These transactions will enable Glaukos to establish two additional market franchises in corneal heath and in retinal disease that can significantly increase the long-term value potential for the company and raise the global clinical standard -of-care for patients with unmet clinical needs.

Naren Goel, CFO
Ephesoft Inc., Irvine

When Naren Goel joined Ephesoft in early 2018, he introduced a new, modern philosophy and strategy for his role as chief financial officer. As CFO, Goel contributes to running the company in a more operational and daily, cross-functional way that is based on data-driven decisions. This has allowed the company to operate and deliver results to the investors in a predictable manner. As the economic impact and uncertainty became evident in the early part of 2020 due to COVID-19, Naren has been instrumental in driving offensive and defensive strategies to mitigate the risk from the economic downturn. Goel has also been instrumental in helping the CEO set the long-term strategy for the business including key priorities and SWOT analysis. These are then tightly integrated with the company's long term and short term financial models and budgets, which guide the company's growth. Part of being a forward-thinking CFO is being data-driven with metrics and key performance indicators (KPIs) in place. Similarly, he is critical to advancing and fostering Ephesoft's investor relations. He and his team developed investor financial predictive models and prepared investor materials for how the business will perform. Goel meets and interviews with investor candidates and works closely with the CEO and head of strategy on funding rounds. He has improved the quality of company information, from daily tasks to quarterly financials to consolidating international policies. His role as CFO plays an instrumental part in securing future funding.

Daniel Hamm, CFO
Service Champions Plumbing, Heating & A/C, Brea

Daniel Hamm contributed to and was a key driver in the company's 25% YOY 2020 vs 2019 revenue growth and overall increased profitability by driving efficiency and cost cutting initiatives, even during the COVID crisis. In partnership with the company's private equity owner, Hamm was a driver in the six acquisitions in 2020. With every acquisition, Hamm led the integrations. This included ten software integrations to streamline and consolidate accounting and reporting, which was then audited by the Orange County BDO office and in compliance with GAAP along with KPMG tax services.

Daniel Hart, CFO
Avid Bioservices Inc., Tustin

As CFO of Avid Bioservices, Daniel Hart has increased revenue 50% year over year, increased institutional investor base from ~20% to over 80%, and is on-track for the first year of profitability since the company's inception. Hart's most significant business accomplishments were creating cost savings and efficiencies, increasing throughput, expanding capacity, reducing redundancy and waste, focusing on the core business, and implementing a growth strategy. Prior to joining Avid, Hart served as CFO of ENO Holdings, Inc., a family of companies focused on the residential real estate market with offerings spanning brokerage, franchisor, property management, and settlement services. In this role, he helped improve the company's organizational results with a focus on establishing repeatable financial and operating processes, cash forecasts, strategic planning, and financial transactions. Prior to this role, Hart served as senior vice president, chief financial officer and assistant secretary at SM&A, a $100 million private equity owned management consulting firm that was previously a Nasdaq-listed company. During his ten years at SM&A, which included several financial leadership positions of increasing responsibility, he was responsible for overseeing financial stewardship and played a central role in various financial transactions and corporate acquisitions.

Jack Hartung, CFO
Chipotle Mexican Grill LLP, Newport Beach

Jack Hartung, Chipotle CFO joined the brand in 2002 after 18 years with McDonald's. With almost twenty years of leadership at Chipotle, Hartung has seen the brand through some of the most challenging and most exciting of times. Hartung successfully transitioned the company headquarters from Denver, Colorado to Newport Beach, California in 2018 continuing to grow the brand's presence and economic impact. Chipotle stock hit a record high of $1,564.91 in 2020 and digital sales grew 174% year over year. Under Hartung's financial leadership, Chipotle has seen significant store growth with more than 2,750 locations currently open and operating with the potential for up to 200 new restaurant openings in 2021. Supplementary strategic growth initiatives that continue to sustain strong sales momentum include the addition of Chipotlanes, a mobile pick up window for digital orders increasing access and convenience for consumers and formats like Chipotle Digital Kitchen.

Taylor Hawes, CFO
Pacific Dental Services, Irvine

With 10+ years of experience working at Microsoft, Taylor Hawes joined Pacific Dental Services (PDS) in 2019 with a mission to grow profitably, implement cutting-edge processes and share his technical business acumen. Only one year later, Hawes has proactively lead the PDS accounting, finance and tax teams to record success, despite unprecedented challenges. PDS now has a cash flow stronger than ever before, state-of-the-art equipment being introduced in hundreds of dental offices across the nation, and a clear path towards achieving the company's mission of becoming "The Greatest Dental Company in America. Immediately upon joining the organization, Hawes made an impact in the accounting and finance departments through various process automation tools. Hawes leaned in on the final leg of the Oracle ERP implementation that coupled with the process automation tools, lead to daily cash flow reporting, 20% improvement on days to close Month End. Turns out the initial heavy lift of Hawes' efforts in the area were of critical importance when the pandemic hit the US. Pacific Dental Services ("PDS") saw its daily revenue plummet by over 90% in mid-March 2020. With Taylor's leadership, PDS was able to reduce costs and drive revenues through the worst part of the pandemic. By the end of the 2020, PDS actually increased its EBITDA and de-levered its debt to finish the year stronger than any year in the previous five years. In addition to driving the business, Taylor spent countless hours working with PDS' lenders to maintain PDS' access to capital and maintain PDS' credit facility.

Joe Heffington, SVP & CFO
Golden State Foods Corp., Irvine

Golden State Foods (GSF), one of the largest diversified suppliers to the foodservice and retail industries, feeds five billion people every day. This success is possible due to the focus and innovation from its dedicated leaders. Joe Heffington, GSF corporate senior vice president, CFO, has led the effort to standardize accounting processes and procedures across multiple distribution centers, creating greater efficiencies and productivity within the company. He works closely with the group's accounting administrative managers to implement consistent policies, procedures and reporting formats. He was critical in establishing the company's banking relationship and financing arrangements in China through GSF's joint venture partner, KanPak China. He also serves on the Board of Directors for Groenz Group Limited, a joint venture partner with GSF, providing direction and support on the business in New Zealand.

Paul Henderson, CFO
Syntiant Corp., Irvine

Irvine-based Syntiant Corp. is growing at a pace unparalleled in the chip industry. Founded in late 2017, the 3-year-old start-up already has shipped more than 20 million processors worldwide, 10 million of those chips since January. The company also recently completed its Series C round of $35 million, bringing the total amount of investor funding to $65 million since 2017. At the same time, Syntiant introduced its second generation NDP120™ Neural Decision Processor™, which is in high demand among existing and prospective customers, and already has won several awards, including a 2021 CES Innovation Award. As Syntiant's CFO, Paul Henderson has been at the heart of this explosive expansion and innovation. His acumen and leadership efforts have enabled the company to efficiently manage its run rate and working capital, while investing in R&D to support Syntiant's record progress. Henderson's work with investors, accountants, bankers, lawyers and tax advisors has allowed Syntiant to continue to grow and expand at a very rapid pace, while maintaining very high levels of corporate governance and financial discipline for the company.

Mike Henry, CFO
Tillys, Irvine

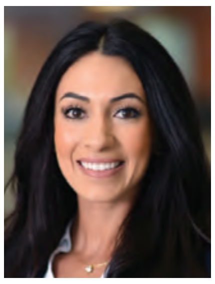
Despite the multi-year decline in retail mall traffic, the "retail apocalypse", and now the COVID-19 pandemic, Tillys completed the 2020 pandemic year with more cash/investments ($141.1 million) than end of 2019 ($139.9 million), despite a $88 million drop in sales compared to 2019 driven by all 240 retail stores being shut down from mid-March to mid-May, and many stores longer than that, particularly in CA. This was achieved through a combination of significant reductions in inventory commitments during the store shutdown period and through reopenings, furlough of over 90% of our total population of over 5,000 total employees during the store shutdown period, senior management took 50% pay cuts, and strict expense and payroll management once stores reopened. Mike Henry is responsible for all finance, accounting, risk management, legal, loss prevention and distribution functions of the publicly-traded, 200-plus store youth culture retailer. In September 2018, he helped complete the $117 million secondary offering of TLYS stock. Prior to his time at Tilly's, Henry was senior vice president and global controller of Quicksilver from July 2012 to 2015 and senior vice president and CFO of Pacific Sunwear from 2008 to 2011. Henry won the 2019 Outstanding CFO of a Public Company award.

CFO of The Year Award Nominees

Mitch Hill, CFO
Inari Medical, Irvine

Inari Medical was founded in 2011 with the idea incubated as a part of Inceptus Medical and in 2013 – Series A financing as an independent company. Inari completed its public offering, as one of the first all Zoom IPOs, on May 22, 2020. As well as the first company in Orange County to go public during 2020 and COVID environment. The company has continued its strong growth path throughout the COVID disruptions. During the 4th quarter of 2020 when the company treated 4,600 patients and recorded over $48 million of revenue, it is estimated the company treated less than 5% of the patients who could have benefited from the use of its two products. As a result, the company feels it has significant growth opportunities in the US and outside the US as well.

Neda Imbimbo, CFO
BigRentz, Irvine



Neda Imbimbo joined BigRentz in 2014 when it was a startup and seeking venture capital financing. Within two years she had strategically helped the company raise more than $20 million in funding. At that time, her role was vice president of finance and operations – a job that required not only managing all aspects of accounting operations – but also creating all processes from scratch. As a startup, the BigRentz accounts office was still very much a paper-based operation, using manual invoice processing for receivables and payables. Imbimbo was responsible for instituting entirely new accounting processes, systems automation and operations. It was the beginning of a new era for the company, which saw revenue rocket – jumping from $2 million in year one to $10 million in year three. It led to the company being named as one of Orange County Business Journal's fastest growing private companies two years in a row. Her financial planning, strategies for development and streamlining operational efficiencies have been instrumental in ensuring double digit growth for the company and increased profits throughout the last seven years. It has led to BigRentz becoming the nation's largest online rental marketplace for construction equipment – with an incredible 12,000 rental locations and 5,500 rental partners.

Bryan Jones, VP of Finance
5.11 Inc., Irvine

Bryan Jones' leadership and organizational savvy has substantially improved the reputation of finance and accounting throughout the business. He supported 5.11's organization through a challenging ERP transition and establishing the related financial controls needed to scale the business, which was indispensable in building a stable platform in order to grow. He also developed a cross-functional annual budgeting process, as well as a monthly financial forecasting process, both of which have delivered a high level of dependability and accuracy. Furthermore, Jones consistently provides proactive financial perspective and support in directing the growth of the company's important Direct-To-Consumer [DTC] business, including an eCommerce site and 5.11 stores which have grown from three sites to 73 in just five years. The immense growth in the DTC business in Jones' five-year tenure now delivers more than one-third or domestic business. His hard work has also enabled 5.11 to both grow and improve overall liquidity by continuing to reduce debt, even during an economic downturn and a pandemic in 2020.

Tammi Jones, COO & CFO
TVT Community Day School, Irvine

Tammi Jones holds a B.S., Summa Cum Laude, in Business Administration from Morningside College and has completed 30 credits of MBA coursework at University of South Dakota and University of San Diego. Before joining TVT, Jones worked as CFO/COO of the San Diego Jewish Academy. She also spent several years working in the technology industry as a senior project manager and then as a director of finance at Gateway. She also worked in the manufacturing industry as a controller for a multi-state corporation. Jones joined TVT in 2014, as the CFO/COO and treasurer, where she oversees all finance, facility and risk management, information technology, and administrative activities. Jones has created and implemented sound fiscal policies that led to an improved financial position for the school as well as, restored confidence in school's financial function, implemented financial strategies and reduced operating expenses to return school to a balanced budget model.

Brandon Kerns, CFO
Landmark Health LLC, Huntington Beach

Since Brandon Kerns joined Landmark in 2018, revenue has grown more than 500%, profit has grown more than 700%, and employees have grown from roughly 900 to 1,600. Successfully navigating this scale of growth, while maintaining financial discipline to achieve expanding margins, was critical to success in this role. To appreciate the important role finance plays at Landmark, it's important to understand the business model of Landmark. Currently, Landmark has ~140,000 patients in 17 states and 52 markets. Landmark provides in-home medical care (through a house call model) for these patients, who are the most complex, chronically ill members in the country. To qualify for Landmark's services, patients must have six or more chronic conditions, and that will typically represent ~10% of seniors in the U.S. As CFO, Kerns has helped to enhance the outcomes of care on these members, while Landmark grows in market share and strengthens its financial position. During 2020, finance had Landmark conservatively positioned so that medical care was not disrupted, and they were able to invest in all the appropriate supplies for medical providers on the front lines.

Kyle Koelbel, CFO
Stretto, Irvine

Kyle Koelbel is a results-driven chief financial officer with extensive experience in financial services, including financial reporting, forecasting, banking, treasury, and capital markets. He is a collaborative leader focused on building cohesive partnerships to drive organizational performance. At Irvine-based Stretto, he has successfully taken the helm of the firm's financial management and operations and in the process, he has developed and tracked key metrics to facilitate data-driven decisioning that is critical to the company's opportunistic M&A activity and organic growth initiatives. One of his most significant accomplishments was successfully leading a team of financial professionals in integrating the accounting practices of Bankruptcy Management Solutions and CINgroup, the two merged companies that today form Stretto. This effort involved overhauling decades of institutional practices by both companies and providing training to Stretto's internal department heads to ensure one consistent budgeting approach. Koelbel also has cultivated and maintains Stretto's vital relationships with coast-to-coast banking partners including expanding Stretto's deposit placement capacity by over $500 million in 2020.

Ken Kruis, CFO
RiverRock Real Estate Group, Irvine

Ken Kruis joined RREG (RiverRock Real Estate Group) in 2005 just a few years after its founding. He was then one of 20 employees. Today RREG has 140 employees, a growth trajectory that Ken has played a significant role in achieving. With a successful track record of delivering accounting and financial solutions, Kruis is responsible for profitability, controlling costs and enhancing efficiency. In his position, he handles all corporate accounting, financial planning & analysis, and financial management for RREG. Kruis' role is critical to effective property management accounting. Industry-wide RREG's accounting department and procedures, established in house by Kruis, are widely respected and sought-after by clients. He strives to ensure he sets the bar and to that end RREG is one of few firms that is hired at times solely to handle property accounting. In 2020, RREG was chosen for approximately four million square feet of accounting-only assignments. RREG takes pride in the 100 % favorable audit results of its accounting procedures, policies and controls. While COVID -19 created unique challenges this past year, Kruis helped lead successful attainment of SSAE Sarbanes Oxley certification. Kruis was also an important member of the leadership team that pursued acquisition of a building for RREG's new innovative headquarters in Irvine.

Paul Kuliev, CFO & Vice President, Business Operations
Sukut Construction Inc., Santa Ana

Paul Kuliev serves as the vice president of business operations, chief financial officer and corporate secretary of Sukut Construction, LLC, a privately held construction company based in Orange County, California. Kuliev joined Sukut as chief financial officer in 1999 where he has helped drive the company's success in corporate growth and has effectively managed cash for the company which grew nearly times eight in his first seven years. This was accomplished without having to give up equity to outside investors. Equally as impressive was his ability to manage finances during the severe downsizing that the company had to endure during the great recession of 2009-2011. He has led the business through countless transactions and transitions. Kuliev is also the CFO for two of Sukut's other family of companies, a real estate company and an equipment company with combined value of nearly $335 million. Kuliev ultimately evolved to the position of vice president of business operations where he oversees accounting, human relations, dispatch, IT services, and the tax department. Kuliev also serves as the company risk manager, evaluating all contract terms for company contracts, purchasing, insurance, subcontracts, and purchase orders. Kuliev is also responsible for managing all business relationships with financial institutions, insurance carriers and brokers, and bonding companies. In addition, Kuliev has been a trusted advisor to Sukut's CEO for over 22 years, being willing to speak up when necessary, even when it was contrary to the CEO's opinion. Currently, Kuliev is involved in mentoring and partnering with Sukut's first new CEO in over 22 years.

Lisa Locklear, SVP & CFO
Avanir Pharmaceuticals, Aliso Viejo

The finance roles Lisa Locklear has taken on are impressive, not only in their complexity, but in their breadth. As senior audit manager at then-Price Waterhouse, Locklear took on a three-year tour of duty in Paris as a newlywed who had never been to Europe. Locklear would eventually find her way back to Europe with the Walt Disney Company, working both in Paris and London, leading finance for Europe, Middle East, & Africa for Disney Consumer Products for close to five years. Upon returning to the US to work at the Disneyland theme park in California, she learned an entirely different skill set working in a culture with a laser-focus on the guest experience. It was while spending the next decade at Ingram Micro that Locklear says she really began to realize just how ingrained finance could be in the business process. At Avanir, Locklear leverages her experience in preparing the pharma company for expected expansion. Locklear and the finance team are looking at tech and potential automation that may allow more time for thoughtful analysis to better aid the larger business. Preparing for the company's growth is one of Locklear's defining roles at Avanir. As Avanir prepares for its future growth, Locklear says the finance team has united behind a mission to become trusted partners providing expertise and value, words the team has defined for itself. Locklear says it's become the defining phrase of helping Avanir begin to build towards the future Finance organization we call "Finance 2.0."

CFO of The Year Award Nominees

Larry Madden, CFO
Viant Technology Inc., Irvine

Larry Madden is a senior financial executive with over 30 years of "hands-on" experience in both fast moving, growth-oriented companies, as well as highly successful mature businesses. Industry knowledge is broad and extensive, spanning software & technology, media & entertainment, digital media, fashion and marketing services. He has extensive experience in managing and structuring financial and business operations on a global basis, and extensive M&A experience with over 30 successful transactions led during career. Madden is a debt and equity financing veteran with over $2 billion of financing secured during career. He is also has significant investor and board relations experience for both public and private companies, including as a board member of a NASDAQ listed home entertainment company and as CFO of 2 NASDAQ listed companies. Madden has served as chief financial officer since October 9, 2020 and has served as the chief financial officer of Viant Technology LLC since September 2012. Before joining Viant Technology LLC, Madden served as chief financial officer of a number of media and technology companies starting in 1995. He has extensive public company experience, including as chief financial officer of two Nasdaq-listed companies and as a board member of a third Nasdaq-listed company. Madden started his career at Ernst & Young where he spent nearly eight years. Madden is a CPA (inactive) and earned an MBA in finance and strategic management from New York University.

Kevin Manzo, CFO
TRACE3, Irvine

Kevin Manzo knows the role of CFO is more than just dealing with dollars and cents. When unprecedented times struck with the pandemic last year, he did what he could to save Trace3's most valuable capital – its employees. In the early stages of the pandemic, Trace3 faced difficult decisions. Manzo didn't want to make premature cuts to his valued workforce, and Trace3's leadership took a chance with a measured, defensive approach. Instead of cutting positions and letting members of the Trace3 team go, they made the decision to trim a portion of their pay instead. The Trace3 culture persevered through this setback, and keeping that workforce intact helped the company hit their financial targets for the year. Because it was the full team of employees that made reaching those goals possible, Manzo felt Trace3 owed it to them to return that lost compensation. That's exactly what Trace3 did, giving every cent that had been carved out of those paychecks to every Trace3 employee that took a cut. Manzo knows his dollars and cents, too. He joined Trace3 three years ago, and has led the organization through a pair of acquisitions, and a full enterprise resource planning migration to fortify the operational infrastructure to scale the business. Despite economic uncertainty around the globe – he has led Trace3 in maintaining an incredible 19 percent CAGR.

Brett Miller, CFO
Restaurant365, Irvine

As chief financial officer at Restaurant365 since 2019, Brett Miller is responsible for financial and strategic functions including accounting, audit, treasury, corporate finance, and corporate strategy. He also leads all IT related activities. Miller established and developed a team of 24 people and managed three audits successfully. He increased the business revenue from $7M to $30M in three years. Prior to joining R365, Miller led the M&A and global strategy teams for a Fortune 500 manufacturing company. He did several multi-billion dollar international acquisitions. One of his businesses acquisitions led him to Monterrey, Mexico, where he lived for a year with his family.

Anthony Nardo, CFO
Reborn Cabinets, Anaheim

Anthony Nardo is CFO of Reborn Cabinets, a family owned and operated company. He has helped get a granted award from the Employment Training Panel to use towards continued training for staff. In addition, Nardo helped budget/plan and achieve a 40% revenue increase for the company. Nardo was a recipient of the Legend of the Home Improvement Industry award.

Mark Nelson, CFO
Crossover Health, San Clemente

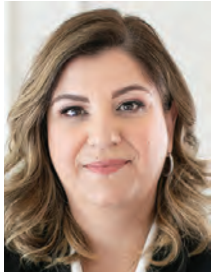
Mark Nelson has an extensive 25-year career with a background in strategic finance leadership and financial engineering at high-growth companies in various industries. A certified public accountant, Nelson provides strategic oversight for Crossover's finance, accounting, and legal efforts, and has enjoyed building teams and processes to support Crossover's tremendous growth. Prior to joining Crossover as CFO in 2017, he was SVP of finance at VIZIO where he helped lead the multi-billion dollar revenue company through its filing for an IPO. He held numerous other positions over his nine years there, including VP of finance and corporate controller. Prior to his time at VIZIO, he focused on M&A at a multi-site operator of boarding schools and ultimately helped lead the sale of the company. Nelson has also spent several years in investment banking including at Credit Suisse First Boston where he focused on M&A deals for his clients, and at Deloitte LLP, where he began his career performing audits for his clients.

CFO of The Year Award Nominees

David Ngo, CFO
360 Clinic, Anaheim
David Ngo is the chief executive officer responsible for creating the impressive, no-cost COVID-19 testing model that 360 Clinic – a dedicated group of caregivers, physicians, and providers – offers to the SoCal community. As of 2020, 360 Clinic has served more than 250,000 individuals, with no out-of-pocket costs incurred for patients. While determining how to best serve low-income/high-risk communities and concurrently minimizing costs for the county's health, Ngo was able to identify precisely how much capital was needed to successfully run the initial operation, with both the patients' and the county's best interests in mind. Beyond this impressive model, Ngo had to consider the various insurances being used in these low-income areas – with many individuals having no insurance at all – in order to determine how 360 Clinic would retain a piece of the advance in a working capital. Based on Ngo's strategic low-cost model, he structured a deal with the county that benefited 360 Clinic as an organization, the patients, and Orange County – with the majority of the loan already paid back in less than one year.

Jennifer Olson, Vice President Finance
Apriem Advisors, Irvine
Jennifer Olson, CFA, CIPM, AIF®, CFP® is an expert in finance and has appeared in national business publications discussing stock market fluctuations, including Forbes and The Street. A natural born leader, she leads significant initiatives that helped the firm gain national recognition as a top financial advisory firm, Investment News Excellence in Diversity and Inclusion, outstanding small business, and one of the most civic-minded companies. She heads the engagement team promoting diversity and inclusion; the firm's compliance to a global investment performance standard on full and fair representation of performance; and pushed for Apriem Cares' Dollar-for-Doers initiative, a giving program that provides grants to nonprofits where employees volunteer. She is the key staff in Apriem Charitable Services which helps nonprofits start and grow their endowments through pro-bono management services on the first $1 million. Groomed to become CFO, her work in corporate finance has helped reduce expenses that enabled management to extend full medical coverage to employees and her financial projections have helped management in taking the company to the next level with growing the firm and seeking investment opportunities.

Maria Pitol, SVP & Corporate Controller
Montrose Environmental, Irvine
Maria Pitol is Montrose Environmental Group's senior vice president and corporate controller, reporting to the Company's CFO. She is responsible for the company's controllership, compliance, treasury, audit, and financial reporting functions. She has a team of approximately 20 team members in the United States and overseas. She is also part of the company's diversity, fairness, and inclusion committee and a mentor in the company's women in business mentorship program. Pitol joined Montrose in 2015 and has participated in the acquisition of more than 30 entities since then. She was also part of the senior leadership team that took the company public in July of 2020, and was responsible for the compliance and financial portions of the Company's global ERP migration to Workday in November of 2020. Pitol came to the company by the occasion of ES Engineering, Inc's acquisition, where she was the financial controller since 2013 and prepared the entity to go through an acquisition process. Prior to joining ES Engineering, she held several controllership positions in the aerospace industry, where she managed multiple projects and teams nationally and internationally. She started her career at Deloitte & Touche Brazil, at the Sao Paulo office.



Ben Reynolds, CFO
LSA Associates, Irvine
Since joining LSA, Ben Reynolds, CFO, has reinvigorated the accounting team. His leadership has resulted in increased daily cash balance 5000% through increased collections efforts, improved project accounting, support from the PPP funds, and reconciliation of outstanding accounts. Reynolds has also grown and streamlined the accounting team at LSA by hiring a new controller, billing manager, multiple billers, and an AR specialist. These efforts have led to the strongest cash position in LSA's 40+ year history. Reynolds enjoys working with organizations that want to align culture, infrastructure, and finance for sustainable success. As a finance operation executive focused in the AEC industry, he has extensive experience in the construction, real estate, manufacturing, and healthcare sectors.

Nick Richards, COO & CFO
Intellivision Entertainment, Irvine
Prior to starting his most recent company, Nick Richards co-founded DataLabs in Orange County as a SaaS company serving the pharmaceutical industry which was sold to a public UK company. As his latest venture, Richards co-founded the new Intellivision in July 2018 after purchasing the trademark and game library of the storied Intellivision video game brand originally founded by Mattel in 1977. Serving as the CFO/COO from inception Richards has set up offices in Santa Ana, CA; Salt Lake City, UT; Nuremberg, Germany; and Dubai, UAE. In addition, Richards has raised over $14 million in funding, established game development partnerships with world class IP companies, and built engineering teams to support in-house development of brand new video game console.

CFO of The Year Award Nominees

Jennifer Ryu, CFO
RGP, Irvine

RGP is a $647 million Nasdaq-listed global consulting firm of over 3,000 professionals servicing 2,400 clients across the globe with services that enable rapid business outcomes by bringing together the right people to create transformative change. As CFO, Jennifer Ryu has been challenging existing practices to identify more efficient and scalable solutions to support and enable RGP to continue to evolve as a global enterprise. Under her leadership, the finance team now provides the organization with more agility and better visibility by equipping RGP's executive leadership with more proactive analysis and timely insights. Within her first few months at RGP, Ryu played a key role in finalizing the $30 million acquisition of Veracity, a digital transformation firm that has greatly expanded RGP's end-to-end digital solutions. She immediately stepped in to negotiate the acquisition's financial terms and partnered with the leadership team to integrate Veracity's capabilities into RGP's client go-to-market strategy as well as corporate support functions. During the pandemic, Ryu was instrumental in regularly updating the executive team as well as the board, directing companywide communications, managing liquidity, as well as developing business scenarios to help the organization navigate through the uncertainty.

Jesse Saunders, CFO
Tyvak Nano-Satellite Systems Inc., Irvine

In 2020, Tyvak grew by over 30% and grew backlog by over 50%. This growth in backlog included the awarding of an initial tranche of satellites in a key Space Development Agency constellation called the Transport Layer. This constellation opens the door to future awards of hundreds of satellites. During the same year, the company also closed a $25 million financing round for a subsidiary that will be operating the world's largest and most sophisticated Synthetic Aperture Radar satellite constellation.

Kris Sennesael, CFO
Skyworks Solutions Inc., Irvine

Kris Sennesael, is senior vice president and chief financial officer of Skyworks Solutions, Inc. He joined the company in August 2016. Since he joined the company he has rebuilt the accounting and finance teams - and transitioned his team and the Company's headquarters from being based in Boston to Orange County. Since Sennesael joined Skyworks the company has experienced very strong revenue and net income results. In FY 2020 the company had net income of over $800 million, which is even more impressive considering the COVID-19 pandemic. The company's stock price has also achieved record levels over the past six months. Other notable projects included navigating the company through complex tax reform changes; building out the use of shared service centers; and driving efficiencies through the use of systems and automation.

Joe Sklencar, CFO
Incipio Group, Irvine

Serving as CFO of Incipio Group, Joe Sklencar has built a world-class team and is responsible for several key accomplishments. He has instituted numerous processes and reporting improvements, improved financial close efficiency and timing, and rationalized the expense structure of the organization to help improve profitability.

Tobin Sloane, CFO & EVP
Ware Malcomb, Irvine

Tobin Sloane is CFO & EVP at Ware Malcomb, a leading international design firm providing planning, architecture, interior design, branding, civil engineering and building measurement services to commercial real estate and corporate clients. Sloane is a key member of the executive team, Board of Directors and provides oversight, vision and direction to the finance/accounting, human resources, and administration functions of the firm. He holds a Master of Business Administration with an emphasis in Finance and Accounting and a Bachelor of Science with an emphasis in Business Administration, both from the University of California, Riverside. Sloane is an accomplished financial professional and business-savvy leader, bringing over 25 years of experience in financial analytics, accounting, management, and operational leadership. He is well known for his strategic and innovative approach to the company's financial management and growth.

Emilee Tello, CFO
United Way OC, Irvine

As CFO of United Way Orange County, Emilee Tello has made significant contributions to the organization in the past year that has allowed for them to never stop their focus on helping those most at need in the community. One of the examples is through the Pandemic Relief Fund (PRF) – Tello developed a process from scratch to provide $500 to struggling households during the height of the pandemic. This effort included utilizing a platform developed for us by Amazon Web Services. She then collaborated with Bank of America to distribute emergency debit cards. In total, they were able to help close to 8,000 low income households impacted by COVID due to her efforts. Another significant example was through the Emergency Rent Assistance (ERA) program where Tello repurposed the platform and system to distribute the emergency debit cards to a new process that is helping people stay in their homes by distributing rental assistance funds to landlords. Over the next several months we will process $84 million of rent relief. Each week Tello will touch every single application to help OC residents and landlords during these challenging times.

Brad Tingey, Corporate Vice President of Finance
Golden State Foods Corp., Irvine

Brad Tingey serves as group vice president and corporate controller of Golden State Foods. In addition to his role as controller, he is responsible for leading quarterly business reviews and developing systems to automate and streamline the workload of accounting both at Corporate and each division. Tingey continues to help advance new methods to measure business performance, including ROA analysis and EBIT performance of each business group. A GSF associate since 2013, he has made a positive impact on the company through implementing new accounting policies, streamlining the company's annual audit procedures with PricewaterhouseCoopers and overseeing the selection of new financial consolidation and analysis tools. Prior to GSF, Tingey served for more than a decade in a variety of managerial roles for PricewaterhouseCoopers, GSF's long-term accounting firm. These positions include senior associate, manager and senior manager for various companies throughout the world.

Bill Tolmasoff, CFO
Harvest Landscape Enterprises Inc., Anaheim

Bill Tolmasoff has brought financial strength to Harvest through reporting enhancements, strengthened banking relationships, and expertise in navigating through critical difficulties including the impact of COVID-19 on an organization, impact of former CFO illicit actions on the company, and overall financial incompetencies by that former CFO. During his tenure, he has been able to eliminate many if not all the aftermath from the prior CFO, as well as build strong financial reserves, establishing financial close and reporting protocols to keep the CEO and operations informed on the financial health of the company. Additionally, he has brought on multiple acquisitions and is working on many more to help guide the company to significant revenue growth. Under his watch, revenues have grown by 100% with the company's profitability increasing at a greater rate.

Adam Townsend, CFO
VIZIO Inc., Irvine

Within the first year of joining VIZIO, Adam Townsend led the successful IPO of VIZIO in March 2021 and did so as a remote employee during the pandemic-driven work from home environment. Townsend joined VIZIO in early May, and onboarded with the organization while working remotely under the COVID work-from-home orders. He built relationships across the business operations and integrated with the culture of the organization under remote

CFO of The Year Award Nominees

conditions. Within several months, he launched an enterprise wide IPO readiness assessment project to identify key systems, processes and personnel needed to take the company public. Townsend also expanded the finance team to strengthen and accelerate monthly/quarterly accounting processes, expand corporate-level FP&A capabilities and built out an SEC reporting function. Townsend helped successfully list VIZIO on the NYSE on March 25, 2021. In 2020, VIZIO delivered extraordinary financial results while navigating COVID-related disruptions and operational challenges. Revenue grew 11% to $2.0 billion, gross profit rose 79% to $296 million and net income rose over 300% to $102 million.

Joe Wallace, CFO
Collectors Universe Inc., Santa Ana

In 2020, Joe Wallace navigated all the challenges associated with COVID-19 to entering a merger agreement on November 30, which ultimately delivered a per share price of $92 at the close of the sale (which was up 7x from the low in 2020 of $13.26), Wallace played a critical role in finishing off the most successful year in company's history. The due diligence process alone took several months to complete and no one inside the organization was responsible for more heavy lifting than Wallace was. The sheer volume of requests and extra hours spent on delivering the required data was immense. It was a banner year for Collectors Universe, and it simply wouldn't be possible without his extraordinary efforts.

Chris Wilkerson, VP Finance
Ethika Inc., Lake Forest

Chris Wilkerson has successfully grown a small, startup lifestyle and apparel brand into a household name both in the US and internationally. Ethika was born in San Clemente, CA - and now helps customers, artists, athletes, musicians, and every day people create authentic experiences and connections through creative innovation, self-expression and quality products. Wilkerson has been instrumental in bringing over 150 jobs (and growing) to Orange County. Besides growing the company from scratch, he has given back to the community through mask & apparel donations (to individuals and small businesses) during the COVID pandemic - all while pursuing his Executive MBA at the University of Southern California.

Wesley Wilson, CFO
Avanath Capital Management, Irvine

One of the youngest individuals at Avanath to enter the C-suite as the firm's chief financial officer and chief compliance officer, Wesley Wilson has proven himself as an innovative leader within the first decade of his career. A true finance guru, Wilson has also proven himself as an integral part of the Avanath team, with a depth of knowledge in investment, fund structuring and management, financial modeling and analysis, project and team management experiences, and budgeting and returns. Wilson spearheads all financial aspects of the business, including accounting and cash management, budgeting, tax, financial planning and analysis, data analytics, and SEC compliance. Further, he is also responsible for overseeing all financial performance and investor reporting for Avanath, which includes $2 billion in assets under management.

Sung Yi, CFO
ViewSonic Corporation, Brea

Sung Yi has been the CFO at ViewSonic Corp for the last 13 years. He has managed the company through the recession in 2008 and headed the restructuring of the company and all its subsidiaries to reduce costs and improve operational efficiency to stabilize the company back to profitability. Yi drove negotiations of patent litigation cases from 2014-2016 that brought in significant income to ViewSonic. He headed the streamlining of businesses and products, including eliminating non-profitable items to improve margin and profitability. Yi was able to propel investment into R&D to improve product offerings from ViewSonic and differentiate product lines from competitors, which also supported efforts to penetrate new markets to increase revenue.

Micah Young, CFO & EVP
Masimo Corporation, Irvine

Since joining the company as executive vice president and chief financial officer in October 2017, Micah Young has played a key role in Masimo's success over the last 3 years.Young serves as a strategic leader and trusted business partner to the organization and has strategically shifted the business over the last 3 years to deliver operating margin expansion of 450 basis points, while at the same time increasing R&D investment by 160 basis points, which has helped support Masimo's goal of introducing more innovative technologies into the market each year. In addition Young has elevated Masimo's global finance organization through a relentless focus on talent selection, retention, development and succession planning.

Stephanie Yuen, VP, Accounting & Finance
Astonics Test Systems Inc., Irvine

Within the first five months, Stephanie Yuen restructured the Irvine finance team and led the implementation of CP7 Finance module to Go-Live. She performed 100% of the financial due diligence support for the seven months leading up to the sale of the Semiconductor business line, while continuing to perform existing duties. In addition, Yuen developed the financial model for implementing a 10 month contract manufacturing process following the sale of Semiconductor business. Following the Freedom and Diagnosys acquisitions, which were within four months of each other, she seamlessly incorporated their financials with ATS and continued timely and accurate reporting to corporate.

UMPQUA BANK

Mid-Size Companies: Expect More from Your Bank

Over the past year, businesses have weathered a once-in-a lifetime economic event. Some have fought hard to survive. Others have created new opportunities by remaining nimble and adjusting to the 'new normal quickly to gain competitive advantage.

Mid-size businesses in particular have pulled all the levers at their disposal to improve operating efficiency and grow revenue. They've pivoted market strategy, adapted, and in some cases reinvented themselves. Many have added or adjusted product and service offerings; re-evaluated how these are delivered to customers; streamlined and updated supply chains; and pivoted to a 'virtual' salesforce. In short, middle-market companies are transforming how and where they operate.

One thing is clear: businesses with a trusted banking partner properly integrated into their strategic ecosystem when the pandemic hit had a major advantage over those whose who had transactional or less-than-optimal banking relationships.

While others struggled to compete, businesses with solid and trusted banking partnerships had immediate access to both expertise and solutions from a financial partner with deep understanding of their business. This empowered timely and informed decision-making, strategic pivots, and even financing of growth. As we begin to shift to a post-pandemic economy, these businesses will continue to have a competitive advantage—and in some cases re-established early-mover advantage over their competitors.

With this in mind, a good question for every business owner is whether their expectations have been too low for their bank?

As you look six months ahead, a year or even five and 10 years down the road, have you considered whether your current bank will help you achieve the kind of efficiency and scale needed to compete through both good and difficult times?

To find the right financial partner and maximize the relationship, there are at least three core commitments you should expect from your bank.

#1 A Holistic Approach to Understanding Your Business. When you and your bank engage, are you mostly talking about bank products and solutions, or are your conversations truly strategic—shaped to your market positioning, competitive advantage, and forward-looking business strategy? Are you jumping to 'how to finance growth', or does the conversation start with your core needs, objectives, motivation, and vision behind your strategy? Do you feel sold, or heard and understood?

In short, are you having banking conversations or business conversations?

An optimal banking relationship is sufficiently adjoined to your company's strategic & financial DNA. Any advice or solution we proposed should originate first and foremost from a holistic and deep understanding of your business, your industry, your market, and your objectives.

If a business settles for less, it will inevitably be presented with less-than-optimal solutions—and therefore have a less-than-optimal bottom-line and competitive advantage. For example, it's not uncommon to see businesses unknowingly overfinanced, paying significant sums of interests on loans to finance "growth" that could have been partially offset by thoughtful working-capital and cash-cycle automation. Over time, this creates a ripple effect across the entire balance sheet leading to constricted cashflow, delayed investments and missed opportunities for growth.

#2 Forward-Thinking Insights & Pro-Active Partnerships. Every good business leader works hard to stay one step ahead of the competition and avoid missing opportunities that drive growth and success. Many midsize owners and principals, however, are deep in the day-to-day of the business—especially during the recent period of disruption.

That's why it's critical to have partners across disciplines like banking, accounting, insurance, and legal, helping you stay ahead and on top of what's coming around the corner. A valuable team of bankers should have extensive relationships across these disciplines and help bring all the right strategic players together to complement and support the full range of your business needs.

On the financial side, technology is changing so quickly you should expect your bank to regularly offer creative ideas and propose solutions that help you optimize cashflow and maximize working capital through automation, as well as protect against cybercrime and fraud.

This type of meticulous focus on continuously improving your strategic position from your bank is a competitive advantage for growth-minded, mid-size companies seeking to become more efficient and quickly scale.

#3 Shared Communities & Local Decision-Making. A bank committed to fueling economic growth, business expansion, and job creation in your shared communities is much more likely to see your long-term success as integral to its larger institutional purpose as a catalyst for regional prosperity.

This is why choosing a middle-market bank embedded in Orange County matters. You need your financial partner to bring to the table both commitment and understanding of our unique economy, its prominent industries, and associated market dynamics. It's all part of truly knowing your business and providing informed advice and the right solutions. And it's essential to achieving greater success.

Even more practically, you should expect your local banking team, not out-of-market financial bureaucracy, to have the final authority to make the banking decisions that impact your businesses. The closer to home that decision-making authority is the more creative and flexible your banking team can be, and the more quickly your plans for growth and increased market share can be implemented.

It's a tough economy out there and you deserve an expert point of view, creative ideas, and informed solutions from a locally-based team of bankers committed to your business and the communities it supports.

Too much is at stake to settle for less. Raise the bar on what you expect from your bank, and you'll find that you will receive much more back in return, helping your company grow and prosper.

Todd Abboud
Todd Abboud serves as executive vice president and director of middle market banking at Umpqua Bank for Orange County and Inland Empire markets. Based in Newport Beach, Abboud is one of the region's leading corporate bankers and has advised some of Orange County's most successful mid-size companies.

CFO OF THE YEAR Awards

Congratulations 2021 Nominees

PUBLIC COMPANY

Christina Bossard - *Eaton Corp.*
Curt Christianssen - *Pacific Mercantile Bank*
Dan Dearen - *Axonics Modulation Technologies Inc.*
Lourdes Felix - *BioCorRx Inc.*
Joseph Gilliam - *Glaukos Corp.*
Daniel Hart - *Avid Bioservices Inc.*
Mitch Hill - *Inari Medical*
Larry Madden - *Viant Technology Inc.*
Jennifer Ryu - *RGP*
Kris Sennesael - *Skyworks Solutions Inc.*
Adam Townsend - *VIZIO Inc.*
Joe Wallace - *Collectors Universe Inc.*
Micah Young - *Masimo Corporation*
Stephanie Yuen - *Astronics Test Systems Inc.*

PRIVATE COMPANY

Jim Adams - *Newport Healthcare*
Ned Algeo - *Xperience Restaurant Group*
Brad Biddle - *Insulectro*
Kitty Cheung - *Red Digital Cinema*
Scott Christman - *Noble Aerospace*
Brent Cranmer - *Bal Seal Engineering Inc.*
Scott Dalgleish - *The Oncology Institute of Hope and Innovation*
Steve Desantis - *Mavenlink*
Ed Dunlap - *CoolSys Inc*
Richard Fiore - *King's Seafood Company Inc.*
Laurie Fitzgerald - *Pacific Life Insurance Co. (Countrywide)*
Tiffany Gentile - *CISOSHARE*
Naren Goel - *Ephesoft Inc.*
Daniel Hamm - *Service Champions Plumbing, Heating & A/C*
Taylor Hawes - *Pacific Dental Services*
Joe Heffington - *Golden State Foods Corp.*
Paul Henderson - *Syntiant Corp.*
Neda Imbimbo - *BigRentz*
Brandon Kerns - *Landmark Health LLC*
Kyle Koelbel - *Stretto*
Ken Kruis - *RiverRock Real Estate Group*
Paul Kuliev - *Sukut Construction Inc.*
Lisa Locklear - *Avanir Pharmaceuticals*
Kevin Manzo - *TRACE3*
Brett Miller - *Restaurant365*
Anthony Nardo - *Reborn Cabinets*
Mark Nelson - *Crossover Health*
David Ngo - *360 Clinic*
Ben Reynolds - *LSA Associates*
Nick Richards - *Intellivision Entertainment*
Jesse Saunders - *Tyvak Nano-Satellite Systems Inc.*
Joe Sklencar - *Incipio Group*
Tobin Sloane - *Ware Malcomb*
Bill Tolmasoff - *Harvest Landscape Enterprises Inc.*
Wesley Wilson - *Avanath Capital Management*
Sung Yi - *ViewSonic Corporation*

NOT-FOR-PROFIT CO

Susan Berglund - *Easterseals*
Tracy Branson - *Orange County Community Foundation*
Ralph Dao - *Community Legal Aid*
Tammi Jones - *TVT Community Day School*
Emilee Tello - *United Way OC*

RISING STAR

Floyd Amuchie - *Iteris Inc.*
Justin Cary - *LSA Associates*
Danielle DeBerg - *Families Forward*
Kelli Gerasimou - *Ivantis Inc.*
Bryan Jones - *5.11 Inc.*
Jennifer Olson - *Apriem Advisors*
Maria Pitol - *Montrose Environmental*
Brad Tingey - *Golden State Foods Corp.*
Chris Wilkerson - *Ethika Inc.*

LIFETIME ACHIEVEMENT

Jack Hartung - *Chipotle Mexican Grill LLP*
Mike Henry - *Tillys*

Reservation Information

Visit www.ocbj.com/bizevents or contact Melanie Collins, Signature Events Manager, at 949.664.5065 or collins@ocbj.com.

Dinner & Awards Program

September 28, 2021
6:30 p.m. - 8:30 p.m.
Tickets*: $275

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