FEI Members and Sponsors,

I urge you to join us at our next dinner meeting on March 11th, when we will hear Leslie Slay, SVP at Woodruff Sawyer, talk about “The American Healthcare Crisis – What Employers Can Do About It.”

Before the dinner meeting, Goli Mahdavi, Senior Associate at Bryan Cave Leighton Paisner, will present: “Crash Course: California Consumer Privacy Act Overview”.

Both of these topics are current and very important to us and our companies, so please plan to attend.

I hope you were able to attend our February 12th dinner meeting to hear Cryoport Systems CFO Robert Stefanovich talk about his company’s turnaround “from a rudderless vessel to a recognized leader in temperature-controlled logistics for regenerative medicine.”

At our professional development session, Jeremy Dillard, a partner at Singer Lewak and member of the Private Company Council, discussed recent GAAP updates.

On February 19th our Wine Affinity Group met to taste “The World Class Red, White and Dessert Wines of Bordeaux”, paired with some great French food prepared by Chef Rick. It was one of the largest groups who have attended these events. Thanks to Brian Ruttencutter for his continued leadership of the group, and to Cathy Garcia of RGP for hosting the event.

March Madness is here! The NCAA Basketball Tournament has generated a lot of fun among our members in competing for the best bracket of winners in the tournament, and the contest winner receives the prestigious Wisdom Trophy. Chris Weller will be leading the contest this year. He will be announcing more details at the March 11th meeting.

I am happy to report that several of our members have volunteered to lead an affinity group. Noemi Lopez will be leading the Cigars & BS Group along with Rod Pierce from Gallagher. Also, Daniel de Haas and Matthew Brill have volunteered to take over leadership of the Investment Group, previously led by Todd Amy. The success of our Chapter depends on active volunteers, and we appreciate these new leaders getting involved. Please congratulate them and support their efforts by attending their groups.

We currently are conducting a survey to get feedback from our members and sponsors on the format and timing of our Holiday Party. We want to make the event enjoyable for all, so please register your opinions when you receive the survey by email.

Finally, please remember all of the great activities we enjoy in our chapter would not be possible without our sponsors. Please make an effort to get to know them and think of them when you are looking for a service provider for your business. Their name badges at our dinner meetings include a ribbon designating their sponsor status.

I look forward to seeing you at our March 11th dinner meeting, or at an Affinity Group.

Jim Klingler, President
FEI Orange County Chapter
### Wednesday, March 11, 2020

<table>
<thead>
<tr>
<th>Event</th>
<th>Location</th>
<th>Topic</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Development Session</td>
<td>Pacific Club (Newport Room)</td>
<td>California Consumer Privacy Act</td>
<td>Goli Mahdavi—Bryan Cave Leighton Paisner</td>
</tr>
<tr>
<td>Dinner Meeting</td>
<td>Pacific Club (La Jolla Room)</td>
<td>The American Healthcare Crisis</td>
<td>Leslie Slay—Woodruff Sawyer</td>
</tr>
</tbody>
</table>

### Friday, April 17, 2020

<table>
<thead>
<tr>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dinner and Theater Social Event- &quot;Chicago&quot;</td>
<td>Leatherby's/Segerstrom Hall</td>
</tr>
</tbody>
</table>

### Wednesday, May 13, 2020

<table>
<thead>
<tr>
<th>Event</th>
<th>Location</th>
<th>Topic</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Development Session</td>
<td>Pacific Club (Newport Room)</td>
<td>TBD</td>
<td>Snell &amp; Wilmer</td>
</tr>
<tr>
<td>Dinner Meeting</td>
<td>Pacific Club (La Jolla Room)</td>
<td>Work-Life Balance</td>
<td>Marc Koehler</td>
</tr>
</tbody>
</table>
49% of Americans receive healthcare benefits through their employers. So, while it is an American crisis, it is also a business crisis. Medical premiums continue to rise on average 6-10% per year with no end in sight. What can businesses do today and in the near term control costs?

Leslie Slay - Senior Vice President, Employee Benefits - Woodruff Sawyer will give our audience the current state of the union with regards to costs and prices, a projection of where costs are headed with no intervention, introduce new ideas/concepts of controlling and mitigating expenses and where employers and business owners can take back some control. You will most definitely walk away with a few things to consider regarding your own healthcare spend.

Leslie Slay brings over 25 years of employee benefits experience to clients. She has a vast background of experience both on the consulting side and the insurance carrier side. Leslie has worked with large regional and national consulting firms in Southern California and was responsible for managing some of those firm’s important relationships. While with PacifiCare of California, she worked to develop their Inland Empire territory and grew that area significantly during her tenure there. Her expertise enables her to work with clients of all sizes to find unique, creative solutions.

Her current role as a consultant with Woodruff Sawyer is many fold. She is responsible for maintaining a book of business as well as mentoring new producers, managing carrier and vendor partnerships, creating and delivering retention strategies, sales and retention metrics and much more. Leslie’s current focus is working with clients to deal with the impacts of Health Care reform, educate them on the benefits of self-funding and the changing provider delivery market. She is actively creating new proprietary products for Woodruff Sawyer to expand options for clients in the purchasing of healthcare. She is committed to employee education and working to find new ways to communicate to the multi-generational workforce.

Register Here
PD Session: Crash Course: California Consumer Privacy Act (CCPA) Overview

What You Will Learn:

- The History of the CCPA
- Scope of the CCPA
- What it requires businesses to do

Presented By: Bryan Cave Leighton Paisner—Goli Mahdavi—Senior Associate

Goli Mahdavi is a seasoned litigator who handles complex commercial litigation and business disputes on behalf of a diverse array of clients, including media companies, commercial lenders and servicers, product manufacturers, and major retailers. Ms. Mahdavi defends clients facing business disputes, consumer lawsuits, and class actions under a variety of regulatory schemes. In addition to her commercial disputes practice, Ms. Mahdavi advises clients on compliance with existing and anticipated data privacy regulations, including the California Consumer Privacy Act (CCPA) and the General Data Protection Regulation (GDPR). Ms. Mahdavi helps companies establish and maintain their security and privacy programs in ways that are designed to manage costs as well as risk.

Register Here
Welcome New Members!

John Stumpf— Principal Accounting Officer/Controller—CoreLogic

Larry Roberts— CFO, El Pollo Loco
Congratulations to Gerald Tywonick on his 25 years of FEI Membership!
The 2020 FEI Orange County Chapter Members March Madness Pool is open to all Orange County FEI Members.

Join the fun and win cash!

1st Place $200 + the coveted Wisdom Trophy  
2nd Place $100  
3rd, 4th Place $75  
5th, 6th Place $50  
7th, 8th and last Place $25

More information to follow. If you have played in the past, make sure to review your pool settings. The website link will be emailed to prior years’ email addresses on file and become operational after all the teams are announced Sunday afternoon, March 15th.

If you have not played in the past, don’t worry! An email announcement will be going out once you are able to make your picks.

You will be able to enter your picks until Thursday, March 19th 9:15 AM (Pacific).

Chris Weller  
562-787-4452  
bc11pnc@gmail.com
<table>
<thead>
<tr>
<th>Affinity Program</th>
<th>Program Description</th>
<th>Next Meeting Date</th>
<th>Meeting Place</th>
<th>Leader Name</th>
<th>Preferred Contact Method</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cigars and Bullshit</td>
<td>Meets occasionally for social conversation, drinks, cigars and bullshit</td>
<td>3/18/2020</td>
<td>Bistango</td>
<td>Noemi Lopez &amp; Rod Pierce</td>
<td>Email</td>
<td><a href="mailto:noemi.lopez@ihipower.com">noemi.lopez@ihipower.com</a>, <a href="mailto:rod_pierce@aig.com">rod_pierce@aig.com</a></td>
</tr>
<tr>
<td>Golf</td>
<td>Meets for golf and social interaction at golf courses in Orange County, generally on a weekend day.</td>
<td>3/29/2020</td>
<td>Varies</td>
<td>Jane Roth</td>
<td>Email</td>
<td><a href="mailto:jroth@seniorserv.org">jroth@seniorserv.org</a>, Work: (714) 229-3356, Cell: (909) 208-4964</td>
</tr>
<tr>
<td>Hiking</td>
<td>Meets for hiking and social interaction at hiking trails in and around Orange County</td>
<td>3/14/2020</td>
<td>Weir Canyon</td>
<td>Scott Partridge</td>
<td>Mobile</td>
<td><a href="mailto:s3kpartridge@cox.net">s3kpartridge@cox.net</a>, Cell: (949) 439-8385</td>
</tr>
<tr>
<td>Investment (Retirees)</td>
<td>Meet to discuss investment ideas, market conditions, allocation approaches and alternatives for individual investors. The group is limited to members and guests that are retired or soon to retire only.</td>
<td>4/22/20</td>
<td>Strawberry Farms Golf Club</td>
<td>Bill Pavony</td>
<td>Email</td>
<td><a href="mailto:bpavony@aol.com">bpavony@aol.com</a>, Work: (949) 497-8026, Cell: (949) 338-8615</td>
</tr>
<tr>
<td>Investment (Active)</td>
<td>Meet to discuss investment ideas, market conditions, allocation approaches and alternatives for individual investors.</td>
<td>TBD</td>
<td>Varies</td>
<td>Daniel de Haas &amp; Matt Brill</td>
<td>Email</td>
<td><a href="mailto:ddhsocialmedia@gmail.com">ddhsocialmedia@gmail.com</a>, <a href="mailto:mattbrill100@gmail.com">mattbrill100@gmail.com</a></td>
</tr>
<tr>
<td>March Madness</td>
<td>A virtual group that meets online each March to compete against each other in a fun competition in connection with the NCAA Men's Division I Bracket Basketball Tournament</td>
<td>March/April 2020</td>
<td>Virtual</td>
<td>Chris Weller</td>
<td>Email</td>
<td><a href="mailto:bc11pnc@gmail.com">bc11pnc@gmail.com</a></td>
</tr>
<tr>
<td>Whiskey Club</td>
<td>Meets to sample a variety of premier Scotch or Bourbon and learn their story and origins</td>
<td>3/19/20</td>
<td>Chase Offices</td>
<td>Fernando Castorena</td>
<td>Email</td>
<td><a href="mailto:fcastorena@renovo1.com">fcastorena@renovo1.com</a></td>
</tr>
<tr>
<td>Retirees</td>
<td>Meet for day trips to events and locations in and around LA and OC. The group is limited to members and guests that are retired or soon to retire only.</td>
<td>TBD</td>
<td>Varies</td>
<td>Jeff Badrtalei</td>
<td>Email</td>
<td><a href="mailto:badrtalei@cox.net">badrtalei@cox.net</a>, Cell: 949-340-4177</td>
</tr>
<tr>
<td>Wine Tasting</td>
<td>“A Wine Tour of Italy” Meet for wine and appetizers or dinner at select locations in and around Orange County. Each event headcount will be restricted in number, when necessary, on a first come first registered basis.</td>
<td>4/28/2020</td>
<td>RGP</td>
<td>Brian Ruttencutter</td>
<td>Email</td>
<td><a href="mailto:brianbbr1@gmail.com">brianbbr1@gmail.com</a></td>
</tr>
</tbody>
</table>
Follow FEI OC on Twitter!
@OCChapterFEI

Follow FEI Whiskey Club on Instagram!
@fei_whiskey_club
<table>
<thead>
<tr>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Management Group Meeting</td>
<td>Strawberry Farms Golf Club</td>
</tr>
</tbody>
</table>
TAKE A HIKE!

We are trying a new venue in March. Weir Canyon Park in Anaheim Hills.

<table>
<thead>
<tr>
<th>Date</th>
<th>Saturday, March 14 (shooting for the 2nd Sat of each month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>8:30AM – 10AM</td>
</tr>
<tr>
<td>Location</td>
<td>Weir Canyon Park</td>
</tr>
<tr>
<td></td>
<td>1195 S. Hidden Canyon Rd.</td>
</tr>
<tr>
<td></td>
<td>Anaheim, CA 92807</td>
</tr>
<tr>
<td>Terrain</td>
<td>Uneven/some steep hills</td>
</tr>
<tr>
<td>Distance</td>
<td>Approx. 4 miles. We will do a loop hike, starting and ending at the trailhead.</td>
</tr>
<tr>
<td>Level</td>
<td>Intermediate. Adults only. No pets</td>
</tr>
<tr>
<td>RSVP</td>
<td>PLEASE RSVP by WEDNESDAY EVENING March 11, 2020</td>
</tr>
<tr>
<td>Required</td>
<td>Please bring water, sunscreen, lip balm, sunglasses, hat, sturdy hiking shoes (hiking poles are optional)</td>
</tr>
</tbody>
</table>

Directions to Meeting Point: 1195 S. Hidden Canyon Road, Anaheim, CA

There are many different routes to this fairly out-of-the-way meeting spot. My best advice is to input the above address into your car or phone GPS or Internet map website and follow the directions from your home to the meeting point. There is plenty of street parking on Hidden Canyon and we will meet where Hidden Canyon makes a right turn onto Overlook Drive.
WARCO has been manufacturing quality rubber products in the USA for over 100 years. With two manufacturing plants in Orange CA and Ripley Mississippi, plus two on-site laboratories, the company produces sheet rubber, rubber mats and matting, extruded and molded rubber products as well as specific rubber products designed to meet the specifications and requirements of their applications. The corporate offices are located in Orange California. For more information about the company, please visit: warco.com

Below are two pictures of the Retirees’ Tour of West American Rubber Company (WARCO) on January 29, 2020. The gentleman on the far left is Mr. Oliver Hinkley, Executive Vice President of WARCO who provided historical and operational information followed by a tour of the manufacturing facility. The retirees had a great day touring the operation which was very informative and educational. The tour followed by a lunch at a nearby restaurant.
Downsides and Challenges to Growth

Typically, growth and expansion are indicators of a healthy business. However, there are typically many misconceptions and a greater story behind those growing businesses. It may be easy to get caught up in others success stories, especially when hearing that someone increased their revenue by 300% or they expanded their workforce to four times the size in the past quarter, for example, but that’s only half the story. Risk is the key element facing every business from the start, but that risk never goes away; it only multiplies. Risk is associated with growth, but it’s how you face the challenges of risk and adjust with growth that plays a key role in your business’s success.

Get more information on the downsides and challenges business owners face as their business thrives, as well as advice on adjusting with these shifts:

- **Cash flow management and the growth of reserves.** Rick Sems, First Bank’s Executive Vice President, candidly explains that the biggest element of success in a growing business revolves around capital. “It’s essential for every business to have the viable cash flow and appropriate assets it needs to sustain long-term growth. As companies grow, they naturally have a need to consume more resources, which can cause a liquidity crisis. This is why companies in a growth stage need to ensure they have capital readily accessible.”

  Access to capital at any stage of business is extremely important and one of the leading factors of failure can be a lack of liquidity. Poor cash flow, mismanagement of money, and lack of cash reserves or simply running out of cash are all leading contributors to business collapse. In fact, running out of money is the second most common reason cited for business failure. During the growth stage, proper cash management and adequate forecasting are crucial.

  Learn more about the importance of cash reserves and how to accurately estimate your costs [here](#). Continue production, rely on your top talent to continue bringing in capital, turn a keen eye on your operating cycle, and don’t hesitate to negotiate with vendors or weigh the pros and cons of owning or leasing your property (or future property and plans).

- **Remaining nimble in response to competition and market changes.** “Strategy becomes a bigger deal in growth. This is where you develop and implement a value proposition, learn more about the edge you have and establish that competitive advantage in your market or industry; the efficiency [or even inefficiencies] of your model become more clear in this stage – and even more important,” expounds Sems.

  As a company grows and becomes successful, many will take notice, including competitors within your field. Be prepared to encounter the competition and react accordingly. It’s important to focus on your abilities and actively employ your value proposition during this growth stage. As Sems acknowledges, “As you get bigger, you’re more likely to be a target on a radar screen from a competitive perspective, meaning you’ll also face a higher level of scrutiny. There is, however, a positive to that and it’s that things don’t always stay the same. If you decide to stay and stick around but haven’t diversified, it’s easier for someone to knock you around. The payoff lies in diversifying your business.”
• Cultivate and nurture a great workforce and company culture. A business is only as good as its people; key objectives of a successful, growing business are to recruit and retain the best fitting talent, empowering them with the proper resources and abilities, and adequately managing all of the employees’ personalities to assist in the buy-in process of your business. Seems added, “Secondary issues revolve around people. In growth, you’re typically looking to bring on more people. It’s important to ask yourself if the people you have can make adjustments to a more sophisticated or demanding environment. It requires the owner to manage a broader spectrum and that can be a real challenge for some companies."

Company culture is typically formed at the onset of a company when identifying key personnel and outlining various roles and responsibilities. While scaling up, be sure to maintain a healthy company culture by preserving your values and traditions. Establish clear values from the onset of your company and help your employees and other potential candidates by consistently and clearly communicating those principles. Don’t just speak to your values – truly live by them to impart the same ideals to your workforce.

1Source: CBInsights, “The Top 20 Reasons Startups Fail”

Maria has over 14 years’ of experience in Commercial Banking. She is a passionate trusted advisor with a focus on helping family-owned businesses achieve economic success. Clients see her as an advocate and partner – someone who knows who they are and most importantly, someone who understands their industry and business challenges. She received her B.S. from Old Dominion University with a double major in Finance/Economics and Summa Cum Laude designation. A native of Nicaragua, she is fluent in Spanish. Maria is a member of First Bank’s 2019 Chairman’s Club and a member of First Bank’s Diversity, Equity and Inclusion Council. In addition, Maria is an active member of ProVisors and serves as Board Chair/President of the Los Altos Family YMCA. You may reach Maria Hunter by calling (562) 951-5102 or via email at Maria.Hunter@fbol.com.
Fostering Effective Finance and IT Collaboration Starts at the Top

Finance and IT, two functions that had little occasion to collaborate closely in the past, now find they are frequently working side by side to deliver high-value, strategic projects for the business. As companies implement new technologies and launch digital initiatives meant to modernize or wholly transform their operations, effective finance and IT collaboration can help to assure that the organization realizes positive outcomes from those investments.

When the CFO and chief information officer (CIO) collaborate, it helps to shape and fuel broader collaboration between finance and IT. And the CFO-CIO partnership has been deepening over the past several years. In a recent Robert Half survey, 82% of CFOs said they collaborate more often with their company’s CIO today than they did three years ago. Compare that finding to a similar survey conducted by our company in 2016, when only about half (51%) of CFOs surveyed said they were teaming up more often with the CIO than they had been in 2013.

Many CFOs and CIOs work together to help senior management consider operational and financial issues — and weigh the potential risks — when the business needs to adopt new technology solutions. And quite often now, the CFO-CIO partnership is also vital to the finance function’s transition to new technologies, including advanced tools like artificial intelligence (AI).

According to the 2019 Global Finance Trends Survey Report from Protiviti, a Robert Half subsidiary, more finance organizations are implementing AI and robotic process automation (RPA), improving how they use and protect data, and investigating blockchain applications, virtual currencies, and more. And research for Robert Half’s Jobs and AI Anxiety report notes that transformative technologies like automation and cloud computing are already revolutionizing finance and accounting functions.

For more insight into current technology trends in accounting and finance, download a free copy of Robert Half’s latest Benchmarking Accounting and Finance Functions report, Available here!

A partnership that can yield many business benefits

When the CFO and CIO partner on digital project planning, it can lead to better alignment between finance and IT agendas, enhance change management efforts, reduce risk and, of course, promote effective finance and IT collaboration. Here are a few other ways that a close partnership between these two C-level executives and their teams can create benefits for the business:

- **Streamlined processes and cost savings** — The IT department’s knowledge of emerging systems and solutions can help finance identify new applications for boosting productivity. For instance, automation-driven software for regulatory compliance work can save finance employees time while reducing costly errors. Not only does that help to streamline business operations, but it also allows the finance team to work on more strategic projects and focus on growing client satisfaction.

- **Better use of data** — CIOs are often instrumental in evaluating and implementing business intelligence (BI) and other advanced data analytics tools. They weigh in on these decisions so that the business invests in solutions that can provide the types of reports and insights that the company — and the finance function — require. The CFO’s input can also help to ensure new tech tools and services make data more accessible to all authorized business users so they can work with data directly and create more value for the company without IT’s ongoing assistance.
Enhanced data security — Safeguarding client data and proprietary information is a must in the finance sector, particularly as companies rely on technology for more of their daily operations. Bringing IT and finance departments together can reduce duplicate efforts that waste time, as both teams work as one to meet compliance demands and address cybersecurity risks. In addition, IT can teach finance teams how to better protect sensitive data.

Tactics to jump-start finance and IT collaboration

If you, as a finance leader, aren’t yet collaborating with your counterpart in IT, now is a good time to start building that relationship and laying the groundwork for effective teamwork between the finance and IT departments. It’s likely only a matter of time before your organization will need to rely on finance and IT collaboration to execute a digital project successfully. So, here are some ways that CFOs and CIOs can start fostering collaboration between their departments:

Ask for employees to offer ideas. One way to get finance and IT teams thinking about how and why they might work together is to ask for their ideas. They may already have some suggestions — including those you had not already considered. Asking team members for their recommendations will help them feel like they are part of the process — as well as more positive about collaborating. Consider meeting with each group individually first, and then bringing everyone together to build on ideas and perhaps, brainstorm new ones.

Don’t wait for a major project to arise. If possible, avoid making a mission-critical initiative the debut for finance and IT collaboration. Simply setting deadlines and telling teams to “work together” could easily lead to disaster. Instead, start connecting your teams in the day-to-day work environment by giving them insight into what each group is working on and how those objectives impact the organization’s overarching goals. Mentoring and job shadowing programs are two excellent methods of giving finance a peek into the world of IT and vice versa.

Invest in team-building efforts. Teams work better together when employees know and respect one another and get along well. So, consider organizing team-building events inside and outside of the office to break down silos, build rapport between the finance and IT departments, and ideally, enhance employees’ knowledge and skills. One idea is to set up a casual, catered lunch or brunch on-site, inviting both departments to eat good food, socialize and then hear from a special keynote speaker. For example, you might bring in a digital transformation expert, who could talk about how technology is changing the nature of work for finance and IT.

Even if your firm has no immediate plans to undertake an initiative that would require finance and IT collaboration, the business can generally benefit from a closer relationship between these two critical functions. And there’s a good chance that accounting and finance staff would like the opportunity to glean knowledge from the company’s tech experts, regardless of any imminent business need. In fact, 83% of accounting and finance managers surveyed for the Jobs and AI Anxiety report said they believe their teams are eager to learn about new technologies. So, there is little to lose, and much to gain, by fostering finance and IT collaboration in your organization.

This article is provided courtesy of Robert Half, the world’s first and largest specialized staffing firm for accounting and finance professionals on a temporary, full-time and project basis. For career and management advice, follow our blog at roberthalf.com/blog.

# # #
WE EXPRESS GRATEFUL ACKNOWLEDGEMENT TO OUR STRATEGIC PARTNERS

PLATINUM LEVEL

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WOODRUFF SAWYER & COMPANY

Singer Lewak
Accountants & Consultants

WNDE
White Nelson Diehl Evans
CPAs | TAX | ADVISORY | AUDIT

Snell & Wilmer
Committed to being your perfect fit.™

Bryan Cave Leighton Paisner

Gallagher
Insurance | Risk Management | Consulting

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Quality In Everything We Do

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ACCOUNTANTS & ADVISORS

GOLD LEVEL

Hughes Marino
Because Where You Do Business Matters™

Union Bank
Invest in you

Alliance Resource Group

PayDay
WORKFORCE SOLUTIONS

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Globalview Advisors
Financial Valuation and Advisory Services

LYNX solutions