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Present

2013 CFO of the Year Awards
We love Chief Financial Officers, despite the fact they often have to say no. No, to passionate people who don’t understand financials; no, to big thinkers who might really have the next great idea; no, to owners and shareholders who might like to take money out of the business at the wrong time. Like a good parent, though, CFOs hope their tough, disciplined love will be rewarded with a long business life.

This past week, the San Diego Business Journal offered a little love to those called to be a business disciplinarian. This is our seventh year of honoring business, government and nonprofit organization CFOs. The members of our financial community represent a diverse group of professionals, some with decades of global experience and others with fundamental knowledge learned on the job. Those charged with protecting against the challenges of an uncertain economy are also leading their companies to new productivity and an emerging revitalization that is having a positive effect on the region.

Our 45 finalists were honored at an exclusive awards reception on Thursday, March 14, at the San Diego Marriott La Jolla, and within the pages of this supplement. Additionally, a special Exemplary Award was presented to Jerry Rebel for his contributions to the San Diego business community and his decade of financial oversight of San Diego-based Jack in the Box Inc.

Our judges also are owed thanks for their time analyzing and evaluating these dedicated professionals. Greg Hanson, Ed Sternagle and Ted Peña are profiled in the following pages as well.

Finally, we would like to thank our supporting sponsors who have championed our efforts to celebrate San Diego’s business community – title sponsors Oracle and Wells Fargo; gold sponsors Deloitte and Intercare Insurance Solutions, along with CalCPA and the San Diego Chapter of Financial Executives International.

Gregory P. Hanson
CMA, MBA
First Cornerstone
Gregory Hanson is a board member and current president of the San Diego Chapter of Financial Executives International. Additionally, as managing director of First Cornerstone, he serves as a confidential business advisor and financing strategist to CEOs and CFOs of public and private companies. Hanson has worked for more than 25 years as a CFO, investment banker, and executive business strategist and has structured more than $1 billion in financing, licensing, partnering, as well as merger and acquisition transactions. Hanson was a founding and six-year member of the Financial Accounting Standards Board Small Business Advisory Committee. On Friday afternoons Hanson can be seen following one of his true passions, volunteering as a pianist in the lobby of Scripps Green Hospital Torrey Pines playing pop songs, soft jazz and standard classics.

Ted Peña
The Visio Group
Ted Peña’s passion to mentor, teach and share his knowledge and experience in business development and community service led him to the founding of The Visio Group. Launched in 2011, the organization helps businesses and nonprofit organizations increase revenue and profitability through planning, preparation, and execution of well thought out sales and marketing strategies. Peña received IBM’s first class management, sales, territory, and instructor training. After 17 years with IBM, he went on to contribute his financial and management expertise to various companies including SDGeE, LawInc, PMSC and CSI Leasing. In addition, he has provided leadership, strategic planning and event management to various community-based organizations including the San Diego Jaycees, Torrey Pines Kiwanis and the La Costa Youth Organization. Peña also is involved in fundraising and philanthropic efforts. He is the current executive director of the 2013 La Jolla Festival of the Arts which draws 7,000 visitors annually. Proceeds from the annual festival benefit San Diegans with disabilities.

Ed Sternagle
Creative Professional Services
Ed Sternagle provides business management consulting services to small companies on a contract basis, stressing practical, strategic approaches for optimizing business operations directed towards achieving more rapid revenue and profit growth. Sternagle has more than 50 years of unique general business and technical management experience. He has started several high tech businesses and has held key senior management positions with a number of successful companies, including Xerox, Computer Sciences Corporation, Mitchell International, and Sullivan International, a science, engineering and advanced technology firm. At Sullivan, Sternagle was senior vice president of corporate services responsible for all corporate support functions including marketing, finance, contract management, internal IT, risk management, human resources, legal, and corporate training and quality control. Sternagle also has represented Vistage International, coaching and mentoring groups of CEOs. In addition, he served as the first executive director of UC Riverside CONNECT, and has consulted extensively with the City of San Diego and other municipalities. Sternagle holds a degree in business administration.
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Jerry P. Rebel is executive vice president and chief financial officer of one of the country’s most recognizable brands – Jack in the Box Inc. Rebel joined the iconic San Diego-headquartered organization in 2003 as the company’s vice president and controller. He held that position until January 2005, when he was promoted to senior vice president and chief financial officer. In October 2005, he was promoted to executive vice president and CFO. Jack in the Box Inc. has grown from its roots in 1951 as a single family-friendly eatery on El Cajon Boulevard where, equipped with an intercom system and drive-thru window, the tiny restaurant served up hamburgers to passing motorists for just 18 cents, while a large jack-in-the-box clown kept watch from the roof. Today, it is one of the nation’s largest hamburger chains, with more than 2,200 restaurants in 21 states. During Rebel’s tenure, Jack in the Box Inc. also aggressively expanded, acquiring Qdoba Restaurant Corporation, operator and franchiser of Qdoba Mexican Grill, with more than 600 restaurants operating in 42 states, as well as in the District of Columbia.

Prior to joining Jack in the Box Inc., Rebel was vice president and controller of Fleming Companies Inc., then an industry leader in distribution, food retailing and business-to-business e-commerce fulfillment. From 1991 to 2002, he held various accounting and finance positions with CVS Corporation, and served as vice president and chief financial officer of its ProCare division from 2000 to 2002.

Rebel is dedicated to San Diego’s business community and, since December 2008, he has served on the Board of the San Diego Chamber of Commerce. He holds a bachelor’s degree in accounting from George Mason University and is a certified public accountant.

“Jerry serves as the Finance Committee Chair at the Chamber. He has brought a clarity of thought to the overall finance function and its role in improving Chamber operational performance. His efforts have been instrumental in memorializing a balanced ‘Reserve Policy’ for the Chamber that recognizes investment is the key to future earnings power, not just spending.”

William M. Scarfia, CPA, Chief Financial Officer San Diego Regional Chamber of Commerce
#1

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CFO of the Year Finalists

EDUCATION CATEGORY

SALLY ROUSH
Vice President of Business and Financial Affairs
San Diego State University
Sally Roush is as much an institution at San Diego State University as Monty Montezuma – except she dresses better. For 36 years, her influence and impact have been felt throughout campus as her stewardship has been critical in maintaining the educational organization’s financial stability and growth. Chief financial officer of one of California’s largest state universities, Roush oversees the fiscal activities of the school as well as numerous other entities including nonprofit support organizations with combined annual revenues of $600 million. Roush’s prudent management and conservative approach to budgeting kept the university on sound financial footing as the economic slowdown impacted everything from state funding to endowments.

GOVERNMENT CATEGORY

MARIA KACHADOORIAN
Finance Director
City of Chula Vista
Kachadoorian leads a team of 26 professionals and becomes a critical part of the city’s infrastructure. She has brought a lifetime of experience and dedication that has helped the City survive a major economic collapse and regain its financial footing. Finance Director Kachadoorian leads a team of 26 professionals that have worked diligently to move the City of Chula Vista from financial crisis to financial sustainability. Before the economic recession, Chula Vista was one of the fastest growing cities in the country with unprecedented development. As the economy began to deteriorate in 2008, the financial impacts were felt citywide. Chula Vista City Manager Jim Sandoval worked with Kachadoorian and the other department heads to take action. Her leadership was crucial in helping the City climb out of a deep fiscal hole. She developed the Fiscal Recovery & Progress Plan which summarized by major category the various steps the City should take in order to achieve long-term fiscal resiliency. The results, Fiscal 2012 saw the 4th consecutive year that the City’s General Fund operating reserves reflected positive growth and the City now has maintained a favorable credit rating of A-.

NONPROFIT ORGANIZATION CATEGORY

LEONARD DODSON
Chief Financial Officer
Planned Parenthood of the Pacific Southwest
Leonard Dodson came to Planned Parenthood of the Pacific Southwest (PPPS) in 2005 to serve as chief financial officer when the organization’s revenues were $53 million. Since then, he has been instrumental in increasing that figure by 65 percent in just four years and at a time of incredible challenge to ensure the sustainability of PPPPS. Working with the executive management team, Dodson instituted numerous refinements such as automating many financial processes and focusing on investing in services; consolidation of information technology, and implementing new processes to increase efficiencies and reduce overhead. Additionally, Dodson led the way in expanding the role that commercial contracting played in the expansion of PPPPS health services to the community.
Under Guinevere (Guin) Kerstetter’s leadership as chief financial officer, Jewish Family Service of San Diego (JFS) has garnered a reputation for solid financial management with funders, government officials, and donors. She is responsible for the agency’s $17 million budget that encompasses more than 50 social service programs. On her watch, JFS has never had an audit issue and has received Charity Navigator’s highest 4-star rating for five consecutive years for sound fiscal management, accountability, and transparency. Only 5 percent of the charities nationwide have received this honor and can make this claim. She has implemented checks and balances and numerous systems contributing to the organization’s financial health and transparency.

During this past year, she was instrumental in negotiating the financing for a new building to expand JFS’s footprint in San Diego, responding to countless time-sensitive requests for financial analysis from the committees working on the project. The new building will provide JFS with a much-needed additional 19,000 square feet to better serve the growing needs of the San Diego community. Under her leadership, JFS has more than tripled in size and relocated its headquarters to its present location in Kearny Mesa.

With more than 20 years of professional service in non-profits, Chief Financial Officer Sandra Landicho is a key member of the senior management team of the San Diego Air & Space Museum and is involved in virtually all decision making for the museum. Her accomplishments in 2012 have included successful contract negotiations for upcoming exhibits, oversight of all budgeting, financial reporting and audit requirements for the museum. She also has been a key representative for the organization in complex Balboa Park collaborative project involving multiple organizations. Landicho is a dedicated mother and also serves as a volunteer on the audit committee for 2-1-1 San Diego.

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Your success is a mix of passion, dedication, and insight. At Deloitte Growth Enterprise Services, we use the same ingredients to provide middle market companies the blend of services they need to make sound decisions. It’s a recipe that’s hard to beat.

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typical to see Joe Michalowski with clients, participating in fitness competitions, and even rock climbing on the guitar at company events. At Training, Education, Research, & Innovation (TERRI), a San Diego-based nonprofit center that advocates for people with autism and other developmental disabilities, Michalowski’s role as chief financial officer encompasses much more than just crunching numbers. In his 19-year tenure with TERRI, he has taken a hands-on, common sense approach, to managing the organization’s $17 million annual operating budget. TERRI has grown from 30 employees and one building to more than 400 employees, 12 residential group homes, two non-public schools, an adult day care center, and a thrift store. Michalowski spearheaded working with the County of San Diego and City of San Marcos on the construction of a new facility, the Charles R. Cols Campus of Life.

As vice president and chief financial officer for the vast social service nonprofit, Neighborhood House Association (NHA), Kim Peck has created a financial model that allows for fiscal efficiency in operating 13 different programs and funding state, federal, county and private sources. Peck has oversaw an $84 million budget and has created financial systems that ensure the integrity of the agency and its fiscal oversight. In his six years at NHA, Peck has been instrumental in assuring consistently clean fiscal audits and attaining the classification of “low risk auditee” for the organization. His most notable achievement was attaining an outstanding financial audit in 2010 that resulted in improved cash flow to fund the additional $7 million of monetary improvements to accounting procedures with internal promotions and new hires. The result has been improved cash flow to fund the organization’s growth, and vital financial information necessary to make strategic decisions for 2-1-1 San Diego’s future.

Redfern arrived at 2-1-1 San Diego in November of 2010, in a period of extreme growth for the organization and an opportunity to implement improvements to accounting procedures and a new internal control system.

During his tenure, Redfern has successfully eliminated all debt and, with the board’s finance committee, established a cash reserve for the organization. He has created financial reports that tell the story of 2-1-1 San Diego operations for board members and staff to clearly see performance. Through fiscal analysis, he recognized the need for expanding staff with internal promotions and new hires. The result has been improved cash flow to fund the organization’s growth, and vital financial information necessary to make strategic decisions for 2-1-1 San Diego’s future.

Redfern is active in the community as Finance Committee chair of Magdalena Ecke Family YMCA, treasurer of the Board of the Community Resource Center, and the Boys & Girls Clubs of San Dieguito. He also gives his time for presentations to the Young Nonprofit Professionals Network San Diego, a network of nearly 2,000 emerging leaders, to help them learn how to read financial statements for their nonprofit organizations and prove their value to their leadership.

**LARGE NONPROFIT ORGANIZATION**

Kim Peck
Vice President and Chief Financial Officer
Neighborhood House Association
www.neighborhoodhouse.org/

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During his time at NHA he has transitioned the organization to a new payroll system without impact to employee pay schedule, successfully changed to a new 401k provider and migrated employee retirement accounts; moved all financial operation processes “in-house”, saving NHA more than $1 million. He has built the NHA financial model from the ground up and has not only attained millions of dollars in savings in the process, but has demonstrated how nonprofit fiscal models can be created to ensure sustainability in the face of an uncertain economic climate.

Peck is also involved in community projects and provides personal financial support for diabetes research and has actively been involved with early childhood education, notably Head Start.

**SMALL NONPROFIT ORGANIZATION**

Paul Redfern
Chief Financial Officer
2-1-1 San Diego
www.211sandiego.org/

Juggling is not a skill associated with accountants, but Paul Redfern is a master at keeping multiple balls in the air. As the chief financial officer of 2-1-1 San Diego, he oversees the various financial systems of  the nonprofit, and at the same time manages his own business, Redfern and Company; along with personal responsibilities of  new triplets, two young sons and a commitment to community service.

**NONPROFIT ORGANIZATION**

Matthew Topper
Chief Financial Officer
Meals-on-Wheels Greater San Diego, Inc.
www.meals-on-wheels.org/

Matt Topper joined Meals-on-Wheels as its chief financial officer in 2007 during a time of great change for the organization. He began by developing and implementing a new set of fiscal operational policies. By 2008, when the financial crisis hit the entire United States, he had established a solid financial management structure at Meals-on-Wheels that would help it survive the critical loss of revenue. Today, as the Affordable Care Act is being implemented requiring a continuum of services, including meals, Meals-on-Wheels, under Topper’s guidance, has executed its first contract with a health plan to provide meals to seniors and dual-eligible patients. Not only is this a pioneering move in California and San Diego County, it is a pioneering move across the country.

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As vice president of finance for Harrah’s Rincon Casino & Resort, Ms. Cologna has direct responsibility for operational areas including cashing, credit and finance, facilities, purchasing and warehousing, planning and analysis, scheduling and security — a total of 243 employees. She not only is responsible for overall financial planning, but is directly responsible for many areas that contribute to overall revenue, regulatory compliance, customer service goals, and employee engagement. She is always looking for ways to be more environmentally friendly in all phases of the operations. Barret also is a valued member of Harrah’s Latin Business Resource Group and a leader of its LGBT Business Group. She takes an active role in developing and executing marketing and revenue-driving efforts directed towards the growing Latino and LGBT markets such as San Diego PRIDE.

Susan Cologna,
Chief Financial Officer
KBM Facility Solutions
www.kbmsolution.com

Susan Cologna’s financial leadership is one of the driving factors in KBM Facility Solutions’ growth through new business and acquisitions. KBM has more than tripled in size since 2008. During 2012, Cologna was instrumental in negotiations of several large national accounts, including AT&T, Estee Lauder, and the United States Postal Service. Her careful analysis of profit margins on existing accounts enabled KBM to be highly competitive during contract renewals, while ensuring continued profitable activity. She is largely responsible for KBM’s success in retaining every major account that came up for renewal during the year and her support of the sales division led to several new major accounts during 2012, including San Diego Gas & Electric and Boeing. Cologna also works in her community and has been a volunteer for Girl Scouts San Diego for the past 12 years.

Ted Hilling,
CFO
Skin Authority
www.skinauthority.com

As a successful professional woman in the fields of biotech and finance, Martha Demski has worked hard to achieve her dreams and is driven to see others do the same. In 2012 Senior Vice President and Chief Financial Officer Demski successfully guided Althea to record revenues with improvements in the timeliness of billings and better recovery on billing for contract costs. Her efforts over the past year included changes to the IT and materials management departments, resulting in significant improvements to the IT security system. Demski’s commitment to improving the lives of local San Diegans can be seen in her nine year commitment to her little sister in the Big Brothers/Big Sisters program. She also has served on the boards of several non-profit organizations, including the San Diego Venture Group.

Scott Kaylie,
CFO
Sambrell
www.sambrell.com

As one of the founding members and shareholders of Petit Kohn Ingrasia & Lust P.C. (PKIL), Tom Ingrassia has helped craft a unique organization and build a thriving employment law practice. As CFO of a new venture in 2006, he captained the financial planning necessary to ensure that as a “start up” law firm, the organization had ample capital to succeed. He oversaw, and continues to manage, those in-house controls and strategies that enabled the firm to pay off all start-up debt within the first three and a half years. Today, PKIL has been listed as one of the Deloitte's 100 Fastest Growing Private Companies and has grown from 10 to 35 attorneys in less than seven years. Ingrasia’s community efforts include spearheading a partnership with the Alliance For African Assistance to host a refugee family. He also has been recognized by his peers for inclusion in the 2013 edition of Best Lawyers in America. Additionally, he has been selected for the San Diego Super Lawyers list for each of the last five years.
"Intercare goes above and beyond to ensure our benefit and wellness programs are fully integrated and targeted to our specific population. If you’re looking for a true partner for benefits and wellness, you can’t get a better consultant than Intercare."

Larry Eyler, Chief Financial Officer, Event Network

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Intercare Congratulates the San Diego Business Journal’s 2013 CFO of the Year Award Nominees and Winners!
Lockton Congratulates the 2013 CFO of the Year Finalists

We applaud you for your outstanding accomplishments.
He has worn two hats at Laptops Plus for more than 10 years—CFO and CEO. His financial oversight of the company has kept Laptops Plus profitable and growing in the computer repair and resell business by forecasting and closely monitoring cash and income flow. Sommatino is able to keep the bottom line viable and profitable. Sommatino’s recruiting skills have brought a variety of different types of people to work for Laptops Plus, allowing for a thriving multi-cultural environment. He has implemented an employee induction program including a series of training videos on diversity, meant to meet the needs of a varied workforce. Environmentally, he has brought a heightened awareness to his customers by offering free electronic waste recycling.

Craig Spitz has been a major player in the phenomenal success and the amazing name of what is now one of San Diego’s treasured icons – Stone Brewing Co. In his three years at Stone as chief financial officer, the company has experienced epic growth from $4.8 million in 2009 to $103 million in 2012 – an increase of 114 percent. As Stone’s power broker, Spitz negotiated a $60 million credit arrangement to finance the microbrewery’s aggressive expansion. He successfully negotiated the leases for two new Stone company stores in Oceanside and Pacific Beach and developed a model for analysis of future additional stores. In addition, he is overseeing the recently developed Stone Catering and Stone Farms business units. The expansion also includes an additional brewing facility, a new Stone Brewing World Bistro & Gardens at Liberty Station in Point Loma and a future venue at the newly expanded San Diego International Airport.

Spitz has shown great leadership, working directly with business unit managers to develop profitability models for Stone’s dining and retail locations. He developed the company’s comprehensive monthly financial reporting package for executive management, and was also instrumental in installing new software systems which have aided in better food and labor cost management. Spitz also makes time for community commitments, sitting on the Advisory Board of the San Diego Business Executives and as a member of MAP – Management Apprentice Program that mentors college students majoring in various business programs at San Diego’s major universities. To cap these worthy causes, he enthusiastically participates in Stone’s infamous “Dye-Hards for Charity” annual event in which employees dye their hair outrageous colors to raise funds for local nonprofits. Spitz’s last color choice was fire engine red.

The firm to be proactive, forward-thinkers. He has helped the agency roll out an open book style of financial management. With Stern’s new systems in place the agency can now forecast revenue out of goods sold, overhead and normal income. Additionally, Sterns helped establish key performance indicators for the agency. As a result, this has helped the agency exceed the bottom line by 40 percent per year. A resident of Descanso, Sterns is dedicated to giving back to his local community. He also has served as board chair of the Urban Corps of San Diego County.

Craig Spitz has been an executive vice president and chief financial officer of Epsilon Systems Solutions, Inc., a manager who truly excels at maintaining the delicate balance of pushing for financial excellence while at the same time, truly understanding marketing and operations. This blend of talents has significantly contributed to Epsilon’s growth, profitability and financial success.

Stewart has overseen a complete reorganization of the company’s corporate structure into a holding company and three subsidiaries, including complete reorganization of accounting systems, human resources and legal elements; completed a merger with RAB Laboratories, Inc. and brokered the acquisition of Media Box Studios, LLC, managing the transaction from start to finish including transaction price and structure negotiation. He oversaw the financial and contracts preparation of over $500 million dollars in new contract proposals. Additionally, he led the legal department through many legal events including challenging EEOC issues, contract arbitration, and debt collection. As a result of Stewart’s management, the company achieved more than 10 percent growth revenue with both increasing staffing. He also took the lead in the creation of the “Rising Stars” program to mentor top young employees with leadership potential.

Stewart is an active member of the San Diego community and serves on several boards including Operation Promise, Inc. and the San Diego USO.

Managing a company as it downsizes can be one of the most daunting tasks a financial managers will ever face. As Motive Interactive was obliged to shrink its workforce from 37 to 14, CFO John Teictico was able to establish policies that greatly helped with employee retention of the key remaining staff. Teictico succeeded in restructuring the company’s financial goals and all employee goals. He negotiated a more favorable office lease for the company, improved relationships with key external financial institutions, major customers, and vendors that sustained the organization through the downturn. Today, the company is now adding new employees to expand the business, and is reaping the benefits of seeing increased sales margins. Teictico continues management of Motive’s overall financial plans related to financing, capital usage, risk management and business profitability.

Spitz has a big heart and expects the same from others. He has opened the door for others to shined through their own unique talents. The key to his success is his ability to bring out the best in others. He is a trusted and respected leader who has truly excelled at maintaining the delicate balance of pushing for financial excellence while at the same time truly understanding marketing and operations. This blend of talents has significantly contributed to Epsilon’s growth, profitability and financial success.

Toictico is also active in social service efforts, participating in several charities and organizations including Catholic Charities, PTA, Goodwill, Salvation Army, and United Way.

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At AL International, Inc., CFO stands for Chief Fan Officer as well as financial overseer. David Briskie has prioritized not only the fiscal health of the company but the health and morale of its employees. Briskie has assembled a strong accounting team, integrating them with tax experts and SEC outside consultants to complete the first two year audit, putting AL International well on its way of becoming a fully-reporting public company. Additionally, Briskie helped assemble a strong board of directors and implemented working capital and profitability improvement plans so the company was able to increase its cash position. He also drove an initiative to improve employee benefits. With a priority on employee retention, Briskie implemented a stock option program whereby all employees and distributors can earn stock in the company and added a 401K plan that includes a match by the company. Briskie along with the AL International team actively participates in charitable sporting events such as most recently the Del Mar Mud Run and the San Diego Color Run.

During his first year in the Mitek CFO chair, Russ Clark has helped pilot the company through a period of tremendous growth, recruiting and hiring new employees and increasing staff by more than 50 percent. He also has responded to many other challenges, including an IP lawsuit from a customer, turn-over of many of the executive team and significant public equity market and commercial market volatility in the mobile space. Clark has helped the company retain a stable base by providing financial leadership as well, helping structure new pricing models for Mitek’s new products. Clark also has significantly refreshed and upgraded the old space that Mitek inhabited in Kearny Mesa into a bright, new, open work environment with a very tech-savvy look and feel. This has created a new energy and vibe for the company and its growing staff.

Kevin McCarty was at the core of all these changes from a financial and logistical standpoint. He oversaw the post-acquisition conversion of all Digitaria’s financial and reporting systems while managing tremendous growth in 2011 and 2012 of almost 57 percent. He has been a contributor to articles in CFO.com, HR Magazine & Yahoo.finance.com, and lectured for the MSEL Program @ USD. His community support ranges from a 27 year commitment to the Cabrillo Festival and participation in charity fund raisers including Voices for Children, Home of Guiding Hands, MS Society, and Make a Wish.
office move. McCarty, a 12-year veteran of MRC, has built a strong accounting department and helped business double in size from December 2004 to today. He accounts for 11 profit centers from seven offices in California. He has implemented a solid tracking process that provides MRC’s CEO and president with vital financial information. With more than 20 years accounting experience, he also brings GAAP and Sarbanes-Oxley compliance expertise to the company. McCarty sets a lifestyle example to his staff as well by participating in the MRC Fit Club – a twice a weekly boot camp where sales and administration workout together.

The Rotary Club of San Diego and the San Diego Business Journal will present the Heilbron Award. The Heilbron is a business community service award developed to celebrate companies that exhibit the “pay it forward spirit” by engaging in community service and “giving back to the community.” Awards will be presented in three categories:

- Small Business
- Medium Business
- Large Business

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GLOBAL COMPANY
Barry Michaels
Chief Financial Officer
Organovo, Inc.
www.organovo.com/
Organovo, Inc., a San Diego-headquartered 3D bioprinting company, had an incredible year in 2012 with Chief Financial Officer Barry Michaels at the helm of many complex negotiations. During 2011, Organovo, like many biotechs, was struggling to raise venture capital financing at an acceptable valuation. Michaels guided Organovo through an alternative means of raising capital, completing a reverse merger, with Organovo becoming a public reporting company. The merger, is an example of what can be done in innovative financing tools. It is a reference deal for many other companies considering alternative financing, which is so important today in the era of dwindling venture capital. Michaels also led a private placement financing of $15 million. With new financing in place the company was able to move to a new, larger facility, with over three times the capacity of its prior location. Michaels’ more than 30 years of experience in the medical device and biotechnology industries have been invaluable in helping Organovo achieve its goals. Michael also works extensively in his community through his church and also is a member of the Optimist Club.

PUBLIC COMPANY
Barry Michaels
Chief Financial Officer
Organovo, Inc.
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Deduct Your Way to Happier Employees

If you want to improve employee morale and wellbeing, try taking a tax deduction. As a business owner, one of your major goals should be retaining good employees. Obviously, offering a competitive salary is one way to keep employees. Another way is to provide great working conditions and benefits. In many cases, you can take a tax deduction for doing so.

Here are just a few ways you can show your employees you care and deduct the cost from your taxes:

Roll Out the Red Carpet
Employees crave recognition for their work. So why not recognize employee dedication with awards and gifts?

Generally, you can deduct cash and property awards for what are known as “qualified plan” awards. These are honors you have established in writing as part of a company recognition program. Usually such awards mark length of service and good safety records. If you choose to honor an employee for an achievement not in your qualified plan, you can deduct up to $400 per employee so recognized. Regardless, you are limited to a deduction of $1,600 for all awards to a single employee per year.

Throwing a party for all your employees also may rate a deduction. You can write off the cost of food and room expenses. If you would rather treat your employees to a day at an amusement park, you can deduct the cost of their admission.

Keep Everyone Pumped Up
Helping employees maintain their health is not only good for their wellbeing, but also for your business. So you may be able to deduct the cost of installing treadmills and weight machines on your property. And if you cannot spare the room, consider purchasing gym memberships for your employees. That benefit is deductible. You can also reduce work-related stress and your taxes at the same time by paying for chair massages for your employees.

If you send your employees to a conference, their costs (airfare, hotel, food, tips, registration fee) are deductible in many cases if your company pays for them. You must be sure that the event is related to your business and takes place in the United States, Canada, Mexico, the Caribbean, or American possessions. Unfortunately, attending conferences elsewhere, such as Europe, usually are not deductible.

Consult Your CPA
Before you spend money on any of the above items, you should first check with your certified public accountant. He or she can discuss whether or not the expense is actually deductible in your particular circumstance.

Additionally, he or she can review the cost benefits of such expenditures with you. Just because something is deductible is not necessarily a good reason to incur the expense. So you have to weigh the total cost minus the deduction against the benefit (e.g., happier employees) you expect to receive.

About CalCPA
Headquartered in San Mateo, Calif., the California Society of Certified Public Accountants (CalCPA) is the nation’s largest state accounting organization and the largest CPA association in California. It serves 40,000 members in public practice, private industry, education and government. Through CalCPA Institute, a 501(c)3 nonprofit, CalCPA members provide financial literacy programs to high schools and community groups.

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