



PELITON

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**QUARTERLY
SEMINAR FOR
LEADERS**

**“Planning in
Uncertain Times”**

October 29, 2008

Agenda

- | | |
|---------------|-----------------------------------|
| 8:00 - 8:30 | Registration/Introduction(s) |
| 8:30 - 9:15 | What Now? |
| 9:15 - 10:00 | 2008/2009 Tax Planning |
| 10:00 - 10:15 | -- Break -- |
| 10:15 - 10:45 | Profit Planning – Driving Results |
| 10:45 - 11:30 | Protecting Business/People Assets |
| 11:30 - 11:40 | Q & A |
| 11:40 - 1:00 | --Lunch-- |

SECTION 1



What Now?



SECTION 2



2008/2009 Tax Planning

Maximizing General Business Tax Deductions

- Domestic Production Deduction
- Code Section 179
- Increase in 1st Year Auto Depreciation by \$8,000
- 50% Bonus Deduction
- Accelerated Depreciation on Qualified Restaurant Improvements
- Retirement Plan Contributions
- Bad Debts if filing on the Accrual Basis

Maximizing General Business Tax Deductions

- Bonuses paid by YE if Cash Basis and by 3/15 of the following year if Accrual Basis
- Home Office Deduction
- Out of Pocket Business Expenses
- NOL Carryback or Carryforward for C Corporations
- Consider future tax rates when deferring income



Consider Business Structure

Forms of doing business:

- S Corporation
- Sole Proprietorship
- Limited & General Partnership/LLC
- C Corporation



Consider Business Structure

- Current Business Structure
 - Minimizing tax rates?
 - Minimizing employment taxes?
 - Deduction of Losses
- Changing the structure of the business
 - Timing to avoid additional tax costs
 - Use of NOL's



Cash Basis Businesses

- Who qualifies?
- Can I convert to cash basis?
- Does filing on the cash basis benefit me?



Benefits of Cash Basis Filing

- Receivables are not recognized as taxable income.
- Expenses incurred on credit card obligations are considered “paid” on the cash basis.
- Lines of credit can be used to defer additional taxable income.
- Retirement Plan contributions can be deducted on the cash basis even if the payments are not made until the due date of the tax return.
- The idea is to defer income and accelerate expenses (even if you prepay for 2009 expenses).

How Do You Plan for a Cash Basis Taxpayer?

	<u>Case #1</u>	<u>Case #2</u>
Book Net Income at September 30th	\$400,000	\$400,000
Retirement Plan Contributions Accrued	(50,000)	(50,000)
Book/Tax differences:		
Depreciation	5,000	5,000
Code Section 179 Deductions	(20,000)	(20,000)
Meals & Entertainment	10,000	10,000
Nondeductible Dues	2,000	2,000
Life Insurance premiums	10,000	10,000
Taxable Income as of September 30th	<u>\$357,000</u>	<u>\$357,000</u>

Where's the Cash?

	<u>Case #1</u>	<u>Case #2</u>
Cash available at September 30 th	200,000	200,000
Cash balance expected at year end	(10,000)	-
Advance on Line of Credit before year end	-	50,000
Increase in Credit Card debt at year end	10,000	10,000
Finance of additional equipment	<u>-</u>	<u>88,000</u>
Net Cash available to reduce taxable income	<u>\$200,000</u>	<u>\$348,000</u>

How Did We Do?

	<u>Case #1</u>	<u>Case #2</u>
Taxable Income as of September 30th	357,000	357,000
Cash used to reduce taxable income	(200,000)	(348,000)
<hr/>		
Taxable Income estimated at December 31	\$ 157,000	\$ 9,000
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Production Deduction	(9,420)	(540)
<hr/>		
Taxable Income after Production Deduction	\$ 147,580	\$ 8,460
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What About Business Credits?

- Do you have employees that receive tips?
- Have you considered purchasing a hybrid vehicle?
- You may also qualify for a fuel tax credit if you use fuel in off road equipment.
- Do you hire veterans, high risk youth, individuals receiving public assistance or ex-felons that will qualify you for the Work Opportunity Credit?

What About Business Credits?

- Have you participated in Research & Development Activities? Electing out of 50% Bonus depreciation may allow AMT & R&D credits for Corporations.
- Did you start a new Retirement Plan in 2008?
- Are you located in an Enterprise Zone?
- Have you made charitable contributions to an Enterprise Zone Administrator or Qualified Colorado Childcare?



What About Me, How Does My Business Affect Me?

- If you have business losses, make sure that you can deduct them – Do you have basis?
- How can I deduct passive losses?
- Are Capital Losses flowing through from my business?
- Have I taken too much in distributions?
- Should I increase my wages in order to maximize my retirement plan contribution?
- Should I increase my federal or state withholding before year end to avoid estimated tax penalties?

What Can I Deduct Individually?

- Mortgage interest on a principal residence and one other residence (up to a total of \$1 million in debt). Watch out for Home Equity loans for AMT tax purposes and if you cashed out more than \$100,000.
- Mortgage debt forgiveness income of up to \$2 million can be excluded.
- PMI if your AGI is less than \$100,000
- Investment Interest if you have investment income.
- Charitable contributions to qualified charities (both cash and non-cash contributions). Make sure the contributions don't exceed 50% of your AGI and keep your receipts!
- If you are over age 70 1/2, are you interested in contributing up to \$100,000 of your minimum mandatory IRA distributions to a qualified charity?

What Can I Deduct Individually?

- Medical expenses if they exceed 7 ½% of your AGI. Don't forget to recognize self employed health insurance as a deduction above the line & include the cost paid on your W2.
- Real Estate taxes on your residence and investment property – new addition to non-itemizers for State and Real Estate taxes paid up to \$500 Single and \$1,000 Joint.
- Taxes on your vehicles and other personal property.
- State taxes or sales tax paid during 2008. Should you prepay your 2008 state taxes? Again, watch out for AMT tax.
- Tuition paid
- Interest on Education loans

What Can I Deduct Individually?

- Out of pocket employee business expenses. What qualifies? Watch out for AMT tax.
- Deduction for FT Teachers up to \$250
- You can claim an exemption for all qualified dependants as long as your income isn't too high.
- Capital Losses up to \$3,000 per year. Consider offsetting capital gains with losses.
- Do you qualify for an IRA or Roth IRA contribution?

Other Tax Rate Considerations

- Kiddie Tax applies to kids under age 18, age 18 with unearned income above \$1,800, or kids under age 24 if a FT student.
- AMT exemption was increased to \$69,950 for Joint filers, \$46,200 for Single filers.



What Will the IRS Pay Me Back For?

Available to offset AMT Tax – Non Refundable personal CR's can offset AMT in 2008:

- Low Income Housing Credits purchased from developers
- 1st Time homebuyer credit – max of \$7,500 depending on income level
- Residential Energy Efficiency Credits – Expanded for small wind energy property and geothermal heat pumps, solar cap will be removed in 2009
- Energy Efficient Appliance credit extended through 2010
- \$1,000 per child as long as your income isn't too high
- Adoption credit up to \$11,650 depending on income level
- Educational credits as long as your income isn't too high
- Dependent Care

Not available to offset AMT Tax:

- Purchase of a hybrid vehicle
- Non Business Energy Property Credits – hold off till 2009
- Rehabilitation Tax Credit on Qualified expenditures for historical buildings
- Stimulus payment – you may still get one in 2008!



What About the State?

- Have you considered contributing to a 529 plan?
- Have you invested in Colorado municipal bonds?
- Did you know that your pension income may not be taxable in Colorado?
- Do you have Colorado Source Capital Gains?
- Do you have flow through enterprise zone credits from your business?
- Did you contribute to a qualified enterprise zone or childcare?
- Did you pay state taxes to any other state?

2009 Tax Law Changes

- Exclusion of Gain on sale of Principal Residence will no longer apply to non-principal residence use periods
- Reduction in 179 deduction is expected to be \$133,000
- No more 50% Bonus Depreciation
- 1st Time homebuyer credit will only apply on purchases prior to 7/1/09
- Tax free employee benefit for biking to work is available to employers
- Extended Non Business Energy Property Credits
- Credits for Plug-In Cars from \$7,500 - \$15,000



Have You Considered Your Estate

?

- If you expect to have a taxable estate are you gifting each year? Remember you can also gift stock in your business.
- Should you consider using your lifetime exclusion to gift a major asset?
- Have you planned for your estate?



Summary of Potential Tax Policies of Current Presidential Candidates

Senator McCain

- Double personal exemptions to \$7,000
- Extend and increase the AMT exemption amounts
- Reduce corporate tax rates from 35% to 25%
- Reduce top Estate Tax Rate to 15% and Increase Exclusion to \$5 million
- Create personal Social Security accounts for younger workers
- Make the lower income tax and capital gains rates permanent
- Full first year deduction of capital acquisitions

Summary of Potential Tax Policies of Current Presidential Candidates

Senator McCain (Continued)

- Ban taxes on internet sales and cell phones
- Expand R&D credit and make it permanent
- Provide a refundable tax credit of \$5,000 for families to be paid for by treating employer provided health benefits as taxable compensation to the employee
- Repeal Domestic Production Deduction
- May reduce tax breaks for Oil & Gas Companies
- Supports simplified tax returns for many filers

Summary of Potential Tax Policies of Current Presidential Candidates

Senator Obama

- Reduce Corporate tax rates from 35% to 25%
- Keep Estate tax rates at a maximum of 45% and increase the exemption to \$3.5 million
- \$1,000 tax credit for families with incomes between \$8,000 and \$75,000
- Eliminate federal income tax on seniors with incomes below \$50,000
- Universal mortgage credit of 10% up to \$800
- \$4,000 refundable education credit
- Expand Savers credit to more taxpayers and make it refundable
- Expand the Earned Income Credit
- Expand the Child and Dependent Care Credit and make it refundable
- Expand tax credits for clean vehicles

Summary of Potential Tax Policies of Current Presidential Candidates

Senator Obama (Continued)

- Restore upper tax brackets to 36% and 39.6%
- Raise capital gains and dividend tax rates to 20% if incomes are over \$250,000 (Joint)
- Extend and Index the increase in the AMT exemption amounts
- Eliminate Capital Gains taxes on small businesses
- Eliminate special tax breaks for oil and gas companies
- Preserve existing Social Security structure but help cover the growing deficit by imposing a payroll tax of 4% on incomes over \$250,000
- Targeted Health Care tax credits, including a health care credit for small business
- Proposes a health insurance exchange to provide health insurance, paid by employers who do not provide health insurance
- Expand the Renewable Production Tax Credit
- Supports Simplified tax returns for many filers



Are You Ready for December 31?

- Plan for your business taxes
- Plan for personal taxes
- Plan for your estate

SECTION 3



Profit Planning – Driving Results

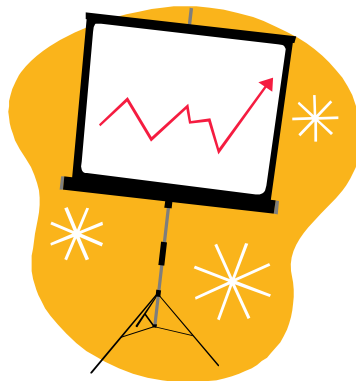
Profit Planning or Planning for Profit

- Our presentation today is designed to share some ideas to help you navigate these uncertain times. This portion will deal with budgeting or rather an alternative to budgeting in the traditional sense that may be of practical value in coping with uncertainty.



Our Objectives for Today are:

- To introduce the concept of profit planning
- To look at steps and routine can be followed to develop a profit planning model
- To make a case for profit planning as a means to effectively navigate business uncertainty



... Today's Objectives

- To closely tie your budgeting activities to what is actually occurring over time to be in a position to correct course to stay on target by reacting quickly to environmental changes



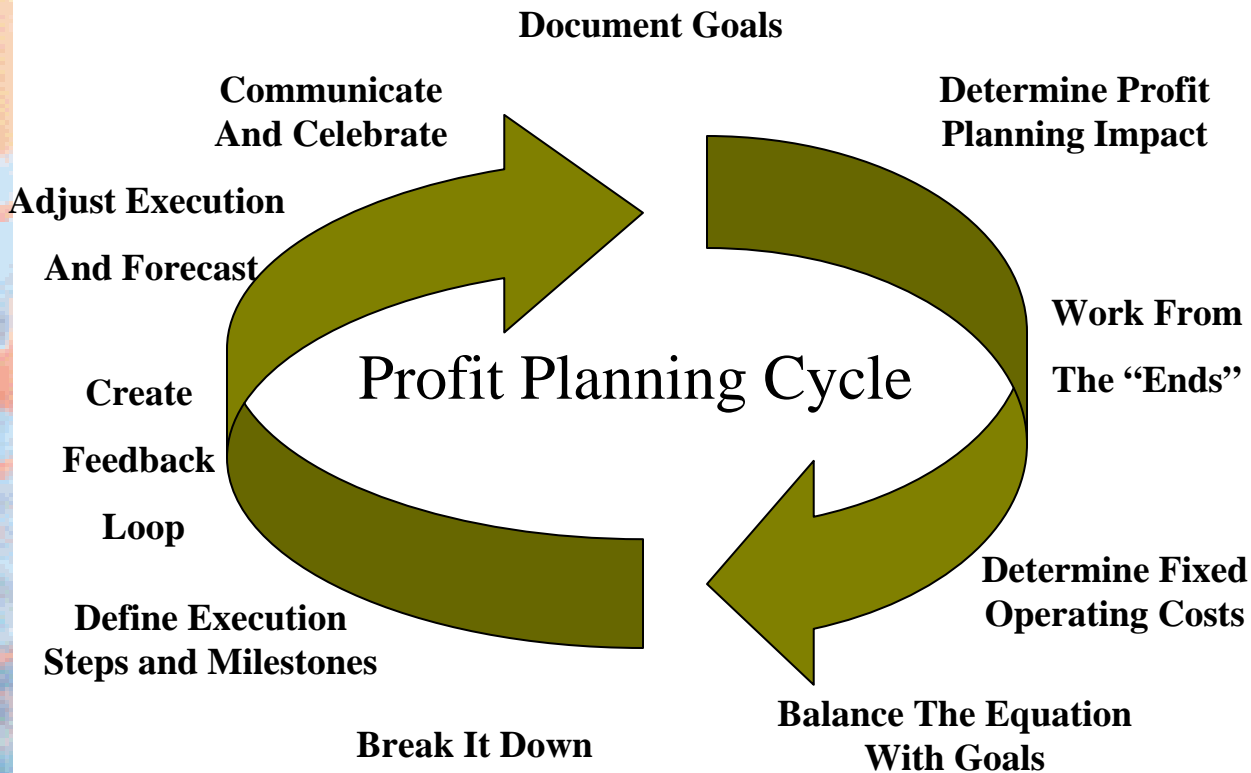
Profit Planning

- Simply put, Profit planning is a managerial accounting term that suggests that we plan from the bottom up rather than the top down
- It is similar in concept to zero based budgeting
- Unlike some other forms of planning, we assume very little from the past, rather use the past to better our assumptions about the future

... Profit Planning

- If we can use a couple of definitions for our purposes today which are relevant in this context:
- Forecast- Economists and other experts can make a forecast and it is what it is regardless of the actual outcome (and they still get paid)
- Plan- the ability that we business owners have to adjust to the environment to better control the outcome (and hopefully get paid)
- *Profit Planning is a continuous process of planning, measuring, evaluation, and adjustment or course correction*

The Profit Planning Cycle



Step One (and Ten): Document Goals

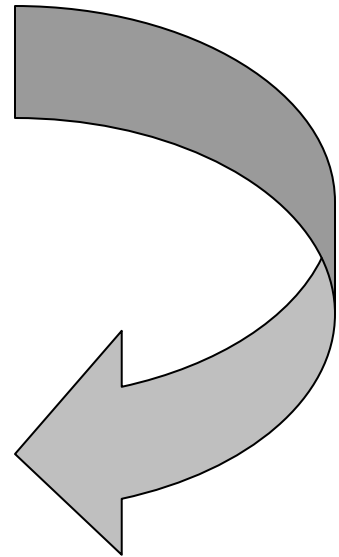
Write down all of the things that you wish to accomplish change or correct in the coming year

Here are some examples from some of our clients:

- Desire to buy out a shareholder
- Wanted more time off
- Demonstrate consistent performance from month to month
- Purchase a competitor
- Improve profitability to industry standards

Each of these goals has a profit Implication that requires planning and execution diligence.

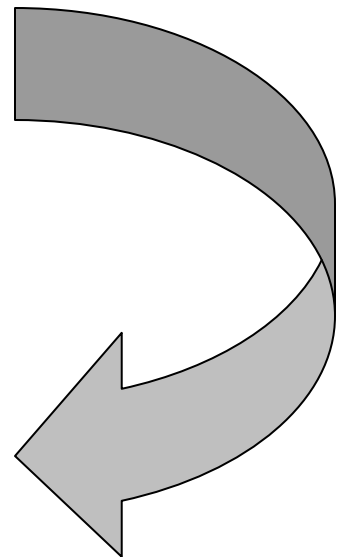
Document Goals



Determine Profit Planning Impact

- This is typically the quantification of the profit planning goals in dollars
- Example from our clients
 - sufficient staff and systems
 - flexible cost structure versus revenue
 - generating sufficient cash flow for target items

**Determine
Profit Planning
Impact**



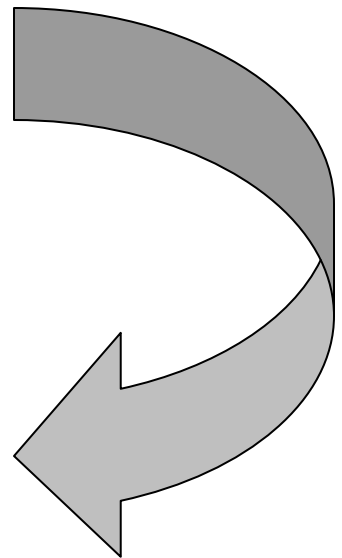
Work From the “Ends”

- Specifically from the Bottom, then the Top, to the Middle

Typical P&L Profit to Sales

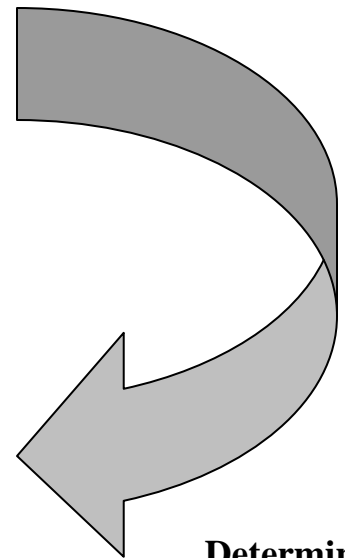
- Profit Planning begins with the profit level require to reach the “Goals”.
- The next step is to determine a reasonable sales level given what you understand about your business opportunities.

**Work
From The
“Ends”**



Determine Fixed Operating Costs

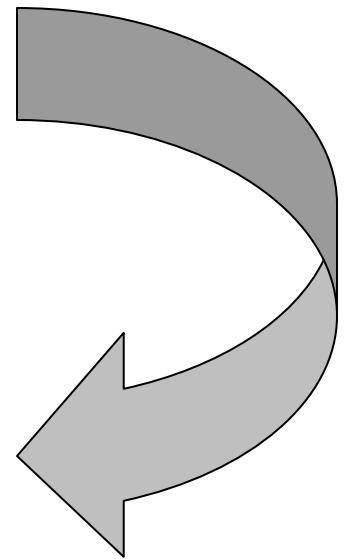
- Examine your fixed cost obligations, rents, contracts, fixed interests
- Challenge the true nature of fixed expenses
- Identify key variable cost relationships
- The key is to convert as many costs from fixed to variable



**Determine
Fixed
Operating
Costs**

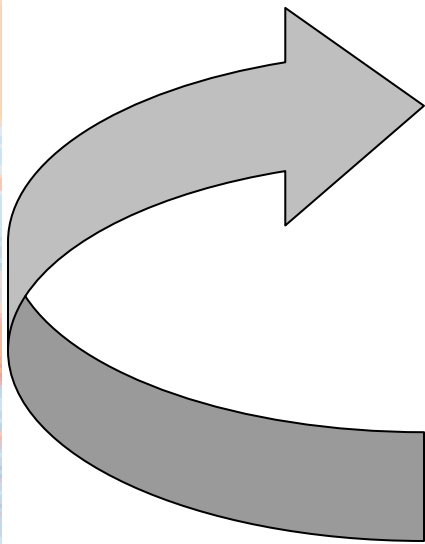
Balance the Equation With Goals

- Construct an equation that first deducts your profit objective laden with those most important goals, and then deduct fixed obligations from the ‘reasonably’ expected revenues
- Then deduct discretionary expenditures and lesser objective ‘spend’ items (sub budgets for staff, IT projects, marketing projects, etc.)
- If you can balance your equation between these categories and arrive at a positive outcome you have discretionary earnings or cash to address your goals
- If not, you still have some work to do



**Balance The Equation
With Goals**

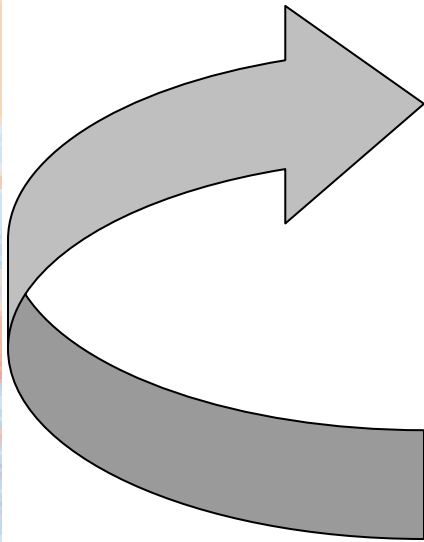
Break It Down



**Break It
Down**

- Once you have balanced your equation to include your goals it is time to break the down into measurable units such as Divisions on a “Weekly” or “Monthly” basis.
- Ownership of small pieces by team members who will drive and report on the periodic outcomes is imperative

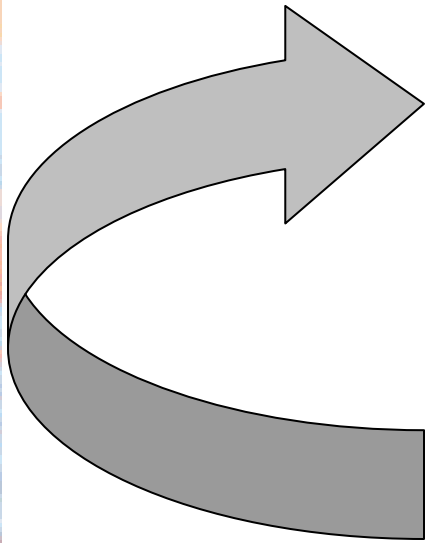
Define Execution Steps and Milestones



**Define Execution
Steps and
Milestones**

- Define execution steps and milestones for your non-financial and financial goals.
- This is extremely important to both empower your team and provide a measurable basis related to ‘things’

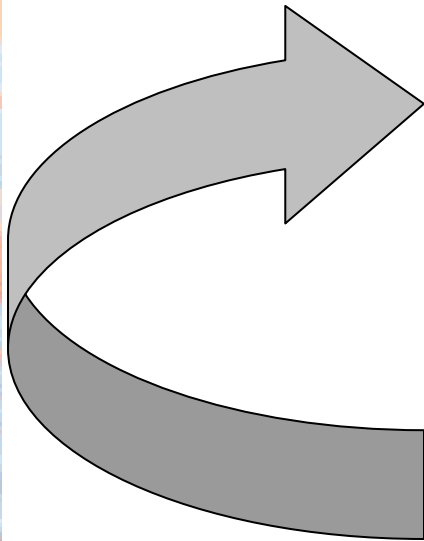
Create Feedback Loop



**Create
Feedback
Loop**

- Periodically review your financial goals, non-financial goals and execution
- From a monthly or weekly breakdown compare the plan to actual performance
- Make sure your reporting system can support this activity- both system and processes
- Act on the variances

Adjust Execution and Forecast

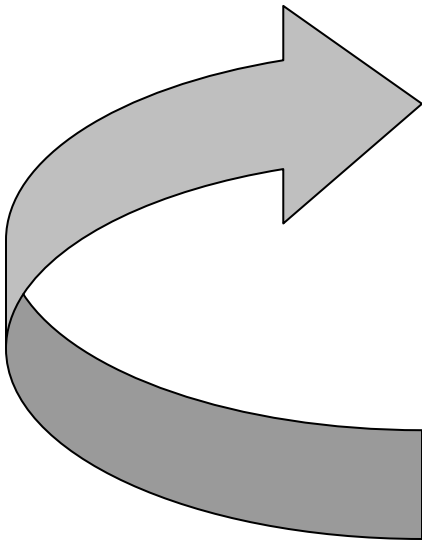


**Adjust
Execution
And Forecast**

- Periodically review your results
- Bear in mind that many goals and execution steps may need a go-no-go decision point based on actual performance
- Release corrective action items
- Reforecast to the endpoint to assure that you are still on course for the primary profit planning objectives

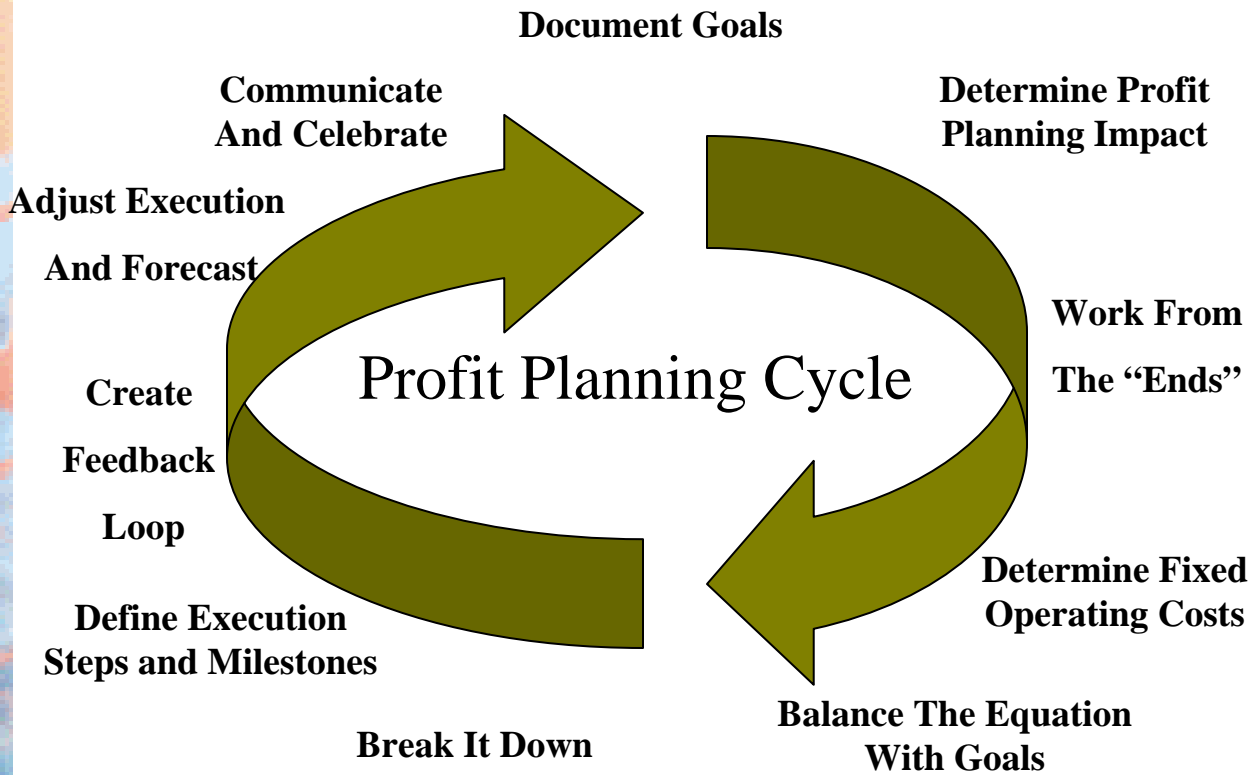
Communicate and Celebrate

Communicate And Celebrate



- This process can be a significant communication tool
- Incentive based compensation driver
- Point of team or divisional pride

The Profit Planning Cycle



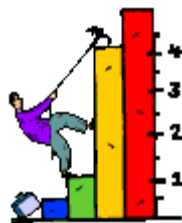


Profit Planning Effectiveness

- The shorter the interval of this ‘cycle’ the greater the value in assuring the intended outcome...
- Constant monitoring of business fundamentals and maximum opportunity for course correction in uncertain periods
- Team engagement
- Purpose for ‘Numbers’, Incentives, Change Management...

Profit Planning Effectiveness

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SECTION 4



Protecting Business/People Assets



Politics in the Workplace



As the election season heats up, employers may want to take steps to head off contentious political debates at work, starting with reminders for front-line managers about the legal risks of arguing about politics in the workplace.

Politics in the Workplace (cont'd)

A recent Politics in the Workplace survey found that:

- 30% of workers polled said a co-worker tried to influence their choice in an election.
- 35 % said their boss openly shares political views with employees.
- 9% said they feel pressure to conform to the boss's views.
- 71% of employers prohibited the use of company assets in support of any political party or candidate.
- 68% stated that employees are not allowed to devote any work hours to any political activities.
- 68% of employers did not allow any political activities on company premises.
- 66% stated that no employee may use position to pressure vendors, suppliers or other employees to show support for or make contributions to any candidate or political party.

Politics in the Workplace (cont'd)

Employers can no longer assume that individuals entering their workplace have a common frame of reference, beliefs, work ethics or understanding of "politically correct" workplace behavior.

Employers can anticipate and respond to heated discussions by using a few simple tools, many of which may already be in place.

- 1.** The first is a well-crafted and well-communicated anti-harassment policy that explains that harassment on the basis of any "protected classes" covered by federal, state and local law will not be tolerated.
- 2.** The second tool is a broad statement, incorporated as much as possible into the culture of the organization, that the organization has a professional work environment where respect for individual feelings and convictions of others is required.
- 3.** The third tool is an ongoing process, such as an "open door" philosophy, to encourage employees to raise their concerns as quickly as possible using established channels.



How Turbulence Affects the Employee Psyche

Let's take a look at the types of events that are affecting the American employee psyche today:

1. Presidential election
2. Economic crisis
 - Mortgage meltdown
 - \$700 B Bailout/Rescue Plan
 - Credit crunch
 - Failing financial institutions
 - Recession
 - Diminished retirement assets
3. War in Iraq
4. Gas prices
5. Healthcare costs
6. Global warming

Examples of the impact(s) on worker performance include:

- Decreased productivity
- Missed deadlines
- Sloppy work
- Social withdrawal
- Lack of cooperation
- Safety problems or accidents
- Increased absenteeism or tardiness
- Complaints of fatigue
- Disenfranchised/disconnected
- Alcohol and drug abuse
- Anxiety and depression



Employee Retention

Studies indicate that while competitive compensation is a key element for employee retention, employees find other factors to be even more important. Here are what top performers say is most important:

1. Full appreciation for work well done
2. Feeling “in” on things
3. Empathetic understanding of personal issues
4. Job Security
5. Competitive wages and benefits
6. Interesting work
7. Promotion and growth opportunities
8. Personal loyalty to workers
9. Quality working conditions
10. Tactful discipline

In tough times, employee perceptions of what is most important shift:

- 1. Feeling “in” on things.** Communication about how things are going, and understanding how their specific job impacts the bigger business picture.
- 2. Job Security.** Employees prefer to know that their work environment is stable.
- 3. Competitive wages and benefits.** Monetary rewards can keep employees in their seats.



Employee Communication Strategies

Employee communication is the lifeblood of any organization. It enriches and empowers everyone in the company. Reducing or eliminating employee communication during skittish economic times can be a disastrous business decision. Chances are your employees are already nervous--especially if the organization has had to reduce staff--and the rumor mill has begun to buzz. If your workers are not hearing anything from you, they are sure to imagine the worst. By delivering information simply, clearly, frequently and honestly, you help employees cope with the uncertainty they may be feeling about the future.

In tough times, it is more important than ever to keep workers up to date about what is going on, but many organizations avoid the unpleasant duty of disclosing bad news to employees. When people start to worry about the economic health of their company, they inevitably begin to talk to one another about their fears.

Employee Communication Strategies (cont'd)





Employee Communication Strategies (cont'd)

In tough times, it is more important than ever to keep workers up to date about what is going on, but many organizations avoid the unpleasant duty of disclosing bad news to employees. When people start to worry about the economic health of their company, they inevitably begin to talk to one another about their fears.

- Employees who are spending time in conversation are not getting their jobs done. Even if a discussion between two workers lasts only 10 minutes, the organization loses 20 minutes of productivity. This amount increases exponentially as the number of people talking--and the amount of time they spend doing it--grows.
- Workers who do not get their facts directly from management may fill in the blanks with theories of their own that often are passed from person to person, growing more outlandish with each repetition.



Employee Communication Strategies (cont'd)

- Employees who speculate about how much longer they may have a job might not be motivated to contribute as they once did. They may lose sight of the connection between what they do all day and the degree to which the company succeeds.
- Frequent, honest, interactive communication with your employees is the best way to prevent these types of problems from developing. Keeping people informed and emphasizing the need for them to remain focused on productivity reduces the risk that workers will add to the organization's pressures.



Employee Communication Strategies (cont'd)

Invariably, people who are worried about their companies and their jobs are people who want to talk about what they think, how they feel and what, in their opinion, should be done to save the day. This is a great opportunity to get useful, high quality, measurable feedback from employees. Some good methods for collecting information include:

- 1. Questionnaires/Surveys.** This approach is particularly useful after a formal or informal status meeting. Develop a short list of questions for the employees, such as "Did today's meeting address all of your concerns? If not, what topics would you like to see covered in our next communication?"
- 2. Employees may become complacent and simply bide their time, unproductively hanging around to collect as many paychecks as possible before what they believe to be the inevitable occurs and they join the ranks of the unemployed. Unfortunately, this scenario often results in a "self-fulfilling prophecy".**



Employee Communication Strategies (cont'd)

3. Third--and perhaps most damaging--employees may begin to plant seeds of discontent that can spread like wildfire throughout your team. Also known as the "bad apple" syndrome, the grumbling of one angry, discontented member can quickly bring down the morale and productivity of a whole group.

Now may be a good time to consider adding total compensation statements to your regular employee communications. Especially during tough times, reports that contain information about the pay and benefits you provide to your employees can help build loyalty and improve morale. These personalized statements help workers realize--and appreciate--the dollar-value of their total compensation.



Impact(s) on Fiduciaries

Many defined contribution plan fiduciaries are fielding calls from participants who are concerned about the stability of the investment options available to them.

All ERISA fiduciaries are required to fulfill their duties prudently and in light of “the circumstances then prevailing.” This standard means that they must take current conditions into account. It does not mean that fiduciaries should abandon long-term investment strategies, but if their conduct comes into question 18 or 24 months from now, a prudent record probably should reflect that the fiduciaries considered how existing conditions could affect the plan.

The plan sponsor or other named fiduciary of a 401(k) plan generally is responsible for selecting and monitoring the investment options available under the plan. What should a plan fiduciary do in response to significant market turbulence?

Steps To Take

1. ***Request formal input from the plan’s financial advisor.*** Many advisors are issuing market updates that reflect their general assessment of the situation. Fiduciaries should consider asking their advisor for a more specific assessment of the implications for the plan’s investments.



Impact(s) on Fiduciaries (cont'd)

2. Call a special meeting to evaluate the situation.

Waiting until the next regularly scheduled meeting of the fiduciaries—which could be months away—might not be considered prudent in light of the market's volatility. Even if the fiduciaries decide that no action is necessary, evidence that they engaged in such an evaluation will show that they are acting prudently in light of current circumstances. Be sure to reflect the substance of the fiduciaries' deliberations in meeting minutes.

3. Provide assurance that events are being monitored.

Plan fiduciaries cannot promise that plan investments will not lose value, but they can reassure participants that a monitoring process is in place and being followed, and that experts who are experienced in investment matters are involved.

4. Reinforce basic investment principles.

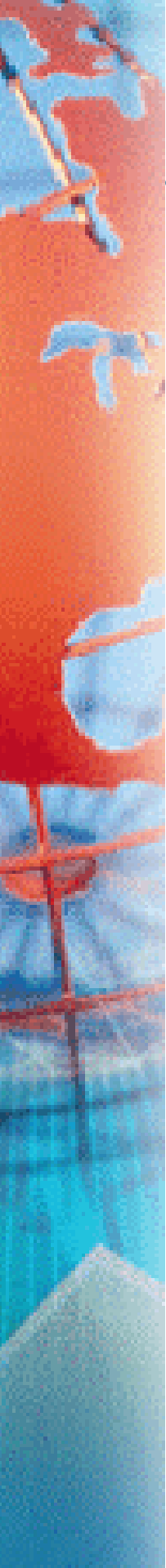
Remind participants of the value of diversification and the time horizon for retirement investing. If the plan offers company stock as an investment option, this may be an appropriate time to reinforce previous communications regarding diversification.

5. Remind participants of available resources.

If the plan offers investment advice, remind participants of this valuable benefit. Participants may also want to seek their own financial advice.

Impact(s) on Fiduciaries (cont'd)





Q & A

SECTION 5



Appendix





George M. Feiger

George M. Feiger brings a diverse background in the banking, financial services and wealth-management industries to Contango. Mr. Feiger is also executive vice president of the firm's parent company, Zions Bancorporation.

Prior to Contango, Mr. Feiger served in a number of senior positions in the financial services sector. He was a senior advisor to the Monitor Group, global head of Onshore Private Banking for UBS, Global Head of Investment Banking at SBC Warburg and was a senior partner at McKinsey & Co. During his time in Europe, Mr. Feiger led the merger integration of the corporate finance businesses of Swiss Bank Corp. and SG Warburg, and oversaw the consolidation of SBC Warburg's sales and trading businesses. Mr. Feiger was also a partner at Capco, a financial services consulting firm.

Mr. Feiger holds a PhD in Economics from Harvard University and was an associate professor of Finance at Stanford University's Graduate School of Business.



Cindy Gomerdinger

Would you hire a district attorney to handle your business legal needs? Not likely. What makes for a great DA is not the same skill set needed for business law.

Just as all attorneys are not alike, CPAs have different scopes and specialties. Typically, a CPA gets categorized as a tax or audit specialist, but some CPAs excel beyond these traditional boundaries.

Cindy Gomerdinger is one such CPA. Besides traditional tax preparation and accounting, Cindy offers extensive business planning and management advisory services.

Gomerdinger's background underscores her commitment to be a leader in the Certified Public Accounting profession, as well as the business community:

- Financial and tax service specialist to closely held businesses since 1987.
- Experienced in retailing, wholesaling, construction, manufacturing, professional services, not for profits.
- President, past Treasurer, Greenwood Village Chamber of Commerce.
- CPA certificate, California, 1991
- CPA certificate, Colorado, 1993
- Bachelor's Degree, Accounting, Kansas State University, 1987.



Andrew Sullivan

Andrew currently serves as President of Peliton Corporate Accounting Services, an accounting outsourcing and consulting company serving the Front Range of Colorado. Mr. Sullivan has been involved in a number of organizations at the Controller and CFO level, focusing primarily on small to mid-sized businesses for the last fifteen years. Gathering industry experience in manufacturing, distribution, transportation, lending and construction, he has helped companies grow by acquiring new funding and implementing better systems. He has also managed the turnaround and workout of several businesses, restructuring debt and participating in the sale of entire business units.

Andrew also serves as an Affiliate Faculty Member at the Regis University College of Management, teaching Financial Decision Making, Case Studies in Financial Management, Case Studies in Managerial Accounting and Interpreting Accounting Information to MBA students. He is the recipient of the University's 2007 Excellence in Teaching Award.

His education includes a Master's Degree in Business Administration, with an Accounting and Finance emphasis, from Regis University, and a Bachelor's of Science degree in Business Administration Finance from the University of Northern Colorado.



D. Randall Hake

Applying the best of "big business experience" to the specific needs of small and medium sized companies is one of numerous strengths Mr. Hake provides to Peliton clients. With a twenty+ year track record of results-oriented human resources and administration leadership, he has built a foundation of trust, knowledge and leadership that has proven to be very beneficial to evolving start-up and Fortune 500 companies alike. Together with the Peliton team, Mr. Hake implements programs that are customized to fit each client's individual needs that will make their business more efficient and provide them with the opportunity to do what they do best.

Prior to helping to form Peliton, Mr. Hake founded PeopleLexis. He has also served as Executive Vice President, Human Resources for Convergent Communications; Sr. Vice President, Administration and Human Resources for Tie Communications; Director, Compensation, Benefits and Staffing for Memorex Telex. Randy holds a BA from UCLA.

