

CFO SERVICES



Brian O'Brien
Managing Director
National Practice Lead
bobrien@alvarezandmarsal.com
+1 630 258 0270



Arthur Forbus
Managing Director
Southwest Region
aforbus@alvarezandmarsal.com
+1 713 547 3747



Bill Wells
Managing Director
West Region
bill.wells@alvarezandmarsal.com
+1 415 963 1490



Mike McKenna
Managing Director
Private Equity Lead
michaelmckenna@alvarezandmarsal.com
+1 212 328 8502



Nancy Zielke
Senior Director
Public Sector Lead
nzielke@alvarezandmarsal.com
+1 816 412 6511



**LEADERSHIP
ACTION
RESULTS**

Follow us on:



Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) when conventional approaches are not enough to activate change and achieve results.

Privately-held since 1983, A&M is a leading global professional services firm that delivers performance improvement, turnaround management and business advisory services to organizations seeking to transform operations, catapult growth and accelerate results through decisive action. Our senior professionals are experienced operators, world-class consultants and industry veterans who draw upon the firm's restructuring heritage to help leaders turn change into a strategic business asset, manage risk and unlock value at every stage.

When action matters, find us at: www.alvarezandmarsal.com

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CFO SERVICES

Leadership. Action. Results. For CFOs' evolving needs.



SUPPORTING TODAY'S CFO

More is expected of today's finance executives. The days of simply overseeing the traditional finance and accounting functions of an organization are long gone. Today's CFO is expected to serve as a business partner in addition to overseeing the financial health of the organization, creating and managing a flexible operating model and delivering timely and insightful decisions based on trusted analytics and financial information.

Against the backdrop of global growth stagnation, rapid technological innovations and unprecedented levels of new regulations, finance executives are asked to set the stage for new growth opportunities that build shareholder value while managing costs, risks, quality of earnings, and compliance. A&M provides today's CFOs with leadership, action and results for their evolving needs.

FINANCE EXECUTIVES CALL US WHEN:

- They need a *broad, sweeping improvement in core finance and accounting processes* such as working capital, level of automation, degree of standardization, cycle times and quality and controls.
- They are *considering functional organization shifts or different operating models* to improve the delivery of finance and accounting services.
- They need *to get out of "Excel hell" and accelerate decision making.*
- They are *implementing fundamental structural change* in the business due to a merger, acquisition, joint venture or other legal entity change.
- They need *objective, credible advice* to support a key initiative or have a *void in senior finance leadership.*
- They are *struggling to meet reporting requirements* or have identified *weaknesses in their internal controls.*

CORE SERVICES INCLUDE

FINANCE TRANSFORMATION

- Rapid Cost Reduction
- Working Capital Improvements
- Finance and Accounting Process Improvement
- Organizational Design and Effectiveness
- Shared Services Design and Implementation
- Outsourcing Governance and Improvement

INTEGRATED PERFORMANCE MANAGEMENT

- Vision and Roadmap Strategy Development
- Process Improvement for:
 - Strategic Modeling and Planning
 - Budgeting and Forecasting
 - Reporting and Analytics
- Financial Systems Evaluation and Selection
- Technology Implementation Advisory

MERGER, ACQUISITION AND DIVESTITURE SUPPORT

- Acquisition and Divestiture Strategy Development
- Valuation and Deal Structure
- Comprehensive Due Diligence
- Merger & Acquisition Integration Planning and Execution
- Carve-out / Divestiture Planning and Execution

EXECUTIVE ADVISORY AND INTERIM LEADERSHIP

- Executive Advisory Services
- Interim CFO, CAO, Controller or Treasurer

ACCOUNTING REMEDIATION SERVICES

- Financial Reporting and Audit Acceleration
- Internal Controls Remediation

SUCCESS STORIES

FINANCE TRANSFORMATION

ORGANIZATIONS DEPEND ON CFOS TO LEAD THE CHARGE FOR GROWTH AND PROFITABILITY. A&M HELPS ORGANIZATIONS RAPIDLY REDUCE COSTS, INCREASE CASH FLOW AND SIGNIFICANTLY IMPROVE THE COST AND SERVICE QUALITY OF THEIR CORE FINANCE AND ACCOUNTING FUNCTIONS.

Transformation to Power Savings

The new CFO at a publicly traded Fortune 500 utility was unhappy with his company's current finance and accounting outsourcing arrangement. The service provider was underperforming, and material control weaknesses and audit risks threatened to derail upcoming debt negotiations. The CFO decided the best solution was to bring the finance and accounting function back in house and engaged A&M to transform the reestablished finance organization. A&M developed a new operating model and roadmap including initiatives to improve business partnerships in planning and forecasting, centralize key functions, implement new planning and consolidation software, and develop a 5-year technology plan for all finance and accounting systems. The combined efforts significantly increased performance and confidence in financials and controls, leading to a successful debt renegotiation and decreased audit risk.

Delivering step-change results in finance and accounting.

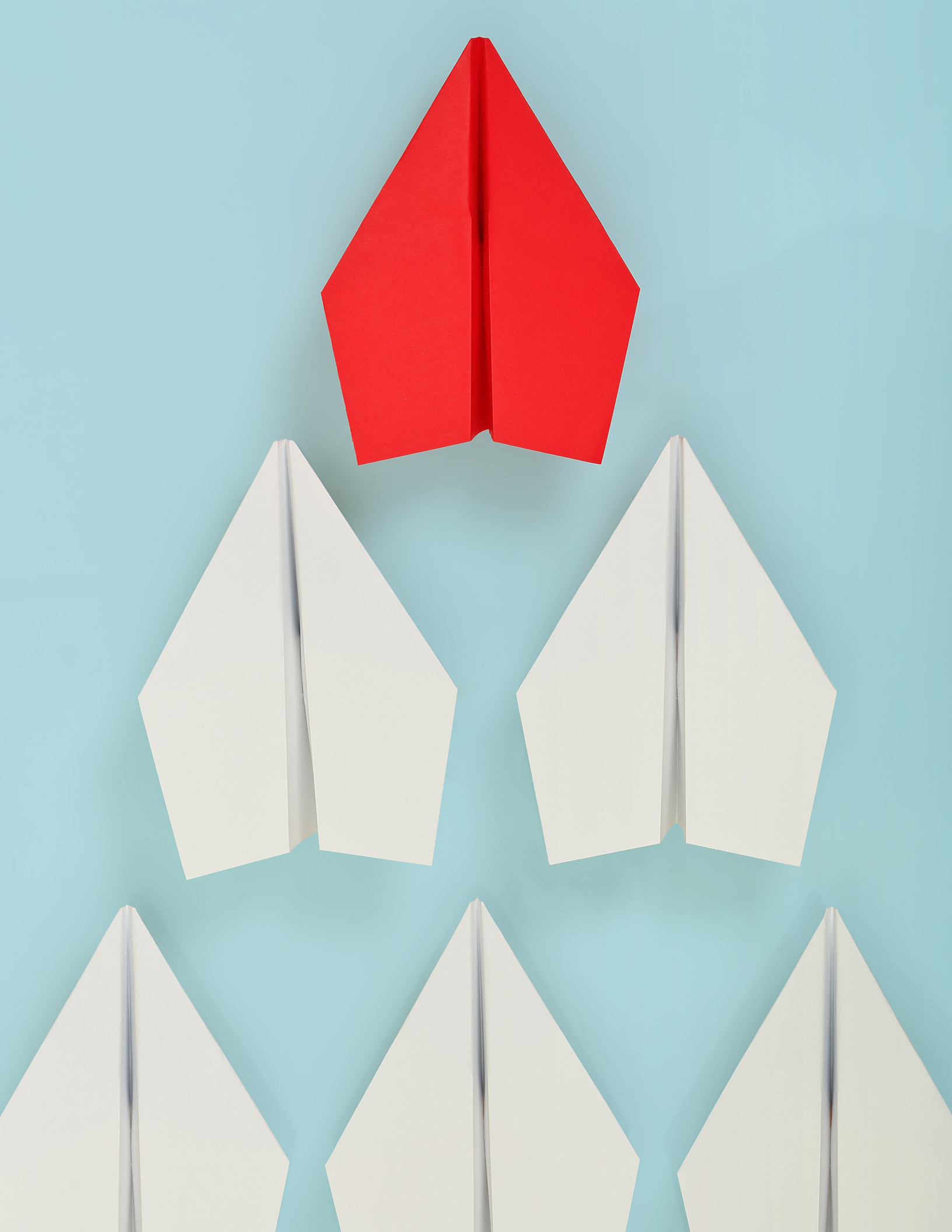
Improving City's Processes Yields Rapid Results

A city assessment revealed overdue receivables resulting from outdated billing and collection policies and procedures, ineffective tracking and measurement processes, and technology limitations. The City engaged A&M to improve A/R reporting, reduce current outstanding A/R, and improve processes and procedures to more effectively manage collections. The implemented program resulted in an increase to incremental revenues of \$20 million in 2.5 years, with quick wins realized in the assessment phase enabling the project to pay for itself within 4 months' time.

Implementing Shared Services for 20%+ Labor Cost Savings

A major food service distributor wanted to transition the general ledger function from the field and create a shared services finance capability in corporate to achieve cost savings and provide organization-wide standardization. A&M designed and managed the transition of work to the shared services model (60+ operating companies), planned and executed the relocation or hiring of 150+ general ledger resources for the shared service center, developed standard processes/service level agreements with the field, and created tools to increase the shared service center's efficiency yielding 20%+ savings in labor costs.





INTEGRATED PERFORMANCE MANAGEMENT

MAKING DECISIONS BASED ON ACCURATE AND CONSISTENT DATA IS CRITICAL TO NAVIGATING TODAY'S COMPLEX ENVIRONMENT. A&M DEFINES A VISION FOR INTEGRATED PERFORMANCE MANAGEMENT THAT LEVERAGES LEADING TECHNOLOGY BUT GOES BEYOND SIMPLE SYSTEM INTEGRATION.

Laying the Foundation for Integrated Performance Management

A public corporation that provides outsourced construction, maintenance and technology services for electric power and gas pipeline industries had quickly grown from a \$300M to an \$8B company with growth projections in the \$15B range. The financial reporting and analytic requirements were far more complex than the client's current solutions could support. The client engaged A&M to assess the current state financial processes, applications, and support organization and to provide a roadmap to address the inefficiencies and deficiencies in the processes, systems and organization. A&M delivered a Financial Reporting/ Analytic Vision and long-term Strategy Roadmap that is serving as the foundation for a multi-year program empowered to deliver integrated consolidation, FP&A, strategic planning, data integration and reporting processes, applications and a right sized support organization.

Creating a Fully Integrated Solution Across the Enterprise with Integrated Performance Management

A leading multi-channel retailer of young children's apparel engaged A&M to develop a vision for financial planning, forecasting and reporting/analytics that would support growth. A&M gathered requirements and led workshops with executives to design an Integrated Performance Management Roadmap which the A&M team subsequently used as a guide as they led the implementation of new tools for consolidations and financial reporting, annual operating plans and in-season forecasting with supporting data integration, reporting and analytics across all channels. A&M supported the transition with project management and change management leadership and implemented governance and process changes that streamlined existing efforts and developed an integrated approach to support enterprise planning. A&M continues to provide guidance and advice on enhancements to the IPM solutions to address current business needs, shifts and prioritizations.

Provide timely insights based on trusted data.

MERGER, ACQUISITION, AND DIVESTITURE SUPPORT

REALIGNING YOUR BUSINESS MODEL, BUSINESS PROCESSES AND INFORMATION SYSTEMS AFTER A SIGNIFICANT MERGER OR ACQUISITION IS BOTH POTENTIALLY DISRUPTIVE AND COSTLY. A&M HELPS EXECUTE MERGERS, ACQUISITIONS, DIVESTITURES AND CARVE-OUTS WITH SPEED AND DEDICATION TO MANAGING RISKS AND MAXIMIZING VALUE AT ALL STAGES OF THE TRANSACTION.

\$34 Million in Unexpected Synergies

A \$3 billion leading consumer products company acquired a division of a Fortune 500 company in a \$1 billion transaction that increased its revenue by 30%, headcount by 50%, and expanded its global footprint. Minimal synergies were identified in the due diligence phase; however, during the post-merger integration phase, A&M identified ten potential synergy acceleration areas. The A&M team worked alongside the corporate and divisional leadership in identifying specific synergy opportunities, building a business case, and developing an implementation plan to drive the delivery of \$34 million in unexpected synergy savings within the highest potential areas including strategic sourcing, shared services, and distribution and transportation.

“The A&M team brought a real depth of experience that served us well as they worked closely with corporate and the operating units. As a result of the vision and strategy work we now clearly understand our current challenges and more importantly we have a road map to address them.”

- Corporate Controller

Financial Reporting and Organizational Transformation Following an Acquisition

Following an acquisition from a multi-billion international transportation related products and services group, a global private equity firm engaged A&M to help transform the accounting organization and underlying business processes of the acquired business. A&M was initially engaged to provide accounting advisory services to enable the client to prepare its closing balance sheet and other necessary purchase accounting adjustments. A&M then built a roadmap to transition finance and accounting functions from prior ownership to enable reporting compliance requirements as a new stand-alone legal entity. A&M was also essential to the successful completion of the new entity's first year-end audit as well as three subsequent quarterly reviews. The client successfully carved-out and stood-up the new business's back office within a period of ten months.





EXECUTIVE ADVISORY AND INTERIM LEADERSHIP

CRITICAL INITIATIVES REQUIRE EXPERIENCED OVERSIGHT. A&M'S SEASONED PROFESSIONALS, MANY OF WHOM ARE FORMER CFOS, ARE HERE TO PROVIDE EXPERT GUIDANCE AND TEMPORARY LEADERSHIP TO DRIVE RESULTS WHEN YOU NEED IT MOST.

Interim Leadership During a Period of Ownership Change, Management Transition and Business Transformation

A private equity firm recommended A&M to their portfolio company as they transformed from a 50-year family-owned business into a professionally managed, private equity owned company. A&M assumed interim positions including Chief Integration Officer, CFO, and Treasurer. In these roles, they oversaw the establishment of cash controls, implemented financial and operational KPIs for use across 16 locations around the world, redesigned the monthly operations report, and provided leadership within the budget process, purchase accounting project, and net working capital purchase price adjustment process. During this time, A&M also evaluated the state of the company's IT infrastructure and provided a roadmap to evolve the IT systems into a more cross-functional and modern platform. The team assisted in on-boarding the new CFO and Controller, and upon their transition, the company was fully functional and succeeding under the new model.

Interim Support Through Ownership Transition and Growth

A successful national restaurant company hired A&M to advise and support the efforts of the current CFO in making a transition to new owners with a more leveraged balance sheet and much higher reporting demands. Upon the CFO's retirement shortly thereafter, A&M assumed an interim CFO role to direct and oversee significant transformational initiatives in the finance and accounting organization. These initiatives included reducing the time to close monthly financials from 60 days to 12 days, retaining a new audit firm and managing the first-time thru audit work, implementing changes in accounting policies, revamping the chart of accounts and financial reporting, designing and implementing new financial systems, improving internal controls and restructuring organizational reporting relationships to improve efficiency. The results of these efforts, including the subsequent hiring of a permanent CFO, solidified the company's relationships with its new constituents and positioned the finance and accounting organization for success in supporting the company's aggressive growth plans.

Leadership. Action. Results.

ACCOUNTING REMEDIATION SERVICES

MAKE TIMELY, ACCURATE REPORTING A GIVEN, NOT A GAMBLE. A&M HELPS REMOVE ROADBLOCKS THAT PREVENT A TIMELY FINANCIAL CLOSE AND REPORTING OF RESULTS. OUR EXPERTS HELP DESIGN AND DOCUMENT KEY CONTROLS TO MANAGE RISK AND QUICKLY IDENTIFY AND REMEDIATE DRIVERS OF CONTROL FAILURES.

Financial Reporting Acceleration

During the downturn in the energy markets, a global energy service provider experienced a Chapter 11 bankruptcy filing, the loss of key accounting personnel and a delayed monthly financial close that resulted in the inability to meet filing deadlines for monthly financials for lenders as well as quarterly financials for the SEC. A&M assisted the client in shoring up its accounting staff and oversaw the identification, hiring, onboarding and deployment of permanent and part time resources. A&M helped the CFO identify and remove the roadblocks preventing timely financial close in order to accelerate the filing of delinquent quarterly financials with the SEC. In this role, they managed the close process, prepared the quarterly filings for management review and coordinated and resolved questions from the external auditors. As a result of the overall project the client now has financial close checklists, accounting policies and resources and tools to better manage its reporting responsibilities.

“Good results are obviously important, but they don’t matter if you can’t report them properly. The A&M team got our financial processes and reporting to the stage that lenders representing half a billion dollars could only say ‘congratulations.’”

- PE Firm Advisor

Sarbanes Oxley Design, Documentation, and Remediation

Immediately following an initial public offering, a mid-stream energy services provider engaged A&M to assist management with becoming Sarbanes Oxley compliant. A&M initially assisted management with the development of their risk assessment, risk control matrix, policies, processes and key controls documentation. A&M worked closely and coordinated with the Director of Internal Audit, management, and the external auditors to ensure consensus on overall risk assessment approach and level of documentation. Once all design was complete, the client embarked down the implementation path with limited success. A&M was then called back to help the client remediate areas of internal control weakness and shore up the documentation. A&M’s strong audit and accounting experience provided the client with unbiased advice and assistance with the design, documentation and remediation.



WHY CHOOSE A&M?

SOLVING COMPLEX PROBLEMS IS IN OUR DNA.

After 30 years of resolving some of the most urgent challenges in business history, we've honed critical expertise that clients at all levels of maturity can use to achieve rapid results.

SENIOR-LEVEL LEADERSHIP.

Our senior leaders, many of whom are former CFOs, CAOs, and Controllers, bring deep insight into the challenges faced by businesses with practical approaches that work versus theoretical approaches that don't.

URGENCY FOR ACTION AND RESULTS.

Our clients frequently comment that we drive change and rapid results where internal teams and other consultants have failed.

OBJECTIVE AND INDEPENDENT.

Without the potential conflicts of public accounting firms, A&M offers objective, credible advice you can trust to be in your best interest, not ours.

