Velocity Business Advisors

Fractional CFO Services

Success and Results through Innovation and Collaboration

"The best collaborations create something bigger than the sum of what each person can create on their own."

Thomas C. Schmidt
Fractional CFO

Dear Business Owner,

I would like to introduce you to a service, my service, which could have a profound benefit to your business.

As a Fractional CFO, I am able to provide services to your company on an as-needed basis where you otherwise might not have an economically feasible way of obtaining them.

The article on the following pages describe the what's, why's and how's of a high level of financial expertise without having to fully invest in an employee at a much greater cost.

While there is always cost to obtain talent to help control, grow, and add value to your business, the best way to do that is to take advantage of the sharing economy until you are ready and prepared to take on the cost and burden of a full time, high caliber CFO.

I am currently taking on a limited number of clients to serve in this capacity; this will allow me to remain flexible in meeting the time, needs and demands of those clients.

I urge you to read the enclosed information and think about whether a timed-shared CFO is a better option than pursuing your dreams and goals without an Strategic Financial Partner.

I appreciate you taking the time to review this information, my credentials, and the various options we have of working together. Reach out and set up a no obligation meeting to determine if we are a good fit for working together.

Sincerely,

Thomas C Schmidt

Benefits of the Fractional CFO

Business owners are often tasked with playing many roles to help grow their business, which may leave little time for innovation and entrepreneurship. Technology has allowed for a lot of delegation and automation of various business functions; however, it cannot bridge the gap for the important elements, including financial aspects and personalized, customized advice. This is where some successful business owners are tactfully allocating funds for incremental expertise from a contracted Chief Financial Officer.

> “Coming together is a beginning. Keeping together is progress. Working together is success.”
>
> Henry Ford

The Fractional CFO

In an effort to control costs while ensuring input from the highly developed skills of a qualified Chief Financial Officer, many companies are now turning to a Fractional CFO. The Fractional CFO is a part time non-employee that handles certain tasks as needs arise, for a fraction of the cost, instead of adding a permanent executive employee to the overhead. This contracted expert works as a strategic partner to the owner and executive management of the company regarding the financial aspects of the business.

There are many different ways in which a Fractional CFO can bring expertise and experience to a company. One strategy could be project-based such as working with financing sources, an audit, compliance issues, or due diligence.

The Fractional CFO could also be an on-going integral part of the team on a packaged or retained basis. This form of contracting may involve financial reviews and analysis, financial strategy, guidance during period of high growth, and assistance on investment/acquisition decisions.

What Else a Fractional CFO Offers Your Business

When working with a Fractional CFO, a business relationship is formed. So, even as the Fractional CFO is working on an interim, project, or retainer basis, there's an extensive knowledge of the business's plans, goals, ideologies, and more. Trust is also an integral factor when establishing financial foundations and a Fractional CFO provides that trust formed from the work continuity, without burdening the overhead of the business.

By utilizing an outsourcing approach for seasoned insight, business owners are provided more time to return to their visionary development with concrete financial objectives. A Fractional CFO can satisfy a business owner's desire for sound financial strategies.

Chief Financial Officer

Strategic, Operational, Business Relationship Builder

Strategic Executive Management Partner that combines multi-discipline experience to enhance the overall objectives of the business. Tactical executive that uses financial acumen and human capital to produce practical data for more informed decisions. The strategic and tactical combination brings not only the traditional financial viewpoint but also an eye toward operational objectives of achieving results that best benefit the company and its culture.

Experience

Premier Directional Drilling, LP | Chief Financial Officer | Houston, TX
June 2014 – Oct 2017

Member of executive management team to plan and execute the strategic programs of the company.

- Evaluate the impact of short term and long term planning in a rapidly changing market environment
- Deliver financial results to the CEO/President and executive team
- Provide technical financial advice and management of the members of the finance and accounting team
- Lead budgeting, forecasting, and financial and operational analysis
- Manage financial reporting, and perform review and analysis of financial reports
- Communicate analysis and recommendations for both organic growth and strategic business opportunities
- Manage outside professional relationships with CPA firms, Law firms, Banking, Real Estate and Insurance
- Lead and manage litigation support, both internal and external. Advise outside counsel of positions and business concepts to strengthen company defense
- Secure and manage short term and long term financing needs to bring about an efficient capital structure
- Human Resources, Risk Management and Insurance, Employee Benefits, IT and Administration
- Research continuous cost saving opportunities through vendor analysis/management, technology improvements, and process improvements in a distributed work environment
- Build relationships, communicate and organize results, opportunities, and enhance company culture
- Oversee and direct the creation and presentations for partners meetings, banks, and vendors
- Keep abreast of economic conditions, sector conditions, and changes in regulations and laws that have a potential impact on the business and industry

Serve as the Personal/Operational Financial Officer to entrepreneurial owner with involvement in various other business interests ranging from passive investments, active business interests and international real estate holdings. Provide assistance in such areas as business structure design, tax and compliance matters, management issues and "board level" advice.

Professional expertise provided to clients

Business Planning
Business Plan Development
Strategic Planning
Tax & Business Entity Planning
Marketing Consulting/Analysis
Real Estate Consulting
Operations Consulting

Tax Consulting and Planning
Business Succession Planning
Financial and Accounting Management
Acquisitions/Divestitures/Expansions
Financial & Profit Enhancement Reviews
Process Design, Documentation and Improvement

Heritage Financial Group
Financial Consultant | Houston, TX
2002 – Present

Heritage Financial Group is a full service independent investment advisory firm serving individuals, families, and business owners.

- ▶ Addresses and manages the critical wealth management issues for clients present situations and future goals
- ▶ Services include: financial planning, portfolio construction, investment management, income planning, tax and estate planning

Rizk Family Office and Related Companies
Chief Financial Officer | Houston, TX
Nov 1999 – Nov 2011

Chief Financial Officer and Chief Administrative Officer of Family Office, Real Estate Holding Company, Development and Construction Company.

- ▶ Responsible for accounting, financial reporting and financial analysis of all entities and operations
- ▶ Work involved ongoing business operations, divestitures, financing and workouts, and tax and business planning
- ▶ Involved in all matters of financial investment, financing, investment analysis, deal structure and management of outside relationships including tax, legal, insurance, and real estate
- ▶ Joint venture/investor partner relations
- ▶ Personal Advisor to head of family
- ▶ Managed other business disciplines including tax, HR and Insurance. Served as key participant in the daily operations of multiple entities
- ▶ Managed on-going issues related to family personal business such as next generation investment opportunities, next generation money management issues, and procurement

Independent Consultant | Houston, TX
June 1997 – Present

Clients range from pre start-up phase businesses to publicly traded corporations. This activity was incorporated into Velocity Business Advisors in January 2018:

- ▶ Performed personal consultant services in a family office type arrangement
- ▶ Worked with executor and other advisors on continuing operations and major estate work after the death of family patriarch
- ▶ CFO Consultant and Business Consultant to various SMB entities
- ▶ Provided Retail Operations Assessment and Reorganization Plan Implementation for large public corporation

Professional Skills

Corporate/Operational Finance
Treasury
Investor Relations
Taxation
Contracts & Agreements
Risk Management
Advisor Relationships
Mergers and Acquisitions

Education

University of Southern Mississippi, BSBA, Accounting 1984

Certified Public Accountant, Texas,1986

Certified Financial Planner, 2001

Certified Exit Planning Advisor, 2018

Board Service & Volunteerism

Journey to Damascus

Past President and Founding Member of Houston Community Board

Past President Governing Board

Central Texas Community (Founding Board Member)

Home Encouragement Ministries (Former Board Member)

Christian Renewal Center (Former Board Member)

The University of Southern Mississippi

College of Business Dean's Advisory Council 2014 - Present

University Alumni Association Board of Directors 2018 - 2020

Representative Sample Projects

Budgeting & Forecasting

As a partner in your financial strategy we not only work with you to review and understand your numbers and the economic trends, we can also assist in developing accurate budgets and forecasts. We work with you to develop sustainable goals to meet your long term objectives. This is developed in conjunction with your operations, sales, marketing, and existing financial teams to ensure everyone is on the same path. Having access to deep industry information, we are able to benchmark your business and look for opportunities to optimize the value drivers to increase both profitability and company value.

Managing Outside Relationships & Projects

There are outside relationships and projects that have to be acknowledged, but serve as a distraction to running your business. We can manage this audit process be it outside auditors, compliance auditors or even customer/contract auditors. Other areas that take time away from your primary functions are often legal matters that need attention. Our experience in these areas runs deep and includes managing relationship with auditors, attorneys, tax preparers, insurance, IT, bankers and others.

"TEAMWORK is the ability
to work together toward a common vision.
The ability to direct individual accomplishments toward
organizational objectives. It is the fuel that allows common
people to attain uncommon results."

Andrew Carnegie

Developing Key Data Tools for More Efficient Management

Our onboarding process for a reporting and review program is a comprehensive examination of the information that is vital to your making informed and solid business decisions. We work with you and your management team to identify the key information that you need on a regular and recurring basis. We then identify the owner and source of this information and employ technology tools to put this information at your fingertips. We present this information to you in the manner in which you best operate (i.e. data, visual, etc.)

Develop & Execute Acquisition Strategy

Your Fractional CFO will delve into your growth objectives, goals, and resources to help you develop a strategy for growth through acquisition. We then assist in identifying potential target companies, lead your due diligence, assist in negotiations, capital structure, financing, and the closing of the deals. We have existing relationships with the other professional advisors that are typically involved in these transactions, and will bring them in as needed and manage the process as well.

Professional Services Offered

Financial Reporting and Reviews

- Regular Financial Statement Review and Analysis
- Management Review and Discussion
- Benchmarking Analysis
- Budgeting and Forecasting
- Cash Management Reviews & Cash Flow Planning
- Review of Leases and Contracts as Required
- Creation and Presentation of Customized Reporting Packages

Strategic Planning, Tactical Planning and Monitoring

- Long Term Strategic Plans & Monitoring Processes
- Consultation and Analysis of Investment Options, Financing & Structure
- Assist in Multi-Disciplinary Growth Plans (Sales, Operations, etc.)
- Liaison with Bankers, Attorneys, Vendors, Insurance Brokers, Auditors, etc.

Executive Level Involvement

- Your Strategic Partner Resource Providing Specialized Knowledge & Expertise
- Attend Periodic Meetings with Senior Management, Board, Investors
- Advise on Other Areas Relating to HR, Sales and Marketing, Operations, IT, Insurance & Risk Management

Transaction Services/M&A

- Development of Acquisition Strategy
- Identification of Potential Acquisition Targets
- Due Diligence and Negotiations
- Valuation Analysis
- Post Acquisition Integration
- Divestiture Planning

Call Thomas Schmidt
today at 713-357-0840
to learn more about these services
or to customize a specific package that
would best suit the needs of your business model.

Service Plan and Options

	PACKAGE 1	PACKAGE 2	PACKAGE 3
Monthly Review of Financial Statements & Management Review	●	●	●
Review of Key Metrics & Benchmark Review	●	●	●
Quarterly Cash Flow Review	●	●	●
Quarterly Review to Budget and Forecasting		●	●
Staff Email Access			●
Owner Strategy Teleconference/Meeting		Quarterly	Monthly
Participate in Management Meetings		Quarterly	Monthly
Onsite Planning & Monitoring of Department Objectives		Annually	Quarterly
Attend Board Meetings			●
Other Services added to retainer program	As Negotiated →	→	→

Packages shown are general guidelines. Package and pricing will be customized to meet each client's specific needs. Other services will be quoted on an a la carte basis and will be charged and billed on an hourly or project based rate. Other fee arrangements are negotiable depending on the nature of the work required.

Additional resources/professionals brought in for special projects (transactions, system development, etc.) will be a direct bill negotiated between client and vendor.

ONBOARDING. Each client goes through an onboarding process that includes client files set-up, input or uploading of historical financial information, industry research for industry benchmarking, identification and sources of KPI's, and development of business intelligence tools. The scope of this work and the cost will be priced out on an individual basis based on the time, effort, and additional resources needed to complete the project. It is done at a flat fee one time cost.

“Entrepreneurs have a natural inclination to go it alone. While this do-it-yourself spirit can help you move forward, adding an element of collaboration into the mix can make you unstoppable.”

Leah Busque

Thomas Schmidt
Fractional CFO/Strategic Partner

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