

# THE CG Connection

CHORTEK & GOTTSCHALK, LLP • C&G CONSULTING  
CGK INVESTMENT BANKING

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## What We've Been Up To...

- Featured in a recent July edition of *The Business Journal of Milwaukee*, managing partner Greg Junek addressed the shift from generally accepted accounting standards (GAAP) to international standards. With the face of business changing to a global marketplace, the ability to understand and use international standards has become a training issue.
- Successfully removed a \$1,700 IRS civil penalty related to Form W-2 tax filings for a client by sending a letter for reasonable cause.
- Assisted a growing manufacturing and distribution firm with network upgrades to replace its outdated server hardware, using a premier server virtualization product from VMware technology. The upgrades also provide failover coverage so the network is no longer dependent on a single-point online server.
- Paul Rodrigues, CPA, MST and CFE, recently attended the 19th Annual Certified Fraud Examiners Conference in Boston.
- Assisted an existing customer by adding an additional client to a custom bar-coding label process. The process allows users to click a single button that will print compliance shipping labels for an entire order and have the bar-code appearance, as well as item quantity per box, change based on which customer placed the order.
- Performed an expedited installation of an enterprise firewall solution, complete with a second firewall unit for hardware failover. The solution utilized the well-reviewed SonicWALL E-Series firewall platform and added web site content filtering and virus/spyware scanning to their Internet firewall.
- C&G was pleased to be a sponsor and supporter of our client, Image Makers Advertising, Inc., at the *Small Business Times* and Waukesha County Chamber of Commerce Top Ten Small Businesses of the Year Awards. This prestigious award is an annual honor that focuses on each award winner's ability to grow a successful organization.

## POSITIVE PAY = SMART MOVE

Positive Pay, a cash management service offered by many banks, is designed to detect and minimize check fraud. The process is relatively simple: a company sends its bank a list of checks issued each day, typically through a file upload process. As checks are presented to the bank for payment, they are matched electronically against the previously submitted lists of transmitted checks. The check number, account number and dollar amount of each check must match exactly. If a check is presented that does not match, it becomes an exception item. The bank then typically sends a fax or an image of the exception item to the company. The company reviews the image and instructs the bank to pay or return the check. Banks may or may not charge a fee to the company for

the Positive Pay service. C&G Consulting helps companies generate the Positive Pay files to meet their bank requirements.

Many companies do not consider the need for Positive Pay until they are victims of check fraud, a major financial crime resulting in billions of dollars in losses annually. When used together with a highly secure check form, Positive Pay can dramatically cut fraud losses, assuming there is proper segregation of duties and no collusion. Positive Pay is a particularly strong antidote against stolen or forged check stock.

We recommend that all our customers strongly consider the costs and benefits of Positive Pay. For more details, contact Rick Sovitzky (rsovitzky@c-gconsulting.com).

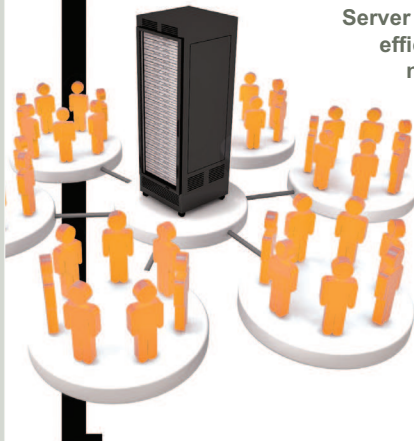
## Safe Harbor Provisions Can Benefit Employers

Have you, as the owner of a company, been limited in the ability to defer the maximum amount of 401(k) contributions into your own account? Are you unable to take advantage of deferring up to \$15,500 (or \$20,500 if you are over 50) of your wage into the 401(k) plan?

If you are limited, blame something called the "top-heavy" rules. Basically, these rules penalize the top group—typically the owners—if the employee group does not defer a high enough percentage of wages into their 401(k) plans. With certain changes to the design of your retirement plan, these limitations can be avoided. Contact Pat Wirth (pwirth@c-gcpa.com) for more details.

## Server Virtualization—not just for Big Business

As computing power continues to double every 18 months on average, new technologies with far-reaching impact on how servers and networks are designed are now available. Once solely available for the largest data centers of large enterprise businesses, server virtualization for Microsoft-based server networks has now reached small and midsized businesses. Today, server virtualization is fast becoming a key requirement for every server.



Server virtualization is an important step toward improving overall IT efficiency. It's the return of a technology from mainframe computing, now applied to the world of Microsoft-based servers. In its simplest form, server virtualization reduces the complexity of disparate server hardware—instead allowing multiple copies of Windows Server operating systems to run on one piece of computer hardware. The network and its users "see" multiple servers, but physically one server machine runs all the operating systems together.

### Server virtualization helps businesses:

- Save money: virtualization software is free for stand-alone servers
- Consolidate multiple older servers onto newer server hardware to reduce risk of downtime due to old server hardware failures
- Gain failover coverage of entire servers to minimize downtime

Plan. Execute. Measure.



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*Preview*  
**THIS ISSUE**

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- Featured Professional - Karelyn J. Beck



# Plan. Execute. Measure.



## Featured Professional: **Karelyn J. Beck, CPA**

### TAX MANAGER

Karelyn Beck joined Chortek & Gottschalk in September 2006. She has 15 years of varied taxation experience, specializing in a number of areas including federal and state corporate taxation. Her experience in tax was gained through her previous work for two Brookfield area CPA firms.

Karelyn has a great passion and enthusiasm for taxation matters, enjoying the opportunity to meet with her clients and learn about their businesses. She takes a very hands-on approach to helping her clients minimize taxes through tax planning.

Karelyn graduated from Carroll College with a bachelor of accounting degree. She is a member of the American and Wisconsin Institutes of Certified Public Accountants.

Karelyn lives in North Prairie with her husband, Randy. They have two children: Jaclyn who attends Northern Michigan University and Derek who will be a sophomore this fall at Mukwonago High School. Karelyn enjoys spending time with her family and friends, scrapbooking, reading, gardening and biking.