



The Financial Specialist in Collaborative Law

Presented By

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What Services Does a Family Law Accountant Perform?

- Educates the parties and their attorneys
- Adjusts for power and information imbalance
- Models respectful communication, integrity and objectivity
- Assists in keeping the process moving toward settlement

What Services Does a Forensic Accountant Perform?

- Assists with the completion of Income and Expense Declarations and Schedule of Assets and Debts.
- Recommends alternative solutions for property division
- Adjusts for unreported or underreported income
- Explains fringe benefits and perquisites
- Advises parties regarding tax ramifications of decisions
- Apportions community interests in separate property assets and separate interests in community property assets (Moore/Marsden and FC §2640)
- Calculates gross cash flow (income) available for support
- Values businesses and professional practices

What Services Does a Forensic Accountant Perform? (cont.)

- Prepares marital standard of living and support need analyses
- Prepares apportionment and valuation of defined benefit pension plans
- Prepares apportionment of defined contribution plans
- Apportions separate and community business interests i.e. Pereira and Van Camp analyses
- Performs analyses of reimbursements
- Prepares tracing schedules
- Customizes services

What does a financial planner do?

- Designs budgets
- Considers asset allocations
- Recommends investments
- Plans for college and retirement
- Assists with refinancing and credit cards
- Prepares clients for the future

Case Study #1

- Based upon actual collaborative case
- Names and numbers changed to protect the clients' confidential information
- Demonstrates the necessity of the mental health professionals (Coaches)
- Assignments included FC§ 2640 calculation, Known Asset/Debt and Alternative Divisions and MSOL/Support

FAMILY CODE §2640

Marriage of Smith

Case No. ND XXX XXX

Victoria Smith
 Separate/Community Property Interests in
 25000 Anderson Place, Long Beach, CA
With Title Change

	Victoria's Separate Interest	Community Interest	Total Interest
1. Allocated Cost:			
+ Down Payment	\$ 40,000	\$ -	\$ 40,000
+ Loan on Property Prior to Marriage	160,000	-	160,000
+ Principal Reduction During Marriage	(26,906)	26,906	-
Total Allocated Cost	173,094	26,906	200,000
2. Allocation Percentage	86.55%	13.45%	100.00%
3. Allocated Appreciation:			
+ Appreciation Prior to Marriage	70,000	-	70,000
+ Appreciation During Marriage	25,964	54,036	80,000
Total Allocated Appreciation	95,964	54,036	150,000
4. Less:			
Separate Property Mortgage	(124,798)	-	(124,798)
Reimbursement to C/P - Payoff S/P Debt	-	124,798	124,798
Community Property Mortgage	-	(81,660)	(81,660)
Sub-total	(124,798)	43,138	(81,660)
5. Allocation of Current Equity	\$ 144,260	\$ 124,080	\$ 268,340
6. Percentage Interest	53.76%	46.24%	100.00%

KNOWN ASSETS/LIABILITIES AND PROPOSED DIVISION

In Re Marriage of Smith

Case No. ND XXXX XXX

DRAFT - FOR SETTLEMENT PURPOSES ONLY
JOHN AND VICTORIA SMITH
COMMUNITY/SEPARATE PROPERTY KNOWN ASSETS/LIABILITIES
AND PROPOSED DIVISION

DESCRIPTION	Value Date	SEPARATE PROPERTY		COMMUNITY PROPERTY		
		John - R	Victoria - P	VALUE	DISTRIBUTION	
					John - R	Victoria - P
I. Bank Accounts:						
A. B of A Checking Account	12/31/02	-	-	1,500	750	750
B. B of A Money Market	12/31/02	-	-	18,631	9,316	9,316
C. Hawthorne Savings Bank - Rental Property Account	12/31/02	-	-	10,623	5,312	5,312
D. Money Market Account	12/31/02	-	-	30	15	15
E. B of A Checking Account	12/31/02	-	-	3,836	1,918	1,918
Total Bank Accounts		-	-	34,620	17,310	17,310
II. Brokerage Accounts:						
F. Charles Schwab	12/31/02	18,000	-	108,968	108,968	-
G. Section 529 College Savings Plan - \$26,000	12/31/02	-	-	-	-	-
Total Brokerage Accounts		18,000	-	108,968	108,968	-
III. Retirement Accounts:						
H. IRA - INO John Smith	12/31/02	-	-	15,000	15,000	-
I. IRA - INO John Smith	12/31/02	-	-	240,000	240,000	-
J. Variable Annuity	12/31/02	-	-	26,000	26,000	-
Less: Deferred taxes at 35% estimated combined rate	12/31/02	-	-	(98,350)	(98,350)	-
Total Retirement Accounts		-	-	182,650	182,650	-
IV. Other Assets:						
K. 25000 Anderson Place, Long Beach, CA	12/31/02	-	144,260	205,740	-	205,740
Less: Mortgage	12/31/02	-	-	(81,660)	-	(81,660)
K-1. 24261 Pacific Avenue, Long Beach, CA	12/31/02	-	-	314,833	-	314,833
Less: Mortgage	12/31/02	-	-	(60,000)	-	(60,000)
L. Rental Property	12/31/02	-	-	195,000	195,000	-
Less: Mortgage	12/31/02	-	-	(163,000)	(163,000)	-
Deferred Tax Liability	12/31/02	-	-	(8,048)	(8,048)	-
M. Timeshare	12/31/02	-	-	D-I-K	D-I-K	D-I-K
N. Life Insurance - CSV - John Smith	12/31/02	-	-	135	135	-
O. Life Insurance - CSV - John Smith	12/31/02	17,000	-	-	-	-
P. Life Insurance - CSV - John Smith	12/31/02	24,000	-	-	-	-
Q. Life Insurance - CSV - Victoria Smith	12/31/02	-	-	820	-	820
R. Furniture, Fixtures, Personal Property	12/31/02	-	-	D-I-K	D-I-K	D-I-K
S. 1997 Lexus	12/31/02	-	-	13,000	13,000	-
T. 1999 Suburban	12/31/02	-	-	15,400	-	15,400
U. Frequent Flyer Miles	12/31/02	-	-	D-I-K	D-I-K	D-I-K
V. Wine Collection	12/31/02	-	-	D-I-K	D-I-K	D-I-K
Total Other Assets		41,000	144,260	432,220	37,087	395,133
V. Other Liabilities:						
W. None Known	12/31/02	-	-	-	-	-
Total Other Liabilities		-	-	-	-	-
Sub-Total		\$ 59,000	\$ 144,260	\$ 758,458	\$ 346,015	\$ 412,443
Equalization Payment					\$ 33,214	\$ (33,214)
Total					\$ 379,229	\$ 379,229