



Forensic Accounting Today

Newsletter of Ron J. Anfuso, CPA/ABV, An Accountancy Corp.

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Issue 17

How Recent Support Decisions Affect a Forensic Accountant's Analysis

On January 17th, 2013, I will be presenting a webinar to the **Women Lawyers Association of Los Angeles** entitled, *Newest Developments in Determining Child Support Calculations*. I would like to share with you a sample of what my talk will include and offer you an invitation to receive an outline of its content.

The webinar will cover the most recent concepts and decisions that have an affect on a Forensic Accountant's analysis related to child and spousal support calculations. Specifically, I will be addressing five cases: *Marriage of Freitas*, *Marriage of Barth*, *Marriage of Khera and Sameer*, *Marriage of Rice and Eaton*, and *Marriage of Sorge*. What follows is a brief preview on two of the cases.

Marriage of Frietas. This couple married in 1992 and separated in 2010. Wife had alleged being the victim of domestic violence and Husband was convicted of battery in 2006. A TRO was issued by the Court in July, 2010. However, an October 2010 Order to Show Cause instructed Wife to pay Husband \$800 a month temporary spousal support, while Husband was required to pay child support of \$7 a month. Husband also argued that Wife had misrepresented her income. My presentation details the sequence of events that followed, the Court's decisions, the appeals, the decisions on the appeals, and why the Court made its decisions.

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Determining Standard of Living: What California Courts Consider

By Ron J. Anfuso, CPA, ABV, CFF, CDFA, FABFA*

In California, marital standard of living is usually determined by the actual income and expenditures of both parties. However, in some cases, calculations may turn out exceptionally high because both parties lived beyond their means or one of the individuals continually worked excessive hours. When it is clear that the couple lived above its means, the Court will likely establish the spousal award on the income of the parties, as opposed to basing the amount on their spending.

But, how about when the Court considers one of the party's working hours extreme? In such cases, expect the Court to establish the standard of living based on what would be considered reasonable human pace.

The Court may also consider that the parties lived modestly, perhaps focusing more than "normal" on investing and saving. In these instances, the Court may choose a standard that takes these habits into account.

So, what does the court consider to be evidence of standard of living? Courts take numerous circumstances into consideration. Some factors which the Courts commonly use include the following:

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Upcoming Speaking Engagement

**Association of Certified Family Law Specialists (ACFLS)
Annual ACFLS Spring Seminar**

"Goodwill Hunting: The Debate" This very lively discussion will focus on significant contrast between two views/approaches/schools of thought/theory that forensic accountants can have on assessing Goodwill in an evaluation. These contrasting perspectives usually result in vastly differing conclusions of this component's value.

March 22, 2013

Las Palmas Resort and Spa, Rancho Mirage

For information, call (916) 217-4076

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Marriage of Barth: This case concerned a couple that lived in Ohio. In 2004, Husband accepted a job in California. Wife gave up her job, sold the house and followed to California with the children. Six weeks later, Husband admitted to an extramarital affair. Wife promptly returned to Ohio and filed for dissolution. She was awarded child support, however, Husband objected to the Ohio jurisdiction.

Three years later, Husband lost his job and filed a motion in California *in forma pauperis*. Husband fought Ohio jurisdiction all the way to the Ohio Supreme Court and won! As a result, the Ohio orders were vacated and Husband filed a motion to set child support in California. In my presentation, I cover the findings of Husband's motion in detail, as well as why the Court arrived at its decisions.

Should you wish to receive an outline of the presentation or have questions concerning child or spousal support, please call me.

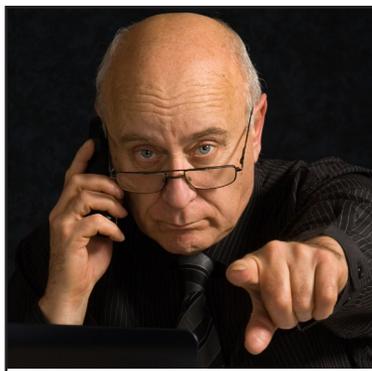
Ron J. Anfuso



Spend just
one hour with Ron.
Enjoy breakfast or
lunch on him.

That's all it takes to discover why
Ron J. Anfuso, CPA/ABV
is the better choice.

Call or e-mail us to set up an appointment



Why is it your forensic accountant won't return your phone calls?

We have no idea! All it requires is being organized and making you and the clients you refer their **TOP PRIORITY**.

When you visit my office, you'll see it's organized— just like in the photo. No clutter... neat folders... well arranged computer files. There's no wasted time looking for documents, so it's easy to be ready for you. On days I'm in court, I get back to referring attorneys and their clients within 24 hours. That's a promise those who refer to me know I keep.



Determining Standard of Living: Continued from page 1

- Stocks, bonds and investments
- Special needs of parents and children
- Value of personal property
- Debts and outstanding loans
- Vehicles owned
- Whether children attend private school
- Profit sharing, pensions and retirement accounts
- Social memberships (country clubs, etc.)
- Types of vacations taken
- Ownership of vacation homes
- Donations and contributions
- Sources of unearned income (i.e., rental properties)
- Valuable items and collectibles
- Inheritances

This is not an exhaustive list. If you have questions concerning determining marital standard of living, no matter how complex, call me or take a moment to post your query on our blog (blog.anfusocpa.com).



Need a Financial Expert to Speak to Your Study Group or Bar Event?

Ron J. Anfuso can address any Forensic Accounting topic, including Moore/Marsden; marital standard of living and support needs analysis; financial specialists and Collaborative Law; gross cash flow available for support; DissoMaster™; divorce tax issues; divorce: what to expect; and business valuations. To discuss your group's needs, call Ron today!