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Divorce Case Checklist

*Forensic Accounting Recommendations
for Family Law Attorneys*

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Baltimore, MD | Fairfax, VA

Even in the most amicable of cases, divorce litigation involves complex procedures to value and divide assets. The following guidelines can help attorneys discover hidden assets, avoid income manipulation, and ultimately maximize divorce clients' equitable results.

Take these steps as soon as possible in any divorce engagement:



Step One: Include your client in investigations

Your best source of information on a case is your client. When there is a closely held business involved, your client might have knowledge that could prove helpful. On many occasions, spouses will actually have worked in the business and may know a lot about it. Make sure to keep them looped in.



Step Two: Advise your client on smart post-separation practices

Emphasize to your client that they should not try to hide or game assets, particularly if they own a business. Prior to the divorce, consider having your client open up a bank account that's not part of the marital estate and contribute post-separation earnings.



Step Three: Request and obtain all financial data

Suspicion is one thing, but proof is another. Be sure to collect all financial documents—tax returns, personal financial statements, credit reports, bank and investment account statements—and start early.



Step Four: Separate the assets

Prior to the divorce, consider having your client separate marital assets from non-marital assets, which ultimately will make it easier for the judge to make a ruling. Counsel from a CPA can help in making this separation.



Step Five: Ask the right questions

These basic questions can go a long way toward uncovering improper asset concealment or protection strategies in marital disputes.

- Is the spouse underreporting income and overstating business expenses?
- Does the spouse have a relationship with another person, and is he/she spending or wasting marital assets on that person?
- After separation, is the spouse exhibiting a pattern of purchase activity, like overspending or unnecessary spending on the business that has a clear effect on depressing the value of marital assets?
- Are family members surreptitiously colluding with the spouse to hide marital assets?
- Has the spouse properly disclosed and valued intangible marital assets like patents or other intellectual property?
- Has the spouse properly disclosed, valued, and classified stock options and other investments that can be counted as marital assets?

Looking for a shortcut?

Partner with the experts.

As divorces proceed and parties get more emotional, the before mentioned steps only get harder. For advice about your case, talk to Gross Mendelsohn's team of certified forensic accountants by calling 800.899.4623 or contacting us [here](#).

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