

SAVING MONEY WITH YOUR FORENSIC ACCOUNTANT

What is forensic accounting and why does it cost so much?

According to the book, *Financial Forensics Body of Knowledge* by Darrell Dorrell and Gregory Gadawski, forensic accounting and financial forensics are defined as, “The art and science of investigating people and money.”

Typically, a forensic accountant is retained when there is pending or current litigation. Forensic accounting can be used in a wide variety of cases, including but not limited to; elder financial abuse, divorces, criminal cases and shareholder disputes. There are many factors that determine the expense of forensic accounting. Most forensic accountants charge by the hour. The goal of the following checklist is to decrease the amount of time spent on tasks you can assist with. Additionally, ask your forensic accountant how they prefer to proceed with your case and if there is anything you can do to facilitate the process. Everyone has their own preference and every case is different.

We hope this checklist will help you!



- Organize, Organize, Organize. If you can organize requested information prior to submitting it to your forensic accountant, this will reduce the amount of time spent on your case.
- In what format are you giving your forensic accountant data? If possible, try to keep formats consistent. Submit **ALL** paper documents or **ALL** electronic documents. Your forensic accountant will have a preferred method of receiving documentation, make sure you clarify this with them.
- Pay attention to document request lists. Be thorough in your review of document request lists. When sending documents to your forensic accountant, try to submit listed data once, rather than multiple submissions.
- Be prepared. Most likely throughout a case, your forensic accountant will ask for documents many times. Be prepared to respond quickly.
- Beware of deadlines. There are typically deadlines throughout your case, watch the calendar and be sure to submit any requested documentation in a timely manner.
- Educate yourself. Information related to the industry is readily available on Lux Analysis’ website. Links to many resources related to fraud and forensic accounting are here: **RESOURCES**.
- Be consistent in your file names. If you are submitting electronic files, create a consistent file name. Additionally, if you are submitting files for multiples years, put the year at the beginning of the file name, for example 2020.01.01.