THE Witness Chair

Leading-edge Ideas for CPAs Providing Litigation and Dispute Resolution Services

SUMMER 2016 California Society of Certified Public Accountants ISSUE 67

Cyber Extortion: It *Can* Happen to You

by Jeremy J. Salvador

Getting hacked and having your data held for ransom sounds like the plot of a Hollywood movie. You might think that this is something that only large corporate enterprises have to contend with. The reality is, this type of cyberattack is increasingly targeting accounting firms and other professional practices—large and small.

Our firm works to stay on top of technology news. Our office has redundant backups, up-to-date virus protection, a company firewall and numerous other security and authentication protocols on our network. Despite all this, we were attacked Feb. 1 by a particularly malicious iteration of CryptoLocker, a piece of ransomware.

I recall opening our shared network drive to find that all of our client files were encrypted. The hackers left us a note to extort us for payment in exchange for access to our files. Our outside IT company ensured us that we maintained daily backups of our server.

One by one, we found out that each of those backups were also compromised and rendered useless. Our last alternative was to restore a backup copy of our server that was physically apart from the network—but it was a month old.

Using that backup would have meant losing more than 200 hours of tracing work. It was then that our office decided to pay the ransom.

It took three days to get a digital wallet to buy the half-Bitcoin—the equivalent to $207. True to their word, shortly after payment was made, a decryption key was provided. After decrypting all our files, we had a backup made of only our documents, then separated it from our network. Two days after performing the decryption, our network was attacked again and our files ransomed with a different encryption. This second time, we did not pay. Instead, we reformatted all of our users' computers and the server and then restored our backed up documents.

We never did get a clear explanation from our IT company about how the attacks came through. And when the dust settled and we were up and running again, we had lost nearly four weeks in time dealing with this hack.

If it happened to us, then it can happen to you.

What is Ransomware?

Usually hackers stealing your data are more concerned about operating without detection. But ransomware is a kind of cyberattack that purposely makes itself known. It creeps its way into your network and hijacks your files, holding them for ransom. The criminals are not interested in stealing your data, rather, they know the data is valuable to you and they make it inaccessible.

CryptoLocker is the most prolific iteration of ransomware. It's the same software used to bring Hollywood Presbyterian Medical Center to its knees in February.

And according to cybersecurity experts, this kind of digital assault is getting more sophisticated and frequent.

How Does Infection Happen?

Infection can happen countless ways, including through opening infected emails disguised as legitimate business correspondence; downloading programs with hidden illicit code; or through "drive-by-downloads," which can happen when browsing the web without clicking any links or accepting a file download.

The reality is that these cyber villains are constantly evolving their methods and finding new vulnerabilities they can exploit to get into your network.

How Does it Work?

Once infected, CryptoLocker scans and encrypts files, locking them up with a digital key. It also leaves a note in the folders that it encrypts with information to make a payment to the hackers. The threat comes with a deadline to respond and pay, or all the encrypted data will be lost forever. As you struggle to find solutions, the cyber thieves work their way into every computer on the network, eventually ending in the company's servers.

Here's where it gets stranger: Ransomware criminals are moving into an area known as cryptocurrency. Some rings only take Bitcoin, and it can be almost impossible to track down someone who cashes out the digital currency.

Hackers play on the social and emotional vulnerability of their prey. They aim to extort funds in amounts that are palatable to the victims—as low as about $100 for most individuals. Hollywood Presbyterian Medical Center, for example, paid about $17,000. The hackers also know that many victims

continued on page 6

In this issue

Section Action

Business Valuation

by Thomas D. Collins, CPA

When valuing companies, I often find the market approach values are higher than the income approach values. As CPAs, are we too conservative when we apply the income approach?

As business appraisers we are trained to take a company's unusual and unexplained earnings and make normalization adjustments, such as adjusting officer compensation, depreciation expense, etc. After that, we weigh the normalized earnings and calculate the cost of capital, only to have our income approach value sometimes be much less than the value indicated under the market approach value.

What gives?

As appraisers we strive to come up with well-reasoned and supportable valuation conclusions, while the market and real people often throw caution to the wind and just pay whatever funds they have and can borrow. Although market transactions reflect the synergistic dreams of buyers and sellers, we shouldn't throw out these market transactions because we don't like them; they are actual market transactions.

We need to acknowledge when these market transactions exist and build these valuation multiples into our valuation conclusions where appropriate. As appraisers, we should clearly explain in our reports what databases we searched, what relevant information we found and whether we agree or disagree with the transaction multiples.

The market approach write-up section of the report doesn't need to be more than one or two pages long. Use the valuation report space wisely, explaining what databases you considered, your analysis and your conclusion.

I often weight the higher market approach values to blend the result into my valuation conclusion. The market approach valuation method should not be automatically disregarded and replaced by a "normal," but highly complicated, income approach method. The value of a company should be somewhere between well-reasoned normalcy and what companies are actually selling for.

Yes, CPAs undervalue companies compared to those with unbridled enthusiasm.

Thomas D. Collins, CPA, ABV, CFA *is vice chair of the Business Valuation Section and owner of Collins Forensic and Valuation Services in Sacramento.*

Economic Damages

by Haley J. Eckhart, CPA

In the early 20th century, car tires were made of thin or poor quality rubber; hence, according to Wiktionary, a prospective buyer might kick them to see how thick they were or if they would deflate. You may have heard damages experts use the term "kick the tires" to describe their evaluation of the client-supplied information used to measure damages.

What types of "tires" might a damages expert kick? Client-supplied information often encompasses accounting books and records, financial projections and assumptions regarding revenue growth, costs, customer base and industry trends, among other things. A damages expert's reliance on client-supplied information of these types (and others) is ripe for challenge during litigation.

What types of "kicks" might the damages expert do? The damages expert's goal is to perform sufficient evaluation of the client-supplied information to withstand challenge by the opposing expert. What constitutes a sufficient evaluation is likely different for every case and is subject to the damages expert's judgment.

A few "kicks" to consider include:

- Understanding the qualifications and experience of the client personnel who prepared the information. Do they have the requisite education and background? Have they prepared this type of information in the past?
- Recognition of the motivations of the client personnel who prepared the information. Was the client-supplied information prepared contemporaneously and in the normal course of business? Or was it prepared for special circumstances, such as a buy/sell transaction, marketing purposes or litigation?
- Comparison to third-party source documents for accuracy. Does the client-supplied information agree to audited financial statements, bank records, invoices, contracts, agreements, tax returns or other documentation?
- Testing of projections and assumptions for reliability and reasonableness. How do the projections and assumptions compare to historical results? How do they compare to industry and economic trends? Can any differences be explained? Does the projection include the relevant product mix, customer base, and costs?

The AICPA Practice Aid, *Attaining Reasonable Certainty in Economic Damages Calculations,* provides a detailed illustration of the issues confronted by damages experts who relied on client-supplied information [Practice Aid at 7].

The cases discussed suggest the courts consider a number of key issues posed by client-supplied information when evaluating the admissibility and weight of the expert testimony [Practice Aid at 13-14].

Haley J. Eckhart, CPA, CFE *is past chair of the Economic Damages Section and a principal with Freeman & Mills, Inc. in Los Angeles.*

Family Law

by Leslie O. Dawson, CPA

One of the basic requirements for spousal support is spelled out in IRC Sec. 71: the liability for the payments must terminate at the death of the recipient spouse. This particular requirement is the source of many of the alimony-related Tax Court decisions. Some recent cases have highlighted the importance of clearly stating this requirement in a marital settlement agreement, even though Family Code Sec. 4337 automatically terminates "alimony" upon the death of the recipient.

Two issues ago, this column discussed *Iglicki v. Commissioner –TC Memo 2015-80*, a case which raises questions regarding whether alimony arrearages or year-end "true ups" are deductible since they would, theoretically, survive the recipient's death.

In *Crabtree v. Commissioner –TC Memo 2015-163*, the Tax Court emphasizes that the IRS will not engage in complex evaluations of state law regarding whether a particular set of payments qualifies as alimony. It further emphasizes the need to not rely on

state law, but actually include a clause in the divorce agreement that terminates support upon the death of the recipient.

Reg. Sec. 1.71-1T–Q&A 10 & 11 point out that if the payments will continue after the payee's death, none of the payments are deductible—before or after the payee's death. Furthermore, the recipient does not have to actually die to cause the support payments to be deemed non-deductible.

Hampers v Commissioner –TC Memo 2015-27 discusses how a court ordered payment of attorney fees is generally not deductible spousal support because the fee order would remain in force if the recipient spouse died.

In *Rood v Commissioner –TC Memo 2012-122*, the court ruled that non-modifiable support as to duration does not qualify as deductible alimony, since the payments would survive recipient's death. Thus, while non-modifiable spousal support can still be negotiated, there must be an exception/provision that the payments terminate upon the death of the recipient.

Okerson v. Commissioner –123 TC No. 14 discusses the issue of substitute payments. If the divorce agreement states that spousal support payments terminate on the recipient's death, but they are replaced with substitute payments of some sort, none of the original or substitute payments are deductible as alimony.

It is important that the professionals understand these rulings and other IRS requirements needed to qualify payments as alimony when drafting divorce agreements.

Leslie O. Dawson, CPA, CFF, ABV, CVA *is a former chair of the Family Law Section and the owner of Dawson CPA Firm in Walnut Creek.*

MessagefromtheChair

by Martin G. Laffer, CPA

As I reflect over the past two years as chair of the Forensic Services Section, a number of issues come to mind. The officers of the FSS Steering Committee, chapters and sections contributed to a successful term for all of us. We fine-tuned the meeting format, particularly the joint annual meetings; we implemented a more transparent selection process for membership in the Steering Committee and implemented a new Emeritus Member group for those members with 10 or more years of tenure; and successfully replaced our 20-year staff liaison from CalCPA with Emily Ku, who has done an outstanding job.

One of my goals was to reach out to accounting students to introduce them to forensic accounting. The Steering Committee participated in numerous campus programs through CalCPA's Campus Ambassador Program.

At the end of March we had an orientation session for new Steering Committee members and section and chapter officers to introduce them to the planning and execution of meetings, the budget process and their new duties for at least the next two years. The program was a success, and it was wonderful to see the enthusiastic young professionals picking up for the next generation.

On an unrelated note, I previously wrote about the phone scam by IRS impersonators coercing money from innocent taxpayers. In early March, I received a call from "special investigator Michael D'Souva, badge number IRM9211." He said there was an arrest warrant issued for the delinquent $4,986 of taxes by Laffer & Gottlieb (which happens to be a general partnership).

I invited him to the office where I had $5,000 cash to rectify the outstanding debt. I offered to pay the debt in exchange for a contemporaneous lien release. He wouldn't bite, and insisted that I go to a Bank of America branch, where I could wire transfer the funds. I was disappointed at the lost opportunity to make one more arrest. A friend, a special agent at the Treasury Inspector General for Tax Administration, said that people, including CPAs, continue to send money to these scam artists.

Thanks for the honor of allowing me to serve as the FSS chair.

— **Martin G. Laffer, CPA** *is a partner with Laffer & Gottlieb in Beverly Hills.*

Fraud

by David Callaghan, CPA

If you're interested in the latest fraud activity, the U.S. Department of Justice's Justice News website (*www.justice.gov/justice-news*) is a good source. The following are cases from this year.

- In May, an Orange County man pleaded guilty to embezzling $1.38 million from his employer, Contempo Inc. Peter Suk Lee was Contempo's controller from August 2014–September 2015 and forged signatures of company officers on almost 100 checks paid to himself and his associates. While forging checks at Contempo, Lee was on bond and awaiting sentencing for embezzling more than $2.5 million from a previous employer, Glovis America, Inc. Lee also pleaded guilty in that case. In addition to these guilty pleas, Lee admitted to stealing approximately $70,000 from a third company between leaving Glovis and beginning at Contempo. He is facing a sentence of up to 90 years in prison.
- In March, a San Dimas wholesale executive pleaded guilty to fraud charges. Chung Yu Yeung pleaded guilty to one count of conspiracy to commit bank fraud and four counts of bank fraud. As the vice president of Eastern Tools and Equipment Inc., Yeung and his co-conspirators defrauded East West Bank in connection with a line of credit for Eastern Tools. The conspirators created shell corporations as fake suppliers and retailers supposedly doing business with Eastern Tools. The shell corporations were under Yeung's control and existed to inflate accounts receivable balances in the financial statements of Eastern Tools. The conspirators opened post office boxes, phone accounts and email accounts related to these shell corporations, and provided this information to East West Bank to support the existence of the fabricated "independent companies." After East West Bank uncovered the fraud, Eastern Tools defaulted on its promissory note, resulting in more than $9 million of losses for East West Bank.

David Callaghan, CPA, CFF *is Fraud Section chair and a partner in the Forensic and Financial Consulting Services Group at Hemming Morse, LLP, based in the Los Angeles office.*

Keepin' It Legal

In Re Marriage of Brandes Covers Many Issues

by Donald J. Miod, CPA

In their dissolution, Linda and Charles Brandes appealed a number of issues in family law that a person operating in this arena has come across, including the following:

1. Application of both a *Pereira* [*Pereira v. Pereira* (1909) 156 Cal.1] and a *Van Camp* [*Van Camp v. Van Camp* (1921) 53 Cal.App.17] approach to determine the separate and community property "interests" in a business.
2. The effect of changing the business model on the separate and community property.
3. Changing the character of income received as "salary" from a separate business from community property to separate property.
4. Characterization of additional shares acquired in a separate property business based on the lender's intent doctrine.
5. Whether the community acquired an actual ownership interest in an originally separate property business (and entitled to a portion of the profits) rather than a right of equitable allocation.

In 1974, Charles founded BIP to provide investment advisory services in exchange for fees based on a percentage of client's assets under management. Charles and Linda met in 1983 when BIP was only marginally successful, with assets under management of $8.2 million. The parties were wed in August 1986. At that time Charles owned 90 percent of BIP, and his partner, Charles Brown, owned 10 percent.

The parties separated in June 2004, when the managed assets were $85 billion. Charles petitioned for dissolution. The parties bifurcated the status and had two trials on the remaining issues.

During the first phase of the trial, the Court used a hybrid approach in allocating BIP's increased value between Charles and the community.

The Court determined that between 1986 and 1991 (*Pereira* period), Charles's personal efforts were the primary factor in the growth, and thus the *Pereira* approach applied for that period. The evidence showed that between 1986 and 1989 Charles was the sole manager of BIP, and there were many factors that demonstrated his control of the operations.

Beginning in 1990, the advisers, management, clients, products and overall size of the business changed. The company started a new fund, IEP, which represented a great departure from any existing funds the business offered. Decisions in the company were now made by committee rather than by the dictates of Charles.

Between 1992 and June 2004 BIP's managed assets grew to about $85 billion. The Court determined that the growth was chiefly attributable to factors other than Charles's personal efforts, and thus allocation under the *Van Camp* approach was proper. The Court agreed with Charles's argument that the community had been substantially overcompensated for his services during the *Van Camp* period (1992-2004, the date of separation) and thus, characterized BIP as Charles's separate property.

After the Phase I trial, the parties stipulated to the community's interest in BIP's increase in value during the *Pereira* period.

During the second phase of the trial, the court addressed the characterization of the profit distributions of $408 million to Charles labeled as W-2 income. Charles's expert testified that his reasonable compensation during this period was $36 million.

The court ruled that all payments from BIP in excess of his reasonable compensation were his separate property whether or not they were labeled as W-2 income. This amounted to $235 million as distributions of profit out of $408 million in W-2 earnings. This treatment was based on Sec. 770, subd. (a)(1), (3) that states that property acquired before marriage is presumptively separate property including rents, issues, and profits from such property.

There was evidence that the plan to pay Charles via W-2 wages instead of distributions of profits was structured by the accountants at Ernst and Young to prevent a tax liability for Charles Brown from phantom income. The court found that Charles did not create the plan to pay the distributions nor did he benefit from it.

Furthermore, there was no evidence that the plan violated any law or otherwise constituted any wrongdoing. Linda argued against the ruling of the court on this issue but since she did not cite any authority or develop any particular argument, the court treated the issue as waived.

Linda further asserted that BIP became a completely different business and lost its separate property character and unsuccessfully argued case law that really was distinguishable from the case at bar. However, that really did not matter since the parties, before the Phase II began, stipulated that on the date of marriage BIP was worth $700,000 and Charles's 90 percent ownership was worth $630,000.

Because of the stipulation, Charles was not required to trace the value of his separate property interest in BIP at the time of the marriage. Further, during Phase I of the trial, no expert testified that BIP had become a completely different business. Growth alone cannot and does not cause a complete transmutation of the character of the business.

Linda also argued that the application of existing equitable apportionment precedent pertaining to community investment in real estate as set forth in cases such as *In re Marriage of Moore* (1980) 28 Cal.3d 366 and *In re Marriage of Marsden* (1982) 130 Cal.App.3d 426 be applied to allow the community to acquire a pro tanto interest in the business.

The court ruled that the trial court did not err by declining to extend the *Moore/Marsden* approach to this set of facts. Even Linda conceded that no case has held that the investment of community efforts in a business should be treated the same as the investment of community funds in real estate.

The court was satisfied that the court's application of a hybrid *Pereira/Van Camp*

continued on page 5

AICPA Alert

by Ted Israel, CPA

The AICPA Forensic and Valuation Services Section (FVS) continues its quest to be the premier provider of training and practical guidance to practitioners. The annual FVS Conference and the FVS section of the AICPA website are prime examples.

The AICPA's 2016 FVS Conference will be Nov. 6–8 in Nashville and promises to be every bit as enlightening as past conferences. As in prior conferences, CalCPA members continue to be major conference contributors. A number of Forensic Services Section members are presenting or serving on the planning committee, including Annette Stalker, who is conference co-chair.

This year's conference brochure will specify experience levels to enable attendees to find sessions matched to their skill and experience levels. In our second year of outreach and recognition of the NextGen future leaders of our profession, please consider nominating a deserving candidate for the Standing Ovation Honor, which includes recognition at the FVS Conference.

Submit your nomination at *www.aicpa.org/InterestAreas/ForensicAndValuation/Pages/fvs-standing-ovation-application.aspx* by Aug. 30.

A bankruptcy practice aid will be added to the FVS online library in the coming months. If you have not already visited the online library, you should check it out. There are a number outstanding practice aids available for download for members.

Also available at the FVS online library are a series of short (approximately six minutes) technical and practice-oriented videos contributed by members. Go to *www.aicpa.org/News/AICPATV/Pages/home.aspx?Ca=FVS%20Member%20Video%20Library&Type=VideoCat#Browse* and try a sample. Also see how you can contribute a video on a subject of your choosing.

While you are on the site, check out the archived catalogue of webcasts at *www.aicpa.org/News/AICPATV/Pages/home.aspx?Ca=Forensic%20and%20Valuation%20Services%7cWebcast%20Archives&Type=VideoSubCat#Browse*.

Ted Israel, CPA, ABV *is co-founder of Israel Frey Group, LLP in San Rafael.*

---

continued from page 4

approach achieves substantial justice between the parties pertaining to the business. The court ruled this, despite the fact that there has never been a reported decision in which the court has used a hybrid formula.

Additionally, Linda contends the court erred by awarding Charles the 10,000 shares of BIP he purchased from Brown, the 10 percent minority shareholder. In 1985, before marriage, Brown, a client of BIP, purchased 10 percent of the business, which, after stock splits, gave him 10,000 shares of stock. That same year, Charles and Brown entered into a shareholder agreement that gave Charles an option to purchase any or all of Brown's shares after April 1, 1990. The agreement called for a minimum down payment of 20 percent and a promissory note to cover the balance. Charles exercised the option for 4,000 shares in 1994, which he paid from the parties' joint account and a new agreement was entered into regarding the 6,000 remaining shares. Charles showed that the shares were purchased from separate funds since the total community spending since marriage far exceeded the total community income during the same period and thus, only separate funds remained to purchase the shares.

In 2002, Charles bought the remaining shares by making a down payment of $4,667,147 and signing a promissory note in the amount of $18,668,558.80. The payments came from the parties' joint account, which contained both W-2 income and profit distributions. As with the 4,000 shares, the trial court ruled that the down payment was traced to separate property since there were no community property funds available.

Linda also contended that the trial court erred by rejecting her argument that the 6,000 shares are community property under the "lender intent" doctrine for the promissory note. The trial court declined to apply the lender intent doctrine, in part because of the evidence whether there was a lender-borrower relationship between Brown and Charles. Brown testified, "I never really thought about it." However, the court stated, "The issue is one of law drawn from the promissory note, not one of Brown's opinion." The trial court's factual findings are final and conclusive on review when supported by substantial evidence, "even though evidence conflicts or supports contrary inferences."

The court was satisfied that the application of a hybrid *Pereira/Van Camp* approach achieves substantial justice between the parties pertaining to the business. The court ruled this, despite the fact that there has never been a reported decision in which the court has used a hybrid formula.

Charles failed to provide evidence that would rebut the presumption of lenders intent; therefore, the presumption must prevail.

The appellate court reversed the judgment regarding the 6,000 shares of stock in BIP and remanded it to the trial court for determination of the separate and community interests, Family Code Sec. 2640 reimbursement and whether the community is entitled to a commensurate share of any BIP profit distributions made to Charles after the community acquired an ownership interest in a portion of the 6,000 shares.

A final, highly publicized, issue in this case was Charles' appeal of the $450,000 monthly spousal support award as being excessive. Since the case was being remanded for additional work, which would affect the ultimate property each receives, the trial court will also have to revisit the issue of spousal support.

Because this case involves so many family law issues, it is highly recommended reading for any family law professional.

Donald John Miod, CPA, ABV, CFF, CVA, CBA, CFS, FCPA, CGMA, MAFF, MFP *is a former Family Law Section chair and founder and partner of Miod and Company, LLP in Valencia and Palm Springs.*

HAPPENINGS

FORENSIC SERVICES SECTION 2016-17 MEETING DATES

All Sections Joint Meeting	Nov. 17	LAX
Business Valuation	Aug. 18	OAK
Economic Damages	Aug. 25	OAK
Family Law	Aug. 19 Nov. 18	OAK LAX
Fraud	Aug. 26	LAX

FAMILY LAW CONFERENCE: OCT. 27-28

This conference addresses the wide range of accounting, financial, tax and policy issues related to separation and divorce. CPAs, attorneys, judges and other professionals attend this event to deepen their knowledge of the complex issues related to family law, including California community property; small-business and personal estate fraud; alimony and child support; and best practices for arbitration and court presentations.

You may register online: *www.calcpa.org/fss.*
For more information, call (818) 546-3502.

continued from page 1

may feel shame or don't know where to turn for help. Many people might actually panic, believing that they did something wrong or they made a mistake which resulted in compromising their computer.

> Ransomware is a kind of cyberattack that purposely makes itself known. It creeps its way into your network and hijacks your files. The criminals are not interested in stealing your data, rather, they know the data is valuable to you and they make it inaccessible.

As a result, victims are likely to pay quietly because they don't want their names and reputations tarnished by the event.

Should You Pay?

CryptoLocker has been lucrative for criminals. The FBI says hacking victims in the United States have paid more than $209 million in ransom payments in the first three months of this year; compared with $25 million in all of 2015.

While the FBI managed to bust one ring based in Russia and Ukraine, the problem isn't going away. New, stronger variants of CryptoLocker are out there and many are designed to specifically attack accounting firms and legal practices because of the type of sensitive documentation they have.

Naturally, the question is: "Should we pay?" Security experts give conflicting advice. Rahul Kashyap, a researcher at the cybersecurity firm Bromium and an expert at dealing with CryptoLocker hacks, says victims should not pay because the criminals will "build more malware, pretty much as simple as that."

Jaeson Schultz at Cisco says this malware cannot be approached with a blanket policy: "Unless you've got powerful computers and a lot of time to spend guessing keys, there's really no way to get your data back unless you pay the ransom."

Schultz and other security experts report that paying the ransom does result in a key to decrypt the victim's data.

The Department of Homeland Security has advised people to not negotiate with the hackers; at the same time, another law enforcement agency, a sheriff's office in Tennessee, recently paid the hackers to get its files back.

Tips to Mitigate Risk

Typically, insurance carriers don't cover this type of cyberattack, so take an active approach to prevention and risk mitigation.

The best defense is to back up, back up, back up. Storing things on a USB drive that's plugged into your computer won't cut it. Using cloud storage is not fail-safe. The best defense is having a backup that's not connected to your network and is frequently maintained based upon the needs of your business.

Also, educate your users. Make sure cybersecurity is a known issue to your users so they act responsibly. Protocols should be in place to have users verify that an attorney/client sent emails, use secure file portals when possible and never open an attachment from someone you're unfamiliar with.

Ransomware is a bigger problem than we ever imagined. It has gotten so powerful and sophisticated that the hackers really do lock down victims' data. So take the steps now to mitigate your risk of data loss before it's too late.

Jeremy J. Salvador *is a partner at Miod and Company, LLP in Valencia and Palm Springs.*

The Witness Chair is published three times a year by the Forensic Services Section of the California Society of Certified Public Accountants.

Editor
Susan Bleecker

Associate Editors
Leslie O. Dawson
Emily Ku

Section Chair
B. Marie Ebersbacher

Individual Section Chairs

Business Valuation	Lynda Schauer
Economic Damages	Travis Armstrong
Family Law	Charles Burak
Fraud	David Callaghan

Nonmember subscription rate is $75 for one year. To subscribe, call CalCPA at (818) 546-3502 or (800) 922-5272.

We welcome your letters, articles, comments and suggestions, which may be sent to the editors at *witnesschair@calcpa.org.*

The Witness Chair does not provide legal advice. The material published, unless otherwise specified, represents the views of the authors and the individuals quoted and not those of CalCPA or the AICPA.

www.calcpa.org/FSS

CalCPA