

TECHNOLOGY
INDUSTRY

CASE STUDY:

Forensic Accounting Meets Digital Analytics

ABOUT THE CLIENT

Have you ever needed the expertise of a forensic accountant, but shied away from recommending that your client engage an expert because of cost or the extended amount of time usually necessary to complete the work? Whether these projects were forensic accounting engagements, lifestyle analyses, separate property/asset tracing, or other needs, the process of gathering and entering large quantities of data into an Excel spreadsheet or a similar program in order to perform the requisite analysis has historically been painstakingly long and expensive.

Those days are over.

Leveraging Marcum's Digital Analytics team, Robotic Process Automation (RPA) tools and Data Solutions Center, our Litigation Support professionals are now able to extract massive amounts of data from bank statements, credit card statements, financial statements, and other source documents in a fraction of the time it took in the "old days," when sorting was manual and highly labor-intensive. Not only does digital processing accelerate the timeline, it provides a more reliable and better supported result at a lower cost.

This technological capability, coupled with Marcum's expertise in family law and commercial litigation, establishes Marcum on the cutting edge of forensic accounting analysis.

Here's one example of how Marcum's Digital Analytics technology enabled us to help an attorney in a pinch:

THE CHALLENGE

Marcum received a call from an attorney who had just been retained in a dispute matter involving one of our clients. Earlier in the year, we had been engaged by a business owner to quantify funds inappropriately siphoned from the company she had built, which was now being managed by her children. Our engagement had been dormant since inception, as limited information had been produced by the current second-generation management.

The attorney told us that communication had broken down among the family members, and he had been retained as family dynamics had become extremely contentious. He had a very limited window to present a "non-redundant" discovery request and preliminary conclusions, in order to persuade the judge to compel discovery of the documents necessary to complete our forensic engagement on behalf of the business owner. We had less than 10 days to deliver.

We were tasked with sorting and analyzing thousands upon thousands of pages of un-inventoried documentation, including one mega-sized PDF containing shuffled, upside down, and illegible pages without any semblance of order.

THE GOAL

Our mission was to inventory, organize and analyze a massive quantity of information in complete disarray, and draw preliminary conclusions in less than ten days' time. Our ideal deliverable included analysis of the activity detailed in bank statements, credit card statements, general ledgers, check copies, and financial statements, and support for our analysis including the particulars of each and every transaction, comprising the dates, amounts, descriptions, check numbers, and bates number where available.

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THE PROCESS

We deployed Marcum's Digital Analytics team, comprised of experts in Robotic Process Automation (RPA) and Data Analytics, to assist. The entire electronic file was sent to Marcum's Data Solution Center, where all of the data was seamlessly and efficiently extracted and organized into Excel. The data organization and entry that would have taken months for humans to complete manually was finished with time to spare. The entire process took less than a week.

THE SOLUTION

- ▶ By leveraging the technology resources and expertise of Marcum's Digital Analytics team to organize the data into a digestible and usable format, we were able to complete the non-redundant discovery request and deliver preliminary analyses within an extremely short window.
- ▶ The speed at which we were able to digest and analyze the raw information and draw conclusions assisted in the speed with which the client's case settled. Our initial conclusions were backed by months of historical data, including bates numbers to support each transaction.
- ▶ Finally, the cost of our engagement was far lower than the cost of spending weeks or months manually sifting data into a useable, electronic format.

If you need help with a large forensic accounting project, whether in a family law matter or commercial litigation matter, ask Marcum.