

Best Practices for Incorporating a CDFA® into the Collaborative Team

2017 IDFA National Conference
Presented by:
Jessie L. Foster & Diane C. Pappas

Who Are We?


- * Jessie L. Foster, CDFA, CFP, MBA
- * Colman Knight Advisory Group
- * jessie@colmanknight.com
- * www.colmanknight.com
- * Diane C. Pappas, CDFA
- * Solutions for Divorce
- * diane@solutionsfordivorce.com
- * www.SolutionsForDivorce.com

Agenda

- * Money & Transitions
- * ADR Spectrum
- * Role of CDFA® in Collaborative Process
- * Best Practices – Working within the Team Dynamic
- * Challenges
- * Marketing Your Practice
- * Q&A

** When life changes, money changes...*


** When money changes, life changes...*



© 2017 Financial Transitionist Institute

Life Transition Events


- * Windfall
- * Major career change
- * Insurance settlement
- * Retirement
- * Sudden loss
- * Lifestyle shifts
- * Change in health
- * Marriage
- * Loss of parent
- * Loss of spouse
- * **Divorce**
- * Sale of Business



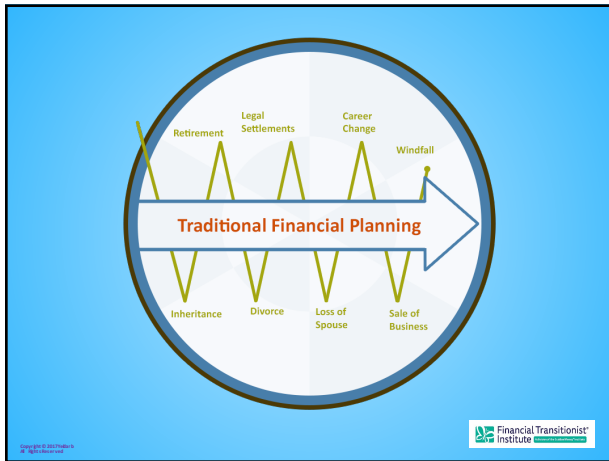
© 2017 Financial Transitionist Institute

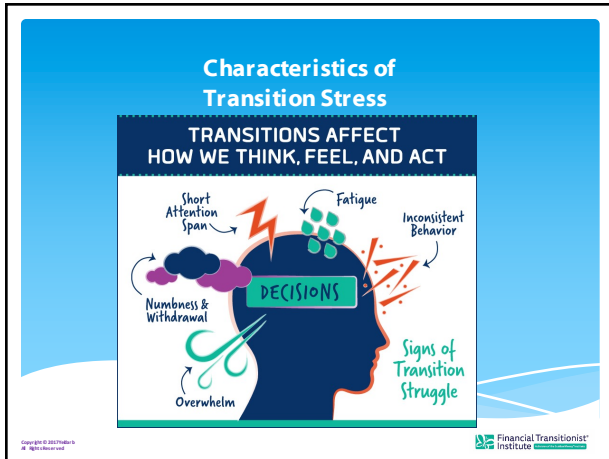
TRANSITIONS

From What Was, to What Will Be



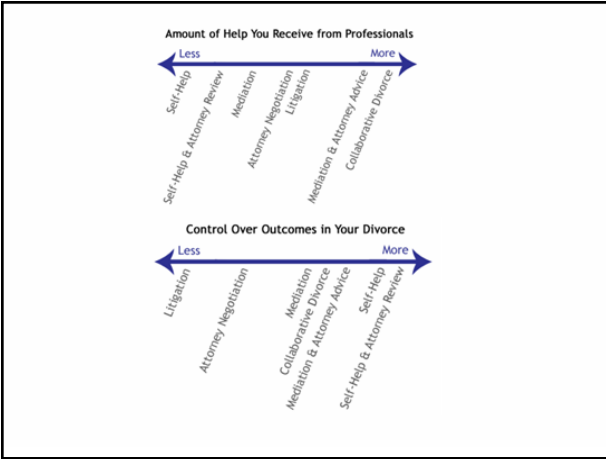
© 2017 Financial Transitionist Institute

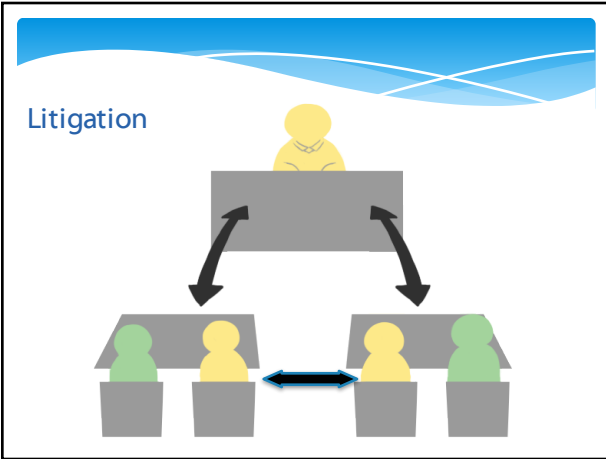


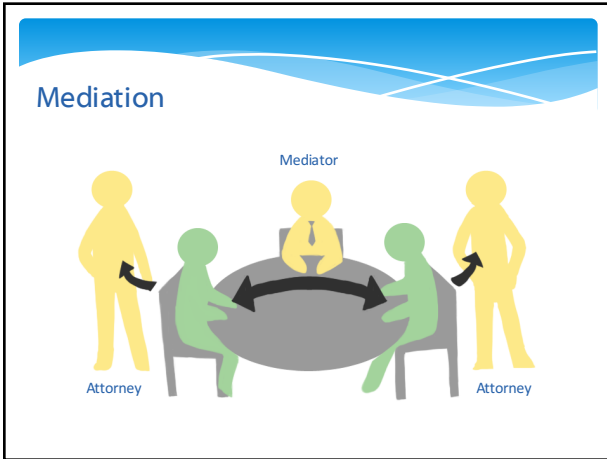




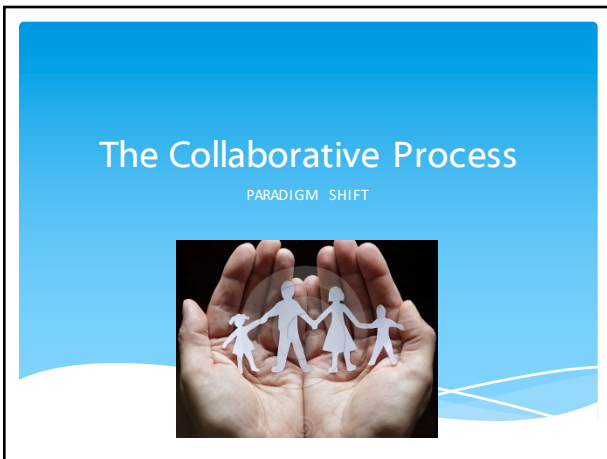
The question becomes,
How do we calm the perfect storm?











What Makes It Different

- **Always two Attorneys**
- **Parties in ALL NEGOTIATIONS**
- **COOPERATIVE** replaces Adversarial
- **Interdisciplinary TEAM**
- **PARTICIPATION AGREEMENT**
- **CONFIDENTIAL – INADMISSIBLE**

PRINCIPLES OF COLLABORATIVE LAW

Core Principle #1 –
Your situation is
resolved outside the
court



Core Principle #2 –
your attorneys cannot
represent you if you
abandon process and
litigate



Courtesy of IACP CREW – Core Principles for Collaborative Law

Core Principle #3 – everything is “on the table”



Courtesy of IACP CREW – Core Principles for Collaborative Law

Interest Based Orientation

Core Principle #4 – all parties and all needs are considered

- * Moving from Positions to Interests
- * Moving from Interests to Options
- * Fairness through the lens of objective criteria

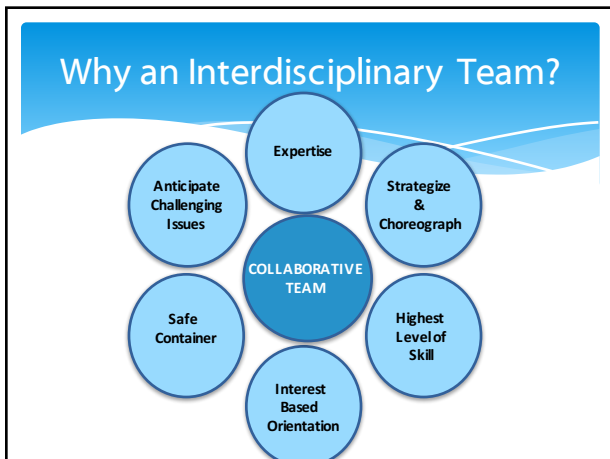
Interest Based Orientation Reflections

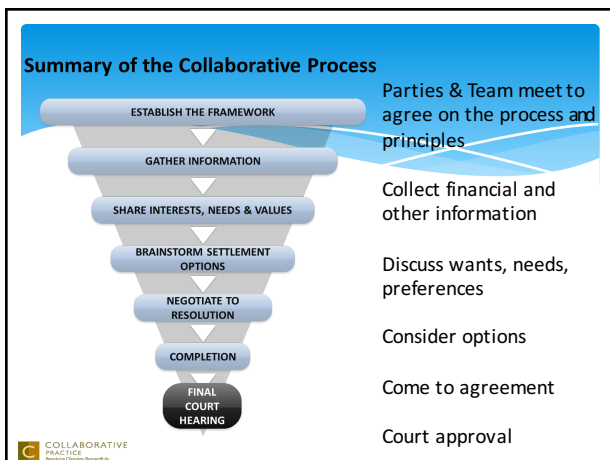
- * How did you measure success?
- * What assumptions did you bring to how this game is played?
- * How did it effect your partner?
- * When did negotiations begin?

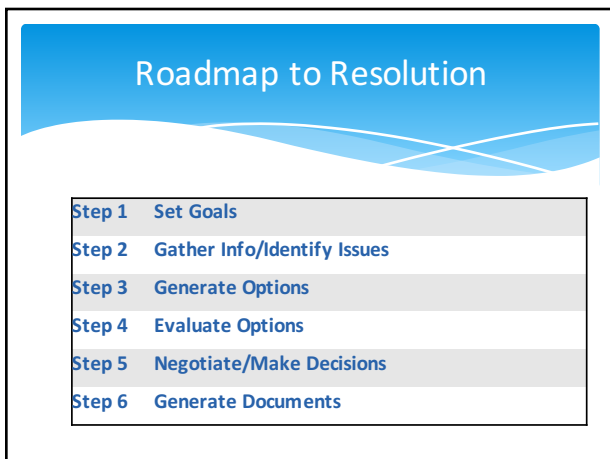


Myth of Conflict Resolution

There is one "Right Way" to negotiate







"I stress that the attorney is the captain of the ship in terms of legal strategy, and the CDFA is there to support them and the client with key financial data – not dictate how the case should proceed."

Barbara Shapiro, CDFA, CFP
IDFA Survey: Separated People now Contacting Certified Divorce Financial Analysts® (CDFAs®) Professionals Before Lawyers



Breaking Down Resistance

- * Attorneys
 - Trained to practice in an adversarial mode
 - Control the flow of information
 - Information is a strategic 'weapon'
 - Control over when, how and to whom
 - Lack of understanding as to what we do

Breaking Down Resistance

- * Clients
 - I already have a financial advisor
 - Too expensive, can't afford all those people!

Role of Financial Neutral

- * Organizing source
- * Early availability of reliable, comprehensive information
- * Vetted by an expert
- * Facilitate smoother sailing in negotiations
- * Generate sophisticated options based on valid and complete figures



How a Financial Neutral is Different

- * Expected to provide *objective* financial information
- * Team decides kind of financial analysis required
- * Analysis is based on underlying needs & concerns of both clients, rather than the positions a Client/Attorney may take
- * Reports are shared with Team
- * Does not provide financial information to either Client separately

What We Don't Do

- * Provide legal advice
- * Address mental health/coaching issues
- * Lead with Solutions
- * Make Product Sales
- * Engage in conflicting post divorce relationships

CPA	CDFA™	CFP®
Tax Planning	The Divorce	New Financial Plan
"What did you earn"	"What do you have"	"What do you need?"
Prepare Indiv Tax Returns	Organize Financial Data	Divorce Decree Mandates
Prepare Business Tax Returns	Property Division	Transfers of Accounts
Tax Planning	Tax Analysis	Re-titling of Accounts
	Short-Term and Long-Term Forecasting of Settlement Options	Development of personal Financial Plan
	Spousal Support Analysis	Implementation of your new plan
	Child Support Analysis	Ongoing Monitoring

Communication is Key

- * Communication
- * Teamwork
- * Trust
- * Setting the Parameters
- * Clarify Scope



Importance of Pre-briefs

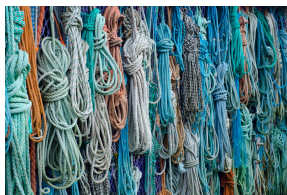
- * Agenda is discussed
- * Provide updates
- * Financial Neutral and Attorney on same page
- * Relay questions from Clients
- * Coach identifies 'hot' financial topics for Team Meeting

Best Practices

- * Meetings
- * Bringing in Other Financial Professionals
- * De-briefs

Gray Areas

- * Discovery
- * Financial Statements
- * Forensic Accounting
- * Valuations



When Clients Come to Us First

- * Inform Clients of Divorce Options
- * Describe how we work with Clients in divorce
- * Encourage Clients to seek legal counsel
- * Be wary of positioning Clients
- * Introduce Collaborative Attorneys
- * Manage Expectations

MARKETING YOUR PRACTICE

- * Network, Network, Network
- * Website
- * Social Media (Linkedin)
- * Articles
- * Workshops
- * GET INVOLVED
