Ask the Forensic, Litigation & Valuation Expert

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Editor's note: This conversation reflects insights shared by experienced forensic, litigation, and valuation professionals. While the discussion originated within TXCPA's Business Valuation & Forensics community, the perspectives and lessons below are intended to be practical and relevant for CPAs today.

In this edition of *Ask the Expert*, we sit down with Christopher C. Lucas, CFA, CPA/ABV, CEPA, Owner of Lucas Valuation Group LLC in Grapevine, Texas. Chris is a seasoned valuation professional with deep experience in business valuation, exit planning, and advisory services, and he is actively involved in supporting and mentoring the forensic and valuation community.

What made you want to become a financial expert, forensic accountant, or business valuation analyst?

"I was influenced to start my career in banking by my Texas politics professor when I was in college. That led me to pursue an undergraduate major in finance. I enjoyed it and elected to get a master's degree in the same discipline after spending a year as a credit analyst and another year in loan workouts at NCNB Texas (Bank of America today).

While in graduate school, I also got enough hours of accounting to get my CPA license. The job market in 1992 was poor, but I landed a job in audit at Price Waterhouse in Fort Worth. I transferred into the new business valuation practice in Dallas in 1994 when it opened."

Do you have any suggestions for a CPA who wants to follow a similar path?

"I can't over-emphasize the importance of networking and marketing."

What are the most important takeaways CPAs should understand about this area of practice?

"Exit planning is a service that is very valuable to small-to-medium business ('SMB') owners.

Exit planning is a service line that can be lucrative to CPA firms, and the CPA's role in the planning process is important.

Exit planning credentialing presents a potentially significant new product for TXCPA members."

What is one of your most memorable cases, and why has it stayed with you?

"Russian Recovery Fund Limited, Russian Recovery Advisors, LLC – Tax Advisor, Complainant vs. The United States, Respondent; Court of Federal Claims.

The stars aligned in all respects. I testified in Washington, D.C. in April 2015; April is a great time to be there. Not only was the city particularly beautiful at that time of year, but I got to spend two weeks in Dupont Circle, exploring the culinary delights of the Embassy district (I LOVE Afghan cuisine!).

I testified on behalf of the Department of Justice ('DOJ') regarding behaviors of hedge funds and helped to explain why the Russian Recovery Fund was a tax scam by highlighting evidence that the fund was not profit-motivated. The case involved the purchase of ruble-denominated Russian bonds in 1998.

I was working at a hedge fund in Dallas in 1998 when the Russian currency crisis caused Long Term Capital Management to fail. This resulted in a liquidity crisis in U.S. financial markets that significantly affected the investment portfolio for which I was responsible. While I was distinctly aware of the Russian calamity, I was not directly focused on the details of the crisis in 1998. Learning about circumstances in Russian financial markets from 1991 through 2000 — and dissecting the fundraising and trading behavior of the Russian Recovery Fund 15 years after the fact — was fascinating."

Beyond running his practice full-time, Chris donates significant time to TXCPA leadership and service. Among other contributions, he assists TXCPA with its investment portfolio that benefits members, including providing updates to the Leadership Council and Board of Directors.

Chris exemplifies the depth of expertise and commitment found within TXCPA's Business Valuation & Forensics community — combining technical excellence, real-world experience, and a strong dedication to mentoring and professional service.

Context: Insights drawn from expert discussions within TXCPA's Business Valuation & Forensics programming.