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THE LAST WORD

I was born and raised in Indiana, where basketball is the unofficial state sport and basketball courts are a landscaping-design element. So, it is not surprising that basketball became an important part of my life: It earned me a college education; it gave me my livelihood for 12 seasons after I graduated; and now it—as well as other professional sports—is the focus of my practice.

My decision to specialize in tax and financial-consulting services for professional athletes came after a circuitous journey. After graduating from Butler University (the Cinderella team that faced Duke in the NCAA finals this year!) with a degree in accounting, I wanted to play professional basketball. Unfortunately, I was not drafted into the NBA, so when a German league made me an offer to play, I moved overseas.

I loved playing in Germany (and for one season in New Zealand), but I quickly realized that playing competitively overseas was not the same as playing in the NBA. Many players were students; some were former top-league players at the end of their careers. What this meant was that basketball and training were not full-time activities. I had time on my hands, so I decided to dust off my accounting degree and went to work for PricewaterhouseCoopers in its International Assignment Solutions group, which handled tax and financial consulting for U.S. expatriates working in Europe.



The firm gave me complete flexibility to lead a double life: playing basketball by night (which, for many years, both the firm and I considered my primary career) and doing taxes by day. As time went on, however, and I realized my days of playing pro ball were limited, accounting took on significantly greater importance to me. I earned my CPA and later an MBA, and advanced to the management level within PwC.

**John Karaffa, CPA/PFS, DBA
Pro Sport CPA PLLC
Richmond, Va.**

I stayed with the firm for nine years, then took the next step in my journey. It was a short but important stint as CFO with the German subsidiary of a U.S. software company. As luck would have it, I joined the firm just when the tech bubble burst. I gained incredible experience in retrenching the company and closing international operations.

My next move—starting in Germany, then moving on to the United States—was to General Electric and its spinoff company, Genworth Financial. My career with GE/Genworth afforded me executive accounting management experience in several different divisions, including wealth management as well as sports and entertainment. This last assignment closed the loop on my career, bringing me back to professional sports. It made me realize I wanted to specialize in helping professional athletes become financially healthy.

My background as a player gave me a good idea of the problems the pros face. My suspicions were confirmed when I was working on my doctoral dissertation. (I teach personal finance at the college level in addition to running my firm.) I interviewed a number of former professional athletes about their financial decisions. They told me, "Guys need to prepare themselves to go to work after they're done being a pro"; "Live your life like the season ends and your career is over tomorrow"; and "I was not prepared to make big money." These young athletes who are given contracts worth millions need good financial education and tax planning—something I have dedicated myself to providing.

Running a boutique firm is very rewarding. Having access to tickets is great, but what I enjoy most is the satisfaction of being trusted by these guys who put their financial lives in my hands. What I enjoy least is being on call 24/7. But because I've "been there," I understand that getting calls at all hours of the night is just part of the job. I have to be available when my clients, who have odd working hours, need me.

In one way, I wish I had opened my practice earlier in my career—that's how much I enjoy working with and educating professional athletes. On the other hand, I realize that all my life's experiences have shaped me and made me a better sports accountant for my clients. I knew basketball wouldn't last forever. I'm just glad it brought me to where I am today.

—As told to Linda Segall (linda@segallenterprises.com),
a Jacksonville, Fla.-based freelance writer.

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