

DECEMBER 2014

KĀLĀ

The Official Publication of the Hawaii Society of Certified Public Accountants



Makin' a List & Checkin' it Twice...

Wish List

Become the 50th State
(53rd jurisdiction)

CPA Mobility

No Notice

No Fee

No Escape!

Happy Holidays!



Great products and a great banker.

Palama Holdings has both.

Palama Holdings operates May's Hawaii – offering its famous kalua pork, kalbi ribs and more at grocery stores throughout Hawaii – and H&W Foodservice, a distributor primarily serving Oahu restaurants. And they consider their business banker part of the team, providing them a menu of competitive financing options that keep them on top of their game.

Visit any American Savings Bank branch or call us today.
Oahu 627-6900 • Neighbor Islands (800) 272-2566

(From left to right) 1. Bradley Pakele, CDL B Driver 2. Gary Hanagami, General Manager and Vice President - Branded Products Division and Retail Distribution 3. Jo-Ann Bagood, Order Desk Supervisor - Food Service 4. Ryan Day, Associate Sales Planner and Product Development 5. Judy McDonald, President 6. Kyle Shelly, their Banker

Member FDIC

asbhawaii.com



AMERICAN
Savings Bank



The Official Publication of the Hawaii
Society of Certified Public Accountants

DECEMBER 2014

In This Issue

Officers

President Gordon M. Tom
President-Elect Norman N. Okimoto
Vice President Patrick Oki
Secretary/Treasurer Warren Y.F. Wee

Ex-Officio

Immediate Past President
Michael I. Tanaka

AICPA Council

Darryl K. Nitta (Designated)
Ross R. Murakami (Elected)

Executive Director

Kathy M. Castillo

Administrative Assistant

Debbie Cortes

Hawaii Society of CPAs

900 Fort Street Mall, Suite 850

P.O. Box 1754

Honolulu, Hawaii 96806

Tel: (808) 537-9475

Fax: (808) 537-3520

E-mail: info@hscpa.org

Website: www.hscpa.org

Directors • 2013 – 2015

Brenda F. Cutwright
Ronald I. Heller
Wendell K. Lee
Trisha N. Nomura
Valerie N. Shintaku
Melanie S. Shishido
Jessica Su

Directors • 2014 – 2016

Gordon D. Ciano
James P. Hasselman
Robert K. Hatanaka
Robert S. Kawahara (MAUI)
Edmund N. Nakano
Samantha L. Shetzline (KAUAI)



H S C P A

Hawaii Society of
Certified Public Accountants

This publication is designed to provide general information only, and should not be used as a substitute for professional advice. The authors and editors disclaim any liability for any loss or damage resulting from the use of any information or advice herein. Although a reasonable attempt has been made to be accurate, neither the HSCPA nor the authors and editors can guarantee that all information contained herein is correct as of the date of publication.

KALA (the Hawaiian word for money) is published monthly and is the official publication of the Hawai'i Society of Certified Public Accountants. Please direct all inquiries regarding editorial content, subscriptions and circulation to HSCPA, 900 Fort Street Mall, Suite 850, Honolulu, Hawai'i 96813.

President's Message 4

By Gordon Tom

Revenue Growth Through Collaboration... 6

By L. Gary Boomer

Peer Review Update..... 8

By Rodney Harano

Best Practices for Balancing
a Heavy Workload..... 10

By Erin Cheever

New SSARS 21 12

CPA Firm Microcomputer Technology.. 13

By Ron Gouveia

Norman's Book Review..... 14

Y-CPA Buzz..... 16

CPE Calender..... 18

Tax Season Communication Tools..... 20

President's Message

By Gordon Tom



Aloha Members!

I hope you all had a great Thanksgiving break and took some time off to reconnect with family and friends. Once again, I enjoyed Thanksgiving a little too much and will need to make my first resolution for 2015 to get back in shape. According to a recent Harris poll, losing weight and getting in shape is the most common New Year's resolution, yet over 80 percent of resolutions are never achieved each year. I hope I can make it into the 20 percent this year with my resolutions. If you need help achieving your resolutions, consider the following five tips courtesy of the American Psychological Association:

- **Start small** – New Year's resolutions should be like your business goals; you want them to be challenging, but not impossible. Make the resolution you start first an achievable one and it will help to motivate you to success on your other resolutions.
- **One at a time** – Many people set multiple resolutions and try to achieve them all at once. Multitasking rarely leads to long term sustained work performance, so do not try it with your resolutions either.
- **Talk about it** – Share your resolutions with your family and friends. You may have common resolutions that you can work as a team to achieve. A shared effort often increases your motivation for

individual performance out of fear of disappointing the team.

- **Don't sweat the small stuff** – Minor missteps will happen as you try to achieve your goals, but don't let your down moments keep you from getting back up and trying again.
- **Ask for help** – Similar to sharing your resolutions, seeking professional help may be appropriate, especially for more physically challenging or demanding resolutions such as quitting smoking.

As you may know, passing mobility legislation has been a "resolution" of the HSCPA for several years now. Thanks to Ron Heller, Ross Murakami and Wendell Lee's hard work, we took a small step towards realizing our resolution at the mini professional ethics seminar held at Hukilau last month. They did an outstanding job informing members of what CPA mobility means for Hawaii, the compliance with licensing requirements, and the potential changes that could affect Hawaii CPAs. As of now, 49 other states and D.C., Puerto Rico and the Virgin Islands have passed mobility legislation in their jurisdictions. Hawaii is the only state in the U.S. without CPA mobility legislation. Guam and the Marshall Islands are working towards getting legislation passed soon. It's long overdue for us to get on board with the rest of the nation in adopting mobility. Ron, Ross and Wendell's presentation helped to clear up many of the misconceptions about CPA mobility that continually cloud the tenets of mobility provisions.

We need your help to join other states to reduce barriers and make our markets stronger and safer. Not only will it give Hawaii businesses the flexibility they need to engage the best possible CPA for their needs, but it will strengthen Hawaii's ability to discipline out-of-state licensees.

Congratulations to Arnold Cristobal of Hawaii Pacific University for representing Hawaii in the 20th annual AICPA Accounting Scholars Leadership Workshop. Arnold was one of 114 other honorees chosen in a nationwide competition focusing on minority accounting students. He and the other winners received an all-expense-paid trip courtesy of the AICPA Foundation to attend a workshop on the mainland with his peers where he developed professional and leadership skills while learning more about the career possibilities of becoming a CPA. Look for more info and an interview with Arnold in a future KALA. If you know of a deserving minority accounting student, you can find more information on the scholarship on the AICPA website under the Career / Diversity and Inclusion section.





808.532.3330

JTCHawaii.com



John "Jack" Tyrrell,
Realtor®, CRS, &
CPA (not in public practice)
Jack.Tyrrell@JTCHawaii.com
C: 808.306.6933
O: 808.532.3330



JACK TYRRELL
& COMPANY

A Real Estate Brokerage Corporation



KOOLANI Penthouse 11

Offered at \$1,998,000

MLS#201407172

2 bd . 2.5 ba . 1,801 sf

KoolaniPenthouse11.com



JTCHawaii.com



WAIKIKI LANDMARK 35TH FLOOR PENTHOUSES

Offered at \$12,500,000

MLS#201337956

9 bd . 9.5 ba . 10,485 sf

Waikikilandmark35thfloorpenthouses.com

Revenue Growth Through Collaboration

By L. Gary Boomer



There are multiple ways to grow your firm, from expanding service lines to mergers and acquisitions.

While these are both viable strategies, it is often easy to overlook opportunities associated with existing services and clients. Tax planning and compliance is a great example and an area that almost all firms currently provide services. However, due to the increasing complexity of ever changing legislation at the Federal and State levels plus the importance of international tax, I believe firms often discount the opportunities. Granted, there is a high degree of complexity and some firms may not have the internal resources or a large enough client base to justify acquiring the capabilities required to offer some of the more sophisticated services related to tax credits (jobs, energy, enterprise zones, etc.) as well as cost segregation.

There is a simple management strategy that is often overlooked when it comes to complexity and many accounting firms get caught in the trap. In order to break through the ceiling of complexity you must first step back and simplify the approach. The purpose of this article is to demonstrate a proven process to simplification and allow CPAs and firms to think differently about matching opportunities with capabilities. By thinking differently, you will probably challenge some of the existing strategies and perhaps even some of the processes that have made you successful. The old saying that what got you to this level of success won't get you to the next level is often true when dealing with increased complexity.

We are talking about the development or access to the required capabilities necessary to leverage current and future opportunities. If you don't have those capabilities or access to them, your firm will miss opportunities. If you do have the capabilities, but not the opportunities, you will generally underperform and have trouble retaining and attracting quality talent due to the lack of growth opportunities. Internal discussions often evolve into the chicken or the egg arguments.

Let's take one step back from what most firms are doing today and assess how to develop talent and capabilities based upon today's opportunities. Most firm's think in terms of internal resources, especially larger firms, but this may not make the most sense economically. Think big (10 times bigger) and how you can leverage this opportunity with little or no additional investment in labor or technology!

In our profession, talent provides capabilities and the market provides the opportunities. Talent is developed primarily with three key components:

- **Self-motivation** and life-long learning
- Access to **experts** and experience
- Relationships with **peers**

This approach may be different than the rugged individual approach many seasoned professionals are accustomed to. Today, the complexity and breadth of knowledge requires a team approach in order to scale.

Here are some basic questions CPAs and firms should ask when evaluating new or expanded services.

1. Will this service provide **value** to the client?
2. Who is going to **champion** this service?
3. Does the champion have the **passion**, time, team and budget to be successful?
4. Does the firm have the necessary capabilities or should we **source** with an external expert?
5. Does the firm know how to **name, package, brand and price** this service?

Is there a **community of peers** we can join in order to accelerate our ability to balance capabilities with opportunities?

The tendency is to short-cut the planning and start charging hours to a project. This often results in large write-offs and poor client service. Taking the time to think, plan and grow will increase the probability and level of success.

From extensive experience, I can say the CPAs and firms that get the most value from communities are those who contribute and provide confidence to their peers. Learning is a two-way street. You must be vulnerable to learn and willing to teach. The communities raise the level of success for all participants. Also having access to expertise outside of their firm provides great value, even for internal experts. The exchange among expert peers results in learning, increased confidence and improved clarity. This expertise ranges from technical tax and accounting knowledge to:

- Technology
- Marketing and sales
- Leadership & management
- HR and team building

In the end, it is about you. You have to be motivated and have the passion to succeed. The participation in a community provides access to experts and peer relationships, accelerates the process and increases the probability of success. Those with passion succeed while those without passion try.

L. Gary Boomer is CEO of Boomer Consulting, Inc., an organization that provides consulting services to leading accounting firms in the areas of Leadership, Management, Technology and Client Development. Gary is recognized in the accounting profession as the leading authority on technology and firm management. For over a decade, he has been named by Accounting Today as one of the 100 Most Influential People in Accounting. He is also a member of IPA's 10 Most Recommended Consultants.



AICPA/CPA-SEA Leadership Conference in Boston: AICPA Chair-elect Tim Christen; HSCPA President-elect Norman Okimoto; Executive Director Kathy Castillo; President Gordon Tom; AICPA President & CEO Barry Melancon

Are Your Clients Confused About Their Health Care Options?

Let HMAA help!

- Our experts will assist you & your clients in understanding health care reform and their insurance options.
- HMAA's Health Plans include cutting-edge health & wellness programs and value-added products & services.

Contact us now for details!

 **HMAA**
HAWAII MEDICAL ASSURANCE ASSOCIATION
We're Passionate About Your Health.

Toll-Free: (800) 621-6998 • hmaa.com

Cindy Suzuki
791-7513
csuzuki@hmaa.com

Mary Ann Lorenzo
791-7663
mlorenzo@hmaa.com

25th
*Celebrating 25 years
of healthcare coverage for
Hawaii's businesses*
anniversary

MANDATORY

Peer Review Update

By Rodney Harano



Happy Holidays!

It's hard to believe that 2014 is almost over. It seems like only yesterday that I was working through another busy season. And now I am looking at another within a month. YIKES!

The Hawaii Peer Review Law is in Effect

As previously mentioned in KALA, all firms renewing its Hawaii firm permit to practice (PTP) must enroll in a practice-monitoring program by December 31, 2015, and

undergo a peer review by December 31, 2017. [For AICPA members, if you are enrolled in the AICPA Peer Review Program, there will be no changes other than reporting to the Hawaii Board of Public Accountancy (Board)] Here are some of the nuances of the Hawaii peer review law:

- All firms performing Hawaii attest (audit, review, compilation, and attestation engagements) work as of December 31, 2014:

1. Shall enroll in a program of an approved sponsoring organization by December 31, 2015;
2. Notify the Board of enrollment in that program; and

3. Have a peer review performed by December 31, 2017.

- If the firm begins to perform attest work after December 31, 2014, the firm has to do the following:

1. Notify the Board within 30 days of beginning of the performance of attest work;

- All peer reviewers must be licensed in the State of Hawaii. Thus, if the reviewed firm uses a mainland reviewer to perform its peer review, the reviewed firm must ensure the reviewer has a valid Hawaii individual PTP, first PTP and GET license. If not, the firm's peer review will be invalid AND the reviewer will be practicing illegally in Hawaii.



2. Enroll in the applicable program of an approved sponsoring organization within 1 year from its licensing date or the performance of Hawaii attest work that requires a peer review;

3. Provide the Board with enrollment information within 1 year of the date the Hawaii attest work was first performed;

4. Have a peer review performed within 18 months of the date the Hawaii attest work was first performed; and

5. Accept the peer review due date assigned by the sponsoring organization and notify the Board of the peer review due date within 30 days of its assignment.

- It may take the Board, DCCA and Department of Taxation MONTHS to approve a mainland reviewer's license and associated PTPs. Thus, if your reviewer is not licensed in Hawaii, anticipate delays in obtaining Board and DCCA approvals, and remind your reviewer to submit the license

applications as soon as your peer review is scheduled.

- The reviewed firm will be required to submit its peer review report and acceptance letter to the Board as evidence that it was peer reviewed.
- One of the firm's Hawaii engagements must be selected for the peer review. For all local Hawaii firms, this should not be an issue because the reviewer will be reviewing Hawaii-based attest engagements. This provision affects national and international firms.
- Remember – If the firm does not perform any attest work, it is exempt from the peer review process. However, it must still enroll in a practice-

monitoring program by January 1, 2015 and confirm annually that the firm is not engaged in attestation work.

- An out-of-state firm performing Hawaii attest work shall comply with this law.
- Within 10 days of being notified that its peer review is complete, the reviewed firm must submit a “peer review compliance reporting form” to the Board. The form is still being designed by the Board. However, one of the key elements is the reviewed firm’s representation that the peer review included the firm’s Hawaii attest engagement within the scope of the review.

The Bottom Line

For those firms already going through the peer review process, the only difference for these firms will be the submission of its peer review report, notice of acceptance, and compliance reporting form to the Board.

For those firms not being peer reviewed, this will be a whole new experience. Please note that the failure rate for initial reviews has historically been 50%. That is, one of two firms will receive a rating of “fail” on its first review. Those are not good odds for a firm. Furthermore, should the firm “fail” its peer review,

it will likely be required to perform remedial action. Thus, if the firm does not want to receive such a rating, it must start now to ensure its system of quality control AND the resulting work products (i.e. working papers) and deliverables (i.e. auditor’s opinion/accountant’s report and related financial statements) comply with professional standards.

If you have any questions about the new law or the peer review process, please contact me at rharano@cwassociates-cpas.com or (808) 531-1040.

Have a great busy season!

GROWTH

It’s what CGMA stands for.

Officially, of course, it’s Chartered Global Management Accountant.
A new designation representing accomplished professionals that drive and deliver business success, worldwide.

Find out more at cgma.org

Copyright © 2012 American Institute of CPAs. All rights reserved.

Best Practices for Balancing a Heavy Workload

By Erin Cheever



As I approach the busiest time of my year, I thought it would be best to re-explore some of the steps I try to follow to get me through it. Although many of the steps have stayed the same, I have found that there are other actions I try to follow to improve my situation and get me through the craziest time of year in my job.

Workloads shift and move many different directions throughout a year. How do you handle those ups and downs that could be the differentiator between establishing yourself to go to the next level and drowning in your own to-dos? If you can start to envision the balance between you and your work, it may allow you to avoid the dreaded burnout and find the peace of mind that you have been searching for.

Develop a Plan to Prioritize

What do your methods look like for prioritizing your assignments? How do you differentiate between the “needs to get done asap tasks” and the “does not need to be done until the end of the year tasks?” No matter what your process is, it is vital that you start breaking down your items in a more realistic and specific way to get moving through your workload. When prioritizing your items for a specific day, try to determine the single item that needs to be the number one priority for that day. At the end of the day this one item is an essential task. It needs to be complete or for some long-term projects at least started. This should help you in determining the things you know you will need to focus on and get done first. Re-

member, although all items might seem important, it is necessary to realize what level of importance they fall into. Are they important to just you and your goals? Are they important to the goals of someone else you work with? Are they important to building revenue? Are they based off a deadline? Try to really think about the difference and where they should fall in your priority list for that day. With a little planning and prioritization on a daily and weekly basis all items will get done, but in a more efficient and effective way.



Do One Thing at a Time

Simply put, you can only do one thing at a time. Remember, it is those who concentrate on but one thing at a time who advance in this world.

Know When to Say No

We can all sometimes be a ‘yes man.’ We want to be able to do everything and take on any responsibility that is thrown at us. In the past most of us have said yes to everything when it came to our careers. We said yes to this project and this favor and the end result was of course our growing workload. We went about our days and eventually the workload would get under control and you always made it out

fine. Fast forward to when you said yes again only to make the heavy workload reappear. I have (slowly) learned that sometimes being a “no man” can help benefit your career.

Take the project that you were just offered. Does the project help you and your career grow in value? Did someone ask you to do that project because of the value you would give it? Or did they ask you because they know you would say yes and do it anyway? By saying no sometimes, it can increase the overall value of those things we do say yes to. Think about that project and determine what type of focus you can and want to give it. Does it move you or give you passion? Does it make you happy to work on it? Can you give it the attention it deserves? Knowing the benefits of saying no in certain situations and knowing the right way to say it, does have the possibility of working you towards a successful career. Utilize Others Unique Abilities

Your co-workers can be a fundamental part of helping you balance a full workload. By using their unique abilities you can come into contact with a whole other set of experiences, expertise and knowledge that can be applied to your projects and tasks. Not being afraid to reach out to them is the key. For some of your to-dos, having that extra hand or resource could be the difference between you getting the job done and coming up short on that assignment. When you can recognize the need for help when you are extremely busy, you can see that the expertise of other people within your firm can help you move through and get out from un-

derneath many of your daunting tasks.

Eliminate Unnecessary Work

Take a look at your task list and determine one key thing, what can you eliminate? What is on your list that is not critical to the overall success of your job or the firm? Identifying these items will free up time to focus on those things that truly matter. There are going to be some items that cannot be fully eliminated. Take these items and shift them to another time. This time will occur when you have more down time and can spend your days giving them the attention they deserve.

Take Care of You!

There is no way you will ever get through heavy workload periods if you don't take care of the most important thing – yourself! Remember to continue to follow your healthy best practices during this period. Make time in your day to exercise. Even if it is a quick 20 minute walk, at least it gets you moving. Take the time to stop and eat lunch and have a snack throughout the day. Getting in those healthy foods will give you the energy you need to push through. Practice a good work-life balance. When you are home, be home, be present. Allow for the work items to remain at work. Try to separate the two. Sometimes the simplest balance tip to take a break from a stressful assignment or work load is to just breathe. Take five minutes and focus on something else that won't elevate where you are already at. Take a moment and walk around your office and enjoy the break of a bit of exercise and fresh air.

It is important to realize that another part of balance is also including in some of those “life things” that can calm you down and bring you back to the center.

You Will Survive

Although you think that being this busy will never end, realistically it will and you will get through it in one piece. Often times in the wake of your busiest times of year, you often learn something about yourself. You will overcome, you will get through it and you most likely won't remember why you were so stressed in the first place. Remember, this too shall pass.

As a Project Manager for Boomer Consulting Inc., Erin Cheever plans, organizes, secures and manages resources for the firm's many service and program areas. Along with providing assistance and constant communication with clients and sponsors, and serving as an event liaison, her primary duties include overseeing and managing the specifics of CIO Advantage, CEO Advantage, Consulting, P3 Leadership Academy, and the Producers Circle.



rh

Should I hire a consultant?
A temp? A permanent employee?

YOU ASK. WE ANSWER.

For insight into financial salaries, trends and hiring from the industry's leading staffing firm, visit the Robert Half Salary Center:
roberthalf.com/salarycenter

Honolulu • 808.531.8056

roberthalf.com

rh Robert Half

© 2014 Robert Half International Inc. An Equal Opportunity Employer. 0314-0514

New SSARS 21 Creates Bright Line between Accounting and Reporting Services

CPAs used to be limited by geographic area. Today distance isn't a barrier. A CPA located in New York can have clients in California. Thanks to advanced technology, we and our clients email, scan or fax materials to each other. We also store content in the cloud where it can be easily accessed from an office, a coffee shop or anywhere with an internet connection.

The AICPA Accounting and Review Services Committee (ARSC) recently issued Statement on Standards for Accounting and Review Services No. 21 that, among other things, accounts for changes in CPAs' practice environment. The AICPA ARSC is committed to ensuring that its standards remain relevant and meet members' needs.

SSARS No. 21 is written in clarified format – which is intended to present standards that are easier to read, understand, and implement. SSARS No. 21 is effective for engagements on financial statements for periods ending on or after December 15, 2015 but early implementation is permitted. The clarified and revised standards supersede all existing AR sections except for AR section 120, *Compilation of Pro Forma Financial Statements*, which is expected to be exposed for public comment in clarified format in 2015 along with a proposed standard on compilation of prospective financial information, which is currently addressed in the attestation standards.

The standard consists of four sections. Section 60, *General Principles for Engagements Performed in Accordance With Statements on Standards for Accounting and Review Services*, is intended to help accountants better understand their professional responsibilities when performing engagements in accordance



with SSARSs. Section 70, *Preparation of Financial Statements*, applies when the accountant is engaged to prepare financial statements but is not engaged to perform an audit, review or a compilation on those financial statements. Section 80, *Compilation Engagements*, applies when the accountant is engaged to perform a compilation engagement. Section 90, *Review of Financial Statements*, applies when the accountant is engaged to perform a review of financial statements.

Substantive changes to standards for compilations, reviews, or engagements to prepare financial statements are as follows:

- Section 70 does not require a report – even when the financial statements are expected to be used or provided to a third party.
- Section 70 requires either a legend on each page of the financial statements stating that no assurance is being provided or a disclaimer.
- The accountant is required to obtain an engagement letter signed by both the accountant and the client's management for all reviews, compilations, and engagements to prepare financial statements.
- Section 80 eliminates the need for the accountant to determine whether he or she has prepared financial statements by eliminating the submission requirement.
- Section 80 always requires a report. Financial statements that the accountant is engaged to prepare but that are not intended for third-party use would fall under Section 70.

“The standards create a bright line between accounting (preparation) services and reporting (compilation) services. Our members will greatly benefit from the newly issued SSARS,” said Gordon Tom, HSCPA President. For more information, visit the AICPA's SSARS No. 21 webpage.

CPA FIRM MICROCOMPUTER TECHNOLOGY

By Ron Gouveia, CPA.CITP of Carr, Gouveia + Associates, CPAs, Inc.



I attended the HSCPA Hawaii Technology Conference on November 6-7. This annual

technology conference is provided by K2 Enterprises, a leading provider of technology CPE for CPAs in the United States. As always, the conference was loaded with valuable information. Some highlights included:

- Cloud computing issues seemed to have impact on every topic that was covered during the conference. One valuable tip was to make sure each firm has a policy prohibiting employees from storing company data on personal cloud storage services such as Dropbox or Google drive. It is impossible to get this data back when employees leave.
- Microsoft Office 365 was also a topic that kept coming up. Many are going to Office 365 services such as Exchange Online for e-mail; Microsoft Office 2013 licensing which allows installing Office on up to 5 devices; OneDrive for Business which now offers unlimited storage; and Lync. Pricing for the ProPlus version which includes these products is approximately \$12/user per month.
- Surveys show that IT spending for financial companies run about \$5,000 to \$11,000 per employee per year or about 6% of revenues.
- The new wireless standard is 802.11ac which offers speeds in excess of 500Mbps.
- CPA firms surveyed listed top IT concerns to be workflow and efficiency, getting clients onboard working with the firm digitally, and creating a paperless firm.
- Windows 8 computers should be on Windows 8.1 Update to ensure they are still getting critical updates. The computer is on Windows 8.1 Update if you can see the power button at the top of the Start Screen.
- The trend in backup and disaster recovery is the use of a hardware appliance together with cloud backup storage. One vendor to look at is NetRescue.
- For those using scan and populate software for tax, Fujitsu scanners seem to be the standard including the fi-6140z.
- Document management is high on the list of priorities for most firms. There are many strategies here, but one software mentioned was DocIt.
- For portals and document exchange, ShareFile was mentioned; and for work flow, XCM was mentioned.
- Password Managers continue to grow in use for implementing a different random password at each site and for automating logon to each site. RoboForm is one possible software.

If you have any questions or comments, call me at (808) 837-2507 or send e-mail to ron@cga-cpa.com.

Hawaii Practices For Sale

Hilo Tax Practice for Sale - gross \$74k, Loyal client base, experienced staff in place, capacity for rapid growth, and strong cash flow to owner over 50% of gross. For more information, please call 1-800-397-0249 or to see listing details and register for free email updates visit www.AccountingPracticeSales.com.

Thinking of Selling Your Practice?

Thinking of Selling Your Practice? Accounting Practice Sales is the leading marketer of accounting and tax practices in North America.

We have a large pool of buyers looking for practices now. We also have the experience to help you find the right fit for your firm and negotiate the best price and terms. To learn more about our risk-free and confidential services, call Ryan Pannell with The Holmes Group at 1-800-397-0249 or email ryan@accountingpracticesales.com.





Norman's Book Review

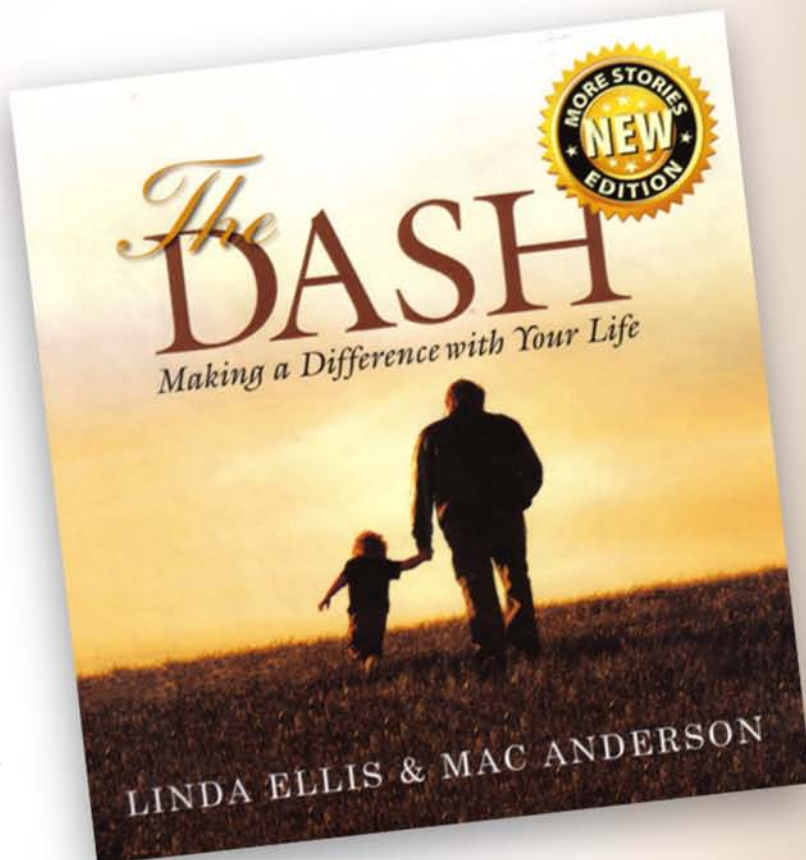
"The Dash, Making A Difference With Your Life"

by Linda Ellis & Mac Anderson

With the close of 2014 upon us and the hope of the new year around the corner, I searched for a book that would capture the right spirit for all of us. I found it with the special edition *"The Dash, Making A Difference With Your Life."*

Back in 1994, Linda Ellis, while working in a large and successful company, was inspired to write a 36-line, 236-word poem one afternoon. She shared it with a syndicated radio show in Atlanta and the host of the popular show read it on the air. Her life changed forever after that. Her words have touched millions of lives and have been read at funerals, graduations, seminars and other significant events.

Mac Anderson, founder of Simple Truths and Successories, Inc, and co-author of this special edition book, stated "I can count on one hand how many times I've read something that stopped me in my tracks... words that bypassed the brain and went straight to the heart. *"The Dash"* was one of those moments. Of the over 100 inspirational books Simple Truths has published, none have had the emotional response of *"The Dash."* How do we know?



Because we've heard from thousands of people all over the world telling us how *"The Dash"* touched their souls and changed the way they think about life." The special edition book includes some of these stories, inspirational messages from the two authors and others, and a DVD presentation of *"The Dash."* The book is a great stocking stuffer and in fact many people have given the book to others over the years for comfort and inspiration.

Here's hoping *"The Dash"* will inspire you in the new year as well. Happy Holidays and see you in 2015!

More Inspirational Quotes From “The Dash”

The following are more inspirational quotes from “The Dash, Making A Difference With Your Life.”

“Every hour of every day is an unspeakably perfect miracle.”
(Walt Whitman)

“Throw your heart over the fence and the rest will follow.”
(Norman Vincent Peale)

“To share often and much...to know even one
life has breathed easier because you have lived;
this is to have succeeded.”
(Emerson)

“Forgiveness is the key that unlocks the handcuffs of hate.”
(William Ward)

“Sometimes our light goes out but is blown again
into flame by an encounter with another human being.
Each of us owes the deepest thanks to those who
have rekindled this inner light.”
(Albert Schweitzer)

“What you leave behind is not what is engraved in stone
monuments, but what is woven into the lives of others.”
(Pericles)

“Love may not make the world go around
but it sure makes the ride worthwhile.”
(Linda Ellis and Mac Anderson)

“How far you go in your life depends on your being tender
with the young, compassionate with the aged, sympathetic
with the striving, and tolerant of the weak and strong. Be-
cause someday in your life you will have been all of these.”
(George Washington Carver)

“The great discovery of this generation is that a human
being can alter their life by altering their attitude.”
(William James)

“A hundred years from now it will not matter what my bank
account was, the sort of house I lived in, or the kind of car
I drove...but, the world may be different because I was
important in the life of a child.”
(Successories)

“A tree is known by its fruit; a man by his deeds. A good
deed is never lost; he who sows courtesy reaps friendship,
and he who plants kindness gather love.”
(Saint Basil)

“You can’t live a perfect day without doing something
for someone who will never be able to repay you.”
(John Wooden)

“One of the most beautiful compensations in life is that
one can never help another without helping himself.”
(Emerson)

“There is no happiness in having or in getting,
but only in giving.”
(Henry Drummond)

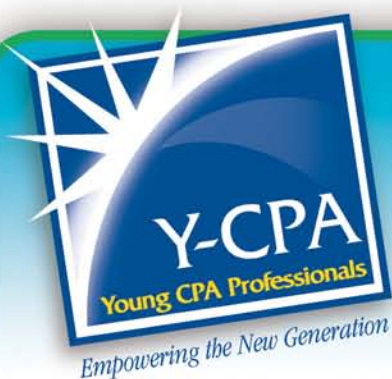
“Enjoy the little things, for one day you may look
back and realize they were the big things.”
(Robert Brault)

“We are here to change the world with small acts
of thoughtfulness done daily rather than
with one great breakthrough.”
(Rabbi Harold Kushner)

“All that is worth cherishing in this world
begins in the heart, not in the head.”
(Suzann Chapin)

“As we express our gratitude, we must never
forget that the highest appreciation is not to
utter words, but to live by them.”
(John F. Kennedy)

“It’s important not to save all your energy for the
final lap. Live your Dash so hard it will be impossible
to forget. Don’t shut your eyes to the world; you
might miss a miracle right in front of you.”
(Linda Ellis and Mac Anderson)



Y-CPa BUZZ!



Y-CPAs and Accounting Students Give Back to the Community

About 50 Y-CPAs and accounting students from Chaminade and UH Accounting Club and Beta Alpha Psi took a chance on the previous night's rainy weather and showed up by 8:00 a.m. on November 1st for our annual beach clean-up at Ala Moana Beach Park. Well, it turned out to be a picture-perfect, beautiful day with lots of sunshine and cool trade winds.

To add fun to the task, we played Gimme Gimme where teams had to find a list of specific trash (cigarette butts, sports equipment, BBQ-related items, etc.). They were scored based on the number of items found with a bonus for finding the most unique item. Team "Time Out" won with a total of 70 points and a bonus for the tripod as the unique item found. Other creative teams included: A2 LLP (A2=Awesome Accountants), Butt Pickers, Domo-Kun Trash Crew, T3 (T3=Trick or Treat or Trash), and Team Seven.

A big Mahalo shout out to **Robert H.Y. Leong & Company, CPAs, Inc.** for their generous donation and continued

support of Give Back Day! Volunteers were well-equipped, kept hydrated and fed very well.

Thank you to all the volunteers for giving back to our community!



Gimme Gimme Winners "Time Out"





December CPE

CPE in December 2014

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5 Professional Ethics for Hawaii CPAs	6
7	8	9 Year 2014 Tax Update	10 Individual Tax Workshop Advanced	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25 Merry Christmas 	26	27
28	29	30	31 See you in 2015! 			

For a complete listing of CPE and other events: www.hscpa.org/professional-development



Featured DECEMBER CPE



Professional Ethics for Hawaii CPAs **December 5 (Friday)**

This presentation will fulfill the 4-hour continuing professional education on Ethics/Professional Conduct requirement for CPAs licensed in Hawaii.

Course will cover the basic tenets of professional ethics, and explain recent changes in the AICPA Code of Professional Conduct. You will learn to identify, analyze and respond to conflicts of interest, how to apply independence rules in your practice, and key rules regarding client confidentiality. This presentation will also cover recent Hawaii developments and tips to avoid malpractice. [More>](#)

Year 2014- Tax Update **December 9 (Tuesday)**

This comprehensive federal Tax Update will cover all new tax legislation, including an update on the status of the expiring provisions of the American Taxpayer Relief Act, the impact of the Health Care Act and penalty provisions for not having health care coverage, and the new final regulations on the 3.8% Medicare Tax on net investment income; the Foreign Account Tax Compliance Act; President Obamas future tax legislation, including his proposal on corporate tax reform; and other new regulations, cases, and rulings in all areas of federal taxation. [More>](#)

Individual Tax Workshop Advanced **December 10-11 (Wednesday-Thursday)**

Participants will review the rules, regulations, and forms required for the filing of the individual income tax return. This twoday program will use the Form 1040 to highlight commonly encountered problems. [More>](#)

Register online or download registration form at: www.hscpa.org/writable/files/cpe_registration_form.pdf

AICPA Tax Season Communication Tools Launch Early

While this year brings some uncertainty as to whether expiring tax provisions will be renewed (and whether tax season will be affected), it also delivers something early – resources to educate your clients about tax changes and the Affordable Care Act. The AICPA Tax Practitioner's Toolkit (aicpa.org/tax-toolkit) was released a month early to give firms of all sizes more time to bolster their current client base and actively reach out to prospective clients. The Toolkit's messaging will help you establish yourself as a leading provider of tax services all year long. The website has also been redesigned to make it easier to find the tools you need.

How Can You Actively Communicate with Clients with So Little Time?

Keeping your website current or social media posts timely is a challenge, especially as the busy season approaches. But, maintaining that connection is vital. Reminding clients of your value regularly and year round is easy with the Toolkit tools, such as website articles and tweets for consumers, as well as client letters and brochures on tax changes that require planning.

So save time by taking the guesswork out of what to say. Just cut and paste from:

- More than 100 Tax Tip Tweets that promote your experience and expertise, ready for you to download and tweet to your followers.
- 29 mini-tax articles and reminders that showcase your expertise and value that you can drop into your website, social media or client communications.
- Client letters to small business or individual clients (or both) to educate them on important year-end tax planning concerns and encourage them to contact you now.

You can also download and print the Tax Law Snapshot brochure to give them a detailed overview of what may affect their return in 2015 or the Affordable Care Act FAQs to answer their questions about such issues as the new shared responsibility payment and the Health Insurance Marketplace.

Easy Ways to Raise Your Practice's Profile


Within the Tax Practitioner's Toolkit are customizable materials intended to help you as a tax practitioner reach potential clients and be ready for business opportunities that can present themselves any time.

- Are there groups in your community who would like a speaker to bring them up to speed on tax changes and the Affordable Care Act? Use the Tax Law Snapshot PowerPoint and modify to add your own voice and local or state concerns.
- What can you say or send as a follow up to someone who asks what you do? Send them the Tax Law Snapshot or a brochure on CPA year-round services.
- Is your child's school looking for ad sponsors for a game or play program? You can help – just add your name and contact information to one of the print ads that describe a CPA's unique value as a trusted adviser.
- Would your local paper appreciate a tax expert offering tips for their readers? Most Likely! Modify and send the media release template, and review tips for media interviews to get started.

The range of Toolkit resources enables you to reach consumers from many different angles. Visit the toolkit and see all the resources ready to help you.

© 2014 American Institute of Certified Public Accountants. All rights reserved.

What matters most?




When it comes to your information management program, what matters most to you? We think you will agree, it's access: secure and compliant, yet fast and convenient for you. Access serves premier accounting firms throughout Hawaii.

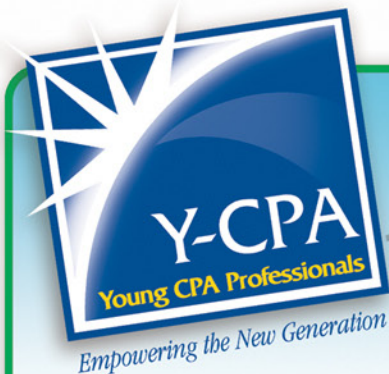
The right choice for you? It's Access. Call us today to arrange your FREE consultation and quote.

New hardcopy records storage accounts will receive three months of FREE storage. New destruction accounts will receive a 20% discount on purges.

Access
Information Protected.
InformationProtected.com
808.673.3200

Access to, storage, management and destruction of both paper and digitally based information. Nationwide.



Y-CPA BUZZ!



AICPA 2014 Leadership Academy

By Michelle Kaneshiro



This past September I had the opportunity to have been selected to attend the AICPA's Leadership Academy program, and I would recommend this program to all young CPAs who wish to advance to the next level in their career. The Leadership Academy is open to any CPA between the ages of 25-35 and strives to give its attendees the resources to become leaders within their own organizations and the profession as a whole. I definitely agree that the Leadership Academy not only provided me with resources to become a better manager, but also the tools to confidently lead strategic discussions and reevaluate my choices to ensure I bring 100% to all aspects of my life.

To be honest, when I first heard about the Leadership Academy, I was worried that it would focus on issues only found in public accounting vs. business and industry. I couldn't have been more wrong about the program. The Leadership Academy utilizes the accounting profession as a whole to teach you various strategic models that you can incorporate at work, during volunteer work at a non-profit, or even with your family. The Leadership Academy does this by taking a holistic approach to your well being as an individual. For example, one of the sessions discussed the Theory of Well Being, which states that positive emotions can do more than bring a smile to your face. Positivity can help you perform better at work or even boost your physical health. After discussing the theory in a large group, we were asked to recount a typical day

and examine how each activity in our day either fills our positive emotional bucket or depletes it. Then in pairs, we reviewed the activities that deplete our bucket to find ways to alter that activity to instead fill our emotional bucket. For example, sitting in traffic depletes me, but it is necessary in my daily life. Conversely, talking with friends or family gives me positive energy. Therefore, I can change my commute from draining me to filling my emotional bucket, by utilizing the blue tooth in my car and catching up with friends and family during my commute to work. Then when I arrive at work, I feel energized as the last hour was spent filling my bucket instead of depleting it.

While the material presented at the conference was pertinent and interesting, the most valuable aspect of the intensive five-day program was the relationships I developed over the four days in North Carolina. The program was not your typical 8 am - 4 pm sessions with free time at night. Each night, there were networking activities from a Corn Hole tournament (similar to Portuguese

horseshoes) to organized dinners. Since attending the program, I have already contacted various people from my class to discuss work-life balance issues, refining my personal brand and recommendations on restaurants in other cities. Finally, it was so refreshing to be around people with similar yet different experiences to mine, who had a passion for improving the environment around them. The Leadership Academy challenged us to evaluate what is important to our emotional and professional happiness, taught us how to operate at peak performance, and gave us the tools to affect change in our companies, our communities, and our profession.

If you wish to apply for the AICPA Leadership Academy, you can find out more information about the program at <http://www.aicpa.org/InterestAreas/YoungCPANetwork/Pages/YoungCPANetwork.aspx>. Information for the 2015 class will be updated in February 2015 with applications due in May. Each year the program is held in September or October. I would encourage all young CPAs to apply.





2015 TAX BOOK ORDER FORM

ALL SALES FINAL



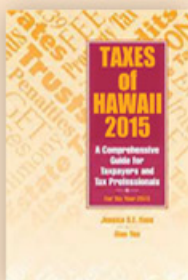
2015 CCH U.S. Master Tax Guide – \$65.00 / \$75.00

Provides helpful and practical guidance on today's federal tax law. This 98th Edition reflects all pertinent federal taxation changes that affect 2014 returns and provides fast and reliable answers to tax questions.



2015 RIA Federal Tax Handbook – \$50.00 / \$60.00

Designed to provide quick and easy access to critical tax questions, the RIA Federal Tax Handbook offers comprehensive, insightful guidance on federal tax law, including the latest regulations, rulings, and revenue procedures as well as precise explanations about changes that could impact your business or your clients.



2015 Taxes of Hawaii – \$26.00 / \$35.00 **NOT YET AVAILABLE**

Hawaii's only comprehensive tax-season tool! Updated annual publication with all the new state tax laws and court decisions. An invaluable reference used by Island and mainland CPAs, tax preparers and bookkeepers, as well as attorneys, small businesses, individual taxpayers and students. Includes income tax rate tables, specimen tax forms and vital information on income. General Excise, use, estate, property, unemployment, transient accommodations and other taxes.

2015 TAX BOOK ORDER FORM

**LIMITED
SUPPLY**

**ALL
SALES
FINAL**

Quantity	Member Price	Non-Member Price	Total
_____ 2015 CCH U.S. Master Tax Guide	\$ 65.00	\$ 75.00	_____
_____ 2015 RIA Federal Tax Handbook	\$ 50.00	\$ 60.00	_____
_____ 2015 Taxes of Hawaii			
Mailing: Postage & Handling*			
_____ \$6.00 for 1st book	1 - \$7.00	1 - \$8.50	_____
_____ \$3.00/book for 2nd book & thereafter	2nd + - \$3.00	2nd + - \$3.00	_____
*Mainland/International - call for pricing			
TOTAL AMOUNT DUE			_____

☐ No mailing necessary – will pick up at the HSCPA office on _____ (call before pick-up)

☐ Check # _____ \$ _____ ☐ VISA ☐ MasterCard Card No. _____ Exp. date _____

Signature _____ Print name on card _____

Name _____ Firm _____

Address _____ Tel _____ E-mail _____

Please remit completed form with payment to:

HSCPA • P.O. Box 1754 • Honolulu, Hawaii 96806 • T - (808) 537-9475 • F - (808) 537-3520 • E-mail: info@hscpa.org