

MARCH 2016

# KĀLĀ

The Official Publication of the Hawaii Society of Certified Public Accountants

# BUSINESS



# INTELLIGENCE

Which Tool is  
Right for You?



CPA

Accountants • Strategists • Advisors



## Entrepreneurs are the bravest people we know.

They are not afraid of words like "no" or "economic downturn."  
To an entrepreneur, there are no failures; only detours.  
Tell an entrepreneur that something is impossible to do.  
Then consider it done.

To get started with one of our many business solutions, from cash management to merchant services, call (808) 528-7711.

Hawaii's Entrepreneurs Start Here.



Equal Opportunity Lender  
Member FDIC/Federal Reserve System



**HAWAII  
NATIONAL  
BANK**

[HawaiiNational.com](http://HawaiiNational.com)





The Official Publication of the Hawaii  
Society of Certified Public Accountants

## In This Issue

### Officers

President Gordon M. Tom  
President-Elect Norman N. Okimoto  
Vice President Darryl K. Nitta  
Secretary/Treasurer Warren Y.F. Wee

### AICPA Council

Ronald I. Heller (Designated)  
Wendell K. Lee (Elected)

### Executive Director

Kathy M. Castillo

### Directors • 2014 – 2016

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

### 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](mailto:info@hscpa.org)

Website: [www.hscpa.org](http://www.hscpa.org)

### Directors • 2015 – 2017

Brenda F. Cutwright  
Chad K. Funasaki  
Mark A. Hayes  
Frank T. Kudo  
Trisha N. Nomura  
Jessica Su  
Natalie M.H. Taniguchi



**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 Hawaii Society of Certified Public Accountants. Please direct all inquiries regarding editorial content to HSCPA, 900 Fort Street Mall, Suite 850, Honolulu, Hawaii 96813.

President's Message ..... 4  
*By Gordon Tom*

Which BI Tool is Right for You?..... 6  
*By Thomas G. Stephens*

10 Principles for a Happy Life  
and Career..... 8  
*By Michael A. Crawford*

Meet the Pros Accounting Mixer ..... 10

Successful Negotiating in  
Corporate America..... 12  
*By Peter A. Margaritis*

Norman's Book Review..... 14

CPA Firm Microcomputer Technology... 16  
*By Ron Gouveia & Joy Takaesu*

Y-CPA Buzz..... 17

Move on Purpose..... 18  
*By Dr. Linda Talley*

Y-CPAs on the Road..... 19

Book Order Form ..... 20

# President's Message

By Gordon Tom



Aloha, Members!  
Happy belated 2016 and  
Year of the Monkey!  
I hope you all had a  
great holiday season  
and enjoyed time away  
from work with family and friends.

The HSCPA was busy in January and February planning and holding our annual Meet the Pros accounting student mixer event and VITA volunteer activities by the Y-CPA Squad. This year's Meet the Pros event was a few weeks earlier than last year and we had a great turnout of professionals and students. Thank you to all the professionals who volunteered their time and advice, and thank you to the students for accommodating the change in scheduling for this year's event. We obtained a lot of valuable feedback and comments from the professionals and students and always try to make each year better than the last. Thank you also to the firms who organized and participated in office visits for the UH Hilo, UH West Oahu and BYU students on February 4th and 5th. Unfortunately, these students often do not get the opportunity to participate in professional events and this is a great way to for them to meet you at a more intimate event and get to know your firms and professionals.

The Y-CPAs also participated for the third year in a row in the Volunteer Income Tax Assistance Program at Leeward Com-

munity College. They volunteered their time on a Saturday morning to be tax preparers for low-income individuals and families. Through their assistance, many taxpayers were able to e-file their federal and state income tax returns and get refunds. VITA is a great way to give back to the community and a natural fit for CPAs. The VITA program continues every Saturday through the end of March, so please contact HSCPA member Roy Kamida if you would like to volunteer this year or at future VITA activities. The HSCPA will also be assisting KHON's Action Line and morning news programs again this year, so please contact the HSCPA office if you are interested in volunteering.

The HSCPA board passed a resolution in January to support the AICPA's proposed joint venture organization with the Chartered Institute of Management Accountants (CIMA). You may have read or heard about this after the AICPA Governing Council voted to approve moving forward with this proposal at the October AICPA Council meeting here in Hawaii. The proposed joint venture is not replacing the AICPA or its existing membership base and governance structure. Rather, the proposal is to create a new partnership between AICPA and CIMA focused on promoting the CGMA designation to the growing trend of students and professionals with accounting degrees who are not pursuing obtaining their CPA license. The AICPA's existing focus on promoting and advocating the professional interests of CPAs in the U.S. will remain unchanged if the proposal moves forward.

If this new organization is formed, there will be future opportunities for the HSCPA to share marketing and other resources which will provide value to current and

future potential HSCPA members. The joint venture will bring added value to existing CPAs who are members in the AICPA and HSCPA through the combined representation of over 600,000 accounting professionals worldwide. Although the HSCPA has traditionally focused on members who are CPAs, as an organization we must also look to the future and evolve to meet the needs of our members and potential members in the future. Here in Hawaii, HSCPA members and their firms have also seen a growing trend of accounting students who are graduating and choosing not to pursue taking or completing the CPA exam, or accounting professionals without a CPA license who leave the profession a few years after graduation. Regardless of the reason, as an organization we have a responsibility to look at these trends and develop strategies to evolve and remain relevant as the leading voice of accounting professionals and CPAs in Hawaii. Formation of this new organization by the AICPA and CIMA is an important strategic step to stay ahead of demographic, business and marketplace trends. The next step will be the authorization by the Council at their March regional meetings for a ballot vote by AICPA members to approve the joint venture. If passed by Council, the ballots are expected to be issued shortly after the April 15th tax deadlines. Stay tuned for more information.

We have a lot of exciting events and CPE opportunities planned for 2016. Stay tuned to the online calendar on the HSCPA website for more information. Also, mark your calendars now for our Annual Conference on June 24, 2016 at the Hawaii Prince Hotel Waikiki. I hope you all have a great busy season!





## 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. Annalisa Vito, Accounting Supervisor 2. Michael Luning, Outside Sales - Food Service  
3. Felicidad Asato, Order Desk Supervisor - Retail 4. Ernest McKeague, Warehouse Day - Receiving 5. Evangeline Dela Cruz, Production Supervisor  
6. Judy McDonald, President 7. Kyle Shelly, their Banker

---

Member FDIC

[asbhawaii.com](http://asbhawaii.com)





# Which BI Tool is Right for You?

By Thomas G. Stephens, Jr., CPA, CITP, CGMA



Business Intelligence (BI) is one of the most important management trends to emerge in the past fifty years. As organizations of all sizes

collect and store increasing volumes of data, the question of how to convert this data into a competitive advantage moves to the forefront. Increasingly, business professionals are turning to BI tools – including **Excel** – to assist them in converting “big data” into actionable information. In this article, you will learn about both of these tools, including their relative strengths and when one option might be preferable to the other.

## Focus on Outcomes First

When planning a BI initiative, the first step is to define your desired outcomes, for these outcomes will become critical drivers in your technology selection process. At a high level, the goals of your BI initiative will be to provide data to your teams to help drive productivity and enhance decision-making. At a more granular level, it is acutely important that the information you provide through your BI tools is:

- 1) **business critical**
- 2) **goal oriented**
- 3) **highly visible**
- 4) **graphical and interactive, and**
- 5) **real-time**

If your BI tools cannot help deliver information processing these give characteristics, you will face monumental challenges

to your BI initiatives delivering the results you expect.

At least four of the five characteristics defined above will depend on the capabilities of your BI tools. First, your BI tools must allow you to create reports and dashboards that are goal oriented, measuring actual results against specific, desired performance. Second, your BI



tools must be capable of making information highly visible within your organization, “pushing” actionable information into the hands of information consumers, without requiring them to request it or search for it. Third, because “a picture is worth a thousand words,” your BI tools must be graphical and interactive in nature, allowing team members to query and filter dashboards on-demand to access precisely the information that is important to them. Finally, presenting real-time or near real-time information is an absolute must in today’s ultra-competitive world; BI tools that cannot access information in real-time from underlying

databases and other data sources will likely not help you realize the full measure of benefits provided by successful BI initiatives.

## Excel as a Business Intelligence Tool

Largely because of its massive number of users, **Microsoft Office Excel** is the leading BI tool in use today. Many Excel users have built BI dashboards using various components of Excel’s core functionality. Recognizing the desire of many Excel users to leverage their investment in Excel and their knowledge of the product, Microsoft has added specific BI features to selected versions of Excel 2013. Free tools such as **Power Query**, **Power Pivot**, **Power View**, and **Power Maps** can help you to overcome many of the limitations you might face when attempting to use Excel as a BI tool. You can use

Power Query to access and query information from traditional data sources, such as your accounting software database, and non-traditional data sources, such as Facebook, Salesforce.com, and the Microsoft Azure Marketplace. Once you query the information, you can then use Power Pivot to “crunch” the data, even if you are dealing with extremely large data models. Further, you can use Power View and Power Maps to create and present visualizations of the data, including interactive dashboards that allow users to filter the dashboards on the fly. Clearly, those attempting to build BI



models with Excel should take advantage of these tools to improve Excel as a BI tool.

## Extending Excel with Power BI

In addition to the Excel tools mentioned above, Microsoft also makes available **Power BI**, a web-based suite of tools that interacts with Excel to transform Excel into a BI tool that businesses of all sizes can use. With power BI, you can work in the familiar environments of Excel, Power Query, Power Pivot, Power View, and Power Map to create your BI reports and dashboards and then publish them so that they are accessible on virtually anywhere on any device. Other key advantages associated with Power BI include the ability to explore your BI

dashboards using natural language queries, free mobile apps to access your BI dashboards on iOS and Windows mobile devices, and scheduled data refreshes. Further, Microsoft has priced Power BI very aggressively; a single-user edition is available at no charge, though most business professionals will likely need the functionality in the **Power BI Pro** option, priced at \$9.99 per month. In sum, Power BI does truly extend Excel to the point where it is a “true” BI tool and can help you realize the results you desire of your BI initiative.

## Summary

BI efforts are growing exponentially in most organizations and many outstanding tools are available today to facilitate your

BI initiatives. Working with Excel and various Excel add-ins, Microsoft's Power BI engine is a compelling option for those who want to remain Excel-centric and are looking for a low-cost option for deploying BI. No matter which tool you might choose, you should find that you are able to generate and communicate BI efficiently and effectively helping your organization to convert big data into actionable information and gain competitive advantages along the way.

*Thomas G. Stephens is a shareholder in K2 Enterprises, where he develops and presents continuing education programs to accounting, financial, and other business professionals across North America. You may contact him at [tommy@k2e.com](mailto:tommy@k2e.com).*

THE HOKUA



**Unit 26D**  
Offered at \$4,650,000  
( 2 BD, 2 BA & 2,019 SF )

- Diamond Head, ocean and Magic Island views
- One of the most desired floor plans in the building
- Honolulu's most sought-after luxury condominium address
- Within walking distance of shopping, restaurants, and beach park

WAIHONUA



**Penthouse 4202**  
Offered at \$2,288,000  
( 3 BD, 3 BA & 1,717 SF )

- Awesome Ocean, Marina, and Magic Island views
- Great floor plan with lanai
- Matte-finish walnut wood flooring and built-in custom stereo audio system
- Within walking distance of shopping, restaurants, and beach park

KOOLANI



**Penthouse 6**  
Offered at \$2,995,000  
( 3 BD, 3.5 BA & 2,808 SF )

- Highly-upgraded Penthouse featuring \$900,000 of custom upgrades
- Well-designed home theater
- Amazing ocean, city, and mountain views
- Within walking distance of shopping, restaurants, and beach park



### John “Jack” Tyrrell

President  
Realtor®, CRS  
CPA (not in public practice)  
Lic. # RB-19880

E: [Jack.Tyrrell@JTChawaii.com](mailto:Jack.Tyrrell@JTChawaii.com)  
C: 808.306.6933



**JACK TYRRELL**  
& COMPANY

A Real Estate Brokerage Corporation

Call now: **(808) 532 3330**, [www.JTChawaii.com](http://www.JTChawaii.com) Ala Moana Hotel - Lobby, 410 Atkinson Drive, Suite 1F6 Honolulu, HI 96814

\* The information presented herein is provided as is, without warranty expressed or implied of any kind. Information herein deemed reliable but not guaranteed.

# 10 Principles for a Happy Life and Career

## Principle 1: Find Your Peace

By Michael A. Crawford, CPA



*Editor's Note: Mike Crawford has, by even his own accounts, had a successful and happy career as a CPA in*

*Oklahoma. He says there are 10 basic principles that have guided him through a joyful life and a fulfilling career. In this and future issues of KALA, Crawford shares that idea and those principles.*

*"We can never obtain peace in the world until we make peace with ourselves."*

- Dali Lama XIV

All of us have something that brings us inner peace, especially in turbulent or trying times. The key is finding this something and experiencing it to the fullest degree possible. It is important to remember that each one of us as individuals do not own all the problems in the world. It is too easy to get caught up in our own real or perceived problems and conveniently forget the blessings we do have. Often times, regret of things we have done or not done get in the way of our enjoyment of everyday life. We must make peace with our past so it won't keep us from enjoying the present.

For some unknown reason, I've always felt the most inner peace around water. Rather strange for someone who grew up on and to this day still lives in the dusty

plains of Oklahoma. However, I continue to find myself attracted to places where water abounds. Although it took me 40 years and four previous houses to get here, my current home backyard in Oklahoma City opens to a beautiful neighborhood lake. Sitting in the backyard swing enjoying the sights and sounds of

nature is the essence of peacefulness for me. I even find myself focusing my leisure travels on locations where water abounds. Every year my wife and I look anxiously to our trip to the mountains of Estes Park, Colorado, where I awake every morning to a breathtaking walk around Lake Estes and strolls along the mountain rivers that run through town. I feel that same peace whether I'm floating in the ocean water near an island or looking out at and listening to the sea on a cruise. I don't understand the reasons for my love of water, but I do recognize the peace it brings me.

Where do you feel most at peace? Where are you when you feel most connected with your inner spirit? For some, it's meditation or yoga. Others find that connection on a run through the neigh-

borhood. Whatever it is that whispers to your soul and gives you serenity, indulge in it as frequently as you can.



For each of us, whatever our "water" is, it's important in life to find it and experience the peacefulness it brings us to the fullest extent our schedule and budget will allow.

**Find what brings you peace and do it as often as possible.**

*Originally printed in the CPAFOCUS, the member magazine of the Oklahoma Society of CPAs. Mike Crawford, CPA, is the retired Chairman of Crawford & Associates, P.C., an Oklahoma City-based CPA firm dedicated to state and local government accounting and consulting. Crawford is a past president of the Oklahoma Society of CPAs, an inductee into the Oklahoma Accounting Hall of Fame, the 2011 recipient of the OSCPA Public Service Award and is past vice chairman of the Governmental Accounting Standards Advisory Council. Over the past 30 years, he has authored a number of professional guides, practice aids and articles on topics of governmental accounting, auditing and ethics.*



# YOU KNOW THE NUMBERS. **NOW** **LEARN THE NUANCES.**



**INTRODUCING THE CGMA® PROGRAM.** DISCOVER A LIFELONG PROFESSIONAL LEARNING JOURNEY AT [CGMA.org/Program](https://CGMA.org/Program)



Powered by



CIMA

CGMA, CHARTERED GLOBAL MANAGEMENT ACCOUNTANT, and the CGMA logo are trademarks of the Association of International Certified Professional Accountants. These trademarks are registered in the United States and in other countries. 18652-326

# Meet the Pros



## Accounting Mixer







Professionals from various segments of the profession and students from Brigham Young University-Hawaii, University of Hawaii at Hilo, University of Hawaii at Manoa and University of Hawaii at West Oahu gathered for the annual Meet the Pros Accounting Mixer on February 4th at the Honolulu Country Club.

This event provides accounting, finance and business students the opportunity to network with accounting professionals (young and 'seasoned') in an informal "speed dating" format setting. President Gordon Tom humored the group with his "accounting jokes" and identified some of the generational changes in the accounting profession from the Millennials to the Gen Xs to the Baby Boomers (there were a few Gen Zs!). He pointed out the evolution from handwritten ledgers to using floppy disks to real-time analysis and constant technology changes in today's environment.

In addition to the Mixer, the Y-CPA Squad coordinated firm tours on February 4th and 5th for students from BYU, UH-Hilo and UH-West Oahu. Thank you to Accuity LLP, C.S. Wo & Sons, CW Associates, Deloitte, EY, KMH LLP, KPMG, N&K, TRUSTA and the Squad for hosting the students with educational workshops and lunch – they truly enjoyed appreciated it!

A sincere Mahalo to our generous sponsors and prize donors for making this event a success in support of the Hawaii's best and brightest. The incredible support by our firms made it possible to award **every** student with a gift card/prize – thank you very much! Thank you to Becker CPA Education and Roger CPA Exam for awarding review course scholarships to three lucky winners from the University of Hawaii!

*Thank you to our Sponsors and Prize Donors!*



Wickoff, Combs & Co., LLC  
Certified Public Accountants



AKAMINE, OYADOMARI & KOSAKI  
CPA'S, INC.



CGA  
Carr, Goutreix + Associates, CPAs, Inc.



C. S. Wo & Sons  
Since 1909

CW Associates



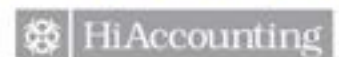
Committed to Your Success



HAWAII PRINCE HOTEL WAIKIKI  
AND GOLF CLUB



Deloitte.



ROBERT H.Y. LEONG & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION



N&K CPAs, Inc.  
ACCOUNTANTS/CONSULTANTS





# Successful Negotiating in Corporate America

By Peter A. Margaritis, CPA

Corporate America thrives because of successful negotiations. And not every negotiation table has a client on the other end. Opening negotiations with employees, giving them a voice in the direction of the business, takes the success of negotiations to new levels. What makes some negotiations successful and others dead in the water?

Conducting a successful negotiation requires the use of six major skills.

## The 6 Principles of Improvisation

These six skills will ensure every nego-

tiation has the potential to end with a positive solution:

1. Take your ego off the table.
2. **Respect** the other party.
3. Be in the moment (**focus**).
4. **Listen** to the other party's needs and wants.
5. **Adapt** to the situation.
6. **Yes, and...**

These steps truly help in removing emotions from the table. Heated emotions can cause negotiations to shut down. They are more likely to end in a stalemate with wasted efforts. Anthony K. Tjan wrote in a Harvard Business Review blog, "Time and emotion — these are the two things most often wasted during a negotiation." And he is very right. We tend to react emotionally and negatively to any points of negotiation that oppose our own agenda. And that wastes time. When our goals for a negotiation are so firmly anchored that we cannot budge, it becomes hard to see any common goal as a solution. Instead, emotions kick in, and egos inflate—and we cease to listen. All we hear is our own voice in our head trying to find a way back to what we want.

## Skillful Negotiation is Rooted in Improvisation

Tom Yorton was once in the corporate ranks before becoming CEO of Second City Communications, the business solutions division of the world-renowned comedy company, The Second City. He had this to say in a [recent Business Innovation Factory article](#), "But my experience — and in fact, my scars — are from bumping up against the same organizational hurdles that improv is so effective

at helping companies get over — challenges that include connecting with customers, engaging employees around change, moving into new markets, innovating new products and services, working without a script."

All of the aspects of driving positive change inside the company depend on how well leaders in corporate America can negotiate. That equates to how well business professionals can handle blocking. Blocking happens every day. It is something brought to the table that was unexpected. It halts forward momentum. It is something that doesn't neatly fit inside the box of your agenda.

Daena Giardella teaches an improvisational leadership class at MIT's Sloan School of Management. She spends an entire lesson on teaching how to avoid using the most common block, the "yes, but." [In an NPR article](#), she points out, "Even though you say, 'Yes,' the but says, 'Yeah, but that's not really valid because here is the better point.'" Negotiations can quickly come to a grinding halt when "yes, but" comes to the table. It is when emotions get heated and time gets wasted.

## Time to remember the 6 principles of improvisation!

Listen to the other party's needs. What are they really saying when they block your proposal? Be adaptable by taking your ego off the table. Take a deep breath if you need to and then let the next words that come out of your mouth be "Yes, and..." A successful negotiation is birthed from being able to rebound,

### 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.



to take the blocks and build with them. That is how you connect with other people.

Have you ever watched preschoolers play with blocks? They take turns stacking them on top of each other until it gets so high it just topples over- or they like to watch it fall and knock it over on purpose. But the point is that both of them have an agenda. They each want to pick up a block and put it on the tower and each one probably has an idea about what the tower will look like, but they keep building until they can't build anymore.

We are more likely to succeed in negotiations when both parties can envision a

common goal. And that is what improvisation teaches. To set aside personal agenda and ego and take whatever the other person gives you and go with it. The glue that ties it all together is the principle of "Yes, and..." Successful people all intuitively do this.

They just don't necessarily realize that they are using improvisation in their daily lives.

To succeed in negotiations, we need to drop our agendas long enough to truly listen—and with respect for all involved. It is true for formal negotiations around a conference table and is the way to success in the daily negotiations of life and career—during a chat with the boss or with one's spouse, or with a child. This is the

kind of straight talk we can cultivate that truly will make the biggest difference.

*Peter A. Margaritis, CPA is a speaker, educator, trainer, humorist, and self-proclaimed chief "edutainment" officer for The Accidental Accountant™. Partnering with the Business Learning Institute, his firm helps accountants and other business leaders to increase their profitability by strengthening their business success skills and improving morale through better communication. He is a member of the Ohio Society of CPAs, Georgia Society of CPAs, National Speakers Association, and the American Institute of CPAs. Peter is also the Author of Improv Is No Joke: Using Improvisation to Create Positive Results in Leadership and Life. [www.theaccidentalaccountant.com](http://www.theaccidentalaccountant.com)*



Member Discount Partner



## AICPA Home Mortgage Program

AICPA Members who finance a home purchase or refinance with Wells Fargo Home Mortgage, can receive a \$200 **My Mortgage Gift**<sup>SM</sup> award after closing.<sup>1</sup> Be sure to tell your home mortgage consultant if you think you qualify.

**Click below or contact us today to learn more.**

### Oahu

**Honolulu Branch**  
808-946-8832  
**Kailua Branch**  
808-254-1519

**Pearlridge Branch**  
808-484-4700

### Big Island

**Kona Branch**  
808-329-5926

### Maui

**Wailea Branch**  
808-873-3700  
**Kahului Branch**  
808-891-6070

### Kauai

**Lihue Branch**  
808-246-8877

1. Eligible individuals can receive the Wells Fargo **My Mortgage Gift**<sup>SM</sup> promotion approximately 6 weeks after closing on a new purchase or refinance loans secured by a first mortgage or deed of trust with Wells Fargo Home Mortgage ("New Loan"), subject to qualification, approval and closing, when identifying themselves as eligible. The **My Mortgage Gift**<sup>SM</sup> promotion is not available with any Wells Fargo **Three-Step Refinance SYSTEM**<sup>®</sup> program, The **Relocation Mortgage Program**<sup>SM</sup> or to any Wells Fargo team member. Only one award permitted per new loan. This promotion cannot be combined with any other promotion, discount or rebate. This promotion is void where prohibited, transferable, and subject to change or cancellation with no prior notice. Awards may constitute taxable income. Federal, state and local taxes, and any use of the award not otherwise specified in the Terms and Conditions provided at receipt of award are the sole responsibility of the **My Mortgage Gift**<sup>SM</sup> recipient. Please see Terms and Conditions document for more information.

Wells Fargo Home Mortgage is a division of Wells Fargo Bank, N.A. © 2015 Wells Fargo Bank, N.A. All rights reserved. NMLSR ID 399801. AS1256080 Expires 2/2016





# Norman's Book Review

## “Why Smart Men Do The Same Dumb Things”

by Dr. Rosalie Tatsuguchi

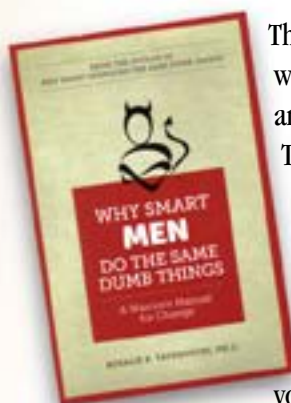
I knew I had a potentially interesting book when my wife, the females in my office, and even Kathy Castillo all laughed and nodded their head in agreement when they saw the title of the book. I wasn't sure if I should have taken offense by that, but I did know the book had potential. After reading it I found it to be one of the most interesting books I have ever read and a perfect book to start 2016.

The author is a practicing psychologist in Honolulu since 1983, and has helped many couples, children and individuals over the years deal with their challenging situations. Her writing style is geared to Hawaii residents, and includes relevant case studies from her practice. She reviews Miyamoto Musashi's “*Book of Five Rings*” and its applicability in today's world. It explains the pros and cons of “samurai” thinking men, and provides many useful insights for both men and women to live longer and happier lives. Noted below are some of the interesting advice and quotes from the book.

### Keys To Living Longer and Happier

After reviewing a 75-year Harvard longitudinal study, the authored noted, “men who were flexible and better able to cope with changes lived long, healthy, happy and successful lives. Those who didn't exhibit these abilities usually died much earlier and in poor health.”

### Catch-22 of Workaholics and/or Perfectionists



There are many CPAs who are workaholics and/or perfectionists.

They sometimes go to great lengths to “just get it done.” The Catch-22 is you lose if you do it perfectly and you lose if you don't.

If you do it perfectly, you probably are being exploited, and if you don't do the task well, you probably feel guilty and incompetent.

What's the better solution? The author says you should “strive for balance in your life, do what's right for you and ask that the request be put in writing, if applicable. This alternative protects and nurtures you.”

*“Pure thoughts lead to pure actions.”*

(Gautama, over 2,500 years ago)

### How To Make Effective Changes In Your Life

Change is the only constant in today's world and we either make appropriate changes in our lives to survive and thrive, or we end up struggling and suffering. “Psychologically, making effective changes requires three steps: **You must be sharp enough to recognize your mistake, brave enough to admit your mistake, and tough enough to make a correction.**”

“The quicker we make the corrections, the easier, cheaper, faster, neater, simpler and clearer the solution. The longer problems are left unsolved, the more difficult and expensive they become to correct.”

*“The good life is inspired by love and guided by knowledge.”*

(Bertrand Russell)

### How To Live Harmoniously With Others

The warrior mentality means you need to be fearless and suppress your feelings, at the expense usually of meaningful personal relationships. However, as the author states, “If you want to live harmoniously with other people, you need to be able to understand how they think and feel. You need to put aside your ego, ask and listen. This is so you can predict how they will react to whatever you say or do and prepare for their actions.”

*“Feelings will alert you to danger or safety before logic does.”*

(Dr. Tatsuguchi)

### Do You Walk The Talk?

To see if you indeed “walk the talk,” the author suggests you ask yourself these questions:

- Am I in denial?
- Do I never admit mistakes and make corrections?



- Do I deliberately mislead myself by lying, ignoring or minimizing unpleasant facts?
- If the facts contradict my belief, do I throw away the facts and keep my belief?
- Do I reject and ignore information about myself that I don't like?

"If you answer "yes" to any of these questions, you probably abuse yourself and your loved ones because you make decisions based on inconsistency, hypocrisy and misinformation. Eventually, it will catch up with you."

"You can use this same test with others. If their "walk" doesn't match their "talk," use their "walk" not their "talk" to base your future decisions with them. Furthermore, if the other person uses the information you give them to abuse you, bad things will come out of this relationship in the long run. Conversely, don't deliberately mislead others or use knowledge about others to abuse them."

---

*"I cannot hear what you say because what I see you do speaks so loudly."*

(Ralph Waldo Emerson)

---

## Protect and Nurture Your Bushin

"Buddhists call the part of you that is compassionate and wise your **bushin**. The Chinese call it chi, Christians call it *soul*, Hawaiians call it *mana*, Japanese call it ki and almost every culture recognizes it some way.

It's your responsibility to protect and nurture your bushin without abusing it

or that of others. You are mistreating something sacred when you abuse it or allow it to be abused. You can help other people to protect and nurture their bushin, but you can't do it for them."

---

*"No matter how bad a situation is, if you've learned from it then many good things will come out of it."*

(Dr. Tatsuguchi's mom)

---

## Why Smart Men Do The Same Dumb Things

I know you were waiting for this answer, although probably every female knows the answer and most men are clueless. "Smart men keep doing the same dumb things because they don't admit they've made a mistake and they don't make the necessary corrections."

## Summary

I sincerely believe reading this book will help you at work and in your daily life. Things will become clearer and you will be able to make more sense of things

and make better choices. I recently started to make organizational changes at the credit union to more effectively deal with our growth and retail branches. The concepts in the book have helped us make the necessary changes with compassion.

In closing, I leave you with one of Dr. Tatsuguchi's words of wisdom which can serve as a compass for how you can live well!

---

*"Guide your life with compassion and wisdom. Protect and nurture your bushin without abusing yourself or others. Use your knowledge and competence to live the good life. Remember that everything you do or don't do has a consequence. The person who constantly makes corrections will ultimately surpass the person who doesn't."*

---

*"Those who have never known the deep intimacy and the intense companionship of happy mutual love have missed the best thing that life has to give."*

(Bertrand Russell)

---

## Hawaii Practices For Sale

**Honolulu CPA Practice for Sale** - gross \$560K, 75% tax, 25% accounting, loyal client base, strong fee structure, and employees in place. Kihei Bookkeeping Practice - gross \$133K, loyal client base, revenues composed of mthly bkkpng and payroll svcs. For more information, please call 1-800-397-0249 or to see listing details and register for free email updates visit [www.AccountingPracticeSales.com](http://www.AccountingPracticeSales.com).

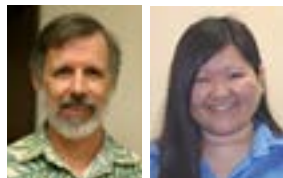
### Thinking of Selling Your Practice?

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](mailto:email_ryan@accountingpracticesales.com).



# CPA FIRM MICROCOMPUTER TECHNOLOGY

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



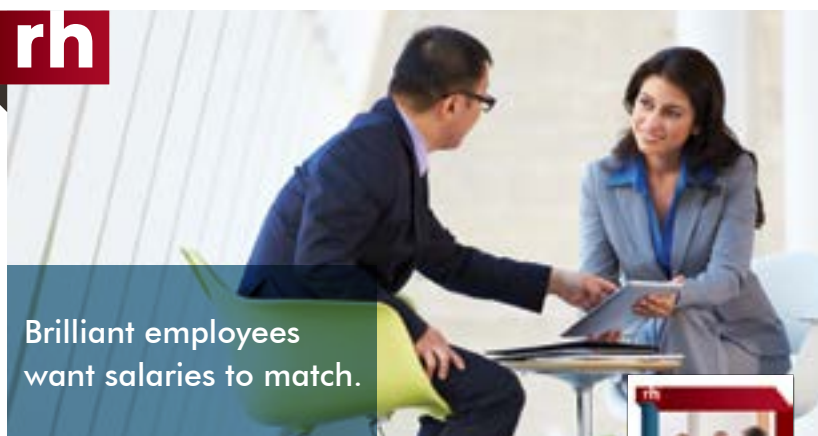
Microsoft has changed the Windows 10 upgrade from an “optional” to a “recommended” update. By default, many computers are set to install recommended updates automatically. As a result, many home computers running Windows 7 and 8.1 will automatically download the Windows 10 installation files, and users may receive repeated prompts to install the upgrade. According to Microsoft, users will still be asked to manually confirm that they want the Windows 10 upgrade before it will start in-

stalling. Users also have the option of going to the Control Panel Windows Update settings and unchecking the box next to “Give me recommended updates the same way I receive important updates.” Some people report seeing an “upgrade to Windows 10 for free” window with the only apparent options as “Upgrade now” or “Start download, upgrade later.” If this happens, the best way to avoid the upgrade is to close the window by clicking on the X in the upper right corner instead. For those who upgrade to Windows 10 and want to downgrade, there is an option to roll back to the previous Windows version, but the rollback must be performed with 31 days.

The IRS is taking steps to identify and prevent the increasingly large number of fraudulent refund requests. The IRS discontinued the online delivery option for the “Get Transcript” service last year, after fraudsters used the feature to access confidential information. As a security precaution, affected taxpayers can request an Identity Protection PIN (IP PIN) from the IRS. Once the IP PIN is issued, the IRS will only accept a return that includes the PIN. For those who file their returns themselves, a good strategy is to file as early as possible to beat the fraudsters. Perhaps because of the IRS’ increasing controls over fraud, crooks are focusing their efforts on the 50 U.S. states. As a result, the states and the IRS have agreed to examine 20 new data elements collected by tax software providers like TurboTax and H&R Block. Taxpayers should always use a unique and strong password for their online tax software.

There continues to be an increasing rate of security attacks on businesses in several areas. One avenue of attack is email compromise in which attackers get access to an executive’s email account and monitor activity in the account until they have sufficient information to impersonate the executive in order to get bank information. It is important that email security be a point of emphasis for businesses. The other area of attack is phishing emails trying to get a user to click on an infected link to download spurious encryption software. These attacks continue to get more sophisticated and more dangerous. The best defenses are training of employees and very carefully designed and tested backup systems.

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



**Brilliant employees  
want salaries to match.**

For hiring and retaining the best accounting and finance professionals, salary is critical. Stay competitive with our *2016 Salary Guide*, which provides the industry’s most respected data on compensation.

Job seekers know what they’re worth. Make sure you do too, with the *2016 Salary Guide*.

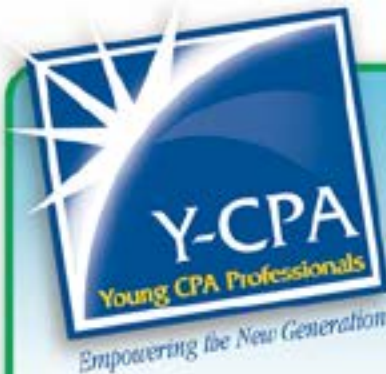
**Download yours today at [roberthalf.com/salary-center](http://roberthalf.com/salary-center).**

Honolulu • 1.808.531.8056  
[roberthalf.com/honolulu](http://roberthalf.com/honolulu)

**rh Robert Half®**







# Y-CPA BUZZ!



## 2015-2016 AICPA Legacy Scholar Meet Rhoda Leah Agpaoa

Interviewed by Darryl Nitta

Congratulations to Rhoda Leah Agpaoa on being awarded the 2015-2016 AICPA Legacy Scholarship! Born and raised in the Philippines and moved to Kauai 7 years ago, Rhoda is the first AICPA Legacy Scholar from Hawaii since inception of the program back in 2011.

The [AICPA Legacy Scholars program](#) AICPA Legacy Scholars program is designed to make stellar students like Rhoda better equipped to conquer the working world by helping them develop the skills employers are looking for. Skills that aren't so easily learned in the classroom—like communication, leadership and networking. AICPA Legacy Scholars engage in at least eight hours of community service per semester. Although Rhoda currently attends University of Hawaii at Manoa, she fulfilled her first semester obligation by going back to Kaua'i Community College to promote the CPA profession. This semester, Rhoda plans to encourage high school students on the "awesomeness" of being a CPA.

I am privileged to serve as Rhoda's coach during this AICPA Legacy Scholarship year. She is dedicated in the classroom and is tremendously grateful for the opportunity provided by the AICPA to further her education. I am confident Rhoda will become a CPA and an ambassador of our profession.

**DN:** How did you hear about the AICPA Legacy Scholar Program?



**RLA:** My former professor at Kaua'i Community College, Rebecca Santos ("Miss Becky"), introduced me to this scholarship.

**DN:** Why do you think you were selected as an AICPA Legacy Scholar?

**RLA:** Honestly, I think I got selected because of grace. I am in financial need and was given this opportunity to learn more about accounting. I am not the smartest amongst all the applicants, but I believe they saw the potential in me.

**DN:** Describe the project you did at Kaua'i Community College to meet your first semester community service scholarship obligation?

**RLA:** I had three 30-minute class presentations with Miss Becky and Miss Ann Kennedy to 50 students about the AICPA and its benefits. In addition, for three hours I manned a table outside of class to answer any questions that students had about accounting, the AICPA, and becoming a CPA. I am happy I was able to give back to my community and alma mater.

**DN:** What was the overall response you received from the students?

**RLA:** Very positive. Some realized the importance of good grades on a resume. Some gained more confidence and motivation on their career journey. Some became acquainted with the updated CPA exam and its contents. Many were very thankful for the AICPA website [www.thiswaytocpa.com](http://www.thiswaytocpa.com). I was very surprised that some students are now considering changing majors to accounting!

**DN:** Where do you see yourself five years from now (career)?

**RLA:** I will have a Master's Degree and CPA license. I will also be helping with the accounting at my Church.

**DN:** What is the most important thing you have learned about yourself (personally) since being selected as an AICPA Legacy Scholar?

**RLA:** "Failure is not the end of the game, giving up is." There will be many obstacles on my path to becoming a CPA, but I will never give up.

From being an accounting student mentor to recently getting licensed as a CPA, "This Way to CPA" [www.thiswaytocpa.com](http://www.thiswaytocpa.com) provides an excellent resource to a successful career as a CPA.



# MOVE ON PURPOSE:

## Do Shared Leadership Roles Work for Men & Women?

By Dr. Linda Talley



Tough question and you may be surprised by the answer. Although there is much research that says

there are many similarities between male and female leaders, there are many differences, too and the perception of followers is one of the big ones!

Shared leadership is an attempt to equalize the gender dynamics in group settings and to reduce the power and status inequalities usually present. This would be an added benefit that everyone (all genders) might contribute to the leadership and effectiveness of the work group.

Would you assume that a female leader would be just as effective and be perceived as an effective leader in a group the same way a male leader would? Well, if you said “yes” keep reading! You may be in for a surprise and find some interesting information here!

Think about this: There are large gender gaps in groups. Even when a male and female leader are paired (shared leadership roles), there is a significant difference between a male and female’s leader’s ability to influence. Men exhibit a significantly higher level of influence in a group situation with a shared leadership role with a woman. Although research notes that if women balance their male and female leadership attributes, they can be more effective, follower perception is still focused and influenced by the male leader which undermines the woman’s contributions to the group as a leader.

One interesting situation that you might see is a woman being appointed to a leadership role to manage a crisis situation based on her female attributes and willingness to “take one for the team” (Ryan et al, 2011).

Consider this: shared leadership does not benefit women or their ability to lead

within a group, but it does advance the traditional dynamics of male dominance in leadership where status and power are unequally distributed which negates the reason for having shared leadership. Highly participate forms of leadership do not foster gender equality among male and female leaders and therefore do not reduce the gender gap.

Bottom line: To minimize this inequality and allow leader emergence from any member of the group, regardless of gender, assign formal roles and do not leave it to the perception of group members to create inequality based on gender.

*Linda Talley, body language expert, leadership development coach, behavioral theorist, keynote speaker, and business coach works with leaders to improve their business relationships, communication, and performance.*

Reference: Ryan, M.K., Haslam, S.A., Hersby, M. D., & Bongiorno, R. (2011). Think crisis-think the glass cliff and contextual variation in the think-manager-think male stereotype. *Journal for Applied Psychology*, 96(3), 470-484.





## Y-CPAs on the Road... VITA Service



Several Y-CPAs joined approximately 35 other volunteers and students on Saturday, February 6th from 9:00 a.m. to 1:00 p.m. at the Leeward Community College (LCC) computer labs to volunteer their time as tax preparers for the IRS Volunteer Income Tax Assistance / Tax Counseling for the Elderly (VITA/TCE) program. Volunteers assisted over 60 individuals and families e-file their federal and state tax returns from 9:00 a.m. to 12:00 noon when the site closed. We worked in teams, with each team member reviewing the other's work, and each return was reviewed a second time by a third volunteer before the taxpayer signed.

The Hawaii VITA program runs through late March or early April, depending on

the location, so you still have time to help! Although all volunteers must complete two online test modules covering standards of conduct and a basic knowledge exam, the IRS provides all the knowledge and materials you will need online. Volunteer tax preparers do not sign the return and do not need to have a Preparer Tax Identification Number (PTIN). Volunteers are covered by the Volunteer Protection Act, which generally protects unpaid volunteers from liability for acts or omissions that occur while acting within the scope of their responsibilities at the time of the act or omission. If you are interested in volunteering, please visit [www.hacbed.org/asset-building/vita-program](http://www.hacbed.org/asset-building/vita-program) for more information.



### Would you like a second opinion?

mel r. hertz, MBA, CFP  
808-522-0100



the retirement coach <sup>sm</sup>

237 Kuumele Place #8, Kailua, HI 96734  
[melhertz@theretirementcoach.org](mailto:melhertz@theretirementcoach.org)

Securities and advisory services offered through the Strategic Financial Alliance, Inc. (SFA), member FINRA and SIPC, mel r. hertz is a registered representative and an investment adviser representative of SFA, which is otherwise unaffiliated with the retirement coach. Supervising Office (678) 954-4000





# 2016 TAX BOOK ORDER FORM

ALL SALES FINAL



## 2016 CCH U.S. Master Tax Guide – \$65.00 / \$75.00

The U.S. Master Tax Guide (2016) provides helpful and practical guidance on today's federal tax law. This 99th Edition reflects all pertinent federal taxation changes that affect 2015 returns and provides fast and reliable answers to tax questions affecting individuals and business income tax.



## 2016 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..



## 2016 Taxes of Hawaii – \$26.00 / \$35.00

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
_____ 2016 CCH U.S. Master Tax Guide	\$ 65.00	\$ 75.00	_____
_____ 2016 RIA Federal Tax Handbook	\$ 50.00	\$ 60.00	_____
_____ 2016 Taxes of Hawaii	\$ 26.00	\$ 35.00	_____
<b>Mailing: Postage &amp; Handling*</b>			
_____ \$6.00 for 1st book	1 - \$8.00	1 - \$10.00	_____
_____ \$3.00/book for 2nd book & thereafter	2nd + - \$4.00	2nd + - \$6.00	_____
<b>*Mainland/International - call for pricing</b>			
<b>TOTAL AMOUNT DUE</b>			_____

**Payment must be received to confirm order - while supplies last.**

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

Total \$ \_\_\_\_\_ ☐ 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