

Keeping Up with Technology



The road map to success starts with the right directions.

All aboard! American Savings Bank recently took a front seat working with Waikiki Trolley. Our team of experts went above and beyond to find the right financial tools to match their business needs. The result? Like every passenger's experience on Waikiki Trolley, the journey was as rewarding as the destination

Clockwise, from bottom right:

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2. Larry Ishii - their Banker

3. Launiusaelua "Niu" Taase - Reservationist/
Dispatch Specialist

4. Carlos Quintanilla - Tours Manager/Driver

5. Davilin Kovaloff - Westbound Sales Manager

6. Carlos Tandoc - Trolley Driver



OCTOBER 2018



The Official Publication of the Hawaii Society of Certified Public Accountants

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Y-CPA Buzz....

President's Message By Darryl Nitta



Did you know that the HSCPA currently has a potential of awarding more than a dozen scholarships available to college students across Hawaii? Upon renewing your HSCPA dues, the contributions you voluntarily make

to the HSCPA Scholarship Program all add up to make these scholarships possible.

The HSCPA Scholarship program has awarded thousands of dollars in scholarships to very deserving students. Here are a few testimonies from our scholarship recipients:

Maya Hananoki, CPA – 2014 UH Manoa Outstanding Accounting Graduate and Uniform CPA Exam Scholarship

"The HSCPA scholarship helped me offset the cost of CPA study materials and supplemented my general daily costs of living. I passed the CPA exam while getting my Master of Accounting at UH and working three part-time jobs. Having the extra Scholarship monies from the HSCPA helped me to work fewer hours to increase the number of hours that I was able to study. In this way, it definitely helped me become a CPA."

Cedar Soberman, CPA – 2013 UH Hilo Outstanding Accounting Graduate

"Coming from an outer-island, the HSCPA provided valuable opportunities for motivated students to engage with Top Oahu firms each year by through office tours and the annual HSCPA Meet the Pros Accounting Mixer. The office tours and mixer shaped my vision as a student of my future career as a Certified Public Accountant. Receiving the HSCPA Scholarship was the icing on the cake."

Sung Jae Lee, Future CPA – 2015 Kapiolani Community College Outstanding Accounting Student; 2017 UH West Oahu Outstanding Accounting Graduate; and 2018 Uniform CPA Exam Scholarship

"Receiving each Scholarship from the HSCPA is truly and honor and I can't express my gratitude in words. The Scholarships have helped alleviate my family's financial burden to reach my educational and professional goal of becoming a CPA. I look forward to the day when I can help students like myself.

THANK YOU VERY MUCH!"

Initially, I wasn't sure what kind of responses I would receive from our scholarship recipients when I asked them for testimonies. In less than an hour, I had all three testimonies! It was so inspiring that these three individuals were so humble and appreciative of the scholarships they received. Experiences like this help you remember why you donate.

With that being said, the HSCPA continues to think of new ways to promote the accounting profession through scholarship opportunities for students. We are establishing an endowment with the University of Hawaii Foundation. Thank you to Ed Nakano and C.S. Wo & Sons, Ltd. for planting a \$10,000 'seed' to grow this fund. Our challenge is to match and exceed the \$10,000 so we welcome HSCPA members to contribute to this new endowment to specifically benefit HSCPA members and their families. This is a great opportunity to leave a Legacy Gift and increase the CPA pipeline. This Challenge kicks off on October 4, 2018 at the Prince Waikiki. Special thanks to Deloitte for sponsoring the HSCPA Come Together event — we look forward to seeing you there!

Looking ahead: November is commonly associated with Thanksgiving. What are you thankful for? Do you have any family Thanksgiving traditions? Do you have the best turkey or dessert recipe you are willing to share? Send me an e-mail at darryl.nitta@cyhawaii.com and if I feature your answer in the next President's message I will buy you a beverage at the next HSCPA social event!









October 22 (Monday)



This seminar will get you up-to-speed on all of the critical aspects of this law and prepare you to effectively advise both your individual and business clients.

The biggest question? How does the 20% deduction for pass-through entity owners work? This course will focus on the deduction itself, complete with numerous examples illustrating how this deduction works. We invite you to attend this interesting, insightful, and practical program.









This course is a deep dive into all things real estate tax-related in this complex area. You will deepen your understanding of the complex considerations and strategies that individuals must navigate in acquiring, holding, managing, constructing, and disposing of real estate. You will leave the course able to navigate critical issues associated with the relevant returns and plan strategically for your company or clients.

How To Yield Higher Quality Leads

By Hugh Duffy



About 10 years ago, you would win the online marketing race by having a well-designed generalist website. Heck, it worked

well and the return on investment (ROI) was a no brainer.

As more accountants eventually caught on, it became more challenging to stay ahead of the curve and still get more than your fair share of website leads. The general public became aware of search engine optimization and pay per click advertising and the competition to be in the top of search engines got harder and harder. The ROI was still very attractive, but you had to spend more to acquire the same number of leads.

Today, it is harder and harder for a single, generalist website to be placed towards the top of the search engine results pages for all of the services provided in your practice. And if you operate in multiple geographic markets, it is even more difficult to be towards the top because your message to the search engines is more complex and watered down.

As more accounting firms have well-designed websites, integrated blogs, a social media presence, pay-per-click advertising, retargeting advertising and reputation management, it becomes more competitive to dominate the online lead generation game. Not only does this mean that you're left struggling to stand out amongst the competition, but

it makes it harder to target your ideal customer. Not only do many accountants find the flow of new leads slowing, they find that the quality of their leads have also diminished.

So, what is the solution? How do you once again stand out in the crowd while targeting your ideal client?

While there is no single solution, many savvy accounting firms have deployed a multiple website strategy to obtain dominate search engine placement for a limited set of keywords.

Here's why it works.

Essentially, search engines scan your website and look for patterns which iden-



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tify what you do, where you are located, and compare your website against a set of criteria within their algorithm. The more consistent and clear your message, the easier it is for the search engines to give you higher placement within Google, Bing and Yahoo. This translates to more leads.



Secondarily, the multiple website approach enables you to tailor your message to the prospect and talk out of multiple sides of your mouth to create that aha moment for the prospect. In other words, some small business owners are searching by location and others are searching for a type of accountant (e.g., bookkeeper, enrolled agent, CPA Firm) and others are looking for a specialist (e.g., CPA for doctors, nonprofit accounting for churches, business valuation, etc.). Using multiple websites allows you to speak to each one of these kinds of people.

The third step is to support each one of the websites with pay-per-click advertising to drive traffic to the website. Then, use retargeting, which is designed to pull prospects back to the website. Pay-per-click advertising will help ensure you're showing up for the keywords you want to. But, since you're driving the ads to a website with a specific message it makes it easier and less expensive to compete on ad bids.

The fourth and final step is to support everything online reviews in Google and

Yelp. Online reviews are crucial to overcoming skepticism and instilling trust in prospective leads.

With this four-step approach, accountants are using the multiple website strategy to maximize lead generation and hone in on their ideal client. From a marketer's perspective, each website is relatively inexpensive and pulls in far more business than the annual cost. In fact, each website should make you money. Therefore, running a business with just one website is like playing golf with just one golf club. Realistically, who plays golf with just one golf club? Nobody.

The solution is simple, you need to identify the segments of your accounting practice that you want to grow and then develop a website to focus against that industry or type of service.

Hugh Duffy is the Co-Founder and Chief Marketing Officer of Build Your Firm, a website development and marketing company for accounting firms. With more than 30 years of marketing experience, he has been coaching accountants on how to improve their marketing and make more money from their accounting practice since 2003. Hugh takes great pride in the impact his coaching has on the practices and lives of his clients.

Get noticed and expand your business!

Join the HSCPA Find A CPA directory for only \$25 a year

One of the most viewed sections of the HSCPA website, Find A CPA will get you noticed as potential clients search for suitable CPAs for their individual and/or business needs.



Join Now at: www.hscpa.org/find-a-cpa

HAWAII PRACTICES FOR SALE

Gross revenues shown: Honolulu Tax Practice- \$730K, tax (96%), accounting/bookkeeping (4%); Island of Kauai CPA-\$785K, accounting (46%), tax (39%), payroll (12%). For more information, please call 1-800-397-0249 or to see listing details and register for free email updates visit www.APS.net.

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Keeping Up with Technology

By Val Steed of K2 Enterprises



In today's technologydriven world, it's easy to get lost in the clutter. What should I choose to read about? Study? What

really matters? What doesn't?

At times, we all get overwhelmed and look for answers from our peers, from "the experts" and from news sources. In my world, I'm a bit spoiled. I get to work with a number of great technologists that frequently share information.

For example, one of my associates this week informed me that the latest Microsoft Office update (1805 and 1806) will break the Silverlight plug-in, which in turn breaks some of the power add-in tools like Power View. Because of this, he recommends staying on Office version 1803 until the problem is resolved.

I doubt Microsoft intended to mess up

their own add-ins, but they do have a history of breaking stuff with updates at times. All technology companies have their issues. This simple tip saves me a ton of time going forward. I can skip the 1805 and 1806 update and wait for Microsoft to fix the situation.

The value of a team approach to technology cannot be overstated. Permit me to brag about our teaching team at K2 for a second. I believe we have the best group of technologists in the accounting profession, period. Every year we develop a two-day technology conference and present at 25 different sites—almost all of which are in partnership with state CPA societies. I invite you to take advantage of our technology team by participating in one of these conferences.

A list of our two-day <u>technology</u> conferences

During these conferences, we cover a variety of technology-based questions. Here's a quick ten-question technology assessment full of questions we'll tackle in this year's two-day conference. Let's see how well you do.

Technology Assessment

True or False (answers at the end of the article)

- **1.** Windows Defender does nothing to help you with Ransomware?
- 2. There is no way to change the timing of your Microsoft Office updates to avoid a software collision.
- **3.** The SANS institute defines "long and strong" passwords as ones having numbers, letters, special characters and are at least 12 characters long.
- **4.** The current recommendation in the



Catch the K2 Enterprises experts at the Hawaii Technology Conference on November 15-16 at the Prince Waikiki. Accounting professionals don't want to miss this two-day Conference to stay on top of day-to-day responsibilities and enhance efficiency, productivity and analytical and reporting skills. Technology continues to shift and new trends and advancements are constantly emerging.



- industry is to change your password at least once every other month.
- 5. Acrobat DC can convert (render)
 PDF back to spreadsheet or word
 processing formats right from
 within the product.
- **6.** Windows 10 has a new Night Light feature to ease the strain on your eyes from the bright blue light in monitors.
- **7.** Blockchain is a drive encryption technology to protect data.
- **8.** Microsoft's Power BI Desktop application is free.
- **9.** Outsourced accounting services (CAS) are proving to be costly and hard to maintain.
- **10.** There are two versions of Excel in the market.

I hope you found this article of use and I look forward to seeing you at the Hawaii Technology Conference on November 15-16 at the Prince Waikiki.

All the best!

Answers:

- **1. False.** Windows 10 (all versions) have a new setting in Windows Defender that locks down which applications can use which files. The new feature called Control Folder Access is a white list approach to controlling ransomware. Ransomware depends on the ability to modify data files with their encryption tools to hold you ransom. This is a great new feature from Microsoft.
- **2. False.** You can do an online update of your office installation which will automatically push you back into the slowest update path possible for Microsoft Office.

3. True.

- **4. False.** The current trend in password management is to come up with a unique long and strong password for each site and then keep it, unless there is a suspected breach or compromise. This will come as a shock to many but this is the latest direction on password management. Studies have found that users who are forced to change passwords often just end up adding digits to the end of an existing password or use something very simple they can easily remember.
- **5. True.** The new command is Export PDF.
- **6. True.** I have now enabled this feature on all my Windows systems and I find this to be one of my favorite features.
- **7. False.** Blockchain is a distributed tamper resistant (some say tamper-proof) transaction ledger, not a drive encryption technology. Blockchain is the basis for the ledgers proving ownership for digital currencies like Bitcoin and Ethereum. Its claim to fame is the encrypted add-on segments (blocks) for each step in the transaction history thereby ensuring historical accuracy on the data. This does not mean that the transaction is not fraudulent, it just means you can examine the beginning, end, and every touch in the middle, and be confident that the transactions have not been changed after they were recorded. The transaction could still be outside of the business policies for that business (e.g. an approved payment to a legitimate vendor for a kickback) and still be fraud.

8. True.

- **9. False.** The function of providing accounting services to clients and companies (CAS) has grown substantially over the past five years. Simple bookkeeping, outsourced controller, and full-service CFO capabilities are all now possible. The key to a successful solution is an up-front quality needs analysis with proper installation and training. This is one of the high growth areas of accounting technology.
- **10. True.** Many people find out the hard way they don't have the Office Professional Plus or Office Pro Plus version of Office. The right version of Excel to run the power add-ins such as PowerPivot, Power View, etc. comes with these versions of Office.

Workplace flexibility for improved collaboration

By Eric Benson of Boomer Consulting, Inc.



There have been many ideas to help increase collaboration within offices in recent history. Open offices, collaboration tools

and remote work, for example, continue to increase in popularity. This often comes with what we call "buzzword bingo" — the benefits may sound great at the outset but seem lacking as the new ideas are implemented.

This article talks about the relationships that seem to drive greater collaboration & flexibility. It offers some ideas to help you overcome issues as you either plan new space or look at extending your office outside of the normal conventions of

four walls. With this in mind, let's take a look at some recent research and thinking to find correlations that we can use to improve our businesses.

Open offices decrease face to face communication

A recent study looked open offices and how they affect personal interaction within workplaces. As many of you know, open offices are supposed to increase the collaborative work and offer opportunities for water cooler conversations to happen, thereby increasing the effectiveness of each individual. It's also a great way to reduce the average square footage per employee. It's a great win-win, right?

In a recent study conducted by Ethan S. Bernstein and Stephen Turban and funded by the Harvard Business School, two large Fortune 500 multinationals were evaluated as they transitioned from more conventional office space to open office floor plans. Using a device that monitored both location and whether an individual talked (or didn't talk,) data was collected to see how the transition affected face to face conversations.

The results were quite fascinating. "Contrary to common belief, the volume of face-to-face interaction decreased significantly (approx. 70%) in both cases, with an associated increase in electronic interaction." (source 1)

The study, as well as many commentaries on it, commented on the fact that open office floor plans may actually counteract the very principle they try to improve — open collaboration.

Remote workers often feel ostracized from in office colleagues

Another solution to expanding workplace flexibility is remote work. In this instance, I am specifically talking about those employees who work part of all of their time away from a primary office. In addition, the office is where the bulk of the employees are located.



In a study by VitalSmarts, 1,153 employees were polled, many of the respondents who worked from home part or full time felt that their fellow coworkers did not treat them evenly. In fact, many indicators of trust and collaboration were worse for remote employees. (source 2)

Are apps the answer?

In many circles, the idea of adding group chat, AI, bots and improved video conferencing to solve communication hurdles is the answer to all of the above problems. Although I use and encourage these advances to help improve business operations, I think they still miss the core of why open offices decrease face to face conversations and remote workers feel less trust.

Most of the solutions mentioned so far address the symptoms behind a lack of trusted teamwork. I imagine that the





initial design of open office floor plans or a tool like Slack (group chat) were addressing real business issues. In the long term, almost all solutions fall prey to a simple problem in business — there's not enough time to see what the problem really is. It's much easier to listen to someone who has a solution and just use their expertise to fix what's wrong.

Building a strong foundation for success

There are some very significant choices that any business needs to make to be successful. If the basics are not done well, a business will simply fail, and no open office or tool or workplace flexibility option will help them succeed.

L. Gary Boomer coined the term Think. Plan. Grow.™ many years ago to show that the long term vision and planning lead to growth. You have to know who you are in order to see how you can help other businesses.

This is the big picture answer to why some open offices work well, and why some remote workers feel valued. These businesses start from a strong core and work from there to solve problems, not find solutions. For those of you who've read this far and don't have a strong strategic plan, I'd highly encourage you to get one.

Build with nuts and bolts, not tape

However, many of you may not be in a position to drive this kind of change through your firm. In this instance, I would highly recommend that you think of your firm, in your position, as a place where strong structures survive and duct tape solutions only last so long. In both the study on open offices as well as the study on remote work, the recommendations to address the issues presented all focused on strong teamwork. This can happen at the organizational level, but I would contend that making a change can start with you and the people you directly work with.

If you are a manager, make sure you connect regularly with your team and make sure everyone has what they need in order to keep working. Your job is to increase velocity towards success. Employees, your goal is to make sure that you have the motivation to look for opportunities to show and share trust.

This simple formula, if you aren't aware of it, will address many of the concerns mentioned so far in this article. It's not easy, but it is most definitely worth the time and effort. After all, who wants to work at a place where no one talks and you aren't sure you can be trusted to work from home?

Sources:

- 1. www.rstb.royalsocietypublishing.org
- 2. www.hbr.org

Eric is the Director of 10X Operations at Boomer Consulting, Inc. He is part firm administrator, part technology and process guru, and part 10X coordinator for an awesome team. The first two parts may sound familiar. The last part, thinking 10X, has been a core principle of our firm since the beginning. What would you need to change to make your firm 10X the revenue, client service, productivity, profitability, employee satisfaction or engagement that it is now? Eric's job is to Think about how our firm could be, Plan for this future and Grow our firm into that 10X model.



OCTOBER 22

Tax Cuts & Jobs Act and Understanding Section 199A

OCTOBER 23

Real Estate Tax Boot Camp

OCTOBER 24

Advanced Fiduciary Tax Workshop

OCTOBER 25

Partnership & LLC Tax Workshop (Advanced)

OCTOBER 26

Passive Activity Losses & Deduction for Qualified Business Income

OCTOBER 30

Deception, Embezzlement and Fraud

OCTOBER 31

OCBOA Case Studies

November 1

Annual Accounting and Auditing Update

November 2

Tackling the Tough Issues in

Adopting the New Revenue

Recognition Standard



By Tom Yamachika

Taking Exemptions Without Really Knowing



These days, our General Excise Tax (GET) contains exemptions and reduced rates that are supposed to reflect commercial

reality but often contain leaps of faith. One common example is the wholesale rate. If I sell you a mango that you then resell to someone else, then I need to pay not the 4% or 4.5% retail rate, but the lower 0.5% wholesale rate, on my income from selling that mango.

The only problem is that I am not you, and I have no way of knowing what you really did with the mango once you bought it from me. Did you eat it yourself? (That would explain the suspicious orange stain on your chin.) Did you give it to Auntie down the street? Did you use it to make mango jam, and if so, did you sell the jam?

If I get audited by the State, the auditor will ask me those questions, not you, because I am the one who claimed the tax benefit even though you benefited from it when I tacked on only wholesale GET on my invoice to you. And if I simply told the truth and said that I had no idea whether you ate the mango, the auditor will charge me the 3.5% or 4% rate difference plus interest and penalties.

To bridge this information gap, the State has forms known as "resale certificates," such as <u>Form G-17</u>. Before I lower the tax rate I charge you to 0.5%, I need

you to fill one of these out and give it to me. It says that you are reselling the mangoes you buy from me unless you tell me otherwise, and that if you're lying to me you are going to pay the extra tax and interest that the auditor charges me. (I probably won't get charged penalties if I whip out your certificate and tell the auditor that I relied on it.)

Taking a certificate from the buyer helps bridge the information gap for some of the common GET exemptions such as wholesale goods, wholesale services, and some export sales. There are, however, more complex exemptions such as contracting in an enterprise zone, helping build or maintain an air pollution control facility or a federally funded scientific facility, providing certain nonscientific logistic and support services to a federally funded scientific facility, or for helping plan, design, finance, construct, or sell certified or approved affordable housing projects. The Department hasn't prescribed certificates for all these exemptions.

Often an operator of one of these preferred facilities will approach a vendor and say, "Hey! This facility has a tax exemption that applies to you, so we won't accept your adding GET to any invoice you send us."

I pity the vendor in that situation. The vendor usually has no clue whether the customer is in a tax-preferred facility or not, and usually takes the customer's word for it to keep the commercial relationship intact. But if the vendor gets audited, the vendor needs to establish the customer's tax-preferred status, sometimes with minimal or no help from the customer. If the vendor loses, the vendor gets charged additional tax, penalties, and interest, even though the vendor gave the economic benefit of the claimed exemption to the customer (which, by this point, has probably made itself scarce). The vendor is taking most of the risk regarding the exemption and little or none of the reward.

What can be done about this? First, lawmakers shouldn't be enacting complex exemptions that put the risks and rewards in different places like this. Second, if they really want to use the exemption in this situation, they need to provide for a mechanism to bridge the information gap to reposition, or at least distribute, the risk. Third, they should be thinking of clear, verifiable rules to determine the beneficiaries of any exemption consistent with the social policy they seek to advance.

Tom Yamachika is President of the Tax Foundation of Hawaii - the 'watchdog' that keeps an eye on Hawaii's taxes. Tom is also the owner of Aloha State Tax, a small law firm with emphasis on State taxes. Prior to going solo and the TFH, Tom was a principal with Accuity LLP where he managed the tax consulting practice, including quality and risk management and practice development.

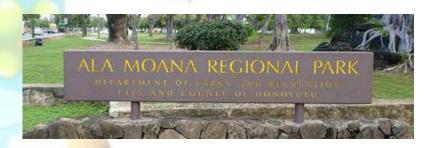
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Give Back Day Beach Clean-up on



October 27, 2018 (Saturday)

8:00 a.m. to 11:00 a.m.



Meet at Magic Island - from
Diamond Head end, 2nd entrance
to parking lot by showers

- Wear cool & comfortable clothing
- Protective / beach footwear recommended
- Sunscreen recommended
- Refreshments will be provided

RSVP by October 19
E: info@hscpa.org
Form must be signed and returned



Sign up to "give back" to our community! October 27, 2018 at Ala Moana Magic Island

Name	Firm/Affiliation
E-mail	Phone

I knowingly and freely assume all responsibility for any risk of loss, property damage or personal injury that may be sustained by me, or any loss or damage to property owned by me, as a result of my participation in this activity.

I further agree to release and hold harmless the Hawaii Society of Certified Public Accountants from all claims and liabilities of any type whatsoever and for damages to, loss or destruction of any property or injury, sickness or death, which may result from my participation in this activity.

Signature Date



Norman's Book Review

"The Hawaii Bathroom Book"

by John Richard Stephens

I had a good chuckle when my Senior VP — Administration, Anna Arii, bought this book for me and said she thought it

might be a good book to review. The cover was funny, and I started to visualize all the male CPAs who have various reading materials in their bathroom. When I skimmed the 342page book, I found the book to be really fascinating so I decided to read it. I'm really happy I did as I learned so much more about Hawaii, its history, critters, ghosts and other interesting information. The author has a way of conveying lots of information in an easy reading style. The following are some of the things I found really thought-provoking to give you a sense of what the book is like. The book can be found on Amazon.com if you are interested in learning more about Hawaii.

How Many Alphabets Are There In The Hawaiian Language?

If your answer is 13, you are correct! A, E, H, I, K, L, M, N, O, P, U, W, and ' ('okina). You get extra credit if you knew all Hawaiian words end in a vowel, since vowels make up 46% of the Hawaiian alphabet.

Lucky You Live In Hawaii If You Like To Look At Stars

Hawaii is the only state where you can see the stars of both the northern and southern hemispheres.

Longest Hawaiian First Name

As of the book's printing in 2014, the longest Hawaiian first name recorded on a birth certificate is 43 alphabets

Have You Touched
Parrotfish Poop Recently?

long – "Keliihokulanileikulamaka-

keanuenueohaleakala."

If you have gone to the beach recently, the odds are you ran your fingers through Parrotfish poop. Say what? Most of the sand in Hawaii is courtesy of "Parrotfish eating coral, which passes through their digestive tract and the hard bits of coral come out the back. In a year, an 18-inch Parrotfish can poop an amazing 700 pounds of sand!"



As a side note, "in most places, sand consists of granular particles of minerals and rock — usually quartz, which makes up most of the world's sand. Unfortunately, there is no quartz in Hawaii."

Kona Nightingales

In the early 1900's, coffee farmers in Kona brought in donkeys to help them on their farms, since they were cheaper to buy and maintain than equipment such as trucks. These donkeys were called Kona Nightingales, "a backhanded tribute to their loud braying."

As a side note, Hawaii is the only state that grows coffee.

Molokai Honey

Not many people know that "Molokai once produced more honey than anywhere else in the world, until an epidemic wiped out the hives in the 1930's."

What Does Gecko Poop Look Like?

Geckos are useful because they eat bugs such as roaches and spiders. Like every animal, however, they do poop. Their poop is easy to spot because "it is shaped like a tiny cigar with a dab of white at one end."

Why Are There Giant Toads In Hawaii?

"To deal with sugarcane beetles, giant toads were introduced on Oahu in 1832. Within 2 ½ years there were over a million of them!"

Maui Silverswords

Not sure if you are aware but the Silverswords plant can only be found on Maui's Haleakala volcano and can live up to 50 years.

Polynesian Ancestors

"DNA studies indicate the ancestors of Polynesians came from the Asian mainland, passing through New Guinea 6,000 – 8,000 years ago, before spreading across the South Pacific around 3,000 years ago.

Chang Apana

Chang Apana was a celebrated member of the Honolulu Police Department in the early 1900's. He is also famous because Earl Derr Biggers, the creator of the Chinese detective Charlie Chan, modeled Charlie Chan after Chang Apana after meeting him in Hawaii in 1919.

War Testing In Hawaii

Most everyone knows the U.S. military used Kahoolawe for target practice until 1990. Lesser known is the "Navy

bombed South Kona's Kauna Point from 1959 - 1970, and the Pentagon tested chemical weapons such as the deadly serin nerve gas in the Upper Waiakea Forest Reserve, southwest of Hilo, in the 1960's."

When Do Night Marchers March?

"Ka Huaka I a ka Po, the Marchers in the Night, usually march on the Akua and Kane nights of the moon (14th and 27th nights of the lunar month). Marchers have also been seen during the Ku nights (the 3rd through the 6th) and on the nights of Lono (28th night)."

Interestingly enough, "similar accounts can be found in other cultures. In the U.K., people report seeing Roman soldiers, and in the Eastern U.S., its soldiers from the Revolutionary War or Civil War."

How Large Are Humpback Whales?

"The average humpback whale is

about the size of a city bus. It weighs about 40 tons, while a city bus weighs about 12 tons. Its lungs are the size of a Volkswagen, while its heart weighs about 430 lbs!"

How Did Hawaiian Chiefs Make Peace With Each Other?

While Native Americans would smoke a peace pipe, "Hawaiian Chiefs would sit down together to weave leis when they wanted to make peace with each other."

What Are The Two Mammals **Native To Hawaii?**

The hoary bat and the monk seal.



Lahaina Noon

Another phenomena which is unique to Hawaii and not any other state is "Lahaina Noon, when certain objects fail to

cast a shadow because the sun is directly overhead. It happens twice a year – early summer and mid or late in summer."

What Are The Meanings Of The Different Maneki **Neko (Lucky Cat) Colors?**

"Most Lucky Cats are calico Japanese Bobtail cats, a breed that is very popular in Japan. They are often tri-color — black, brown and white – which is very rare in nature and considered especially lucky.

Black Lucky Cat – Kept around children to protect them from illness and evil. Kept around women to protect them against stalkers.

White Lucky Cat – Purity Gold Lucky Cat – Money Pink Lucky Cat — Attract Love"

Where Do Sea Turtles Go?

We know sea turtles can travel great distances. "Sea turtles tagged on Molokai have been found as far away as the Marshall Islands and the Philippines!"

One of Howard Hughes' newest condo projects, Anaha is one of the first-class luxury condos in an absolute prime location within the Kakaako, Honolulu neighborhood at 1108 Auahi Street, part of Ward Village's 1st phase. Ward Village is close to Ala Moana Shopping Center, beaches, and world-famous Waikiki.

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● ○ ○ ● CPA FIRM ● ○ ○ ● MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of Carr, Gouveia + Associates, CPAs, Inc.

WARNING!

SYSTEM MAY HAVE DETECTED VIRUSES ON YOUR COMPUTER



Microsoft announced new support options for organizations running Windows 7. Windows 7 extended support ends January 14, 2020. Microsoft is offering a paid updates plan called Windows 7 Extended Security Updates (ESU) through January

2023. Windows 7 Professional and Windows 7 Enterprise customers in Volume Licensing are eligible to purchase the updates on a perdevice basis, with prices increasing annually.

For those running Windows 10 Enterprise or Education, Microsoft announced longer support

timeframes, so that organizations have more time to plan and test before deploying updates. Windows 10 aims to release major features updates on a semi-annual schedule, targeted for March and September. For the September-targeted releases, Enterprise and Education customers who want to stay on their existing supported Windows 10 version will have 30 months (up from 18 months) from the original version release date. The next update has been scheduled for October 2018.

The Hawaii Society of CPAs
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Microsoft also announced support for Office 365 ProPlus through January 2023 for Windows 8.1 (same as the Windows 8.1 support end date), and October 2025 for Windows Server 2016.

The Federal Trade Commission (FTC) recently warned consumers to watch out for tech support scams. Scammers may use cold-calling, malicious popups and browser locking techniques to lure users into visiting phishing sites, or calling fake tech support numbers. Scammers claim to detect nonexistent malware, and may attempt

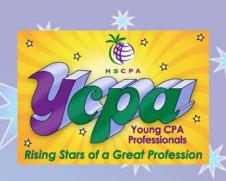
to trick users into allowing the scammer access to their computers, or purchasing unnecessary software or services.

Scammers may impersonate an organization over the phone by spoofing the caller ID, so that incoming phone calls appear to be coming from a legitimate organization or a local area code. If you receive a suspicious call, do not answer the phone, or hang up. If you want to verify with the actual organization or individual, make sure to only dial a known, trusted phone number. When searching for phone numbers, the FTC advises being wary because search results can potentially include the scammer's fake support phone numbers. A security researcher recently found that scammers were using a subdomain of Microsoft's TechNet website in order to gain higher rankings in search engines. Microsoft has since removed the offending pages. Companies like Microsoft do not make unsolicited tech support phone calls or ask for passwords.

A new browser-locking scamming technique has been reported in Chrome, where a transparent pixel in a malicious ad is used to prevent users from using their mouse to exit the window. If this happens, users can instead use keyboard shortcuts to close the suspicious window (e.g. Ctrl+W to close a browser tab, Alt+F4 to close the browser window, or Ctrl+Alt+Del or Ctrl+Shift+Esc to bring up the Task Manager and right click - End Task on the browser).

If you have any questions or comments, please call me at (808) 837-2517, or send e-mail to joy@cga-cpa.com.

Meet the Pros Accounting Mixer



November 8th (Thursday)
5:30 to 9:00 p.m.



Special Guest Speaker



Motivational speaker, consultant, tennis pro, coach ... Rusty Komori will share his secrets in achieving and sustaining success in business, sports, school or anywhere else by inspiring others in "finding greatness" in their lives.

Rusty, author of Beyond the Lines, led his Punahou boys' varsity teams to win an unprecedented 22 consecutive state championships, a national record as the longest streak in the United States.

- To promote all segments of the accounting profession
- Professionals to share their experiences about the accounting profession
- To provide an opportunity for students to interact with various accounting professionals

Dinner & Student Rotation Member - \$65 Non-member - \$75

Buffet dinner + CPE

2 CPE credit hours Limited Seating















By Trisha Nomura

The Y-CPA Squad is very proud to welcome our two newest members, Kira Kaneshiro and Jessica Gluck. Kira is currently an Audit Manager at Deloitte & Touche LLP, and Jessica is a Tax Senior Manager at Alexander and Baldwin, Inc. Both Kira and Jessica have been very involved with our Y-CPA Committee, and we are pleased that they have committed to continuing their service to the HSCPA through our Squad!



Meet Kira . . .

Kira had originally planned to pursue a career in finance but when she took the prerequisite accounting courses for admission to the business college, she ended up enjoying them.

After that, a few of her family members who were also CPAs convinced her to give accounting a try. The next semester, she joined the Accounting Club at the University of Hawaii at Manoa and never looked back. It was through the Accounting Club that Kira was first exposed to the HSCPA. As a student, our Meet the Pros Accounting Mixer was one of her favorite events! After becoming a CPA, she joined the HSCPA because she wanted to continue to meet new people and grow her network of professionals in the accounting field.



Meet Jessica . . .

Very late in her college journey, Jessica had to change her major and "didn't really know what she wanted to be when she grew up." She chose accounting with very little knowledge

of what accounting was or what an accountant did, but she was drawn by the thought of working with numbers (an avenue where she had always excelled) and it was an alternative to being a math teacher. Jessica's first boss in Hawaii (who is also her mentor) was a great resource to her when she moved here. Her boss encouraged her to be involved in many organizations, and the HSCPA was fortunate to be one that she decided to volunteer with.

Both new Squad members are passionate about their career choice as a CPA, which makes them a perfect addition to our team! Jessica enjoys the "opportunities to learn in an ever-changing environment and the opportunities to collaborate, share and educate within many networks." Kira also enjoys being able to collaborate with others as part of her career. She says, "Working with different people from my various teams, to our specialists, and our clients is a great experience."

When they are not in the office, you can find Kira hiking — she is taking her first backpacking trip in Haleakala National Park in October — and people are often surprised to learn that she is a huge fan of the public library system. She always has at least one book checked out at all times. Jessica can be found enjoying the latest movie, TV show or good book. She was a music education major for four years and still plays the flute and oboe in a local community concert band that meets once a week.

As part of our Squad, they will soon be giving their own advice out to our high school and college students, as well as our up-and-coming CPAs, but when we asked them what the best advice was that they received, Jessica said, "Sometimes the most important thing is to 'know what you don't know'. One person can't be expected to know everything but knowing when to ask for help and knowing when and how to apply the appropriate resources can get you a lot further, in business and in life!" Kira shared, "I once read that 'if you take care of yourself, you can give more to everything else' and it reminds me of the importance of maintaining balance and taking time to recharge."

Thank you, Kira and Jessica, for joining the Squad! We look forward to having you and in seeing the many contributions that you will make to our profession.



Y-CPAs... Doing Good for the Community

We can always count on our Y-CPAs when it comes to giving back to the community . . .

"to benefit another person, group or organization for no financial or social gain".

They once again committed to their annual Hawaii Foodbank CSFP (commodity supplemental food program) Senior Food Box Packaging event. The HSCPA provided breakfast for the early risers before heading over to the assembly lines on a humid Saturday morning. This event was postponed to September 1st because of Hurricane Lane (August 25th), and as a result of the rescheduling, there were less volunteers. The Y-CPAs and other volunteers worked longer — and harder. There were no complaints... just a lot more sweat! Thank you, Y-CPAs!













KALA OCTOBER 2018





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