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Upon closer examination, a perfect collaboration can make all the difference.

It's no surprise TruTag® Technologies, an expert in microtag authentication, saw the true value in working with American Savings Bank. We provided them with a variety of financial services that helped them advance their innovations. TruTag recognizes we're a genuine ally, and, with their tech skills, they can spot one with ease.

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President's Message

By Darryl K. Nitta

*Why was the accountant so excited that he completed
a 2,000-piece jigsaw puzzle in only 59 weeks?*

Because on the box said 6-12 Years!



Our firm recently completed our first Peer Review under the administration of the Oregon Society of CPAs. If you haven't gone through the process yet, I want to share a few helpful hints to help your firm navigate the new Peer Review administrative process. If you are currently going through the process, I want to share what I recently learned from attending one of HSCPA's great CPE classes called SSARS: A Nuts-n-Bolts Update taught by Dustin Verity. And, if you have already gone through the Peer Review process, congratulations on completing your mandatory Peer Review under Hawaii law.

HAWAII LAW: MANDATORY PEER REVIEW FOR HAWAII FIRMS

As a condition of licensure and in order to practice public accountancy in Hawaii, every firm, including the Hawaii offices and Hawaii engagements of foreign or multistate firms, that is required to obtain a firm permit to practice pursuant to section 466-7 shall undergo a peer review every three years).

Tip #1: Become familiar with navigating the Peer Review Integrated Management Application (PRIMA) via the AICPA website. By having the right contact information for your Firm's Peer Review Team, you will be assured to receive all e-mail communications from PRIMA. I know this is kind of like remembering to fill in your name on your SAT's, but there are always those who don't.

Tip #2: Ensure you accurately answer your Firm's Peer Review Information (PRI) because that is what determines whether you will have a System Review or an Engagement Review.

Tip #3 (compliments of Dustin):

- Have the proper report titles and section headings
- Obtain an engagement letter

Tip #4 on common errors specific to Reviews (compliments of Dustin):

- Failure to request management to provide specific written representations
- Failure to prepare reports in accordance with Professional Standards
- Failure to properly specify the date or period covered by the reviewed financial statements

- Failure to clearly indicate the degree of responsibility the accountant is taking with respect to supplementary information that accompanies financial statements and the accountant's review report

Tip #5: Finally, once complete, remember that you still need to notify the Hawaii Board of Public Accountancy that your review was completed.

Tip #6 [Click here](#) for additional great tips from another expert peer reviewer!

ALL CPA FIRMS THAT ARE SUBJECT TO THE HAWAII PEER REVIEW REQUIREMENT

Pursuant to Hawaii Revised Statutes ("HRS") section 466-35, all CPA Firms that are subject to the Hawaii peer review requirement must submit a "Peer Review Compliance Reporting Form to the Hawaii Board of Public Accountancy ("Board") within thirty (30) calendar days of receipt of the notice of completion from the sponsoring organization under HRS section 466-38. Please use the "**Peer Review Compliance Reporting Form**" (CPA-PR4 0817R) which can be downloaded from the **Board's website**. Complete and sign the form, then submit the ORIGINAL to the Board within thirty (30) calendar days of receipt of the notice of acceptance letter from the sponsoring organization (OSCPA, AICPA, etc.). If you have any questions, please contact the Board's office at (808) 586-2696; accountancy@dcca.hawaii.gov.

The Oregon Society of CPAs (OSCPA) have dedicated, experienced full-time staff who can offer the kind of assistance to Hawaii firms that we have come to expect. Hawaii firms will continue to select from qualified reviewers, just as they have always done. Our firm received exceptional assistance from the OSCPAs from the initial scheduling through completion. If you need assistance, please contact Amanda Diem at adiem@orcpa.org (1-800-255-1470 ext. 123) or Leah Moore at lmoore@orcpa.org (1-800-255-1470 ext. 111). For additional information on peer review, visit the Oregon Society of CPAs, peerreview@orcpa.org.

Looking ahead:

Looking ahead: November is officially "being thankful" month. From a professional standpoint, I am thankful for a profession that continues to evolve in today's dynamic environment.

Classify New Hires Right with These Secrets, Tips, and Resources

By Randy Johnston



Hiring independent contractors can make a lot of sense in business. Contractors often bring a different level of expertise to certain projects, and they're typically a more affordable alternative to full-time employees. They don't require all the same forms of compensation as traditional employees, including insurance and fringe benefits.

If you're experiencing rapid growth, you might be tempted to hire contractors over employees, thinking they'll scale up quickly to meet demand. But if it makes so much financial sense to pass up W-2 employees for independent contractors, why aren't more business owners doing it?

There's a big reason, and it's called



the IRS. If you're caught misclassifying employees (however unintended), you could be in hot water with your state labor department, federal labor department, or both! These lawsuits can be costly and particularly crippling to business owners working on thin margins.

The most tragic part is, like many business owners, you won't know you're doing anything wrong until you're slapped

with a Fair Labor Standards Act (FLSA) lawsuit. What's more, misclassifications are preventable. That's why it's so important for you to know the difference between a W-2 employee and a 1099 independent contractor and be aware of the penalties for confusing the two.

what are some telltale signs i'm treating contractors like employees?

Maybe when you started, you only needed workers for 10 hours a week, but now things are scaling up, and you need them all week long. Over time, you've increased your oversight, and your contractors have lost elements of control they used to have, like the ability to set or negotiate their hours.

You also need workers to go off-site for certain projects, so you give your



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contractors access to a company car. Sure, they could use their own, but you're not reimbursing them for gas or mileage, so why bother? And when one of them reveals they're working for another company in your niche on the weekends, you discourage or prohibit them from working with the competition.

Each of these actions may indicate you've misclassified your workers. If your independent contractors aren't free to work when, where, or how they like and aren't reimbursed for their expenses, you may be treating them more like employees. One of the most dangerous mistakes you can make is failing to recognize when an employee who started as an independent contractor has changed responsibilities and fallen out of the 1099 safe zone.

what are the consequences for misclassifying workers

Perhaps the biggest consequence for business owners who misclassify workers is payroll tax issues, and that's beside it being a violation of the Fair Labor Standards Act (FLSA). Companies that improperly classify employees as independent contractors can face state and federal penalties. Wage and hour claims are usually initiated at the state level but can easily progress to the federal level, depending on the size and nature of the business. And let's not forget the IRS. They would be involved in a case like this as well.

how can I make sure my new hires are classified correctly?

An ounce of prevention is worth a pound of cure. Pay for an hour or two of consul-

tation time with an attorney. If you go in with all your ducks in a row, you can get an efficient analysis of your situation. If you're considering making some new hires but aren't sure whether to classify them as employees or contractors, there are some things you should bring with you to your consultation.

- Each position's job description
- Descriptions of the type of work the new hires will be doing
- An estimation of how many hours your hires will be working
- A list of the equipment they'll be using, including the equipment they'll need to bring with them, such as a laptop

If your attorney recommends you classify your new hires as independent contractors, ask the attorney to provide you with an independent contractor agreement. They should have a template you can tweak, so you can still protect your business interests and competitive advantages. It's important your new hires understand and respect your confidential information. You can require independent contractors to execute confidentiality agreements as part of their on-boarding with your company.

Once you've worked out which positions require contractors and which require employees, you'll want to adjust your job postings to reflect that information. Can't hire an attorney to double-check your employment opportunities just now? The IRS can help, but there are other free resources available (like this 1099 or W-2 calculator) that may be able to help you classify new hires correctly.

three Hiring Secrets to Protect You from Common Misclassification Pitfalls

In the end, you have two options when it comes to protecting yourself from misclassifying workers. The first is only hire W-2 employees. That's the safe zone, even if it's sometimes inconvenient and more expensive.

The second option is to learn and internalize these three hiring secrets:

- Know your company.
- Know your needs.
- Know what your workforce is doing.

It's just good practice. And always ask if the duties you hired people for are still the ones they are currently doing. Just because you got it right the first time doesn't mean you're going to keep getting it right—and that's ok! Every business owner should take the time to circle back on this to make sure everybody is classified as they should be. Sure, correctly classifying employees doesn't sound like a big deal at first but getting it wrong can wreak some serious havoc on your business.

Randy Johnston is a nationally recognized educator, consultant, and writer with over 40 years' experience in Strategic Technology Planning, Accounting Software Selection, Paperless, Systems and Network Integration, Business Continuity and Disaster Recovery Planning, Business Development and Management, Process Engineering and outsourced managed services.

Are You Leading from the Middle With Intent?

By Jacqueline Lombardo – Boomer Consulting, Inc.



Most discussions around leadership focus on the top of an organization. Partners and C-Suite executives are the ones most often charged with visioning, strategy and setting the tone from the top. While their roles are crucial to the long-term success of the organization, leadership from the middle of the firm may be just as important.

In 2013, Behnam Tabrizi of Stanford University's Department of Management Science and Engineering conducted a study of 56 randomly selected companies involved in major change and innovation efforts. Nearly 68% of these large-scale efforts failed. Among the successful initiatives, the most critical determinant of success was the role of mid-level managers. "In those cases," Tabrizi wrote for the Harvard Business Review, "mid-level managers weren't merely managing incremental change; they were leading it by working levers of power up, across and down in their organizations."

Clearly, you don't need to wait until you've made partner or been elevated to

a C-suite role to lead. Being an intentional leader isn't about titles; it's about knowing how you produce value, making purposeful decisions, and using your actions to advance the firm. Here are five steps you can take to become an intentional leader.

Assume responsibility

Ultimately, you are responsible for the path you are on and what you are doing along that path.

Responsibility is not the same as accountability. Accountability is important; it means you are answerable and willing to accept the outcomes of your efforts. But responsibility goes further. It means having the mindset that you are the person who must make a project happen.

Assuming responsibility in your role influences how you behave with people above, below and on your own level in the organization. An intentional, responsible leader:

- Stays on top of problems and doesn't assume someone else will step in
- Knows that effectiveness is ultimately defined by results, and
- Accepts criticism for mistakes.

Leaders who assume responsibility are more likely to achieve success, unite their teams and enact change.

Be clear about your purpose

An intentional leader recognizes how they bring value to an organization and knows it's more than a checklist of tasks to do each day, week or year. They can clearly articulate their personal "why," the "why" of the firm, and how one supports the other.

When you pursue your work with purpose, you are energized to push through obstacles, take risks, and build engagement with others. To be an effective, purpose-driven leader, you need to remain composed, confidence, consistent and courageous.

Care about others

Intentional leaders care about their team. They know what high impact looks like and sounds like for others and care enough to offer challenge, opportunity, growth and recognition. They will challenge behaviors and values that compromise the integrity of their team and what they are working to achieve.

Of course, it's easy to say you care about others, but caring is about action, not just words. It involves getting the people you work with know that it's ok to be fully themselves at work and express their concerns, vulnerability and creativity in their jobs.

A 2015 survey from Gallup found that employees who strongly agree that they can approach their manager with any question or concern were more likely to be en-

*In Memory Of
Barry K. Taniguchi
1947 - 2019*

Our sincere regret at the loss of a colleague, friend and member of the HSCPA since 1971. We wish to express our deepest sympathy to his family and friends.

gaged in their work. Caring about others creates trust, and trust builds loyalty.

Challenge the status quo

Every great leader or organization has had to challenge the status quo and chase what could be and not merely what is. New opportunities, increased productivity, relevance and fulfillment do not come from merely treading water or doing what you've always done, but from seeking new and improved ways of doing things.

To challenge the status quo, get intentional about taking time to ask:

- What ideas or processes in the firm need to be challenged?
- What needs to be improved?

Senior leadership to communicate

intent, but the middle of the organization need to question why we are doing what we're doing. Get inspired to do better and think bigger.

Celebrate achievements

Leading with intention requires looking toward the future, but it also means recognizing successes now. That recognition is critical for maintaining and momentum.

By celebrating success, you reinforce the motivation that will carry you and your team through the next hurdle. So, step back and recognize the effort that went into achieving milestones. It doesn't have to take a big effort. A handwritten note or firm-wide announcement when someone reaches a goal can be meaningful and fun.

Top management often frames change in purely strategic terms, but middle management supports the change process with alignment and practical actions. Get crystal clear about what you want and why, then make an effort to act more intentionally. This will increase your impact in your firm.

As a Project Manager for Boomer Consulting, Inc., Jacqueline plans, executes and manages the people, resources and scope of many of our firm's projects, programs and events. Her primary roles include overseeing Lean Six Sigma Consulting and The Boomer Technology Circles™ Partnering Sponsor Program. Jackie thrives at the opportunities to build new relationships.



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TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government

By Tom Yamachika

The Fight Over Honolulu Vacation Rentals Begins



The fight over short-term rentals in Honolulu has entered another phase.

On June 25, 2019, Honolulu Mayor Caldwell signed into law Ordinance 2019-18, formerly known as Bill 89. The law took effect on August 1, 2019. Basically, if you want to operate short-term (less than 30 days) vacation rentals, either “bed and breakfast homes” where the owner also occupies the premises or “transient vacation rental units” where the owner doesn’t, there are several new provisions and requirements.

If you are in certain designated parts of the island, namely in a resort zoned district or certain A-1 or A-2 apartments, you may operate either a bed and breakfast home or a transient vacation rental unit. If you are not in those parts of the island but you have a valid nonconforming use certificate, you can still rely on your NUC and you need to renew it every even-numbered year.

If you are not in the designated areas and don’t have a NUC, operating a transient vacation rental unit is illegal. If instead you have a bed and breakfast home, you need to register it; there are tons of requirements before you can register it; and in any event you won’t be able to register it before October 1, 2020, because the City is going to need some time to figure out exactly how to administer some of these requirements. Yes, that means that if you are currently

operating a B&B and need to register, you need to shut down for at least a year until the City gets its act together.

Some of the requirements contradict themselves. For example, there is a requirement that there be no two registered bed and breakfast homes within 1,000 feet of each other. There is another requirement that no more than 50% of the units in an apartment building can be used as bed and breakfast homes with Association approval. It will be difficult or impossible to meet both requirements unless only one unit in an apartment building can be used as a bed and breakfast home, which makes one wonder if the 50% requirement was supposed to override the 1,000 foot requirement.

If you want to advertise, you must demonstrate in the ad’s text that the advertised rental is legal. For example, the ad can say that the rental is for 30 days or more, or you can include the NUC number in the ad. If the ad doesn’t conform, the advertiser can be cited and fined. Operating a short-term rental without any required registration or permit is also illegal and the operator can be cited and fined. Fines range from \$1,000 to \$10,000 per day.

The requirements are summarized in a FAQ document that the Department of Planning and Permitting has put out.

Opponents of the ordinance have filed

suit in Federal court, citing several laws and constitutional provisions that they think have been violated. Among them is the Eighth Amendment, which prohibits excessive fines and cruel and unusual punishment. This past February, the U.S. Supreme Court, in *Timbs v. Indiana*, held that this Amendment’s restrictions also apply to state governments, and need to be addressed even for civil asset forfeitures (the case before the Court involved the police seizure of a SUV because it was allegedly used to transport drugs, where the van’s value was more than 4 times the maximum fine that the van’s owner could have been liable for). Applying the Eighth Amendment to this case, therefore, may be charting some new ground in the legal field.

Whatever the ultimate outcome, the new ordinance represents a starkly different approach from the prior law that was difficult to enforce and that was probably winked at more than several times. It remains to be seen whether the Mayor and the City Council have the political will to follow through with vigorous implementation of this new regime.

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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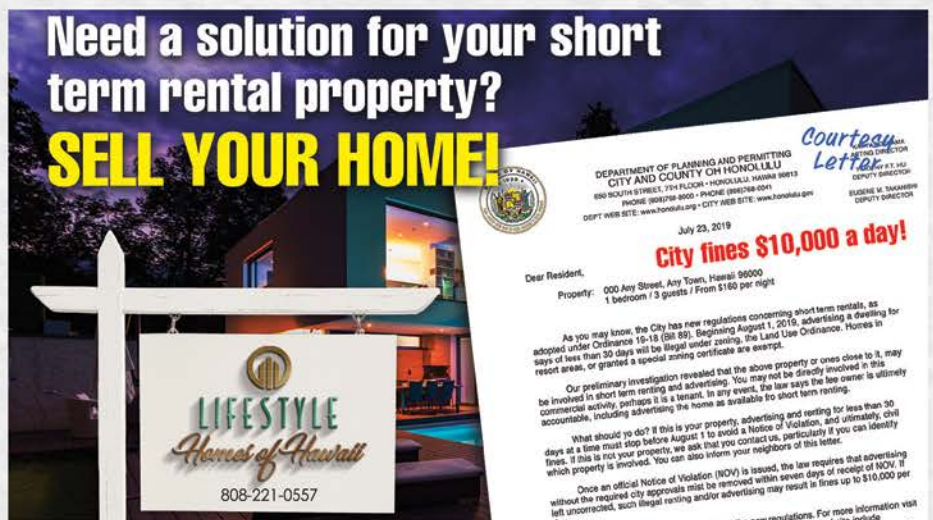
SHORT TERM RENTAL LAW

The City has new regulations concerning short term rentals, under Ordinance 19-18. Beginning August 1, 2019, advertising a dwelling for less than 30 days is illegal. The law states the owner is responsible, including advertising the home for short term renting with fines up to \$10,000 per day. This can present a challenge for those who are in this category. LifeStyle Homes of Hawaii understands this. We can help you in solving this short term rental issue by selling your home.



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What is a 1031 Exchange?



Jeffrey brings nearly three decades of real estate experience to every transaction. With a proven track record, the right skill set and years of experience, LifeStyle Homes of Hawaii has all the tools to sell your home. We look forward to hearing from you and getting started.

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Professional Ethics for Hawaii CPAs

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

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OCTOBER 17

Social Security and Medicare: Planning for You and Your Clients

This course will provide both the background information on the Social Security system and the strategies clients will need in dealing with Social Security, and the myriad other related retirement planning issues.

[CLICK HERE FOR MORE INFO](#)

OCTOBER 17

Understanding Opportunity Zones

This tax initiative provides incentives for investors to re-invest capital gains into Opportunity Funds in exchange for temporary and long-term tax deferral and other benefits.

[CLICK HERE FOR MORE INFO](#)

OCTOBER 18

Annual Tax-Planning Guide for S Corporations, Partnerships and LLCs

Seminar will focus on planning issues in creating, operating, and liquidating S corporations, partnerships, and LLCs – essential for CPAs in public accounting and industry who advise these entities or their investors.

[CLICK HERE FOR MORE INFO](#)

OCTOBER 21

Federal Tax Camp

In this course, tax advisors will be fully updated on the most important legislative and regulatory developments of the season as well as major trends and changes in the case law.

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OCTOBER 23

New Features in Excel 2019 & Using Excel to Detect and Prevent Fraud

Seminar will feature ways to use Excel to help detect and prevent fraud, including working with random numbers, consolidating data, applying Benford's Law, converting a general ledger into a pivottable, converting a pivottable into a Cube function-based table, using regression to test the validity of data, profit margin monitoring, preparing a proof of cash, cleaning data so it can be properly analyzed, data analysis tools, using Sparklines to evaluate data trends, conditional formatting methods, ratio reporting and more.

[CLICK HERE FOR MORE INFO](#)

OCTOBER 24

Technology for CPA Executives

You will receive detailed checklists for conducting your own internal technology audit to identify your company's technology shortcomings and learn about possible solutions for those shortcomings. The course will wrap up with a slew of technology tips every leader should consider implementing in their companies.

[CLICK HERE FOR MORE INFO](#)

OCTOBER 25

Information Security

This course focuses on virtually every aspect of security including data security, email security, physical security, employee background checks, privacy, employee contracts to ensure security, data and computer backups, strong passwords; proper computer disposal, and more.

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OCTOBER 29

Fiduciary Tax Workshop

This course will enable participants to understand the principles of subchapter J and their relation to the Fiduciary Income Tax Return (Form 1041).

[CLICK HERE FOR MORE INFO](#)

OCTOBER 30

S Corporation Tax Workshop

This course is designed to identify the basic rules and regulations that apply in filing a Form 2553 and preparing a Form 1120S.

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OCTOBER 31

Selected Topics in Individual Tax

Participants will review the rules, cases, and regulations that apply to common problems involved in preparing an individual income tax return. Specific areas will be explored in depth.

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NOVEMBER 1

Section 199A: Deduction for Qualified Business Income – Final Regulations

This course will provide the practitioner with a detailed discussion and examples of the deduction for qualified business income under 199A introduced in the Tax Cuts and Jobs Act and modified by final regulations released January 18, 2019, and other guidance including Notice 2019-7. Rev. Proc. 2019-11, and additional proposed regulations. This provision will affect every business tax return, including S corporations and partnerships.

[CLICK HERE FOR MORE INFO](#)

NOVEMBER 4

Meet the Pros Accounting Mixer

This professional/student networking event helps students gain a 360-degree view of the profession. It's an opportunity for students to practice their business etiquette, communication and interview skills to prepare them for their career in accounting.

[CLICK HERE FOR MORE INFO](#)



Norman's Book Review

"101 Questions Everyone Should Ask..."

(in their 20s, 30s and beyond)"

by Paul Angone

If you are in your 20s, your life must be a cornucopia of feelings and emotions, as you sort through trying to figure out what your passions are, what you want to do with your life, living on your own, finding a significant other, making ends meet, enjoying life, maybe taking care of siblings or parents, etc. As Charles Dickens wrote in his book "A Tale of Two Cities," "it can be the best of times, and the worst of times." For those of us who are well north of 20 years old and in fact have kids in their 20s, we went through the same anxieties too. We also hope our kids enjoy their 20s and find their way positively.

The title of the book really intrigued me and since it also included his book "101 Secrets for Your Twenties." I thought 101 questions and 101 secrets to help people would be awesome. After reading both books, I must say it would have been great if I had such a book to reference to while I was in my 20s and 30s. You will learn you are not alone in the myriad of challenges you are experiencing and will face, and you will learn useful tips to help you. I highly recommend this book for people of all ages, not only those in their 20s or 30s.

The following are 12 of the 202 questions and secrets which I really liked. You need to get the book if you want to learn about the other 190 questions and secrets to help you.

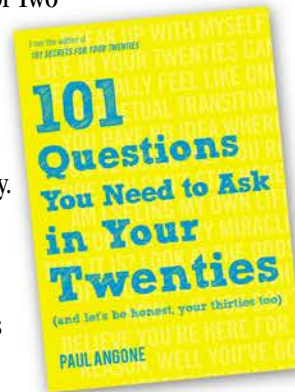
How do I make a choice when I don't know what to choose?

CPAs love data and options before making a decision. Sometimes we have too much information available and have a difficult time deciding what to do. So, what do we do? The author highly recommends "you first make a choice that you're going to choose something, because not making a choice is a choice and probably the least constructive choice you can make." When you start making decisions, "do it big, do it small, just do something."

What is fear keeping me from doing? Is it worth it?

This is Seth Godin's (author of "Purple Cow") advice to

twentysomethings. Paul was initially afraid to ask Seth what question he thought every twentysomething needs to ask themselves, thinking he didn't want to waste his time. After a few weeks, he decided to "stop stopping himself and finally sent the email." Fear almost kept the author from emailing Seth and "it wasn't worth it."



"Is it worth the anxiety that comes from letting fear get the best of you? Is it worth never knowing? Trying and knowing is better than wondering what if. Stop stopping yourself."

Do your actions back up your ambitions? Does your behavior back up your words?

Noted entrepreneur, author and speaker Gary Vaynerchuk always asked himself these questions and they were the driving force behind his success. The questions really made an impact on the author and so he included it in his book.

"We can talk all we want about doing big things, but our actions must be the backbone of our ambitions."

How do I grab my fear by the ears and snarl at it?

The author shared his story about the first time he had to put a bridle on an ornery horse. He was full of fear but eventually did it. He was less afraid each time he did it later. He learned the following important lessons about overcoming one's fear:

"If you're afraid, do it anyway.

You ease fear by doing it afraid. Then the next time, the fear is a little less frightening.

**Confront
your fears
and they
won't be
your fears
anymore.**

Doing something big is scary. Not doing something big because you're afraid is even scarier."

Wasted free time is incredibly expensive. Where do I waste the most time?

The author recommends everyone should take an honest look at how much time we waste doing nothing significant, because "time is the most important commodity we have."

"Dreams are silently assassinated by distraction and a lack of focus."

If you're not willing to be embarrassed, you're probably not willing to be great.

The author learned this important lesson when he had a chance to win an awesome guitar if he was one of the first five people to jump on stage and win an air guitar challenge. He hemmed and hawed before finally deciding to go on stage. However, he was too late. "He had missed the moment."

"You have to be on the stage to win. They weren't going to give the guitar to the bystander in the front row who swore he could've done it better."

"The fear of embarrassment stifles risk and poisons creativity."

Life will never feel like it's supposed to.

How many times are we told by well-meaning friends and relatives how we should live our lives? How about so-called experts who tell us the best lives to live?

Don't listen to these well-meaning people! Based on the author's experience, "if we keep trying to live other people's lives, who is going to live ours? Also, if we're always trying to live like we're "supposed to," we're never going to truly live."

Do not confuse setbacks for settling.

Being unemployed, having a boring job, having to move back with your parents, etc are setbacks which can be very depressing. The author reminds us these setbacks are temporary and we really are "just visiting, like taking a pit stop, not settling. You settle when you completely give up, when you let your dreams be suffocated by your current reality. Don't let these situations stop you."



The Road to Miserable is paved with complainers and cynics.

Especially with the rise of social media, the number of complainers and cynics have skyrocketed. There is always someone complaining about something in a cynical manner. As the author notes, "are you a complacent complainer or a passionate pursuer? People will gravitate to the latter and run away from the former."

"Complaining is passive and powerless. Creating is proactive and powerful. The more you create, the less you complain. The more you complain, the less you create. It's a very simple formula."

In the working world, very rarely is someone there to teach you how to do your job. They're expecting you to teach yourself.

This section caught my attention because I never looked at working versus going to school this way. When we go to school, we are essentially paying tuition to have a professor teach us. In the working world, we are getting paid to learn and do a job. No one is obligated nor are we paying anyone to teach us what to do. Consider yourself lucky if you have a mentor teaching you "the ropes."



Change or DIE.

Simply put, "those who know how to change will win, and those who master the art of change will hold the trophy with a big smile."

The secret to finding the right person to marry? Stop looking.

Most people who are unattached and want to get married are obsessed with finding "The One." Some have gone through bad relationships or have been dumped by their significant other, and feel unworthy. The author has a very interesting insight on finding "The One" – "stop looking for the right person and instead focus on becoming the right person." Why? "Right attracts right, and the more right you are, the more right your relationship will be."

CPA FIRM MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of The CPA Collective



The IRS Security Summit warns about a new IRS impersonation scam going around. The scam e-mails have subject lines like "Automatic Income

Tax Reminder" or "Electronic Tax Return Reminder," with a malicious link claiming to have tax return or refund information. The IRS does not send unsolicited e-mails requesting personal or financial information. If you receive a suspicious e-mail that claims to be from the IRS, the IRS recommends that you:

- Do not reply to the e-mail, open any attachments, or click any links
- Forward the entire e-mail as-is (including full headers) to phishing@irs.gov
- Delete the suspicious e-mail

For more information on analyzing and reporting suspicious IRS-related messages, you can visit www.irs.gov.



There have been reports of a recent spike in calendar spam targeting Google Calendar users. By default, if someone e-mails you an event invitation, the event automatically appears in your linked Google Calendar as an outline, even if the invitation had not yet been accepted. This feature is meant as a scheduling aid. However, by default anyone can send you an e-mail invitation, including spammers. Spam

invitations may contain malicious links, and by default would automatically appear in your Calendar app.




If you receive a spam invitation, be careful not to tap or click on any suspicious links that appear in your e-mail or calendar. Do not respond to the invitation, even to decline, because responding may notify the spammer that the e-mail account is active, resulting in more spam. To remove an existing suspicious calendar entry, you can mark it as spam. In order to prevent future spam invitations from automatically appearing, you can disable the auto-adding of invitations.

- From a web browser, go to Google Calendar (<https://calendar.google.com>)
- Then in the upper right corner, click the gear icon and click Settings.

- On the left side, click Event settings
- Under "Automatically add invitations," click the dropdown menu and choose "No, only show invitations to which I have responded."
- Then scroll down to "Events from Gmail" and uncheck the box next to "Automatically add events from Gmail to my calendar."

A warning will pop up saying "You'll no longer see events automatically added from your email. Previously added events from Gmail will be removed." Click OK.

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



Understanding Opportunity Zones

October 17 (Thursday)
9:00 a.m. to 1:30 p.m.
8:00 a.m. Registration

YWCA Fuller Hall - 1040 Richards Street

\$40
4 CPE
Credit hours

Join us as we do a deep dive into the tax, legal and business details of investing in Hawaii's Opportunity Zones, a community development program authorized by the recently passed Federal Tax Cuts and Jobs Act of 2017. This tax initiative provides incentives for investors to re-invest capital gains into Opportunity Funds in exchange for temporary and long-term tax deferral and other benefits. The Opportunity Funds are then used to provide investment capital to economically challenged communities, i.e., Opportunity Zones.

National experts will cover all aspects of this federal initiative to direct investment capital into economically challenged areas of the state. This seminar is designed for CPAs, lawyers, bankers, real estate brokers, potential investors and financial advisors. Also, this seminar will address many questions of business owners and real estate developers considering Opportunity Fund investment.

Machine Learning and Expected Changes in Accounting/Auditing for Hawai'i Companies

Organized by the School of Accountancy

Monday, October 21, 2019

Shidler College of Business, Room A101

Registration | 11:15am - 11:30am

Presentation, Lunch, and Panel discussion | 11:30am - 1:45pm (CPE: 2.5 hours)

"Accounting and Machine Learning" and "Expected Changes in Accounting/Auditing for Hawai'i Companies"

"Accounting and Machine Learning"

Dr. Ali Hadjarian, PwC Principle

Dr. Hadjarian is a Principal in the Forensics practice of PwC Advisory. He is a data scientist with over 25 years of experience in artificial intelligence, machine learning and natural language processing and has a doctoral degree in the same area. He is the chief architect of a number of AI-powered products and solutions used by clients in a wide array of industries. His research has resulted in dozens of publications and patents.

"Expected Changes in Accounting/Auditing for Hawai'i Companies"

A panel of accounting and auditing leaders in Hawai'i and Dr. Hadjarian

Please register using the following link or complete the following registration form and mail it to the address shown.

To register, visit : <https://tinyurl.com/y2htcerx>

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Paying it Forward and Sparking Joy

By Trisha Nomura



The mission of the Y-CPA group is to “provide opportunities for young CPA professionals to become involved in the profession; **give back to the community** and connect with the sustaining value of being a CPA.”

Giving back to the community has been a key focus for us every year. When I first became involved with the Y-CPA group, we would coordinate two or three projects a year – last year, we did five! It is one of the accomplishments that our Squad is most proud of.

Paying it forward is something that has been very important to me personally. All of us are extremely busy and between work, family, friends, and hobbies sometimes adding community service to

that equation seems like a daunting task. Where we choose to invest our time is a big decision with huge impact. That is why when it comes to volunteering, if you choose an organization that you are truly passionate about, then it never feels like a requirement but rather something that you look forward to.



Early on in my career, I thought long and hard about how I could best serve. There are so many well-deserving organizations out there, but I also knew that if I committed to too many, I would be stretching myself thin. After much reflection, I kept coming back to our profession. I joined the Y-CPA Squad in 2010 and when I went to my first high school visit talking about why I chose to major in accounting and what it meant to be a CPA, I realized that this was something I really enjoyed.

That one decision has led to so many opportunities. Through involvement with the HSCPA, I was fortunate to attend the AICPA Leadership Academy, and eventually serve as an at-large Council member

traveling across the country to discuss current issues and contribute towards important conversations and decisions impacting our profession.

Although my career has led me to pursue different paths outside of accounting, I have continued to volunteer with both the HSCPA and AICPA because of how much I have loved doing it. As Marie Kondo would say, it “sparks joy”! What started out as a way to give back has given me so much more in return and it has never felt like it was something I had to do, but something I truly wanted to do.

I challenge you to think about what that special organization is to you, and if you haven’t started making your mark, to do so now! Finding that organization can be difficult if you are just starting out in your career. I recommend that you volunteer for one event, or one project, and see how you like it. If you do, you can sign up for more, you could increase your involvement by sitting on a committee, and then perhaps you may be interested in serving as a board member.

Giving back will bring you a rewarding experience that will be meaningful to you for many years to come. I can’t wait to hear your stories about how you have paid it forward!

If you’re under age 40 and would like to join the Y-CPA committee, please contact us at info@hscpa.org. We look forward to working with you to “spark joy”!

Hawaii Practices For Sale

Gross revenues shown: Honolulu CPA-\$798K; Downtown Honolulu CPA \$781K; Kapolei/Waipahu Area CPA \$109K; Honolulu CPA Tax-\$145K; Hilo Tax & Accounting \$35K. For more information, please call 1-800-397-0249 or to see listing details and register for free email updates visit www.APS.net.

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@APS.net.



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another **Y-CPA Community Service Project**

**To
benefit**



Participate in the
Foodbank's CSFP Senior
Food Box Packaging event
on October 19th!

October 19th (Saturday)
8:00 a.m. - 12:00 p.m.



at the Hawaii Foodbank Warehouse
2611 Kili Hau Street

- ♦ Wear cool, comfortable clothing and footwear
- ♦ Breakfast provided for HSCPA member volunteers
(arrive by 7:30 for breakfast)
- ♦ Goodwill and camaraderie!

Brought to you by:



**By
October 11**



YES - Please count me in as a volunteer for this worthwhile service project!

Send your "count me in" response to info@hscpa.org and we will send you a volunteer form required by the Hawaii Foodbank.

Thank you!

We may be limited to the number of volunteers we can accept.



October 30, 31

**8:30 a.m.
Hawaii time**

8 Keys to Tax Automation

Tax season seems to be getting worse every year. Last minute changes to the tax code, delayed tax software updates, workload compression and a shortage of experienced tax professionals continue to exacerbate what is already a grueling season for many accounting firms. Client fee pressures are forcing firms to figure out how to get more productivity out of their existing staff while not burning staff out and while still maintaining a high level of staff engagement. Yet some firms have been showing strong growth and even increased work-life balance. We interviewed a variety of these firms to see if we could identify the secret to their success. Attend this webinar to learn how these firms are bucking the general trends and achieving growth and increased profitability.

Planned date / time:

October 30, 2019

8:30 am HST

8K-1030

**Member
\$69**

**Non-member
\$89**

Cybersecurity for Small Tax Firms

This program is designed specifically for small firms with simpler IT environments and outsourced IT services.

The growing risk of tax identity theft and increase in hackers targeting firms offering tax services makes it even more important for tax practitioners to revisit their cybersecurity/information security policies and procedures. Attend this non-technical seminar to obtain an understanding of the IRS's expectations of you in safeguarding your clients' data (Pub 4557) and practical tips to reduce your risk of a data breach.

Learning Objectives:

- Understand how tax practitioners are at risk for a data breach
- Understand key requirements from IRS Publication 4557: Safeguarding Taxpayer Data
- Learning practical tips to protect client and firm data

Planned date / time:

October 31, 2019

8:30 am HST

CS-1031



Donny C. Shimamoto, CPA, CITP, CGMA is the managing director of IntrapriseTechKnowlogies LLC, a Hawaii-based CPA firm focused on innovation enablement and risk management services for small and mid-sized businesses and nonprofits. Donny has been recognized as one of the Top 25 Thought Leaders in Public Accounting by CPA Practice Advisor and as a Top 100 Most Influential People by Accounting Today for numerous years.

2019



Meet the Pros

Accounting Mixer



November 4th
(Monday)

5:30 to 9:00 p.m.



Honolulu Country Club
1690 Ala Puumalu Street

- ♦ Opportunity for students to meet professionals from all segments of the accounting profession
- ♦ Students will gain a 360-degree view of the profession - public accounting (audit, tax, advisory services, etc.), corporate business & industry, government and academia
- ♦ A great event for students to practice their business etiquette, communication and interview skills!

Dinner & Student Rotation

Member - \$65

Non-member - \$75

Buffet dinner + CPE

2 CPE credit hours

Limited Seating



How Accountants Can Leverage Blockchain:

A Hands-On Workshop for Blockchain Beginners

Required for exercises:
Bring your laptop or tablet -
some exercises are online
and involve working with an
actual Blockchain (fun
games, too!)

December 16 (Monday)
8:30 a.m. to 4:30 p.m.
Oahu Country Club

Blockchain is currently one of the heavily hyped technologies posed to change the accounting world. Attend this hands-on workshop to demystify Blockchain and learn more about how it may be used in accounting transaction processing.



\$200

8 CPE credit hours

**Registration Fee includes
continental breakfast
and lunch.**

You don't need to be a techie to attend this session - we'll teach you what you need to know. IT cannot be successful implementing Blockchain on its own. Non-techie accountants play an important role in ensuring success of a Blockchain initiative.

Designed by Top 25 Accounting Thought Leader, Donny Shimamoto, CPA.CITP, CGMA, and powered by gamified learning platform, TrueUp, who was selected as part of the 2018 AICPA Innovation Accelerator, this course will:

- Provide you with a basic understanding of Blockchain and its implications for the accounting profession.
- Lead you through hands-on exercises in two major use cases for Blockchain: (1) Tracking movement of assets and (2) Management of ownership (tokenization)
- Explore the implications to internal controls of different blockchain implementation architectures so that you can help guide IT in incorporating proper internal controls up front

You won't want to miss this course designed specifically for management accountants and auditors who want to gain a working understanding of Blockchain concepts and experience interacting with an actual Blockchain.

Welcome!

