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Managing a Virtual Team

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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.

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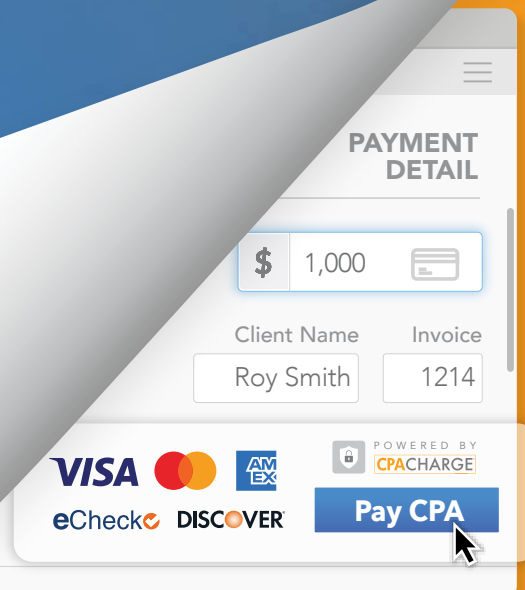
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President's Message

By Darryl K. Nitta

"Perfection is not attainable, but if we chase perfection, we can catch excellence."

— Vince Lombardi

"The pursuit of perfection often impedes improvement."

— George Will



Two thought-provoking quotes relating to perfection that seem to contradict each other at first glance. Sometimes we as professionals, especially tax professionals, get stuck in the rabbit-hole of perfection trying to make sure every deduction listed is spelled correctly on a tax return. Does it really matter if the auto-populate software lists "Bank of Hawaii" as "Bonk of Havaii" if the dollar amounts are correct? When in deep pursuit of perfection, we forget the bigger picture like the client will not have to pay safe harbor estimated taxes because of the devastating COVID-19 impact to their 2020 business.

On the other hand, once we accept the fact that we are not perfect, we are able to let go of our fears of making mistakes. Only then are we able to catch excellence by providing insight and valuable knowledge to help our clients succeed.

Switching gears a little ... Every day we hear stories of people helping people. The various personal and business stimulus packages are great, but COVID or no COVID, kids should never go hungry. I truly admire the celebrities coming together with other organizations to feed America. I do feel lucky that our profession while disrupted, is not out of work like the hotel or airline industries. And I continue to be amazed at the generosity of our CPA profession. The outpouring of community support we are able to offer to those in need is absolutely amazing.

A prime example of this is our very own HSCPA member Steven Ai and the entire City Mill family. They opened their arms to help sell all the girl scout cookies stockpiled because of the COVID-19 Pandemic. What can you do to help? Well, did you take the HSCPA Marvel Challenge yet? If you donate \$250 or more to a charity of your choice, the HSCPA will send you a collector's item limited edition Marvel Facemask! These one-of-a-kind tokens of appreciation are specially handcrafted by Nadine Uratsuka and so far we have given out over 20 of them! So far, HSCPA members have donated over \$6,000 to Hawaii non-profit organizations. Take the Challenge and we'll send you a reusable Marvel mask to help "Avenge" COVID-19!

One more month of quarantine. It will come and go before you know it. Continue to Be Safe, Stay Healthy, and All the Best to You and Your Families!

Looking ahead: My last President's Message!

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WEBINAR



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Tom Yamachika

Advanced Hawaii General Excise & Use Taxation, Multistate Taxation Planning and Controversies



May 19, 2020

8:30 a.m. to 4:30 p.m.

CPE SPECIAL 8 credit hours

This webinar will feature leading State and Local taxation experts.

In light of the U.S. Supreme Court decision in *South Dakota v. Wayfair*, Hawaii taxpayers will be subject to increased taxation in other states and mainland taxpayers will be subject to increased taxation in Hawaii. The changes brought by the *Wayfair* decision implicate numerous multi-state issues including nexus, constitutional and federal limitations on taxation, combined and unitary reporting, apportionment, sourcing, tax treaty impact on state income tax bases, and other topics.

The speakers will also discuss their practical perspective and tax planning ideas, opportunities, and strategies, tips, and pitfalls related to Hawaii's GET and use taxation including exemptions, deductions, lower rates, income splitting, credits, contracting, sourcing and apportionment, constitutional and federal preemption issues and dispute resolution including the AADR, Board of Review and Tax Appeals Court.

Arthur R. Rosen, Senior Tax Partner at McDermott Will & Emery, focuses his practice on tax planning and litigation relating to state and local tax matters for corporations, partnerships and individuals.

Alyse McLoughlin, Partner at McDermott Will & Emery, focuses her practice on state and local tax matters, with particular emphasis on working with financial services companies. Alyse handles state tax litigation and also advises with respect to planning opportunities.

Trever Asam is a partner at Cades Schutte. He represents taxpayers in tax controversies and disputes with the IRS and the Hawaii State Department of Taxation.

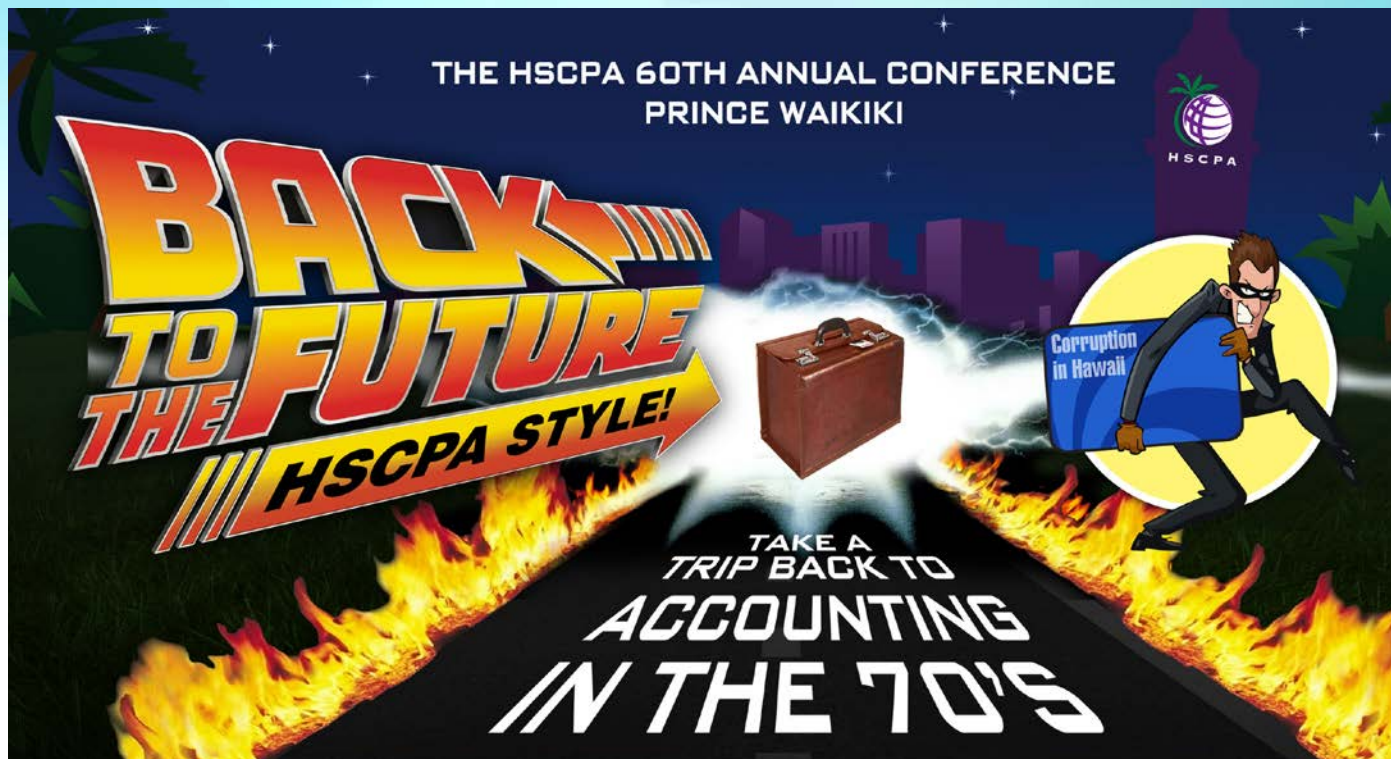
Ron Heller, a Director at Torkildson Katz Hetherington & Harris, has been practicing law in Hawaii for over 35 years, concentrating on tax litigation, tax law, and business disputes, primarily dealing with accounting and financial issues.

Kurt Kawafuchi, Esq., Law Offices of Kurt Kawafuchi, LLC, concentrating in federal and state, civil and criminal tax controversies and litigation, as well as international and domestic tax, business & estate planning.

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.

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2020 Annual Conference Postponed New Date To Be Announced!



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3 Tips for Managing a Virtual Team

By Jim Boomer - Boomer Consulting, Inc.



In February, a report from FlexJobs and Global Workplace Analytics found there was a significant upward trend in the number of people working remotely in the U.S. In the space of just one year, from 2016 to 2017, remote work grew by 7.9%. Over the previous 10 years, it grew 91%. When the dust settles on 2020, how much will remote work have grown? If the last month has been an indicator, a lot.

Thought leaders from within and outside of our profession have been predicting a seismic shift in the number of people working remotely for years. So really, the current public health crisis simply accelerated a trend that was already happening.

Of course, the need to shift happened so quickly that many firm leaders are struggling to manage team members who

are suddenly working from home full-time. At Boomer Consulting, we've been a virtual team for years. Here are three best practices we've learned.

Measure output, not hours

Having people available for meetings and client calls during set hours is essential, but there's no need for employees adhere to a strict 8:00 to 5:00 schedule while working remotely. Rather than counting hours, make sure everyone has clear tasks and responsibilities. People can do what needs to be done rather than trying to look busy because they're "on the clock."

The best way to ensure everyone is doing their job is to set clear expectations for each role and have regular progress check-ins. Make it a rule for managers to set up weekly one-on-one time with their team members. This time is about holding people accountable for their performance.

But it's also an opportunity to check in on their workload and provide support as needed.

Use your automated workflow solution and other project management tools to track productivity and output rather than using time as your main KPI for performance. Great workers will deliver no matter how many hours they're at a desk.

Create a process for communication

Communication is crucial in a virtual team. There should never be a time when you wonder what people are working on.

Our team uses a combination of video conferencing, instant messaging, and social tools designed for remote teams to replicate being on-site as much as possible. Some options your firm might consider include:

- Chat: Slack, Google Hangouts, Microsoft Teams, Workplace
- Workflow: XCM, Karbon, Amelio, CCH Axxess Workstream, FirmFlow
- Project Management: Trello, Asana, Monday
- Video Conferencing: Zoom, Skype, GoToMeeting

Having multiple communication tools gives us a way to communicate with the right person at the right time. However, having various communication tools also requires setting standards for the way people use those tools.

Create a firm standard for when to use emails, instant messages, video conferences, etc. Making it clear what tool to use and when helps establish

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expectations for how team members should interact with each other and provides a feeling of togetherness.

Without establishing a process for communication within a virtual team, it's easy for people to fall back on the old habit of using email for everything, even when it's not the best tool for the job.

Address the issue of being "always-on"

Some firm leaders worry that people won't work enough when operating remotely. Typically, the opposite is true, and it can become a big problem. Remote workers can burn out quickly when they feel they're always on the clock, so it's an issue your

firm will need to address. Encourage people to establish set hours and take advantage of paid time off.

Pay attention to your best performers as much as you do the rest of your team. Your start performers are usually the ones most at risk of overworking themselves without the clear boundaries that working from the office provides.

We do believe the current crisis will end but don't expect things to go back to the way they were. Once your team is able to successfully work remotely, it's impossible to tell them they need to be in the office 100% of the time to be productive.

Managing a virtual team can be

challenging. But once you overcome the challenges, you'll begin to recognize the opportunities and enjoy the rewards of leading a cohesive team – no matter where people are located.

Jim Boomer, CEO of Boomer Consulting, Inc., is an expert on managing technology within an accounting firm. He serves as the director of the Boomer Technology Circles, The Advisor Circle and the CIO Circle. He also acts as a strategic planning and technology consultant and firm adviser to CPA firms across the country. Accounting Today called him a "thought leader who can help accountants create next-generation firms."



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TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government

By Tom Yamachika

Taxing Medical Practice to Death



By now everyone knows that we're in a state of emergency. There's a virus spreading through the population and killing

people. There's no vaccine, and no confirmed effective therapy such as drugs, so if you get sick from it there's a chance that it will be game over for you.

Unless, of course, you are lucky enough to get good medical care. Then you have a much better chance of surviving.

Medical professionals, however, are in short supply. Like alcohol, hand sanitizer, face masks, and toilet paper.

Take the Big Island, for example. In a video interview on State of Reform, a website focused on health care policy in the five westernmost states, Dr. Scott Grosskreutz, a radiologist and president of the Hawaii Radiological Society, mentioned that there is now a 44% shortage of physicians on the Big Island, and that a third of the doctors remaining are 65 years old or older. "[P]rivate practice is basically on the verge of going extinct," he said, because already low profit margins are being pressured by "the GET tax and the low Medicare reimbursements along with the high cost of providing care."

He continues: "We're also reaching out to the legislature and stating that

the general excise tax of 4.7% with the county surcharges basically strips a lot of these narrow-margin medical practices and puts them into the red. So, if the GET and the surcharges were applied to the hospital system, our understanding from talking to the Healthcare Association of Hawaii is that most if not all hospitals in Hawaii would be in the red and would have to either limit services or possibly close. So, if the state legislature agreed that the GET tax on hospitals and hospital-employed physicians is a bad idea because would it cause collapse of that portion of the sector, why would you apply it to community-based physicians?"

His observation about GET potentially killing off medical practices has basis in history. All hospitals in Hawaii now are section 501(c)(3) tax-exempt nonprofit companies that enjoy an exemption from the GET based on their tax-exempt status. A for-profit entity, HMC LLC, bought St. Francis West in Ewa Beach in January 2007. It did not have an exemption from the GET. It was in bankruptcy 20 months later.

Running a medical practice here in Hawaii does not seem to be an easy path to making tons of money. Our State runs a few hospitals, for example, and its portfolio used to include Maui Memorial Hospital in Kahului. It was losing tens of millions of dollars each year, so much money that state lawmakers, bucking

fierce union opposition and lawsuits, succeeded in privatizing it in 2017.

For rural areas not conveniently near a big hospital, including entire islands without a hospital, their front-line defense against diseases in general must be the small businesses run by doctors who have taken up residence in the community. Certainly, they are not tax-exempt entities like the hospitals are. They are ordinary people, or groups of people, out to feed their families like many of us. Maybe a distinction needs to be drawn between the small rural practices described here and specialty doctors pulling down millions of dollars a year. Whatever we may think of the latter, there may be a good case, from a public policy perspective, for giving some tax relief to the former.

Unless you like the idea of having doctors in rural areas being scarcer than toilet paper is now.

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

EMPLOYEE RIGHTS

PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The **Families First Coronavirus Response Act (FFCRA or Act)** requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

► PAID LEAVE ENTITLEMENTS

Generally, employers covered under the Act must provide employees:

Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:

- 100% for qualifying reasons #1-3 below, up to \$511 daily and \$5,110 total;
- $\frac{2}{3}$ for qualifying reasons #4 and 6 below, up to \$200 daily and \$2,000 total; and
- Up to 10 weeks more of paid sick leave and expanded family and medical leave paid at $\frac{2}{3}$ for qualifying reason #5 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

► ELIGIBLE EMPLOYEES

In general, employees of private sector employers with fewer than 500 employees, and certain public sector employers, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). *Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #5 below.*

► QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19

An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to **telework**, because the employee:

- | | |
|---|---|
| <ol style="list-style-type: none">1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;2. has been advised by a health care provider to self-quarantine related to COVID-19;3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2); | <ol style="list-style-type: none">5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or6. is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services. |
|---|---|

► ENFORCEMENT

The U.S. Department of Labor's Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employers may not discharge, discipline, or otherwise discriminate against any employee who lawfully takes paid sick leave or expanded family and medical leave under the FFCRA, files a complaint, or institutes a proceeding under or related to this Act. Employers in violation of the provisions of the FFCRA will be subject to penalties and enforcement by WHD.

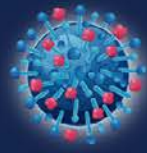


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Take the Marvel Challenge and help “Avenge” COVID-19

You play a vital role in supporting Hawaii's businesses, individuals and our economy! Thank you for continuing to provide your invaluable service to the community through this unprecedented time! CPAs are known for giving back to the community, so let's support the many organizations that are paying it forward.

Take the HSCPA Marvel Challenge

Donate a minimum of \$250 to Hawaii non-profit organizations in support of their COVID-19 relief efforts

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HSCPA President
Darryl Nitta and
Past President
Norman Okimoto
faced off and met
the Challenge!

ANNUAL ELECTION MEETING

via videoconferencing platform June 19, 2020

ELECTIONS

The Annual Election Meeting will be held on June 19, 2020 to vote on the slate noted below. The Annual Conference usually held with this meeting will be rescheduled to later this year.

The following will apply for this Election Meeting:

- Only Regular voting members in good standing will receive an invitation to attend.

- Confirmed member must log in (through link) with FIRST and LAST name, using a valid e-mail address.
- Voting will open on Friday, June 19, 2020 at 8:30 a.m. Hawaii time and close at 9:30 a.m. Hawaii time.

NOMINATING COMMITTEE REPORT

Pursuant to the provisions in Article VI, 6.1 of the HSCPA Bylaws, the Nominating Committee has submitted the following nominations for officers and directors of the Society for the fiscal year beginning July 1, 2020. If any nominee should for any reason become unavailable after notice of the election has

been given, and if voting is not conducted by written ballot, then nominations for that office from the floor by any member in good standing who is present (electronically) at the Annual Election Meeting shall be accepted.

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University of Hawaii at West Oahu

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Steven R. Oberg – MUN CPAs (Kauai)
Norman N. Okimoto –
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Valerie M. Peralto –
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AICPA MEMBER OF COUNCIL

(Designated)
Darryl K. Nitta – C&Y CPAs LLC
(term to begin May 2020)

In accordance with the Bylaws, officers automatically accede to the next level of office to serve terms as elected or as designated, and the directors named below will continue to serve their terms as elected or as designated, or may be removed by a vote of

at least two-thirds of the voting members present at a designated meeting. The President automatically becomes Immediate Past President when his/her term ends.

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Edmund N. Nakano – C.S. Wo & Sons, Ltd.

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Ryan K. Suekawa – Deloitte & Touche LLP

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Chad K. Funasaki – N&K CPAs, Inc.

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Grayson Y. Nose – CW Associates, CPAs
Natalie M.H. Taniguchi – American Savings Bank
Gordon M. Tom – KMH LLP

AICPA MEMBER OF COUNCIL

Ryan K. Suekawa – Elected 2019-2022

Responding to COVID-19 with Remote Access?

Pay Attention to Security!

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



As the world comes to grips with COVID-19, many businesses are responding by encouraging team members to work from

home. The rationale behind this action is to reduce the possibility of a contaminated team member encountering other team members, and potentially contaminating them. Unfortunately, not everyone has thoughtfully considered the security ramifications of encouraging team members to work remotely.

Consequently, many of these new remote workers may potentially and unknowingly compromise sensitive information. Read this article to learn about five security best practices you need to have in place in these environments.

Do Not Connect through Unsecured Wi-Fi

It's an unfortunate fact, but many home wi-fi networks remain unsecured. As such, cybercriminals can intercept the data transmitted over these networks easily. Of course, this results in potentially compromising sensitive and privileged information. Therefore, if you work from home and use wi-fi, protect the network at a minimum by requiring a password to establish a connection. Remember, you should never utilize an unsecured wi-fi network, regardless of whether it is in your home, a hotel, or any other venue!

To improve security relative to your internet access while working remotely, consider the following options:

- Connect to the Internet using wired

connections. Not only will they be more secure, but they might also be faster.

- If wired connections are not practical, secure your wi-fi connection with a strong password. You may need to re-configure your wi-fi router to add this password.

Consider Utilizing a Virtual Private Network

Virtual Private Networks (VPNs) create a secure, encrypted “tunnel” in the otherwise unencrypted Internet. Accordingly, the VPN encrypts all traffic that passes through it, even if the network itself is not encrypted. Stated differently, assuming a secure network connection (as described in the previous paragraph), a VPN adds yet another level of encryption to your data. Your IT staff may already have a VPN option in place for you. However, if they do not, you can take advantage of one of many good “personal” VPN's, including Nord VPN, Private Internet Access, Express VPN, and CyberGhost VPN. Either approach helps to reduce your risk of exposing confidential and sensitive information.

Be Aware of BYOD Risk

If you work from a computer that you provide personally – as opposed to a company-provided device – are you sure that your device is adequately secured. This risk is known as Bring Your Own Device (BYOD) risk, and it can be quite significant. For devices that your IT staff maintains, they likely implemented necessary security measures already. Examples include ensuring that anti-

malware software updates automatically, users do not log-in with Administrative rights on the computer, and unauthorized software cannot run on the computer. But in the traditional home computer environment, often these and other necessary security measures are not in place. Further, because several family members likely use the home computer, you run the risk of compromising data due to someone else's actions or activities on the device.

In short, when working from home, try to use devices managed by your IT team. When this occurs, we shift the security issues associated with the computer to professionals who should have adequate training for the task. If, however, you must use your device to work remotely, at a minimum, ensure that your operating system and all your applications have the most recent updates available. Also, verify that anti-malware software is installed on the computer and is updated at least daily. These measures help to reduce BYOD risk when working from home.

Watch Out for Leaving Data Behind

Following on the previous point, be careful about where you store your data if you are working on your computer. In these situations, it is common for team members to save files on the local hard disk, as opposed to the corporate server or some Cloud-based resources. Then, when the working environment transitions back to a more routine one, and you return to the office to work, you may realize that all the files you have been working on are still on your home computer.

To address this issue, consider storing all your data on an external hard disk and then taking that hard disk with you to the office when normal operations resume. Better yet, if your organization provides access to Cloud-based storage such as OneDrive for Business, store the files there. That way, you can collaborate with either team members in real-time using Microsoft Office applications.

Is Your Office Computer Turned On?

You can use tools to control your computer in the office remotely. This approach gives you access to all the files on the device and network and to all the applications installed on the computer. However, there is a downside to this approach. The downside is that, with some exceptions, you must leave the

computer turned on so that you access it remotely. Of course, while the computer is on and you are not physically present in the office, unauthorized users might choose to run applications and access data from that device. Therefore, you may want to consider asking your IT staff to enable Wake-on-LAN (WoL) on your computer. Without going into a technical discussion, WoL essentially allows you to turn on your computer remotely. With this feature enabled, you won't have to leave it running 24/7, and, in turn, you reduce your security risk.

Summary

The global pandemic caused by COVID-19 has clearly put us in uncharted territory, on many fronts. Yet business needs to continue with as little disruption as possible. One way that can happen is

to work from remote locations to reduce the risk of contracting or contaminating team members. For those who work remotely on a routine basis, hopefully, the five items discussed above have already been addressed. However, for those who are suddenly working in this environment, be sure to address the issues outlined in this article to reduce the risk of compromising confidential and sensitive data. Let's not make a challenging situation any worse because of a data breach.

Tommy is one of the shareholders in K2 Enterprises, affiliating with the Firm in 2003 and joining as a shareholder in 2007. At K2, Tommy focuses on creating and delivering content and is responsible for many of the Firm's management and marketing functions. You may reach him at tommy@k2e.com, and you may learn more about K2 Enterprises at www.k2e.com.

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Norman's Book Review

"The Secrets of Happy Families"

by Bruce Feiler

For those of us with children, this COVID-19 pandemic has caused us to do things we haven't done for a very long time, and probably have never done ... such as stay home with our family and don't do any family trips, dinners, sporting events, social events, etc. Grocery shopping or picking up take out is a major event now, but is considered dangerous because we might be unlucky enough to catch COVID-19 from someone when we venture outside. Cabin fever is the new normal.

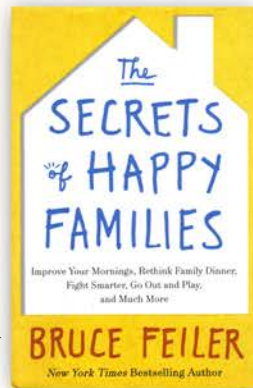
Another book from my archives I thought would help us be

more productive with our families during this pandemic is "The Secrets of Happy Families" by Bruce Feiler. I reviewed his book in June 2015 and it is just as relevant in 2020.

During this pandemic, we can get into the rhythm of daily family meals together, doing a group project of researching our family history, developing a family mission statement, planning new business ventures, and making the most of having to stay at home for our safety. The following is my book review from 2015 ... enjoy!!!

"The Secrets of Happy Families" by Bruce Feiler

As people live longer and the world gets more complex, one's family becomes more important than ever before. It's not unusual anymore to have three and sometimes four generations of people living in the same house. Noted author and columnist Bruce Feiler decided to take a three year journey to consult with the most creative minds in the country, such as Warren Buffett, Dr. Gary Chapman ("The Five Love Languages") and Jim Collins ("Good To Great"), to find out the best ways to bring families closer together. With its more than 200 best practices, Feiler's book is interesting, thought provoking, and will give you ideas to increase your family's happiness. As a bonus, you can check out his website, BruceFeiler.com, and see his presentation to Google executives on his book, as well as other speeches he has given. The following are excerpts from his book which I thought you would like, including items which might help you at work.



The Importance of Family

Research shows your family is critical to your overall happiness and well-being. Spending time with people you care about and who care about you, which is usually your family, is the number one predictor of life satisfaction.

The Importance of Family Dinners

Want to improve your child's academic achievements and reduce behavior problems? Eat more meals together. It is the single biggest predictor of your child's well-being; more influential than time spent in school, studying, attending religious services, or playing sports.

Know Your Family History – Good or Bad

Children who know their family history exhibit more self-esteem and confidence, do better when they face challenges, and are more resilient. They know they belong to something bigger than themselves. The best time to talk about your family history is when you eat meals together!

Achieving Work-Life Balance

People usually either have a great family and an average career, or an awesome career and average family. The only way to have both is to apply the same level of passion and energy to your family as you do to your work. There can be no asymmetry.

Create A Family Mission Statement

Successful companies have meaningful mission statements. Stephen Covey suggested families should develop a family mission statement. He stated "the goal is to create a clear, compelling vision of what you and your family are all about. Good families – even great families – are off track 90% of the time. What makes them good is they have a clear destination in mind, and they have a flight plan to get there. As a result, when they face the inevitable turbulence and human error, they keep coming back to their plan."

Avoid Controversy During 6:00 pm – 8:00 pm

The most highly charged time of the day for families is between 6:00 pm – 8:00 pm. Women are the most stressed at this time, especially if they are coming home from work and beginning their "second shift" of housework and caretaking.

"Eye Rolling"

"Eye rolling" is the one gesture, above all, that predicted marital tension. It is a sign of contempt and a predictor of trouble to come.

Secret to Success According to Warren Buffett

If you look at most successful adults in business, they were all involved in business at a young age. Warren Buffett believes it's the secret to success. "Early exposure to business is necessary for someone to be successful in business. You get to understand money, even though you haven't studied economics yet."

Marriage Benefits

Marriage doubles a person's wealth versus those who remain single. On the other hand, getting a divorce cuts a person's wealth by 75%.

Married people live longer and have greater life satisfaction. They also smoke and drink less, get fewer colds, sleep more regular hours, and eat more regular meals (this also causes married people to put on more weight).

Biggest Predictors of Marital Success or Failure

The best predictor of marital success is graduating from college, and the biggest single risk factor for divorce is getting married before you turn 24 years old.

Women Lead to Better Decisions

Research has shown groups make better decisions than individuals. Going further, groups with more females are more effective than groups with less or no females. Why? Women are more sensitive to input from everyone, more capable of reaching compromise, and are more efficient at making decisions. Regarding corporate boards, three or more women enhances governance because it makes it more likely that the women are heard. Women bring a collaborative leadership style which increases listening, social support and win-win problem solving.

The Importance of Sports

Sports participation results in an increase in self-confidence, time management skills, and positive body image, as well as a decrease in depression, teen pregnancy, and smoking. Athletes are also more likely to attend college and graduate. A study of Fortune 500 company senior executives found about 95% had played high school sports, compared with 50% who were in student government and less than that in the National Honor Society.

Happy Families Consistently Do These Things

In the author's research, he found happy families consistently do the following three things:

Adapt All The Time – The most successful families are flexible and agile, making changes as necessary to survive and thrive.

Talk. A Lot – Most healthy families talk a lot and communicate effectively.

Go Out and Play – Whatever makes you happy, doing it with other family members will make your family happier. Families that play together stay together.

Summary

Feiler's book was both informative and fun to read, and since he talks about how he tested some of the things he learned on his family, I could relate to some of his trials and tribulations. The lessons he learned through his research can make a huge difference in your own family's happiness and so his book is definitely a must-read book. See the nine healthy family traits on this page.

"Happiness is not something we find; it's something we make." (Bruce Feiler)

"All happy families are alike; each unhappy family is unhappy in its own way." (Russian novelist Leo Tolstoy)

"Happiness is not something ready-made. It comes from your own actions." (Dalai Lama)

Nine Healthy Family Traits

Communication. Family members talk to one another often, in a manner that's honest, clear, and open, even when they disagree.

Encouragement of individuals. Strong families appreciate each member's uniqueness while cultivating a sense of belonging to the whole.

Commitment to the family. Members of successful families make it clear to one another, and to the world, that their allegiance to their family is strong.

Religious/spiritual well-being. Researchers concluded that a shared value system and moral code were common among highly functioning families. But they said these values were not contingent on membership in any denomination or frequent attendance at worship services.

Social connectedness. Successful families are not isolated; they are connected to the wider society, and they reach out to friends and neighbors in crisis.

Adaptability. Strong families are structured yet flexible, and they adjust their structure in response to stress.

Appreciativeness. People in strong families care deeply for one another, and they express their feelings often. Even if some members are not naturally expressive, they communicate their emotions by doing meaningful things for others.

Clear roles. Members of successful families are aware of their responsibilities to the group.

Time together. Members of strong families spend time together doing things they enjoy.

CPA FIRM MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of The CPA Collective



Multiple agencies have issued alerts warning of COVID-19 related scams. The Federal Trade Commission's Bureau of

Consumer Protection reports that from January to mid-April 2020, there were already 18,235 COVID-19 related scam complaints, with \$13.44 million in losses due to fraud.

The U.S. Small Business Administration (SBA) warns businesses to watch out for suspicious communications relating to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) financial assistance programs. Scammers have been calling, texting, e-mailing, and

using social media in campaigns targeting small businesses looking for aid.

Phishing e-mails may look realistic; fake e-mails may include the SBA logo and be designed to appear as if they are coming from the SBA. The SBA recommends that if you are in the process of applying for aid and receive a request for information, verify that the referenced application number matches your actual application number. Scammers may ask targets for sensitive information, demand upfront fees, or offer high interest bridge loans in exchange for approving an SBA loan or expediting relief payments.

The SBA also emphasizes that they do not initiate contact regarding 7(a) or

Disaster loans or grants. If someone contacts you unsolicited claiming to be from the SBA, be wary. The SBA warns that the presence of an SBA logo on a webpage does not guarantee that the information is accurate or legitimate. For more information, go directly to the SBA site at www.sba.gov.

For those who are looking for remote working tools, a number of companies are temporarily offering expanded features for their free plans, such as:

- For virtual meetings, Cisco is currently offering more features for its free tier of Webex, including unlimited usage (no time restrictions), support for up to 100 participants, support for desktop, application, file and whiteboard sharing options, and toll dial-in.
- Microsoft has temporarily expanded its "freemium" Microsoft Teams offerings to lift the user limit, and there is currently a free option for those who do not have Microsoft Office 365. The free version includes unlimited chat, audio/video calls, real-time Office collaboration, 10GB of team file storage, and 2GB per user personal storage.
- PandaDoc has a new free eSign plan with unlimited users, document uploads, e-signatures and payment processing.

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

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We hope everyone is healthy and doing well.

By Michelle Kaneshiro



Coronavirus Disease 2019 (COVID-19) has brought about new experiences for us all. Your challenges may range from feelings of isolation, to trying to figure out how to cook a new meal, to ensuring you have enough basic supplies like toilet paper. For myself, the challenge of educating my children while trying to fulfill all of my work responsibilities has been difficult. While all of these challenges are real, I believe some of the more difficult challenges arise when a business can no longer support their employees leading to an employee having a difficult time supporting their family. Thankfully, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed and includes various programs to help. I believe that one of the most widely applicable programs to keep people working is the Paycheck Protection Program (PPP). Therefore, this article will concentrate on the PPP.

The PPP is intended to provide economic relief to small businesses nationwide adversely impacted by the COVID-19. Hopefully some of us were able to get PPP loans before the funds ran out and hopefully there will be another wave of funding for PPP. Once you receive the PPP funding, the next step is to ensure that you are able to get loan forgiveness from your lender. Loan forgiveness is available up to the full principle amount of the loan plus any accrued interest. The primary purpose of the PPP loan was to assist employers with the cost of keeping employees at work; therefore, the PPP loan was created to cover the cost of an employee's compensation and covered benefits. In order for the loan to be forgiven, 75% of the loan proceeds must be incurred and paid for payroll costs during the 8 weeks following the funding of the loan. Payroll costs include salary, wages, and tips, up to \$100,000 of annualized pay per employee, as well as covered benefits for employees (but not owners), including health care expenses, retirement contributions, and state taxes imposed on employee payroll paid by the employer (such as unemployment insurance premiums). Please note that an employer's share of FICA and FUTA are not eligible payroll costs, along with any PEO fees. Self-employed individuals' payroll cost will include 8 weeks (8/52) of 2019 net profit. The remaining 25% of the loan proceeds may be used for:

- Interest payments on any mortgage in place before February 15, 2020 (but not payment or prepayment of principal)
- Rent payments for any agreements in force before February 15, 2020
- Utility payments for any service agreements dated before February 15, 2020
- Interest on any other debt obligations that were incurred before the February 15, 2020.

In addition to utilizing your loan proceeds according to the above, in order to obtain full loan forgiveness, you must maintain the average number of full-time equivalent employees for the 8 weeks following loan disbursement as compared to prior levels. If your employee count is less than prior levels, the loan forgiveness amount will be reduced. Separately, each employees' compensation cannot be reduced by more than 25% from prior levels for all employees with under \$100,000 in annual compensation.

Your lender will be the entity to analyze the loan forgiveness. You will need to submit a form 941 and state quarterly wage unemployment insurance tax reporting forms or equivalent payroll processor records that best correspond to the covered period (with evidence of any retirement and health insurance contributions). Additionally, if you used up to 25% of the loan proceeds for the above eligible uses, you will also need to submit evidence of the business rent, interest, or utility costs during the covered period.

Any proceeds that are not forgiven but used for eligible purposes will have a loan term of 2 years from the date of funding, at an interest rate of 1%. Principal and interest will continue to be deferred, for a total of 6 months after disbursement of the loan. Any funds that are not used for "allowable uses" by June 30, 2020 will presumably need to be returned immediately.

As the PPP is a new program that was quickly thrown together, new guidelines are continuing to emerge. For the latest on this program, go to <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

<https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>



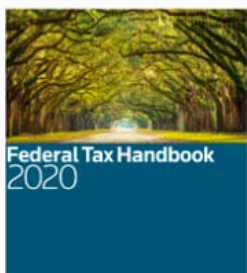
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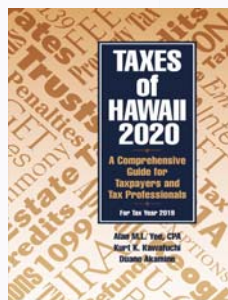
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