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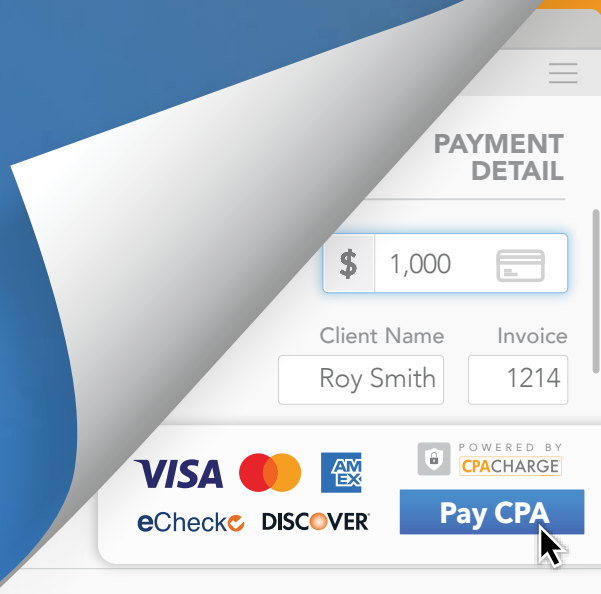


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President's Message

By Ed Nakano

CPAs Ranked Number 6 of 10 Most-In-Demand Jobs Resulting from COVID-19

The June 2020 LinkedIn Talent Blog written by Cesar Zulaica Pineyo highlighted the 10 Most In-Demand Jobs as COVID-19 lockdowns began to lift and hiring started to recover. One of the most sought-after jobs which has not changed since before the pandemic continues to be Software Engineer. The use of technology continues to accelerate. Nurses were ranked number two as hospitals continued to receive COVID-19 patients. CPAs were number 6, since they play a critical role in maintaining operations and deal with unprecedented volatility and on-the-fly challenging financial decisions. The article also mentioned that CPAs topped the list with the fastest growing demand.

As I covered in my July and August KALA President's messages, we have to continue our efforts to embrace the profession's challenges, the "new normal" to enhance the value and demand of our CPA profession.

Another inspiring article I found was written by new AICPA Chair Tracey Golden who shares her vision for the "new normal" and how she sees the CPA profession achieving to maintain one of the Most-In-Demand jobs. Here are the highlights of her article:

1. Find Strength in Our Connections With One Another

We must grow our professional network with new and current clients, colleagues and mentors. To thrive as a CPA, we need to "reimagine how we connect" with them "and what our value is for a changing marketplace". Tracey is a strong proponent of using technology to reinforce deep connections. She also mentioned that low trust caused by COVID-19 is driving the need for credible information which our clients and organizations are counting on our profession to bring insight and help solve problems.

Throughout my 48-year CPA employment and volunteer experiences, I have learned tremendously from developing relationships with volunteers, vendors, consultants and professionals. In Hawaii, local relationships can go a long way in achieving productive and mutually beneficial results.

2. Seize the Opportunity to Make Much-Needed Changes

What lies ahead for the profession depends on our ability to interpret trends, understand business and give wise counsel. From my perspective, these skills extend beyond our basic accounting and tax advisory services. We need to see the big picture of business which enables us to identify and mitigate risk. We need to adapt to changes, seek best practices and make cost effective and efficient changes.

3. Evolve in Order to Thrive

We must each take responsibility for our evolutions, grow our skillsets and our practices to meet the new marketplace needs. This reinforces my belief that "we must change or become a victim of change" and is consistent with the AICPA core service – LIFE LONG LEARNING.

It is to our advantage to be aware of and embrace Tracey's "new normal" best practices to further enhance our Most In-Demand CPA profession.

Take care and be safe.



America Counts on CPAs®

What Is Your Process for Working Remotely?



By Arianna
Campbell,
Director



In early 2020, before the arrival of COVID-19 in the U.S., nearly 7 million people (3.4% of the population) were working remotely. Now, as we're more than halfway through the year, that number has grown by leaps and bounds. It's an acceleration of a trend that was already happening, and remote work is here to stay for many professionals and firms.

According to Accounting Today, 88% of firms with 50 or more full-time employees are planning to allow people to work from home permanently. But now that we're settling into the "new normal" of remote work, many firms realize they need to adapt their processes for their new way of working.

Process is a top challenge

Earlier this summer, we surveyed members of our Boomer Technology Circles to ask about the top challenges their firms were facing. We anticipated that technology would be the biggest issue for firms who suddenly had to support 100% of their staff working from home. In fact, the majority of our members identified process as their #1 challenge, with 81% of our members citing it as their top concern.

Many of these firms had standardized, digitized processes that worked well when people were working in the office. Howev-

er, that structure took a hit when people weren't in the office.

Now is the time to focus on process improvement

Over the past few months, many firms were just trying to get through the extended tax season and help clients navigate shutdowns and government assistance programs. Extended wait times, bottlenecks, and other breakdowns in your firm's processes may have seemed like something you could address once everyone was back in the office. Here's why it's crucial to address process issues now.

1. The transition to remote work uncovered friction

Many firms were already supporting a few full-time remote employees before COVID-19 hit. However, few were prepared to have the majority of their staff working from home all at once.

The pandemic likely uncovered work-arounds you didn't notice when everyone was in the office. While those work-arounds are fresh in your mind, take note of what isn't working and look for ways to improve.

2. Remote work is here to stay

Some people in your firm can't wait to get back to the office. Others feel that working from home increased their productivity while reducing commute

times and expenses. You need processes that work whether people are in the office, at home or working somewhere else entirely.

Remember, process improvement is continuous — you're never done with it. Figure out what your clients need and what the work you do needs to look like in the next six to 12 months and find a way to move forward.

3. New processes are necessary for sustaining new habits

When you reflect on what you've learned from this time and how things have changed, there are likely some areas in which you don't want things to go back to the way they were. Maybe you realized that you don't want to travel as much as you did before, and virtual meetings are more productive than you would have imagined. Perhaps you finally achieved paperless workflows, digital organizers, and electronic signatures and hope never to return to rummaging through piles of paper on your desk.

Whatever the new benefits you've uncovered, you need to build new processes to support those gains and reinforce new habits.

4. Your clients are depending on you

Now is an excellent time to take what you've learned from delivering services

remotely and help your clients do the same. You know their business and industry better than anyone, and you can help them through this journey.

Establish a process for identifying the clients who could use your help in this area. Align your clients with ways you can provide value. If you don't, you'll be missing out on a key opportunity to serve them.

5. Process improvement strengthens teams

The people in your firm are looking to their leaders to find out which direction the firm is headed. Are you hoping the current situation will pass by quickly so you can go back to the way things are? Or are you embracing the future and looking for new ways of doing things?

When your team understands expectations and has processes that help them know where they fit in the organization, your team will be stronger.

6. Process needs to keep up with technology

Has your firm implemented new tech or sped up the adoption of new technologies in the past few months? Tools like Microsoft Teams, Zoom, electronic signatures, client portals, and more have been vital to allowing firms to continue serving clients and communicating with each other.

Continued on page 9

Engaging Practitioners with the Hawaii Department of Taxation

Joint presentation by
HSCPA & HAPA



Meet Isaac Choy Tax Director

**September 2, 2020
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- Director Choy's goals - so far
- Feedback on what's going well and what needs improvement
- Realistic solutions, including those for the October 20th deadline

Continued from page 7

If you're not updating your processes to keep up with the changes in technology, they will quickly fall out of alignment. Now is the time to maximize your processes and technology while keeping your people in mind.

Remember, these are not normal work-from-home circumstances. We're all enduring a global pandemic, and people have a variety of situations currently happening at home. Some we may be aware of, and others that we are not. It's essential to keep this in mind and understand that productivity may be impacted as a result. Don't put off process improvement until everyone is back in the office, as that day may never come. Remote work is here to stay, so evaluate your current processes, prioritize the changes you need to make, identify your process improvement leaders and champions, and get started.

As a director for Boomer Consulting, Inc., Arianna Campbell helps accounting firms challenge the status quo by leading process improvement initiatives that result in increased profitability and client satisfaction. She also facilitates the development and cultivation of future firm leaders in The P3 Leadership Academy™ Academy.

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TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government

By Tom Yamachika

Case of the Missing Contact Tracer Millions



The story you are about to read is true. The names have not been changed to protect the innocent.

This is the city: Honolulu, Hawaii. I live here. I'm a doggie.

This is the Case of the Missing Contact Tracer Millions.

In a previous column the Boss mentioned \$1.25 billion that the federal government made available to Hawaii through the CARES Act. (I wanted to howl about the real possibility that lots of that money will disappear at year's end.)

Another federal act was passed after the CARES Act to throw a few more bones to those using the Paycheck Protection Program (PPP). That act, the Paycheck Protection Program and Health Care Enhancement Act, also made \$11 billion more available to the states. Hawaii's share of this additional money was roughly \$50 million. It was supposed to be for necessary expenses to develop or scale up COVID-19 testing, conduct surveillance, trace contacts, and other pandemic related activities.

In Senate Bill 75, the legislature told us what we were going to do with that money. \$36 million was to go to the Department of Transportation for thermal screening and related uses, and \$14 million was to go to the Department of Health for outbreak control, contact tracing, and

personal protective equipment.

The bill also said that both agencies were to submit a monthly report to the governor and legislature that details all allocations and expenditures.

Governor Ige allowed the bill to become law without his signature on July 15th. None of the appropriations just mentioned were vetoed or reduced. So, the Department of Health was able to fetch \$14 million.

It doesn't seem like \$14 million was spent on contact tracing. When a group of senators raided the Department to sniff around, they found only a handful of overworked tracers where there were supposed to be closer to a hundred.

As mentioned, the appropriation act required monthly reports to the legislature on how the money was spent. Reports to the legislature from an executive department are called Departmental Communications and are available on the Legislature's website. I pawed through the departmental communications from May 5 to August 20, DC 432 to DC 492, and none of them were from the Department of Health. (There was no Department of Transportation report either.)

I'm not the only one trying to dig up information on where the money went. On August 19, U.S. Representative Anna

Eshoo of California, who chairs the Subcommittee on Health of the House Energy and Commerce Committee, wrote a letter to Governor Ige asking the same question. She said that "less than two months ago, Hawaii had the lowest number of COVID-19 cases per capita of any state in the nation. However, this trend has reversed and now Hawaii has the highest infection rate in the United States." She requested specific information, and the last request was: "Due to numerous instances of conflicting and false information being released to the public by your Department of Health regarding the number of contract tracers employed and their capabilities, what specific actions will you take to restore the integrity of the Department of Health?"

Yipe! Talk about pointed questions!

This is a true story. The end of the story has not yet been written. We too will be following the money, or trying to, and will continue to bark like crazy if we can't. Ours is a tough job but someone has to do it. The name's Watch Doggie.

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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Participants will be able to use the information provided to assist a client in completing the SBA Paycheck Protection Program Loan Forgiveness application form. Includes SBA guidance issued on June 22, August 4 and August 12, where the SBA continues to change the interpretations of the rules of the PPP Flexibility Act.



**Mark Vogel, J.D.,
LL.M. Taxation, CPA**

Mark A. Vogel is a retired professor and director of the University of Denver Graduate Tax Program where for 38 years he taught courses in individual, fiduciary, tax accounting, partnership, and corporate taxation. He is the author of *Divorce Taxation Guide* (John Wiley & Sons) and *Individual Taxation* (Shepards/McGraw-Hill). He received a J.D. and LL.M. in Taxation from the University of Denver College of Law and an undergraduate accounting degree from the University of Notre Dame. He is also a CPA licensed in Illinois.

UPDATED: Paycheck Protection Program Loan Forgiveness

**September 18 (Friday)
10:00 a.m. to 1:30 p.m. - Hawaii time**

Learning Objectives:

- Define an FTE employee
- Define owner compensation replacement
- Determine who falls within the definition of an owner employee
- Determine what is included in payroll costs and non-payroll costs that may be incurred or paid in the covered period
- Calculate the reduction in an employee's salary that is used in determining the maximum amount of PPP loan that will be forgiven and how to use the savings clause
- Calculate the reduction in FTE employees in determining the maximum amount of PPP loan that will be forgiven and how to use the savings clause to prevent the reduction
- Explain the entries on the PPP Loan form
- Explain the documentation required to be attached to the PPP Loan Forgiveness form when the form is submitted to the lender and the SBA for forgiveness
- Explain the appeals process with the SBA in the event that all or a portion of the PPP loan is not forgiven

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Norman's Book Review

"Survival of the Sickest"

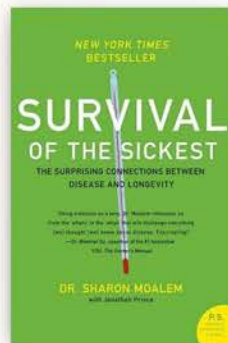
by Dr. Sharon Moalem

With the COVID-19 pandemic raging on Oahu, the United States, and the rest of the world, and people dying in record numbers, all of us are naturally worried and doing all we can to be safe. When we analyze who are and are not getting sick and/or dying from the virus, however, we realize everyone is not being adversely affected the same way. Some nationalities are getting sicker and dying than others, and some countries have much lower infection and death rates than others. WHY IS THAT?

After thinking about this for a moment, I remembered the book review I did in March 2013 on "Survival of the Sickest" by Dr. Sharon Moalem. Essentially the book said our genetic make-up plays a significant role as to whether or not we survive such things as the bubonic plague, and by extension I presume such major events as the Spanish Flu and COVID-19. Just think, all of us are here today because our ancestors were able to survive catastrophic events in the past. We will not know until later if our genes are strong enough to survive COVID-19. I'm hoping our genes are strong enough!

The following is a portion of the book review I did. It included other interesting tidbits of information.

This is one of the most interesting books I have read over the years. I decided to start 2013 with this book because it makes you appreciate your ancestors, makes you really look at life from a different perspective, and provides



extremely helpful information. Just reading this review means your ancestors survived diseases, severe weather changes, catastrophic events, etc. to

allow you to experience the miracle of life. Every single living thing is hard-wired to survive and reproduce. Your DNA is a genetic code history of your ancestors who beat the odds and were able to survive and reproduce over the years. The following are some of the more interesting items in the book.

Why More Than 30% of Western Europeans Have the Hemochromatosis Gene

Hemochromatosis is a genetic disorder that causes iron to build up in your body. Unchecked, it can damage your pancreas and liver. There is also a link of it to certain types of Alzheimer's disease. More than 30% of Western Europeans have the genetic disorder.

At first glance, one would think these people are unlucky. However, upon further review, they should feel fortunate

they and their ancestors had it. Why? Back in 1347 and for the next few years, the bubonic plague swept through Europe, killing between 1/3-1/2 of the population at that time. It was brutal. No one knew why people were dying. But it did not kill everyone who was infected. Why? It turns out the people with hemochromatosis had iron-deficient macrophages which protected them against the plague. While they would die later from hemochromatosis, at least they survived the plague, reproduced, and passed the mutation on to their children.

Watch Your Iron Levels

Iron is crucial for nearly every function of our metabolism. Too little, you will suffer from anemia, which is a lack of red blood cells and can cause fatigue, shortness of breath, and heart failure. (Note, as many as 20% of menstruating women are anemic because their monthly blood loss produces an iron deficiency.)

Too much iron causes havoc in humans because cancer cells, parasites, bacteria, fungi, and protozoa thrive on iron. For example, over 35 years ago New Zealand doctors routinely injected Maori babies with iron supplements, assuming they had an iron-deficient diet. Tragically, these babies were more than seven times as likely to suffer from potentially deadly infections and meningitis.

Why Type 1 Diabetes Are More Common in Northern Europeans

The World Health Organization estimates 171 million people have diabetes, and that number is expected to double by 2030. There are two types of diabetes: Type 1 and Type 2. Type 2 is closely related to lifestyle as 85% of the people who have it are obese. Type 1, on the other hand, is much more common in Northern Europeans. Finland has the highest rate of juvenile diabetes in the world, Sweden is second, and the United Kingdom and Norway are tied for third. As you head south, the rate drops lower to where it is uncommon in people of purely African, Asian and Hispanic descent. Why? About 13,000 years ago, there was a sudden onset of an ice age in Northern Europe. Those people with high blood sugar levels were able to survive the cold better than normal people, reproduce, and pass the gene on.

As a side note, that's why we feel like we need to pee when it gets cold. Reducing our body's water content and increasing our sugar level helps us be warmer. Also, for you vodka lovers, vodka doesn't freeze until you cool it down to around -20 degrees Fahrenheit.

Why Asians Get the Alcohol Flush Response

When drinking an alcoholic beverage, Asians have a 50/50 chance of having their heart rate shoot up, temperature climb, and their face turn bright red, known formally as the alcohol flush response (Asian flush). Some even get dizzy, extreme nausea and a nasty

hangover. Interestingly enough, it is not common in just about every other population group. What's going on?

Many Asians have a genetic variation labeled ALDH2*2 that causes them to not process the acetaldehyde in alcohol as well as others. Acetaldehyde is 30 times as toxic as alcohol, thus the flushing response. The reason Asians have the ALDH2*2 variation is because in the old days they purified their water by boiling it and making tea, while Europeans would use fermentation to sanitize their water (alcohol kills microbes). There was evolutionary pressure in Europe to have the ability to drink, break down, and detoxify alcohol, while the pressure in Asia was a lot less.

What About Dairy Products?

If you are able to drink milk and eat ice cream without having a very unpleasant digestive reaction, consider yourself lucky and a mutant. The great majority of the world's adult population is lactose intolerant. People who can have dairy products probably are descendants of farmers who drank animal milk and somewhere along the line, a mutation sprung up that allowed people to keep on producing lactase, the lactose-processing enzyme.

Watch Your Consumption of Clover, Sweet Potato and Soy!

If you want to get pregnant, watch your consumption of clover, sweet potatoes, and soy products! They contain a class of chemicals called phytoestrogens, which in large quantities can wreak havoc on your reproductive capability. Did you know the first marketable birth control pill was synthesized in

1951 using disogenin, a phytoestrogen produced by the Mexican yam?

Control Your Consumption of Raw Habanero Peppers

Habanero peppers contain the chemical capsaicin, which not only causes that familiar burning sensation, but also is a sticky poison. It adheres to mucous membranes. That's why water does nothing to cool the burn. You need to drink milk or eat something with fat in it, since fat is hydrophobic and helps to peel the capsaicin away from your mucous membranes. Capsaicin can also cause selective degeneration of some types of neurons, and ethnic groups who eat lots of hot peppers tend to have much higher rates of stomach cancer.

Watch Out for Bruised Celery Stalks

Celery contains psoralen, a toxin that can damage DNA and tissue, and causes extreme sensitivity to sunlight in humans. Psoralen generally poses more of a problem for those who handle large amounts of celery over a long period of time. For example, many celery pickers have developed skin problems. Also, make sure your celery stalks are not bruised, as bruised stalks can have 100 times the psoralen of untouched stalks.

How Many Microbes Are on You? Yuk!

An adult human contains 10 times as many "foreign" microbial cells as mammalian cells. There are more than 1,000 different types of microbial creatures weighing about three pounds

Continued on page 16

Continued from page 15

and numbering somewhere between 10 trillion and 100 trillion! The microbes that make you their home collectively contain 100 times as many genes as your own genome does.

Environmental Factors Are Just as Important as Genetics for Babies

Experiments and studies have shown environmental factors play a key role in the development of newborns. Poor fetal nutrition is correlated to later obesity. Children whose grandmothers smoked while pregnant were more likely to have asthma than children whose mothers smoked while pregnant. Men who started to smoke before puberty had sons who were significantly fatter than normal by the time they were nine. Children whose parents are overly stressed are more prone to depression and have less self-control. Children whose parents are

relaxed and available tend to be happier and healthier.

Drink Green Tea!

Drinking green tea is good for genes that help fight colon, prostate, and esophageal cancers.

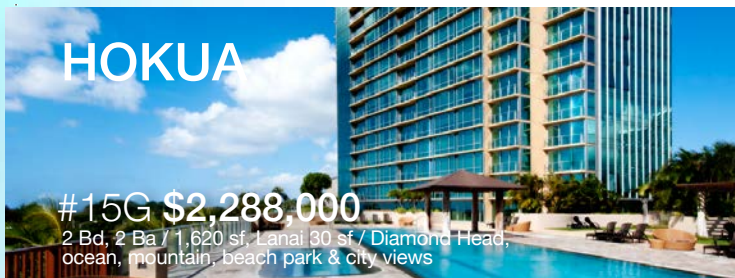
Summary

The author hopes we get an appreciation that life is in a constant state of change, nothing in the world exists in isolation, and our relationship with disease is more complex than we may realize.

It's a miracle we are alive today, and it is through the miracle of evolution. We should all give thanks to our ancestors for surviving the tough times, and we need to take care of ourselves and our family to increase the odds of survival for our future generations and the human species in general!

Hawaii Taro Farm – Accounting Services

Hawaii Taro Farm, LLC announces an RFI requesting a variety of professional services quotes to support job creation/retention during the most severe economy on record. RFI addresses food security by increasing local food production for Maui and Hawaii, using a synchronized approach to farm production chain. Services requested include worker training/retraining, marketing, accounting, legal, architecture design, technology to support farming, web/IT plus much more. Accounting: Qualified CPAs, development of various budgets, cash flow projections, processes for public and private funds management, financials, fiscal policies, management accounting services, taxes return services, compliance services, advice about various taxing entities, support for nonprofit application for nonprofit status. Price all services. For electronic copy of RFI and submittal of responses to RFI contact Robert Pahia via email at roberthpahia01@gmail.com or call 808 463 2788. RFI opens August 20, 2020 & closes September 17, 2020 at 4 pm HST.



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TAKE YOUR PICK 4-HOUR WEBINARS HAWAII TIME!

SEPTEMBER 2 - Engaging Practitioners with the Hawaii Department of Taxation Meet Tax Director Isaac Choy

Practitioners will have the opportunity to meet Isaac Choy, Director of Taxation, for an informal discussion as he outlines the changes in progress, his projected goals, and feedback on what's working and improvements to be made. This is a joint presentation by HSCPA and HAPA.

SEPTEMBER 17 (AM) - 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. Course will cover the basic tenets of professional ethics, and explain recent changes in the AICPA Code of Professional Conduct. You will learn to identify, analyze and respond to conflicts of interest, how to apply independence rules in your practice, and key rules regarding client confidentiality. The presentation will also cover recent Hawaii developments and tips to avoid malpractice claims or liability.

SEPTEMBER 18 - UPDATED: Paycheck Protection Program Loan Forgiveness

Participants will be able to use the information provided to assist a client in completing the SBA Paycheck Protection Program Loan Forgiveness application form. Includes SBA guidance issued on June 22, August 4 and August 12, where the SBA continues to change the interpretations of the rules of the PPP Flexibility Act.

SEPTEMBER 23 - Accounting & Auditing Updates for Nonprofits

Nonprofit organizations have specialized reporting needs due to an inherent requirement for increased transparency. Layer that on top of unique accounting nuances, and any accounting professional can feel out of their element when working with nonprofit organizations! This half day course will cover various aspects of accounting and financial reporting for nonprofits. Geared towards accounting professionals working both within the nonprofit sector and advisors supporting the nonprofit industry.

SEPTEMBER 23 (PM) - Guided Tour of the Form 990

This course will address the entire Form 990, including the 12-Part Core Form and the 16 different Schedules. Since the Internal Revenue Service is now selecting Forms 990 for audit based upon their data-driven approach, we will concentrate on identifying those portions of the Form 990 which have the biggest tendency to be potential reporting "red flags".

September 29 - Fiduciary Income Taxation Update - Estate and Trusts

This course is designed to help practitioners in their understanding of income taxation of Estates and Trusts. Fiduciary income and issues will be reviewed, including a complete analysis of Form 1041, (U.S. Income Tax Return for Estates and Trusts). In addition, new changes in the tax laws as they relate to Form 1041 will also be reviewed.

SEPTEMBER 30 - Fringe Benefit Planning for 2020 and Beyond

Due to changes in both the economy and the Internal Revenue Code, fringe benefit planning has become one of the most important areas of planning for your clients business and personal needs. There are a variety of tools and techniques to meet a clients fringe benefit planning objectives. This course looks at those various tools and techniques and provides the practitioner with a basic understanding of how to use each one. This course also features a review of some complex areas of employee benefit planning, including ERISA reporting and disclosure requirements.

OCTOBER 1- Practical Guide to Trusts

This course provides in-depth information to enable the practitioner to make a well-informed decision as to whether a trust is the appropriate vehicle for a clients financial, estate, and/or asset protection plan, and, if so, how the trust can best be implemented and operated. Participants will learn about the many different types of trusts that can be harnessed to save clients income, estate, generation-skipping, and other taxes, at both the federal and state level.

[Click on the course title above to register!](#)

KALA
SEPTEMBER 2020

CPA FIRM MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of The CPA Collective



Microsoft is testing the next Windows 10 update, currently called Windows 10 version 20H2.

Microsoft plans to release the update later this year. The 20H2 update will include a streamlined Start Menu design, a migration of some Control Panel settings to the Windows 10 Settings interface, and a number of minor fixes and design tweaks.

Microsoft is starting to transition away from Internet Explorer (IE) and the old HTML-based Edge Legacy browser, in favor of the new Chromium-based Microsoft Edge browser. Microsoft Teams will stop supporting IE 11 on Nov 30, 2020, and Microsoft 365 support for IE will end on August 17, 2021. Microsoft will continue to provide updates for IE 11 until 2025. Support for the legacy Edge browser ends March 9, 2021. After

the 20H2 update, the newer Chromium-based Microsoft Edge browser will come preinstalled.



The Federal Bureau of Investigation (FBI) and the Cybersecurity and Infrastructure Security Agency (CISA) warn of a voice phishing (or “vishing”) campaign targeting businesses. Scammers called employees working from home and told them that there was a new company VPN website. Victims were sent to a fake website that was crafted to look like the company’s real VPN page, but actually recorded login credentials, including multi-factor authentication codes. Scam-

mers used various techniques including registering domains similar to the victim’s domain (so that the fraudulent URL looked close to the real one), spoofing the calls so that they appeared to come from a company phone number, posing as the targeted company’s IT help desk, and using information gathered from victims’ social media profiles and background check services to gain a targeted employee’s trust.

The FBI and CISA recommend that organizations restrict VPN connections, limit access hours and privileges, monitor the domain and web application activity, and consider formalizing a process to verify phone calls using a second factor before discussing sensitive information.

For employees, the recommendations are to scrutinize web links for accuracy, use a bookmark for the company VPN website, be suspicious of incoming requests for information and verify callers directly with the company, limit the amount of personal information posted to social networking sites, and evaluate security and privacy settings regularly. If you receive a vishing call, document the phone number and the fraudulent domain so that you can provide them to law enforcement.

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

Hawaii Practices For Sale

Gross revenues shown: Hilo Tax & Accounting \$34K - tax work (85%) accounting services (15%); Honolulu CPA Tax \$266K - tax work (70%), bookkeeping (20%). 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.





Becoming A Business Owner

By Marc Miura



A year ago, I made the big decision to start my own solo accounting firm after ten years of working in Public

Accounting. I decided to do this because I was young enough to take this risk and old enough to have enough experience to have the knowledge base to be a valuable asset to my clients. These are five things that I encountered during my time as a solo business owner. A lot of may seem like common sense, but I would like to share my personal experiences and how I adjusted to them.

- Your Income will fluctuate. You will no longer be drawing a salary and your income will be based on the revenues you are able to draw in. Some months will be a “cup of noodles” for dinner while others will be “filet mignon.” This may be due to seasonal demand or the amount of work you were able to hustle. I adjusted for this by having a cash reserve before I started on my own and prioritized having a recurring client base to even out the income levels.
- You will have to learn non-accounting skills. You will be learning new skills

and wearing different non-accountant hats all the time: graphic designer, marketing, IT troubleshooter, scheduler, etc. This should be expected as a solo business owner, but it still is a surprise when something comes up and you have to get your hands dirty. I adjusted for this by talking with other business owners to get their knowledge and experience on what they do for those aspects of business and what shortcuts they use to get things done.

- Approximately 50% of opportunities will not bear fruit. You will be given potential opportunities, however, not everyone will become clients. This is due to business going with someone else or those businesses not being serious inquiries. I adjusted for this by scaling my time investment into responding to those opportunities based on my expectation on gaining those clients. I also tried to make sure a majority of the inquiries come from referrals from trusted sources.
- It can be lonely. You will not have the same daily interaction with your fellow employees at your current job. You have interaction with business owners

and clients, but it will not be the same. I had to adjust by making time to talk to others outside my daily clients as it is also important, too.

- Tap into your network. You will depend on your network to help grow your business. It's important to keep in contact with your business friends to provide referrals or for their advice on challenges you encounter. When I started, I didn't believe anything in my ten years of accounting experience would fully prepare me, however, I did understand that I had people around me that I could talk to and learn from their experiences so that I could rise to the challenge.

These are some of my experiences as a solo business owner. There is a lot that I am still learning, but I am confident that I'll be still working on growing the business and helping my clients. For anyone considering going on their own, I hope this helps to shed light on some of the challenges that you may encounter as you start your journey.



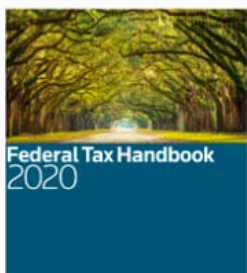
2020 TAX BOOK ORDER

ALL SALES FINAL



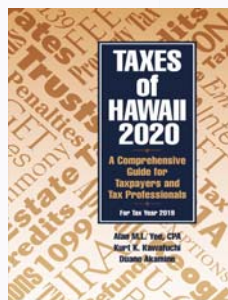
2020 CCH U.S. Master Tax Guide – \$78.00 / \$98.00

The nation's top federal tax resource, the **U.S. Master Tax Guide® (2020)**, has been updated to provide complete and reliable guidance on the historic Tax Cuts and Jobs Act, as well as pertinent federal taxation changes that affect 2018 returns. Virtually all taxpayers are impacted by the changes to the U.S. tax structure, with individual taxpayers and businesses witnessing the most significant changes.



2020 RIA Federal Tax Handbook – \$65.00 / \$85.00

You'll get specific guidance on key tax topics, including individual, trust, partnership and corporate taxation, deductions, credits, capital gains, IRAs, SIMPLE and pension plans, education incentives, passive activity losses, the Code Sec. 199A "pass-through" deduction for qualified business income, employee benefits, estate and gift taxes, and more.



2020 Taxes of Hawaii – \$27.00 / \$36.00

Every year since 1964, this annual publication is updated with all new state taxation laws and judicial rulings. *Taxes of Hawaii* is an invaluable tax-season tool used by Island and mainland CPAs, tax preparers and bookkeepers, as well as attorneys, small businesses, individual taxpayers and students. Includes income tax rate tables, specimen tax forms and vital information on income, General Excise use, estate, property, unemployment, transient accommodations and other taxes.

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