

JULY 2024

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The Official Publication of the Hawaii Society of Certified Public Accountants

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H S C P A

Hawaii Society of
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President's Message

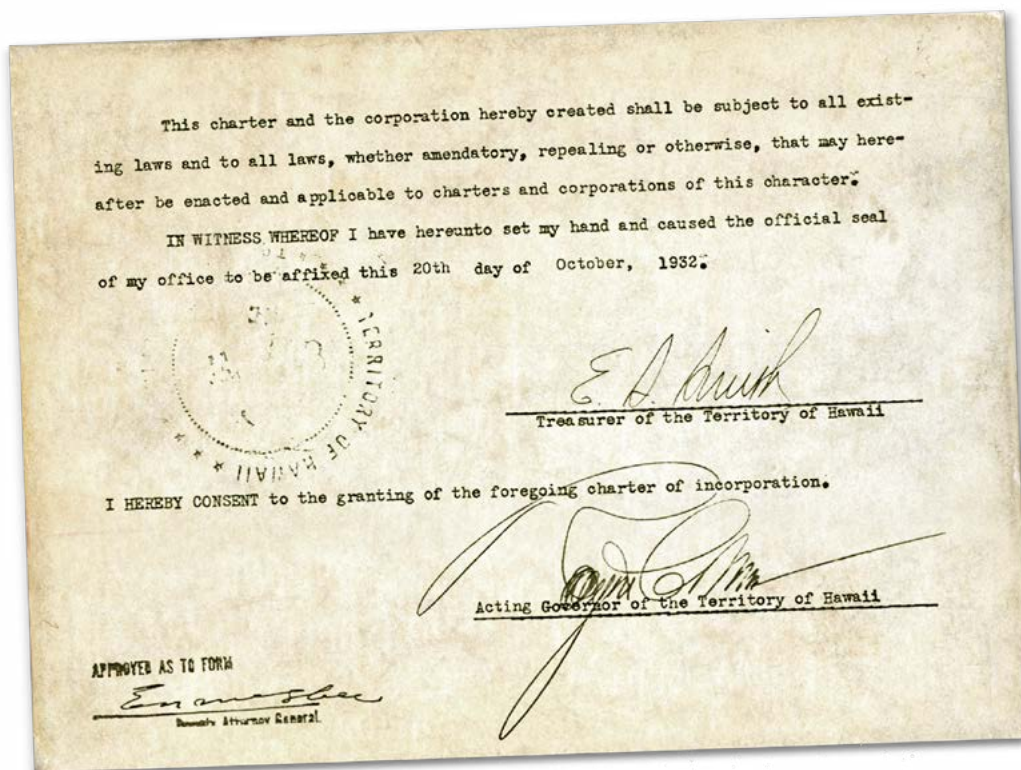
By Frank T. Kudo

It was about 50 years ago that I first got my taste for public accounting. I was fresh out of college and excited about the opportunity to be a professional accountant. My father was a licensed public accountant and I remember him putting detailed entries in thick heavy ledgers with his fancy handwriting and working long hours.

Times have really changed since then. We have all experienced the significant changes the accounting profession has gone through. For example, the speed of technological changes coupled with shifts in societal beliefs and values have legislated new laws to provide equal opportunities for all Americans, the sustainability of the environment, as well as how we visualize the work we do.

The Hawaii Society of Certified Public Accountants (HSCPA) has served a pivotal role in all of this since 1932, as well as optimally positioning the profession. HSCPA has been around for decades. It has survived many challenges and has done a commendatory job of adapting to the ever-changing environment. New legislated laws, regulations, standards etc. have altered the way we think and do business today.

HSCPA has done its job under many past Presidents and Board members, all of whom had a passion to do what was best for the profession and its members. We are indeed fortunate that we have an or-



ganization like the HSCPA to inform and prepare us to deal with the issues and challenges we see approaching on the horizon. As part of a national network, the HSCPA also receives valuable information from many State CPA Societies, AICPA, NASBA and Capitol Hill.

As your new President I am grateful and

appreciative of serving the HSCPA and its membership. I ask that you continually provide us with feedback and information about what is happening in the trenches. You are the ones interfacing with the clients, governmental agencies, creditors, investors and the public. Help us gain insight to improve this profession and your work.

In Memory Of
Cresencio S. Barayuga
1948 - 2024

Our sincere regret at the loss of a colleague, friend and member of the HSCPA since 1997.

We wish to express our deepest sympathy to his family and friends.

TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government

By Tom Yamachika



If you're not already a supporter of the Tax Foundation of Hawaii (TFH), it's never too late. TFH is the 'watchdog' for Hawaii taxpayers and keeps us informed of what the government is doing with taxpayers' money. To support TFH's mission, [please donate here.](#)

Budget Drama Continues



For the 2024 legislative session, the governor has just released his intent to veto list. That means bills not on the list are going to become law, with or without his signature, in the beginning of July.

For the most part, bills affecting taxation or public finance did not make the list. There were, however, two notable exceptions: HB 1800, which is the state's budget bill, and HB 40, which is the bill that puts \$300 million into our rainy day fund and \$135 million into the pension accumulation fund. As you may recall, the Hawaii Constitution requires that some money be either refunded to taxpayers, put into the rainy-day fund, or put toward state retiree benefits, if our general fund balance is more than 5% of general fund revenues for two fiscal years in a row. The financial target was met this year, but the Hawaii Constitution does not tell us how much money is to be sequestered. (Indeed, before the constitution was amended in 2010 to allow for rainy day or pension fund transfers, our legislators were having fun complying with this provision [by giving taxpayers a \\$1 general income tax credit for many years.](#))

Giving notice of veto of these bills, however, doesn't mean that we will be completely in chaos mode for budgeting purposes or that we will be noncompliant with the Constitution of Hawaii. What it does mean is that the governor will be able to reduce or eliminate some of the appropriations contained within those, and perhaps other, bills. This is known as "line-item veto" authority.

In other words, the budget drama continues.

Before July 10, the Governor has to come up with all of his line-item vetoes (or any other vetoes) and must make them known to the Legislature. At that point, the Legislature will decide whether to call itself into special session to do some veto overrides.

As a practical matter, however, negotiations are now under way between the Fifth Floor and legislative leaders about where the Governor's line-item veto axe is going to fall.

The outline of the Governor's grand plan is contained in a [press release](#) issued on June 21: "This veto list reflects our need to prioritize Hawai'i's crippling high cost of living, the state's affordable housing crisis and Hawai'i's families impacted by the Maui wildfires," Governor Green is quoted as saying. "In doing so, I intend to veto, line-item veto, or make appropriation reductions on several bills in order to maintain a balanced budget, but more importantly, to achieve a healthy carryover balance of more than \$300 million at the end of next fiscal year. After enacting the largest income tax break in our state's history, strategic decisions were necessary to ensure we had a balanced budget."

Specifically relating to HB 40, the press release noted that the rainy-day fund is now more than \$1.5 billion and "is the largest it has ever been." Back in 1998, my predecessor Lowell Kalapa [wrote about the proper use of the rainy-day fund:](#)

The concept of a "rainy day" fund is to set aside moneys when times are good for the state that then can only be used when there are insufficient funds to insure the health, safety, and welfare of the community. A good "rainy day" fund would require that a super majority of the legislature be required to approve any expenditures from the fund. A good "rainy day" fund would be capped at a certain level to insure that it doesn't just become a slush fund to store surplus funds. This cap can be set as a percentage of general fund receipts so that the absolute number of dollars will be allowed to grow as the economy that produces those revenues grows.

And, of course, the need to be vigilant against various "slush funds" remains. [We wrote last year](#) about one fund with more than \$180 million in it that is now pretty much doing nothing.

Let's see if the Governor and legislative leaders can agree upon a soft landing for our budget that will allow for the enacted tax cuts, take several steps toward right-sizing our government, and minimizing "slush funds" that hoard taxpayers' hard-earned dollars without a clear and justifiable purpose.

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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This year's 64th Annual Conference on November 8th will feature Insightful discussions, innovative ideas and connect with peers. From modernizing accounting, to artificial intelligence and yes, ongoing corruption in Hawaii.

Powerful, leader, driving force, passionate about the profession, energetic – just some ways to describe **Carla McCall**, CPA, CGMA, Chair of the American Institute of CPAs (AICPA). The accounting profession continues to navigate the changing and challenging business environment. We've been resilient by seizing opportunities, while providing guidance to accelerate and lead the evolution of client services and business practices. In this professional issues update, Carla will share how the profession is accelerating and leading to grow services, connections and confidence while also keeping the profession attractive, prosperous and exciting for the next generation of CPAs and CGMAs.

We continue to hear of political corruption in Hawaii, very serious and undermines the public's trust in our system. **Alexander "Ali" Silvert** returns for a riveting discussion on criminal versus non-criminal corruption, ethical obligations of AG lawyers, and the pervasive problem of giving false testimony. And, of course, the failure of the Legislature to pass meaningful campaign finance reform. Will there be any political fallout from the New York

Times/Civil Beat expose? He'll keep you wanting to hear more! Also, pick up a copy of Ali's new revised edition of "The Mailbox Conspiracy" with a brand-new up-to-date epilogue, more photos and documents, and some new information.*

One of the Top 25 Thought Leaders in the profession, **Donny Shimamoto**, CPA, CITP, CGMA, will discuss how we can enhance accounting services using artificial intelligence (AI). There's a lot of hype around AI and how it will revolutionize the way we work. Some people have even said it will replace accountants. While this is still probably more than a few years off, there are some AI tools that are ready for accountants to adopt now. This session will look at the ways that AI can already be used in audit, tax, and finance. We'll also discuss the cybersecurity and privacy implications of AI and what you should be doing to mitigate those risks.

Timely updates, useful information, and amazing discussions for 7 hours of quality CPE, enough food to fill your belly, fun SWAG, happy hour and hella fun! Don't miss this event and register now!

Awesome Buffet



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Great Speakers And Topics!



Carla McCall, CPA, CGMA, is Managing Partner of AAFCPAs, a preeminent, 300+ person CPA and consulting firm based in New England. She is Vice-Chair of the Board of Directors of American Institute of Certified Public Accountants (AICPA). Carla was named one of the Most Powerful Women in the Accounting Profession in 2020-2021, 2022, and 2023 by the AICPA and CPA Practice Advisor Magazine.



Alexander "Ali" Silvert was raised in New York City and Vermont. After graduating from UCLA and driving a cab in New York, and a year of post-graduate political science courses at New York University, he switched to Boston College Law School where he obtained his JD in 1984. In October of 2020, Ali retired as Federal Public Defender after 33 years. Ali is currently a lecturer at the University of Hawaii Richardson School of Law and runs his own private federal criminal law consulting firm in Hawaii.



Donny Shimamoto, CPA, CITP, CGMA, is the founder and managing director of IntrapriseTechKnowlogies LLC, a specialized CPA firm dedicated to helping small businesses and middle market organizations leverage strategic technologies, proactively manage their business and technical risks, and enable balanced organizational growth, and development.

PRESIDENT

Franklin T. Kudo



Frank Kudo, D.B.A., CPA/ABV, CFF is a tenured Professor of Accounting at the University of Hawaii -West O'ahu (UHWO). His research focus has been in the areas of management, finance and accounting. He holds a doctorate in business administration from the Weatherhead School of Management, Case Western Reserve University, an MBA in accounting from the Michael Foster College of Business, University of Washington, and a BS in Business Administration with major in accounting from the Leeds School of Business, University of Colorado, Boulder. Frank is a CPA (not in public practice) with subspecialty certifications in business valuation and fraud and financial forensics. He is the past recipient of the Kenneth E. Clark Student Research Award from the prestigious Center for Creative Leadership in Greensboro, North Carolina, the University of Hawaii Board of Regent's Teaching Excellence Medal, and the HSCPA Distinguished Educator Award. Frank has approximately 50 years' experience in business, working initially for KPMG LLP as an auditor, and in 1995 was asked to open a Nissan franchise, New City Nissan, for which he now serves as Chairman and CEO. on the AICPA Governing Council.

PRESIDENT-ELECT

Trisha N. Nomura



Trisha owns a consulting firm, Ascend Consulting, LLC. She is a graduate of Creighton University, where she obtained her Bachelor of

Science in Business Administration in accounting, and of the University of Hawaii at Manoa, where she earned her Master of Accountancy degree. Prior to opening her own firm, Trisha worked in both public accounting and private industry, and was the Chief Operating Officer of HiHR and the Chief People Officer of ProService Hawaii. Trisha began volunteering with the HSCPA since 2010 through the YCPA Squad, has been the Treasurer of Kaneohe Little League since 2013, and is a member of the AICPA, where she was selected to attend the Leadership Academy, has served as an at-large Council member and also on the Association Board of Directors. Trisha is a CPA, not in public practice, and a CGMA.

VICE PRESIDENT

Adrian K. Hong



Adrian is the owner of Hong Consulting, LLC., a consulting firm that helps clients measure and report on their sustainability. Hong Consulting also educates accountants and other professionals on ESG matters to help them build vital skillsets for the future. Adrian is also president of Island Plastic Bags, Inc., a local, family-owned manufacturing company. His previous work experience includes being an auditor at Berntson Porter, an XBRL Project Research Associate at the Financial Accounting Standards Board, and an instructor at University of Hawaii – West Oahu. Adrian is an active member of the Hawaii Society of Certified Public Accountants (HSCPA) where he performs outreach to high school and college students and participates in community service projects. He also serves as a director of the HSCPA board.

SECRETARY/TREASURER

Chad K. Funasaki



After graduating with a Bachelor of Business Administration degree in Accounting from the University of Hawaii at Manoa, Chad joined N&K in 1995 and became a principal in 2014. He is responsible for overseeing the operations of the Assurance Services Division of the firm. Chad's industry expertise includes construction, nonprofit, government and commercial industries. He is also a Chartered Global Management Accountant and a member of the AICPA.

ASSISTANT SECRETARY

Edmund N. Nakano



Ed is the Corporate Secretary & Treasurer of R.C. Wo & Sons, Ltd., Managing Member of C. S. Wo & Sons, LLC, where he has been employed for 46 years. His responsibilities include oversight of the Wo Family's non retail activities including legal and tax issues, procurement of major equipment and capital expenditures, investments, property management and estate and financial planning for certain owners. Ed is a Vietnam Veteran who utilized his GI Bill to continue his education at UH Manoa where he switched majors, received his Accounting degree and was employed as an Auditor and Tax Specialist at Coopers & Lybrand for 6 years. An Honorary member of the AICPA, Ed maintains his PTP to hold the CPA and CGMA designations. Ed's family includes 2 daughters who are accountants with MBAs, one who is also a CPA.

IMMEDIATE PAST PRESIDENT

Ryan K. Suekawa



Ryan is a Managing Director with Deloitte & Touche LLP. He has experience serving audit clients in various industries including consumer business, software, telecommunications, real estate, hospitality, insurance, construction, and not-for-profit. Ryan has a Master of Business Administration degree and Bachelor of Business Administration degrees in accounting, and management information systems from the University of Hawaii Manoa. He is a certified public accountant, chartered global management accountant, and accredited in business valuation. Ryan is currently a member on the AICPA Governing Council.

DIRECTORS

Ronald I. Heller



An attorney with Torkildson Katz, A Law Corporation, Ron practices in the areas of taxation, tax litigation, business/commercial litigation

(including CPA malpractice defense), and business law. He has served on the Board since 1988 and was the Society's president for 1994-95. An active member of the Society, Ron also served as a member of the AICPA Council in 1995-96, 2003-04, 2012-13, and 2016-17, and was re-elected in 2024. He also served on the AICPA Accountant's Legal Liability Committee.

Nelson K. Lau



Nelson retired as the Managing Partner of the Honolulu office of KPMG LLP. He has over 30 years of experience in providing

financial statement audit, audit of internal controls, compliance and performance improvement advisory, and due diligence services. His audit experience includes SEC filings, financial statement audits of nonpublic entities and employee benefit plans. He has a thorough knowledge of SEC rules and regulations and has been involved in numerous debt and equity offerings. Nelson has provided professional services to clients in the financial services, public utilities, airlines, state and local governments, educational institutions, and not-for-profit sectors.

Chantal Mentzer



Chantal Mentzer owns and operates an accounting practice on Kaua'i established in 2019. The firm offers small business and individual

accounting and tax services as well as a specialization in nonprofit accounting on the island of Kaua'i. Chantal holds degrees from the University of Washington, earning a Bachelor of Business Administration degree, and Texas A&M University-Commerce obtaining a Master of Science in Accounting. Before her career in public accounting, she was a small business owner and achieved success in small business management. This experience provided her with a unique understanding of the challenges small businesses and nonprofit entities face, which she now uses to assist her valued clients. She has been

working in Public Accounting for the prior 11 years. Her interests are reading, family time, travel, and beach/ocean adventuring.

Darryl K. Nitta



Darryl is a Partner with Accuity LLP (former PricewaterhouseCoopers LLP Honolulu Office) and the Managing Director of C&Y CPAs LLC, a

locally owned subsidiary of Accuity LLP. C&Y CPAs specializes in servicing small business clients in various industries with bookkeeping, compilation, consulting, and tax compliance services. From 2010-2012, Darryl was appointed by the Governor to serve on the Hawaii Tax Review Commission. He also served as the Society's president from 2018-2020. On a national level, Darryl is proud to be the second participant from Hawaii selected to the AICPA Leadership Academy. He is currently serving on the AICPA Financial Literacy committee.

Grayson Y. Nose



Grayson is a Principal with CW Associates, CPAs and has 15 years of public accounting experience, including nine years with

Ernst & Young in Honolulu. In his 15 years, he has audited many large for-profit and nonprofit entities, including those requiring single audits, and employee benefit plan audits. Prior to joining CW Associates, CPAs in 2016, Grayson served as the Controller for two years at an accounting services company. He has a Master's of Accounting degree and a Bachelor's degree in Accounting from the University of Hawaii.

Norman N. Okimoto



Norman is President of Hawaiian Financial Federal Credit Union, a full-service financial institution with over \$900 million in assets. Prior to joining the credit union, he was Capital Budget Manager at GTE Hawaiian Tel and a senior auditor at Coopers & Lybrand. Norman is a past president (2002 and 2016) of the HSCPA and is the official HSCPA book reviewer for KALA. He also served on the governing Council of the AICPA.

Joel C. Peralto



Joel's passion for accounting spans 50 years. From an auditor at Ernst & Ernst in 1973 to teaching at UH-Hilo and Hawaii Community College beginning in 1985 and 1986 respectively. In 1980, Joel and his wife Val started their accounting firm, Peralto & Co., CPAs, Inc. He retired from teaching full-time in

2016, but his love for accounting drew him back to teaching at Hawaii Community College and he continues to also work in the family firm with culturally-focused nonprofit organizations. Joel also served on the Hawaii Board of Public Accountancy from 2010-2014. He has been involved in youth sports and athletics as a coach and official from 1993 through 2024, a 30-year span. Many young accountants in the big island community, including the young CPA being groomed to take over the family practice, got their first glimpse of accounting as a professional career choice as a result of Joel's tutelage as an accounting professor in the UHCC system.

Natalie M.H. Taniguchi



Natalie joined American Savings Bank in January, 2002 and is Executive Vice President – Enterprise Risk and Regulatory Relations.

She oversees the Enterprise Risk Man-

agement, Sarbanes Oxley, Information Security, Business Continuity, Project Management, Compliance and Third-Party Relationships programs. Under her direction, the Enterprise Risk Management Program provides a framework to identify, manage, mitigate and report on key risks impacting ASB's business. Natalie is the primary liaison with the bank's regulators. Previously, she served as Financial Vice President and Treasurer for HEI Power Corp., a subsidiary of Hawaiian Electric Industries, Inc. (HEI), as the Corporate Finance and Investments Director for HEI and as Senior Auditor at what is now known as PricewaterhouseCoopers. Natalie holds a Bachelor's of Business Administration in Accounting from the University of Hawaii at Manoa and is a member of the American Institute of Certified Public Accountants and the Hawaii Society of Certified Public Accountants and is the Vice Chair of the Pa'ani Challenge.

Gordon M. Tom



Gordon is Vice President – Internal Audit of Hawaiian Financial Federal Credit Union, a full-service financial institution with

over \$900 million in assets. Prior to joining the credit union, he was a Senior Manager in KMH LLP's Assurance and Advisory Services division and a Senior Accountant with Deloitte & Touche LLP. He also is a past president of the HSCPA and served on the governing Council of the AICPA.






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The Resume Is Dead, Long Live Skills Testing

By Giles Pearson of Accountests

According to the survey, 52% of applicants say they exaggerate responsibilities and 45% make up details like the number of direct reports - stuff you can't easily double check.

A recent survey found a whopping [70% of job applicants admit to lying on their resumes](#). Talk about a resume minefield.

Resumes have always been flawed filters that don't guarantee if someone can actually do the job. As a former PwC partner who hired many staff accountants, I found several candidates lacked expected skills even with fancy resumes.

Resumes Are Unreliable and Don't Cut It

According to the survey, 52% of applicants say they exaggerate responsibilities and 45% make up details like the number of direct reports - stuff you can't easily double check.

In my experience, maybe up to 10% of new hires have such big technical gaps they should never have been hired at all. And up to half come up short on skills I would've expected given their supposed credentials and background.

Tests Create an Objective Safety Net

Extra assessments create an objective "safety net" so you depend less on questionable resume claims. Here are four kinds of tests I recommend you use in hiring:

Technical Knowledge Tests

Technical tests that show what a candidate can do are essential. Test-takers have to prove through doing, not just claiming on resumes, that they have must-have skills for things like bookkeeping, accounting, auditing or tax.

They provide objective proof of ability that interviews and resumes often miss.

Interviews can then investigate any gaps in expected expertise to understand the story behind them and how people think on their feet.

Personality Tests

Personality evaluations give objective insights into a candidate's work preferences, communication style, teamwork, and more.

Scientifically validated personality tests analyze traits like ethics, relationships, thinking and coping - key stuff for success in accounting. This data-based perspective shows if someone's natural tendencies fit the role and your team.

Interviews can then dig deeper into results. Combining objective testing and probing interviews gives the clearest picture of on-the-job personality.

Cognitive Evaluations

Cognitive and IQ tests provide measurable insights into reasoning abilities, logic, and how quickly someone processes information. They play a big role in determining if thinking abilities match job demands.

The tests measure aptitude in a standardized way, avoiding subjective perceptions from resumes or interviews. Cognitive testing sounds clinical, but it's more impartial than unstructured impressions.

Together with interviews that provide context, cognitive tests offer tangible data on processing complex info and critical thinking.

Case Studies

Well-designed case studies give candi-

dates real-world type problems similar to actual work. For example, accountants may analyze financial statements, while tax preparers find errors on a return.

Custom scenarios show how people handle technically complex problems, apply specialized skills, and exercise sound judgment. Case studies let you evaluate competencies in action, rather than just resume claims.

Building good case studies takes time and care. Relying on real client data raises security issues. But done right, case studies can provide contrast and additional validation with the 3 more formal tests above.

Say Bye to Resume Roulette

At Accountests, we've developed [industry-specific accounting assessments](#) to tackle "resume roulette" in our profession.

I urge you to add validated skills testing to hiring to reduce dependence on resumes. Let's work together to improve practices through evidence-based, objective assessments.

The resume may be dead, but skills tests can revive your faith in hiring.

Want to see if Accountests will work for your firm? Click on the button for a FREE trial test - use it on a candidate or get one of your staff to give it a go and see what they think.

TRIAL A TEST

After 18 years as a partner with a large public accounting firm, Giles Pearson founded Accountests to help those recruiting accountants make better hiring decisions. Accountests deliver the world's only online suite of annually updated and country-specific technical skills, ability and personality tests designed by and for accountants and bookkeepers.



Are You Ready To Take Advantage Of AI?

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

You've undoubtedly heard a great deal about Artificial Intelligence (AI) during the past eighteen months. During this time, generative AI tools like OpenAI's [ChatGPT](#), Google's [Gemini](#), and Microsoft's Copilot have become more mainstream daily. But have you explored how you can take advantage of and benefit from AI? Read on, and in this article, you will learn how to take advantage of one of the most promising emerging technologies.

First, What Is Generative AI?

Since 2022, generative AI has emerged as one of the most talked-about technologies ever. As their name implies, generative AI tools can generate content for you. That content can be text-based, or it can be visual. Generative AI can also generate other forms of content, such as music, videos, and even computer code (including Excel macros!)

Large datasets known as Large Language Models (LLMs) power generative AI platforms. Engineers "teach" LLMs complex relationships between the items in these datasets so that they can respond to users' requests or prompts.

Generative AI represents one of several types of AI, and in the near term, generative AI is likely to be the most commonly used in business circles. Generative AI tools can respond to prompts such as those listed below.

- Explain the principal differences between LLCs and partnerships,

- What are the significant changes to 2023 tax laws,
- Help me understand large language models,
- Write an engagement letter for preparing a corporate tax return and
- Create a memo explaining the need for adequate information security controls.

The sky is the limit when prompting your generative AI tool. Once you issue a prompt and receive your initial reply, you can modify your prompt, much like having a conversation with a human. For instance, you could prompt your AI tool with a request such as "Help me to understand The Corporate Transparency Act." Then, after receiving the initial reply, you could add more prompts, such as "more details" or "restate in memo form."

What Can The Tools Do For You?

As indicated above, you can use generative AI tools to engage in "conversations" on almost any subject. For example, you can prompt your AI platform to create a business letter, a speech, a blog post, or a memo. Indeed, there are very few topics with which generative AI tools struggle to create content. However, that does not mean that these tools are perfect.

Sometimes, the LLM on which your AI tool relies may need an update. This could be particularly concerning if you were to research tax laws using a generative AI tool, but the LLM required an update. In this scenario, you would risk receiving outdated guidance from your AI platform.

In other cases, the LLM may not have access to a sufficiently representative data set. In such cases, that might increase the risk of bias appearing in the provided results. So, checking the citations and references provided always helps to ensure your results are timely, accurate, and representative. Notwithstanding the above, most users will find their AI-generated results accurate and timely – probably more so than those in books, magazines, and journals.

What Do You Need To Do To Get Started?

Presently, three tools dominate the generative AI market: ChatGPT, Gemini, and Copilot. All three offerings provide free access, and many users will find that model sufficient to meet their needs. However, paid subscription models are also available for users with more advanced needs, including generating images or integrating with Microsoft 365.

ChatGPT is one of the pioneers associated with generative AI. You can sign up for a free account by visiting their website [chat.openai.com](#) and registering. However, a paid subscription to ChatGPT (\$20 per user per month) provides more features, including an updated LLM and the ability to generate images.

Like ChatGPT, [Google's Gemini platform](#) also offers a free subscription and a paid offering costing \$20 per user per month. Gemini provides deep integration with other Google services, including Gmail.

[Microsoft's Copilot AI platform](#) is similar in some respects to ChatGPT and Gemini but also offers a strikingly different feature set in its paid model, costing \$30 per user per month. For example, anyone can access the free platform without signing up for an account. To do so, open the Edge browser on your device and then click the Copilot icon near the upper right corner of the window. Doing so provides you with immediate access to Copilot. For even more power, you can sign up for the paid version of Copilot and use the tool to analyze data in Excel, summarize lengthy email threads, and even draft PowerPoint presentations from Word documents.

Summary

Far from an exhaustive review of all you can do with today's AI tools, this article has focused on how to get started in the fantastic new world of artificial intelligence. Today's AI tools – although not perfect – are truly remarkable at what they can do and the time they can save you. Thus, if you haven't experimented with AI, I encourage you to start soon. Once you do, you will probably never return to working as you did in the past!

Tommy is a shareholder of K2 Enterprises. At K2, Tommy focuses on creating and delivering content and is responsible for many Firm management and marketing functions. You can reach him at tommy@k2e.com or learn more about K2 Enterprises at www.k2e.com.

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Gross revenues shown: NEW \$250K Honolulu, HI CPA; \$800K Leeward-Central Oahu Area, HI CPA; \$217K South Maui, HI Tax & Accounting; For more information, please call 1-800-397-0249 or visit www.APS.net to see listing details and register for free email updates.

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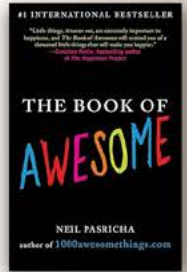
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Norman's Book Review

"The Book of Awesome"

by Neil Pasricha



Simply put, this book is AWESOME! It reminds the reader about the simple things that make us happy and bring joy to our lives. It is a #1 international and New York Times bestseller. His [Ted talk](#), "The 3 A's of Awesome", has over 3 million views and ranks as the 9th most inspiring talk.

What prompted Neil to start writing his daily blog called *1,000 Awesome Things* on June 20, 2008 and later write this book was having to deal with his wife wanting a divorce and his close friend committing suicide. Neil was 28 years old at the time. He summoned the courage to focus on positive things with his blog. His blog went viral and had over 100 million visits. He also won three Webby Awards for "Best Blog in the World."

His book contains 200 simple and universally awesome things. The following are 10 things I thought would give you a feel of the book. For those who know

me, I'm always thinking so I thought why not list 10 awesome things for a practicing CPA and 10 awesome things for a business & industry (B&I) CPA. Fellow Board member and co-worker Gordon Tom graciously helped me with this section. Then I thought I would consult with my administrative staff for awesome things in their lives. Think about what simple pleasures are awesome to you! Let's get started.

10 Awesome Things Noted in the Book



1. **Laughing so hard you make no sound at all - !!! . . . Awesome!**

2. **Finally remembering a word that's been on the tip of your tongue for so long** – It's like throwing a pail of cold water on all your smoking inner head parts. Gears unjam, lines start rolling and with a satisfied smile on your face, you just blurt it out . . . Awesome!
3. **That friendly nod between strangers out doing the same thing** – You nod to the person cycling in the opposite direction of you, you nod to the person driving the same car as you, you nod to the person squeezing the melon next to you at the market . . . Awesome!
4. **The other side of the pillow** – Because it's flat when you're sagging, fresh when you're stale, and cold when you're hot, baby . . . Awesome!
5. **Waking up and realizing it's Saturday** – CRAP WHAT TIME IS IT I GOTTA GET TO WORK! Wait a minute . . . It's Saturday! . . . Awesome!
6. **When your suitcase tumbles down the luggage chute first after a long flight** – Waiting at baggage claim, you can't believe your luck when your suitcase comes out first. If this happens, part the anxious crowd, grab your bag and shuffle

In Memory Of
Manuel "Manny" R. Sylvester
1930 - 2024

Our sincere regret at the loss of a colleague, friend, HSCPA 2008 Legacy Hall of Fame recipient, and member of the HSCPA since 1956. We wish to express our deepest sympathy to his family and friends.

outside to get on your way. Smile a big smile because you just won the suitcase jackpot . . . Awesome!

7. When the thing you were going to buy is already on sale – Your wallet stays fat, your smile stays fresh, and you ride the fast lane straight to Penny-Pinching Heaven . . . Awesome!

8. Getting your ID checked when you're way over the legal age – Oh, baby, when it hasn't happened in years, getting your ID checked can be a full body buzz as you take a sip from the fountain of youth . . . Awesome!

9. Getting off an airplane after a long flight – You're out of the window seat, out of the aisle, you're back on two feet, so just walk away and smile . . . Awesome!

10. Bakery Air – Make sure you stop to smell the croissants, cookies and glazed doughnuts . . . Awesome!

Public Accounting Awesome Things

- When the client has all schedules done by the deadline and they are complete and accurate.
- When you import the client's trial balance into the workpapers, it balances and there are zero new accounts to map.
- When fieldwork finishes on time with zero open items or uncleared review notes.
- When the client accepts your proposed fee increase without discussion or pushback.

- When there are no questions or pushback from the client on your report findings.
- When the partner takes the entire team out to celebrate coming in on budget.
- When the client's accounting staff are happy to see you and ask how you've been.
- When the conference finishes early and there's an open bar at the happy hour reception.



B&I Awesome Things

- When the financials are closed on time and without significant adjusting entries.
- When the year-end financial results are on budget and there are no significant account variances.
- When departments turn in invoices / paperwork on time to accounting.
- Cashflow is positive all year.
- The annual capital budget matches to the strategic plan.
- The external audit and tax returns are completed on time and without significant adjustments to the financial statements.
- Accounting staff are happy and are appreciated by the entire organization.



Miscellaneous

- Taking out your contacts so your eyes can breathe
- Being greeted at the door by your doggie when you get home
- Coming home to dinner already made
- Driving to and from work in no traffic
- Having that first 'refreshing' drink after a challenging day
- When the seat next to you remains open on a long flight
- When the perfect parking stall opens up as soon as you get to a busy mall
- Finding out you don't have to serve on jury duty because your case was settled

Summary

Get inspired, smile, laugh, do your happy dance and celebrate your life to the fullest by reading his book, watching his videos and/or visiting his website. As Neil noted in his Ted talk, "if you live your life with a great Attitude, have a good sense of Awareness of the world around you, and are Authentic to yourself by being you and being cool with that, then you will live a life that is rich, satisfying and truly AWESOME!"



HSCPA Annual Election & Business Meeting

Our first in-person Annual Election & Business Meeting since 2020! Despite the Juneteenth national holiday, members enjoyed networking, hearing the latest developments in the profession, and enjoyed the “tacos & x Margaritas” fete on June 19th at the Prince Waikiki. The 2024-2025 nominations report was approved and the officers and directors were installed by past president, Terri Fujii.

Thank You to Ryan Suekawa, now immediate past president, for his steadfast leadership, dedication and commitment during the past two years as President of the HSCPA addressing complex issues. His leadership continues to motivate us through his firm’s (Deloitte) financial support of HSCPA’s pipeline initiatives.

Thank You to Frank Kudo who will lead us through the next two years of his presidency. His leadership comes at an opportune time as the profession addresses the talent shortage and modernizing licensure in Hawaii. Frank’s vision is to collectively build a sustainable pipeline of accounting talent and continue to communicate the many benefits an accounting career can provide.

Thank You to Ryan Suekawa, Trisha Nomura and Darryl Nitta, AICPA Council representatives, for providing updates on important issues affecting the profession such as the landscape and growth opportunities of GenAI, national tax advocacy initiatives, and the [NPAG](#) (National Pipeline Advisory Group) strategy report (accounting talent solutions). We also urged everyone to take the [Pipeline Pledge](#) to influence and grow the accounting talent pool.

Thank You to HSCPA Members for your continued support and dedication to this great profession! We challenge you to influence, motivate and inspire students who are interested in taking control of their career with unlimited possibilities.

Thank You to Richard Ma (AV services), Brian Chang (soothing music), and Prince Waikiki staff – always the best!



Pipeline Pledge







Tips and Tricks for Complying with the Better Buildings Benchmarking Ordinance

By Adrian Hong

With the deadline for buildings 50,000 square feet or more to start filing their annual better buildings benchmarking reports fast approaching on June 30th, I thought it would be a good opportunity to go over some tips and tricks for submitting a benchmarking report. The Better Buildings Benchmarking Ordinance (Ordinance 22-17) requires Oahu building owners to submit a benchmarking report to the City & County of Honolulu (C&C) on an annual basis. The report contains metrics regarding the building's energy usage, water usage, and greenhouse gas (GHG) emissions.

The following is a list of tips and tricks for complying with the ordinance based on Hong Consulting's experience assisting properties in submitting their benchmarking reports.

- Start the process as soon as possible. It can take over a month for the utilities to provide you with the electricity, water, and gas usage you need to submit your benchmarking report if you don't already have your usage.
- Use the following website to create a document with a list of all the data you need to collect in order to file: <https://portfoliomanager.energystar.gov/pm/dataCollectionWorksheet>. The website also has links to

definitions of important terms such as "gross floor area." Condominium associations should select multifamily housing as their property type.

- Do not have any gaps in your monthly electricity, water, or gas usage. EnergyStar Portfolio Manager, the system the C&C uses to collect the data and issue the reports, does not allow for any gaps in usage. If you can't find one of your monthly utility bills, then your association will have to request the annual usage from the utilities themselves.



- Your electricity, water, and gas usage must cover from January 1st to December 31st. If your utility bills start after the beginning of the year or cuts off before the end of the year, then you will need the previous month's bill or next month's bill to get all the required usage. EnergyStar Portfolio Manager will spit out an error if the usage for a particular meter does not cover every day of the calendar year being reported on. It is okay if the previous month's bill or the next month's

bill covers periods outside of the calendar year as long as every day in the calendar year is covered.

- The benchmarking report covers the whole property, including tenants. If you have tenants such as gyms, restaurants, and salons on your property, you must include their usage in the benchmarking report in addition to your own. You will also need to allocate the gross floor area of your property to the different property types that exist on your property (ex. multifamily housing and restaurant/bar).
- Gross floor area of your building can usually be found in the condo association documents, blueprints, or insurance documents. If you cannot find the gross floor area or the irrigated area for your property in these documents, you can estimate gross floor area using Google Earth's Measure function. The measure function can help you determine from satellite imagery the distance and area between selected points. It is a useful and free tool to use.

For more information about Ordinance 22-17, please click on the following link: www.resilientoahu.org. It will take you to C&C's website about the ordinance and its benchmarking program.



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