

DECEMBER 2024

# KĀLĀ

The Official Publication of the Hawaii Society of Certified Public Accountants

*Happy  
Holidays!*



# CPACHARGE

AN AFFINIPAY SOLUTION



Member  
Benefit  
Provider

“CPACharge has made it easy and inexpensive to accept payments via credit card. I'm getting paid faster, and clients are able to pay their bills with no hassles.

– Cantor Forensic Accounting, PLLC

Trusted by accounting industry professionals nationwide, CPACharge is a simple, web-based solution that allows you to securely accept client credit and eCheck payments from anywhere.



22% increase in cash flow with online payments



65% of consumers prefer to pay electronically



62% of bills sent online are paid in 24 hours



PAYMENT  
RECEIVED

YOUR FIRM  
LOGO HERE

Client Invoice  
#0123-A

Your Client

\*\*\*\* \* 9995

\*\*\*

TOTAL: \$3,000.00

VISA



POWERED BY  
CPACHARGE

eCheck

DISCOVER

PAY CPA

Get started with CPACharge today

● [cpacharge.com/hscpa](http://cpacharge.com/hscpa)

866-327-0321

AffiniPay customers experienced 22% increase on average in revenue per firm using online billing solutions

CPACharge is a registered agent of Synovus Bank, Columbus, GA., Fifth Third Bank, N.A., Cincinnati, OH, and Wells Fargo Bank, N.A., Canadian Branch, Toronto, ON, Canada.



The Official Publication of the Hawaii  
Society of Certified Public Accountants

#### Officers

President Frank T. Kudo  
President-elect Trisha N. Nomura  
Vice President Adrian K. Hong  
Secretary/Treasurer Chad K. Funasaki  
Assistant Secretary Edmund N.  
Nakano

#### AICPA Council

Ronald I. Heller (Designated)  
Ryan K. Suekawa (Elected)

#### Executive Director

Kathy M. Castillo

#### Administrative Assistant

Debbie Cortes

#### Graphic Design

[Underwood Graphics](#)

#### Directors • 2024 – 2026

Chantal Mentzer (KAUAI)  
Norman N. Okimoto  
Joel C. Peralto (BIG ISLAND)

#### Directors • 2023 – 2025

Ronald I. Heller  
Nelson K. Lau  
Darryl K. Nitta  
Grayson Y. Nose  
Natalie M.H. Taniguchi  
Gordon M. Tom

#### Hawaii Society of CPAs

1000 Bishop Street, Suite 802

P.O. Box 1754

Honolulu, Hawaii 96806

Tel: (808) 537-9475

Fax: (808) 537-3520

E-mail: [info@hscpa.org](mailto:info@hscpa.org)

Website: [www.hscpa.org](http://www.hscpa.org)

#### Immediate Past President

Ryan K. Suekawa



**H S C P A**

Hawaii Society of  
Certified Public Accountants

This publication is designed to provide general information only, and should not be used as a substitute for professional advice. The authors and editors disclaim any liability for any loss or damage resulting from the use of any information or advice herein. Although a reasonable attempt has been made to be accurate, neither the HSCPA nor the authors and editors can guarantee that all information contained herein is correct as of the date of publication.

KALA (the Hawaiian word for money) is published monthly and is the official publication of the Hawai'i Society of Certified Public Accountants. Please direct all inquiries regarding editorial content to HSCPA, 1000 Bishop Street, Suite 802, Honolulu, Hawai'i 96813.

## In This Issue

President's Message ..... 4

*By Dr. Frank T. Kudo*

Deferred Maintenance..... 5

*By Tom Yamachika*

Empowering Growth In Small Businesses:  
How CPAs Drive Success for Startups..... 6

Highlights of the HSCPA 64th  
Annual Conference..... 8

Need Help Passing the CPA Exam?..... 13  
*By Dr. Katie Landgraf*

Norman's Book Review..... 14

Incorporating Artificial Intelligence  
into Continuous Improvement..... 16  
*By Amanda Wilke*

YPs Trivia Night..... 18

Accounting Opportunities  
Experience A Success..... 19

HSCPA Scholarship Recipients..... 20





# President's Message

By Dr. Frank T. Kudo

## "Bowling Alone"

As we approach the end of another year and welcome the new year, I would like to write about the concept of "volunteerism" and the sense of community in America. Is it dead?

In 1995 Robert Putman, a Harvard Professor at the Kennedy School, wrote an essay titled "Bowling Alone: The Collapse and Recovery of American Community". It's about America's decline in social capital which later became a book with the same title in 2000. Putnam says that social capital is a positive force in economic development and produces safer and more productive neighborhoods.

In America from 1900's to 1960, social capital was on the rise. However, data from the 1960's and forward plots a significant decline in social engagement and connection with family, friends, co-workers, and neighbors. The research



data monitored various aspects of social capital such as, voting, political participation, religious participation, workplace networks, informal networks, mutual trust, altruism, and civic activities for over forty years. In the first two thirds of the 20th Century, social engagement was high then in the 1960's it started to decline. The causes might be generational preferences, urbanization of many large cities, increasing pressure to make money and establish certain markers of success, dependency on

new technology, educational changes in school systems etc. These factors caused us to be less dependent and required less social engagement and communications with each other.

We hear that the younger generation spend more time on social media and their cell phones than interacting in-person. This lack of social skills makes for a poor foundation in their ability to effectively communicate with others later as an adult. The number of Americans voting has gone down in the past 40+ years, until maybe recently with the Trump/Harris Presidential Election.

Putnam uses bowling as a metaphor of how America is changing with regards to social capital. Bowling alleys have closed and are no longer popular, no one seems to want to join a bowling league anymore but rather "bowl alone."

The end of the year is a time for resolutions. We need to revitalize and sustain that sense of community we once knew in Hawaii. Next year, think about volunteering for a charitable cause(s), participating in a church event or social activity. Help bring people together again ... for bowling alone is just that ... alone ... and really no one wants that.

*Wishing you all a wonderful holiday season!*





## REAL ESTATE SOLUTIONS

**Real Estate Appraisal Valuation:**

- Commercial & Residential
- Retrospective Value / Date of Death
- Trust, Pension and Estate

**Real Estate Counseling:**

- Strategic Planning
- Commercial Lease Negotiations
- Commercial Brokerage & Leasing

**Jon Yamaguchi:**  
jon@yamaguchiinc.com

**Stephanie Yamaguchi:**  
stephanie@yamaguchiinc.com



**Yamaguchi & Yamaguchi, Inc.**

Real Estate Counseling Services

www.yamaguchiinc.com • www.REMMPacific.com • Phone: (808) 533-8849

# 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.](#)

## Deferred Maintenance



One of the problems that has plagued Hawaii governments at all levels is "deferred maintenance." Simply put, it means there's stuff broken and there isn't presently money to fix it, so it has to stay broken until some future time when the money is available.

We've heard about deferred maintenance at the airport, at the University of Hawaii, at schools, and at other state departments. In 2019, for example, a [Grassroot Institute report](#), citing multiple national reports, stated that state deferred maintenance projects at that time included \$240 million for the Aloha Stadium, \$125 million for the Ala Wai Canal, \$38 million for the state Capitol, \$868 million for school facilities, \$848 million for university facilities, \$535 million for hospitals, \$808 million for public housing, and \$654 million for roads and bridges.

I'm not sure that there is any consistent or uniform definition of how deferred maintenance is to appear on a budget. [Wikipedia calls it a budget avoidance practice](#): "Deferred maintenance is the practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding

levels, or realign available budget monies."

Our government apparently has been trying to do something about it. Since the 2017-2019 biennium, the [Executive Biennium Budget](#) has included an appendix giving us estimates by department of the deferred maintenance backlog. The following table is from the appendices in the last four biennium budgets:

|          | 2017          | 2019          | 2021          | 2023          |
|----------|---------------|---------------|---------------|---------------|
| AGR      | 5,206,500     | 4,829,000     | 24,225,120    | 10,196,235    |
| AGS      | 734,515,000   | 735,273,000   | 468,718,163   | 242,387,264   |
| BED      | 17,693,406    | 8,500,000     | 33,418,400    | 99,148,304    |
| DEF      | 31,185,400    | 27,889,600    | 44,678,094    | 30,521,714    |
| EDN      | 291,380,820   | 868,676,170   | 1,686,116,264 | 704,451,652   |
| EDN-LIB  | 152,309,890   | 21,425,560    | 57,679,504    | 95,546,368    |
| HHL      |               | 3,613,000     | 5,823,000     | 4,323,000     |
| HMS-HPHA | -             | 808,028,380   | 808,028,380   | 797,276,247   |
| HTH      | 82,665,000    | 101,411,700   | 117,437,550   | 96,545,050    |
| HTH-HHSC | 708,414,000   | 535,473,000   | 147,411,000   | 104,850,000   |
| LNR      | -             |               | 36,143,500    | 58,065,050    |
| PSD      | 48,007,000    | 541,991,538   | 180,199,037   | 122,676,528   |
| TFN      | 513,055,639   | 654,585,325   | 661,050,575   | 408,226,700   |
| UOH      | 577,936,000   | NA            | 787,127,000   | 863,305,000   |
| Total    | 3,162,368,655 | 4,311,696,273 | 5,058,055,587 | 3,637,519,112 |

Source: Hawaii Department of Budget and Finance

Of these entries, the three with the largest amounts shown are the University of Hawaii at \$863 million for fiscal biennium 7/2023-6/2025, Hawaii Public Housing Authority (under the Department of Human Services) at \$797 million, and the Department of Education (separate from the State Library System, coded as EDN-LIB) at \$704 million. The totals include all means of funding (general fund, special fund, debt, federal dollars, etc.). The report might not be complete. The Department of Transportation, for ex-

ample, only reported totals for its Highways Division. The Airports and Harbors Divisions either didn't report or reported zero for all four biennia, and I find it difficult to believe that those divisions had no deferred maintenance at all in the past eight years.

Finally, the three entries with the highest deferred maintenance relative to operating budget (specifically, operating budget for

FY 2024 divided by 2023-25 deferred maintenance) are the State Library System with 209.5%, deferred maintenance more than double the operating budget; Department of Accounting and General Services, which runs all state facilities, at 127.7%; and University of Hawaii at 66.8%.

Perhaps lawmakers should start taking a look at these departments if they want to prevent further degradation of state services.

*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.*



# Empowering Growth In Small Businesses: How CPAs Drive Success for Startups

Starting a small business is an exciting journey with many challenges and responsibilities. Accounting professionals have skills for empowering growth in small businesses. From financial planning to compliance with laws, the expertise of a Certified Public Accountant (CPA) can be a meaningful change for new entrepreneurs. CPAs offer crucial advice to ensure financial health and guide business owners through the complexities of compliance, tax, and operational strategies to foster growth and stability. This article will explore how CPAs can be pivotal in nurturing a small business from its inception to a thriving enterprise.

## Strategic Financial Planning

A solid financial plan is the foundation of any successful business. CPAs bring a wealth of knowledge and tools to help business owners forecast and adjust their financial strategies effectively.

- **Budgeting and Forecasting:** CPAs can help businesses [project future revenues and expenses](#), creating budgets that support business goals while maintaining financial health.
- **Cash Flow Management:** They provide strategies to optimize cash flow, which is crucial for the survival and growth of any startup.

- **Risk Assessment:** [CPAs analyze](#) financial risks associated with business operations and advise on mitigation strategies to protect assets and income.

## Compliance And Regulatory Guidance

Navigating the complex legal and tax requirements can be daunting for any business owner. CPAs are well-versed in these areas, ensuring that your business adheres to all necessary guidelines and avoids costly penalties.

- **Choosing the Ideal Business Entity:** CPAs help evaluate the pros and cons of different business structures (like LLCs, S-corporations, or sole proprietorships). A CPA can help select the most advantageous one for tax and liability purposes. Further, if you need any help getting started, look to a formation company like [ZenBusiness](#).
- **Tax Compliance:** They ensure accurate and timely filing of tax returns while also helping you take advantage of tax credits and deductions.
- **Regular Compliance Reviews:** CPAs keep your business updated with changing regulations, whether related to finance, labor, or industry-specific standards.

## Operational Efficiency

Operational efficiency is critical to maintaining profitability and competitiveness. CPAs provide insights into improv-

Torkildson Katz, A Law Corporation is proud to announce:

**Ronald Heller**  
has been selected by  
The Best Lawyers in America®  
as the  
**2025 Attorney of the Year**  
for Honolulu in two categories:  
Tax Law  
Litigation & Controversy—Tax



**TORKILDSON  
KATZ** A Law Corporation  
700 Bishop St., 15th Floor  
Honolulu, Hawai'i 96813  
(808) 523-6000  
rheller@torkildson.com



ing operations without compromising quality or service. They analyze processes and systems to identify bottlenecks and recommend scalable solutions that boost performance.

- **Cost Reduction Strategies:**  
They analyze expenses to identify cost-saving opportunities without impacting business output.
- **Performance Metrics:** CPAs help develop key performance indicators (KPIs) to measure and improve business efficiency.
- **Technology Integration:**  
Professionals advise on [integrating accounting software](#) and technology solutions that streamline operations and reduce manual errors.

## Long-term Strategic Advice

A CPA does more than just crunch numbers. They provide strategic advice that aligns with the business's long-term goals. Their expertise extends to offering tailored solutions that enhance operational efficiency and financial stability.

- **Growth Planning:** CPAs assist in [creating scalable business models](#) that facilitate sustainable growth.
- **Succession Planning:** They help [plan for the future](#). This ensures a smooth transition in cases of ownership change or business sales.

- **Investment and Expansion Advice:**  
CPAs [analyze market trends](#) and financial data to advise on potential investment opportunities and expansion strategies.

## Summary

The role of a CPA in the lifecycle of a small business is indispensable in empowering growth in small businesses. By leveraging their expertise in financial management, compliance, operational efficiency, and strategic planning, CPAs provide business owners with the tools they need to succeed in a competitive market. Whether choosing the correct business entity or navigating complex regulatory landscapes, a CPA's guidance can significantly reduce risks and enhance profitability. As you embark on or continue your entrepreneurial journey, consider the many ways in which a CPA can not only keep your business compliant but also strategically poised for growth and success.

### Kahua Ranch Beef Stew



3 lbs boneless stew beef  
Salt and pepper, to taste  
Water to cover meat  
1 medium onion, roughly diced  
1 lb. carrots, cubed  
1 lb. potatoes, peeled and cubed  
3 stalks celery, cut in 1" pieces  
1 tsp. flour  
1/4 c. water

Brown meat, adding salt and pepper, then cover with water. Add onion. Cook about 2 hours until meat is tender.

Add carrots and cook 30 minutes more. Add potatoes and cook another 30 minutes. Add celery and cook an additional 15 minutes.

Mix flour and water and pour slowly into stew; cook until raw floury taste disappears. Serve over hot rice

At [K2 Enterprises](#), our commitment lies in providing unwavering support and expert instruction to CPAs. Explore the wealth of resources on our website, where you'll find valuable insights on selecting the most [suitable accounting software](#), equipping your firm with the right tools for the journey ahead. If you work in accounting or finance, [K2 Enterprises](#) provides continuing education programs to enhance your skills and credentials. Need help learning how to solve your practice's accounting technology needs and selecting the right software for [accounting](#) or [CPA Firms](#)? Visit us at [k2e.com](#), where we make sophisticated technology understandable to anyone through our [conferences](#), [seminars](#), or on-demand [courses](#).

## Hawaii Practices For Sale

**Gross revenues shown:** NEW \$755K Hilo CPA Practice; \$265K Honolulu CPA Practice; \$815K. For more information, please call 1-800-397-0249 or visit [www.APS.net](#) to see listing details and register for free email updates.

**Thinking of Selling Your Practice?** AAccounting Practice Sales is the leading marketer of accounting and tax practices in the world. 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@apsholmesgroup.com](#).



**ACCOUNTING  
PRACTICE SALES**  
THE GLOBAL LEADER IN PRACTICE SALES



# Highlights of the HSCPA 64th Annual Conference

## Accounting Agents For Transformation Accelerate & Lead!

Thank You to Our  
Awesome Sponsors!

Corporate  
Sponsor



AMERICAN  
Savings Bank



PRIVATE  
PRACTICE  
TRANSITIONS  
YOUR BUSINESS • YOUR LEGACY



CPACHARGE



WESTPAC®  
WEALTH PARTNERS  
PROTECT • INVEST • ACHIEVE



### 2024 Annual Conference Week

We celebrated Annual Conference week with various activities, from opening with a firm roundtable discussion with AICPA Chair Carla McCall to a fun & lively Conference, and topping it off with 'closing' remarks at 1938 Indochine!

Carla was more than enthusiastic in meeting and engaging with HSCPA members during her week's stay in Honolulu. Firm representatives had an opportunity to hear how Carla took her firm to a next level of operations effectiveness, successes, and most of all, a "people-first" team-oriented firm.

The Conference featured phenomenal speakers who shared insightful perspectives and expertise. **AICPA Chair Carla McCall** discussed how businesses and the profession need to think beyond what's been expected and pay attention to the greater expectations demanded by the market. New modern methods, driven by innovation and technology, are driving firm/finance evolution. We must continue to create the right environment to hire people, inspire people, and provide the best services.

Respected thought leader and local boy, **Donny Shimamoto**, discussed how artificial intelligence (AI) is enhancing the services that CPAs provides. It's also creating new opportunities for career growth. He not only provided valuable knowledge, but also sparked important conversations and ignited new ideas.

Bringing back childhood play, we took a break after a delightful buffet and challenged the group to play Jan Ken Po. It got pretty intense as we narrowed challengers down to two players, with the winner taking all the quarters. Congratulations to Evan Yamamoto!

Leading us to happy hour, **Ali Silvert** shared his thoughts on the numerous corruption cases in Hawaii. He touched on the corruption in law enforcement which led him to writing two books, "The Mailbox Conspiracy", that uncovered a culture of corruption at the highest level. Ali talked about cases involving legislators committing wire fraud to bribery to ethics violations and the Dana Ireland story, a tragedy turned into a travesty of justice case. We all suspect many more cases of corruption ... being a "whistleblower" is what hinders revealing the problem.







# Highlights of the HSCPA 64th Annual Conference









# Highlights of the HSCPA 64th Annual Conference







# Need Help Passing the CPA Exam?

By Katie Landgraf

The CPA Exam is considered one of the most challenging professional exams in the world. The process of applying, studying, and taking the exam sections is far too much for one to complete alone, especially in Hawaii where a majority of CPA candidates are working full time while studying. In 2017, a course was developed at the University of Hawaii – West Oahu (UHWO) to address this pipeline issue.

**What is this Course?** ACC 480 is a CPA prep course (officially called Certificates in Accounting) that was developed by Dr. Katie Landgraf to help students pass the CPA exams.

**Course Structure** - During the 12-week course, students study and take one to two actual CPA exam sections.

- **Timing:** Offered during the summer semester (May – August)
- **Modality:** Meet online for two hours a week; one hour with the entire class and one hour at an individual level with the professor.
- **Studying:** Each student is expected to study 20-25 hours a week on their own within the CPA study material.
- **Meeting Topics:** Each week the topics relate to how to best pass the exam sections. Topics are strategically ordered to assist students with how to study and the timing of when to take exams.
- **Credit and Grade:** Students earn 3 credits and the grade is 100% based on effort. The 3 credits help students get closer to the current State of Hawaii 150-credit hour requirement.

## Course Benefits:

- One to two professors teach the course

and all have CPA licenses.

- Professors talk about how to study, where to study, and assist with creating a study calendar to ensure the student is ready for the exam.
- Professors act as accountability partners ensuring that the student studied the expected material on time.
- Registered students receive guidance on which study material to buy and receive huge discounts on reputable material (i.e. Becker, Surgent CPA Review, WileyCPA, etc.).
- Professors guide students on how to use the CPA study material to its full potential and align to students' learning style.
- Guest speakers that have recently taken exams share their advice.
- Students are allowed to take the exam sections in any order they desire, but professors discuss best strategies based on the student's comfort and academic journey.

**Course Cost:** Total cost runs between \$2,740 to \$3,990 for all four exam sections

- CPA Study Material: Students are allowed to purchase any study material that they prefer. Study material could range from \$250 to \$1500.
- CPA Exams: About \$350 per exam section, plus registration fees of around \$90. There are four exam sections total.
- Tuition: 3 Credits through UHWO is equivalent to about \$1,000.

**Course Open to All:** Even though this course is offered through UHWO, any individual can enter the course.

- This includes students who earned a

bachelor's degree at a different campus.

- This includes students who graduated in the current year or many years ago.
- This includes students who live in another state and/or want to earn their license in another state.

## Timing of When to Best Take the Course:

- The best time to take this class is when the student is ready to take actual CPA Exam.
- This means the student's schedule has 20 hours minimum per week available to study.
- This means the student is qualified to take the actual CPA Exam.
- No other class should be taken during this time.
- Ideally, the student would not be working during this time. Former students who were not working while studying for the first two exam sections had significantly higher passing rates.

## Course Past Results:

- 2023 CPA Exam scores for the seven students in the prep course: 50% passed and 50% failed their exams.
- 2017 – 2023 CPA scores for the 77 students in the prep course that took 181 exam sections: 68% passed and 32% failed their exams.
- Note: These scores are based on feedback from the students as well as searches conducted on the DCCA website. Professors reach out to past students annually for an update on their progress.

**Any questions?** Please contact Dr. Katie Landgraf, [katiebl@hawaii.edu](mailto:katiebl@hawaii.edu)



# Norman's Book Review

## *"Kau Kau"*

by Arnold Hiura



This book gave me “chicken skin” and had me reminiscing about my childhood and what my parents and grandparents experienced living in Hawaii. Arnold did a great job taking the reader back to the days of when the immigrants came to Hawaii and all the way up to current day Hawaii, through the food we ate. Sprinkled with unique stories, pictures and awesome recipes, this is a keepsake book that would be a perfect holiday gift, especially for friends and family with Hawaii ties living outside of Hawaii. Because it covers the Big Island, Maui, Oahu and Kauai, it's applicable to anyone living in Hawaii as well. The hard cover book has high quality pictures and a commitment to detail that is second to none. Here are some tidbits from the book I thought you might find interesting and take you down memory lane, as well as some “homey” recipes you might find tempting to make.

### Keepsake Pictures

The book is filled with pictures from all islands of people and establishments you will fondly remember. Here are a few of them.

### Big Island

- Mochi Pounding at Hakalau Jodo Mission with Rev. Bino Mamiya
- Two Ladies Kitchen with the Uchida family
- Big Island Candies and owner Allan Ikawa
- KTA Super Stores with Derek Kurisu

### Kauai

- Hanapepe salt farms with Masa Fujita
- W.T. Haraguchi Taro Farm with Haraguchi/Nakayama's

### Maui

- Yokouchi Bakery with brothers Boss, Spud and Nut Yokouchi
- Sam Sato's in Wailuku with the Toma family
- Iwamoto Natto Factory with Robert and Patsy Yamashita
- Ali'i Kula Lavender and co-owner Ali'i Chang

### Oahu

- Lau Yee Chai and original owner P.Y. Chong
- Chunky's Drive-In with cars filling their lot
- Castagnola's and owner George “Cass” Castagnola
- Kuhio Grill, created by Mark Miyashiro, an Okinawan immigrant
- Zippy's with one of the founding brothers Charles Higa and wife Helen
- Tasty Broiler by Honolulu Harbor



### The book also features some of Hawaii's top Regional Cuisine Chefs and their signature dishes.

- Japan born Roy Yamaguchi and his seared spicy scallops with marinated Japanese vegetables
- North Shore born Sam Choy and his shrimp curry
- Pittsburgh born Peter Merriman and his Pizza Soup
- France born Jean-Marie Josselin

and his pan-fried pacific oysters with scallion sauce

- Maui born Elmer Guzman and his pan-fried Toau (blacktail snapper) with fried garlic-edamame sauce and pea shoot salad
- Thailand born Chai Chaowasaree with Nalo Farms Dean Okimoto and his eggplant and zucchini souffle with tomato sauce

## *Did You Know...*

**Hanapepe Salt Farms** – It is situated on State land and only those of Hawaiian ancestry are permitted to cultivate their own salt plots. The reddish-brown ‘alaea salt can't be sold and can only be gifted to people in Ziploc bags. It's all natural and connects us with the land. If you are lucky enough to get a bag, you know how fortunate you are.

**First Plate Lunch** – In 1987, Arnold and staff writer Wayne Muromoto went on a mission to find



the origins of the plate lunch. After gaining 20 pounds each while doing their research, they determined the first plate lunch was served in the 1920's by Moyo Iwamoto with help from her son Matsu on the Honolulu waterfront. For a mere



50 cents, hungry dockworkers and others could get an 8-inch paper plate piled high with rice, a vegetable, macaroni salad, kim chee or takuan pickles, and a main entrée. Their mixed plate, which included hot dogs, SPAM, eggs, rice and salad was one of the biggest sellers.

**Loco Moco** – The “superstar” Hawaiian creation of loco moco has popularity not only in Hawaii, but throughout the world. Chefs worldwide have put their signature tweaks to the ingredients and presentation of this famous dish of rice, hamburger, egg and gravy. But where did it originate? We have to go to Hilo for the answer. It was originally served at owners Nancy and Richard Inouye’s Lincoln Grill in Hilo which closed a long time ago. Richard Miyashiro founded Café 100 in 1946 and started serving his signature loco moco in 1949. Arnold remembered a loco moco cost 75 cents in his youth. As a side note, Richard named his restaurant Café 100 because of his pride in serving in the 100th Infantry Battalion in Europe during WWII.



**“Home Economists” at Hawaiian Electric** – After WWII when Hawaii residents purchased a new electric range or refrigerator, Hawaiian Electric Co. would send one of their trained corps of women known as “home economists” – properly attired in gloves and silk hose – to the buyer’s home to show them how to use the new machines to the fullest advantage.

**Grace’s Lunchwagon** – For hungry UH students, I have to give a shoutout to Grace’s Lunchwagon. In the early 1970’s it became

a fixture near the corner of University and Metcalf streets. Hungry students lined up for Grace’s huge plate lunches, like its hotdog/ chow fun plate, with two scoops of rice, macaroni salad and kim chee, all for about \$1.65. Today, there are over 600 lunchwagons with permits to operate in Hawaii. It is a symbol of Hawaii’s casual food and lifestyle.



**Kauai Flying Saucers** – Flying Saucers are iconic to Kauai, being served only during the Obon season in the summer. It consists of two slices of white bread filled with what resembles a Sloppy Joe mix, topped with a slice of American cheese. It is then toasted over a charcoal grill using special round “pie irons”. The corners and crust of the bread are then cut away to form a neatly sealed, perfectly round flying saucer. Each Kauai Buddhist temple has developed its own recipe. It is really “onolicious” and the lines are always long to get it.

**Maui Obon Chow Fun** – The section on Flying Saucers made me reminisce about the chow fun that was always served at Buddhist temples on Maui during the Obon season. I used to visit my relatives in Honolulu every summer and would go to the Lahaina Hongwanji Mission’s bon dance. According to my good friends Carol and Nala Arai on Maui, the Yamafuji family used to make the chow fun. They would use thick fun noodles with bean sprouts, green onions and sesame seeds as a topping. Their secret was they would steam the chow fun first before stir frying it in a wok. It was served in a pink paper cone. Sooo yummy!

**Local Libations** – Currently, there are quite a few alcoholic beverage producers in Hawaii, including beer, wine, rum,

sake, vodka, whiskey and gin. In Hawaii, we are passionate about our alcoholic beverage of choice.

Going down memory lane, in 1854, Honolulu Brewery became Hawaii’s first commercial beer producer. It brewed the famous Primo beer starting in 1901. Immigrant Tajiro Sumida established Honolulu Sake Brewery in 1908, the first sake brewery in Hawaii and the first outside of Japan. The innovative Sumida pioneered a refrigerated brewing method to overcome Hawaii’s tropical climate.

**Comfort Food** – While we may enjoy spoiling ourselves at fancy restaurants, going to buffets and eating 24/7 on cruises throughout the world, we all often gravitate to our comfort foods. For Chef Elmer Guzman, it is his mother’s traditional fish sabao soup. For chefs like Alan Wong, Roy Yamaguchi, Russell Siu, Hiroshi Fukui and others, it was going to Colin Nishida’s Side Street Inn and enjoying his many local dishes. Specifically for Chef Roy Yamaguchi, another comfort food is ochazuke, a seared salmon served in a broth over rice flavored with green tea and nori. He noted, “in Japan, we think of it as a hangover cure.”

## Summary

Mark “GOOCH” Noguchi, Chef-Owner, Pili Group said it best in the book’s Foreword, “I can’t count how many times I’ve read this book. It has provided me with years of inspiration, affirmation and sound knowledge that what we have chosen to do as professionals – to cook – is a noble calling.” An Amazon reviewer with Hawaii ties said “the book captured the flavors, sights and sounds of Hawaii’s ethnic blends so beautifully . . . it was right on da kini popo!”

I hope this book helps you appreciate your Hawaii roots and makes your holiday season and New Year that much better!



# Incorporating Artificial Intelligence into Continuous Improvement

By Amanda Wilke of Boomer Consulting, Inc.

The Continuous improvement isn't aspirational for accounting firms—it's necessary to stay competitive and relevant, especially as technological advancements like artificial intelligence (AI) reshape how firms operate.

Leveraging AI can unlock incredible efficiencies and drive firm-wide progress, but firms need to integrate these tools thoughtfully into their processes. In this article, we'll explore how firms can incorporate AI into their continuous improvement efforts while remaining agile and responsive to the fast-paced nature of technological change.

## The role of continuous improvement

Continuous improvement is a process for regularly evaluating and optimizing workflows, technologies and methodologies. Over time, the systems and processes your firm relies on evolve due to new technologies, shifts in client needs and regulatory requirements. To remain efficient, you must constantly assess how these changes impact your operations and proactively identify opportunities to enhance performance.

This mindset is particularly important in today's environment, where technologies seem to change and evolve on a daily basis. For example, you might implement a new scheduling module for a workflow solution or upgrade your tax software with machine learning capabilities. But without evaluating how these changes impact your processes, those solutions might

not deliver the desired results. Worse, they may create inefficiencies by clashing with existing processes. This is why you need a firm-wide commitment to continuous improvement—it ensures any new technology aligns with business goals and enhances rather than hinders workflows.

## AI in accounting

AI is transforming how people work across industries, and accounting is no exception. From automating routine tasks like data entry to enhancing decision-making with predictive analytics, AI offers a lot of possibilities. Many firms have already started adopting AI responsibly, incorporating policies that safeguard client data and ensure compliance with privacy regulations.

However, while AI brings opportunities, it also brings potential challenges—especially when it comes to how AI integrates with existing processes. For example, an AI-powered bot might automate certain client-facing tasks, such as answering common tax questions. But if these tasks are disconnected from overall client management, AI could unintentionally create bottlenecks or redundancies. This is where a continuous improvement mindset is crucial.

## Aligning AI with process improvement

Introducing AI into your firm isn't a one-time event. It should be part of an ongoing effort to support and refine firm operations. Firm leaders should regularly assess how AI impacts their team's workflows

and determine whether it truly adds value to their processes. Are there areas where AI generates inefficiencies? Can they better integrate the tool into the firm's broader systems? These are the kinds of questions firm leaders should ask when adopting AI.

AI can also be a powerful tool for identifying inefficiencies. For example, algorithms can analyze vast amounts of process data to uncover patterns that might not be immediately apparent to humans. By flagging potential issues early, AI can help firms address weaknesses in their workflows before they become major problems. But to truly unlock this potential, firms need a culture that prioritizes regular process evaluation and is willing to adjust as necessary.

## The competitive advantage of continuous improvement

Having a culture of continuous improvement ensures people use AI effectively and gives the firm a competitive advantage. Firms that embrace this mindset can adopt emerging technologies faster and integrate them into their operations. This kind of adaptability is critical in accounting, where being slow to adopt new technologies can mean falling behind the competition.

Firms that continuously evaluate their processes are also better equipped to identify threats early and respond to changes in the business environment. Whether it's a new tax regulation, a shift in client needs or a cybersecurity threat, being proactive about process improvement helps firms stay ahead of the curve. AI can help firms identify and address these challenges.



## Responsible AI adoption: Balancing innovation and control

Approach AI adoption with a balance of innovation and control. Policies and guidelines can help team members use AI tools responsibly and safeguard sensitive client data. However, responsible AI use also involves continuously evaluating how these tools impact your processes. Simply having a policy isn't enough—you need to assess whether AI tools actually improve workflows or create unforeseen challenges.

One potential risk is that AI could disrupt existing processes, especially if you introduce it without sufficient planning. For example, an AI tool that automates invoicing might speed up billing but could create delays in other parts of the client engagement process if you don't properly integrate it with your accounting soft-

ware. To prevent these issues, you need to regularly review how AI tools interact with your workflows and adjust as needed.

AI can revolutionize accounting, but firms willing to adopt a continuous improvement mindset will have an easier time leveraging the possibilities. By regularly evaluating processes, identifying areas for optimization and staying nimble in the face of change, you can ensure AI becomes a competitive advantage rather than a stumbling block. The firms that succeed in this space will embrace AI not as a one-off solution but as part of a broader commitment to constant evolution and improvement.

## Could you benefit from structure and accountability as you strive to push your firm forward?

The [Boomer Process Circle](#) is a peer group of top Process and Lean Six Sigma leaders in the accounting profession who share tools and resources for pushing change within their firms. [Apply now](#) to tap into the experience and expertise you need to lead the charge for continuous improvement.

*Amanda Wilkie, Consultant at Boomer Consulting, Inc., has a computer science background, but she's not your average geek. With two decades of technology experience, Amanda has spent 13 years driving change and process improvement through innovative technology solutions working across firms of varying sizes in the public accounting profession. She has held strategic leadership positions in firms ranging from Top 50 to Top 10 including her most recent role as CIO of a Top 30 firm.*



#3500 **\$960,000**

1 BD, 1 BA Intr Size: 556 ft<sup>2</sup> / 52 m<sup>2</sup>  
Lanai: 44 ft<sup>2</sup> / 4 m<sup>2</sup>, Prk: 1  
Views: Ocean & City



#1203 **\$2,050,000**

1 BD, 2 BA Intr Size: 1,139 ft<sup>2</sup> / 106 m<sup>2</sup>  
Lanai: 69 ft<sup>2</sup> / 6 m<sup>2</sup>, Prk: 1  
Views: Marina, Ocean, City, Coastline & Sunset

Please call May or Jack : **808 532 3330**



### John "Jack" Tyrrell

President  
Principal Broker, CRS, CRB  
CPA (not in public practice) E: Jack@jtchawaii.com  
Lic. # RB-19880 C: 808.306.6933

www.jtchawaii.com Ala Moana Hotel - Lobby, 410 Atkinson Drive, Suite 1F6 Honolulu, HI 96814

**JACK TYRRELL**  
& COMPANY  
A Real Estate Brokerage Corporation

\* The information presented herein is provided as is, without warranty expressed or implied of any kind. Information herein deemed reliable but not guaranteed.



# YPS Trivia Night



A bunch of young professionals got together for a friendly competition of Trivia with Trey. The team names they came up with somewhat portrayed the industry they're in . . . ham; deloitte; Accrual World; jk; Hi . . . simple and creative. Congratulations to Accrual World for catching up and taking the lead to win the match!

Stay tuned for an After-Busy-Season social in May 2025!





2024

# Accounting

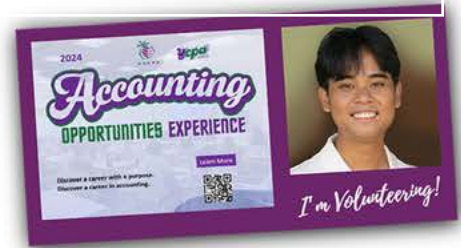


## Accounting Opportunities Experience A Success

In October and November, HSCPA “Sparklers” continued their quest to spark interest in accounting as they traveled to various high schools across the state. Our volunteers and students all had great things to say about this experience, and we will continue to do this as more schools allow time in their classrooms.

Chantal Mentzer on Kauai visited with a class at Hawaii Technology Academy in Lihue. She had fun and received some great questions from the students. The class had students representing 4 islands and grades 9-12. There were about 20 on zoom and 4 in class when she gave the presentation. The class is centered around financial literacy and they have already completed budgeting projects as part of the curriculum. Teacher mentioned how the students were engaged and commented “Let’s do it again next year!”

Tim Carbillon and Hana Kimura-Carbillon visited with a CTE accounting class at Moanalua High School. The teacher indicated the attentiveness of the students who had positive things to say about the presentation. Tim noted that the accounting students were prepared and asked great questions like how college prepares you for the industry; resources for high schoolers interested in accounting; and of course, what’s most interesting about your job? Tim and Hana also challenged them with a journal entry exercise that they prepared.







# Congratulations to HSCPA Scholarship Recipients!



## Jennifer Kojima

Jenny Kojima is currently in her final semester at the University of Hawaii at Manoa, majoring in Accounting, Finance, and International Business with a minor in Japanese. She's honored to be a recipient of the Hawaii Society of Certified Public Accountants Scholarship. Throughout her college journey, she has had the privilege of connecting with local accounting professionals, whose mentorship and personal experiences have inspired her to pursue a career in public accounting, particularly in audit. Jenny is deeply grateful to the HSCPA for investing in her future and for supporting her path toward becoming a CPA. With this scholarship, Jenny is more motivated than ever to achieve her goals and, one day, to give back to the local accounting community.



## Brienne Shiroma

Brie is currently pursuing a degree in Accounting and International Business, with a minor in Psychology, at the University of Hawai'i at Manoa. Her goal is to earn a CPA license to support local businesses and gain international experience by working abroad in the future. Outside of academics, Brie maintains an active lifestyle through indoor and beach volleyball, as well as hiking and exploring the outdoors.

### Uncle Derek's Chicken Hekka

|   |     |  |
|---|-----|--|
| 2-lb. chicken, cut in pieces                      |     |  |
| 3" piece ginger, peeled and sliced                | 6   | Dash of sake (Rice wine)                                 |
| Vegetable oil for frying                          | 1   | shiitake mushrooms. Sliced                               |
| 1/2 c. shoyu                                      | 2   | carrot, thinly sliced                                    |
| 1/2 c. sugar                                      |     | round onions, sliced                                     |
| 2 cans sukiyaki no tomo,* drained (8.75 oz. each) |     | Salt, to taste   |
| 1 can chicken broth (14oz.)                       | 1-2 | Watercress (optional)                                    |
| 2 Tbsp. butter                                    |     | bundles long rice, soaked in water until soft (optional) |
|   |     | Aburage (optional)                                       |
|   |     | 1 bunch green onions, chopped                            |

Fry chicken and ginger in a large pot with a little vegetable oil. Heat shoyu and sugar in a small saucepan over medium heat until sugar dissolves. When chicken is almost cooked, add shoe-sugar mixture and sukiyaki no tomo. Add chicken broth and remaining ingredients, except green onions. Cook to desired doneness and taste for seasoning. Sprinkle green onions before serving. (See photo)

\*This includes Bamboo shoots, mung bean thread and mushrooms.

### Larry's All-purpose Teriyaki Sauce



|   |
|---|
| 8 c. shoyu                                  |
| 6 c. sugar                                  |
| 1/4 c. sherry wine                          |
| 1/4 c. oil                                  |
| 3" piece ginger, peeled, sliced and crushed |
| 4 cloves garlic, peeled and crushed         |

Combine shoyu, sugar and wine. Heat oil in a small frying pan and brown sugar. Add ginger to shoyu mixture, leaving oil in the frying pan. Brown garlic and add to shoyu mixture. Mix well.