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February 2022

The CFO Advisor

Guidance for Small Business Success™

Welcome to the February 2022 edition of “The CFO Advisor” Newsletter.

This is the month our wonderful groundhog will tell us how many more weeks of winter will be around. This month, we provide you some tips to help you before you start a business to put you on a path to success.

We also, have some light-hearted article showing the history of hopscotch; we discuss student loan payments being paused again, and why did Facebook change their name to Meta Platforms.

We hope you stay warm and enjoy this newsletter!

Until next month...

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META WORLD

- ✦ You try to enter your password on the microwave.
- ✦ You have 15 phone numbers to reach your family of three.
- ✦ You haven't seen cash in months and you aren't broke.
- ✦ Cleaning up the dining area means getting the fast food bags out of the back seat of your car.
- ✦ You consider second day delivery painfully slow.
- ✦ The reason you don't keep in touch with some of your family is that you can't text them.
- ✦ You chat with a stranger from South Africa, but you haven't spoken to your next door neighbor in more than a year.
- ✦ You text your son in his room saying dinner is ready. He texts back to ask what you're having.
- ✦ You know seeing is not believing, especially when it comes to photographs.



FOUR FINANCIAL MOVES YOU SHOULD MAKE BEFORE STARTING YOUR OWN BUSINESS

Many folks aspire to start their own businesses. Why work for some-

one else when you can work for yourself? According to the Small Business Administration, there are over 30 million small businesses in the United States alone. Yet while starting a company could make your dreams come true, you'll also have to take on risks. That's why you should make some smart money moves before starting up.

1 First, you'll want to create an emergency fund for both your enterprise and your family. More than 80 percent of small business failures are due to cash flow problems, often because the company simply doesn't have the money it needs. As for your family, you may lose income when leaving a job to start a business. Your family emergency fund should be able to keep your family afloat for at least six months, if not a year.

2 You'll also want to pay down as much debt as possible before starting a business. You may not be able to pay off your mortgage right now, but if you can pay down credit card debt, that's one less monthly cost to worry about.

3 Speaking of bills, if you strike out on your own, you may not have health insurance coverage. If you have a spouse who's working, check to see if he or she can get health insurance coverage through their employer. If not, you'll want to look for private insurance policies.

4 Finally, it's often wise to set up a company as a separate legal entity and to then set up bank accounts and other financial assets in the company's name. This helps separate your personal finances from your business finances. It could also help you lower your tax bills and financial liabilities in the long run.



Hopscotch Transcends Nations, Cultures

The children's playground game Hopscotch is so universal across cultures and so ancient that in the fifth century, B.C., it appeared on Gautama Buddha's list of games he would not play.

Through most cultures, hopscotch, known by many different names, has been a standard for playgrounds and considered wholesome, as well.

It's a simple game that can soak up a lot of kid energy and it is easy to play. Simply draw a grid of eight to 10 numbered squares on a flat surface. Typically, single squares are drawn on top of each other, interrupted by a double square, then a single, and then another



double. The player throws a small rock on the first square, then hops over it, and hops to each square, straddling the double squares. Then the player

turns around and hops back, this time picking up the rock.

If the player manages to hop all the squares without touching a line or losing balance, then he can pick up the rock and throw it to square two, and so forth until the whole course is achieved. If the player touches a line, the next player is up.

As you might imagine, the game has

many variations, some with complicated hopping rules, with hops crossing legs, or even dance moves, and many different forms for the course. Poet Maya Angelou's Harlem Hopscotch gives the game a soulful, jazzy reputation and a music video (see it on oprah.com) suggests that just no one can resist a hopscotch course.

The first documented mention of hopscotch was in prehistoric India around 1200, B.C. In the English-speaking world, the first written reference was in the 1600s, when it was called scotch-hop.

But the hopping game has many musical names: In the Persian language, it is laylay; in Hindi, kit kit; in the Tagalog language, piko or kiki; in the Visayas language, bikabix; and in Ghana, tumatu.

How Music Can Help Heal A Broken Heart

What song makes your heart pound? Do you get breathless from "Total Eclipse of the Heart"? Does Whitney Houston's cover of "I Will Always Love You" get you going? Or maybe you're old school and nothing makes your pulse race quite like the final movement of Beethoven's "Symphony No. 9"? Whatever your preference, humans have always felt an innate connection between music and their hearts. And according to *Scientific American*, that ancient instinct is helping modern physicians diagnose and treat today's cardiac patients.

Heart rhythm disorders, such as arrhythmia and atrial fibrillation, create complex tones that are audible through the stethoscope. In an article for the *Lancet*, nephrologist Michael Fields describes how he uses musical analogies to teach cardiac auscultation to medical students. According to Fields, describing heart tones in musical terms is a useful tool to help new physicians acquire this notoriously difficult skill.

According to *Frontiers in Physiology*, another group of researchers used a scene from a movie that pairs high tension with a fast-paced musical score to study how strong emotions influence heart cells. Their data may explain how

extreme stress can contribute to serious cardiac arrhythmias.

According to *Scientific American*, cardiac patients can also benefit from music-based interventions to help them recover from surgery, lower stress, and help reduce blood pressure and heart rate. Some studies have found that patients who listen to relaxing music after heart attacks experienced decreased strain on heart and lungs.



While music therapy for heart patients is still an emerging area of study, the early results are promising, according to *St. Luke's Health*. And even though more research is needed and music alone cannot treat cardiovascular diseases, there's no real risk attached to spending 30 minutes a day relaxing with your favorite tunes.

Are You In Need of a Trusted Business Advisor?

If you are not my client and would like to explore whether we might be a good fit, please contact me. As an experienced business advisor, I have worked not only in private and public industries but also across many functional areas and can help you implement best practice solutions to improve profits.



Do You Have A Tough Accounting / Finance Question You Want Answered?

I love hearing from my small business clients and friends who enjoy reading my monthly newsletter. I'm always looking to answer pressing questions you might have relating to small business.

If you have a question, tip or idea, please call me at 352-450-2880 or email me at dwight@dlhulseconsulting.com. Perhaps I'll feature you in a future issue!



USB-C May Become The One Cord To Rule Them All

Future generations may never fully understand the struggles of those who came before them. Can anyone used to driving a car imagine how difficult it would be to keep a horse fed, cleaned, and ready to work?

Future generations may never experience the horror of losing a charging cable.

That's because unified charging systems, like USB-A and now USB-C, make it easy to use just a few chargers to charge myriad devices. Not so long ago, it seemed that every computer, television, gaming system, cell phone -- whatever -- had its own unique cord. And if you lost or damaged



that cord, you'd often have to shell out a lot of money buying a replacement.

Now, many devices use USB-C, and as time passes, more devices jump onto the bandwagon. So what makes USB-C so popular? USB-C is simply the most recent iteration of the Universal Serial Bus, which is a common interface that allows devices to communicate with one another.

While many people use USB cords to charge equipment, you can also use them to send data between computers, pointing devices, hard drives, and other devices. Universal communication interfaces make it easier for devices to talk with one another.

USB-C is the latest and greatest common interface. USB-A cords can only be inserted a certain way, and that way all too often seems to be the opposite of your first attempt. With USB-C, it doesn't matter how you insert the cord.

On top of that, USB-C supports much faster data transfer and charging. Back when older millennials trudged to school through snow uphill (both ways), they made sure they charged their smartphone for at least two hours before leaving home. Now, you can often get enough battery to get through the day in a half-hour or less.

that cord, you'd often have to shell out a lot of money buying a replacement.

Student Loan Payments Paused Again

Americans worried about repaying their student loans have gotten another reprieve with President Joe Biden extending a pause on repayment and interest accumulation until May 1, 2022. The government paused student loan repayment shortly after the onset of the COVID-19 pandemic, when millions suddenly found themselves without jobs. Since then, the government has extended the reprieve several times.

With student loan debt totaling \$1.75 trillion and the average borrower owing nearly \$40,000, the extension could benefit millions and may also fuel consumer spending. Every dollar kept in a consumer's bank account rather than sent to pay down student loans is money that can be spent on goods and services.

Besides the payment freeze, interest rates on qualifying loans have been set at 0 percent throughout the COVID-19 pandemic. Interest will begin accumulating once again come May 2022.

The Student Debt Crisis Center has found that nearly 90 percent of borrowers are not prepared to start repayment. The Center found that nearly 70 percent of borrowers were working full-time. Regardless, many people remain

financially restrained, with 87 percent reporting that suspended student loan payments allowed them to pay other bills.

Student borrowing has increased dramatically as college costs have risen over the years. In 2018-19 dollars, tuition and living costs at four-year public universities cost on average \$8,981 in 1985-86. By 2018-19, costs had risen to \$20,598.

Roughly 43 million Americans have student loan debt as of May 2021 and 5.3 million federal loan borrowers are in default.

President Biden, among others, is urging borrowers to prepare to restart repayment come May and to consider applying for income-based repayment plans.



Quotes: "There's no such thing in anyone's life as an unimportant day." — Alexander Woollcott

"Truth is proper and beautiful in all times and in all places." — Frederick Douglass

"The greatest pleasure of a dog is that you may make a fool of yourself with him, and not only will he not scold you, but he will make a fool of himself, too." — Samuel Butler





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Why Facebook Renamed Itself

Disclaimer: Any accounting, business, or tax advice contained in this communication, is not intended as a thorough, in-depth analysis of specific issues, nor a substitute for a formal opinion, nor is it sufficient to avoid tax-related penalties.

Why Facebook Renamed Itself

Facebook, the company, is no more -- even though the social media platform called Facebook remains available. The tech giant has renamed itself Meta Platforms, Inc., although the company still uses the "FB" stock ticker.

What's with the change? Going forward, the company plans to focus more on virtual reality and the so-called Metaverse.

Traditionally, Facebook was a social media company, and its biggest products and ambitions centered around social media platforms, including Facebook and Instagram. However, the company plans to focus more on the "metaverse" in the future. Indeed, in an interview with Casey Newton of *The Verge*, Meta CEO Mark Zuckerberg said that the company was shifting its focus from Facebook to the entire "metaverse."

So what is the metaverse anyway? First coined in the 1992 novel *Snow Crash*, the metaverse refers to a virtual world where people can live,



work, and play. Zuckerberg, among others, believes that the metaverse is the next stage of the Internet.

Rather than driving to work, you might connect to the metaverse, perhaps using

VR goggles and a haptic feedback vest to visit a virtual office instead. With VR goggles and haptic feedback, you're not simply viewing a meeting through a screen and camera. Instead, you could be "embodied" into a digital environment, allowing for more life-like interactions.

If the metaverse really is the next stage of the internet, the decision to transition from social media could pay off. Facebook already owns Oculus, one of the biggest virtual reality brands, and Zuckerberg intends to spend billions more in his efforts to revolutionize the web.

Still, while Meta aims to be a major player, the company doesn't expect or intend to develop the metaverse entirely on its own.

Jokes

Will: "Your wife had an operation today? How is she?"

Bill: "She's pretty dopey."

Will: "I know, but how's her health?"

Ray: "See ya later. I'm going to the Liar's Club meeting."

Kay: "Will you be home early?"

Ray: "Sure."

Mary: "I think you should cut down on the hot dogs."

Larry: "Why is that?"

Mary: "You're getting a ballpark figure."

Riddles

Who always goes to bed with shoes on?

A horse.

What piece of wood is like a king?

A ruler.