



Council for Native Hawaiian Advancement
Native Hawaiian Family Finance Program
Evaluation Report
September 2014



EXECUTIVE SUMMARY

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Project summary

The Council for Native Hawaiian Advancement (CNHA) is a nonprofit corporation founded in 2001 by several member organizations. CNHA strives to enhance the cultural, economic, and community development of Native Hawaiians.

The purpose of the Native Hawaiian Family Finance Project (NHFFP) is to provide financial education counseling, financial assessments, asset building micro loans, Individual Development Accounts (IDA), and access to eligible family tax credits to increase disposable income, credit standing and economic opportunities. Native Hawaiians below the national low-wealth standard or below 80% of the Housing and Urban Development (HUD) area median income is the primary target for this program. In FY2013, the approximate area median income for Hawai'i County was \$60,900; Honolulu County was \$86,300; Kalawao County was \$84,500; Kauai County was \$62,700; and Maui county was approximately \$78,600. Native Hawaiians below the national low-wealth standard or below 80% of the Housing and Urban Development (HUD) area median income is the primary target for this program. The NHFFP addresses the Office of Hawaiian Affairs' (OHA) strategic priority of economic self-sufficiency. This contract addressed the strategic results of increased family income, and building stability in housing.

Purpose of the evaluation

The purpose of this evaluation is to determine if the program had a positive impact on Native Hawaiian participants in achieving improved economic self-sufficiency, increased family income, stability in housing, and if the measures listed in the MFR Model Template were achieved. This evaluation concentrates on the achievement of the quantitative measures in the time period between February 1, 2012 and January 31, 2014.



Findings

The success of CNHA in implementing the program comes from achieving the performance measures and in their outreach efforts. Their performance measures from the MFR Model were almost entirely accomplished, with only two not meeting the goal. However, those measures that were achieved were exceeded by a wide margin. Although one of the measures, the number of NHFFP group training sessions held, was not met, it should be noted that the overachieving results of beneficiaries completing a full financial and demographic profile and the number of hours of NHFFP one-on-one technical assistance hours received suggest there was a beneficial trade-off. A further breakdown of the data and quantitative results are provided in the *Program Results* section of this evaluation. Several outreach activities were conducted including orientation sessions, advertisements, and Volunteer Income Tax Assistance (VITA) services. The outreach activities have shown a commitment to being visible and in promoting their program in the various forums they've attended.

During discussions with the Program Manager and CEO, one issue that they raised was that when program participants withdraw from the program without completing, CNHA did not track the reason for withdrawing, and that they would like to incorporate that into their record-keeping in the future.

Based on the quantitative and qualitative data reported, participants in the program did improve their economic self-sufficiency. This was demonstrated by increases in credit scores, long-term savings and plans, and the obtaining or qualifying to obtain a home mortgage. Because participants are able to build their savings and increase their credit scores, this increases the likelihood of establishing and building stability in housing and providing choices for sustaining their economic future.

Recommendations

1. Continue searching for sources of funding to be used as matching funds for IDAs.
2. Implement a tracking measure for participants who withdraw from the program without completing.
3. Because a data baseline has been established over this contract period, consider raising the performance measure goals for future contracts.
4. Because of the overachievement in number of beneficiaries completing a full financial and demographic profile, and number of hours of NHFFP one-on-one technical assistance hours received, measuring the number of NHFFP group training sessions held should be considered in this context when evaluating the program's success.



COUNCIL FOR NATIVE HAWAIIAN ADVANCEMENT
NATIVE HAWAIIAN FAMILY FINANCE PROGRAM EVALUATION

INTRODUCTION

Program history

The Council for Native Hawaiian Advancement (CNHA) is a nonprofit corporation founded in 2001 by member organizations that included the Department of Hawaiian Home Lands (DHHL), the Native Hawaiian Legal Corporation, Alu Like, Inc., Papa Ola Lokahi, Kamehameha School, and the Queen Liliuokalani Childrens Center (QLCC). CNHA strives to enhance the cultural, economic, and community development of Native Hawaiians.

The purpose of the Native Hawaiian Family Finance Project (NHFFP) is to provide financial education counseling, financial assessments, asset building micro loans, Individual Development Accounts (IDA), and access to eligible family tax credits to increase disposable income, credit standing and economic opportunities. By focusing on these activities, Native Hawaiian families can build assets and move towards the goals of homeownership, increased cash savings, and build other assets. Native Hawaiians below the national low-wealth standard or below 80% of the Housing and Urban Development (HUD) area median income is the primary target for this program. According to HUD, in FY2013, the approximate area median income for Hawai'i County was \$60,900; Honolulu County was \$86,300; Kalawao County was \$84,500; Kauai County was approximately \$62,700; and Maui county was \$78,600.

CNHA is certified by the U.S. Treasury as a Community Development Financial Institution (CDFI), a Housing Counseling Agency certified by HUD, an affordable housing and community facility developer, and a policy advocacy organization.

Relevance to OHA's Strategic Plan. As part of OHA's 2010-2018 Strategic Plan, OHA has established several strategic priorities and strategic results. This contract falls under the purview of the strategic priority of Ho'okahua Waiwai (economic self-sufficiency). This premise of this priority is that by having greater economic self-sufficiency, Native Hawaiians will be able to have greater choices and a sustainable future.

This contract addressed the strategic results of increased family income, and building stability in housing. The strategic result of increased family income aims for the median family income of Native Hawaiians to equal 100% or greater than the Statewide median family income, with 92% or greater by 2018. And the strategic result of building stability in housing aims to increase the percent of Native Hawaiians who have an improved capacity to own or rent a home by focusing



on two measures: (1) by 2018, decreasing the percent of Native Hawaiian renters who are paying more than the HUD standard housing cost (no more than 30% of household income) from 55% to 50%, and (2) by 2018, increasing the owner-occupied housing of Native Hawaiians from 56.62% to 58%.

Services relevant to the program. The Hawaii Family Finance Project (HFFP) is a \$3.1M federally funded project to improve the capacity of low income families in Hawaii to build assets through homeownership, improving credit scores and family finance management skills. The Home Ownership Assistance Program (HOAP) consisted of a contract with the DHHL to develop, deliver, and transition a statewide product to service DHHL beneficiaries to assist in the readiness of homeownership to take a land lease award. The Homestead Self Help Program was developed to promote affordable homeownership by Native Hawaiian beneficiaries of the Hawaiian Homes Commission Act to create affordable housing and to retrofit products for delivery statewide in all counties.

These programs ran simultaneously with all participants originating from the HFFP, serving Native Hawaiians and non-Native Hawaiians. Native Hawaiians were then eligible to enter into the NHFFP and could receive services directly from HOAP or the Homestead Self Help Program depending on their individual need. If NHFFP participants were Native Hawaiian and DHHL beneficiaries seeking assistance in readiness of homeownership to take a land lease award, they would receive DHHL funding from HOAP. If NHFFP participants were beneficiaries of the Hawaiian Homes Commission Act seeking affordable housing and retrofit products, they could receive services under the Homestead Self Help Program.

Program goals

The NHFFP primary goal is to help Native Hawaiian participants to achieve improved economic self-sufficiency, increased family income, and stability in housing. CNHA used the Managing For Results (MFR) model to set their target measures. Among the reporting requirements stipulated in the contract, the quantitative measures include the following:

- 700 beneficiaries will be aware of the OHA Strategic Plan & NHFFP Program
- 525 beneficiaries will complete a full financial & demographic profile
- 350 beneficiaries will establish an Income/Asset Growth, Credit Improvement, or Debt Reduction Plan
- 175 beneficiaries will increase income/asset holdings, improve credit or decrease debt load



- 110 beneficiaries will open an IDA
- 24 outreach and product promotion activities
- 48 NHFFP Group Training Sessions
- 1,620 hours of NHFFP technical assistant hours one-on-one with participants

Program budget

The total contract budget for both years total \$500,000 divided equally into both years. Table 1 provides the general breakdown of the operating costs. Table 2 provides the total project budget. A more detailed breakdown is provided in the *Appendix B. Program Budget*.

Table 1. Operating costs per fiscal year

Operating costs	Fiscal Year	
	2012	2013
Personnel Costs	\$86,275	\$86,275
Other Personnel Costs	\$38,975	\$38,975
Other Expenses	\$124,750	\$124,750
Total	\$250,000	\$250,000

Table 2. Total project budget

Funding category	Amount
OHA funds	\$500,000
Other funds	\$1,467,182
Total	\$1,967,182

Stakeholder roles and responsibilities

There are three groups of stakeholders in the NHFFP: (1) Council for Native Hawaiian Advancement (CNHA), (2) the Office of Hawaiian Affairs (OHA), and (3) program beneficiaries.

The Council for Native Hawaiian Advancement is the grantee that provides program services to the program beneficiaries. First Hawaiian Bank (FHB) houses and provides additional funding for the IDA component. Hawaiian Community Assets is one of two community partners that provide housing counseling services. Hawaii Homeownership Center is one of two community partners



that provide housing counseling services.

OHA is the grantor of the program funds and contract monitoring agency. Program beneficiaries served are identified as those who are below the National low wealth standard or below 80% of the average median income (AMI) in the State of Hawaii.

Purpose of the evaluation

The purpose of this evaluation is to determine if the program had a positive impact on Native Hawaiian participants in achieving improved economic self-sufficiency, increased family income, stability in housing, and if the measures listed in the MFR Model Template were achieved.

Scope of evaluation

This is a summative evaluation of the NHFFP. The evaluation will assist the Grants Division and the Grantee in making decisions regarding the continuation and future development of this program. This evaluation concentrates on the achievement of the quantitative measures in the time period between February 1, 2012 and January 31, 2014.

METHODOLOGY

The evaluation integrates both quantitative and qualitative information derived from documents such as the grant contract, quarterly progress reports, the grant closeout and monitoring reports, contract budget, and participants' project surveys. Additionally, interviews with the Program Manager and CNHA's CEO were conducted. The program activities and goals were stipulated in various areas of the contract including the scope of services and in the grant proposal.

Data collection and analysis

As previously stated, both quantitative and qualitative data were collected. In addition to the documents listed above, the contract packet included the original contract, program budget, the proposal narrative, CNHA's Articles of Incorporation and bylaws, list of board of directors, financial statements, IRS Letter of Determination, discussion of project activities, resumes of existing staff, and project budget and funding information forms.

Quarterly progress reports answered questions regarding key activities completed, an identification of any issues or challenges impacting project implementation, budget expenditures, and the progress in achieving the goals of the program. A comparative analysis of the data submitted in the *Performance Measures Table* to the target measures was conducted.



RESULTS

The following *Quantitative Results* section discusses the quantitative data reported and the *Qualitative Results* section discusses the additional activities incorporated in the program.

Quantitative results

Program results were reported by the Provider and received by the Grant Monitor. Table 3 below compares the targeted goals as submitted in the *MFR Model Template* in the contract. The results were verified by the CNHA Program Manager. In addition to the table, the following are key financial and demographic data derived from the program intake portion of the program:

- The average age per household enrolled in the program is 38 years old.
- The average household size was 3 members.
- 39% of participants were male, and 61% were female.
- 45% were married, 52% were unmarried, and 3% were separated.
- 80% were employed, 16% unemployed, 3% retired, and 2% college students.
- The average annual income was \$48,859.86.
- The average net worth was \$14.61.

Other data reported at the end of the contract period included the following:

- 2,677 participants developed long-term savings goals.
- 1,556 participants increased their credit scores.
- 902 participants obtained or qualified to obtain a home mortgage.
- 190 participants purchased a home.
- Of the total amount of participants that opened an IDA, the total banked savings totaled \$387,251. The average totaled approximately \$2,265.

More financial and demographic data at intake is provided in the attached *Appendix B. Financial and Demographic Data*.



Table 3. Native Hawaiian Family Finance Project (NHFFP) performance results

Measure	Goal	Actual	Percent Exceeded by
Beneficiaries made aware of the OHA Strategic Plan & NHFFP Program	700	912	+30.0%
Beneficiaries completed a full financial and demographic profile	525	3,262	+521%
Beneficiaries established an Income/Asset Growth, Credit Improvement, or Debt Reduction Plan	350	155	-57.1%
Beneficiaries increased their income/asset holdings, improved credit, and decreased debt load	175	377	+115.4%
Beneficiaries opened an IDA	24	24	+0%
House of NHFFP one-on-one technical assistance hours	1,620	12,256	+656.5%
Activities attended during the contract period	24	24	+0%
NHFFP group training sessions held	48	39	-18.7%



Qualitative results

Throughout the course of the program, CNHA undertook activities that increased the visibility and awareness of the program through. Example of activities includes:

- Distribution of 10,000 program flyers
- Commercial and radio appearances accompanying press releases
- Attending community meetings and events, symposiums, fairs, and conferences
- Holding six orientation sessions
- Operating four volunteer income tax assistance filing 341 tax returns which returned over \$610,000 to participants from various communities including Paukukalo, Waimanalo, Anahola, Papakolia, Hilo, and Paho

Participant surveys and success stories. A couple of participant surveys and success stories were submitted with the quarterly reports. The surveys and success stories highlight that the participants were working to improve their financial condition with their ultimate goals being homeownership and increased savings. Based on the self-reporting survey results and the success stories, those selected for inclusion in the reporting expressed gratitude for the assistance and acknowledged that if not for the program, the participants would not have been able to achieve their goals of homeownership and increased savings, or that it would have taken longer to accomplish those goals.

When asked how the money management habits have changed as a result of the program, one participant responded that *“Prior to the program I generally had a decent budget plan. Through the program I was able to save more per month while still living within my means.”* Another participant responded by saying that *“Since being in the program, we have adjusted our savings deposits, log income & expenditures more efficiently with a mobile application, don’t go out as much, and look for more ways to save money, like carpooling.”*

Nedd (2014) reported that a program participant stated that *“The grant really helped...I didn’t think I was anywhere near ready for the opportunity. It was just sheer luck; things fell into place for us.”*



FINDINGS

CNHA successfully met all but two of their performance measures. The two performance measures not met were (1) the amount of beneficiaries establishing an Income/Asset Growth, Credit Improvement, or Debt Reduction Plan, and (2) the number of NHFFP group training sessions held. The remaining measures achieved were exceeded by a wide margin. The outreach activities have shown a commitment to being visible and in promoting their program in the various forums they've attended.

During discussions with the Program Manager and CEO, one issue that they raised was that when program participants withdrew from the program without completing, CNHA did not track the reason for withdrawing. For future record-keeping, CNHA would like to incorporate the reason for withdrawal.

IMPACT ON HAWAIIAN BENEFICIARIES

Based on the quantitative and qualitative data reported, participants in the program did improve their economic self-sufficiency. This was demonstrated by reported increases in credit scores, long-term savings and plans, and the obtaining or qualifying to obtain a home mortgage. Because participants are able to build their savings and increase their credit scores, this increases the likelihood of establishing and building stability in housing and providing choices for sustaining their economic future.



RECOMMENDATIONS

1. Continue searching for sources of funding to be used as matching funds for IDAs.
2. Implement a tracking measure for participants who withdraw from the program without completing.
3. Because a data baseline has been established over this contract period, consider raising the performance measure goals for future contracts.
4. Because of the overachievement in number of beneficiaries completing a full financial and demographic profile, and number of hours of NHFFP one-on-one technical assistance hours received, measuring the number of NHFFP group training sessions held should not be a heavy consideration in evaluating the program's success.



REFERENCES

Nedd, H. (2014, July 1). OHA grant helping Native Hawaiians buy homes. *Ka Wai Ola*, Vol. 31, No. 7, p. 6.

U.S. Department of Housing and Urban Development FY2013 Median Family Income Documentation System. Retrieved on July 14, 2014 from http://www.huduser.org/portal/datasets/il/il13/index_mfi.html



APPENDICES



APPENDIX A
COPY OF PROGRAM BUDGET SUBMITTED BY CNHA

APPENDIX A. PROGRAM BUDGET

ATTACHMENT 5

BUDGET

Project: Native Hawaiian Family Finance Project
Provider: Council for Native Hawaiian Advancement

OPERATING COSTS PER FISCAL YEAR:	FY12	FY13
Personnel Costs	\$86,275	\$86,275
Other Personnel Costs	\$38,975	\$38,975
Other Expenses	<u>\$124,750</u>	<u>\$124,750</u>
TOTAL OHA FUNDS AWARDED	\$250,000	\$250,000



**APPENDIX B
COPY OF PROGRAM BUDGET SUBMITTED BY CNHA (continued)**

<u>PROGRAM SUPPORT</u>	FY12	FY13
<u>Personnel Costs:</u>		
Manager – Product Delivery & Data(0.50).....	\$26,275	\$26,275
Community Development Specialist II.....(1.00).....	\$35,000	35,000
Community Development Specialist I(1.00).....	<u>\$25,000</u>	<u>25,000</u>
TOTAL PERSONNEL COSTS	\$86,275	\$86,275
<u>Other Personnel Costs:</u>		
Payroll Taxes and Assessment.....	\$8,620	\$8,620
Fringe Benefits.....	<u>30,355</u>	<u>30,355</u>
TOTAL OTHER PERSONNEL COSTS	\$38,975	\$38,975
<u>Other Expenses:</u>		
IDA and Asset Building Grants	<u>\$124,750</u>	<u>\$124,750</u>
TOTAL OTHER EXPENSES	\$124,750	\$124,750
TOTAL PROGRAM SUPPORT	\$250,000	\$250,000



APPENDIX B
FINANCIAL AND DEMOGRAPHIC DATA

APPENDIX B. FINANCIAL AND DEMOGRAPHIC DATA

Clients Served by County						
County	FET		FEC		Total	
	#	Hrs	#	Hrs	#	Hrs
Oahu	595	4,997.50	1,681	3,536.70	2,276	8,534.20
Hawaii	84	671.00	318	748.75	402	1,419.75
Molai	58	448.00	148	310.55	206	758.55
Kauai	127	1,108.00	256	435.50	383	1,543.50
Total	864	7,224.50	2,403	5,031.50	3,267	12,256.00

Client Ethnicity		
Client Set	Multiple Ethnicity	Single Ethnicity
Alaska Native / American Indian	56	11
Native Hawaiian	457	760
Other Pacific Islander	111	149
Caucasian	350	216
Asian American	291	286
African American	36	31
Other	160	98
TOTAL	1,461	1,551

Client Financial & Demographic Data at Intake			
Client Set		Total #	% of Total
# of Clients		2,397	
Total FEC & FET Clients		3,262	
Age			38
Household Size		7,256	3
Veteran		107	5%
Marital:	Married	1004	45%
	Unmarried	1,147	52%
	Separated	63	3%
Gender:	Male	872	39%
	Female	1,342	61%
Employment:	Employed	1,757	80%
	Unemployed	374	16%
	Retired	71	3%
	College Student	33	2%
Education Level:	None	126	6%
	High School	1,615	72%
	Bachelors	473	22%
Housing Status:	Rent	1,518	63%
	Homeless	300	12%
	Family	582	24%
	Own	-	
	Military Housing	3	
Monthly Income		\$9,787,620.75	\$4,079.88
Annual Income		\$117,459,112.98	\$48,859.86
Assets		\$42,653,659.25	\$17,831.80
Liabilities		\$42,583,084.41	\$17,817.19
Net Worth		\$70,574.84	\$24.61