

PHONE (808) 594-1888
Committee on Beneficiary Advocacy and Empowerment
Trustee Kaleihikina Akaka, *O'ahu* - Chair
Trustee Keola Lindsey, *Hawai'i Island* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Keli'i Akina, *At-Large*
Trustee Luana Alapa, *Moloka'i / Lāna'i*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee John Waihe'e IV, *At-Large*



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

FAX (808) 594-1865
Committee on Resource Management
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**JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE) and the
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 30, 2021

TIME: 1:30 p.m.

PLACE: Virtual Meeting

Viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

Due to the threat of COVID-19, Governor Ige issued the most recent Emergency Eighteenth Supplementary Proclamation dated February 12, 2021 that suspends parts of Hawai'i Revised Statutes Chapter 92, Public Agency Meetings and Records to, among other things, enable boards to conduct business without any board members or members of the public physically present at the same location.

The OHA Board of Trustees and its Standing Committees will hold virtual meetings until further notice. The virtual meetings can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

AGENDA

- I. Call to Order
- II. Public Testimony on Items Listed on the Agenda*
(Please see page 2 on how to submit written testimony or provide oral testimony online.
Oral testimony by telephone/landline **will not** be accepted)
- III. Approval of Minutes
 - A. JOINT BAE-RM Meeting Minutes of December 18, 2019
 - B. JOINT BAE-RM Meeting Minutes of October 7, 2020
 - C. JOINT BAE-RM Meeting Minutes of February 10, 2021
- IV. Unfinished Business
None
- V. New Business
 - A. ACTION ITEM BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending
- VI. Announcements
- VII. Adjournment
If you require an auxiliary aid or accommodation due to a disability, please contact Raina Gushiken at telephone number 594-1772 or by email at: rainag@oha.org no later than three (3) business days prior to the date of the meeting. Meeting materials will be available to the public 72-hours prior to this meeting and posted to OHA's website at: www.oha.org/rm



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†Notice: The 72 Hour rule, pursuant to OHA BOT Operations Manual, Section 49, shall be waived for distribution of new committee materials.

*Public Testimony: Public testimony can be submitted to the OHA Board of Trustees either:
(1) in writing emailed at least 24 hours prior to the scheduled meeting, or
(2) as live, oral testimony online during the Public Testimony portion of the virtual meeting.

Public testimony must be limited to matters listed on the meeting agenda.

Please visit OHA's website for more information on how to submit Public Testimony at:

<https://www.oha.org/how-to-submit-testimony-for-oha-bot-meetings/>

Persons wishing to provide *written testimony* on items listed on the agenda should submit testimony via *email* to BOTmeetings@oha.org at least **24 hours prior** to the scheduled meeting. Any testimony received after this deadline will be considered 'late' testimony and distributed to the Board members after the scheduled meeting.

Due to COVID- 19, please do not fax, mail, or hand-deliver written testimony.

Persons wishing to provide *oral testimony online* during the virtual meeting must register here first:

https://zoom.us/webinar/register/WN_vFD0xtCtS-WeMDwuXWEEpQ

The registration to provide oral testimony online will remain open until the Public Testimony* section on the agenda has concluded. You will need to register prior to this time if you would like to orally testify. Once you have completed your registration, a confirmation email will be sent to you with a link to join the virtual meeting and further instructions on how to provide oral testimony during the virtual meeting.

To provide oral testimony online, you will need:

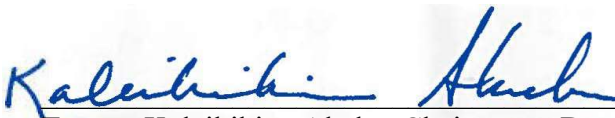
- (1) a computer or mobile device to connect to the internet;
- (2) internet access; and
- (3) a microphone to provide oral testimony.

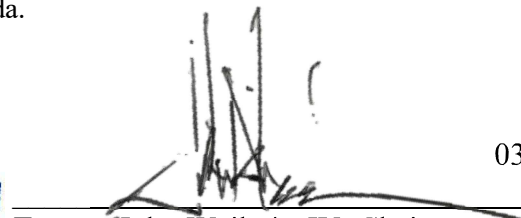
Oral testimony online will be limited to five (5) minutes.

Oral testimony by telephone/landline **will not** be accepted at this time.

Once your oral testimony is completed, please disconnect from the meeting. If you do not log-off on your own, support staff will remove you from the Zoom meeting.

You can continue to view the remainder of the meeting on the livestream or by telephone, as provided at the beginning of this agenda.

 3-24-21
Trustee Kaleihikina Akaka, Chair Date
Committee on Beneficiary Advocacy and Empowerment

 03/24/2021
Trustee John Waihe'e, IV, Chair Date
Committee on Resource Management

March 30, 2021 - Continued

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560 N. NIMITZ HIGHWAY, SUITE 200

JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE)
and the COMMITTEE ON RESOURCE MANAGEMENT (RM)
MINUTES

December 18, 2019 10:00 a.m.

ATTENDANCE:

BAE Chairperson John Waihe'e, IV
RM Chairperson Dan Ahuna
BAE Vice-Chairperson Kaleihikina Akaka
Trustee Leina'ala Ahu Isa
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee Carmen Hulu Lindsey

EXCUSED:

RM Vice-Chairperson Robert Lindsey
Trustee Colette Machado

LEGAL COUNSEL:

Robert G. Klein, Esq.

ADMINISTRATION STAFF:

Sylvia Hussey, Ed. D., Ka Pouhana
Gloria Li, FS
Lee Miller, CP
Maile Lu'uwai, GRANTS
Miles Nishijima, RMLA

BOT STAFF:

Alyssa-Marie Kau
Anuheia Patoc
Brandon Mitsuda
Claudine Calpito
Crayn Akina
Kama Hopkins
Kauikeaolani Wailehua
Laurene Kaluau-Kealoha
Lehua Itokazu
Melissa Wennihan
Nathan Takeuchi
Paul Harleman
Priscilla Nakama

GUESTS:

Iya Domen
Lani Nakazawa
Louise Mililani Hanapi
Lucas Sayin
Rita Kanui
Rodney Lee

I. CALL TO ORDER

BAE Chair Waihe'e calls the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management for Wednesday, December 18, 2019 to order at **10:00 a.m.**

BAE Chair Waihe'e notes for the record that **PRESENT** are:

MEMBERS			AT CALL TO ORDER (10:00 a.m.)	TIME ARRIVED
BAE CHAIR	JOHN	WAIHE'E, IV	PRESENT	
RM CHAIR	DAN	AHUNA	PRESENT	
BAE VICE-CHAIR	KALEIHIKINA	AKAKA	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN "HULU"	LINDSEY	PRESENT	

At the Call to Order, **SEVEN (7) Trustees are PRESENT**, thereby constituting a quorum.

EXCUSED from the JOINT BAE-RM Meeting are:

MEMBERS			COMMENT
RM VICE-CHAIR	ROBERT	LINDSEY	MEMO – REQUESTING TO BE EXCUSED
TRUSTEE	COLETTE	MACHADO	MEMO – REQUESTING TO BE EXCUSED

II. PUBLIC TESTIMONY*

None

III. APPROVAL OF MINUTES

A. November 20, 2019[†]

RM Chair Ahuna moves to approve the JOINT BAE-RM meeting minutes of November 20, 2019.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion or corrections.

BAE Chair Waihe'e calls for a ROLL CALL VOTE.

							10:02 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
RM VICE-CHAIR ROBERT	LINDSEY						EXCUSED
COLETTE	MACHADO						EXCUSED
RM CHAIR DAN	AHUNA	1		X			
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	0	2

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

BAE Chair Waihe'e notes for the record that the MOTION CARRIES.

II. PUBLIC TESTIMONY*

BAE Chair Waihe`e: Sorry, before we move on to **UNFINISHED BUSINESS**, we do have someone who would like to address the Committee, I'd like to call to the table Louise Mililani Hanapi.

Louise Mililani Hanapi: Aloha, I'm here to give an update. I'm actually on Oahu for other business. OHA has been helping me for several years, I've been in a land case for 27 years that involves the State of Hawai'i and private individuals. OHA has been helping me; we did a lawsuit. It took us ten years to get through the trial itself; we settled on about 23 different things. The Supreme Court ruled that we are dominant; and all the other parties are subservient, which means we have perfect title. I am proud and yet humbled that we are one of the few one-percenters that received the lands. My great-grandfather was an only child born in 1872, and his father was an only child, so all the lands in the ahupua'a didn't go through a whole bunch of descendants. So, therefore, today it was easier for me to be where we are. In the 1930s, the Federal Government at that time tried to divide the ahupua'a. When they did their research, they said based on the lease, they were dividing the lands with somebody we leased the lands out to, so they stopped everything.

There were maps made, survey offices were involved, and we are the owners and have been paying taxes on the land from 1852. No one in our family sold it. They were respectful and kept protocol to each other and honored their parents and grandparents. I am not a 100% owner, I'm an 80% owner – my sister is another owner and another sister; another owner. So, as time went on that's just how it ended up being.

OHA has been helping us. Part of this settlement that we went through, I didn't ask for money. I first asked to protect the iwi kupuna because we know that the laws are so vague. The other thing we asked for was to protect our sites and then I asked for the land; not the money. I thank you folks so much. The settlement is larger than most of us understand, because it is an old land system that stayed totally intact; versus the modern land system that they tried to whittle-away on us today.

So, I'm here today to talk briefly with you guys about that. I need to have it extended because we are being successful. We're in the Maui courts already and I am the plaintiff. OHA has allowed Andrew Springer to not only represent me as a plaintiff, but also, if we are to need expert witnesses, if we are to go to trial, they would do that. The Judge is also trying to mediate settlements. Unfortunately, the other people are digging their heels and refusing to settle, but they really should – it makes more sense than to destroy things. I really do need to extend the present contract that we are in. I feel good in the position that we are in, but we just need more time. Thank you so much for your time, I look forward to listening to the rest of your agenda today. Have a Merry Christmas and God Bless all of you folks.

The Joint BAE-RM committee echoes Mrs. Hanapi's sentiments and wishes her well.

IV. UNFINISHED BUSINESS

A. Workshop #3: Kaka’ako Makai Discussion re: Sequence and Options and review of draft Action Item.[†]

BAE Chair Waihe`e hands it over to Ka Pouhana Sylvia Hussey.

Ka Pouhana Hussey: Thank you Chair. We will call on members from SPIRE to come to the table.

Rodney Lee (SPIRE): Good Morning Trustees. So, what’s in this workshop itself is understanding the available models. We talked briefly before about them, but we’ll go more in-detail and provide case studies for them to help understand the related models and implications. As discussed before, there are four Business Model Options. First, is OHA as the Developer, second would be OHA establishing a third-party business venture, whether that’s a Joint-Venture, LLC or otherwise. Third would be a Master Developer, meaning the Ground lease option and Fourth is a P3 option (Public-Private Partnership).

We’re going to talk to each one as it is related to an existing case study, so this is from our past or current experience itself. In some cases, like the next slide, you’ll see that we have combined them, so A & B, because they’re relatable. Whether OHA as a developer or as a business venture both have almost the same implications. For this I’ll pass it over to Lucas as he has the most direct experience with it.

Lucas Sayin (SPIRE): So the case study that we outlined here for business options model A & B in terms of OHA as a developer or using an LLC Joint Venture type – what we brought were two examples primarily having to do with ultimately the funding and whether that is self-funded or entirely financed.

The first one I’ll walk through is an example of a self-funding model where the extent of the funding and the time to carry that funding was taking place. So, this was a housing development with no master plan; 500 acres or so of undeveloped land that needed to be turned into this housing. What we saw was an initial outlay of over 100 million dollars just to get the infrastructure in place and then as that construction has been ongoing for ninety years now, the recurring operating costs to maintain the day-to-day operations of the contract, or of the staff. To the sales staff as well to get those units sold as the development was occurring.

Typically, in this situation, and in most situations, there’s a developer involved and there’s also the cost of that developer and the fees associated with it. Whether a monthly fee or a fee on every sale and then an overall project incentive fee in terms of the performance of the project-as-a-whole, the development, and success of it. The risk that we find here is not unlike any other construction; meaning delays – where the original development plan and the original project economics would as of this point have them closer to 15 units sold. There’s only four, but all that does is extend the carrying cost for the landowner to continue to have to fund those operating costs to continue to put in money without realizing the return and extend that carry cost which ultimately diminishes the economic performance.

In a self-fund situation that is the commitment; that you can't stop mid-stream. It becomes a continued reevaluation of what are the costs necessary to keep this going and what is the timeline that is not being held to or being extended to.

Trustee Lee: I don't mean to interrupt you guys, but I'm curious – I know you folks have seen the proposals and the other two workshops that the trustees have gone through. So, I'm curious: *why the case studies were chosen to involve what appears to be housing sales?* I have yet to see any housing plan for Kaka'ako Makai. None of us are developers, *so why don't we have a case study in front of us that is relatable and that we can understand?* We're not going to be selling units to anybody, so I don't see how case study A or B is relevant to a workshop to the seven of us that are here.

Rodney Lee (SPIRE): I think that's a fair comment. However, whether it's housing, hospitality, or any type of revenue-generating operation will come with the risks of carrying costs and are performance related. So, the example here is not necessarily directly related to the type of the asset; as much as to directly address the fact that in these types of models, the risks that the organization will carry is the overall net performance of the proposal. So, when you're looking at the use cases; whether it be a meeting room or incubator, those are real carrying costs that you'll potentially be burdened with.

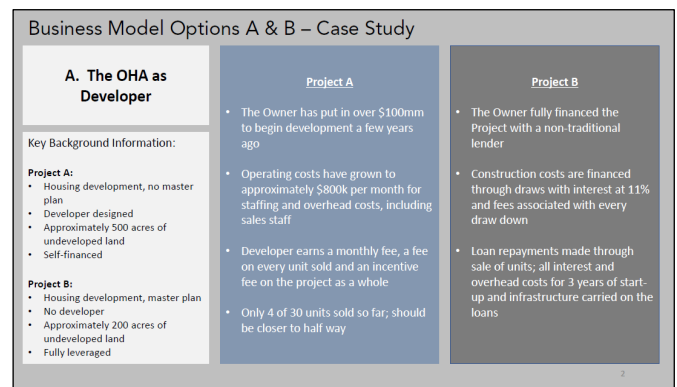
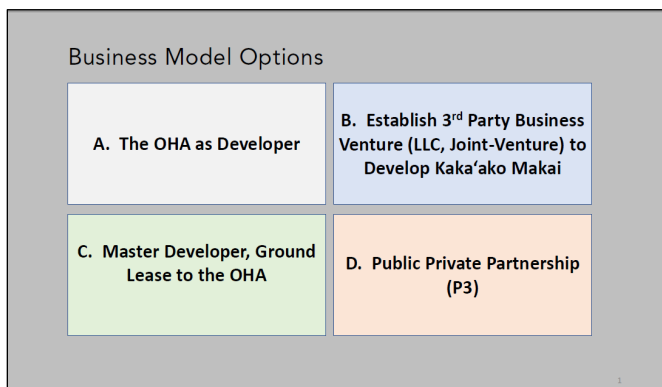
Trustee Lee: Which I understand, but once again you're asking a body of non-developers to make that leap and connect those dots when that's not our expertise. If it were, then no offense, we wouldn't need you guys, but we do, because you're the experts.

Rodney Lee (SPIRE): I see, yes.

Trustee Lee: *So, could you explain this to us in terms of what we do have in front of us; not housing and cost-units being sold?*

Rodney Lee (SPIRE): Sure, we can do that. We can adjust the examples that are there to the relevancy of where you're looking at. Basically, the first two models A & B incorporate the fact that we had talked about risk. The risk of performance and the risk of carrying and funding it. We know the limitations of OHA and its available liquid assets in this case will basically tap out the trust on the liquidated level; this is not a viable solution in our opinion.

Trustee Hulu Lindsey: I don't want to cut your line, but I don't think the people on this table are interested in being the developer. So maybe we should just move on. Thank you.



Rodney Lee (SPIRE): Ok, we're going to skip Option C and come back to you. We're going to look at option D. This is the Public Private Partnership (P3), it's the newer form of development specifically to infrastructure, which is relevant in your case. Creating infrastructure to create activities; here is an example of a highway bypass. The benefit with P3s is you get to solicit experts in the fields of specific types of construction. The collaboration, planning and contribution is a direct benefit for a P3 partnership; it has proven to be one of the more popular incarnations.

We used the stadium as an example of going through the P3 process; however, there are key success factors that are going to be there. Selection of the partners is critical; that you select the right partner - overall is the contractual negotiations of those agreements. Whether it is a revenue guarantee, you are going to guarantee what the payout will be that covers the debt and the fees; that is what you as the agency would have to guarantee.

What they will guarantee is the performance. The biggest advantage is that you get everybody to the table, and you get access to the best. It is a complicated thing, the management of this has to be well done. Honestly the success rate is getting better, but in the past, the success rate has not been great. So, option D is a consideration, but it's a long process – it's not a quick thing. With respect to OHA, I think you need to consider whether you have the adequate resources to do this. *Are there any questions about D?*

Trustee Hulu Lindsey: My thought on this, because I have been through Public Private Partnerships in the past with the State and Maui Land and Pineapple. My thought on behalf of OHA is that we would put out an RFP for the developers and let the developers propose to us what they can do for OHA according to our Master Plan. Then we will have the opportunity to choose the best developer if it exists in the RFP and we can decide as a Board if we want to invest in the project. Otherwise, the load is held by our partner, so to me it would not incur too much of a risk if we choose the right partner.

Rodney Lee (SPIRE): So, it's great that you mention that because I would go quickly to option C then. Option C gives you the latitude to do exactly that without having to commit to a revenue target. The P3 partnership is 'really' a partnership – you share in all the obligations and all the downsides. Even if the revenue target is not hit, the sponsor makes up the revenue difference.

Trustee Hulu Lindsey: I just wanted to be sure that the Board had the option of investing if they choose to do so.

Rodney Lee (SPIRE): You have that ability in Option C; it has the most latitude, so we'll go over that.

Trustee Lee: Also, to be clear because this was in Workshop #1 and #2, to Trustee Lindsey's point, we're also not necessarily considering Option A, B, C or D for the entire Kaka'ako Makai. The specific example that was given was Lot I; that maybe P3 might work for that area and what we wanted to do, etc. So, I would agree that we move on.

Trustee Akina: I have two questions; the first one has to do with the public private partnership. *Are there any unique financing opportunities that would be present with a government-related PPP?*

Rodney Lee (SPIRE): Yes, the unique nature of the P3 is that they can use both commercial and governmental funding – they combine them. So, whereas it is financeable in commercial; it's more attractive and they can use that to their advantage. For instance, privatized-housing for the military, it is an attractive way to finance in a commercial sense, because the guarantee is the funding by base allowance by rank – whether enlistment or officers. I have seen it the opposite way where the bond makes more sense, especially in the case of highways and roads – it makes more sense to collect against the bond and then guarantee against the toll fees.

In multi-purpose developments, a combination of the two may happen. The main advantage I see with the P3 is the overall financing package; it can be the most sophisticated. The overall management and the risk-up and downside - I've seen the costs of the management fees itself being quite significant. *Does that answer your question?*

Trustee Akina: Yes, it does. I think that's one of the items we would want to look at – the financing. My other question is not as significant to me, but I am interested in what you have to say about it. Earlier you lumped together whether we would be a developer and have the option of using the LLCs and I understand why you lumped them together in terms of the risk issue. If you separate them just for a moment and you focus on LLC or Joint Venture, *what would be some unique advantages?*

Rodney Lee (SPIRE): If you separate A versus B; A - Developer and B - Joint Venture. A - the advantage is really, overall control of the project. You are the director that's the advantage, yet also a risk.

B - is the overall procurement aspect of it, you get into more of a usual way of negotiations toward Real Estate. Real Estate is usually not one that likes to disclose everything, but 'A' would force you into procurement to disclose everything. It's not a competitive situation where you can clearly react, very quickly.

A; would send you into a long, progressive process for procurement. B; could possibly shorten that by creating a separate entity that allows you to go through normal rules of Real Estate development. You probably would attract different types of developers whether it's A or B. One entity that is used-to the government and the process, will bid on A. While with B; you would be more of the norm and will probably get private developers that are used to that and that are looking at tax breaks, tax incentives, ways of financing, ways of raising capital, and private-equity capital that would invest in the project that would produce more return.

Trustee Akina: To reiterate what was mentioned earlier; the specific lot that we're looking at, and the kind of development that we're looking at, weighs heavily in terms of determining which model we would go after. Thank you.

Business Model Option D – Case Study		
D. Public Private Partnership Key Background Information: Project Type: - International Highway Bypass - Awarded Global P3 project of the year in 2018 - 5 public entities involved	Project Overview The project required building a 7.5 mile roadway at a cost of A\$ 1.8 billion. In addition to the governmental partner, there were five private partners who contributed supplies, design, construction and geotechnical services. The governmental partner was required to work as part of an integrated team that collectively established operational principles and resolved project problems. As a result of effective collective decision-making and risk-sharing, the project was completed seven months ahead of schedule and \$100 million below estimate.	Key Success Factors: <ul style="list-style-type: none"> • Agreement to establish an alliance manager, alliance leadership team and alliance management team, all of whom designated and trained functional experts • Commitment to weekly “health check” meetings of their representatives on the alliance teams with sufficient authority to resolve issues • Commitment to a win-win/lose-lose principles where all partners accept financial responsibility for additional costs, admit failures when they occur, and move quickly to correct them • Commitment to shift focus from one-sided rigid partnership agreements but also on the health of working relationships among the partners

Business Model Option C – Case Study		
C. Master Developer, OHA Ground Lease Key Background Information: DHHL project for demolition of Stadium Bowl-O-Drome property Sought a multi-family residential rental facility No provision for lease revenue to DHHL identified	DHHL envisioned a residential rental facility that included rental assistance programs and other services for tenants. DHHL retained title to the property, but allowed the Developer to have control over: <ul style="list-style-type: none"> • Demolition; • Design; • Construction; • Financing; • Management; and, • Maintenance DHHL conducted substantial work ahead of the RFP to ensure its success	Key Success Factors: <ul style="list-style-type: none"> • Conducted draft engineering report and preliminary geotechnical engineering study • Determined roadway use requirements • Prepared Phase I and II environmental site assessments • Conducted Archaeological Inventory Survey • Prepared Reconnaissance Level and Intensive Level Architectural Studies • Conducted Beneficiary Survey • Defined green energy policy • Specifying the building must comply with mixed use standards

Rodney Lee (SPIRE): If we can move to Option C - the advantage of Option C is you come up with a Master Plan, with what you expect to do. Then you send an RFP out and solicit ideas from developers. It's the most direct way for OHA to seek money in the earliest fashion. In some cases, if you're a good a negotiator as Kamehameha Schools, you can see it up front. If that's the way OHA wants to go - this is probably the most flexible option. We think it's the most realistic, because it doesn't require OHA to be beyond what it is more today. It's well-known here. It is done quite a bit as far as we understand from the Ali'i Trusts; it keeps you at arm's length and protects the organization.

Trustee Hulu Lindsey: *This also gives the minimum risk of all the options, right?*

Rodney Lee (SPIRE): Right and no performance measures. So, whether-or-not the developers succeed-or-not, they pay whatever the contractual agreement is. That is their sole expertise and that's what they're going to stand on. If they believe they can succeed, they'll be bold enough to say that.

Trustee Hulu Lindsey: I think the positive of Option C is that they're taking the risk, so they'll be...

Rodney Lee (SPIRE): ... more incentivized to succeed.

Trustee Hulu Lindsey: Right, because it's all about their money, not ours.

Rodney Lee (SPIRE): On the back end, we're talking about Practical Considerations and we're looking at what it requires. It requires development experience - OHA's risk; most costly. C lines up pretty-well, except for infrastructure. What we want to make you understand is the activity that you're going to choose is a long game. You must think 30 years out of what it is that you're doing.

In the case of Option C where you're the Master Developer, you receive lease rent on the ground lease and however that is negotiated either up front of over a progression of years. What you do receive at the end of that is the asset. It will gauge the commitment level into the project and what it is around it. The other models require greater commitment from OHA. Commitment where there's risk, money or resources. Just think of the outcome in the long game.

Practical Considerations for Each Option

Consideration	A. Developer	B. Joint Venture	C. Ground Lease	D. PPP
Requires development Expertise	◆	◆		
Exposes OHA to great risk	◆	◆		◆
Most costly to OHA	◆	◆		◆

As Trustees, it is important to consider OHA's internal competencies and experience as well as resources and costs before making a decision.

Option C may be OHA's practical option

A. The OHA ~~Developer~~

B. Establish 3rd Party Business Venture (LLC, ~~Joint-Venture~~) to Develop Kaka'ako Makai

C. Master Developer, Ground Lease to the OHA

D. Public Private ~~Partnership~~

Rodney Lee (SPIRE): If you think of the outcome in the long game and you think of your strategy - what I think most of you are seeking is: *is there a solution to leverage the assets so that we can accomplish the mission?* The mission is to better the conditions; and I see that those are not uniquely independent from what could happen in Kaka'ako Makai. It could be that OHA takes that money and activates it in a way that the strategic plan is laid out and encourages the participation of the activity on the site through the funding of its own programs.

However,
real estate
development is
still a long game



What is OHA's level
of commitment?

What is the outcome
OHA seeks?

How will it fulfill its
mission and its
mandate?



Rodney Lee (SPIRE): OHA has a huge responsibility. The asset that you have is a facilitator and the question I see is for you to imagine what you're facilitating. That's why I put the quote there: *"You must be the change you want to see in the world"*. Kaka'ako Makai - *a way to facilitate the attempt of what OHA's strategic plan is*, which should be laid out in front of you. I hope that makes sense, or *have I confused you even more?*

OHA must lead the effort to benefit future for generations



Trustee Hulu Lindsey: *Is the purpose of today's workshop for us to make-a-decision as to what scenario we want to go with?*

Rodney Lee (SPIRE): No, just to brief you on the available models.

Trustee Hulu Lindsey: So, when do we make that decision, because this project needs to move on. It's been stale for eight years.

Rodney Lee (SPIRE): You must go through your uses first; the Master Plan is going to be important. That's always going to be the responsibility of OHA and the direction of the project.

Trustee Hulu Lindsey: We don't have a Master Plan, and I don't think we're willing to spend another \$3 million for a Master Plan. In my opinion, I think we should put it out there for developers to look at the Conceptual Plan and make proposals to the Board, at their expense.

Ka Pouhana Hussey: So, trustees, one of the things that was part of this workshop – we were going to give you what the Action Item would look like. So, what's being distributed right now is a draft of the Action Item. What will be asked of you at the January 22, 2020 meeting is: to approve the 14 programmatic design elements, to approve the phasing that has been proposed and then to approve the business model lot-by-lot or phase-by-phase. We are hoping to take a field trip. To go and physically see the areas. If there's something or someone you would like to hear from or to see, please let us know so that we can provide that to you. The field trip will be with the RM Committee and we will try to have Kamehameha Schools, Howard Hughes and HCDA be there to present what they've been doing in the area.

BAE Chair Waihee: *Are there any further questions on this agenda item? Any questions regarding the design elements?*

Trustee Lee: I think Jonathan went through the elements fine at the first workshop.

BAE Chair Waihee: Ok, thank you SPIRE. We'll now move on to New Business.

V. NEW BUSINESS

A. ACTION ITEM: BAE-RM #19-10: FB 20-21 Higher Education Grant Recommendation[†]

BAE Chair Waihee: We'll get a motion on the board before we continue.

RM Chair Ahuna moves to approve and authorize awarding \$550,000 from the Fiscal Year 2020 (FY20) Core Operating Budget (Object Codes 56530 & 57110) and \$550,000 from the Fiscal Year 2021 (FY21) Core Operating Budget (Object Codes 56530 & 57110) to the University of Hawai'i at Mānoa Native Hawaiian Science & Engineering Mentorship Program (UHM NHSEMP) to administer the FB 20-21 Higher Education Scholarship Program.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e: I'll turn it over to Ka Pouhana Hussey for further discussion.

Ka Pouhana Hussey: Thank you Chair, you did receive the memo in early November outlining the process and the recommendation. *Were there any questions for Maile, our Grant Manager?*

Trustee Hulu Lindsey: I think I had the same question a couple years ago, *are these monies only for Hawai'i Schools or even for Island UH Schools?*

Trustee Lee: Yes, that's what it says in here.

RM Chair Ahuna: Yes, it says that in here.

Grants Manager Maile Lu'uwai: To clarify, the solicitation itself did not specify that the grant would go to the UH System, but it is the applicant itself that specified it would go through the UH System. So, this award would go through the 10-campus UH System.

Trustee Hulu Lindsey: *So, what about students that go to the mainland?*

Grants Manager Lu'uwai: This award would not be available to them.

Trustee Hulu Lindsey: Ok, Thank you.

Trustee Lee: *Were there other applicants for this grant money? Who authorized students who were not going to be attending the UH System to utilize this money?*

Grants Manager Lu'uwai: Yes, there was one other applicant. So, there were two UH applicants and one nonprofit organization applicant.

Trustee Lee: That nonprofit applicant - *was that significantly under the UH one?*

Was that part of what went into consideration for the grants evaluations that one would have a broader reach because they are allowing students to go to the school of their choosing versus an applicant who is saying you can only go to the UH System?

Even in Hawaii we don't just have the UH System there are many other schools.

Grants Manager Lu'uwai: Right, it was not a consideration, and the point difference was 39 points between the first and second place applicant (which was the nonprofit applicant). It was not a priority consideration. I'm using a solicitation and guidelines from the prior grants team. It's something we can now consider, going-forward. In this case, there were only three applicants; two were UH applicants and one was a non-profit. If that was a consideration, then it would've gone to the non-profit organization.

Trustee Lee: So, Trustee Hulu you asked this question last time around, and now we have a new Grants Manager. So, it is not her fault that it was not addressed.

Trustee Hulu Lindsey: Yes, I asked because I was concerned that so many of our students choose to go to schools outside of Hawai'i or other schools in Hawai'i that are not within the UH System. So, our monies should be spread out equally among our students that need the help.

Trustee Lee: I am sorry; 39 points can mean different things in different capacities. *Is that a lot here?*

Grants Manager Lu'uwai: Yes.

Trustee Ahuna: So, the scope of this scholarship - *does it just talk about Native Hawaiian engineering scholarships or it touches STEM?*

Grants Manager Lu'uwai: It actually touches a broad reach of Native Hawaiian students. This award is not specific to STEM students; they have provided a priority list for students.

Trustee Akina: *Would the University of Hawai'i be open to administering this scholarship program on behalf of students who are not in the UH System?*

Could we also make that a requirement on our end for the distributor?

Ka Pouhana Hussey: If we had included that in the original solicitation.

Grants Manager Lu'uwai: Yes, if we had included that in the original solicitation and, also the way that the University of Hawai'i Scholarship System is administered, I do not think they would be interested. It's a very tight process and they already have all their infrastructure in place specific to their students and coordination across the campuses.

Trustee Akina: Thank you.

Ka Pouhana Hussey: But it doesn't preclude the trustees from authorizing another scholarship solicitation to be able to address that gap; with different focus parameters.

Trustee Lee: *For a different scholarship, not for this one, right?*

Ka Pouhana Hussey: Correct.

Trustee Lee: I think Maile gave some really, good clarification with her last statement; the fact that it wasn't written into the RFP that this money had to be earmarked only for UH. So, anybody applying who looked at the solicitation would not assume that. They would think they could do whatever with the money. The fact that only one other entity with that thought of mind applied, changes the way I look at this. Although I really, originally thought this was very narrow-minded only going to UH, but the fact that it wasn't written into the RFP tells me that those who want to allow money to students that are going to other schools, were not interested in this solicitation; it says volumes. So, thank you.

Grants Manager Lu'uwai: The Grants Program does have ideas that we can definitely recommend to the trustees for the next round of funding.

Trustee Akaka: *When you mention the 39-point difference, is that on a scale of 100 points?*

Grants Manager Lu'uwai: It was a total of 110 points.

Trustee Lee: To your point about the ideas that the Grants Department has - as we stated before during Kaka'ako Makai - this isn't necessarily the expertise of the Board; so we rely on you folks. Maybe next time around we can do a workshop for the trustees. Then we can understand what's going out and the Grant Department can say what's been done in the past and what ideas you have going forward. That way the trustees will be fully informed before it comes to us and the grants department voices can be heard by the trustees.

Ka Pouhana Hussey: We definitely would support that - in terms of what we've been talking about, as we do tactical planning on the Strategic Plan. We've talked about *granting the verb* rather than *granting the noun*; and granting in ways like collaborating, more specifically.

To that point, all the grant work thus far has been based on the prior strategic plan and the prior priorities. What Administration does plan and needs to do is say what does granting in the strategic alignment look like as part of a workshop and then the different programs that then get put before you in terms of funding. We've learned that a building workshop makes sense before the final decision.

BAE Chair Waihe'e asks if there is any further discussion. There is none.

BAE Chair Waihe'e and the Joint BAE-RM Committee thanks Grants Manager Lu'uwai.

BAE Chair Waihe'e calls for a **Roll Call Vote**.

							MOTION 10:58 a.m. VOTE 11:09 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
RM VICE-CHAIR ROBERT	LINDSEY						EXCUSED
COLETTE	MACHADO						EXCUSED
RM CHAIR DAN	AHUNA	1		X			
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	0	2

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

BAE Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **MOTION CARRIES**.

VI. COMMUNITY CONCERNS*

Rita Kanui: Hi Good Morning. My name is Rita Kanui, I'm from Waimānalo. I was in a house before, then I got evicted from a daughter and her husband which was illegal. I think OHA needs to look at legal issues, housing issues, health issues and travel – all these things are important for our people. I was homeless for two years on the streets. Anybody can become homeless if you lose your job, so I bring that issue to the table.

We need to build homes for the homeless people – there are a lot of homeless Hawaiians on the street who are sick, they have bad health issues, are hungry and need help. I'm open to questions. I left my number on the form and you may call me if you need to.

My husband is in Afghanistan, he's been there for ten years. I want him home immediately if you guys can help me with that. He needs \$500 to come home, if I get the \$500 today, I can send it to him and he can be home here, in eleven hours, whatever you can contribute.

Louise Mililani Hanapi: Aloha, I wanted to speak again for Hui Aloha 'Āina o Manae; we came together as Kuleana Landowners; native tenants and our families. That was our only focus and we did that because we believed in the Constitution and we believed that these rights are specific to us and because we are landowners. This was to address the watersheds. We were concerned with vacation rentals and unclear titles. Our people on the East end of Moloka'i were quickly becoming homeless.

Developers approached us in our Community Council meetings and asked if we would agree to at least allow the West end of the island to have Vacation Rentals and they would stop doing it on the East end. Of-course we didn't agree to that. I would also like OHA to help address the homeless issues on all the islands.

Iya Domen: Aloha, my name is Iya Domen and I am originally from Russia. December 21st will be 20 years since I landed in Hawai'i. Here I graduated from the university and got my 2nd degree. My first degree is in biology and my second degree is in food science. I was at Castle Hospital for nine years and a clinical dietitian. At the same time, I was able to have very good teachers in yoga and tai chi and developed very nice healing practices. People have inflammation from stress and different conditions, and I am concerned with the health of the Hawaiian people. I want to offer my experience, knowledge and practices to help – I could be within some health project. I would like to help homeless people too and prisons is my concern too. Correctional facilities need to be correctional and the system needs improvements. I could do projects with prisons to help with affordable, but healthier food; it's important. I left my number as well, if you need to contact me. Thank you so much.

VII. ANNOUNCEMENTS

None

VIII. ADJOURNMENT

Trustee Hulu Lindsey moves to adjourn the JOINT BAE-RM meeting.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion. There is none.

BAE Chair Waihe'e asks if any members vote NO or ABSTAIN. There are no dissenting votes.

							11:29 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
RM VICE-CHAIR ROBERT	LINDSEY						EXCUSED
COLETTE	MACHADO						EXCUSED
RM CHAIR DAN	AHUNA						Departed at 11:25 a.m.
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				6	0	0	3

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

BAE Chair Waihe'e adjourns the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management at 11:29 a.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Beneficiary Advocacy and Empowerment

As approved by the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Committee on Resource Management (RM) on March 30, 2021.

Trustee John Waihe'e, IV
Chair
Committee on Beneficiary Advocacy and
Empowerment

Trustee Dan Ahuna
Chair
Committee on Resource Management

ATTACHMENT(s):

- NONE

PHONE (808) 594-1888
Committee on Beneficiary Advocacy and Empowerment
Trustee Kaleihikina Akaka, *O'ahu* - Chair
Trustee Keola Lindsey, *Hawai'i Island* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Keli'i Akina, *At-Large*
Trustee Luana Alapa, *Moloka'i / Lāna'i*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee John Waihe'e IV, *At-Large*



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

FAX (808) 594-1865
Committee on Resource Management
Trustee John Waihe'e IV, *At-Large* - Chair
Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Kaleihikina Akaka, *O'ahu*
Trustee Keli'i Akina, *At-Large*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee Keola Lindsey, *Hawai'i Island*

**JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE) and the
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 30, 2021

TIME: 1:30 p.m.

PLACE: Virtual Meeting

Viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

Due to the threat of COVID-19, Governor Ige issued the most recent Emergency Eighteenth Supplementary Proclamation dated February 12, 2021 that suspends parts of Hawai'i Revised Statutes Chapter 92, Public Agency Meetings and Records to, among other things, enable boards to conduct business without any board members or members of the public physically present at the same location.

The OHA Board of Trustees and its Standing Committees will hold virtual meetings until further notice. The virtual meetings can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

AGENDA

- I. Call to Order
- II. Public Testimony on Items Listed on the Agenda*
(Please see page 2 on how to submit written testimony or provide oral testimony online.
Oral testimony by telephone/landline **will not** be accepted)
- III. Approval of Minutes
 - A. JOINT BAE-RM Meeting Minutes of December 18, 2019
 - B. JOINT BAE-RM Meeting Minutes of October 7, 2020
 - C. JOINT BAE-RM Meeting Minutes of February 10, 2021
- IV. Unfinished Business
None
- V. New Business
 - A. ACTION ITEM BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending
- VI. Announcements
- VII. Adjournment
If you require an auxiliary aid or accommodation due to a disability, please contact Raina Gushiken at telephone number 594-1772 or by email at: rainag@oha.org no later than three (3) business days prior to the date of the meeting. Meeting materials will be available to the public 72-hours prior to this meeting and posted to OHA's website at: www.oha.org/rm

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200

JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE)
and the COMMITTEE ON RESOURCE MANAGEMENT (RM)
MINUTES

October 7, 2020 10:00 a.m.

ATTENDANCE:

BAE Chairperson John Waihe'e, IV
BAE Vice-Chairperson Kaleihikina Akaka
RM Chairperson Dan Ahuna
RM Vice-Chairperson Robert Lindsey
Trustee Leina'ala Ahu Isa
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee Carmen Hulu Lindsey
Trustee Colette Machado

ADMINISTRATION STAFF:

Sylvia Hussey, Ed. D., Ka Pouhana / CEO
Sterling Wong, Interim COO, Interim CA, PRO
Everett Ohta, CC
Gloria Li, FS
Kevin Chak, IT
Marc Bantolina, IT
Raina Gushiken, CC
Wayne Tanaka, PP

LEGAL COUNSEL:

Robert G. Klein, Esq.

GUESTS:

John Marco
Craig Chaikin

BOT STAFF:

Crayn Akina
Dayna Pa
Melissa Wennihan

I. CALL TO ORDER

BAE Chair Waihe'e calls the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management for Wednesday, October 7, 2020 to order at **10:00 a.m.**

BAE Chair Waihe'e notes for the record that **PRESENT** are:

MEMBERS			AT CALL TO ORDER (10:00 a.m.)	TIME ARRIVED
BAE CHAIR	JOHN	WAIHE'E, IV	PRESENT	
BAE VICE-CHAIR	KALEIHIKINA	AKAKA	PRESENT	
RM CHAIR	DAN	AHUNA	PRESENT	
RM VICE-CHAIR	ROBERT	LINDSEY	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN "HULU"	LINDSEY	PRESENT	
TRUSTEE	COLETTE	MACHADO	PRESENT	

At the Call to Order, **NINE (9) Trustees are PRESENT**, thereby constituting a quorum.

II. PUBLIC TESTIMONY on Items Listed on the Agenda*

None

III. APPROVAL OF MINUTES

A. JOINT MEETING of the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Committee on Resource Management (RM) Meeting Minutes 1. December 18, 2019

RM Chair Ahuna moves to approve the JOINT BAE-RM meeting minutes of December 18, 2019.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion or corrections.

BAE Chair Waihe'e calls for a **ROLL CALL VOTE**.

TRUSTEE		1	2	'AE (YES)	X A'OLE (NO)	KANALUA (ABSTAIN)	10:04 a.m. EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
RM VICE-CHAIR ROBERT	LINDSEY			X			
COLETTE	MACHADO			X			
RM CHAIR DAN	AHUNA	1		X			
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

BAE Chair Waihe'e notes for the record that the **MOTION CARRIES**.

Note; This set of JOINT BAE-RM MEETING Minutes may need to be voted on again at the next JOINT BAE-RM MEETING where two separate roll call votes are taken by first the BAE committee, and secondly by the RM committee)

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

- A. Presentation:** Office of Hawaiian Affairs, Native Hawaiian Trust Fund, Analysis of Investment Performance, June 30, 2020 and August 31, 2020, Segal Marco Advisors - John Marco, Senior Vice President and Craig Chaikin, CFA, Vice President

BAE Chair Waihe'e: The first thing on the agenda is the Office of Hawaiian Affairs, Native Hawaiian Trust Fund, Analysis of Investment Performance for June 30th, 2020 and August 31st, 2020. We have Segal Marco Advisors, John Marco, Senior Vice President, and Craig Chaikin, CFA Vice President.

I will turn it over to our Pouhana Sylvia Hussey.

Ka Pouhana Hussey: Thank you Trustee Waihee. Trustees just for reference - before I ask John and Craig to go through the report, because the packet is so large - I want to give you some reference pages so that you can follow along. The June 30th 2020 report begins on page 22 of 242 pages in the electronic packet. Then when they get to the August 31st report that is on page 205. That might help you get through all the slides and we will ask them to help make sure to be clear in referencing the slides as they go through their presentation.

OK, so I will turn it over to our advisors from Segal Marco; John Marco and Craig Chaikin, so they could share with us the performance of the Native Hawaiian Trust Fund.

Segal Marco Senior VP John Marco: I would like to focus the attention on the most recent numbers. We have seen a lot of volatility in the markets throughout this year. Obviously, the sharp decline in March, the relatively swift bounce back due to the enormous stimulus package that came back in April and May, as well as the Federal Package and the Treasury supports that have been in place. Both have buoyed the markets overall. We have seen a lot of volatility and there are a lot of question marks that need to be answered.

The most recent numbers that we have are through August 31st, so I will zoom in and review some of these numbers with you. The most recent quarter we saw 8.37% return. Our year to date total return is just about flat at 0.07%. I will broadly talk about the overall investments; if you look at the Traditional Assets, your public markets underperformed the index at 2.69 versus 6.72. Most of that underperformance in the Traditional Markets is focused on Fixed Income or the Bond Marketplace.

Bonds have seen a lot of disruption in the most recent volatility since the arrival of the coronavirus in the U.S. Certain bonds have received significant support through Government Packages and Stimulus, while others have not. I will walk through some of the exposures in a moment.

Overall, the Equity Portfolio - the total Global Equities as you can see here year-to-date, at 4.9 percent is right in line and slightly ahead of the expectation at 4.75%. So, equities are in line with the overall expects to return.

Moving ahead to the Fixed Income. Overall, this is the other portion of our Traditional Fixed Income or Traditional Assets. It is Fixed Income as I mentioned, the total Portfolio in the Public Market is underperforming the Index, a large portion of it is right here with the global fixed income. This is your total bond portfolio rolled up into one versus the custom index.

Some of the biggest things that stand out here overall are going to be the new allocation that was put into place here with JP Morgan. They most recently added Corporate Bonds this year, attempting to take advantage of some of that bounce back that happened on April 1st. The real underperformance happens here when we get into the high yield portfolio at 0.91 behind the index at 3.1%. High yield in the JP Morgan account as well, negative when that index is positive, and so those are a few areas that really drove the underperformance within the fixed income markets.

Now overall, we have seen Active Managers struggle to keep up with some of these indexes, particularly because many of them are heavily weighted in things like Treasuries which had really blew the markets most recently.

Overall, we think JP Morgan's a good Bond Manager. Although they have had some ups and downs across the Portfolio. They are in line with what we have seen for Active Management relative to peers.

Real assets have taken a hit. One of the main places you are going to see this is in REIT (Real Estate Investment Trust) which is daily market value real estate. Overall, the global real assets are down 4.7%, I would not pay too close attention to this real asset benchmark. It is not an Investable Index as we say. It is not like you can buy the S&P 500 for example. As I mentioned before, big negatives that you see are in REIT overall Real Estate Investment Trust had been hit. We have seen a few things happen with real estate. Number one – the 'office' is being questioned in terms of its validity long-term, since many individuals and corporations have been able to go remote during this time.

On the other side, is residential. The moratorium on evictions and being able to get a non-paying renter out of the building is having a significant impact on pricing, particularly in REIT, and some of these shorter-term pricing investments that represent the real estate markets as a whole.

Hedge Funds as a whole, have not done well. PIMCO tactical opportunities fund, which can go both long and short unfortunately, posted a minus 2.28% return relative to the aggregate index, which isn't necessarily the most appropriate index. What we have seen across the hedge fund space is somewhere between negative two and positive 2% is kind of where most have come in, year-to-date. So, they are right in line as well.

The Hawai'i Direct Investments year-to-date; down 4.43.

Lastly, we have the total Private Equity Investment - as you know you have Commonfund doing a lot in your private equity space. You have a lot of relatively minor and small positions spread out across many private equity investments. Overall, private equity showing negative 10% year-to-date. All those returns are on a lag, so they haven't taken into account the most recent bounce back that we saw in the second quarter of this year. So, we would expect to see some recoveries as the reporting catches up to the valuations in the private market space. Again, a list of each of the private equity investments as some of these are as low as \$72,000. I am not going to run through each one of them in the interest

of time, but overall, this is a broadly diversified private equity in private investment portfolio. With that, I will pause and am happy to answer any comments or questions that you may have regarding the portfolio.

BAE Chair Waihe'e: Ok, members - *are there any questions regarding the portfolio?*

There are none.

BAE Chair Waihe'e: John, you may continue.

Segal Marco Senior VP John Marco: I really have nothing beyond further discussion at this point. We provided you the overall performance update right now. We had a chance to meet with Sylvia in between the meetings, both Craig and I, to update on Ray's departure, as well as the new CFO starting on the 16th. So, we are preparing, and getting our ducks in row to launch and work with her (CFO) going forward.

BAE Chair Waihe'e: Thank you John.

Trustee Ahu Isa: In this volatile market - *can we get updates a little more frequently, instead of waiting from June 30, August 30 to September 30 would be the third quarter?*

Pouhana Hussey: What they can do is give us what they called their flash report, which is what the August report was. The flash report has pretty much all the market stuff except the private equities. By practice, the private equity amounts come in a quarter lag, and so we will get another big report with all the private equity report out, but they can provide the flash report. As soon as they do, that will be provided to the trustees.

Trustee Ahu Isa: Because I notice the bond funds like JP Morgan, it ended up being less than what Vanguard is. Maybe the new CIO, the Chief Investment Officer, can look at some other questions that I have whenever we hire.

Pouhana Hussey: So, we do not have a Chief Investment Officer. We have a vacant Investment Manager position, but the new CFO coming in does have experience with investment, accounting and reporting. So, we'll make sure that is on as well as the Permitted Interaction Group, regarding all the policies, which will also influence what that might be. So, we look forward to that work from the trustees.

Trustee Ahu Isa: Ok, Mahalo.

BAE Chair Waihe'e asks if there is any further discussion. There is none.

BAE Chair Waihe'e and the Joint BAE-RM Committee thanks John and Craig.

Segal Marco Senior VP John Marco: Mahalo Everyone. Thank you.

V. NEW BUSINESS

- B. Workshop:** 2021 Legislative Session: OHA Fiscal Biennium 2022-2023 Budget Bill – General Funds Appropriation Workshop[†] - Advocacy
- C. Workshop:** 2021 OHA Legislative Concepts Workshop[†] - Advocacy

BAE Chair Waihe'e: I will once again turn it over to our Pouhana Sylvia Hussey.

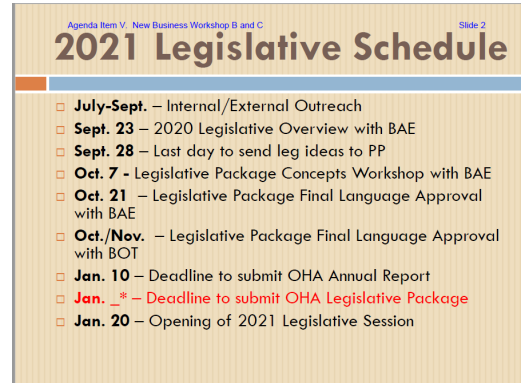
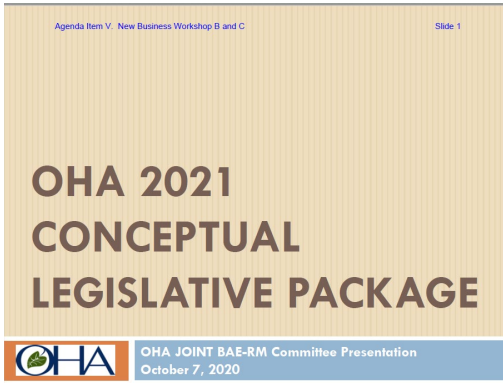
Pouhana Hussey: Thank you. We have Public Policy Manager Wayne Tanaka on; and he will walk us through the presentation. We will start with Interim Chief Advocate Sterling Wong to provide some context for the presentation.

Interim Chief Advocate Wong: Aloha Trustees Sterling Wong, Interim Chief Advocate for the Administration. As you know, a few weeks ago Public Policy presented on the last legislative session and closed it out. We have spent the last few weeks prepping for the upcoming session and working internally and externally with stakeholders to build up a conceptual package. This, of course, is a year with our budget bill, so that is going to be a big carry this session. We do not have actual bill language here. However, we have concepts, so Wayne is going to present those to the joint committee. We will take your mana'o, incorporate them into the package, and then in a few weeks we will bring actual bill language to the BAE and then to the Board for approval and then we will have our package. Mahalo Nui, I will turn it over to Wayne now.

Public Policy Manager Tanaka: Good Morning Trustees, it is great to see everyone again. The Conceptual Package starts on page 220 (of 242) of your electronic packet. Then the PowerPoint starts about four pages after that. As Sterling just described - this is our Conceptual Package presentation for the Committee's consideration; there is no decision-making today. This is just to give you an idea of what we are thinking about for our OHA package; as well as for coordinated Advocacy - which are bills that are not formally part of our package, but we do support them and provide the kind of support that is commensurate with the advocacy we do around our own package.

I'll just recap real quick, this is the timeline for development of our package. This past Summer - July through September, we did internal and external outreach. We had an overview, as you recall, on the 23rd, and today is the 7th, so that is where we are right now. After this, we will take your feedback and draft up actual Bill language to present to you folks for decision-making on the 21st and then with that have BOT approval of our final package before the General Election in November.

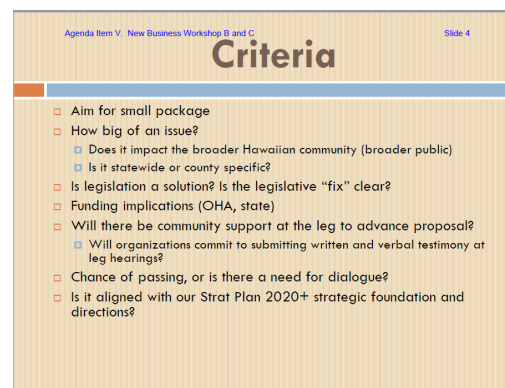
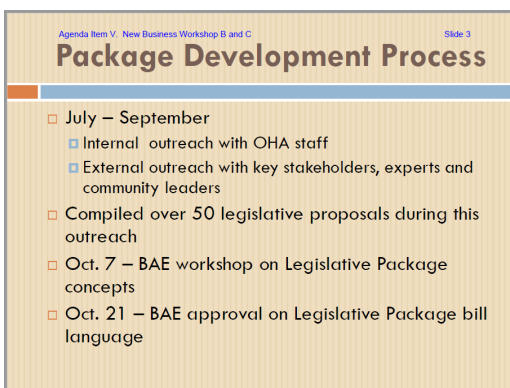
The next Legislative Session starts on January 20th, 2021 - which is the third Wednesday of the Calendar Year. So quick review of the development process thus far, we have received over 50 Legislative Proposals from both staff as well as numerous, external: Stakeholders, Experts and Community Leaders that we spoke with. We applied these criteria that I'll talk about in a minute to kind of filter through these proposals, combined some ideas, and eventually came up with the four package measures and two coordinated Advocacy measures that I'll be talking about today.



Public Policy Manager Tanaka: Again, a quick recap, these are the kinds of things we think about when developing our packages and deciding what to bring before the Board. First, we want to think about the number of bills in our package, to ensure that it's manageable, especially since we mentioned that our budget requests will be going in this year, so we will have to invest a lot of our time and energy in getting that passed.

We also want to make sure that we get the biggest bang for our buck because they're only likely to be a few measures in our package. So, we like things that have broader impacts as opposed to something that is specific to an island or to a particular community. We also want to make sure that legislation is something that will address the issue. Where it is clear that a statutory change is needed versus something like funding or compliance or policy implementation on the ground.

We also want to be mindful, especially this year of funding implications. So, if any proposal will impact our Budget or the State's General Funds, we want to be very mindful that. Especially given the economic challenges of the pandemic. We also want to think about how much Community Support there will be for any measure, that can be a big game changer in terms of getting things passed relatively cleanly. We also want to make sure that whatever we put forward is something that is realistically achievable in terms of passage or it will help raise a conversation around the issue where there is a clear need for dialogue. Again, our Strategic Plan 2020 Plus Strategic Foundation directions are set, so we want to make sure that our package aligns with those things.



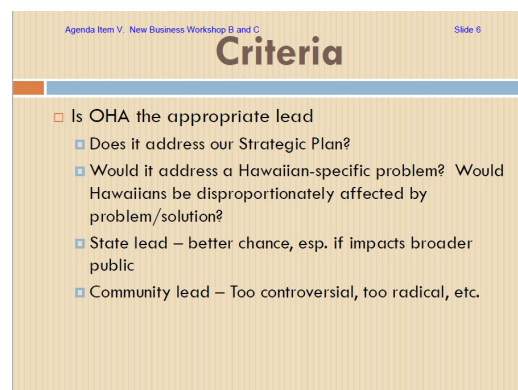
Public Policy Manager Tanaka: Of course, as I mentioned last time, we want to think about whether OHA as an agency is the appropriate body. *Does it align with our mission? Are there other entities or agencies that could kind of pick up the torch on the issue?*

Especially, you know, for example, the Governor's package usually has a better chance of success. If it is in the Governor's package - then of course you have his folks also working on the issue and so it can be advantageous and strategic. Sometimes it could also be ideas that are controversial or for whatever reason might be better championed by a Community group. In which case we can provide support, but we would just let them take the lead on those kinds of values.

The 'general context' of all our advocacy at the Legislature – it is always important to keep these kinds of things in mind. So, we want to be cognizant of the political landscape. We try to learn from lessons in the past, both successes and failures. I think it is always important to keep in mind what our priorities are at the Legislature.

Which is to make sure we maintain an Investor Political Capital strategically, especially when we may have to advocate on issues that might be controversial. We also want to maintain our credibility. That is the biggest thing we have in that building is the fact that when we come forward with ideas and recommendations it is always based on a substantial amount of research, data, and facts.

We also want to have an impact, so we do not necessarily want to put forward something that might sound good, but not really have, or at least set up the potential for change. A big thing that we always focus on is making sure to stop the bad bills, the bills that we oppose because they have significant negative impact on the mission or our beneficiaries' interest. That's where a lot of local capital has to be reserved for. I just wanted to give a quick reminder of the breadth of subject areas that we advocate on: anything that impacts OHA, anything that touches the Public Land Trust, the disposition of Ceded Lands, issues related to the perpetuation of Traditional and Customary Practices, Criminal Justice, Houselessness and Education. We advocate in all these areas because our beneficiary's interest touch upon all of them, so we do want to be mindful of all of the collateral effects of advocating on one issue and other issues that we care about.



Public Policy Manager Tanaka: With that, I'll get into our Conceptual Package proposal. As you know, this is a Budget year, so one of our main proposals will be to get our General Fund Appropriations Bill passed. The proposal this year is to just go after what the Legislature considers a base budget, which is a little over \$3,000,000 a year in General Fund Appropriations.

We also want to maintain our historic provisos; Legal Services, Education and Social Services as well as to maintain our Trust Fund match. Whenever we ask for general funds we always commit matching Trust Funds to reflect the partnership that this appropriation reflects in terms of working together to strategically leverage our collective resources to benefit Native Hawaiians and in many ways, the entire State.

Trustee Lee: Wayne I have a question about the general funds. *Does Act 37 cover our General Funds in perpetuity or is that specific only to 2020 General Funds?*

Public Policy Manager Tanaka: *I think you're talking about the audit proviso?*

Trustee Lee: That's correct.

Public Policy Manager Tanaka: That was for the release of funds for the last fiscal year.

Trustee Lee: *That will not affect this moving forward, correct?*

Public Policy Manager Tanaka: That in itself would not. Hopefully, they do not try to insert something.

Trustee Lee: That answered my question thank you. Thank you, Wayne.

Public Policy Manager Tanaka: That's part of the thinking - in keeping this kind of a clean bill. We did ask for an increase into our base budget in a previous biennium and that was largely due to the rapidly exploding fringe rate that we've been seeing in the last five or six years. However, I think, in light of the pandemic, and the uncertain economic ramifications going forward - we thought keeping a clean-based budget might be the best way to go.

We did want to emphasize that this is something we should probably bring up, even though we're asking for the same base amount of money. It is not like our costs - especially our personnel and fringe costs - are not increasing and have not been increasing over time. We were thinking last year that the fringe benefit might go up to 69%. Right now, it's at a little over 63% and we're using that figure to forecast for our 2021 budget. The State's interim for next year went down a bit, but that's because of the economic impact of COVID.

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Strategic Considerations

- Political landscape, "lessons learned"
- Agency priorities:
 - Reserve political capital
 - Maintain credibility
 - Make an "impact"
 - Stop "bad" bills
- Breadth of subject matter areas to advocate on:
 - Agency impacts, PLT, "ceded" lands, T&C practices, land and resource protection and rights/community-based management/ the public trust, affordable housing, homelessness, criminal justice, historic preservation, cultural perpetuation, NH education

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New Proposals

OHA Budget Bill

- **Goal:** Maintain our general fund appropriations "base budget" (\$3,037,879/year) and historic provisos (legal, education, social services) along with trust fund match (\$6,429,704/year) to continue state-OHA partnership
- **Notes:**
 - OHA fringe rate increase
 - State interim fringe rate up to 63.08% in 2020 – vs. 42% approved fringe rate in FY2014
 - Interim state rate for 2021 is 50.75% due to pandemic impacts and the state stopping post-retirement benefit payments in FY21. OHA's interim fringe rate budgeting is 63.08% for FY21.
 - Due to economic impacts of pandemic – maintain "base budget" rather than request increases for personnel, new provisos

Interim Chief Advocate Wong: I just wanted to make sure the committee is aware, given the presentation on our Trust and how the presentation reflects the current global economic struggles. Knowing that the State is having economic challenges as well and the next legislative session is going to be focused a lot on trying to plug these holes in the budget. I'd like to remind the joint committee that what happened with the last recession in 2008 and 2009 manifested in 2010. A request from the Legislature to do an across the board, cut to our budget of 10% - that we accepted. I think that is something to be mindful of for us going into this legislative session. We can probably expect the same sort of request from the Legislature to cut our budget across the board, which is the reason why we're presenting a baseline budget with consideration of the politics around all of these budgetary issues. Mahalo.

Public Policy Manager Tanaka: Thank you Sterling. Our next package concept - it is a resubmittal of our Capital Improvement Project request that we put forth last year. As you may recall this would call for the issuance of general obligation bonds to raise funds to help pay for the construction of water storage and distribution infrastructure on our Wahiawā lands. This infrastructure is necessary for the implementation of our conceptual plan and last year, it got quite far; it even manifested in some other vehicles.

Unfortunately, the COVID pandemic happened and the bill stopped as a result. We did get word from the WAM staff that they would recommend us resubmitting this CIP request. I did want to note that the COVID-19 pandemic killed this bill this year, but what the pandemic has also shown for a lot of folks and policymakers is that we really need to start investing in our islands; food self-sufficiency and agriculture to help us get to a more secure place.

I think the implementation of our plan to stand up diversified agriculture, local food production in Wahiawā, which has been historically used for industrial export model crops. Our plan can really help be a step towards this post COVID goal of greater production of agriculture, greater food self-sufficiency and food security. I included an anticipate timeline as an update. Mahalo to our Land Division Staff for giving us their latest figures.

We do plan to have a design contract executed by the end of November, get our permitting by August of 2022 and start procurement for construction by December of 2022.

Pouhana Hussey: I just wanted to supplement this particular slide that the Capital Improvement Budget as requested and as laid out is all incorporated in Budget Realignment and follow Policy related from Kaka'ako Makai revenue in the Kaka'ako Makai policy for legacy lands. So, the timeline here is also Budget and Policy compliant. Thank you.

BAE Chair Waihe'e: Thank you.

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New Proposals

□ OHA Budget Bill Cont'd. – Fringe rate increases

Personnel Management ID	Approved FY 14 Rate	Approved FY 15 Rate	Approved FY 16 Rate	Approved FY 17 Rate	Approved FY 18 Rate	Interim FY 19 Rate	Interim FY 20 Rate	Interim FY 21 Rate
15-08	42.99%							
16-05		41.27%						
16-03			49.34%					
17-03				55.48%				
18-10					59.08%			
19-13						60.08%		
19-07							63.08%	
20-14								50.73% *

The interim composite fringe rate decreased due to the economic impact of the COVID pandemic, the State suspended funding of Other Post Retirement benefits in FY 21. The interim rate of 63.08% was used for FY 21 budget.

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New Proposals

Capital Improvement Project Budget Request for Diversified Ag, Cultural Protection on OHA's Wahiawā Lands

- **Goal:** OHA is preparing for the construction of a water storage and distribution system on OHA's 511-acre property in Wahiawā.
- **Issue:** Water is integral to OHA's plans for Wahiawā, while OHA has secured water from ADC, need to build storage and delivery infrastructure (est. cost of \$3 million). **Note:** COVID-19 pandemic has highlighted need for greater diversified agriculture and food self-sufficiency; OHA plan can contribute to this goal.
- **Legislation:** Capital Improvement Budget Request for \$3 million
 - **Note:** OHA committed funding in FY20 (\$200k) and FY21 (\$300k) for the planning and permitting of the system.
 - **Anticipated timeline:** Design contract executed by 11/2020, conceptual design by 2/2021; permitting by 8/2022, procure construction by 12/2022

Public Policy Manager Tanaka: Thank you. Moving on to our third concept - this proposal seeks to break or mitigate the cycle of houselessness; and the criminalization of people experiencing houselessness. We're hoping to provide incentive and hope for those who may be houseless, and seeking to help better their conditions, but who may face barriers because of criminal records or outstanding fines and fees. There's a growing recognition and has been a lot of investment in programs to divert houseless folks away from the criminal justice system. I think people recognize that this is a real cycle.

It does not help address any underlying issues that contribute to our houselessness problem generally, or for individuals and it exacerbates the problem because it creates these barriers. We've seen things like LEAD and HONU which is that tent program that was being established late last year. Really with these programs - they're not going to divert everyone. Folks are going to get ticketed or arrested for these what we call 'quality-of-life-crimes'.

So this bill would provide an opportunity for folks with criminal records, specifically for statutes relating to obstructing sidewalks, state trespass laws, and also generally for any other statutes, ordinances, and rules that can be shown to relate to a person's houselessness status for an opportunity to expunge those records, in both conviction and arrest records. In order to qualify a person would have to demonstrate that they were satisfied in all their probation requirements, all the requirements of judgment like when they were convicted or adjudicated except it would allow for outstanding fines and fees to be waived. The person would also have to make a commitment to seek financial or mental health counseling to the extent that financial or mental health challenges might have contributed to them becoming houseless or staying houseless.

I just want to be clear this does not prevent folks from being cited or arrested. So it won't take away what some people think are tools for addressing immediate issues, but really what it does is when someone is ready to start moving and taking steps towards stable housing it will give them a way to get rid of these barriers that could otherwise be difficult to overcome.

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New Proposals

Clearing the Pathway Home for Houseless People

- **Goal:** Break (or mitigate) the cycle of houselessness and criminalization; provide hope by removing criminal record barriers to jobs, housing, etc. for those with “quality of life” crimes on their record
- **Issue:**
 - Houseless people given criminal records, fines for “obstructing” sidewalks, “trespassing,” etc. that only contribute to their continued houselessness

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New Proposals

Clearing the Pathway Home cont'd.

- **Issue cont'd.:**
 - LEAD, HONU programs recognize issue, but capacity limited and citations will continue to be issued irregardless
- **Legislation:** Provide for the expungement of criminal records (for “quality of life crimes” i.e. obstructing, trespass, any other nonviolent offenses shown to relate to/arise from their houseless status)
 - Petitioner must demonstrate compliance with all probation and judgement requirements, must commit to seek financial or mental health counseling
 - Outstanding fines and fees may be waived
 - Does not prevent citations or arrests, but removes the barriers that criminal records can create for houseless individuals seeking employment, housing, etc.

Public Policy Manager Tanaka: The last formal OHA Package measure is looking to address the Data Collection and Governance issues that we've been encountering during this pandemic that have highlighted a lot more longstanding issues with regards to trying to come up with good policy interventions for our beneficiaries without clear specific data to what their needs and situations are.

What's been happening for the last several months; some departments have been better than others, but we've been having a really, hard time, getting clear disaggregated data on Native Hawaiians specifically from Departments such as the Department of Labor and Industrial Relations in regards to unemployment impacts and the Department of Health in regards to COVID infection rates, and so forth. If we get anything, many times the data is aggregated with Pacific Islanders and we have pretty, strong indications that both Native Hawaiians and Pacific Islanders are being impacted significantly, but in sometimes pretty, distinct and unique ways.

When data is aggregated the way it is, it's really, hard to develop policies interventions that can specifically and effectively address these impacts for both communities. I just wanted to note that these immediate issues that we have been encountering over last few months are really, reflective of what has been a longstanding concern. There is inconsistent: data collection, data processing and data sharing across all State agencies. This can not only stymie efforts to create policies beyond just addressing COVID, but also prevent serving our beneficiaries in the most effective manner.

We would like to propose a concurrent resolution, which would do three things. First, it would urge COVID relevant departments; Department of Health, Department of Labor and Industrial Relations, Department of Human Services as well as the County Police Departments and Judiciary to share with us what disaggregated data they do have on Native Hawaiians and Pacific Islanders.

We would also ask that they work with the public so we can get an idea of what data sets may be available. We'd also like to urge these same entities to work with OHA and possibly with the NHPI COVID-19 Response, Recovery and Resilience Team. To come up with procedures and agreements for Data Governance; Collection, Processing, whose going to hold the data, and how it will be shared across agencies and with the public and then report back on these procedures and agreements to the 2022 Legislature.

Finally looking longer term; urge a convening of a 21st century Data Governance Task Force including the Office of Planning, the Office of Enterprise Technology Services, OHA and others that the task force identifies to create an assessment of what the data infrastructure challenges and needs are across the

agencies, and to report back to the 2023 Legislature. This is a way to validate and verify the concerns and the anecdotal reports that we've been receiving for a long time now about the outdated State of Data Collection throughout State Government and Data Governance.

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New Proposals

Data Collection for Fact-Based Policymaking

- **Goal:** Ensure consistent, appropriate, and timely data collection, processing, retention, and sharing to inform policies and interventions for NHs, Pacific Islanders, other demographics
- **Issue:** Inconsistent data collection/sharing processes have stymied policymaking and interventions to fight back against COVID-19; may frustrate future efforts for effective and fact-based policymaking
- **Ex.:** What are the specific impacts to NHs and how can we target resources to address these? How and where is COVID-19 spreading to target outreach and interventions?

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New Proposals

Data collection reso cont'd.

- **Legislation:** Resolution to
 - 1) Urge DOH, DLIR, DHS, county PDs, Judiciary to share disaggregated data on NHs and Pls with OHA, public;
 - 2) Urge same entities to work with OHA, NHPI COVID-19 Team* to come up with procedures and agreements for data collection, processing, retention, governance, and sharing and report back to the 2022 Leg; and
 - 3) Urge convening of 21st Century Data Collection Task Force (OP, OETS, OHA, others) to assess data challenges and needs "as is" across state agencies, and report back to the 2023 Leg

Public Policy Manager Tanaka: Next are our Coordinated Advocacy measures. These are measures that will not be formally part of our package, but we would advocate for them. The first bill seeks to provide a more consistent voice for 'Aha Pūnana Leo to ensure that the Early Learning Board can continue to recognize its importance of Hawaiian early learning for Child Development and the normalization of 'Ōlelo Hawai'i. The Early Learning Board is a State Board established to make recommendations and policies on Childhood Development and Education from Prenatal to Pre-Kindergarten.

'Aha Pūnana Leo as many of you know, is the one entity that has essentially raised up Hawaiian medium early learning in the islands beginning in 1983 with the first school in Kekaha and now there are eleven schools throughout the islands. 'Aha Pūnana Leo is a member of the Early Learning Board. The issue is that this representative seat is limited to two 2-year terms (4 consecutive years). When you serve on a Board or Commission, it takes a lot of time to build up the relationships and institutional presence and knowledge continually, and that is critical to being an effective advocate. So this bill would try to treat 'Aha Pūnana Leo or their representative as the same as the Representative for Kamehameha Schools and the Hawai'i Association of Independent Schools is treated under the law - which is as an invited member that are not subject to the term limits.

Finally, our other Coordinated Advocacy measure is looking at Pretrial Reform. As you may recall, last year there was an omnibus Criminal Justice measure that implemented most of the recommendations of the Pretrial Reform Task Force and the Prison Reform Task Force which included the establishment of the Hawai'i Correctional Systems Oversight Commission which our representative is the current Chair of.

This omnibus bill did not however include one of the major recommendations of both task forces, which was to provide for a presumption favor of release for certain low level, non-violent pretrial detainees. I believe there was some issues about political push back and uncertainties about Public Safety Impacts of including this recommendation in the omnibus measure. What we have seen during this COVID outbreak is that our jails' overcrowding situation is really, unmanageable.

The Commission has been trying to work on providing relief for our Correctional Systems generally, in our jails in particular because of the outbreak. What they have seen through this work is that we now have a clear experience and data showing that release of pretrial detainees from our jails did not actually result in any increase in crimes. They didn't see a significant amount of reoffending; out of 335 people that were released during the pandemic only 39 were rearrested or cited again. Of those 39 folks, 9% of the rearrests or citations were for 'quality-of-life' crimes like sleeping in the park, or they were technical violations like, not calling their probation officer.

With that experience and knowledge, the Commission would now like to prioritize the implementation of this recommendation to provide relief for overcrowded jails and facilities. Also, to try to mitigate the impacts of pretrial incarceration, as we've discussed before. It can have significant consequences – folks could lose their jobs, house, custody of their kids - all before having been convicted of a crime. If we can safely facilitate release for non-violent, low-level accused individuals then we can mitigate those impacts as well. I wanted to note that it is a presumption and thus rebuttable. If someone is charged with a low-level offense that's non-violent, it's a presumption that they should be released pretrial but if the Prosecutors can show that the individual may be a flight-risk or release might pose a danger to the Community then the Prosecutor can offer that information and rebut the presumption.

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New Proposals

OHA 2020 COORDINATED ADVOCACY: 'Aha Pūnana Leo Representation on Early Learning Board

- **Goal:** Uplift voice of 'APL on the ELB to better ensure continued recognition of Hawaiian medium early learning importance, needs
- **Issue:** 'APL member (rep. of "Hawaiian medium early learning") on ELB limited to to 2-year terms, maximum consecutive 2 terms per rep
 - 'APL has decades of history, sole entity fostering 'Ōlelo Hawai'i in prekindergarten programs across Hawai'i
 - Individual 'APL rep on ELB can only build up institutional knowledge, presence, influence for two 2-year terms until forced to start over.
- **Legislation under consideration:**
 - 'APL seeking to amend ELB statute, become a voting, "invited" member not subject to term limitations (like KS CEO, HAIS ED)

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New Proposals

OHA 2020 COORDINATED ADVOCACY: Pretrial Reform

- **Goal:** To address the inhumane, dangerous (i.e. OCCC outbreak) and costly overcrowding in our jail facilities and the impacts of pretrial incarceration on NHs, others not convicted of crimes.
- **Issue:** Pre-trial recommendations from HCR134 Pretrial Reform Task Force, HCR85P Prison Reform Task Force not included in Act 179 (omnibus CJ reform law)
 - Jails remain overcrowded
 - Release of pretrial detainees during COVID-19 pandemic/outbreak resulted in no appreciable increase in crime rates
- **Legislation under consideration:**
 - HCSOC prioritizing pre-trial recommendation – judicial presumption in favor of release for low-level, nonviolent offenses unless prosecutor can show a person is a flight risk or danger to the community
 - OHA staff will assist in drafting and advocating for HCSOC bill.

Public Policy Manager Tanaka: That is it. *Does anyone have any questions, comments, advice?*

BAE Chair Waihe'e asks if there is any questions or further discussion.

There is none.

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He Nīnau

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Pau - Mahalo

BAE Chair Waihe'e: Thank you Wayne.

VI. ANNOUNCEMENTS

None

VII. ADJOURNMENT

Trustee Hulu Lindsey moves to adjourn the JOINT BAE-RM meeting.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion. There is none.

BAE Chair Waihe'e asks if any members vote NO or ABSTAIN. There are no dissenting votes.

							10:55 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
RM VICE-CHAIR ROBERT	LINDSEY			X			
COLETTE	MACHADO			X			
RM CHAIR DAN	AHUNA			X			
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

BAE Chair Waihe'e adjourns the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management at 10:55 a.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Beneficiary Advocacy and Empowerment

As approved by the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Committee on Resource Management (RM) on March 30, 2021.

Trustee John Waihe'e, IV
Chair
Committee on Beneficiary Advocacy and
Empowerment

Trustee Dan Ahuna
Chair
Committee on Resource Management

ATTACHMENT(s):
• NONE

PHONE (808) 594-1888
Committee on Beneficiary Advocacy and Empowerment
Trustee Kaleihikina Akaka, *O'ahu* - Chair
Trustee Keola Lindsey, *Hawai'i Island* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Keli'i Akina, *At-Large*
Trustee Luana Alapa, *Moloka'i / Lāna'i*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee John Waihe'e IV, *At-Large*



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

FAX (808) 594-1865
Committee on Resource Management
Trustee John Waihe'e IV, *At-Large* - Chair
Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Kaleihikina Akaka, *O'ahu*
Trustee Keli'i Akina, *At-Large*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee Keola Lindsey, *Hawai'i Island*

**JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE) and the
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 30, 2021

TIME: 1:30 p.m.

PLACE: Virtual Meeting

Viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

Due to the threat of COVID-19, Governor Ige issued the most recent Emergency Eighteenth Supplementary Proclamation dated February 12, 2021 that suspends parts of Hawai'i Revised Statutes Chapter 92, Public Agency Meetings and Records to, among other things, enable boards to conduct business without any board members or members of the public physically present at the same location.

The OHA Board of Trustees and its Standing Committees will hold virtual meetings until further notice. The virtual meetings can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

AGENDA

- I. Call to Order
- II. Public Testimony on Items Listed on the Agenda*
(Please see page 2 on how to submit written testimony or provide oral testimony online.
Oral testimony by telephone/landline **will not** be accepted)
- III. Approval of Minutes
 - A. JOINT BAE-RM Meeting Minutes of December 18, 2019
 - B. JOINT BAE-RM Meeting Minutes of October 7, 2020
 - C. JOINT BAE-RM Meeting Minutes of February 10, 2021
- IV. Unfinished Business
None
- V. New Business
 - A. ACTION ITEM BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending
- VI. Announcements
- VII. Adjournment
If you require an auxiliary aid or accommodation due to a disability, please contact Raina Gushiken at telephone number 594-1772 or by email at: rainag@oha.org no later than three (3) business days prior to the date of the meeting. Meeting materials will be available to the public 72-hours prior to this meeting and posted to OHA's website at: www.oha.org/rm

STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200

JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE)
and the COMMITTEE ON RESOURCE MANAGEMENT (RM)
MINUTES

February 10, 2021 10:00 a.m.

ATTENDANCE:

RM Chairperson John Waihe'e, IV
RM Vice-Chairperson Luana Alapa
BAE Chairperson Kaleihikina Akaka
BAE Vice-Chairperson Keola Lindsey
Trustee Leina'ala Ahu Isa
Trustee Dan Ahuna
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee Carmen Hulu Lindsey

ADMINISTRATION STAFF:

Sylvia Hussey, Ed. D., Administrator / Ka Pouhana / CEO
Casey Brown, Ka Pou Nui / COO
Carla Hostetter, RES
Daniel Santos III, IT
Everett Ohta, CC
Kevin Chak, IT
Lisa Watkins-Victorino, RES
Maile Lu'uwai, GRANTS
Raina Gushiken, CC
Ramona Hinck, CFO

BOT STAFF:

Crayn Akina
Dayna Pa
Melissa Wennihan

GUESTS:

Germaine Meyers
Lu Ann Lankford-Faborito

I. CALL TO ORDER

RM Chair Waihe'e calls the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management for Wednesday, February 10, 2021 to order at **10:00 a.m.**

RM Chair Waihe'e notes for the record that **PRESENT** are:

MEMBERS			AT CALL TO ORDER (10:00 a.m.)	TIME ARRIVED
RM CHAIR	JOHN	WAIHE'E, IV	PRESENT	
RM VICE-CHAIR	LUANA	ALAPA	PRESENT	
BAE CHAIR	KALEIHIKINA	AKAKA	PRESENT	
BAE VICE-CHAIR	KEOLA	LINDSEY	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	DAN	AHUNA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN "HULU"	LINDSEY		ARRIVED at 10:04 a.m.

At the Call to Order, **EIGHT (8) Trustees are PRESENT**, thereby constituting a quorum.

II. PUBLIC TESTIMONY on Items Listed on the Agenda*

RM Chair Waihe'e states for the record - *Public testimony should be limited to matters listed on the meeting agenda and will occur during the Public Testimony portion on the agenda. If you begin to address other issues not on today's meeting agenda, the Chair will call you out of order and direct you to limit your testimony to items listed on the agenda. Testifier names will be announced, and your microphone will be unmuted when it is your turn to testify. If you are not audible, you will be muted, and the next testifier will be called. State your name, organization (if applicable), agenda item(s) you are testifying on and your position (support, oppose or comment) on each of the agenda item(s). Oral testimony online will be limited to five (5) minutes. A timer will on the screen to count down the five (5) minutes. A chime will sound when you have 30 seconds left and a second chime when your testimony time expires. Your mic will be automatically muted once you have completed your oral testimony or if your allotted time for testimony expires. I will call on staff to call on the list of testifiers.*

Crayn Akina: Good morning Trustees, Pouhana, and Administration. We did receive written testimony from Nicholas Carroll, which was distributed to you. It was relaying a statement of Joe Kūhio Lewis, President and CEO of the Council for Native Hawaiian Advancement, so that was distributed by email yesterday. Anything that comes in later will be distributed after this meeting.

So far, we have one registrant online to testify orally and it is Germaine Meyers.

Germaine Meyers: Aloha, Mahalo Chair Waihe'e & Chair Akaka. My name is Germaine Meyers and I am an OHA beneficiary for beneficiary advocacy and empowerment. I'm also a Nānākuli Hawaiian homestead lessee.

Today I wanted to provide to you my testimony regarding the agenda items. Specifically, I wanted to address the policy framework that is listed on today's agenda. I reviewed the packet (02/10/2021 RM Electronic Folder), and my concern is that the previous strategic plan was effective from 2010 to 2018; an eight-year period.

My concern was that we don't have for 2018 to 2021, the last three years we don't have a strategic plan that is being implemented, but instead that the framework of the implementation is being discussed at this time.

So, I am in support of further advancing to the point where the lāhui can understand or leaders in the community can understand what is OHA's strategic plan and how OHA has been implementing it.

My other concern has to do with what is on today's agenda with regards to the grants that were awarded in the past. I looked at the packet. I saw that there was the outcome of a \$2.1 million grant that was awarded, and I believe I saw that 77 families statewide were assisted.

My concern in vetting future opportunities for grants is that again, in understanding the strategic plan and having a greater impact, my belief is that OHA doesn't have unlimited funds. Of course, I understand from being involved in the legislative process that OHA has a bill - in trying to ask that our allotment is increased as far as for OHA from the State. With that in mind, we don't have unlimited funds, and so when I look at 77 families benefited from \$2.1 million my concern is that it's just a Band-Aid for a temporary fix for a situation.

Instead of looking to take beneficiaries and growing them into benefactors by empowering them. I guess I'm concerned that the approach is more of a band-aid instead of guiding people towards getting resources that can help them in a long-term effect.

For example, some of the data that I've researched is from my own personal experience. Sometimes beneficiaries don't even have something simple - as in the financial means to acquire their criminal background when they're applying for something.

They don't have a credit card or they don't have a checking account. So, they don't have the means to order, to download certain reports online to help them in the application process, whether for food stamps or for housing, etc.

I'm not sure if OHA has looked into how they can use fewer resources to impact more people. I look at and I see 77 as being such a little amount for \$2.1 million. So, I'm just looking at - is there a way in which taking the limited resources that OHA has and being able to, you know, help more.

I guess I can only come back from my own experiences at church to inform me about this agenda item. Looking at how we don't just tap into one resource or have one band-aid when we're doing outreach. We look at many ways in which we can assist. It's not just from the collections, but it's like asking people to bring in canned goods, etc.

So, I guess I'm just looking for a broader understanding of OHA and how OHA can help more. I see my time is ending, so, *a hui hou*.

Trustee Lee: *Can you clarify some things for me?*

I'm a little confused. *Where are you getting this number of 77 people?*

What \$2.1 million allocation are you talking about?

We have an action item today to reallocate \$2.17 million, but \$2.17 million has not been paid out to anybody.

What agenda item are you talking about?

Germaine Meyers: I'm talking about today's agenda item and it's within the packet. Chair Waihe'e, whenever I give public testimony so that I don't have this type of questioning about it, I can actually email to you guys the packet information that I got my fundamental information from in order to answer Trustee Lee. So, if you don't mind - I can provide that after the meeting instead of holding up the meeting.

RM Chair Waihe'e: Ok, you're not obligated to respond.

Trustee Lee: You're not holding up the meeting.

Germaine Meyers: Oh no; because it's in the packet.

Trustee Lee: Right, and I'm looking at the packet.

Germaine Meyers: The packet is very long and so I don't know if you're looking at the same place that I looked at. There was the update portion of the packet regarding the agenda items.

Did you see the updated packet form?

Trustee Lee: *Well, so I'm looking at the agenda, right?*

So, the agenda isn't long, it's only one page and the agenda has four - well, if you take out the approval of minutes, the agenda has only four items on it. One is a workshop on proposed policy for grantees.

Trustee Hulu Lindsey Point of Order. I don't believe we're supposed to be questioning the testimonies.

Trustee Lee: We have every right to question; we can ask questions about an agenda item because an agenda item is listed on sunshine, we cannot ask questions about Community Concerns that are not agendized items.

Germaine Meyers: I'll go ahead and look at my screenshots in order to help, since he's questioning me - I'll go ahead and look for the screenshot of the agenda packet, and then I'll go ahead and email it to all of you so that Trustee Lee can understand where I'm getting my information from.

Trustee Lee: OK, thank you Germaine.

RM Chair Waihe'e: Thank you Germaine.

Germaine Meyers: You're welcome.

Lu Ann Lankford-Faborito: You know what based on that, I'm just gonna hang back, but thank you another time. Thank you very much. Sorry.

III. APPROVAL OF MINUTES

- A. JOINT BAE-RM Meeting Minutes of December 18, 2019
- B. JOINT BAE-RM Meeting Minutes of October 7, 2020

Trustee Ahu Isa moves to approve the JOINT BAE-RM meeting minutes of December 18, 2019 and October 7, 2020.

BAE Chair Akaka seconds the motion.

RM Chair Waihe'e asks if there is any discussion or corrections. There is no discussion.

RM Chair Waihe'e calls for a **ROLL CALL VOTE** for the **RM Committee**.

RM COMMITTEE							10:13 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA	1		X			
DAN	AHUNA			X			
BAE CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
RM VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
BAE VICE-CHAIR KEOLA	LINDSEY			X			
RM CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

RM Chair Waihe'e calls for a **ROLL CALL VOTE** for the **BAE Committee**.

BAE COMMITTEE							10:13 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA	1		X			
DAN	AHUNA			X			
KELI'I	AKINA			X			
RM VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE					X	
CARMEN HULU	LINDSEY			X			
BAE VICE-CHAIR KEOLA	LINDSEY			X			
RM CHAIR JOHN	WAIHE'E			X			
BAE CHAIR KALEIHIKINA	AKAKA		2	X			
TOTAL VOTE COUNT				8	0	1	0

MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED

Trustee Lee: *Can the RM Chair call a vote for another committee?* I understand his reasoning for calling for the separate vote, but I believe that vote is supposed to be called by that chair so I will *kanalua* on this vote.

Note:

These JOINT BAE-RM MEETING Minutes may need to be voted on again at the next JOINT BAE-RM MEETING where two separate roll call votes are taken by first the BAE committee called by the BAE Chair, and secondly by the RM committee called by the RM Chair

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

A. WORKSHOP

- 1. Introduction of a Proposed Policy Framework for OHA**
- 2. Facilitated Discussion re: Development of a T-Level Grant Policy**

RM Chair Waihe'e: I will turn it over to our Pouhana Sylvia Hussey.

Ka Pouhana Hussey: Thank you Chair Waihe'e. Trustees this section is open discussion for the Strategic Granting Policy. What we're trying to do is to continue and extend the work of the Board Governance Framework that you undertook in the spring of 2019 and then continuing down the triangle, if you will.

If you see in the picture in the memo, you know that we've passed the bylaws, and we're now into the policies and focusing on what we're terming T-Level policies or Trustee level. These are policies that establish the '*whys*' of why we do and what we have identified as C-Level policies or CEO policies being the '*hows*'.

So, for example, in strategic granting, the discussion today is about the *whys* of granting and a C-Level policy as it relates to solicitations, awarding, contracting, monitoring, and closeout would be part of C-Level policies of how the implementation of the Strategic Granting Policy would be. So just for framing today, it is just for discussion.

We have our Strat-plan Hui; Lisa Watkins-Victorino as well as Carla Hostetter taking notes so that we can come back to the board with a T-Level Strategic Policy for adoption. That's the context today and in the memo, there were some prompts that were there. I'll put my Educator hat on and in education there's this strategy called popcorn. You pop-up all the answers.

Trustee Ahuna is nodding because he knows the popcorn methodology and all that means is people popcorn their answers, their thoughts, there's no motions, there's no speaking out of turn, it's just idea generation. It's also not judgment of ideas, and so I hope as trustees you can model great thinking behavior about just throwing things out and then administration will organize those thoughts and bring that back for your review.

So again, no judgment. This is the opportunity for trustees to really share their long-term vision of granting, especially as we're looking at our 15-year period.

So, I'm going to put on my facilitator hat and just facilitate. You have your prompt questions there and anyone who wants to get started to throw something on. The best ways are always that you're feeding off the thoughts of each other and so we would like to just set that context.

Think of nine of you in a room, talking story about granting and what you imagine and what you have observed.

I'm going to start with that and if anyone wants to be the first one to throw up their popcorn idea that would be great. Or it's going to be a short session.

Trustee Akina: Sylvia, I'll throw one out. Sustainable funding.

When we fund an organization, we want to empower it to be able to self-fund itself into the future. So, they can take the funds we give them over a period-of-time and invest it in building the capacity to become more self-sufficient in funding.

Trustee Hulu Lindsey: I think I would like to know the results of the benefits of our grants.

- *What are these monies doing in the different strategic-focused areas that is helping our beneficiaries?*
- *How do we know our money is helping beneficiaries out there?*

Trustee Ahuna: When I usually think about grants, I usually think about two things, and the reason why I think about these two things is because about value - maximizing value, never leaving value on the table. Intentionality and functionality; two things that is very important.

For me, 'grants' is about how it impacts our beneficiaries. So just because money is being given to a grant, it still could be an investment if we can plan. Or we can structure a way of creating what kind of value we want to get out of it, so we can be broad on how we approach our beneficiaries.

Trustee Akina: Maximum impact rather than spreading our resources too thin. By which I mean we shouldn't be trying to give funds to every single cause under the sun. We should identify some for which we can have strong strategic impact. For example, housing could be one. Affordable housing or something like that.

Trustee Keola Lindsey: To the extent possible, that our granting is aligned with our policy development and advocacy. The way I look at it is if we were granting and I don't want to get into specific issues, but if we are granting to address the issue or a cause.

At a certain level or point in that issue and we look back at our granting to that issue and we're still granting for the same reasons. We would need to look at where our policy and advocacy is at on that issue to see if that can affect movement forward. I hope that makes sense.

I think there are a lot of issues that we've granted towards that to no fault of the organization, it's the policies and laws and issues that are holding them in a certain place. So, looking at those two fronts, the granting with 1) advocacy and 2) policy, moving together.

Trustee Lee: I agree that granting is strategic. I don't see how granting is a T-Level policy. Granting is the mechanism by which we fund our strategic plan; that's just a fact.

Maybe that could be a T-Level policy that granting is the mechanism by which we fund our strategic plan, but as far as the specifics for granting, I don't see that.

That would be like asking the Kamehameha Schools Trustees to weigh in on how scholarships are spent that's not a T-Level policy for Trustees to weigh-in on. A T-Level policy at Kamehameha Schools might be that we give out scholarships and then the C-Level policies would be how that would be implemented and how that would be handled - but not at the trustee level.

I kind of feel the same way about grants. I don't see how grants, per se, is a T-Level policy. I understand that because we are elected officials, ultimately, we must approve all the grants and that could be a T-Level policy that trustees must approve all grants, but beyond that the mechanisms by which grants are done, the policies by which grants are handled - that to me seems like C-Level policies.

I also understand there are times when trustees will weigh-in on certain C-Level policies and I won't get into details because we're going to be talking about this in the agenda-listed item coming down on today's agenda, but when those times happen, they don't happen often that I'm aware of.

They probably happened a lot in the past, but over the last two years, it hasn't happened a lot. To my recollection, it's only happened once and it was regarding COVID - where trustees weighed-in and said we don't care what the State Auditor says, we don't care about what repercussions or ramifications come back on OHA. We the Board of Trustees will take those ramifications if-and-when they come.

Release the money and help our people that are suffering during COVID-19. That's not, per se, a policy; that was an emergency situation. I guess that could be another T-Level policy that under an emergency situation, Trustees will have the authority to override C-Level policy. I'm trying to think at that, not 30,000-foot level, but maybe the 15,000-foot level. I guess that's kind of where T-Level is underneath the bylaws. So broad, but not super broad.

Does that make sense?

Pouhana Hussey: It does. So, I think what you're pointing out is the implementation of *T*, and when *T* starts to blend into *C*, and those exception cases. So, you should always have at least what to do when there is an exception and build the implementation of the policy around the exception.

Trustee Lee: Right; because that also gives you, Ka Pouhana and our Granting Department some cover. When I say that, I mean the trustees can't later come back and say, well, you violated the C-Level policies, so you're fired. *Right?*

There's a T-Level policy that says, under certain conditions, the trustees will cancel out your C-Level policies and you will do what the trustees say. Then, if they try and say, well, you didn't follow a policy and procedure; you're fired. Then your reply would be that the Trustees implemented T-Level Policy for granting exceptions and so Administration followed thusly.

Pouhana Hussey: Agree.

Trustee Ahuna: What Trustee Lee brought up, brings up a discussion that I had with myself in the past when we had our Trustee Allowance.

- *That would be a T-Level policy, right?*
- *That wouldn't be a C level, so those are the type of things that you're looking at right now, right?*

Pouhana Hussey: Right. So, on the *whys* of granting - the strategic nature as you pointed out; the investments, the outcomes, and then the C-Level to your points are operational. Then every policy you want to have some mechanism for exceptions. You don't implement the policy based on exceptions, but you want to have a mechanism for exceptions, should you need to activate it.

Trustee Ahuna: So, my thing was how we give money should be very broad. Which means we can give money from loans. Where they're borrowing money all the way up to grants and then intermediaries where they can match, but along those lines of how we grant money is very important to how we look at how grants work.

That is why I think everyone is important in this, in this broad field - even the trustees. I supported the Trustee Allowance back in the day and the reason why is because within C-Level and T-Level the people that have the direct communication or impact for maximum value of our Trustees are in the Community. So how we write things, the functionality of the grant, and the intention is very important. I want to be clear why those two things are very important to T-Level policies.

Pouhana Hussey: So, if I'm hearing and parroting back; a community-based data to inform action is important.

Trustee Ahuna: Yeah, I mean a lot of times you're from the island (Kaua'i) and you have direct impact or what you have is very critical during the floods; during certain things. So how we communicate and how we write it is very important. Trustee Lee brought up a great point; you know how we give money to our beneficiaries. Thank you.

Trustee Keola Lindsey: Two of the prompts in the memo did get me thinking. They were looking at other organizations in: Hawai'i, nationally, internationally, and any Native American or Native Alaskan groups. I admit I'm not familiar enough with any of those outside organizations to really comment on it, but I think it was a valuable prompt that we should investigate moving forward and I'll do some research on this.

Maybe at some point it would be good to go - when we look at some of the comments that have come back from trustees - if we are going to put value into those outside examples for consideration. It would be good to know how any of the Trustee's comments do match up with some of the examples out there. I don't know if we would see that in a memo or a presentation, knowing that at OHA, we have our own set of requirements and processes, all which are important; but open to thinking beyond.

Pouhana Hussey: So, Administration envisions another workshop. Here's after looking at other indigenous models that have these features, there are some commonalities across indigenous granting. There are some commonalities around large philanthropy, and then there are other models in Hawai'i.

So, we anticipate bringing that kind of analysis back to inform why the draft looks the way it does the first time around, so that you can look at what lens the draft came through. Then we can discuss further before taking the actual Action Item of Policy and subsequent the two Board readings.

So, we envision another workshop with a little bit more of information, input from the Trustees, as well as those other models, and then come back for another talk story.

Trustee Lee: A couple of things to keep in mind when we look outside, to others and the way they grant. Using the example of the Hershey's Foundation, it's their money. They can do whatever they want; they don't answer to the State Legislature.

Although we have a certain amount of autonomy, I would agree that the \$15.1 million that we get every year, which is low, is still money for which we are accountable; even though by law they must give it to us.

I don't even know if this is T-Level or not, but the way we grant from the Native Hawaiian Trust. I believe we are accountable to ourselves and our beneficiaries to that alone, and the State Legislature can try and weigh-in on that all they want, but they cannot say that's State money. Especially because we're not spending from the corpus we spend based on the Performance of the Portfolio.

The stock market, to my knowledge is not tied to the State or the Legislature or Real Estate Investments or so on. Maybe a T-Level Policy, I'm not sure, but maybe there needs to be two different categories of granting.

So, you know, the \$15.1 million in the way we grant that money out is clearly accountable, in my opinion, to the Legislature. Others might opine differently that you're required by law to give us this money. It doesn't require by law to say how we're going to spend it.

The way we spend the Native Hawaiian Trust is on us. So, maybe there needs to be two separate types of granting so that those funds do not commingle.

Just another popcorn.

Pouhana Hussey: So that popcorn ties into Board Governance work in the initial work. There was a bifurcation of identity which then would drive bifurcation of spending policy, including granting among the largest line items. So that would be consistent with all the T-Level policy work - whether its fiscal integrated with granting; integrated with spending.

Trustee Lee: The way we left that was that those separate policies would still drive as it stands right now at 5% from the Native Hawaiian Trust. Although we are now viewing it separately, it still gets put back into OHA as the amount of money to spend. We haven't bifurcated that out yet.

Pouhana Hussey: We haven't bifurcated that, nor have we bifurcated any resources from the Commercial Assets. Those are all sitting outside of the Native Hawaiian Trust Fund at present.

Trustee Lee: Right, but we can't have this discussion without that.

Pouhana Hussey: Oh, for sure, yeah.

Trustee Ahuna: So maybe that T-Level could be mission-driven, staying focused to that.

Pouhana Hussey: Absolutely.

Trustee Hulu Lindsey: Sylvia, as I mentioned to you the other day - portions of our Strat. Plan may require assistance from for-profit entities that our nonprofits cannot provide. At that point, I think that we should consider for the sake of accomplishing the success of our portion of our Strat. Plan that we should be able to give grants to a 'for-profit' to accomplish the work that we need to accomplish.

Pouhana Hussey: As Trustee Hulu is mentioning that I'm pulling up the §1017. §1017 has several entities; we have historically focused on nonprofits. §1017 talks about; name of the organization, purpose, etc.

Pouhana Hussey: To receive a grant, an applicant can be:

- A. for-profit, subsidiary of a nonprofit organization,
- B. they can be a nonprofit community organization exempt from federal income tax,
- C. a Cooperative Association,
- D. an individual who in the board's determination is able to provide the services or activities proposed in the application for the grant.

So, there are other grantee classifications. Conservatively, OHA has held to the Nonprofit sector, but §1017 does allow for other recipient or applicant types in there. I would say probably the one I have the most knee-jerk reaction is an individual who in the board's determination is able to provide the services or activities proposed in the application or grant.

So, while it is there in §1017, whether we should activate that is discussion maybe at the C-Level. That is in Chapter 10 and that is up for discussion as well, in implementation of a grant policy.

Trustee Akina: I think that over the last year-and-a-half, we've made major strides in our Grants Administration, and the Administration is to be commended for this. I really feel good about the direction we're going and most of that growth has come with the implementation of C-Level activity and C-Level policy, so that's very good.

It raises the questions that I have every time we are talking about grants, and that is –

- *Where do we as Trustees intersect?*
- *Where do we come into the actual Grant process?*

I think there are two sides of that; first is forward-looking. We set up the Strategic Plan, and that's where we give our greatest input and mana'o with the strategic plan and I hope we can be very focused on that.

The other one is on the level of accountability. When we approve the budget and I have to confess that whenever it comes time to approve the budget, I feel a little bit inadequate because I'm not sure we have all the tools we need and this kind of reflects some comments made by Chair Hulu earlier.

I hope that when it comes to budgeting input that we give as trustees approving it; we move much more closely to what I've spoken of before as a program, planning, budgeting system. I think we're heading in that direction and Sylvia, you are to be commended for that.

I think it's very important for us; when the budgeting cycle comes, for us to be able to say this money actually accomplished this purpose. I know that's been mentioned before, but I think it's worth mentioning again. We need to be able to tell very clearly where we're performing in terms of the dollars spent through graphs and what the outcomes are.

Pouhana Hussey: So, as it relates to Budget construction and the Program-based Fiscal Year Biennium year 2022-2023 - we'll see those budgets constructed in that way, and perhaps maybe just in learning, when we have the workshops and they're pretty-meaty workshops because the budgets have so many different components that perhaps we should just have a workshop just for Granting.

Then we can talk about the granting and: what the line items are, what the buckets and pools are, and what is just an allocated dollar amount that now on the awarding comes back to the Trustees. Now there's faces and numbers to the bucket that was put out. That guides Administration when we're bringing the budgets forward and we're doing the budget books; that we bring them in these chunks of discussion.

Then of course have an overall discussion, so we're likely going to ask Trustees to engage in a more targeted discussion instead of just one day, so we oversee the entire core budgets, noncore budgets, etc... So that the Trustees have adequate time to focus on each of the pieces, as well as the overall budget and then set up the action item.

That way, at least there's chunked pieces to review budgets in the context of the entire next two years.

Then, because our strategic plan is based on a three-year cycle, those budgets need to be in the context of the three-year implementation phase.

Trustee Akina: Sylvia, I absolutely appreciate the direction you're going there, and the transparency shows. My only fear is that it might be more information than we can actually process and handle at the Trustee level. We're trusting in the analytical capacity of our C-Level to communicate to us in broader terms.

I'm speaking of very simple things; for us to take a look at the budget, and it shows that we set aside this much money for organizations we're related to. For example, affordable housing for Hawaiians. Then being able to connect that money to actual outcomes in terms of affordable housing. So, we need some prioritizing and some selecting of metrics that represent the impact in a way that we can connect money to outcomes.

Does that make sense?

Pouhana Hussey: It does.

Trustee Akina: Thank you.

Pouhana Hussey: Chair Waihee, that's it for the workshop session.

RM Chair Waihe'e: Thank you Ka Pouhana - *are there any questions?*

There are zero questions.

V. NEW BUSINESS

B. ADMINISTRATION UPDATE - re: Status of Contract 3363 dated December 20, 2019 between OHA and the Council for Native Hawaiian Advancement for \$1,660,000, awarded as a result of Grant Solicitation OHA 20-10 dated September 13, 2019 and approved via Action Item BAE-RM #19-09 dated 11/20/2019, including related Dispute Resolution Activities

RM Chair Waihe'e: I will once again turn it over to our Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you. The memo was provided by Administration based on a request of an update. I would like to ask Grants Manager Maile Lu'uwai to provide two background items.

One is the actual contracting; it was solicited. It was awarded and then contracting started which is summarized in the memo.

Then I'd like her to summarize the Grant monitoring process. The grant monitoring process was implemented in 2018. It is part of our State Audit 18-08 and our response is due to the Auditor by the end of February.

So, I'd like her to give those two strands as a context for the memo and the update, and then open it up for questions.

Grants Manager Lu'uwai: I'm going to give an abbreviated timeline of where we started with the CNHA contract and where we ended up today regarding CNHA's termination of the contract.

Most of the Trustees were here when we first went out for solicitation and I came to you with recommendations for award, for this contract. I actually issued a solicitation way back on August 22, 2019. We scored those applications. I came to the table with the award recommendation actually at that time for Alu Like. They scored higher than CNHA; CNHA actually came in second place on that score.

We did have a very good discussion regarding some of the concerns that the Trustees had at that time, and the Trustees actually did not vote to support awarding the contract to Alu Like. I was told to go back and redo the solicitation.

Trustees really wanted to ensure that we had a contractor who had statewide offices and that our applicants, our beneficiaries, could walk-in and have those types of more integrated services for Emergency Financial Assistance.

We took your recommendations. We created another solicitation. We went back out with that solicitation. We got our external reviewers for that solicitation and we came back to the table.

I came back on November 21, 2019, with an award recommendation for CNHA. CNHA actually scored the highest for that solicitation. One of the reasons that they were scored the highest was because CNHA in their application had partners; Solutions Pacific and Hawaiian Community Assets and that enabled CNHA to have that statewide-integrated reach that Trustees wanted for our beneficiaries. You approved that on November 21, 2019.

A couple of months later, in January 2020, we created a contract - and that contract was implemented with CNHA. Disbursements started going out quickly. There was a lot of need and this was pre-COVID January through the end of February; Kūhiō let me know of this EFA money.

Per our contract, we do a reconciliation. We sample all the disbursements that have gone out to make sure that they comply with our contract and eligibility requirements. That's what we did, and for those of you who were here in March of last year, we did a compliance review.

We sampled 23% of those files and we found that 100% of those files were non-compliant with our contract. They were missing a Native Hawaiian Beneficiary certification, which is basically like a birth certificate. So, some of them we didn't know that they were Native Hawaiian. They were missing income documents; they didn't attend financial literacy classes.

There were lease agreements that were unsigned. So, they would pay for someone's rent, but the lease agreement was an unsigned lease agreement. So, there was no verification for us that that person was clearly renting. Those were the issues that came up, so I issued their first Corrective Action Determination letter on March 19, 2020 and CNHA signed off on that Corrective Action Determination letter.

We followed up with them. They confirmed that they were in the process of making sure that they were having proper oversight and monitoring. Basically, somebody has to just go through the checklist and make sure all those documents are *pa'a (adhering and complete)*.

Once it's pa'a, you approve disbursement, and that's what we were looking for them to do; that was direly needed.

So that was positive, and I was like "OK, let's go, we will move on with your corrective action."

As we moved forward through the summer, they needed another round of disbursements for their EFA funds and so we did another compliance review and that compliance review...actually, I should really say one really important component that I missed was the fact that COVID hit and that's critical to note.

COVID hit and what happened to all our grantees; we had to immediately pivot the majority of our grants. So, we did modification plans for everyone, including CNHA, because nobody can walk into the offices. There are all kinds of things that happened with COVID.

I worked with Kūhiō, I actually reduced their requirements because it would be hard to service their contract based under these COVID conditions. I was given a directive to remove all their income requirements. As you know, our EFA program has income thresholds. There is a targeted group of our Beneficiary community that these funds were supposedly going to.

I was directed to remove the income requirement so moving forward, there were no income requirements for Emergency Financial Assistance. Anyone who lost their job, anyone who had reduced hours, even if you made \$200,000 a year could qualify now for our Emergency Financial Assistance.

Money kept going out; CNHA was churning it out and they needed another round of EFA funds.

We did another check on disbursements, another compliance review. I think we did another 20% of their files from February 4th to May 26 and in that compliance review again we found significant issues; 60% of those files failed to meet the modified requirements.

It was basic stuff, not difficult. You know how people are saying OHA is harsh; they're heavy-handed. Well, it again was basic things that should have been in the file. We were still missing some Native Hawaiian Birth Certificates. So, we didn't even know if the money went to somebody who was supporting somebody who is Native Hawaiian.

We had least agreements that were blank or lease agreements that were not signed, but the rent was paid on those lease agreements.

We had one beneficiary who said their income was reduced, but the documents that we saw in our review showed that their income increased. So, through that compliance review, we issued the determination letter to CNHA on July 23, 2020; their corrective action plan was due on August 3rd.

On August 3rd, Kūhiō filed a contract dispute resolution with Sylvia. So instead of us having a Corrective Action Plan submitted, they actually filed a Contract Dispute Resolution and Sylvia can talk to you more about that. In all our Grant Contracts, there is a Contract Dispute Resolution provision and that allows for any one of our grant contractors to dispute anything that they disagree with in their contract. Then I move aside, and it goes on to the CEO's plate.

The CEO, or her designee, actually makes the determination regarding the Contract Dispute.

Sylvia took it, she reviewed all the documents. We had multiple meetings with CNHA and then Sylvia issued her Contract Dispute Resolution analysis and her Resolution letter, and I think you all have that from November 6, 2020. That was issued on November 6 and in the meantime, I was waiting to do their Contract Amendment.

Kūhiō and I had had agreed in August. We met and we were going to do the Contract Amendment and some budget line-item changes; and I sent that to eSign.

Sylvia told me to wait until the Contract Dispute was completed and then we could move forward, which of course made a lot of sense and so that's what happened.

Once that was issued, if you look at Sylvia's November 6th letter, what I tried to do is comply with what she wanted. We needed to do the Contract Amendment first and once that's approved, we will take those provisions and put them into the new contract and I think that's where we're at today.

We worked on the Contract Amendment. Lead Grant Specialist Edna Johnson, Sylvia, our CFO Ramona, along with myself met. We reviewed it and put all those provisions in there that our CEO and our Executive Level wanted.

After approval from Sylvia, we issued that Contract Amendment to Kūhiō Lewis and then we received the letter of termination from CNHA. Sylvia can speak more toward her analysis regarding the Contract Dispute resolution.

Does anybody have any questions?

Trustee Hulu Lindsey: I just want to thank Maile for such an efficient way that we've never experienced the running of our grants in the past nine years that I've been here. I really want to commend her for her strong stand and her reasonable reviews prior to whatever discussion is going to happen. I just want to say thank you, Maile.

Grants Manager Lu'uwai: Mahalo Trustee.

RM Chair Waihe'e: *Are there any other comments or questions Members?*

No questions are fielded.

RM Chair Waihe'e: Pouhana - if you don't have anything more to add, then we shall move on to Item V.C.

Trustee Lee: I was under the understanding that Sylvia was going to continue further, after Maile. That's why I didn't ask any questions. Sylvia said she was going to give another five-minute thing after Maile and Maile alluded to a bunch of things as far as the contract resolution, that Sylvia would talk about. We're moving on the agenda. *So, is that not going to happen?*

Pouhana Hussey: Trustee Lee, it was Maile to provide an overview of the contract and included in that was the various grant monitoring procedures you heard about; the testing, the findings, and the documentation. Then I was just going to open it up for questions from the Trustees on the memo and the process.

RM Chair Waihe'e: We haven't moved officially on anything. So, if you had questions, we can still...

Trustee Lee: Yeah, in that case, Chair Waihe'e, I do have a few questions. I understand that based on the memo in the documentation provided to us that the Contract Resolution was reached in November and that a new contract was forthcoming for CNHA.

Why the three months delay?

Pouhana Hussey: The three months delay was when we were going through post budgeting kinds of things and it took literally that long to review all the documentation; put it in order. I felt almost like it was a dissertation because there were so many tendrils and so much correspondence that I had to make sure to include in my Dispute Resolution analysis, separating risk.

One of the things that I looked through with an eye toward what risk; there definitely was program risk. If the disbursement was made to a non-Hawaiian for babysitting services, as an example. That does not comply with the agreement as it was written. If the applicant was not serviced or responded to within the 48-hour service level agreement that was also in the contract. That's a service level that's non-compliant as well, but it's a different risk of noncompliance.

Going through all the testing items, the review items, the basis for that was to say OK - *is this a program risk or is this a process risk?*

If this is a program risk for sure there are issues there. If it's a process risk, then this is a process improvement kind of risk and so that's why it took so long to follow up on each of the tendrils of the monitoring report, as Maile pointed out. There are a number of test items and each test item has a different combination of noncompliance items. So, I take full accountability for the gap in time.

Trustee Lee: So, to go back to one of the examples you just gave; a program risk. If a Native Hawaiian because of COVID needs help paying their babysitter, but their babysitter is not Native Hawaiian, then that's not compliant. That that doesn't meet the qualifications of the grant. The Native Hawaiian can't pay the babysitter if their babysitter is not native Hawaiian.

Did I hear that correctly?

Pouhana Hussey: No, it is not the babysitter. It's the fact that it's babysitting services and not rent, mortgage or utilities. So, it's that category of service. I'm sorry that was a bad example.

Trustee Lee: OK. I get it. I misunderstood, that's why I wanted to clarify.

Pouhana Hussey: Yes.

Trustee Ahuna: So, because of all of this - *we're not going to provide Emergency Services anymore?*

Pouhana Hussey: *Is that something you want to talk about with the action item or... ?*

Trustee Ahuna: Is it because of what just happened, because for me it's about the termination of contract like, the process.

- *Is the process that we update the Trustees and then just re-appropriate money right there?*
- *Is that the process, is that what we're gonna do?*

Pouhana Hussey: In receiving the termination, then there's closeout procedures. One of the first closeout procedures is to reconcile. So, your Attachment 2 of the memo is the reconciliation that our Grants Department and our CFO has worked out. This is just for year one, so year one was essentially the calendar year and that was \$830,000 of 2020. The \$830,000 is the \$415,000 from the State General Funds on the proviso and Trust Funds of \$415,000.

So, in this first year we had the general funds; so we did the matching. In a closeout, we need to go through and reconcile. If you notice on page two of the attachment; the spending line, they spent more on the Emergency Financial Assistance Award Fund, \$703,000. In that first year; the 75% was only about \$627,000, numbers wise that's not in compliance, but I'm not going to be one to say "bad contractor" because this money went to our beneficiaries.

However, it's that kind of closeout that we need to do and determine how much of \$830,000 in the second year, which we know because we have not received General Funds, are all Trust Funds. Once we do that reconciliation, then we will come back to the Trustees and say of the Emergency Funds there is X amount leftover for that, they're all trust funds, so you can send it back to the Trust Fund or you can redeploy it. At that time, we will come with a recommendation of where to redeploy those dollars and then the Trustees can decide; yes, no, or something else.

Trustee Ahuna: I just want to be very, very, very, very clear that OHA is not going to provide rent relief or any Emergency relief for COVID impacted beneficiaries right now.

Pouhana Hussey: Not through the Emergency Financial Assistance. The Board approved back in June of 2020, a budget realignment, \$500,000 for COVID, and when we get to the action item, you'll see that addition.

So, the board has already approved that next \$500,000 back in June. So, to your point, Emergency Financial Assistance in this form - NO, because that contract is closing-down.

However, it can come in another form. I'll hold Chair until we get to the Action Item; because in the Action Item we share about other programs that have since emerged for Emergency Financial Assistance.

Trustee Ahuna: Wow, we've been talking about, having an efficient grants process and this has resulted in us not getting money to our beneficiaries when they need it the most. We went from \$2,000,000 to \$500,000 and that's alarming for me. Very alarming. I don't know if I feel good about taking money away from people who have done good work for our beneficiaries.

I think CNHA is also distributing money from DHHL. Those are beneficiaries; you know what I mean. I don't understand where this is all coming from. This process I don't understand how this all worked and the last time we spoke about this, we were OK for them to give out the money and then now we're talking about something totally different. So, where this is coming from; \$2,000,000 to \$500,000 is very alarming, and for me this is about our beneficiaries. Our beneficiaries being the ones that are directly impacted by this right now.

Pouhana Hussey: Chair Waihee, I'll hold my responses until we get to the Action Item and then provide more context if that's OK.

RM Chair Waihe'e: That's OK.

Trustee Lee: Maile mentioned that she was directed to remove the income requirements moving forward. I have to go back and look at the minutes from that meeting that we had about changing the CNHA Contract to have less hurdles for beneficiaries to receive Emergency Funding because of COVID.

To my recollection, I don't recall the Trustees seeing to just removal of the income requirements. As I said, I'm going to have to go back and look at the minutes, but I believe what the Trustees' direction to the CEO was to remove the hurdles. Make the money flow easier and we as Trustees will deal with the fallout if there is any basis that we weren't complying to what the State wanted us to do. As far as grant follow up that the Trustees felt that the money needed to get out. So, remove the hurdles. I do not recall the trustees specifically calling out one specific hurdle of only Income Requirements.

Pouhana Hussey: My experience was that through the Resource Management Leadership meetings, these conversations and these directions were given.

Trustee Lee: *Of just removing income requirements?*

Pouhana Hussey: Removing income and removing any barriers as it relates to getting money.

At that point and we have to remember, that the program was designed not for immediate sanction of emergency. It was designed for that, but also for long-term habits, improving habits of financial literacy. Whereas it morphed into immediate need, reduce the amount and the Emergency Financial parameters also had a tier two. It was auto, funeral, and those kinds of expenditures. In the increased focus, it was rent, housing.

Grants Manager Lu'uwai: Prior to that we actually we worked with CNHA when COVID hit. It was the Income Requirements after we had the Resource Management Leadership meetings. Then we worked with CNHA to remove all those Financial Literacy requirements because there were mandated workshops that they had to attend.

We removed about half of the forms that beneficiaries had to submit; all associated with those self-sufficiency requirements. So, we took the financial literacy workshops off the table and we removed most of the associated paperwork and documents. So CNHA didn't have to spend the time talking story and going through all this self-sufficiency stuff; we eliminated those.

So, most of the documents we actually took out - so beneficiaries didn't have to complete and CNHA didn't have to spend the time going through those long intake processes. We removed all of that and then through our Resource Management meetings we were directed to remove income too; because that appeared to be an issue that was being communicated to Resource Management Leadership, and that's when we moved the income requirements too. At that point, the processes should have been very simple and a lot smoother and easier for our applicants.

Trustee Ahuna: I believe at that time, the reason we removed all of that is because at first - we tried to give out the money and it was so hard they couldn't even give out the money. The reason why is because they had an income requirement and a lot of them just lost their jobs and they don't have any income anymore.

So, the only way we could help them is to remove some of those requirements and I believe during these pandemic times, I believe a lot of them are still in the same situation.

Trustee Lee: I think you guys are misunderstanding. I'm not focusing in on why we removed the *income*. I only heard the income part was removed. I'm not against that. If you recall from that meeting, I was one of the Trustees, as were many of us in favor of removing as many hurdles as possible. I mean, if it was up to me; I would take all the hurdles out.

Our people are losing their jobs, people are dying, they need money, we give them the money right now, and we will deal with whatever fall out. We won't blame grants, we won't blame Maile, we won't blame Sylvia; if anybody comes back later and says you guys never complied to your own policy. At least for me, I didn't care if I have to take the fallout for directing Administration to not follow any of those grant policies that we're putting in place for good reason.

That those things should be there for perpetuity, for good reason, but this is an Emergency situation. So, if you the Legislature, or State Auditor or whoever wants to come after me, Trustee Lee, for directing them to get rid of all of that, to give money to our people that need it right now - I was OK with that.

My only question was I only heard the *income* I may have missed it, but I didn't hear Maile say about all the other hurdles that were taken down. So that was my only question. Thank you for clarifying about other hurdles that came down, like the documentation.

Now what kind of documentation was taken down? I did hear you say, they weren't complying. They didn't have a birth certificate; they didn't have a signed lease. I'm a renter; the lease that I have my landlord didn't sign the lease, they are not required by law to sign the lease. Only I signed the lease with the managing company, but the landlord didn't sign it at all.

So, would that mean I don't qualify for the grant because the landlord didn't sign? Only I signed the lease.

Grants Manager Lu'uwai: But you do have a lease document with the management company, so one of the requirements. If we're going to pay for somebody's rent, there's got to be some documentation to show that they are in-fact renting.

So, if they give us a blank lease, which we've seen - we don't know, if they give us a lease that's not signed. For us as OHA, we made the disbursement for someone, but there was no verification that they were in-fact leasing and we paid on a lease for a rental.

There were situations where we had documentation from, you know if you rent from your aunty - *is she going to make you sign a lease?* No right, but we still can verify that you're renting from her; so, Aunty can provide that letter. We look at your bank statements, we can see that every month that money is going out, we're fine. Issue the disbursement. Those are those kinds of situations. I mean not making it difficult, but still having that verification to know that these disbursements were valid.

Trustee Ahu Isa: I'm listening to all of this and I'm really trying to figure out why CNHA terminated the contract. There is a Dispute Resolution meeting that happened, and all these things are listed; correction actions, I guess Maile or the Grants Department told him what was wrong, but he still claims that he does not believe the meeting was legitimately conducted in good faith.

He is the third-party trying to spend the money, but yet he doesn't feel with the dispute resolution written into the contract that it was fairly administered and that's why, therefore, he's asking for termination of the contract.

I want to know:

- *Why he feels he is treated unfairly?*
- *Why does he feel is treated like that when they're trying to do work to this day?*

Pouhana Hussey: So, the termination, the formal termination, is maybe the second or the third time. I don't know if Trustees remember, but he had emailed the former board about terminating the contract and when we followed up with them, they changed their minds.

I don't know the details, but they changed their minds. So, a written letter is at least the second time that we are aware of them wanting to terminate.

Grants Manager Lu'uwai: It's the fourth time; he kept threatening to terminate the contract.

Pouhana Hussey: For us, well, maybe I'll just speak for me. For me, it felt like a marriage that the parents weren't getting along, but the kids were being harmed so because we weren't getting along, beneficiaries' money was being affected. So that's why that resolution all the way to November says we're willing to execute the new contract; do these changes in the first contract.

Tighten it up, reconcile the dollars and we're ready to move forward. So, that November dispute letter is actually a 'go forward' letter of ok - we acknowledge their accountabilities here, their improvements, there's tremendous need, let's get this going. So, saddened, but you know, that's their call to make and we'll honor that. In the next 30 days, we will wrap up things cleanly.

Grants Manager Lu'uwai: I do want to say Trustee that we have worked very hard with CNHA. I have probably seven binders of emails, memos, and letters; from the first day.

I want every one of our grantees to know, especially in this case, because our beneficiaries so need our Emergency Financial Assistance, and we worked really, really, hard with them. We're very fair. There are some narratives out there in the stratosphere, but we were very diligent and tried to work very hard to make sure that they were successful.

Trustee Ahu Isa: I'm not accusing you of anything. I had to go through the same thing with my house in Vegas. They couldn't pay their rent and were asking for all these documents in-order to apply at a third-party in Vegas to get the money.

So same thing with CNHA. They have to comply with all this, get the lease so I understand that part.

My question is why not work with CNHA one-on-one instead of sitting there with a Dispute Resolution; giving them a form, saying this is all the non-compliance.

Why don't we say this is how we can help you?

I know we got to follow all these rules. The CARES ACT has rules you've got to follow. Instead of just you know, making like you didn't do this, you didn't do that and then now they're so frustrated they want to give up. You know we're Hawaiians and I feel we can work with them one-on-one. I am always thinking help them. OK, thank you.

Trustee Keola Lindsey: Just to comment - as a newer Trustee who didn't have maybe the history or context on this issue; when I got the information for today's meeting, it took me some time to kind of start piecing things together and with of course the recent correspondence and exchange with CNHA.

When I read that Monday night; a little bit of shock and disappointment and I don't question either side of this. The work of Admin. and Grants, the work of CNHA, I think it's been mentioned by other Trustees already that the core issue is that our people need this support and need the resources amid this crisis. So, as we move forward; I just want to know how we move forward and get the resources out to our people at this point. Thank you.

Trustee Ahuna: I just wanted to speak along those same lines too because we have to be clear, we have to take on the responsibility. We were not able to get the funds out and now we have no contract.

So:

- *Is their need no longer there?*

or

- *What are we doing next to adjust this?*

That is what I'm trying to say.

The reason why is because CNHA is distributing millions of dollars for the County and for DHHL now and our beneficiaries are always the ones being left out so. *How does this happen?* I don't understand how all of this happened.

So, my thing is I want to do the right thing. I want to make sure that we can adjust the need too, as well because we were supposed to be the ones to put out that contract and we were so supposed to be the one to make sure that contract is being followed and being done. So that didn't happen.

So, what do we do next? Thank you.

Trustee Hulu Lindsey: I'm thinking that the answer to our questions might be in this Action Item, and maybe we should hear our Administration out. What they plan for this money, that has never been contracted - the \$2.17 Million. I'm anxiously waiting to hear where they're going to put this money in, and I'm wondering if we could move on so we can hear that.

RM Chair Waihe'e: OK, so there's no further discussion on the status of the contract. I will move on to the next item.

V. NEW BUSINESS

C. ADMINISTRATION UPDATE: re: Implementation of Board Action "To approve and authorize the disbursement of \$2,170,000 from the Fiscal Year 2020 Core Operating Budget (Grants Category) to fund the Emergency Financial Assistance Program grant" via Action Item BOT #20-03: Approval of Fund Responses to COVID-19 on May 7, 2020

RM Chair Waihe'e: I will turn it back over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: We're discussing the original Contract 3363 of \$1,660,000. The subsequent action that the Board took in May was to add \$2.17 million specifically to Emergency Financial Assistance, so Administration took that and prepared to distribute it.

Based on that Action Item; as people go back and reference, in the Action Item were statistics of applications that were already queued-up in the system and were ready to receive. We even calculated even if we did 60% of what was there the \$2,000,000 wouldn't be enough anyway, but it would be something.

So, at that time Administration feels that action taken by the Trustees was absolutely where the money needed to be, subsequent to that, because at that point there was no: rental eviction, moratorium, advocacy. DHHL's money didn't come until about two weeks later; \$7,000,000.

The subsequent programs that came out were far more robust. Ours was specifically for just that urgent need. DHHL's program is far more robust. Market rent, three months, up to six months of rental assistance. They had already put that through Aloha United Way and that has changed. Administration feels that the \$2.17 million was absolutely the right purpose to be prioritized and we had a contract already in place.

So, run through the monies of the \$830,000 if all those applications were queued-up, we should have gotten to the \$2.17 immediately and what we didn't see - was that happening.

If the \$2.17 had gone out in the Spring, we wouldn't be having this conversation, but it didn't. There were a lot of holdups in terms of processing. Determination aside, queuing-up that and so cleaning up the first year's contract and getting those practices aligned would have triggered immediately the \$2.17 as we pointed out in our November letter.

Pouhana Hussey: Had all of that been in place, determination aside we still, even if we discount the March determination or monitoring report; even if we discounted that and said you know what that was the old program - the new program is much more streamlined.

There still was that outstanding in July, so the underlying practices were still not reconciling - service dollars, programmatic risks, just inordinate amount of time.

I will say that CNHA's efforts incoming to the table; these meetings are long like 3 hours. Grants had a standing meeting with them every Wednesday to go over each of the items to try to ferret out which ones were programmatic risks, which ones were processed risk so that we could really identify what's the underlying issue.

Is it a documentation issue? - Is it. You just have to go with there is no documentation for this family and is there a self-certification process. In the meantime, we also talked with the City because they received 387 million dollars for COVID relief, they were rolling out their programs, and CNHA was processing a similar program. So, we went to talk to the City.

What are the processes to make it easier to process this? - What can we learn from this, and what we learned is they had some very simple criteria. *Has your income decreased or your expenses increased?* That was the criteria and they paid per packet.

As the packets came in, they paid. There was an agreed upon rate, and so you would only submit packets that you paid out on, and therefore you only got paid. They would get into a rhythm as the file comes in, all electronic, goes into the City.

The City's Budget and Finance section would then take the sample. They take a 10% sample. The City would review the items. They would talk to the program side about any questions, but they would then keep this flow of processing. So, distribute, monitor, and then send the payment for \$281.00 per packet. So, we had that conversation with the City we're thinking, "OK, if this is a more efficient way of getting dollars out, let's do that."

The November 6th letter reflects that we are willing to change the funding mechanism from a cost reimbursement to a per packet basis to be able to get the dollars out and that's for the current contract.

On the future contract, we want to also do that, but on the future contract, what we wanted to do...and the reason we wanted a separate contract: one, it's all Trust Funds; and two, we could restore some of the items that had been left off in the first contract.

Our families still had funeral needs, they still had auto needs, they still had prescription medication. So, the things that were taken out of the first contract for focus on COVID. It could then be brought into the second contract.

The other reason the \$2.17 million as a separate contract is because the first contract ended on December 30th of 2021. These dollars could go further in that manner, so that's the other reason we ask. The first year is 2020 and then the year 2 is 2021.

Then the other piece is by that time, all the Federal programs were kicking in, all of the advocacies were kicking in, and not to say that our beneficiaries didn't still have rent relief needs, but there were other resources out there as well.

Again, if our beneficiaries still needed that, it was still there and available, but now with other resources that are out there that our beneficiaries can access which are more robust. One month's rent versus up to six months in a beneficiary class, for example DHHL.

So that's the reason Administration bifurcated those two contract obligations because of that. We're here with the \$2.17 million ready - once all of the first \$1.6 million completes contract documentation and reconciliation.

So, the letter clearly outlines who must do what, and then we're ready to move forward. While we're saddened by the termination, we respect that they have that right to do that.

Trustee Ahu Isa: E kala mai, Chair Lindsey, I know you want to move on and you don't want to belabor this point, but I have a point to make going back. If we don't resolve this Dispute Resolution thing and we have it written into another contract, we're going to come up with the same problem. My experience from sitting on other Boards, the Grantor always has more control in a so-called Dispute Resolution than the Grantee because they control the money.

I think because the other side feels they were being treated unfairly; maybe next time we should have a moderator come in to do a ho'oponopono. Otherwise, it will never be resolved with the two parties. That's all I wanted to add to this. Sylvia, I'm not accusing you of anything; I understand everything you have to do and to be in-compliance. It's just the ho'oponopono part I wanted to add.

Pouhana Hussey: I understand Trustee.

RM Chair Waihe'e: *OK members are there any further questions on this update?*

There are no further questions.

V. NEW BUSINESS

D. ACTION ITEM BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants†

RM Chair Waihe'e: *Can we get a motion on the table before we proceed with discussion on this?*

BAE Chair Akaka moves to approve Administration's recommendation to:

A. Reallocate \$2,170,000 in FY20 COVID-19 Emergency Financial Assistance Program grant authorization purpose of:

- 1. \$1,170,000 to FY20 COVID-19 Impact Grants purpose, for a new amount of \$1,670,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni'ihau**
- 2. \$1,000,000 to FY 20 'Ohana and Community grants purpose, for a new amount of \$1,250,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni'ihau;**

B. Allocate to island communities pro-rata based on Native Hawaiian population; and

C. Adjust for 50% of O'ahu to be reallocated to the remaining island counties.

Trustee Hulu Lindsey seconds the motion.

RM Chair Waihe'e asks if there is any further discussion. There is none.

BAE Chair Akaka calls for a ROLL CALL VOTE for the BAE Committee.

BAE COMMITTEE							11:44 a.m.
TRUSTEE (BAE)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA					1 – KANALUA; 2 – KANALUA = ABSTAIN	
DAN	AHUNA				2 - X = NO	1 – KANALUA;	
KELI'I	AKINA			X			
RM VC LUANA	ALAPA			X			
KALEI'ĀINA	LEE				X		
CARMEN HULU	LINDSEY		2	X			
BAE VC KEOLA	LINDSEY					1 – KANALUA; 2 – KANALUA = ABSTAIN	
RM CHAIR JOHN	WAIHE'E			X			
BAE CHAIR KALEIHIKINA	AKAKA	1		X			
TOTAL VOTE COUNT				5	2	2	

BAE MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED

RM Chair Waihe'e calls for a ROLL CALL VOTE for the RM Committee.

RM COMMITTEE							11:44 a.m.
TRUSTEE (RM)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA					1 – KANALUA; 2 – KANALUA = ABSTAIN	
DAN	AHUNA				X		
BAE CHAIR KALEIHIKINA	AKAKA	1		X			
KELI'I	AKINA			X			
RM VC LUANA	ALAPA			X			
KALEI'ĀINA	LEE				X		
CARMEN HULU	LINDSEY		2	X			
BAE VC KEOLA	LINDSEY					1 – KANALUA; 2 – KANALUA = ABSTAIN	
RM CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				5	2	2	

RM MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED

VI. ANNOUNCEMENTS

None

VII. ADJOURNMENT

Trustee Hulu Lindsey moves to adjourn the JOINT BAE-RM meeting.

RM Chair Waihe'e seconds the motion.

BAE Chair Akaka asks if there is any discussion. There is none.

BAE Chair Akaka calls for a **ROLL CALL VOTE** for the BAE Committee.

BAE COMMITTEE							11:48 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KELI'I	AKINA			X			
RM VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
BAE VICE-CHAIR KEOLA	LINDSEY			X			
RM CHAIR JOHN	WAIHE'E		2	X			
BAE CHAIR KALEIHIKINA	AKAKA			X			
TOTAL VOTE COUNT				9	0	0	0

RM Chair Waihe'e asks if any members vote NO or ABSTAIN. There are no dissenting votes.

RM COMMITTEE							11:48 a.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
BAE CHAIR KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
RM VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
BAE VICE-CHAIR KEOLA	LINDSEY			X			
RM CHAIR JOHN	WAIHE'E		2	X			
TOTAL VOTE COUNT				9	0	0	0

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

RM Chair Waihe'e adjourns the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management at 11:48 a.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Committee on Resource Management (RM) on March 30, 2021.

Trustee Kaleihikina Akaka
Chair
Committee on Beneficiary Advocacy and
Empowerment

Trustee John Waihe'e, IV
Chair
Committee on Resource Management

ATTACHMENT(s):

- NONE

PHONE (808) 594-1888
Committee on Beneficiary Advocacy and Empowerment
Trustee Kaleihikina Akaka, *O'ahu* - Chair
Trustee Keola Lindsey, *Hawai'i Island* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Keli'i Akina, *At-Large*
Trustee Luana Alapa, *Moloka'i / Lāna'i*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee John Waihe'e IV, *At-Large*



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

FAX (808) 594-1865
Committee on Resource Management
Trustee John Waihe'e IV, *At-Large* - Chair
Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair
Members
Trustee Leina'ala Ahu Isa, *At-Large*
Trustee Dan Ahuna, *Kaua'i / Ni'ihau*
Trustee Kaleihikina Akaka, *O'ahu*
Trustee Keli'i Akina, *At-Large*
Trustee Brendon Kalei'aina Lee, *At-Large*
Trustee Carmen Hulu Lindsey, *Maui*
Trustee Keola Lindsey, *Hawai'i Island*

**JOINT MEETING of the
COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE) and the
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 30, 2021

TIME: 1:30 p.m.

PLACE: Virtual Meeting

Viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

Due to the threat of COVID-19, Governor Ige issued the most recent Emergency Eighteenth Supplementary Proclamation dated February 12, 2021 that suspends parts of Hawai'i Revised Statutes Chapter 92, Public Agency Meetings and Records to, among other things, enable boards to conduct business without any board members or members of the public physically present at the same location.

The OHA Board of Trustees and its Standing Committees will hold virtual meetings until further notice. The virtual meetings can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or listen by phone: (213) 338-8477, Webinar ID: 990 5309 8273

AGENDA


- I. Call to Order
- II. Public Testimony on Items Listed on the Agenda*
(Please see page 2 on how to submit written testimony or provide oral testimony online.
Oral testimony by telephone/landline **will not** be accepted)
- III. Approval of Minutes
 - A. JOINT BAE-RM Meeting Minutes of December 18, 2019
 - B. JOINT BAE-RM Meeting Minutes of October 7, 2020
 - C. JOINT BAE-RM Meeting Minutes of February 10, 2021
- IV. Unfinished Business
None
- V. New Business
 - A. ACTION ITEM BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending
- VI. Announcements
- VII. Adjournment
If you require an auxiliary aid or accommodation due to a disability, please contact Raina Gushiken at telephone number 594-1772 or by email at: rainag@oha.org no later than three (3) business days prior to the date of the meeting. Meeting materials will be available to the public 72-hours prior to this meeting and posted to OHA's website at: www.oha.org/rm

**Joint Committee on Beneficiary Advocacy and Empowerment and the
Committee on Resource Management
March 30, 2021**


BAE-RM #21-02

Action Item Issue: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

Prepared by:	<i>Maile Lu'uwai</i>	Mar 24, 2021
	Maile Lu'uwai Pou Kāko'o Kaiāulu, Grants Manager	Date

Reviewed by:  Mar 24, 2021
Ramona G. Hinck
Ka Pou Kihi Kanaloa Wai, Chief Financial Officer **Date**

Reviewed by: Casey K. Brown Mar 24, 2021
Casey K. Brown Date
Ka Pou Nui, Chief Operating Officer


Reviewed by:  Mar 24, 2021
Sylvia M. Hussey, Ed.D. Date
Ka Pouhana, Chief Executive Officer

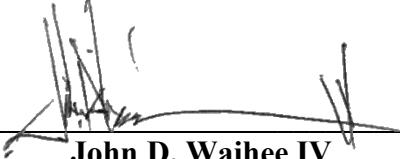
OFFICE OF HAWAIIAN AFFAIRS
Action Item
(continued)

Joint Committee on Beneficiary Advocacy and Empowerment and the
Committee on Resource Management
March 30, 2021

BAE-RM #21-02

Action Item Issue: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

Reviewed by:  Mar 25, 2021
Kaleihikina Akaka Date
Luna Ho'omaluku o ke Kōmike BAE
Committee on Beneficiary, Advocacy & Empowerment, Chair

Reviewed by:  Mar. 25, 2021
John D. Waihee IV Date
Luna Ho'omaluku o ke Kōmike RM
Committee on Resource Management, Chair

Action Item BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

I. Action

Administration recommends the following Board of Trustees actions:

Motion #1

Reallocate the FY20 and FY21 unspent balance of Contract #3363 in the amount of \$838,332 for the purpose of an aggregated emergency financial assistance grant award.

Motion #2

Reclassify FY21 \$135,000 (Board Trustees) and \$70,921 (Kaiaulu) Sponsorships for a total of \$205,921 from 56560 Grants in Aid – Sponsorships to 56510 Grants in Aid – Program Grants for the purpose of an aggregated emergency financial assistance grant award.

Motion #3

Award the combined total of \$1,044,253 to and contract with Hawai'i Community Lending for the purpose of an emergency financial assistance grant award.

II. Issue

Whether the Trustees should authorize and approve the: reallocation of the FY20 and FY21 unspent balance of Contract #3363; reclassify FY21 Board of Trustees (BOT) and Kaiaulu (fka CEO) sponsorships; and award the combined total to Hawai'i Community Lending as a non-solicited grant award for the purpose of emergency financial assistance (EFA) grants.

III. Background and Context

A status report of Contract #3363 was delivered to the BOT on February 5, 2021. The report summarized the dispute resolution activities outlined in the November 6, 2020 letter including: reconciliation of Year 1 and Year 2 activities and budget, reviewing quarterly reports, addressing matters in previously issued grant monitoring report #2 (and related corrective action plan), drafting, reviewing and completing grant amendments 3363.01, etc. remained in progress to date. Attachment 2 of the memo detailed a reconciliation of payments in total and by expense type for Year 1 (1/1/2020 to 12/31/2020). Administration noted in the memo that it would not be releasing any further funds until dispute resolution, contract amendment and grant monitoring matters were addressed and resolved.

On February 8, 2021, OHA received termination correspondence from the Council for Native Hawaiian Advancement (CNHA) re: Contract #3363 - \$1,660,000, and the Grants program began wind down activities for Contract #3363.

Action Item BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

On February 10, 2021 via Action Item BAE-RM #21-01, the BOT approved the reallocation of \$2,170,000 in COVID-19 Emergency Financial Assistance (EFA) Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants. The reallocation was a result of the additional EFA funds in the amount of \$2,170,000 approved by Action Item BOT #20-03: Approval to Fund Responses to COVID-19, additional \$2,170,000 for Emergency Financial Assistance, May 7, 2020, but remained uncontracted and unspent.

IV. FY20 and FY21 Unspent Balance of Contract #3363

The Grants Program completed the final reconciliation of the CNHA grant expenditures. In the first year of the contract, CNHA expended \$821,668 of the \$1,660,00 in contract funds. The balance available that is included in this distribution request is \$838,332.

V. FY21 Budgeted Board of Trustees and Kaiaulu Sponsorships

In February 2018, the Board placed a moratorium on BOT and Kaiaulu sponsorships (fka CEO Sponsorships). The work of the BOT's Ad Hoc Committee on Grants and Sponsorships has not brought forward recommendations to the Board to date and therefore the FY21 amounts of \$135,000 and \$70,921 for BOT and Kaiaulu sponsorships will not be spent in FY21. Administration recommends the aggregated amount of \$205,921 be added to the emergency financial assistance grant award.

Figure 1 – Excerpt from Table 16 of the Budget Realignment #2 Budget Book

Table 16: Grants Category FY 2021 Proposed Realignment #2 Adjustments Summary				
Grants	FY 2021			
	Approved Realignment #1	Proposed Realignment #2	Adjustments	Ref Page(s)
56510 GRANTS IN AID - PROGRAM GRANTS	830,000	830,000	-	A-13
56530 GRANTS IN AID - COMMUNITY GRANTS	3,700,000	3,700,000	-	
56540 GRANTS IN <u>AID</u> - LEVEL II GRANTS	4,750,000	4,750,000	-	
56560 GRANTS IN AID - SPONSORSHIPS				
Board of Trustees	135,000	135,000	-	
Kaiaulu	70,921	70,921	-	
	80,000	80,500	8,500	

Action Item BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai‘i Community Lending

VI. Non-Solicited EFA Grant Award to Hawai‘i Community Lending

A. Hawaiian Community Assets, Inc. Hawaiian Community Assets (HCA) has been an OHA grantee for the following years and grants; and is a grantee in good standing, including their current FY20-21 grant.

2020-2021 Community Grants-Housing	\$515,885
2018-2019 Community Grant-Housing	\$470,000
2017-2018 ‘Ahahui Grant-Financial Opportunities Fair	\$5,800
2016-2017 Community Grant- Housing	\$530,118
Total \$	\$1,521,803

HCA was one of three subcontractors for CNHA's Contract #3363 EFA grant, though CNHA did not fully utilize its subcontractors. In April 2020, CNHA reduced subcontractors per disbursement application fee from \$150 to \$70. Per CNHA's Year1 Q4 report, CNHA only paid \$11,443 to its three subcontractors, only 11% of its Year 1 subcontractor budget.

B. Relationship of HCA to Hawai‘i Community Lending. Hawai‘i Community Lending (HCL) is a wholly-owned nonprofit subsidiary of HCA. As HCA’s nonprofit loan fund arm, HCL will be the vendor responsible for administering the EFA contract. HCL was responsible for administering the \$11.9 million Hawai‘i County Rent and Mortgage Assistance Program funded with CARES Act dollars in August 2020. HCL has been notified that it was selected to administer the new \$23 million Hawai‘i County Emergency Rental Assistance Program.

In addition, HCL's loan fund experience distributing money quickly to borrowers and through statewide emergency loan programs further supports the recommendation of HCL as the appropriate and qualified vendor to ensure the seamless distribution of OHA’s EFA funds to Native Hawaiian beneficiaries.

C. Contract Terms. The contract terms for HCL shall include the same eligibility requirements proposed under the previous EFA contract (#3363 with CNHA). This includes the removal of income requirements to expedite payments and EFA support for rent, mortgage, utilities and rent deposits. HCL’s administrative fee shall be the same 25% administrative fee paid under the previous contract. This fee was included in the initial solicitation for the EFA grant.

Upon implementation of the contract, HCL will review and assess 67 applications OHA received from CNHA that CNHA represented were eligible for EFA disbursements. After HCL reviews and ensures that the applications are complete and eligible, these applications shall be prioritized for immediate disbursement. HCL will follow up with beneficiaries that have incomplete applications identified in the file.

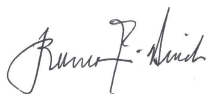
Action Item BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

The Grants Program will work with HCL to implement a timeline to open the application process for all eligible beneficiaries and shall assist HCL with a communications strategy for beneficiaries. The goal is to ensure that the applications process is seamless for existing and new applicants.

- D. Board Members and Executive Staff.** Information in this section is provided to Trustees to identify any potential conflicts that may or may not exist prior to Board action.
- 1. HCL Board Members.** The following individuals are identified as Board members, including their roles: Kui Meyer, President; Noelle Kai, Vice President; Thomas Atou, Treasurer.
 - 2. HCL Executive Staff.** The following individuals are identified as Executive Staff, including their roles: Jeff Gilbreath, Executive Director; Rona Kahoonei, Office Manager; Kahaunani Mahoe-Thoene, Loan Fund Manager; Winona Kauhane, Mortgage Loan Manager
 - 3. HCA Board Members.** The following individuals are identified as Board members, including their roles: Noelle Kai, President; Desiree Veal, Vice President; Delene Osorio, Treasurer; Dr. Adrienne Dillard, Director; Kui Meyer, Director.
 - 4. HCA Executive Staff.** The following individuals are identified as Executive Staff, including their roles: Jeff Gilbreath, Executive Director; Cassandra Ohelo, Operations Director; Rona Kahoonei, Office Manager; Rhonda Alexander-Monkres, Maui Program Manager; Robin Aguiar, Hawai'i Island Program Manager; Chanel Josiah, Kaua'i Program Manager; Rose Transfiguracion, O'ahu Program Manager.

VII. Certification

The following is the certification by the Chief Financial Officer that the funds are available for the requested reallocation, reclassification and reaward:



Ramona G. Hinck
Chief Financial Officer
Date: March 30, 2021

Action Item BAE-RM #21-02: Approval to Reallocate the FY20 and FY21 Unspent Balance of Contract #3363 in the Amount of \$838,332; and Reclassify FY21 Unencumbered Sponsorships of \$205,921; for the Combined Purpose to Award a Grant of \$1,044,253 for Emergency Financial Assistance to Hawai'i Community Lending

VIII. Recommendations

Administration recommends the following Board of Trustees actions:

Motion #1

Reallocate the FY20 and FY21 unspent balance of Contract #3363 in the amount of \$838,332 for the purpose of an aggregated emergency financial assistance grant award.

Motion #2

Reclassify FY21 \$135,000 (Board Trustees) and \$70,921 (Kaiāulu) Sponsorships for a total of \$205,921 from 56560 Grants in Aid – Sponsorships to 56510 Grants in Aid – Program Grants for the purpose of an aggregated emergency financial assistance grant award.

Motion #3

Award the combined total of \$1,044,253 to and contract with Hawai'i Community Lending for the purpose of an emergency financial assistance grant award.

IX. Attachments

- A. **BAE-RM #21-01 Action Item:** Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants, February 10, 2021 plus attachment
- B. **Form 990:** Return of Organization Exempt from Income Tax – 10/1/2018 to 9/30/2019 – Hawaii Community Lending
- C. **Form 990:** Return of Organization Exempt from Income Tax – 10/1/2018 to 9/30/2019 – Hawaii Community Assets, Inc.

OFFICE OF HAWAIIAN AFFAIRS
JOINT MEETING of the Committee on Beneficiary Advocacy and Empowerment
(BAE) and the Committee on Resource Management (RM)
COMMITTEE REPORT

February 10, 2021

The Honorable Carmen Hulu Lindsey, Chair
Board of Trustees
Office of Hawaiian Affairs

Chair Lindsey,

Your Committee on Beneficiary Advocacy and Empowerment and your Committee on Resource Management, having met jointly on February 10, 2021 and after full and free discussion, recommends approval of the following action to the Board of Trustees:

To approve Administration's recommendation to:

A. Reallocate \$2,170,000 in FY20 COVID-19 Emergency Financial Assistance Program grant authorization purpose of:

- 1. \$1,170,000 to FY20 COVID-19 Impact Grants purpose, for a new amount of \$1,670,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni'ihau;**
- 2. \$1,000,000 to FY 20 'Ohana and Community grants purpose, for a new amount of \$1,250,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni'ihau;**

B. Allocate to island communities pro-rata based on Native Hawaiian population; and

C. Adjust for 50% of O'ahu to be reallocated to the remaining island counties.

Attachment(s):

1) BAE-RM ROLL CALL VOTE SHEET –

- A. ACTION ITEM BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants†

2) ACTION ITEM BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants†

Respectfully submitted:



Trustee John Waihe'e, IV, RM Chair



Trustee Kaleihikina Akaka, BAE Chair



Trustee Luana Alapa, RM Vice Chair

ABSTAINED

Trustee Keola Lindsey, BAE Vice Chair

ABSTAINED

Trustee Leina'ala Ahu Isa, Member

DID NOT CONCUR

Trustee Dan Ahuna, Member



Trustee Keli'i Akina, Member

DID NOT CONCUR

Trustee Brendon Kalei'aina Lee, Member



Trustee Carmen Hulu Lindsey, Member

Office of Hawaiian Affairs
560 N Nimitz Hwy., Ste. 200
Honolulu, HI 96817
Roll Call Vote Sheet

ATTACHMENT 1

JOINT MEETING of the COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT (BAE) and the COMMITTEE ON RESOURCE MANAGEMENT (RM)	DATE: February 10, 2021 MOTION: 11:43 a.m. VOTE: 11:44 a.m.
AGENDA ITEM: V. New Business D. BAE/RM #21-01: Approval to Reallocate \$2,179,000 in COVID-10 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants	
ITEM: To approve Administration’s recommendation to: A. Reallocate \$2,170,000 in FY20 COVID-19 Emergency Financial Assistance Program grant authorization purpose of: 1. \$1,170,000 to FY20 COVID-19 Impact Grants purpose, for a new amount of \$1,670,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau 2. \$1,000,000 to FY 20 ‘Ohana and Community grants purpose, for a new amount of \$1,250,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau; B. Allocate to island communities pro-rata based on Native Hawaiian population; and C. Adjust for 50% of O‘ahu to be reallocated to the remaining island counties.	
AMENDMENT:	
MEANS OF FINANCING:	

TRUSTEE (BAE)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA					1 – KANALUA; 2 – KANALUA = ABSTAIN	
DAN	AHUNA				2 - X = NO	1 – KANALUA;	
KELI'I	AKINA			X			
RM VC LUANA	ALAPA			X			
KALEI'ĀINA	LEE				X		
CARMEN HULU	LINDSEY		2	X			
BAE VC KEOLA	LINDSEY					1 – KANALUA; 2 – KANALUA = ABSTAIN	
RM CHAIR JOHN	WAIHE'E			X			
BAE CHAIR KALEIHIKINA	AKAKA	1		X			
TOTAL VOTE COUNT				5	2	2	

BAE MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED

TRUSTEE (RM)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA					1 – KANALUA; 2 – KANALUA = ABSTAIN	
DAN	AHUNA				X		
BAE CHAIR KALEIHIKINA	AKAKA	1		X			
KELI'I	AKINA			X			
RM VC LUANA	ALAPA			X			
KALEI'ĀINA	LEE				X		
CARMEN HULU	LINDSEY		2	X			
BAE VC KEOLA	LINDSEY					1 – KANALUA; 2 – KANALUA = ABSTAIN	
RM CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				5	2	2	

RM MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED

DISCUSSION:

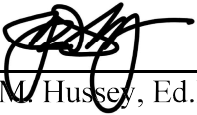
OFFICE OF HAWAIIAN AFFAIRS
Action Item

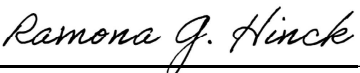
ATTACHMENT 2

Joint Committee on Beneficiary Advocacy and Empowerment and the
Committee on Resource Management
February 10, 2021

BAE-RM #21-01

Action Item Issue: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants

Prepared by:  2/6/2021
Sylvia M. Hussey, Ed.D. Date
Ka Pouhana, Chief Executive Officer

Reviewed by:  2/6/2021
Ramona G. Hinck Date
Ka Pou Kihī Kanaloa Wai, Chief Financial Officer

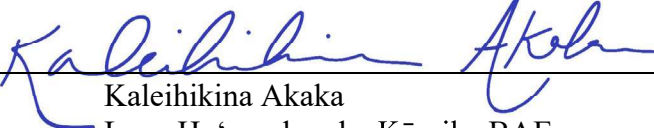
Reviewed by:  2/6/2021
Casey K. Brown Date
Ka Pou Nui, Chief Operating Officer

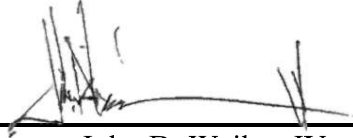
OFFICE OF HAWAIIAN AFFAIRS
Action Item
(continued)

**Joint Committee on Beneficiary Advocacy and Empowerment and the
Committee on Resource Management
February 10, 2021**

BAE-RM #21-01

Action Item Issue: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants

Reviewed by:  2/7/2021
Kaleihikina Akaka Date
Luna Ho'omalua o ke Kōmike BAE
Committee on Beneficiary, Advocacy & Empowerment, Chair

Reviewed by:  2/7/2021
John D. Waihee IV Date
Luna Ho'omalua o ke Kōmike RM
Committee on Resource Management, Chair

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

I. Action

- A. Reallocate \$2,170,000 in FY20 COVID-19 Emergency Financial Assistance Program grant authorization purpose of:
 - 1. \$1,170,000 to FY20 COVID-19 Impact Grants purpose, for a new amount of \$1,670,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau.
 - 2. \$1,000,000 to to FY 20 ‘Ohana and Community grants purpose, for a new amount of \$1,250,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau.
- B. Allocate to island communities pro-rata based on Native Hawaiian population.
- C. Adjust for 50% of O‘ahu to be reallocated to the remaining island counties.

II. Issue

Whether the Trustees should authorize and approve the reallocation of \$2,170,000 (FY20) in Emergency Financial Assistance (EFA) Program grant authorization purpose to: 1) \$1,170,000 to COVID-19 Impact grants; and 2) \$1,000,000 to ‘Ohana and Community Program grants.

III. References

Usually placed at the end of an Action Item, the following six references are provided prior to the **IV. Attachment** and **V. Discussion** sections below, to better understand the chronology of actions that support Administration’s rationale and recommendations:

- A. **Solicitation Grant Solicitation No. OHA 20-10:** Emergency Financial Assistance (EFA), September 13, 2019
- B. **Action Item BAE-RM #19-09:** FB 20-21 Emergency Financial Assistance Grant Recommendation (\$1,660,000), November 20, 2019, awarded to the Council for Native Hawaiian Advancement (CNHA)
- C. **Contract #3363 between OHA and the Council for Native Hawaiian Advancement** for \$1,660,000 to Fund the Emergency Financial Assistance Grant, December 20, 2019
- D. **Action Item BOT #20-03:** Approval to Fund Responses to COVID-19, additional \$2,170,000 for Emergency Financial Assistance, May 7, 2020
- E. **Action Item BOT #20-04:** OHA Biennium Budget for the Fiscal Biennium Periods 2019-2020 (FY20) and 2020-2021 (FY21) – Realignment #2, June 18, 2020, the following additional grant amounts approved for FY21, see Figure 3 below an excerpt of Budget Book page A-43.

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to 'Ohana and Community Program Grants

Figure 3

FY21 Mission Aligned & Strategic Beneficiary and Community Investments via Grants, Contracts and Sponsorships Various Programs							
Classification I - Beneficiary and Community Investments via Grants Subject to HRS 10-17 Process							
Description	General Funds	Trust Funds	FN	Initial Total	FY21 Addition	FN	Adjusted Total
Account: 56510 Program							
A. Social Services	\$ 415,000	\$ 415,000		\$ 830,000	\$ -		\$ 830,000
Account: 56530 Community							
A. Education - Higher Education	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
B. Culture	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
C. Health	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
D. Education	\$ 250,000	\$ 250,000		\$ 500,000	\$ -		\$ 500,000
E. Housing	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
F. Income	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
G. Land	\$ -	\$ 500,000		\$ 500,000	\$ -		\$ 500,000
Sub-total	\$ 250,000	\$ 2,750,000		\$ 3,000,000	\$ -		\$ 3,000,000
H. 'Ahahui	\$ -	\$ 200,000		\$ 200,000	\$ -		\$ 200,000
Total 56530 Community	\$ 250,000	\$ 3,450,000		\$ 3,700,000	\$ -		\$ 3,700,000
Account: 56540 Level II							
A. Kulia	\$ -	\$ 250,000		\$ 250,000	\$ 250,000	[a]	\$ 500,000
B. Charter Schools	\$ 365,000	\$ 365,000		\$ 730,000	\$ -		\$ 730,000
		\$ 770,000		\$ 770,000	\$ -		\$ 770,000
		\$ 1,135,000		\$ 1,500,000	\$ -		\$ 1,500,000
C. DHHL	\$ -	\$ 3,000,000		\$ 3,000,000	\$ -		\$ 3,000,000
Total 56540 Level II	\$ 365,000	\$ 4,385,000		\$ 4,750,000	\$ 250,000		\$ 5,000,000
Account: 56550 Sponsorships							
A. BOT	\$ -	\$ 135,000	[b]	\$ 135,000	\$ -		\$ 135,000
B. Kaiaulu (aka CEO)	\$ -	\$ 70,921	[b]	\$ 70,921	\$ -		\$ 70,921
Total 56550 Sponsorships	\$ -	\$ 205,921		\$ 205,921	\$ -		\$ 205,921
Sub-total:	\$ 1,030,000	\$ 8,455,921		\$ 9,485,921	\$ 250,000		\$ 9,735,921
FY21 Grants Recommendations - Via Competitive Process							
A. COVID-19 Responses	\$ -	\$ -		\$ -	\$ 500,000	[c]	\$ 500,000
B. Homestead Community Grants	\$ -	\$ -		\$ -	\$ 250,000	[d]	\$ 250,000
C. Charter School Major Repairs & Maintenance	\$ -	\$ -		\$ -	\$ 500,000	[e]	\$ 500,000
D. Iwi Kupuna Repatriation and Reinternment Community Grants	\$ -	\$ -		\$ -	\$ 144,079	[f]	\$ 144,079
E. NH Teacher Education & Professional Development	\$ -	\$ -		\$ -	\$ 250,000	[g]	\$ 250,000
F. Community & 'Ohana Based Program Grants	\$ -	\$ -		\$ -	\$ 250,000	[h]	\$ 250,000
Total FY21 Grant Recommendations	\$ -	\$ -		\$ -	\$ 1,894,079		\$ 1,894,079
Grand Total - Grants	\$ 1,030,000	\$ 8,455,921		\$ 9,485,921	\$ 2,144,079		\$ 11,630,000
Program Sponsorships in Community Education				\$ 45,000			
Program Sponsorships in Advocacy				\$ 65,000			
				\$ 9,595,921			

F. Dispute Analyses and Resolution Letter re: Contract #3363 Council for Native Hawaiian Advancement, Emergency Financial Assistance Grant, Kahiau Community Assistance Program, November 6, 2020 with the following referenced attachments:

- Attachment A - December 20, 2019, Contract #3363 between OHA and CNHA - \$1,660,000
- Attachment B - March 19, 2020, 1st Grant Corrective Determination Letter
- Attachment C - March 28, 2020, COVID-19 Communication Follow-Up
- Attachment D - April 24, 2020, Updated COVID-19 Modification Plan

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

e. Attachment E – July 23, 2020, CNHA 2nd Corrective Action Determination

IV. Attachment

- A. **Overview.** Similar to section **III. References** above, an attachment section is commonly listed at the end of the action item. However, it is placed at the beginning of this Action Item BAE-RM #21-01, to provide Trustees with the overview and context needed.
- B. **Summary.** Refer to memo attached dated February 5, 2021 summarized in Table 1 below:

Table 1. Purpose and Status of Contract 3363 and Additional EFA Funding

Purpose and Status of Contract 3363 and Additional EFA Funding
A. Status of Contract 3363 for \$1,660,000 awarded as a result of Grant Solicitation OHA 20-10 dated September 19, 2019 and approved via BAE/RM 19-10 Action Item dated 11/21/2019
Status-On Hold: The dispute resolution activities outlined in the November 6, 2020 letter (Reference C), included: reconciliation of Year 1 and Year 2 activities and budget, reviewing quarterly reports, addressing matters in previously issued grant monitoring report #2 (and related corrective action plan), drafting, reviewing and completing grant amendments 3363.01, etc. remain in progress to date ¹ . Attachment 2 details a reconciliation of payments in total and by expense type for Year 1 (1/1/2020 to 12/31/2020). Administration will not be releasing any further funds until dispute resolution, contract amendment and grant monitoring matters are addressed and resolved.
B. Status of the additional funding of \$2,170,000 Emergency Financial Assistance Program Grant approved via Action Item BOT #20-03: Approval to Fund Responses to COVID-19, May 7, 2020 (Reference B)
Status-On Hold: The November 6, 2020 dispute resolution letter (Reference C) also addressed new contractual parameters and elements consistent with the amendment to Contract #3363 above and the Grants Program is working on drafting new contract language. However, since Contract #3363 amendments are still outstanding, Administration is holding any new contract execution activities (e.g., further drafting, reviewing with organization), pending resolution of the initial contract #3363 activities.

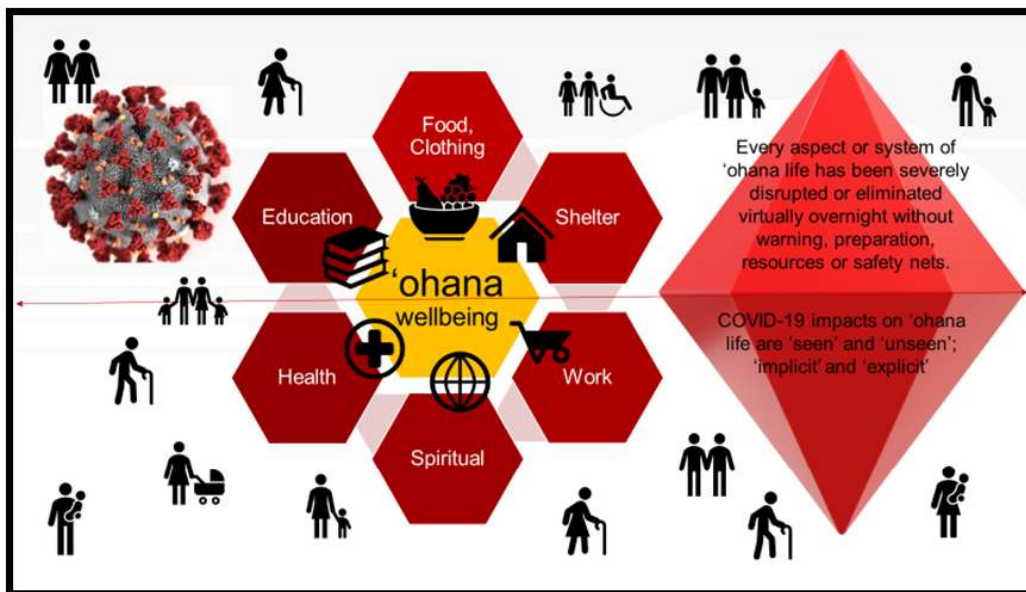
¹ Y1Q3 progress report submitted 2/3/2021 and as of 2/3/2021, Y1Q4 of expenditures is under review.

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

V. Discussion

- A. Continuing Beneficiary Needs as a Result of COVID-19 Disruptions.** Disruptions to beneficiary families and communities continue and the need for feeding programs; rent, mortgage and utilities relief; supports for houseless families; extended time for distance learning, access to devices and broadband; criminal justice needs, including pa‘ahao; and ‘ohana supports, continue. Balanced with basic needs (e.g., food, clothing, shelter), is a continuing need for families to provide for themselves economically, particularly in industries and businesses tied to the tourism industry; or the struggle to “pivot” to another skill or industry via workforce or retraining programs. In addition, equity in access to COVID-19 testing and interventions, is now replaced with equity in vaccine rollout.

Figure 4



B. High Level Summary of COVID-19 Federal Responses¹.

Congress passed four laws to respond to COVID-19:

- 1. Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020** (enacted into law on 3/6/2020);
 - 2. Families First Coronavirus Response Act** (enacted into law on 3/18/2020);
 - 3. Coronavirus Aid, Relief, and Economic Security (CARES) Act** (enacted into law on 3/27/2020); and
 - 4. Coronavirus Response and Relief Supplemental Appropriations Act** (enacted into law on 12/27/2020).
- B. Hawaii Funding².** Hawaii received a total of \$1.25 billion from the Coronavirus Relief Fund. The Department of the Treasury awarded \$863 million to the State of Hawaii and \$387 million to the City and County of Honolulu. County governments are eligible to receive funding from the state.

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

Figure 7³



How Awards were Determined. Treasury awarded states their funding based on population in consultation with the Census Bureau; the minimum state award

was \$1.25 billion; County governments with a population of 500,000 or more were eligible to receive a direct payment from the Treasury; Out of the total amount for each state, the state government received at least 55 percent of the total. The county governments altogether received up to 45 percent of the total for the state. Of this 45 percent, large county governments were eligible to receive a portion of this funding based on its proportion of the state population. The remaining funding out of this 45 percent was provided to the state government.

Figure 8⁴

- C. **Use of Funds.** State and county governments can use this funding for costs that: are necessary expenditures incurred due to the public health emergency with respect to the novel coronavirus disease, COVID-19; were not accounted for in the budget most recently approved for the state or county government as of the date of enactment.



The Kahiau program has reached its current processing capacity.

We are waiting on the Office of Hawaiian Affairs to allocate additional funding.

- D. **Supports on O‘ahu.** A quick scan of the Aloha United Way, CNHA, websites⁵ detailed a number of similar housing/rental assistance programs that varied in its continuation.

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

Figure 9⁶

CLOSED COVID-19 ASSISTANCE PROGRAMS (2020)

- State of Hawai‘i Rent Relief and Housing Assistance Program [*Check Status Here*](#)
- City & County of Honolulu – Household Hardship Relief Fund
- Department of Hawaiian Home Lands – COVID-19 Emergency Rental Assistance (DRAP)
- Aloha United Way COVID-19 Rent & Utility Assistance

Please note:

We are no longer accepting applications for the State of Hawaii Rent Relief and Housing Assistance Program and the City and County of Honolulu Household Hardship Relief Program. More information on each program is below.

Housing/Rental Assistance: DHHL - \$7 MM⁷. In May 2020, the Department of Hawaiian Home Lands (DHHL) announced a “a new program to provide rental relief for Department of Hawaiian Home Lands (DHHL) Applicant Waiting List beneficiaries in

partnership with Aloha United Way (AUW). DHHL’s COVID-19 Emergency Rental Assistance Program will provide eligible beneficiaries with rental assistance using \$7 million in Native Hawaiian Housing Block Grant (NHHBG) funds. These funds were made available in accordance with the Native Hawaiian Housing Assistance and Self-Determination Act (NAHASDA) and other federal laws, including Public Law 115-141 of the Consolidated Appropriations Act, 2018. The Consolidated Appropriations Act allows NHHBG funds to be used to provide rental assistance to Native Hawaiian families both on and off Hawaiian Home Lands. Eligible native Hawaiians on DHHL’s Applicant Waiting List who have experienced a loss of income or job as a result of COVID-19 may receive assistance for the payment of their security deposit and/or rent for up to six months.

Figure 10⁸



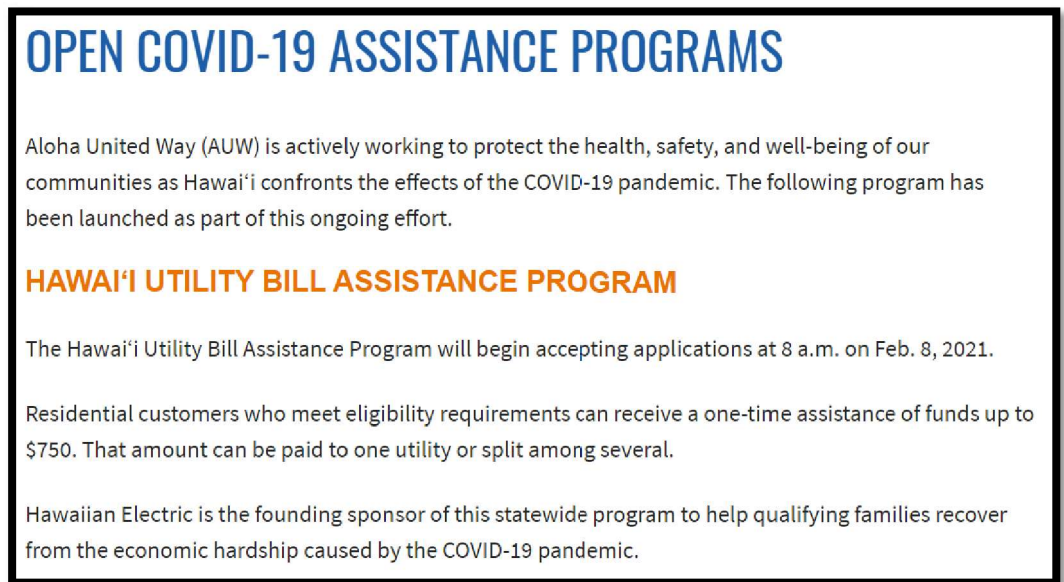
DHHL RENT RELIEF PROGRAM

FUNDED BY THE U.S DEPARTMENT OF THE TREASURY

**APPLICATIONS LAUNCHING
MONDAY FEBRUARY 8, 2021**

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

Figure 11⁹



- E. **Supports on the Neighbor Islands.** Similar, but independent, from the Aloha United Way (AUW) on O'ahu, the following organizations work are smaller (organization wise and financially) and can work more effectively in their island communities:

- **Hawaii Island United Way** - <https://hiuw.org/eleu-grants/>
- **Kaua'i United Way** - <https://kauaiunitedway.org/>
- **Maui United Way** - <https://mauiunitedway.org/>

VII. Compliance of Recommendations with Board Policies

Administration's recommendations will require Board approval to be compliant with the following Board Policies:

A. Board Policy on Budget Preparation, Format and Reporting Requirements – OHA BOT Executive Policy Manual, Subseries 3050 – Fiscal:

The BOT approved Action Item RM #18-12 which updated the budget preparation, format and reporting requirements by approving amendments to the Executive Policy Manual ("Policy Manual") and Board of Trustees Operations Manual ("Operations Manual") as described in Attachments "A" and "B" excluding the amendments on Fiscal Transparency 3.4.k. through 3.4.1. in Attachment "A" and "C". Implementation of the approved updates was deferred to the FY22-23 biennium. Therefore, the current policy adopted by the BOT via Action Item RM #18-01 relating to Budget Adjustments is in effect and is outlined below:

1. **Budget Adjustments and Limitations:** Changes to the budget that are not comprehensive enough to require realignment are to be handled through budget adjustments. Management is delegated the authority to approve budget

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

adjustments that fall within the lesser of \$100,000 or 5% of each expenditure category. Expenditure categories are defined as the Personnel, Program, Contracts, Grants, Travel, Equipment, Overhead, and Debt Service Budgets as included in the approved Total Operating Budget. Budget adjustments in and out of the Grants Budget and between the Core Operating, Fiscal Reserve, Commercial Properties, Legacy Properties, and Special Program Budgets are prohibited. Any adjustments that exceed management’s authorities must be approved by the BOT and shall be presented to the BOT in Action Item format. [EPM² 3.5.f] ***Current proposed budget adjustments exceed Management’s authority, therefore Board approval needed.***

B. Board Policy on Grants - OHA BOT Executive Policy Manual, Subseries 2020 – Grants:.

1. The CEO is granted authority to approve Grants Program funding requests up to \$25,000. Grant requests \$25,000 and over require the concurrence of a majority (5) of all members to which the BOT is entitled. The exception is for Community Based Economic Development (CBED) Grants, for which the CEO can approve grant requests up to \$50,000. [EPM 2.2.d] - ***Current proposed grant authorizations exceed the CEO’s authority, therefore Board approval needed.***

VIII. Summary

- A. Continuing Need.** Despite: 1) Federal COVID-19 \$ responses (e.g., COVID-1, COVID-2 and COVID-3 CARES funding); 2) State responses via the departments of labor and industrial relations, health, and human services; 3) Private, philanthropy, public efforts (e.g., Foodbank, AUW); 4) OHA’s own advocacy (e.g., eviction moratorium, vulnerable populations including houseless, pa’ahao and data disaggregation); and COVID-19 responses (e.g., \$450,000 Kaiaulu, \$830,000 community based food security grants to Hawaii Community Foundation and \$2.17MM emergency financial assistance); the impacts of COVID-19 continue to disrupt beneficiary ‘ohana and communities including education, health, housing and economic stability.
- B. New Contract On Hold.** In addition, while the largest dollar amount of \$2.17MM was approved by Trustees in May 2020 for EFA program, due to current and continuing contractor compliance and performance matters on the initial contract, the additional \$2.17MM amount has not been deployed or repurposed to date.
- C. City & County of Honolulu.** Hawaii received a total of \$1.25 billion from the Coronavirus Relief Fund. The Department of the Treasury awarded \$863 million to the State of Hawaii and \$387 million to the City and County of Honolulu. County governments are eligible to receive funding from the state; and already received \$387 million, therefore overall resourcing statewide is varied.

2 EPM=Executive Policy Manual

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

VI. Recommendation

- A. Reallocate \$2,170,000 in FY20 COVID-19 Emergency Financial Assistance Program grant authorization purpose of:
 1. \$1,170,000 to FY20 COVID-19 Impact Grants purpose, for a new amount of \$1,670,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau.
 2. \$1,000,000 to to FY 20 ‘Ohana and Community grants purpose, for a new amount of \$1,250,000, to be competitively solicited by island community in FY21, with the exception of the island of Ni‘ihau.
- B. Allocate to island communities pro-rata based on Native Hawaiian population.
- C. Adjust for 50% of O‘ahu to be reallocated to the remaining island counties.

Table 2 – Native Hawaiian Population by Island: 2010 (US Census), Source: OHA

POP-06 Native Hawaiian Population by Island: 2010 (US Census)			
Island	2010 Census		
	Total Population	Native Hawaiian	
	No.	No.	%
O‘ahu	953,207	182,120	62.8%
Hawai‘i	185,079	54,919	18.9%
Maui	144,444	31,666	10.9%
Lāna‘i	3,135	611	0.2%
Kaho‘olawe	(X)	(X)	(X)
Moloka‘i	7,345	4,527	1.6%
Kaua‘i	66,921	15,978	5.5%
Ni‘ihau	170	149	0.1%
Total	1,360,301	289,970	100.0%
(X) Not applicable			

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

Table 3 – COVID-19 Grant – Reallocation, \$1,670,000

COVID-19 Grant - \$1,670,000					
Compared	By Island	Reallocation from O‘ahu to NI [1]	Reallocation from O‘ahu to NI [1]	Reallocated COVID-19	
Compared to all NH in state	\$ 1,670,000	Reallocation, 50% of Oahu to NI	NH population other than Oahu	\$ 1,670,000	
62.8%	\$ 1,048,760	\$ (524,380)		\$ 524,380	O‘ahu
18.9%	\$ 315,630	\$ 267,023	54,919	\$ 582,653	Hawai‘i
10.9%	\$ 182,030	\$ 153,964	31,666	\$ 335,994	Maui
0.2%	\$ 3,340	\$ 2,971	611	\$ 6,311	Lāna‘i
0.0%	\$ -	\$ -	0	\$ -	Kaho‘olawe
1.6%	\$ 26,720	\$ 22,011	4,527	\$ 48,731	Moloka‘i
5.5%	\$ 91,850	\$ 77,687	15,978	\$ 169,537	Kaua‘i
0.1%	\$ 1,670	\$ 724	149	\$ 2,394	Nīihau
100.0%	\$ 1,670,000	\$ -	107,850	\$ 1,670,000	

Table 4 – ‘Ohana and Community Grants – Reallocation, \$1,250,000

‘Ohana and Community Grants - \$1,250,000					
Compared	By Island	Reallocation from O‘ahu to NI [1]	Reallocation from O‘ahu to NI [1]	Reallocated COVID-19	
Compared to all NH in state	\$ 1,250,000	Reallocation, 50% of Oahu to NI	NH population other than Oahu	\$ 1,250,000	
62.8%	\$ 785,000	\$ (392,500)		\$ 392,500	O‘ahu
18.9%	\$ 236,250	\$ 199,867	54,919	\$ 436,117	Hawai‘i
10.9%	\$ 136,250	\$ 115,243	31,666	\$ 251,493	Maui
0.2%	\$ 2,500	\$ 2,224	611	\$ 4,724	Lāna‘i
0.0%	\$ -	\$ -	0	\$ -	Kaho‘olawe
1.6%	\$ 20,000	\$ 16,475	4,527	\$ 36,475	Moloka‘i
5.5%	\$ 68,750	\$ 58,149	15,978	\$ 126,899	Kaua‘i
0.1%	\$ 1,250	\$ 542	149	\$ 1,792	Nīihau
100.0%	\$ 1,250,000	\$ -	107,850	\$ 1,250,000	

Action Item BAE-RM #21-01: Approval to Reallocate \$2,170,000 in COVID-19 Emergency Financial Assistance Program Grant Authorization to \$1,170,000 to COVID-19 Impact Grants and \$1,000,000 to ‘Ohana and Community Program Grants

Inter-island resourcing acknowledges that the: 1) City & County of Honolulu, based on its size of population, received \$387MM in CARES funding and will likely qualify for separate, stand alone municipal funding in the future; and 2) Neighbor island aloha united way organizations (as an example of social services entities), operate independently of the O‘ahu based united way agency and must address their community based needs with less sources (e.g., island based philanthropies, private entities, county).

VII. Alternatives to Recommended Action

- A. Approve and authorize all funding actions.
- B. Approve and authorize partial funding.
- C. Do not approve funding.

VIII. Timeframe

Immediate action is recommended to enable preparation of grant solicitations by island, and effect the grant awarding approvals by the Board no later than June 30, 2021.

¹ <https://www.schatz.senate.gov/coronavirus>, retrieved February 6, 2021

² <https://www.schatz.senate.gov/coronavirus/state-and-county-governments#:~:text=Hawaii%20received%20a%20total%20of,City%20and%20County%20of%20Honolulu>, retrieved February 5, 2021

³ <https://www.hawaiiancouncil.org/hoalaold>, retrieved February 6, 2021

⁴ <https://www.hawaiiancouncil.org/kahiau>, retrieved February 6, 2021

⁵ <https://www.auw.org/closed-covid-19-assistance-programs-2020>, retrieved February 6, 2021. Note that between initially drafting and finalizing the Action Item, the AUW website changed to “closed” programs.

⁶ <https://www.auw.org/closed-covid-19-assistance-programs-2020>, retrieved February 6, 2021.

⁷ <https://dhhhl.hawaii.gov/2020/05/11/dhhl-aloha-united-way-launch-beneficiary-rental-relief-program/>, retrieved February 6, 2021

⁸ <https://www.hawaiiancouncil.org/dhhl>, retrieved February 6, 2021

⁹ <https://www.auw.org/open-covid-19-assistance-programs>, retrieved February 6, 2021



OFFICE OF HAWAIIAN AFFAIRSInteroffice Memorandum

Date: February 5, 2021

To:

Ke Kauhuhu Carmen Hulu Lindsey
Ke Kua Leina‘ala Ahu Isa
Ke Kua Dan Ahuna
Ke Kua Kaleihikina Akaka
Ke Kua Keli‘i Akina

Ke Kua Luana Alapa
Ke Kua Brendon Kalei`āina Lee
Ke Kua Keola Lindsey
Ke Kua John Waihe‘e IV

From: Sylvia M. Hussey, Ed.D., Ka Pouhana, Chief Executive Officer

cc: Casey K. Brown, Ka Pou Nui, Chief Operating Officer
Ramona G. Hinck, Ka Pou Kihī Kanaloa Wai, Chief Financial Officer
Raina Gushiken, Ka Paepae Puka, Senior Legal Counsel
Maile Lu‘uwai, Pou Kāko‘o Kaiāulu, Grants Manager

Subjects: **ADMINISTRATION UPDATE #1** re: Status of Contract 3363 dated December 20, 2019 between OHA and the Council for Native Hawaiian Advancement for \$1,660,000, awarded as a result of Grant Solicitation OHA 20-10 dated September 13, 2019 and approved via Action Item BAE-RM #19-09 dated 11/20/2019, including Dispute Resolution Activities

ADMINISTRATION UPDATE #2 re: Implementation of Board Action “To approve and authorize the disbursement of \$2,170,000 from the Fiscal Year 2020 Core Operating Budget (Grants Category) to fund the Emergency Financial Assistance Program grant” via Action Item BOT #20-03: Approval to Fund Responses to COVID-19 on May 7, 2020

Attachments: (1) Grant Monitoring Procedures; (2) Contract 3363 Reconciliation Year 1 – 2020 Analysis

References:

Reference A: Contract 3363 dated December 20, 2019 between OHA and the Council for Native Hawaiian Advancement (CNHA) for \$1,660,000

Reference B: Action Item BOT #20-03: Approval to Fund Responses to COVID-19, May 7, 2020 additional \$2,170,000

Reference C: November 6, 2020 letter to CNHA re: Contract #3363: Council for Native Hawaiian Advancement, Emergency Financial Assistance Grant, Kahiau Community Assistance Program, Dispute Analyses and Resolution (without attachments)

I. Purpose

The purpose of this memorandum is to inform the Board about the following:

- A. Status of Contract 3363¹ for \$1,660,000 awarded as a result of Grant Solicitation OHA 20-10 dated September 19, 2019 and approved via BAE/RM 19-10 Action Item dated 11/20/2019; and
- B. Status of the implementation of the additional funding of \$2,170,000 Emergency Financial Assistance Program Grant approved via Action Item BOT #20-03: Approval to Fund Responses to COVID-19, May 7, 2020.

II. Executive Summary

The following table provides an executive summary of each purpose and status:

Table 1. Purpose and Status

Purpose and Status	
A. Status of Contract 3363 for \$1,660,000 awarded as a result of Grant Solicitation OHA 20-10 dated September 19, 2019 and approved via BAE/RM 19-10 Action Item dated 11/21/2019	
Status-On Hold: The dispute resolution activities outlined in the November 6, 2020 letter (Reference C), included: reconciliation of Year 1 and Year 2 activities and budget, reviewing quarterly reports, addressing matters in previously issued grant monitoring report #2 (and related corrective action plan), drafting, reviewing and completing grant amendments 3363.01, etc. remain in progress to date ² . Attachment 2 details a reconciliation of payments in total and by expense type for Year 1 (1/1/2020 to 12/31/2020). Administration will not be releasing any further funds until dispute resolution, contract amendment and grant monitoring matters are addressed and resolved.	
B. Status of the additional funding of \$2,170,000 Emergency Financial Assistance Program Grant approved via Action Item BOT #20-03: Approval to Fund Responses to COVID-19, May 7, 2020 (Reference B)	
Status-On Hold: The November 6, 2020 dispute resolution letter (Reference C) also addressed new contractual parameters and elements consistent with the amendment to Contract #3363 above and the Grants Program is working on drafting new contract language. However, since Contract #3363 amendments are still outstanding, Administration is holding any new contract execution activities (e.g., further drafting, reviewing with organization), pending resolution of the initial contract #3363 activities.	

¹ Contract #3363 executed in December 2019 is between OHA and the Council for Native Hawaiian Advancement which named and deployed the OHA emergency financial assistant grant as the Kahiau Community Assistance Program (Reference A)

² Y1Q3 progress report approved 1/29/2021 and as of 2/3/2021, Y1Q4 of expenditures is under review.

III. ADMINISTRATION UPDATE #1 re: Status of Contract 3363 dated December 20, 2019 between OHA and the Council for Native Hawaiian Advancement for \$1,660,000

- A. Solicitation and Award.** Via Grant Solicitation No. OHA 20-10: Emergency Financial Assistance, September 13, 2019 and Action Item BAE-RM #19-09: FB 20-21 Emergency Financial Assistance Grant Recommendation, November 20, 2019, the Trustees approved and authorized the disbursement of \$830,000 from the Fiscal Year 2020 Core Operating Budget (Object Code 56530) and \$830,000 from the Fiscal Year 2021 Core Operating Budget (Object Code 56530) to fund the Emergency Financial Assistance (EFA) grant to the Council for Native Hawaiian Advancement (CNHA).
- B. Contract 3363 (Reference A).** CNHA (“Grantee”) launched the implementation of Contract 3363, the Emergency Financial Assistance (EFA) program on February 1, 2020; and subsequently branded it as the Kahiau Community Assistance Program (KCAP). The EFA program was designed to ‘assist beneficiaries with the following delinquent/hardships: Primary: mortgage payment, rent deposit, rent payment, utility services; Secondary: auto-repair to meet government safety standards to vehicle owned by applicant or joint householdmember, that is required for work transportation; life-saving prescription medication; funeral expenses up to \$1,000; which were caused by the following reasons: loss of income/employment due to lay off, debilitating illness, injury, death, or other anticipated circumstances. Unanticipated circumstances that may qualify for assistance shall include, but may not be limited to: impending eviction, impending termination of utility services, and other similar exigent time-sensitive situations such as relocation. Not allowed are: credit card payments, car loan, installment loan, delinquent medical or collection accounts.”³
- C. COVID-19.** The impacts on families and communities of COVID-19, intensified in March 2020 as did the government shutdowns and stay at home orders, which hampered the in person, in community and statewide implementation intents of KCAP. Eventually, OHA and CNHA agreed that the focus of disbursements would be the “Primary: mortgage payment, rent deposit, rent payment, utility services” purpose; and the secondary purposes, as noted above, would be suspended for a time.
- D. Grant Monitoring.** In March 2020, standard grant monitoring procedures were activated (see Attachment 1) and the grant monitoring procedures, including corrective action correspondence and plans eventually led to dispute analysis and resolution activities summarized in Table 2 below. The disputes⁴ were communicated

³ Contract 3363, Attachment 1

⁴ The basis for the dispute resolution process is detailed in Contract #3363, Section 12, Disputes: “Any disputes concerning any matter of fact rising under this Agreement which is not disposed of by mutual agreement within THIRTY (30) calendar days, shall be decided by the Chief Executive Officer of OHA, or the Chief Executive Officer’s designated representative, who shall reduce the decision to writing and mail or otherwise furnish a copy of the decision to the GRANTEE. The decision of such person shall be final and conclusive. Pending final decision of such a dispute, the GRANTEE shall proceed diligently with the performance of services under this Agreement in accordance with OHA’s request.”

to the Grantee in November 2020 (Reference C, without Attachments referenced in Table 2).

Table 2. Dispute Resolution Items and Action Steps for Grant Agreement/Contract #3363 Dated December 20, 2019⁵

No	Dispute Description	Resolution, Disposition	Action Steps
1	1st Monitoring Report – Issued March 19, 2020 (Attachment B)	The Grantee’s signature acknowledging the corrective action requirements and specific correction action is sufficient to close the findings of the Grant Monitoring Report #1.	<p>Grant Contract Modification: While a grant contract modification should have been executed at the time of the 1st Monitoring Report and related corrective action plan in March 2020, program eligibility and other program changes have since been in practice; therefore, modifications will be included in the changes below.</p> <p>Process Improvements: Grantee process improvements were noted, however since improvements related to subsequently changed program activities (e.g., financial literacy workshops), no further action needed.</p>
2	COVID-19 Communication Follow-Up – March 28, 2020 (Attachment C).	The extensiveness of changes in the updated COVID-19 Communication Follow-Up should be memorialized in a: a) Contract modification of the Hawaii Trades Academy (HTA) Contract; and b) Contract #3363 amendments for program and COVID-19 eligibility requirements, (i.e, Contract #3363.01).	<p><u>HTA Community Grants Contract⁶</u></p> <p>OHA: Draft and execute Hawaii Trades Academy grant contract modification.</p> <p>CNHA: Review and execute Hawaii Trades Academy grant contract modification.</p> <p><u>EFA Contract #3363</u></p> <p>OHA: Draft and execute #3363 grant contract modification, #3363.01</p> <p>CNHA: Review and execute #3363 grant contract modification, #3363.01</p>
3	Updated COVID-19 Modification Plan –	The extensiveness of changes in the updated	<u>EFA Contract #3363</u>

⁵ Note: Attachments referenced throughout Table 2 are references to attachments as a part of the November 6, 2020 Grantee correspondence and not included in this memorandum but is available for review by Trustees.

⁶ Modifications to the HTA contract should incrementally reflect changes from March 2020 to current state, if any.

No	Dispute Description	Resolution, Disposition	Action Steps
	April 24, 2020 (Attachment D)	COVID-19 Modification Plan should be memorialized in a Contract #3363 amendment (i.e, Contract #3363.01).	<p>OHA: Draft and execute #3363 grant contract modification, #3363.01</p> <p>CNHA: Review and execute #3363 grant contract modification, #3363.01</p>
4A	2nd Monitoring Report- July 23, 2020 (Attachment E)	The Grants Program appropriately documented the non-compliant basis; and exercised the professional judgement and rationale for the release of the next benefit advance based on beneficiary need. Documentation of the rationale is sufficient to document the Grants Program professional judgement.	<p><u>Reconcile and Settle Year 1 and 2 Quarters/Amounts</u></p> <p>OHA: Prepare and review reconciliation of Year 1 and 2 amounts; \$830,000 (\$622,500 beneficiary; \$207,500 admin costs) per year, ensuring aligned understanding with CNHA. Review quarterly reports, process reimbursements and beneficiary advance amounts.</p> <p>CNHA: Review reconciliation of Year 1 and 2; \$830,000 (\$622,500 beneficiary; \$207,500 admin costs) per year, ensuring aligned understanding with OHA. Submit beneficiary disbursement and operating cost reports for outstanding quarters, reconcile beneficiary advance amounts.</p> <p><u>EFA Contract #3363, Attachment 5</u></p> <p>After the above reconciliation and settlement of Year 1 and 2 quarters/amounts above, consider grant modification to Attachment 5 to condense remaining total “Personnel and Other Costs” into one line item labeled “Administrative Costs”. Subsequent billing to OHA of \$281⁷ per applicant packet processed (regardless of number of associated disbursements) would be processed at a frequency no less than semi-monthly (i.e., two times a month).</p>
4B		As Attachments C and D document a basis for contract amendments,	No further action needed.

⁷ As proposed by CNHA

No	Dispute Description	Resolution, Disposition	Action Steps
		repeating the finding of the 1st Monitoring Report in the 2nd Monitoring Report no longer has basis as the contract elements (e.g., program eligibility, COVID-19 eligibility, amount) have been changed.	
4C	<p>Program compliance pertains to validation of: 1) Applicant eligibility (at least 18 years of age); 2) Native Hawaiian ancestry; and 3) EFA defined disbursement purposes.</p> <p>Process compliance pertains to validation of: 1) Collected documents; and 2) Accuracy of disbursement (e.g., purpose, payee, amount).</p>	The Grants Program appropriately documented the non-compliant practices associated with the processes of the program (e.g., applicant/application intake, eligibility, documentation, assessment, awarding authorization, disbursement) which undermines the program objectives (i.e., beneficiaries receive EFA). The findings also point to a need for continued process improvements, similar to those identified in the 1st Monitoring Report, such as training, quality control, supervision and management oversight, which enhances and strengthens the processing environment.	<p><u>Corrective Action Plan</u></p> <p>Because both program and process changes (e.g., EFA disbursement purposes, \$2,000 to \$1,500, documents collected) were not memorialized in contract #3363 (i.e., #3363.01) at the time of monitoring reports, in general, the corrective action plan and process improvements should be prospective in nature.</p> <p>OHA: Draft and execute Corrective Action Plan for non-compliant test items, including process improvements needed; and review with CNHA, incorporating CNHA feedback, commitments and prospective implementation plans into the final document.</p> <p>CNHA: Review and execute Corrective Action Plan for the non-compliant test items, including process improvements needed; and review with OHA, incorporating CNHA feedback, commitments and prospective implementation plans into the final document.</p>

No	Dispute Description	Resolution, Disposition	Action Steps
5	Contract Amendment #1, 3363.01 Note: No change to Attachment 2, Time of Performance	Modifications needed to: Attachment 1, Scope of Services , including elimination of Attachment 1.1 (Project Plan) and 1.2 (Report Schedule) Attachment 3, Compensation Attachment 4, Performance and Outcome Measures Attachment 5, Budget	<u>EFA Contract #3363</u> OHA: Draft and execute #3363 grant contract modification, #3363.01 CNHA: Review and execute #3363 grant contract modification, #3363.01
6	Contract Amendment #1, 3363.01	Creation of new Attachment 6, Monitoring , to describe in detail the purposes for monitoring, monitoring processes, frequencies, access to data, roles and responsibilities of OHA and Grantee, grant monitoring report format, corrective action plan format, follow up processes, etc.	<u>EFA Contract #3363</u> OHA: Draft and include new Attachment 6 in #3363 grant contract modification, #3363.01 CNHA: Review and include new Attachment 6 in #3363 grant contract modification, #3363.01

E. Administration Update #1 Summary. The dispute resolution activities outlined in the November 6, 2020 letter (Reference C), included: reconciliation of Year 1 and Year 2 activities and budget, reviewing quarterly reports, addressing matters in previously issued grant monitoring report #2 (and related corrective action plan), drafting, reviewing and completing grant amendments 3363.01, etc. remain in progress to date⁸. Attachment 2 details a reconciliation of payments in total and by expense type for Year 1 (1/1/2020 to 12/31/2020). Administration will not be releasing any further funds until dispute resolution, contract amendment and grant monitoring matters are addressed and resolved.

⁸ Y1Q3 progress report approved 1/29/2021 and as of 2/3/2021, Y1Q4 of expenditures is under review.

IV. ADMINISTRATION UPDATE #2 re: Implementation of Board Action “To approve and authorize the disbursement of \$2,170,000 from the Fiscal Year 2020 Core Operating Budget (Grants Category) to fund the Emergency Financial Assistance Program grant” via Action Item BOT #20-03: Approval to Fund Responses to COVID-19 on May 7, 2020

A. Overview. Via Action Item BOT #20-03, May 7, 2020 (Reference B), the Board approved the following action: “To approve and authorize the disbursement of \$2,170,000 from the Fiscal Year 2020 Core Operating Budget (Grants Category) to fund the Emergency Financial Assistance Program grant.” Added to Contract 3363 above and by this action, the Board committed a total of \$3,830,000 to COVID-19 responses in the form of EFA to beneficiaries.

The distribution of funds by county is as follows:

Honolulu County: \$78,156.90
Hawaii County: \$16,785.27
Maui County: \$16,098.31
Kauai County: \$7,512.20
Total: \$118,525.68

The number of awarded households by county is as follows:

Honolulu County: 47
Hawaii County: 13
Maui County: 12
Kauai County: 5
Total: 77

The types of financial assistance awarded is as follows:

Housing assistance: 55
Utility Assistance: 15
Funeral or Auto Repair: 7

B. Status of KCAP in May 2020. Launched on February 1, 2020, the March 23, 2020 KCAP report provided the following program statistics: 1,108 applications received; \$118,526⁹ in aid distributed to 77 Native Hawaiian households statewide facing emergency situations (unrelated to COVID-19); distribution and awards are found at left; Prior to KCAP, CNHA fielded approximately 290 calls per week; current calls per week increased to 820 calls per week; with the duration of calls increasing from 3.03 minutes to 12.4 minutes—76% increase; approximately 40 calls per day were missed; and staff re-allocations and increases were needed.

C. Updated KCAP Application Information as of April 23, 2020. Approximately a month after the initial report, the number of applications increased to approximately 2,500 (125% increase from the March report). At this point, for projection purposes, if only 60% of the total applications were eligible for the maximum award of \$1,500, the total need would be \$2,250,000 (2,500 x 60% x \$1,500) just with the applications in the system. The information as of March and April 2020 helped inform the need for Trustee action via BOT #20-03 of increasing the EFA commitment by \$2,170,000 for a total EFA commitment to \$3,830,000.

⁹ Pre-COVID-19 maximum award amount was up to \$2,000; In-COVID-19 award amount was lowered to a maximum of \$1,500 to provide for more awards and targeted to housing and utilities assistance; auto repair and funeral expenses were redirected to OHA and CNHA’s consumer micro loan programs.

D. Rationale for Separate Contract. Post Board action in May 2020 and in preparation to implement the Board's actions, Administration determined that a separate, new contract (separate from Contract #3363) was warranted for the \$2,170,000 for the following reasons: 1) the \$2,170,000 is funded 100% by Trust Funds compared to the original \$1,660,000 Contract #3363 (\$830,000 general funds/proviso and \$830,000 matching trust funds); 2) Allowed for restoration of previously eliminated funding purposes (e.g., auto repair, funeral costs); and 3) Allowed for a service period beyond the December 31, 2021 in Contract #3363.

E. Administration Update #2 Summary. The November 6, 2020 dispute resolution letter (Reference C) also addressed new contractual parameters and elements consistent with the amendment to Contract #3363 above and the Grants Program is working on drafting new contract language. However, since Contract #3363 amendments are still outstanding, Administration is holding any new contract execution activities (e.g., further drafting, reviewing with organization), pending resolution of the initial contract #3363 activities.

V. Conclusion

To date, despite: 1) Federal COVID-19 \$ responses (e.g., COVID-1, COVID-2 and COVID-3 CARES funding); 2) State responses via the departments of labor and industrial relations, health, and human services; 3) Private, philanthropic, public efforts (e.g., Foodbank, AUW); 4) OHA's own advocacy (e.g., eviction moratorium, vulnerable populations including houseless, pa'ahao and data disaggregation); and 5) OHA's own COVID-19 responses (e.g., \$450,000 Kaiaulu Meals, \$830,000 community based food security grants to Hawaii Community Foundation and \$2.17MM emergency financial assistance); beneficiaries continue to report the impacts of COVID-19 continue to disrupt and highlight beneficiary 'ohana and communities' needs.

In addition, while the largest dollar amount of \$2.17MM was approved by Trustees in May 2020, due to current and continuing contractor compliance and performance matters on the initial contract #3363, the additional \$2.17MM amount, approved in May 2020, has not been deployed to date.

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

Only substantive changes to OHA's Grants Program Standard Operating Procedures Monitoring Process, as deemed by OHA, will require grant agreement updates.

I – OVERALL GRANTS MONITORING PROCESS

Per the OHA Grants Program Standard Operating Procedures (SOP) the grants monitoring process and noncompliance policy is provided as follows. OHA reserves the right to modify these provisions and thus, these provisions are subject to change.

4.7.4 Desktop Monitoring

The Grants Program (GP) Specialist is responsible for the desktop monitoring process is as follows:

- Receive and review forms including Progress Report, Performance Measurement Table, Assurance of Benefit to Hawaiians, Expenditure Report, Grantee Invoice and any quantitative or qualitative reports from Grantee as specified in the Grant Agreement.
- Ensure that the Progress, Performance Measurement and Expenditure Reports conform to the Grantee's Grant Agreement requirements.
- If Grantee is in noncompliance with the Grant Agreement requirements, GP Specialist will proceed in accordance with the Noncompliance Policy.
- Provide Technical Assistance to support Grantee's compliance with Grant Agreement terms and conditions. Technical assistance may be provided by telephone, email, mail, and/or in-person. Technical Assistance is ongoing and critical to compliance and will be documented in the OHA Grants Portal as follow-up notices and/or corrective action notices.
- Complete and submit Grant Assessment form to GP Manager for review and approval. The Grant Assessment form evaluates Grantee's progress on the grant in accordance with the Grant Agreement.
- If the Assessment is approved, GP Specialist processes the payment disbursement as requested by Grantee invoice (in accordance with Financial Services Program [FSP] procedures). The Grant Assessment Form and Grantee Invoice is attached to the online Request for Payment on Contract.
- If the Grant Assessment is not approved, the GP Manager and/or Lead Specialist in coordination with the GP Specialist shall determine the next steps for addressing the Grantee's deficiencies in accordance with the Noncompliance Policy. This may include reduction in funding or the termination of the Grant Agreement.

4.7.5 On-Site Monitoring

The purpose of On-Site Monitoring is to provide for a more in-depth review of the Grantee's program and to address grant issues and concerns. On-Site Monitoring is recommended for all grants as determined by the GP Manager. Required On-Site Monitoring shall be conducted if it is determined by the GP Manager that the grant may be at risk for failure or there are discrepancies that require an on-site visit. Any area of noncompliance may be considered including, but not limited to: 1) complaints by participants 2) Grantee failure to meet performance expectations on over half of the critical performance measures without correction action implemented and 3) concerns regarding expenditures that have not been addressed by the Grantee.

The On-Site Monitoring process is as follows:

- Schedule on-site visit via written notice to Grantee

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

- Conduct on-site visit which shall include:
 - o Project/program observation, if deemed necessary to determine compliance
 - o Staff meeting/interviews, if necessary to determine compliance.
 - o Participant interviews, if necessary to determine compliance.
 - o Document review to determine compliance including, but not limited to:
 - Documentation to support participant programs and services
 - Expenditure Reports and support documents verifying expenditures, i.e., receipts, consultant invoices and contracts.
 - Subcontractor contracts, expenditures and monitoring
 - Verification of Native Hawaiian Ancestry eligibility
- Participant documentation verifying Native Hawaiian ancestry at On-Site Monitoring, if necessary, to determine compliance.
- Complete and submit On-Site Monitoring Report to the Lead Specialist and GP Manager for review and signature.
- Upon approval of the GP Manager, GP Specialist sends the On-Site Monitoring Report to Grantee. GP Specialist is responsible to ensure that an email receipt confirmation from the Grantee is received and placed in the Grantee's OHA Grants Portal file.

Provide technical assistance and/or corrective action assistance to support Grantee's compliance with grant agreement terms and conditions. Assistance may be provided by telephone, OHA Grants Portal email via a follow-up or corrective action form, mail, and/or in-person.

4.7.6 Noncompliance Policy

All grants are subject to monitoring to assure compliance with grant requirements. Reviews may result in the identification of "Findings of Non-Compliance."

- A Grantee is considered to be in a noncompliant status when the Grantee is not meeting any of the conditions of the grant agreement, including an approved modification of the grant agreement. Noncompliance includes, but is not limited to:
- Noncompliance with the terms and conditions of the grant agreement includes failure to comply with:
 - Expenditure requirements
 - Activities
 - Scope of service
 - Performance measure
 - Programmatic and fiscal reporting requirements or Report deadlines
 - Grantee is not responsive to grant communications, including emails and phone calls
 - Grantee is not responsive to or does not meet the deadlines and follow-up requests
 - Submission of incomplete reports
 - Grantee is not responsive to or does not comply with information and/or document requests and/or modifications
 - Files are incomplete and/or missing documents
 - Failure to comply with site monitoring requests
 - Failure to comply with previous required corrective actions
 - Grant budget is not reconciled in accordance with deadlines set by the GP

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS**4.7.6.1 Corrective Action Plan**

When a Corrective Action Notification is issued, a Corrective Action Plan (CAP) may be sent to the Grantee with the notification. The Grantee is required to formally respond via a completed CAP and demonstrate that the proposed corrective action is in progress or completed.

- If the GP Specialist has identified specific corrective action and/or implementation deadlines in the corrective action notification and/or CAP, Grantee is required to respond in accordance with the required corrective action and/or deadlines set by the GP Specialist.
- To complete a CAP, the Grantee must demonstrate, that it has corrected the issue(s) that caused the noncompliance and provide evidence that the correction has been implemented. The Grantee's CAP must specifically provide how noncompliance will be addressed, who will be responsible, and when the solutions will be implemented. If needed, the Grantee must provide specific documentation that supports the completion of the CAP.
- When the proposed CAP is received, the GP Specialist, in consultation with the GP Manager and/or Lead Specialist, will determine whether the CAP reasonably and sufficiently addresses the Non-Compliance Findings. The GP Specialist shall notify the Grantee if the CAP is approved, or, if further information or documentation is required.
- If corrective action is not sufficient and does not re-establish a status of compliance, upon approval from the GP Manager, the GP Specialist may proceed with consequences up to and including the termination of the grant agreement. If grant termination is recommended, the GP Specialist will proceed in accordance with the grant termination policy provided herein.

4.7.6.2 Noncompliance Evaluation

Before determining the consequences of noncompliance, Grantee noncompliance will be evaluated by the GP Specialist based on the following considerations:

- Whether the noncompliance is repeated;
- The number of times the GP Specialist has contacted the grantee regarding compliance;
- The impact on the project;
- The impact of continued expenditures of OHA grant funds;
- The impact on beneficiaries;
- The need for immediate action; and
- Whether there are mitigation factors.

4.7.6.3 Noncompliance Consequences

After an evaluation of noncompliance, the GP Specialist may apply one or more of the following remedies as a consequence of noncompliance:

- Require corrective action;
- Conduct a site visit;
- Withhold authority for the Grantee to proceed to the next phase of the project pending correction of noncompliance;
- Require prior GP Specialist approval be obtained before implementing one or more aspects of the project or grant agreement;
- Temporarily withhold payments pending correction of noncompliance;
- Disallow OHA grant funds for all or part of the cost of the project not in compliance;
- Amend the grant agreement to modify the scope of services and reduce funding for project areas that are not in compliance;
- Terminate the grant agreement; and/or

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

- Designate the grantee ineligible for future OHA grants.

4.7.6.5 Ineligibility Status-Closed and Terminated Grants

When a grant agreement period of performance ends or a grant agreement is terminated, a Grantee deemed in substantial noncompliance, based on the provisions herein, will be designated as ineligible to apply for future OHA grants in accordance with the period specified in the Grantee's grant agreement. OHA may also take into consideration material noncompliance and determine that a Grantee is ineligible for future OHA grants indefinitely, i.e., the Grantee owes and does not reimburse grant funds to OHA.

4.7.6.6 Ineligibility Determination Date

- The ineligibility determination date shall be the date that the GP Manager has deemed the Grantee ineligible for future grants, the end date of the Grantee's grant agreement or the date the grant was terminated.
- For grants that have not been terminated, the GP Specialist shall send the Grantee a notice of ineligibility that includes an ineligibility determination date.
- The notice shall be sent to the Grant's primary contact and fiscal sponsor, if applicable, and shall be sent via certified mail to Grantee's designee and to the address provided in the Notices provision of the Grantee's Grant Agreement.

4.7.6.7 Ineligibility Status Reconsideration-Closed and Terminated Grants

- A Grantee with a closed or terminated grant may request reconsideration of the Grantee's ineligibility status.
- The Grantee must demonstrate in writing that the Grantee has corrected the issues that caused the noncompliance and provide evidence, measures, and dates that correction was implemented.
- The GP Manager will take into consideration Grantee's noncompliance, factors that resulted in noncompliance and Grantee's actions implemented to ensure that noncompliance will not be repeated.
- The GP Manager will review the Grantee's reconsideration request including all documentation provided. If the request to remove the Grantee from ineligibility status is approved, the Grantee must provide a written assurance that the Grantee has the capacity and capability to manage an OHA grant. Upon receipt and approval of the written assurance, the Grantee's status shall be changed from ineligible to eligible. The Grantee shall receive a notification of the status change and the Grantee's status will be changed in the OHA Grants Portal. The notice shall be sent to the Grant's primary contact and fiscal sponsor, if applicable, and may be copied to the Grantee's and sponsored organization's Board President and/or lead administrator.

4.7.6.8 Ineligibility Status Reconsideration-Current Grants

- A Grantee with a current OHA grant that is in noncompliance must request written approval from the GP Manager before applying for another grant.
- The Grantee must demonstrate, in writing, that the Grantee has corrected the issues that caused the noncompliance and provide evidence that the correction has been completed or is in progress, including dates that corrective action has been implemented and measures taken to ensure the noncompliance will not be repeated. The GP Manager will take into consideration Grantee's noncompliance, the Grantee's progress in correcting noncompliance and other factors that resulted in noncompliance.

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

- The GP Manager will review the Grantee's reconsideration request including all documentation provided. If the request to remove the Grantee's ineligibility status is approved, the Grantee must provide a written assurance that the Grantee has the capacity and capability to manage an OHA grant. Upon receipt and approval of the written assurance, the Grantee will receive a notification that the Grantee will be allowed to apply for another OHA grant.
- The notice shall be sent to the Grant's primary contact and fiscal sponsor, if applicable, and shall be sent via certified mail to Grantee's designee and to the address provided in the Notices provision of the Grantee's Grant Agreement.

4.7.7 Fiscal Sponsor

A fiscal sponsor is an organization that has an IRS nonprofit designation and has agreed to act as the sponsoring organization for a sponsored organization. The fiscal sponsor is the Grantee and the noncompliance provisions herein apply to the fiscal sponsor.

4.7.8 Sponsored Organization

A sponsored organization is an organization that does not have an IRS nonprofit designation and has a fiscal sponsor submit a grant application on its behalf. The noncompliance provisions herein apply to the sponsored organization.

4.7.9 Grant Amendments

Grantees are required to make a formal request in writing for an amendment to a Grant Agreement if the change proposed will result in a significant modification to an approved project. Conditions under which Grantees ***must request*** a Grant Agreement amendment are as follows, but not limited to the below:

Budget Changes. A revised budget must be requested if changes in a budget line item is needed. A revised budget is also required when line items are added or deleted from the original approved budget or the most recently approved revised budget. All budget revisions must be signed by the financial officer responsible for the grant and include an itemized, revised budget and compared to the original or most recently approved revised budget.

- Period of Performance "No Cost Extension" – GP Manager may extend the expiration date of a grant if additional time is required to complete the project or the orderly phase-out of the project. The Grantee shall provide a justification for the grant extension. The fact that funds remain at the expiration of the grant is not, in itself, sufficient justification for an extension. The extended period of performance is determined by the GP Manager and may be up to 12 months from the original expiration date of the grant.
- Statement of Work Changes
 - Changes in the direction, scope, or objectives of the approved project.
 - Changes to specified firms, vendors, or individuals stipulated in the scope of work to provide services for the project.
 - Changes in the location(s) of services that are not in conformance with Grantee's contract requirements.
- Other Changes – Changes in significant terms or conditions.
- For minor budget amendments the process is as follows:

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

- A request for a minor budget amendment must be submitted at least SIX (6) weeks before the end of the approved "Period of Performance" in order to be considered for approval. A minor budget amendment is a 25 percent or less change in any budget activity or line item or budget change that does not have a significant impact on the grant.
- The Grantee shall submit a signed OHA Grant Amendment Request form. The request will be reviewed by the GP Specialist and the GP Manager based on the criteria outlined below.
- If the GP Manager recommends approval of the request, the GP Specialist and the GP Manager shall sign the form and include a hard copy in the grant file and the Grantee's OHA Grants Portal file.
- For significant modifications including major budget modifications, period of performance or statement of work changes, the process is as follow:
 - Any requests for a Grant Agreement amendment must be submitted at least SIX (6) weeks before the end of the approved "Period of Performance" in order to be considered for approval.
 - If the GP Manager recommends approval of the request, the GP Specialist shall issue a formal Grant Agreement amendment that will be circulated for review and signature by the authorized officials of OHA and Grantee (refer to Grants Program Standard Operating Procedures, Grant Agreement Routing for Execution under Item 4.6.3 "Contracting").
- Amendment Review Criteria. Criteria to be met for approval of contract/Grant Agreement amendments are as follows:
 - Circumstances requiring the change are beyond the control of the Grantee.
 - Circumstances that were not and could not have reasonably been anticipated.
 - Modification does not alter the direction of the original proposal in a critical way.
 - Modification is feasible within the programmatic, fiscal, and time constraints of the Grant Agreement

4.7.10 Termination of Grants by OHA

Termination is the cancellation of a grant, at any time prior to its expiration, for non-compliance with the terms and conditions of the Grant Agreement or for other reasonable cause. The Grantee must be informed beforehand of OHA's intended action, the reasons for the termination, and given the opportunity to correct deficiencies in accordance with the Noncompliance Policy. The GP Specialist shall devise a termination letter to the grantee. The termination letter must be reviewed by both the GP Manager as to content and Corporate Counsel as to form. The termination letter must also be reviewed by the CEO for approval. The GP Manager signs the final approved termination letter. The letter shall be sent to the Grant's primary contact and fiscal sponsor, if applicable, and shall be sent via certified mail to the Grantee designee to the address provided in the Notices provision of the Grantee's Grant Agreement.

4.7.11 Program Process Reporting

During each cycle and phase, the GP Specialist will generate various process reports to aid in tracking current process volumes, noting process efficiencies, applicant and process phase status, and any other insights regarding the process cycle:

GRANT STANDARD OPERATING PROCEDURES MONITORING PROCESS

- The Grants System Administrator will generate program cycle process reports throughout the application process that track at a summary and detail levels various data elements.
- Report(s):

Status of contracts in monitoring phase (e.g., scheduled date of site visit, invoices, quarterly assessment report, closed).

4.7.12 Deliverable Documentation

The following documents support the Monitoring step in the program/process/cycle: Grant Quarterly Progress Report, Grant Assessment Report, On-Site Monitoring Report and Grant Amendment Request Form.

4.7.13 Close of Grant

- Upon receipt of Grantee Final Reports, GP Specialist completes Grant Closeout Report and submits to Lead Specialist and GP Manager for review and approval.
- Upon approval of the Grant Closeout Report, the GP Specialist checks the final payment box on the Payment on Contract form to initiate the closeout of the grant purchase order. The final payment is processed and sent to the Grantee. The GP Specialist uploads a copy of the Payment on Contract form and check to the Grantee's file in the OHA Grants Portal and completes the online form.
- A closeout notification is sent to Grantee. The notification shall include a determination on whether the Grantee is eligible for future grant funding. The GP Specialist shall include the notification in the Grantee's file in the OHA Grants Portal.
- If Grantee has not fully expended OHA funds and a final payment will not be made, the appropriate FSP form is completed and submitted to appropriate Financial Services Program (FSP) staff.
- If it has been determined that the Grantee was overpaid, the Grantee is required to reimburse OHA. The GP Specialist shall notify the GP Manager, complete the reimbursement documents, and follow-up with the Grantee for reimbursement. If unpaid, the GP Specialist shall document inability to collect payment. OHA can determine how to proceed regarding collection in consultation with Financial Services and communication of such action (e.g., organization, Trustees, beneficiaries).

GRANT AGREEMENT SPECIFIC MONITORING PROCESS

The final grant agreement may include specific grant monitoring elements aligned to the grantee application and award.

OHA Contract Number: 3363
Grantee: Council for Native Hawaiian Advancement
Award Amount: 1,660,000.00
Grant Award Period 1/1/2020 - 12/31/2021
Reconciliation Period 1/1/2020 - 11/15/2020

<u>Payments</u>	<u>Check Number</u>	<u>Check Date</u>	<u>Amount</u>	<u>Vendor Name</u>	<u>Status code</u>	<u>Type</u>
Initial Advance per Contract	100122	01/29/20	166,000.00	COUNCIL FOR NATIVE HAWAIIAN ADVANCE	CLEARED	CHECK
Advance request 3/27/2020	140	04/02/20	300,000.00	COUNCIL FOR NATIVE HAWAIIAN ADVANCE	CLEARED	ACH
	220	06/15/20	204,170.29	COUNCIL FOR NATIVE HAWAIIAN ADVANCE	CLEARED	ACH
	402	12/16/2020	28,282.40	COUNCIL FOR NATIVE HAWAIIAN ADVANCE	CLEARED	ACH
			<u>698,452.69</u>			

<u>Total Expenses</u>	<u>To Period</u>	<u>From Period</u>	<u>Amount</u>
Per Y1Q4 Expenses Report (Exp	1/1/2020	3/31/2020	670,170.29
Per Y1Q4 Expenses Report (Exp	4/1/2020	6/30/2020	28,282.40
Per Y1Q4 Expenses Report (Exp	7/1/2020	9/30/2020	69,633.68
Per Y1Q4 Expenses Report (Exp	10/1/2020	12/31/2020	53,828.20
			<u>821,914.57</u>

123,461.88 Outstanding Payments

As of 2/3/2021, Y1Q4 is under review, Y1Q3 progress report approved 1/29/2021

	See Y1 tab	See Y1 tab	See Y1 tab	See Y1 tab Under review			Over(Under)	% Budget
	Initial Payment	QTR Y1Q2	QTR Y1Q3	QTR Y1Q4	Total Expenses	Y1 Budget	Budget	Expended
Personnel Costs								
Salaries -Program Manager	15,000.00	16,666.67	15,480.93	12,852.40	60,000.00	60,000.00	-	100%
Salaries - Assistant Program Manager	1,250.00	1,435.20	1,468.80	846.00	5,000.00	5,000.00	-	100%
Salaries - Accountant	3,750.00	6,500.00	1,940.50	2,809.50	15,000.00	15,000.00	-	100%
Payroll Tax, Fringe Benefits & Medical Insurance (Tax \$3,680yr, fringe \$1,152yr, Med Ins. \$8,236yr)	4,996.28	3,680.53	3,267.00	1,124.19	13,068.00	13,068.00	-	100%
TOTAL Personnel Costs	24,996.28	28,282.40	22,157.23	17,632.09	93,068.00	93,068.00		
Other Expenses								
Contractual Services - OHA Program Direct Services, Contract services to expand financial assessment, processing, Contractual Services - IT Services to Support Operations, Online Web Services,	10,708.35		738.22		11,446.57	100,000.00	(88,553.43)	11%
Contractual Services - Enhanced telephone system to support program	4,203.00				4,203.00	4,203.00	-	100%
Contractual Services - Payroll processing fee for employee payroll	629.00				629.00	629.00	-	100%
Equipment - Lease/Rental	221.00				221.00	221.00	-	100%
Insurance - Liability Insurance	596.35			126.65	723.00	723.00	-	100%
Facilities - Grant share of Office Rent @ Kapolei	1,004.92		360.00	444.08	1,809.00	1,809.00	-	100%
Facilities - Grant share of Janitorial & Pest Control	4,564.00				4,564.00	4,564.00	-	100%
Facilities - Security	322.71		850.00	398.29	1,571.00	1,571.00	-	100%
Facilities - Storage	80.00		21.00	34.00	135.00	135.00	-	100%
Emergency Financial Assistance Fund	344.68		86.00	146.32	577.00	577.00	-	100%
	622,500.00		45,421.23	35,046.77	702,968.00	622,500.00	80,468.00	113%
Equipment								
Equipment								
TOTAL Other Expenses	645,174.01	-	47,476.45	36,196.11	728,846.57	736,932.00	(8,085.43)	
TOTAL EXPENSE	670,170.29	28,282.40	69,633.68	53,828.20	821,914.57	830,000.00	(8,085.43)	

Form 990 Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">Return of Organization Exempt From Income Tax</h2> <p style="margin: 5px 0;">Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)</p> <p style="margin: 5px 0;">▶ Do not enter social security numbers on this form as it may be made public</p> <p style="margin: 5px 0;">▶ Go to www.irs.gov/Form990 for instructions and the latest information.</p>	OMB No 1545-0047 <h1 style="margin: 10px 0;">2018</h1> <p style="margin: 5px 0;">Open to Public Inspection</p>
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A For the 2019 calendar year, or tax year beginning 10-01-2018 , and ending 09-30-2019

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization HAWAII COMMUNITY LENDING</td> <td rowspan="3" style="width:20%; vertical-align: top;">D Employer identification number 47-3100005</td> </tr> <tr> <td colspan="2">Doing business as</td> </tr> <tr> <td style="width:55%;">Number and street (or P O box if mail is not delivered to street address) 200 N VINEYARD BLVD NO B140</td> <td style="width:25%;">Room/suite</td> </tr> <tr> <td colspan="3">City or town, state or province, country, and ZIP or foreign postal code HONOLULU, HI 96817</td> </tr> <tr> <td colspan="3" style="vertical-align: top;"> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%; vertical-align: top;"> F Name and address of principal officer LAHELA WILLIAMS 200 N VINEYARD BLVD NO B140 HONOLULU, HI 96817 </td> <td style="width:40%; vertical-align: top;"> H(a) Is this a group return for subordinates? 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Part I Summary				
Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO INCREASE ACCESS TO CAPITAL FOR NATIVE HAWAIIANS RESIDING IN HAWAII			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets			
	3	Number of voting members of the governing body (Part VI, line 1a)	3	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	3	
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	0	
	6	Total number of volunteers (estimate if necessary)	5	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0	
	7b	Net unrelated business taxable income from Form 990-T, line 34	0	
	Revenue	8	Contributions and grants (Part VIII, line 1h)	208,583
		9	Program service revenue (Part VIII, line 2g)	12,792
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	
12		Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	221,375	
Expenses		13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	8,913	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	23,710	
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	32,623	
	19	Revenue less expenses Subtract line 18 from line 12	188,752	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	708,101	
	21	Total liabilities (Part X, line 26)	0	
	22	Net assets or fund balances Subtract line 21 from line 20	708,101	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer	2020-08-14 Date														
	LAHELA WILLIAMS EXECUTIVE DIRECTOR Type or print name and title															
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">Print/Type preparer's name</td> <td style="width:20%;">Preparer's signature</td> <td style="width:10%;">Date</td> <td style="width:10%;">Check <input type="checkbox"/> if self-employed</td> <td style="width:30%;">PTIN P00220997</td> </tr> <tr> <td colspan="3">Firm's name ▶ CW ASSOCIATES CPAS</td> <td colspan="2">Firm's EIN ▶ 26-1659234</td> </tr> <tr> <td colspan="3">Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813</td> <td colspan="2">Phone no (808) 531-1040</td> </tr> </table>		Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00220997	Firm's name ▶ CW ASSOCIATES CPAS			Firm's EIN ▶ 26-1659234		Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813			Phone no (808) 531-1040
Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00220997												
Firm's name ▶ CW ASSOCIATES CPAS			Firm's EIN ▶ 26-1659234													
Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813			Phone no (808) 531-1040													

Part III**Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

TO INCREASE ACCESS TO CAPITAL FOR NATIVE HAWAIIANS RESIDING IN HAWAII

- 2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

- 4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ 32,623 including grants of \$) (Revenue \$ 12,792)
See Additional Data
















4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 32,623

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a	No
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No

Part IV Checklist of Required Schedules (continued)

	Yes	No
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	No
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	No
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26	No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	No
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 0			
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? . . .	3a No			
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . .	3b			
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . .	4a No			
b If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a No			
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b No			
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a No			
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a No			
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c No			
d If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e No			
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f No			
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8 Sponsoring organizations maintaining donor advised funds.				
Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9a Did the sponsoring organization make any taxable distributions under section 4966? . . .	9a			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	9b			
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders	11a			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?				
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.				
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c Enter the amount of reserves on hand	13c			
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a No			
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .	14b			
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N	15 No			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O	16 No			

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 3		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b Enter the number of voting members included in line 1a, above, who are independent	1b 3		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6		No
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		No
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		No
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b	Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	No
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13 Did the organization have a written whistleblower policy?	13	No
14 Did the organization have a written document retention and destruction policy?	14	No
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	No
b Other officers or key employees of the organization	15b	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed **HI**

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
HAWAII COMMUNITY LENDING CO HAWAIIAN COMMUNITY ASSETS 200 N VINEYARD BLVD NO B140 HONOLULU, HI 96817 (808) 587-7886

Check if Schedule O contains a response or note to any line in this Part VII ☐

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Form **990** (2018)

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								0	45,000	4,446

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		No
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.		
(A) Name and business address	(B) Description of services	(C) Compensation
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0		

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .	1a					
	b Membership dues . . .	1b					
	c Fundraising events . . .	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	208,583				
	g Noncash contributions included in lines 1a - 1f \$						
	h Total. Add lines 1a-1f ▶		208,583				
Program Service Revenue			Business Code				
	2a FINANCIAL LITERACY		541900	12,408	12,408		
	b SERVICE CONTRACTS		522291	384	384		
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f ▶		12,792				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶						
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties ▶						
	6a Gross rents	(i) Real	(ii) Personal				
		b Less rental expenses					
		c Rental income or (loss)					
	d Net rental income or (loss) ▶						
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b Less cost or other basis and sales expenses					
		c Gain or (loss)					
	d Net gain or (loss) ▶						
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
		b Less direct expenses	b				
		c Net income or (loss) from fundraising events . . . ▶					
	9a Gross income from gaming activities See Part IV, line 19	a					
		b Less direct expenses	b				
		c Net income or (loss) from gaming activities . . . ▶					
	10a Gross sales of inventory, less returns and allowances	a					
b Less cost of goods sold		b					
c Net income or (loss) from sales of inventory . . . ▶							
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d ▶							
12 Total revenue. See Instructions ▶		221,375	12,792	0	0		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2 Grants and other assistance to domestic individuals. See Part IV, line 22.				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	8,913	8,913		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7 Other salaries and wages.				
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).				
9 Other employee benefits.				
10 Payroll taxes.				
11 Fees for services (non-employees):				
a Management.				
b Legal.				
c Accounting.				
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).				
12 Advertising and promotion.				
13 Office expenses.				
14 Information technology.				
15 Royalties.				
16 Occupancy.				
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.				
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.				
23 Insurance.				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a BAD DEBT EXPENSES	23,710	23,710		
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e.	32,623	32,623	0	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	64,789	1	109,842
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	169,713	7	598,259
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	234,502	16	708,101	
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	0	26	0
Net Assets or Fund Balances	27 Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. Unrestricted net assets	234,502	27	708,101
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	30 Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	234,502	33	708,101
	34 Total liabilities and net assets/fund balances	234,502	34	708,101

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	221,375
2	Total expenses (must equal Part IX, column (A), line 25)	2	32,623
3	Revenue less expenses Subtract line 2 from line 1	3	188,752
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	234,502
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	284,847
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	708,101

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

- 1** Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both
- ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both
- ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- c** If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		No
2b	Yes	
2c	Yes	
3a		No
3b		

Additional Data

Software ID:
Software Version:
EIN: 47-3100005
Name: HAWAII COMMUNITY LENDING

Form 990 (2018)

Form 990, Part III, Line 4a:
TO PROVIDE COMMUNITY LENDING SERVICES TO INCLUDE ORIGINATION AND SERVICING OF CONSUMER, HOUSING, AND SMALL BUSINESS LOANS

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047
2018
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization HAWAII COMMUNITY LENDING	Employer identification number 47-3100005
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 12, check only one box)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ))
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 ☐ An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university
- 10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 11 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
- f Enter the number of supported organizations
- g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant.")	0	100,000	25,000	0	208,583	333,583
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3		100,000	25,000		208,583	333,583
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						333,583

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
7 Amounts from line 4		100,000	25,000		208,583	333,583
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						333,583
12 Gross receipts from related activities, etc. (see instructions)					12	24,599

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐ ►

Section C. Computation of Public Support Percentage

14 Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))	14	100.000 %
15 Public support percentage for 2017 Schedule A, Part II, line 14	15	100.000 %

16a 33 1/3% support test—2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization. ☒ ►

b 33 1/3% support test—2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization. ☐ ►

17a 10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ☐ ►

b 10%-facts-and-circumstances test—2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ☐ ►

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ☐ ►

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	

- 19a 33 1/3% support tests—2018.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐
- b 33 1/3% support tests—2017.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
1		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
2		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
3a		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
3b		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
3c		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
4a		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
4b		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
4c		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
5a		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
5b		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
5c		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
6		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
7		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
9a		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
9b		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
9c		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.		
10a		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		
10b		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI		
11a		
11b		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1		
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI)			
2 Acquisition indebtedness applicable to non-exempt use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required-- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2018			
a From 2013.			
b From 2014.			
c From 2015.			
d From 2016.			
e From 2017.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2018 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2018, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2018 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
7 Excess distributions carryover to 2019. Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2014.			
b Excess from 2015.			
c Excess from 2016.			
d Excess from 2017.			
e Excess from 2018.			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b, Part V, line 1, Part V, Section B, line 1e, Part V Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions)

Facts And Circumstances Test

990 Schedule A, Supplemental Information

Return Reference	Explanation
SCHEDULE A, PART II, SECTION C, LINE 15	FYE 9/30/19 IS THE FIRST YEAR THAT HAWAII COMMUNITY LENDING IS REQUIRED TO FILE THE FORM 990. HOWEVER, IF IT WAS REQUIRED TO FILE A FORM 990 IN FYE 9/30/18, THE PUBLIC SUPPORT PERCENTAGE WOULD HAVE BEEN 100%.

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2018

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► **Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
► **Attach to Form 990.**
► **Go to www.irs.gov/Form990 for the latest information.**

Name of the organization
HAWAII COMMUNITY LENDING

Employer identification number
47-3100005

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of a certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)***3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a** ☐ Public exhibition
- b** ☐ Scholarly research
- c** ☐ Preservation for future generations
- d** ☐ Loan or exchange programs
- e** ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII**5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?☐ Yes ☐ No**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?☐ Yes ☐ No**b** If "Yes," explain the arrangement in Part XIII and complete the following table**c** Beginning balance**d** Additions during the year**e** Distributions during the year**f** Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . . ☐ Yes ☐ No**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as**a** Board designated or quasi-endowment ►**b** Permanent endowment ►**c** Temporarily restricted endowment ►

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by**(i)** unrelated organizations**(ii)** related organizations**b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) 0

Part VII Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)		

Part VIII Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	2,530,705
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	51,335
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	2,309,330
e	Add lines 2a through 2d	2e	2,360,665
3	Subtract line 2e from line 1	3	170,040
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	51,335
c	Add lines 4a and 4b	4c	51,335
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	221,375

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	1,689,101
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	51,335
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	1,605,143
e	Add lines 2a through 2d	2e	1,656,478
3	Subtract line 2e from line 1	3	32,623
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	32,623

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information (*continued*)

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 47-3100005
Name: HAWAII COMMUNITY LENDING

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRE UNCERTAIN TAX POSITIONS TO BE RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS IF THEY ARE MORE LIKELY THAN NOT TO FAIL UPON REGULATORY EXAMINATION MANAGEMENT HAS EVALUATED THE TAX POSITIONS OF HCA AND HCL AS OF SEPTEMBER 30, 2019 AND 2018 AND FOR THE YEARS THEN ENDED BY REVIEWING THEIR INCOME TAX RETURNS AND CONFERRING WITH THEIR TAX ADVISORS, AND DETERMINED THAT THEY HAD NO UNCERTAIN TAX POSITIONS REQUIRED TO BE REPORTED IN ACCORDANCE WITH SUCH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES HCA AND HCL ARE SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS IN PROGRESS FOR ANY OPEN TAX PERIODS

Supplemental Information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS	HAWAIIAN COMMUNITY ASSETS REVENUE 2,309,330

Supplemental Information

Return Reference	Explanation
PART XI, LINE 4B - OTHER ADJUSTMENTS	CONTRIBUTIONS IN-KIND 51,335

Supplemental Information

Return Reference	Explanation
PART XII, LINE 2D - OTHER ADJUSTMENTS	HAWAIIAN COMMUNITY ASSETS EXPENSES 1,605,143

SCHEDULE O (Form 990 or 990-EZ) Department of the Treasury Name of the organization HAWAII COMMUNITY LENDING	Supplemental Information to Form 990 or 990-EZ Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ▶ Attach to Form 990 or 990-EZ. ▶ Go to www.irs.gov/Form990 for the latest information.	OMB No 1545-0047 2018 Open to Public Inspection
		Employer identification number 47-3100005

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE BOARD WILL REVIEW THE 990 FORM DURING A BOARD MEETING AND TAKE ACTION FOR APPROVAL

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	<p>EACH DIRECTOR, OFFICER AND MEMBER OF A COMMITTEE WITH BOARD-DELEGATED POWERS SHALL ANNUALLY SIGN A STATEMENT, WHICH AFFIRMS SUCH PERSON HAS RECEIVED A COPY OF THE CONFLICT OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY, AGREES TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE CORPORATION IS CHARITABLE AND IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION MUST ENGAGE PRIMARILY IN ACTIVITIES, WHICH ACCOMPLISH ONE OR MORE OF ITS TAX-EXEMPT PURPOSES. THE CORPORATION'S AUTHORIZED BODY TO REVIEW ACTUAL OR POSSIBLE CONFLICTS OF INTEREST SHALL BE THE BOARD OF DIRECTORS OR A COMMITTEE OF THE BOARD (COMPOSED SOLELY OF DIRECTORS). THE MEMBERS OF THE BOARD OR COMMITTEE, AS THE CASE MAY BE, SHALL NOT HAVE ANY CONFLICT OF INTEREST WITH THE TRANSACTION OR ARRANGEMENT AT ISSUE. IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTEREST, DIRECTORS, OFFICERS AND STAFF COVERED BY THE POLICY MUST DISCLOSE THE EXISTENCE OF THE INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE BOARD OF DIRECTORS OR MEMBERS OF A COMMITTEE WITH BOARD-DELEGATED POWERS. CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT. AFTER DISCLOSURE OF THE INTEREST OR BECOMING AWARE OF THE MATERIAL FACTS, THE BOARD OR COMMITTEE MEMBERS, WITHOUT THE PRESENCE OF ANY INTERESTED PERSON, SHALL DECIDE IF A CONFLICT OF INTEREST EXISTS. IF A CONFLICT OF INTEREST EXISTS, THE TRANSACTION SHALL BE ADDRESSED IN ACCORDANCE TO THE CONFLICT OF INTEREST POLICY.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	HAWAIIAN COMMUNITY ASSETS 284,847

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
HAWAII COMMUNITY LENDING

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Employer identification number
47-3100005

Part I Identification of Disregarded Entities

Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1)HAWAIIAN COMMUNITY ASSETS INC 200 NORTH VINEYARD BOULEVARD SUITE HONOLULU, HI 96817 99-0348767	COMMUNITY DEVELOPMENT	HI	501(C)(3)	LINE 7	N/A		No

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n	Yes	
1o	Yes	
1p		No
1q		No
1r		No
1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Form 990 Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">Return of Organization Exempt From Income Tax</h2> <p style="margin: 5px 0;">Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)</p> <p style="margin: 5px 0;">▶ Do not enter social security numbers on this form as it may be made public</p> <p style="margin: 5px 0;">▶ Go to www.irs.gov/Form990 for instructions and the latest information.</p>	OMB No 1545-0047 <h1 style="margin: 0;">2018</h1> <p style="margin: 5px 0;">Open to Public Inspection</p>
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A For the 2019 calendar year, or tax year beginning 10-01-2018 , and ending 09-30-2019

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization HAWAIIAN COMMUNITY ASSETS INC Doing business as Number and street (or P O box if mail is not delivered to street address) Room/suite 200 N VINEYARD BLVD NO A300 City or town, state or province, country, and ZIP or foreign postal code HONOLULU, HI 96817	D Employer identification number 99-0348767 E Telephone number (808) 587-7653 G Gross receipts \$ 2,309,330
F Name and address of principal officer LAHELA WILLIAMS 200 N VINEYARD BLVD NO A300 HONOLULU, HI 96817		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ HAWAIIANCOMMUNITY NET		
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 2000 M State of legal domicile HI

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE PURPOSE OF THE ORGANIZATION IS TO FOSTER THE DEVELOPMENT OF ECONOMIC OPPORTUNITIES FOR LOW AND MIDDLE INCOME FAMILIES AND PERSONS IN THE STATE OF HAWAII, INCLUDING NATIVE HAWAIIANS AND OTHERS		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)		34
	4 Number of independent voting members of the governing body (Part VI, line 1b)		44
	5 Total number of individuals employed in calendar year 2018 (Part V, line 2a)		551
	6 Total number of volunteers (estimate if necessary)		626
	7a Total unrelated business revenue from Part VIII, column (C), line 12		7a0
b Net unrelated business taxable income from Form 990-T, line 34		7b0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year835,579	Current Year1,608,714
	9 Program service revenue (Part VIII, line 2g)	135,607	700,615
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	1
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	20	0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	971,206	2,309,330
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		440,195	967,993
16a Professional fundraising fees (Part IX, column (A), line 11e)		0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶66,740			
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		577,784	380,948
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)		1,017,979	1,605,143
19 Revenue less expenses Subtract line 18 from line 12		-46,773	704,187
Net Assets or Fund Balances		Beginning of Current Year	
	20 Total assets (Part X, line 16)	875,611	1,088,522
	21 Total liabilities (Part X, line 26)	843,673	929,031
	22 Net assets or fund balances Subtract line 21 from line 20	31,938	159,491

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	***** Signature of officer	2020-08-14 Date														
	LAHELA WILLIAMS EXECUTIVE DIRECTOR Type or print name and title															
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">Print/Type preparer's name</td> <td style="width:20%;">Preparer's signature</td> <td style="width:10%;">Date</td> <td style="width:10%;">Check <input type="checkbox"/> if self-employed</td> <td style="width:30%;">PTIN P00220997</td> </tr> <tr> <td colspan="3">Firm's name ▶ CW ASSOCIATES CPAS</td> <td colspan="2">Firm's EIN ▶ 26-1659234</td> </tr> <tr> <td colspan="3">Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813</td> <td colspan="2">Phone no (808) 531-1040</td> </tr> </table>		Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00220997	Firm's name ▶ CW ASSOCIATES CPAS			Firm's EIN ▶ 26-1659234		Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813			Phone no (808) 531-1040
Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00220997												
Firm's name ▶ CW ASSOCIATES CPAS			Firm's EIN ▶ 26-1659234													
Firm's address ▶ 700 BISHOP STREET SUITE 1040 HONOLULU, HI 96813			Phone no (808) 531-1040													
May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

THE PURPOSE OF THE ORGANIZATION IS TO FOSTER THE DEVELOPMENT OF ECONOMIC OPPORTUNITIES FOR LOW AND MIDDLE INCOME FAMILIES AND PERSONS IN THE STATE OF HAWAII, INCLUDING NATIVE HAWAIIANS AND OTHERS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ 1,331,739 including grants of \$ 256,202) (Revenue \$ 16,116)
See Additional Data

4b (Code) (Expenses \$ including grants of \$) (Revenue \$ 684,499)
See Additional Data


















4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,331,739

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II 	21	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III 	22 Yes	

Part IV Checklist of Required Schedules (continued)

	Yes	No
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	No
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	No
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26	No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	No
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 51			
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? . . .	3a		No	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . .	3b			
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . .	4a		No	
b If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a		No	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a		No	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		No	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No	
d If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f		No	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8 Sponsoring organizations maintaining donor advised funds.				
Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9a Did the sponsoring organization make any taxable distributions under section 4966? . . .	9a			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	9b			
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders	11a			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.				
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c Enter the amount of reserves on hand	13c			
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		No	
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .	14b			
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N	15		No	
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O	16		No	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 4		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b Enter the number of voting members included in line 1a, above, who are independent	1b 4		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6		No
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		No
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		No
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b	Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	No
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13 Did the organization have a written whistleblower policy?	13	Yes
14 Did the organization have a written document retention and destruction policy?	14	Yes
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	No
b Other officers or key employees of the organization	15b	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed: HI

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
 HAWAIIAN COMMUNITY ASSETS 200 N VINEYARD BLVD HONOLULU, HI 96817 (808) 587-7886

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								96,453	0	8,644

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 0

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		No
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.		
(A) Name and business address	(B) Description of services	(C) Compensation
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 0		

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . . .	1a	287,500			
	b Membership dues . . .	1b				
	c Fundraising events . . .	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	207,502			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,113,712			
	g Noncash contributions included in lines 1a - 1f \$					
	h Total. Add lines 1a-1f		1,608,714			
Program Service Revenue			Business Code			
	2a SERVICE CONTRACTS		522291	684,499	684,499	
	b FINANCIAL LITERACY		541900	16,116	16,116	0
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		700,615			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1			1
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross rents	(i) Real (ii) Personal				
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
11a Miscellaneous Revenue	Business Code					
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See Instructions		2,309,330	700,615	0	1	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2 Grants and other assistance to domestic individuals. See Part IV, line 22.	256,202	256,202		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	140,915	52,333	49,524	39,058
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7 Other salaries and wages.	734,158	678,525	48,726	6,907
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	6,939	5,045	1,301	593
9 Other employee benefits.	46,493	37,268	7,116	2,109
10 Payroll taxes.	39,488	28,710	7,401	3,377
11 Fees for services (non-employees):				
a Management.				
b Legal.				
c Accounting.	18,157		18,157	
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	40,061	40,061		
12 Advertising and promotion.	54,256	54,256		
13 Office expenses.	43,575	8,109	34,379	1,087
14 Information technology.	20,525	14,923	3,847	1,755
15 Royalties.				
16 Occupancy.	60,514	43,997	11,342	5,175
17 Travel.	19,581	17,623		1,958
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	16,818	16,818		
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	7,728	5,619	1,448	661
23 Insurance.	23,423		23,423	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a STAFF TRAINING AND DEVELOPMENT	72,250	72,250		
b SPECIAL EVENTS	4,060			4,060
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e.	1,605,143	1,331,739	206,664	66,740
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	128,006	1	155,072
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	251,564
	4 Accounts receivable, net	103,441	4	157,833
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	169,713	7	0
	8 Inventories for sale or use		8	9,804
	9 Prepaid expenses and deferred charges	10,148	9	32,536
	10a Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a 499,551		
	b Less: accumulated depreciation	10b 20,925	461,116	10c 478,626
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	3,187	15	3,087
16 Total assets. Add lines 1 through 15 (must equal line 34)	875,611	16	1,088,522	
Liabilities	17 Accounts payable and accrued expenses	98,520	17	221,016
	18 Grants payable		18	
	19 Deferred revenue	100,000	19	50,000
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	508,991	23	527,854
	24 Unsecured notes and loans payable to unrelated third parties	136,162	24	130,161
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	843,673	26	929,031
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	31,938	27	159,491
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	31,938	33	159,491	
34 Total liabilities and net assets/fund balances	875,611	34	1,088,522	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,309,330
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,605,143
3	Revenue less expenses Subtract line 2 from line 1	3	704,187
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	31,938
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	-51,335
7	Investment expenses	7	
8	Prior period adjustments	8	-5,951
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-519,348
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	159,491

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

- 1** Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both
- ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both
- ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- c** If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		No
2b	Yes	
2c	Yes	
3a		No
3b		

Additional Data

Software ID:
Software Version:
EIN: 99-0348767
Name: HAWAIIAN COMMUNITY ASSETS INC

Form 990 (2018)

Form 990, Part III, Line 4a:
TO PROVIDE EDUCATION PROGRAMS OFFERING HOMEOWNERSHIP AND FINANCIAL LITERACY WORKSHOPS AS WELL AS COUNSELING FOR DEBT REDUCTION, CREDIT REPAIR AND SAVING FOR A DOWN PAYMENT AND CLOSING COSTS

Form 990, Part III, Line 4b:

TO PROVIDE COMMUNITY LENDING SERVICES TO INCLUDE ORIGINATION AND SERVICING OF CONSUMER AND HOUSING LOANS

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047
2018
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
HAWAIIAN COMMUNITY ASSETS INC

Employer identification number
99-0348767

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 12, check only one box)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ))
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 ☐ An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university
- 10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 11 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
- f Enter the number of supported organizations

9 Provide the following information about the supported organization(s)						
(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant.")	914,386	1,010,158	1,079,592	835,579	1,608,714	5,448,429
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	914,386	1,010,158	1,079,592	835,579	1,608,714	5,448,429
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						5,448,429

Section B. Total Support

Section 51. Total support		Calendar year (or fiscal year beginning in) ►					
		(a)2014	(b)2015	(c)2016	(d)2017	(e)2018	(f)Total
7	Amounts from line 4	914,386	1,010,158	1,079,592	835,579	1,608,714	5,448,429
8	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources		400			1	401
9	Net income from unrelated business activities, whether or not the business is regularly carried on						
10	Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
11	Total support. Add lines 7 through 10						5,448,830
12	Gross receipts from related activities, etc (see instructions)					12	1,596,421
13	First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))	14	99.990 %
15 Public support percentage for 2017 Schedule A, Part II, line 14	15	98.150 %
16a 33 1/3% support test—2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ► <input checked="" type="checkbox"/>		
b 33 1/3% support test—2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ► <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	

- 19a 33 1/3% support tests—2018.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐
- b 33 1/3% support tests—2017.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
1		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
2		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
3a		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
3b		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
3c		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
4a		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
4b		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
4c		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
5a		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
5b		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
5c		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
6		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
7		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
9a		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
9b		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
9c		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.		
10a		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		
10b		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI		
11a		
11b		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s)		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s)		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions)		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1		
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI)			
2 Acquisition indebtedness applicable to non-exempt use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required-- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2018			
a From 2013.			
b From 2014.			
c From 2015.			
d From 2016.			
e From 2017.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2018 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2018, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2018 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
7 Excess distributions carryover to 2019. Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2014.			
b Excess from 2015.			
c Excess from 2016.			
d Excess from 2017.			
e Excess from 2018.			

Additional Data

Software ID:
Software Version:
EIN: 99-0348767
Name: HAWAIIAN COMMUNITY ASSETS INC

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b, Part V, line 1, Part V, Section B, line 1e, Part V Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6 Also complete this part for any additional information (See instructions)

Facts And Circumstances Test

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2018

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► **Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
► **Attach to Form 990.**
► **Go to www.irs.gov/Form990 for the latest information.**

Name of the organization
HAWAIIAN COMMUNITY ASSETS INC

Employer identification number
99-0348767

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of a certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)***3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a** ☐ Public exhibition
- b** ☐ Scholarly research
- c** ☐ Preservation for future generations
- d** ☐ Loan or exchange programs
- e** ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII**5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?☐ Yes ☐ No**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?☐ Yes ☐ No**b** If "Yes," explain the arrangement in Part XIII and complete the following table**c** Beginning balance**d** Additions during the year**e** Distributions during the year**f** Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . . ☐ Yes ☐ No**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII . . . ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as**a** Board designated or quasi-endowment ►**b** Permanent endowment ►**c** Temporarily restricted endowment ►

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by**(i)** unrelated organizations**(ii)** related organizations**b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		204,265		204,265
b Buildings		250,208	14,435	235,773
c Leasehold improvements		39,685	1,323	38,362
d Equipment		3,758	3,532	226
e Other		1,635	1,635	0
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				478,626

Part VII Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)		

Part VIII Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	2,530,705
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	221,375
e	Add lines 2a through 2d	2e	221,375
3	Subtract line 2e from line 1	3	2,309,330
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	2,309,330

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	1,689,101
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	51,335
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII)	2d	32,623
e	Add lines 2a through 2d	2e	83,958
3	Subtract line 2e from line 1	3	1,605,143
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	1,605,143

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information (*continued*)

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 99-0348767
Name: HAWAIIAN COMMUNITY ASSETS INC

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRE UNCERTAIN TAX POSITIONS TO BE RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS IF THEY ARE MORE LIKELY THAN NOT TO FAIL UPON REGULATORY EXAMINATION MANAGEMENT HAS EVALUATED THE TAX POSITIONS OF HCA AND HCL AS OF SEPTEMBER 30, 2019 AND 2018 AND FOR THE YEARS THEN ENDED BY REVIEWING THEIR INCOME TAX RETURNS AND CONFERRING WITH THEIR TAX ADVISORS, AND DETERMINED THAT THEY HAD NO UNCERTAIN TAX POSITIONS REQUIRED TO BE REPORTED IN ACCORDANCE WITH SUCH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES HCA AND HCL ARE SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS IN PROGRESS FOR ANY OPEN TAX PERIODS

Supplemental Information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS	HAWAII COMMUNITY LENDING REVENUE 221,375

Supplemental Information

Return Reference	Explanation
PART XII, LINE 2D - OTHER ADJUSTMENTS	HAWAII COMMUNITY LENDING EXPENSES 32,623

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I
(Form 990)

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States
Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public
Inspection

Department of the
Treasury
Internal Revenue Service

Name of the organization
HAWAIIAN COMMUNITY ASSETS INC

Employer identification number
99-0348767

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶
- 3 Enter total number of other organizations listed in the line 1 table ▶

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1) FINANCIAL ASSISTANCE	129	256,202			
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
PART I, LINE 2	HCA PROVIDES GRANTS TO MATCH THE SAVINGS OF ITS CLIENTS WHO COMPLETE AN INTAKE PACKET AND PROVIDE COPIES OF REQUIRED FINANCIAL DOCUMENTS TO INCOME QUALIFY UPON COMPLETION OF FINANCIAL EDUCATION AND COUNSELING, CLIENTS SAVE TOWARD A FINANCIAL GOAL AND HCA PROVIDES MATCHING FUNDS TOWARD THAT GOAL MATCHING FUNDS ARE PAID DIRECTLY TO THIRD-PARTY VENDORS

SCHEDULE O (Form 990 or 990-EZ) Department of the Treasury Internal Revenue Service	Supplemental Information to Form 990 or 990-EZ Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information. ▶ Attach to Form 990 or 990-EZ. ▶ Go to www.irs.gov/Form990 for the latest information.	OMB No 1545-0047 2018 Open to Public Inspection
Name of the organization HAWAIIAN COMMUNITY ASSETS INC		Employer identification number 99-0348767

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE BOARD WILL REVIEW THE 990 FORM DURING A BOARD MEETING AND TAKE ACTION FOR APPROVAL

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	WRITTEN CONFLICT OF INTEREST POLICY IS INITIALLY DISCUSSED WITH ALL NEW EMPLOYEES THE POLICY IS THEN REVIEWED WITH ALL EMPLOYEES DURING THEIR ANNUAL PERFORMANCE REVIEW

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION INCLUDES ITS WRITTEN CONFLICT OF INTEREST POLICY IN ALL OF ITS CLIENT PACKAGES THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	HAWAII COMMUNITY LENDING NET ASSETS -519,348

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
HAWAIIAN COMMUNITY ASSETS INC

Employer identification number
99-0348767

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1)HAWAII COMMUNITY LENDING INC 200 NORTH VINEYARD BOULEVARD SUITE HONOLULU, HI 96817 47-3100005	COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION	HI	501(C)(3)	LINE 7	HAWAIIAN COMMUNITY ASSETS INC		No

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	No
b Gift, grant, or capital contribution to related organization(s)	1b	No
c Gift, grant, or capital contribution from related organization(s)	1c	No
d Loans or loan guarantees to or for related organization(s)	1d	No
e Loans or loan guarantees by related organization(s)	1e	No
f Dividends from related organization(s)	1f	No
g Sale of assets to related organization(s)	1g	No
h Purchase of assets from related organization(s)	1h	No
i Exchange of assets with related organization(s)	1i	No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	No
k Lease of facilities, equipment, or other assets from related organization(s)	1k	No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes
o Sharing of paid employees with related organization(s)	1o	Yes
p Reimbursement paid to related organization(s) for expenses	1p	No
q Reimbursement paid by related organization(s) for expenses	1q	No
r Other transfer of cash or property to related organization(s)	1r	No
s Other transfer of cash or property from related organization(s)	1s	No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation