



OFFICE OF HAWAIIAN AFFAIRS 2009 ANNUAL REPORT

## **Nā Waiwai o Wao Kele o Puna**

*Treasures of Wao Kele o Puna*




The background of the entire page is a photograph of a natural landscape. In the foreground, there is a field of tall, dry, golden-brown grass. Behind the grass is a dense line of green trees and shrubs. The upper half of the image is a bright blue sky filled with large, fluffy white cumulus clouds.

## **OHA MISSION STATEMENT**

To mālama Hawai'i's people and environmental resources, and OHA's assets, toward ensuring the perpetuation of the culture, the enhancement of lifestyle and the protection of entitlements of Native Hawaiians, while enabling the building of a strong and healthy Hawaiian people and nation, recognized nationally and internationally.





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# **Nā Waiwai o Wao Kele o Puna**


Treasures of Wao Kele o Puna





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**IN 2007,** the Office of Hawaiian Affairs celebrated the acquisition of the 25,856-acre Wao Kele o Puna, the largest intact lowland rainforest in Hawai'i. Wao Kele o Puna — a trove of resources for Hawaiian traditional practices — was once slated as the site for a geothermal energy project. Today it is protected in perpetuity, providing a safe haven to native flora and fauna, many of which are seen by Hawaiians as kinolau, physical manifestations of spiritual presence.

OHA is grateful to its partners in the acquisition: Trust for Public Land, Pele Defense Fund, U.S. Department of Agriculture's Forest Legacy Program, U.S. Senator Daniel Inouye, and the state Department of Land and Natural Resources, which also manages the forest on OHA's behalf.

Wao Kele o Puna's rededication in 2007 was historic. It helped heal old wounds of those who fought for decades to protect it from development, and it marked the first time that crown lands had ever been returned to an organization representing Native Hawaiians. The Office of Hawaiian Affairs remains committed to protecting and conserving the abundant natural treasures in Wao Kele o Puna for generations to come.

Naupaka kuahiwi, one of the many native plants found in Wao Kele o Puna.

## TRUSTEES, ADMINISTRATION AND LOCATIONS

### BOARD OF TRUSTEES

**S. Haunani Apoliona, MSW**

*Chairperson*  
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### ADMINISTRATION

**Clyde W. Nāmu'o**

*Administrator*

**Mona Bernardino**

*Deputy Administrator*  
Beneficiary Advocacy & Empowerment

**Ronald Mun**

*Deputy Administrator*  
Operations

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E NĀ HAWAI‘I, NĀ PULAPULA A HĀLOA,  
MAI KA PUKANA A KA LĀ I HA‘EHA‘E A  
I KA MOLE ‘OLU O LEHUA, E NĀ ‘ŌIWI  
ME NĀ KĀKO‘O MA KĒLĀ KIHI KĒIA KIHI  
O KA MOKU NUNUI A ME KA HONUA,  
ALOHA NUI KĀKOU.

To our people, descendants of Hāloa, from where the sun  
dawns at Ha‘eha‘e to where it sets at Lehua, to Native  
Hawaiians and supporters alike from all four corners of the  
continent and the world, greetings to all.

The Office of Hawaiian Affairs strives to mālama Hawai‘i’s  
people and environmental resources and OHA’s assets,  
toward ensuring the perpetuation of the culture, the  
enhancement of lifestyle and the protection of entitlements  
of Native Hawaiians, while enabling the building of a  
strong and healthy Hawaiian people and nation, recognized  
nationally and internationally.

True to this mission, this year’s theme of the Office of  
Hawaiian Affairs’ fiscal year 2009 Annual Report showcases  
a cultural and environmental treasure – Wao Kele o Puna, a  
25,856-acre rainforest on the island of Hawai‘i, which OHA  
acquired more than three years ago.

For generations, Native Hawaiians exercised traditional  
hunting, gathering and religious rights within the boundaries  
of Wao Kele o Puna. Those practices were in jeopardy when  
the forest was targeted for geothermal development decades  
ago. The purchase of Wao Kele o Puna by the Office of  
Hawaiian Affairs, with the assistance of other partners, has  
diverted such development, keeping this ‘āina intact for our  
children well into the future.

The sun now rises anew over Wao Kele o Puna with renewed  
hope for its future.

With a similar sense of optimism and renewal that the Office  
of Hawaiian Affairs proudly presents this FY 2009 annual  
report, which summarizes OHA programs, activities and  
financial statements for the period of July 1, 2008, to June  
30, 2009. Within these pages you will read how OHA is  
working to meet its legal and Constitutional mandate along  
with urgent challenges as we strive to move the Hawaiian  
nation forward, unified and strong.

So we invite you all to join us at the dawning of a new  
day for the Office of Hawaiian Affairs, to review our  
work focused on bettering the conditions of our Native  
Hawaiian people, which improves all of Hawai‘i nei.

E ka‘i mai, e nā hoa kuilima, me ka mana‘o ho‘okahi, me ka  
ho‘okahi pu‘uwai no ka hana pono no nā Hawai‘i, ma ke ao  
‘ana o ka lā hou no ke Ke‘ena Kuleana Hawai‘i. E holomua  
like kākou ma ka ho‘oikaika ‘ana i ke kūlana o ko kākou  
‘ōiwi ‘ōlino. Aloha.

No nā ‘ōiwi ‘ōlino,



S. Haunani Apoliona, MSW  
Chairperson, Board of Trustees



## ‘ŌLELO A KA LUNA HO‘OKELE

Message From the Administrator

ALOHA KĀKOU.

It is with great pride that I present the Office of Hawaiian Affairs fiscal year 2009 Annual Report, which highlights the agency's programs, activities, leadership and financial summary for the period covering July 1, 2008, to June 30, 2009.

The Office of Hawaiian Affairs is led by the nine-member Board of Trustees, which sets policy for the agency. OHA's 137 employees staff the agency's offices in Honolulu, Kona, Hilo, Kahului, Kaunakakai, Lānaʻi City, and Lihūʻe, and a bureau in Washington, D.C.

In compliance with Hawaiʻi Revised Statutes §10-6, in fiscal year 2009 the Office of Hawaiian Affairs began the process of updating the agency's Strategic Plan.

Under the plan, OHA will shift its focus to advocacy and promoting systemic change in six priority areas: economic self-sufficiency, health, education, culture, land and water, and governance.

The Strategic Plan identifies three critical roles for OHA: advocacy, research, and asset management. In addition, OHA will institute strict performance-based criteria that will enable the organization to evaluate the effectiveness of its programs.

We believe that we must change our focus and our organization if we are to truly have an impact on issues facing Hawaiians. Our new strategic plan is the culmination of an extensive effort to listen to the community, and going forward, we will continue to rely upon the community's feedback to guide us.

### ABOUT THE OFFICE OF THE ADMINISTRATOR AS OF JUNE 30, 2009 -

The Office of the Administrator manages the internal operations of the Office of Hawaiian Affairs by providing leadership, guidance, direction, and executive oversight. It implements the policies, rules, and directives adopted by the Board of Trustees and guides the organization's operation within the parameters established by the Board and in response to the concerns of OHA's beneficiaries. Additionally, the Office works with other agencies, government and private, that also serve Hawaiians and Native Hawaiians toward OHA's mission of bettering the conditions of all Hawaiians. It reports to the Board on OHA's fiscal status and on the status of projects and programs. This includes developing and overseeing organizational structures and procedures; securing, supervising, and inspiring staff in the skills and attitudes required to work together; and guiding the implementation of OHA's functional, master and strategic plans and processes.

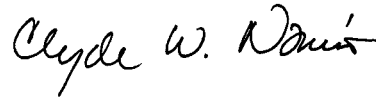
Fiscal year 2009 also saw OHA challenging threats to Native Hawaiian rights. OHA went to the U.S. Supreme Court and the State Legislature to prevent ceded lands from being sold. Now, under a new law, it will be more difficult for the state to sell the former crown lands.

The economic downturn continued to cause hardship for Native Hawaiians and in fiscal year 2009 OHA was there to help. OHA awarded nearly \$14 million in grants to support Native Hawaiians.

We are thankful for the support of the Legislature in helping OHA to move its Constitutional and statutory mission forward. We are also grateful for our committed staff and the support of our beneficiaries.

For more information on the Office of Hawaiian Affairs and its programs, visit us online at [www.OHA.org](http://www.OHA.org).

Me ka ‘oia‘i‘o,



Clyde W. Nāmuʻo  
Administrator





# OFFICE OF HAWAIIAN AFFAIRS ORGANIZATIONAL CHART

2009



*Note: The chart above depicts the structure of the organization as of June 30, 2009. To view a current organizational chart, visit [oha.org](http://oha.org).*

## **OHA STRATEGIC PLAN 2006-2011**

Goals adopted by the OHA Board of Trustees, Aug. 4, 2005

### **LAND**

Through the exercise of prudent investment and other strategies, develop organizational infrastructure to acquire land for preservation, investment, or programmatic needs detailed in a comprehensive land policy.

### **CULTURE**

OHA shall have drafted and implemented a plan that identifies and provides solutions to safeguard endangered traditions, practices, and rights, and subsequently put into practice steps that will protect, re-establish, and enhance Hawaiian cultural assets.

### **ADVOCACY/NATIVE RIGHTS**

OHA shall have protected natural and cultural resources through the adoption of administrative, legislative, and legal actions.

### **ECONOMIC DEVELOPMENT**

OHA's investment in the creation, retention and expansion of Native Hawaiian wealth shall have: 1) improved economic self-sufficiency for Native Hawaiians by facilitating and supporting programs and policies that create jobs, increase income, improve economic literacy, and create sustainable businesses; and 2) created an economic development environment that routinely leverages existing resources into strategic partnerships and entrepreneurial opportunities for Native Hawaiians in local, national and global markets.

### **EDUCATION**

OHA shall have developed and implemented a plan to ensure Native Hawaiian access to all education opportunities.

### **HUMAN SERVICES**

OHA shall assist Native Hawaiian families in improving their quality of life in the areas of food, shelter, and safety.

### **HOUSING**

OHA shall assist Native Hawaiian families in achieving housing goals.

### **HAWAIIAN GOVERNANCE**

OHA shall have assisted, coordinated, and enabled the creation of a unified Hawaiian Nation.

### **HEALTH**

OHA shall have collaborated with other Native Hawaiian health care providers to increase the acquisition of resources from federal, state, counties and others, to address the health care needs of Native Hawaiians with particular focus on the needs of the aged and elderly, including but not limited to prevention, treatment, education, and other needs.

### **POLICY**

OHA shall establish and support policies that meet constitutional and statutory mandates, while furthering its mission.





## HUMAN RESOURCES

Stanton Enomoto, Acting Director



Plants with cultural and spiritual significance, like this liko lehua, are central to many traditional practices – a prime example of how important native forests like Wao Kele o Puna are to the Hawaiian culture.

### MISSION

To effectively manage the human resources service capabilities of the agency.

### FY-09 HIGHLIGHTS

During the past fiscal year, Human Resources developed and/or coordinated the following activities to enhance staff performance in accordance with OHA strategic goals:

- Recruitment and placement
- New hire orientation and exit interviews
- Position and salary reviews
- Security access and Bioscrypt
- Service awards
- Personnel budget review and monitoring
- Oracle Human Resources Management System
- Personnel records management
- Staff development
- Labor relations
- Employee Performance Review
- Functional statements and organization chart updates
- Salary studies
- Strategic Planning
- Volunteer Recognition Program
- OHA Student Helper Program

Human Resources also coordinated procedures for the following in conformity with State of Hawai'i requirements and OHA strategic goals:

- Payroll
- Leave accounting
- Compliance with applicable federal and state laws
- Employee Assistance Program
- Employees Retirement System
- Hawai'i Employer-Union Health Benefits Trust Fund open enrollment
- Island Flex
- Island Savings Plan



## LAND MANAGEMENT

Dr. Jonathan Likeke Scheuer, Director

### MISSION

OHA's 2002 Strategic Plan Goal 7.13 was to develop organizational infrastructure to acquire land for preservation, investment, or programmatic needs detailed in a comprehensive land policy. That goal was reached with the Administrator creating the Land Management (LM) Hale in November 2006 and the Board adopting OHA's Real Estate Vision Mission and Strategy (REVMS) as policy in June 2007, which calls on OHA's LM Hale to lead efforts to protect and preserve Hawai'i lands and their cultural significance by:

- Bridging the ancient use of lands with future land use patterns.
- Advocating for land use and transaction practices and regulations congruent with a Hawaiian sense of place.
- Creating financially viable property involvements.

Land Management also oversees the Hālawā Luluku Interpretive Development Project.

### FY-09 HIGHLIGHTS: LAND MANAGEMENT

Land Management actively supported OHA's pursuit of past due payments owed to OHA from the income and proceeds of the Public Land Trust. Continuing 2008 efforts, LM assisted in the parcel selection for properties that could be transferred to OHA in lieu of cash, oversaw due diligence efforts on properties proposed for transfer, and assisted with public outreach and advocacy efforts.

Additional LM highlights include:

- Monitoring the State's implementation of Act 178 reporting requirements for Public Land Trust revenue.
- Continuing strategic management of assets, including Pāhua Heiau and the Waiālua Courthouse on O'ahu and the Kekaha Armory on Kaua'i (home to Ke Kula Ni'ihau O Kekaha Learning Center).
- At Waimea Valley, O'ahu, hiring a permanent Executive Director, facilitating a community-based restoration of Hale O Lono heiau, beginning development of a Conservation Action Plan, completing the donation of a small parcel of land, doubling visitation numbers, and responding to a rockfall and floods that closed the valley to visitors for over a month.
- In the 25,856-acre Wao Kele o Puna rainforest on Hawai'i Island, continuing to fund management of the property and work with the Department of Land and Natural Resources (DLNR), as manager. Facilitating execution of a Right-of-Entry Agreement so the state-funded plugging and abandonment of the geothermal well at Wao Kele o Puna could be completed.

- Continuing to evaluate and investigate proposals for land acquisition, including beginning a Traditional Cultural Property study for Kūkaniloko.
- Preparing and delivering testimony on land- and water-related matters before the State Legislature.
- Hosting episodes of OHA's radio and television programs.
- Delivering presentations on land and water management issues to community and professional groups locally and nationally.
- Continuing to be OHA's lead liaison in litigation supporting restoration of stream flows in Nā Wai 'Ehā on Maui.
- Continuing support for the development of local land trusts, Hawaiian representation on their boards, and addressing Hawaiian concerns in their plans.
- Continuing active membership with the Hawai'i Conservation Alliance, the Land Trust Alliance, the Urban Land Institute, and other organizations. One significant focus this year included planning for the effects of climate change on native lands and resources.

### FY-09 HIGHLIGHTS: HĀLAWA LULUKU INTERPRETIVE DEVELOPMENT

- Progress was made on developing the HLID Interpretive Development Plan.
- A preliminary draft of a Stewardship & Management Plan is being developed. The plan is intended to preserve and protect the Hālawā Luluku Interpretive Development project and project areas after construction.
- Preparation of a new Cooperative Agreement between OHA and the Hawai'i Department of Transportation was begun, and a request for a project extension was approved.

## LEGAL SERVICES OFFICE

Ernest M. Kimoto, Senior Counsel to the Administrator

The lehua represents a warrior – an apt comparison, as the ‘ōhi’a is one of the first plants to grow on a new lava flow.

With care and protection, Wao Kele o Puna will continue to thrive for generations to come.

### MISSION

The Legal Services Office (LSO) strives to meet the legal needs of OHA's administration to ensure agency-wide compliance with applicable laws to the fullest extent possible.

### FOCUS AREAS:

- Legal advice, research, and analysis
- Contract and procurement law
- Policy analysis and development
- Compliance oversight
- Risk management
- Litigation support
- Special administrative projects
- Genealogical research and beneficiary assistance
- Legislation

### FY-09 HIGHLIGHTS

During the past fiscal year, the LSO successfully protected the constitutional and statutory authority of the OHA Board of Trustees and the legal interests of the agency, its trust, and its beneficiaries by providing competent in-house legal advice and legal support to the administration and by adeptly coordinating the provision of legal services to the agency by outside law firms.

- Provided legal advice and counsel to the Administrator on a broad range of legal issues and topics relating to OHA operations and programs based on applicable federal and state laws, regulations, ordinances, and the Board of Trustees governing documents and policies.
- Researched and drafted internal written advisory opinions, memoranda, and other communications responsive to questions posed by administration.
- Provided legal advice on contract and procurement law issues.
- Conducted legal reviews of staff procurement source selections.
- Reviewed and approved contracts, documents, and correspondence as to form and legality.
- Administered overall process related to outsourced legal

service contracts.

- Managed and maintained contract repository of agency's original contracts and other instruments.
- Participated in board and administrative policy development.
- Analyzed and advised administration on legal implications of policy decisions and actions.
- Provided legal advice and guidance on compliance with standards of conduct, the Americans with Disabilities Act, Equal Employment Opportunity, Sunshine Laws, employment and other laws, regulations, rules, policies, and procedures as applicable to OHA.
- Responded to public requests for information under the Uniform Information Practices Act involving legal issues or litigation.
- Administered OHA's risk management program to reduce liability and risk exposure through preventative counseling and transference of risk to third parties.
- Provided litigation support to outside counsel representing OHA in quiet title and other lawsuits.
- Provided legal support to the Administrator on special projects, initiatives, and acquisitions.
- Successfully settled the Office of Hawaiian Affairs v. Gates, et al. lawsuit resulting in access otherwise unavailable to OHA to identify and protect cultural sites and/or artifacts.
- Concluded role in restoration of the Kalaniana'ole Hall on Moloka'i.
- Conducted genealogical research to assist City and County of Honolulu and Hawai'i County beneficiaries with genealogical verification for kuleana property tax exemptions and performed genealogical and land research for outside counsel in kuleana escheat cases.
- Drafted and reviewed proposed legislation and testimony, analyzed and interpreted legislative language and intent, and tracked legislation affecting OHA and the Native Hawaiian community.
- Participated in numerous working groups, special project teams, and volunteer projects.



## TREASURY AND OTHER SERVICES

Richard Pezzulo, Chief Financial Officer



### MISSION

Treasury and Other Services (TOS) works in partnership with OHA divisions and OHA beneficiaries by meeting OHA's financial management and information systems needs and interests through delivery of responsive and effective services in: accounting, treasury, financial management, information systems and technology, and procurement and purchasing.

**Accounting** is responsible for the day-to-day processing and auditing of accounting transactions, systems analyses, maintenance of the general ledger, and comprehensive production of accurate financial reports.

**Treasury** includes reviews of OHA's Native Hawaiian Trust Fund, accounts receivable, credit and collections, and the coordination of OHA's annual budget development to effectively allocate resources within the organization, in accordance with OHA's strategic plan.

**Financial management** involves collaboration between accounting and treasury in the development of financial plans in accordance with OHA's financial policies in order to safeguard and maximize return on OHA's financial assets.

**Information systems and technology** include the management, maintenance, and development of OHA's statewide computer information network.

**Procurement and purchasing** involves establishing and maintaining controls and reviews to ensure compliance with the State's Procurement Code and OHA policies and procedures.

### FY-09 HIGHLIGHTS

- OHA's FY-08 financial audit, conducted by an independent certified public accounting firm, concluded successfully with the timely issuance of its auditor's report in January 2009. The unaudited financial statements for the 2009 fiscal year are included on page 23.
- TOS continued training on its Fiscal Procedures Manual, which outlines major TOS processes and procedures, and conducted organization-wide procurement training for managers and staff.
- In January 2009, OHA began utilizing the State's electronic procurement system (HePS) to procure its small purchases of goods and services as required under statute. Managers and staff continue to be trained on the requirements of use of the system.
- The State of Hawai'i, Office of the Internal Auditor, conducted a management audit of OHA's governance over its information system infrastructure and strategies. A project to upgrade OHA's accounting and human resources enterprise resource planning (ERP) software application was also launched.
- TOS reports that the fair market value of OHA's investments held in the Native Hawaiian Trust Fund decreased by \$100 million during the previous fiscal year to total approximately \$300 million by June 30, 2009. The decline is attributed to cash withdrawals and to decreases in the fair market value of investments driven by the global financial crisis.
- The State of Hawai'i, Office of the Internal Auditor, conducted a management audit of OHA's Native Hawaiian Trust Fund. A majority of the audit findings were resolved by the date of the report with the remaining actions pending the State Auditor's response. In addition, OHA also conducted an internal market cycle review to evaluate the Native Hawaiian Trust Fund performance between March 2003 and December 2008.

## **MISSION**

The mission of the OHA Washington, D.C. Bureau is to increase support for issues important to Native Hawaiians and secure passage of favorable national legislation.

## **FY-09 HIGHLIGHTS**

The Washington, D.C. Bureau advocated for passage of the Native Hawaiian Government Reorganization Act (NHGRA) and other measures important to Native Hawaiians, and worked to prevent elimination of Native Hawaiians from existing U.S. policy and law. The Bureau promoted and protected Native American political status, entitlements, and expressions of self-determination of the indigenous, native, aboriginal people, whose ancestors lived and exercised sovereignty in the Hawaiian archipelago that later became part of the United States.

## **EDUCATED U.S. CONGRESS AND EXECUTIVE BRANCH ON ISSUES IMPORTANT TO NATIVE HAWAIIANS**

- Distributed facts about NHGRA, Hawaiian culture, history, and community to the U.S. Congress and the Administration.
- Educated Senate Small Business and House Financial Services Committees on retaining Hawaiians in reauthorization bills.
- Advised and assisted Department of Defense in development of a draft Native Hawaiian Consultation policy and cultural communications training.
- Consulted with the White House Office of Public Engagement to educate White House officials about issues important to Native Hawaiians.
- Coordinated written and oral testimony before the U.S. Senate Committee on Indian Affairs and House Natural Resources Committee on NHGRA.

## **MAINTAINED AND EXPANDED A NETWORK OF ALLIES SUPPORTING NATIVE HAWAIIAN ISSUES AT THE NATIONAL LEVEL**

- Hosted or sponsored more than 30 events and represented OHA at over 50 Congressional, Administration, indigenous, civil rights, and other organization meetings and events.
- Coordinated OHA National Partnership with U.S. Census 2010.

- Co-chaired the Washington Pacific Committee, with Pacific embassies and representative offices, to convene “Pacific Night,” the annual diplomatic educational event.
- Hosted Native Hawaiians and other visitors to share facts, and recruited Hawaiian students for scholarship programs with American University and George Washington University.
- Co-sponsored the Smithsonian Museum of Natural History's Sant Ocean Hall opening and Native Hawaiian cultural presentations, September 2008.
- OHA D.C. Bureau and former Bureau Chief Martha Ross were acknowledged by Association of Hawaiian Civic Clubs Resolution for national advocacy on behalf of Native Hawaiians.

## **INTERVENED TO OVERCOME RESISTANCE ON ISSUES IMPORTANT TO NATIVE HAWAIIANS.**

- Briefed allies on NHGRA status and issued calls for action, mobilizing hundreds of office visits, calls, e-mails, and letters of support for NHGRA to members of Congress.
- Coordinated with legal advisers and distributed NHGRA issue papers to increase Congressional support of NHGRA.
- Educated Hawai'i about the biased stacking of the Hawai'i State Advisory Committee on civil rights by the U.S. Commission on Civil Rights intended to control outcomes for the USCCR majority's anti-diversity agenda.

## **MAINTAINED A MECHANISM TO COLLECT AND DISSEMINATE INFORMATION ON ISSUES IMPORTANT TO NATIVE AMERICANS.**

- Partnered with Smithsonian National Museum of the American Indian on the Hawaiian Cultural Showcase, including cultural practitioners and a concert by the Brothers Cazimero.
- Sponsored the opening event for Smithsonian's National Museum of American History showcase, “Creating Hawai'i.”
- Archived reports on pending federal legislation and Federal Register Notices on matters important to Native Hawaiians, and a list of sources of Native information.
- Researched and published copies of the *Ali'i Diplomatic Missions and Other Business Travel to Washington D.C. Phase 2*.



## COMMUNITY GRANTS


Mona Bernardino, Grants Interim Director

### MISSION

The Community Grants Program gives OHA an opportunity to respond to community needs through an established and equitable process. We listen to and review the requests that will benefit our Native Hawaiian people as well as educate the community on the mission of OHA, our strategic plan, and how potential partnerships can be forged to strengthen our Native Hawaiian communities. By providing the appropriate grant funding to non-profit community-based organizations, we help them, and they in turn help us as we work toward bettering the conditions of our Native Hawaiian community.

### FY-09 HIGHLIGHTS

- The Community Grants Program awarded over \$1.3 million to 22 projects statewide providing services and implementing programs that impact the Native Hawaiian community. In addition, \$165,413 was awarded to support 20 community events.
- From January through May 2009, the Community Grants Program staff conducted 24 scheduled grant workshops and provided individual technical assistance sessions statewide. They reached over 580 stakeholders seeking funding for projects that benefit the Hawaiian community. As a result, 142 applications were received by the June 30, 2009, deadline requesting OHA grants funding for the upcoming fiscal year.
- The Board of Trustees awarded over \$8.4 million to 21 larger initiatives that included support of multi-year program services, capital improvement projects, and up to 30 years support to cover debt service on revenue bonds issued by the Department of Hawaiian Home Lands for construction projects. OHA funding assisted organizations in leveraging federal, state, county, and private funding to support their projects.
- The FY09 Grants & Sponsorships Annual Report has been expanded to include all grants and sponsorships given out agency-wide to support projects, programs, and events that support OHA's mission and work to improve the conditions for our Native Hawaiian people.



New life grows every day in Wao Kele o Puna – something that may not have had a chance to occur if a massive geothermal development was allowed to move forward in the forest in the 1980s and 1990s.

## ECONOMIC DEVELOPMENT

Mark B. Glick, Director

### MISSION

To create, retain, and expand wealth of Native Hawaiians by improving economic self-sufficiency, increasing family income and establishing business sustainability through: training and technical assistance, greater access to low-interest loans, and business development advocacy initiatives.

### FY-09 HIGHLIGHTS: TECHNICAL ASSISTANCE

- In a year marked by the nation's worst recession since the Great Depression, OHA helped firms get back on their feet by providing more technical assistance to individuals and firms than ever before. Our 2009 technical assistance highlights include:
- Establishment of the Hawai'i Procurement Technical Assistance Center (HI-PTAC) through a \$300,000 grant award to OHA by the Defense Logistics Agency. OHA now operates Hawai'i's only procurement technical assistance program dedicated to helping small businesses market and sell their goods and services to federal, state, and county governments. During its first year of operation, the HI-PTAC helped more than 200 Hawai'i businesses secure hundreds of thousands of dollars in contract awards.
  - Community partners: MEO, Empower O'ahu, and Maui Economic Development Board helped the HI-PTAC serve all Hawai'i businesses, giving Native Hawaiian firms a better chance to partner with non-Native businesses that have more contracting experience.
  - Native Hawaiian firms comprise 21% of all firms served by HI-PTAC, even though Native Hawaiian firms account for less than 8% of all businesses in the state.
- Eight Community Based Economic Development grants for non-profits providing technical assistance to an estimated 7,255 persons for a total of \$234,904.
- In addition to HI-PTAC's clientele, 129 Native Hawaiian businesses received technical assistance from OHA's network of technical assistance providers in the areas of business planning, financial management and planning, marketing, cost accounting, and staff training and retention.
- Our Community Based Economic Development grant program also issued five grants for a total of \$115,096 to non-profits that conduct work force training affecting an estimated 269 beneficiaries.

### FY-09 HIGHLIGHTS: LOW-INTEREST LOANS

Original research commissioned by our Economic Development Hale in 2006 and 2007 showed that Native Hawaiian businesses and budding entrepreneurs lack the low-interest financing necessary for business sustainability and growth. Our restructured Native Hawaiian Revolving Loan Fund, featuring the new OHA Mālama Loan program, gives our beneficiaries the greatest opportunity to finance their businesses, work force training, and other educational objectives. We now also offer loans for home improvements, which also stimulate the economy with construction jobs. In a recession, access to inexpensive credit is even more critical to help businesses stay afloat. From July 1, 2008, to June 30, 2009, OHA disbursed 195 Mālama Loans for business, education, and home improvements totaling \$3.5 million. Since rolling out the OHA Mālama Loan in partnership with First Hawaiian Bank on November 15, 2007, through June 30, 2009, OHA has approved:

- 107 business loans for \$2.7 million.
- 148 education loans for \$2 million.
- And 353 home improvement loans for \$7.7 million.
- All told, OHA has approved 591 OHA Mālama loans for \$12.4 million. Considering a 2.5 multiplier effect, the OHA loan fund has been responsible for pumping about \$31 million into the Native Hawaiian community from November of 2007 through the end of FY09.
- Additionally, OHA's Consumer Micro Loan Program provides Native Hawaiians with the ability to finance temporary cash flow difficulties and career enhancement opportunities.
- Total Micro Loans and disbursements for FY-09.
  - 34 loans for \$180,391.
- Loans Issued Inception to Date
  - 229 loans for \$1.1 million.

### FY-09 HIGHLIGHTS: BUSINESS DEVELOPMENT ADVOCACY

In its business development advocacy efforts, OHA is pursuing new media opportunities with its underwriting of Pacific Network TV, [pacificnetwork.tv](http://pacificnetwork.tv), which continues to break ground as one of the most innovative technology start-ups in Hawai'i and a leading voice on Hawaiian issues and concerns.

OHA also continues to work with the business community to plan for ways to invest in cleaner, lower cost alternatives to petroleum and coal for our electric power generation needs and gasoline and diesel for our transportation needs, with natural gas and renewable energy sources leading the way.

## MISSION

The mission of the Education program is to facilitate culturally sound educational opportunities for Native Hawaiians to promote academic success and life-long learning.

## FY-09 HIGHLIGHTS

- Addressed severe budget reductions in public education for the current 2009-10 school year by granting \$1.5 million in supplemental funding to 17 Hawaiian-focused charter schools serving 2,800 Hawaiian students islandwide.
- Implemented the new K-12 Education Family Financial Assistance program, *Kāko'o Ho'ona'auao*, providing \$500,000 to 100+ families to support economically disadvantaged Hawaiian families with extraordinary educational expenses, including private school costs or special education services.
- Continued statewide support of 1,020 gifted and talented Native Hawaiian students in grades K-12 by granting \$1,048,800 to *Nā Pua No'eau*.
- Promoted economic sustainability and recovery by implementing the new OHA *Paipai Vocational Education Scholarship Program* awarding \$70,000 in scholarships to 59 non-traditional students.
- Awarded a total of \$500,000 in post-high scholarships to 256 undergraduate and graduate scholars.
- Awarded \$70,000 in early childhood education scholarships to 20 families.
- Collaborated with the *Nā Lau Lama* Consortium in publishing and disseminating its community report and publication, *Teaching and Learning with Aloha: Successful Strategies in Engaging Hawaiian Learners*.
- Acquired a federal grant for \$453,000 from the USDA for Distance Learning and Telecommunication advancement in rural Hawaiian communities.
- Granted \$415,000 to support the University of Hawai'i at Mānoa College of Education's Ho'okulāiwi program, which prepares 46 pre-service and in-service Native Hawaiian teachers serving Native Hawaiian schools on Kaua'i and O'ahu and developing research and curriculum in Hawaiian education.
- OHA granted \$50,000 to support Partners in Development Foundation's Ka Pa'alana Family Education Program, servicing families at shelters and transitional housing on O'ahu.

## IN ADDITION, OHA'S EDUCATION PROGRAM PROVIDED GRANTS, FUNDING, OR SUPPORT TO:

- Programs in early childhood education supporting scholarships for preschoolers, publication of standards and guidelines for early childhood education providers, delivery of literacy services for homeless keiki, and scholarships for professional development for early childhood educators.
- A variety of programs and initiatives in K-12 education, including leadership development, enrichment programs, a comprehensive education and career planning system, scholarships for students to complete early college courses and enrichment programs, emergency funding support, and collaborations with organizations supporting Native Hawaiian education.
- Initiatives in higher education and adult education including indigenous teacher education, research and curriculum development, pre-service and in-service education for teachers in schools with high numbers of Hawaiian students, support for Master's Degree candidates in Social Work and Public Administration, support for current and future Hawaiian law students, support for systemic change in the University of Hawai'i's community colleges to improve the retention and achievement of Native Hawaiian students, and programs for incarcerated Native Hawaiians.

*Details on grants and the programs funded in FY-09 can be found in OHA's 2009 Grants Report.*



## HAWAIIAN GOVERNANCE

Mona Bernardino, Acting Director, Deputy Administrator

### MISSION

Hawaiian Governance (HG) seeks to assist and facilitate the Hawaiian community in creating and building a strong and healthy Hawaiian nation by involving Hawaiian community organizations and agencies, and by encouraging individual Native Hawaiians to enroll in the Kau Inoa initiative and actively participate in the nation-building process.

### FY-09 HIGHLIGHTS

#### FEDERAL RECOGNITION

- Continued work in both houses of Congress in support of the Native Hawaiian Government Reorganization Act (NHGRA), commonly known as the Akaka Bill, S. 310/H.R. 505 in the 110th Congress and S. 1011/H.R. 2314 in the 111th Congress.

#### KAU INOA AND HO'OU LU LĀHUI ALOHA

- Provided support as OHA continued to fund community organizations and conduct outreach to register Native Hawaiians for Kau Inoa, an initiative to enroll Native Hawaiians for the purpose of building a Native Hawaiian nation. Registration activities were conducted at 119 community events across the nation. At the end of fiscal year 2009, 105,858 Native Hawaiians registered with Kau Inoa.
- Conducted the following activities in order to disseminate information on Kau Inoa to the Hawaiian community:
  - Placed advertisements in Hawai'i and continental U.S. media, including radio, television, Internet, and print.
  - Started a social media outreach initiative by creating a Kau Inoa Twitter account at [twitter.com/kauinoa](http://twitter.com/kauinoa), a Kau Inoa fan page on Facebook, and a Kau Inoa Newsblog at [kauinoa.org/blog](http://kauinoa.org/blog) for the latest updates relating to Kau Inoa, Hawaiian governance, and nation-building.
- Assisted OHA in the co-sponsorship of conferences and community meetings for the Association of Hawaiian Civic Clubs, Kamehameha Schools Alumni Association, and other organizations.
- Continued to publish the *Ho'oulu Lāhui Aloha* newsletter, regularly published throughout the year and sent to Kau Inoa registrants. The HLA newsletter has included Kau Inoa updates from Hawai'i, the continent, and as far as France. Additional information about the Ho'oulu Lāhui Aloha nation-building plan, Community Consultation Network, and other nation-building activities was also featured.

### HAWAIIAN REGISTRY PROGRAM

- Assisted Kau Inoa registrants with verification of their Hawaiian ancestry.
- Fielded inquiries from around the world via e-mail, telephone, mail, and the OHA website as well as from walk-in visitors at all OHA statewide offices, resulting in 2,513 newly issued ancestry verification color photo cards.

### COMMUNITY CONSULTATION NETWORK

- Launched its new electronic outreach tool, CCN video conferencing, one component of the larger Community Consultation Network of OHA. The inaugural CCN video conference connected OHA with over 300 attendees at the Association of Hawaiian Civic Clubs Annual Convention on Kaua'i in October 2008. Since its launch, video conferences have allowed HG to reach out to Hawaiians living in Hawai'i and across the continent.

### OTHER OUTREACH ACTIVITIES

- Partnered with Hawaiian community organizations in January to put on the "Kū I Ka Pono" march and rally in Waikiki to raise public awareness and support of the critical issue of selling crown lands.
- Coordinated an "OHA Comes to Your Community" event over two days in January at Windward Mall on O'ahu.
- In a unified effort, HG partnered with various community entities to organize a nation-wide Kūkulu Kumuhana on February 25, 2009, the day the U.S. Supreme Court heard the ceded lands case.

## HEALTH, HUMAN SERVICES, AND HOUSING

John P. Alalamodin, Director

### HALE MISSION

The Health, Human Services, and Housing Hale (HSH) is comprised of three disciplines that seek to work in partnership with community organizations committed to the betterment of conditions impacting Native Hawaiians through program and policy initiatives in health, human services, and housing.

### STRATEGIC PLAN GOALS ADDRESSED/NEEDS SERVED

In order to address OHA Strategic Plan goals for health (Goal 10), human services (Goal 8), and housing (Goal 9), the HSH Hale encompasses three disciplines: Health, Human Services, and Housing.

### HEALTH MISSION

The mission of OHA's health discipline is to improve the health of the Native Hawaiian population.

### NEEDS SERVED

The health staff represents OHA in its seat as a member of the Native Hawaiian Board of Health with Papa Ola Lōkahi and supported advocacy and capacity-building efforts for a comprehensive plan developed by Papa Ola Lōkahi, the Native Hawaiian Health Care Systems, and the Community Health Centers to facilitate the delivery of health services pursuant to the Native Hawaiian Health Care Improvement Act. Additional partnerships will be developed with other public and private agencies engaged in the health and wellness of Native Hawaiians.

### HUMAN SERVICES MISSION

The mission of OHA's Human Services program is to better the social conditions of Native Hawaiian beneficiaries by enhancing access to resources, information, and services through advocacy, technical assistance, and financial support to Hawaiian agencies and other direct service providers.

### NEEDS SERVED

Human Services staff engaged in a range of activities that address the social needs of Native Hawaiians, including funding and monitoring social programs, beneficiary advocacy, capacity building of direct service community organizations, legislative and governmental policy reform, and participation in state and federally funded coalitions and task forces.

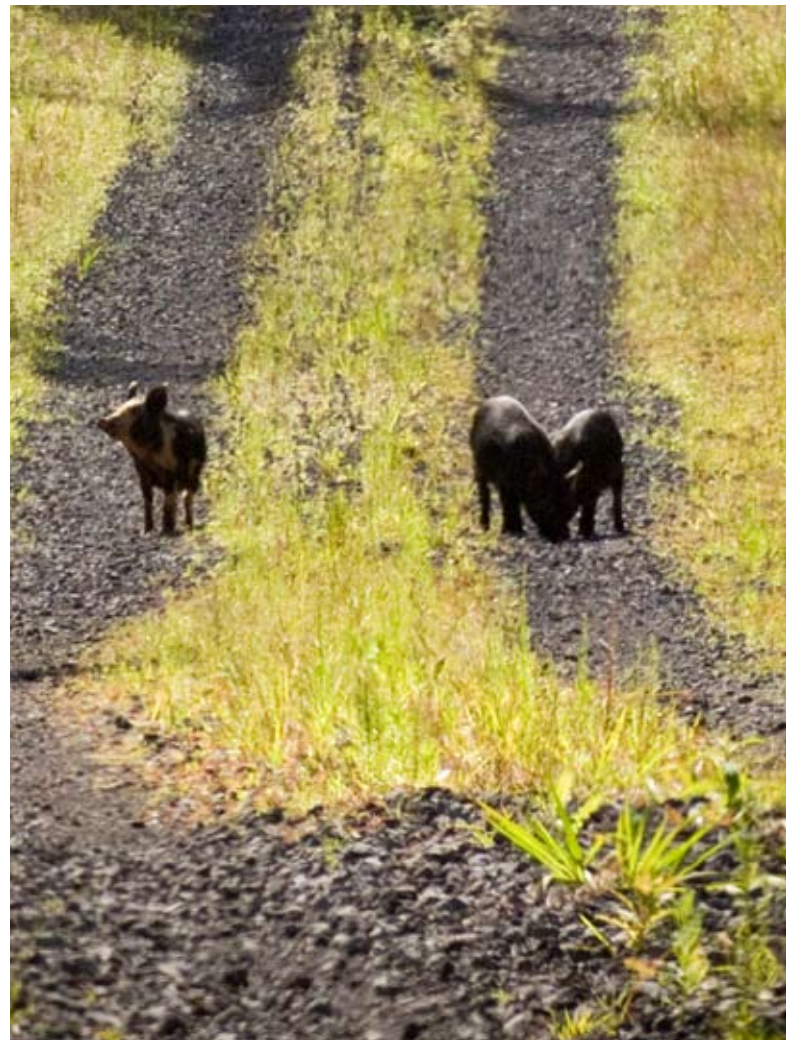
### HOUSING MISSION

The Housing section works cooperatively with others to achieve equality in living standards for Native Hawaiians building or rebuilding healthy, self-sufficient Native Hawaiian communities. This includes the planning and implementation of programs that foster the development of safe, decent, and affordable housing for Native Hawaiians.

### NEEDS SERVED

OHA's housing programs focus on providing home ownership opportunities that particularly fit the needs of Native Hawaiian families. Due to the changing nature of the housing market, OHA also cooperated with agencies and organizations that address other housing-related issues, including affordable rentals, homelessness, transitional housing, and creative financing.

Research and planning activities continued with the adoption of the OHA Housing Plan and Strategy in 2009. Program and policy development will be framed to develop multiple pathways to help Hawaiian families with financial literacy and asset building, increased access to affordable rentals, and opportunities to qualify for first-time home ownership.



Both plants and animals – like these pua'a – thrive in the lush forest that is Wao Kele o Puna, the delicate ecosystem to be protected for generations to come by the Office of Hawaiian Affairs.



## PLANNING, RESEARCH, AND EVALUATION

Martha Ross, Director

### MISSION

The Planning, Research, and Evaluation Hale is responsible for improving the efficiency and effectiveness of OHA programs and operations by administering a strategic planning process, detailing a comprehensive research program and an evaluation process based on sound evaluation and reporting principles to monitor progress toward achieving OHA's goals and mission.

### FY-09 HIGHLIGHTS

- Assisted OHA Administrator, Special Assistant to the Administrator, Steering Committee, Consultants and Trustees to produce OHA's Strategic Plan 2010-2016, with key planning aspects as requested. Key aspects of development of the strategic plan included:
  - gathering and analyzing Hawaiian and general community input on Hawaiian issues and priorities, as well as OHA internal input;
  - recommending OHA strategic priorities for ultimate review and approval by Trustees;
  - recommending strategic results for ultimate review and approval by Trustees;
  - and planning for organization realignment to achieve strategic results.
- Expanded efforts to hire a Researcher to complete OHA Data Book and assist with research needs relative to quantifying strategic results, identifying existing demographics and baseline data and recommending need for additional data collection and research.
- Revised the process of collecting monthly reports on OHA progress in achieving OHA's mission.
- Assessed current staffing capacity and gathered OHA staff mana'o regarding research and evaluation to determine future training, as well as research, evaluation, and data needs.

The 'ie'ie commonly winds its way up the 'ōhi'a, an example of the interdependency of the Hawaiian forest. The plants of the forest depend on each other for survival. We depend on the forest for its resources.





## NATIVE RIGHTS, LAND, AND CULTURE

Kai Markell, Director

### MISSION

The Native Rights, Land, and Culture Hale advocates for the rights, land preservation, and culture of the Native Hawaiian community at the international, federal, state and local county levels.

### FY-09 HIGHLIGHTS

- Monitored approximately 350 legislative bills and provided more than 175 submissions of testimony on a wide variety of Native Hawaiian traditional and cultural rights issues, natural resources topics that directly impact upon Native Hawaiians, historic and land preservation, and ocean and water issues.
- Assisted beneficiaries with inquiries about topics as diverse as burials on private lands, baby names, blessings, boundary disputes, genealogy, cultural practices, monk seals, quiet title action, reinterment of iwi kūpuna, trail access, and lawsuits.
- Coordinated, completed, and began implementation of the Papahānaumokuākea Marine National Monument Management Plan (5 volumes for 15 years), which completed the nomination of Papahānaumokuākea to the United Nations' World Heritage List. Also produced a cultural briefing video for all those allowed access to the monument, and administered the Native Hawaiian Cultural Working Group.
- Through the Ocean Resources Management Plan working group, assisted in creating *A Framework for Climate Change Adaptation in Hawai'i*, a collaborative effort designed to prepare for the impacts of climate change to better withstand its negative impacts, while also taking advantage of positive opportunities such as partnerships.
- Assisted in the member selection and developed the operational structure of the Taro Security and Purity Task Force and facilitated 17 task force meetings.
- Responded to 300 inquiries regarding the kuleana tax exemption and survey. OHA provided crucial testimony and statistics to assist in the passing of this kuleana tax exemption for the City and County of Honolulu as well as Hawai'i, Maui, and Kaua'i Counties.
- Implemented the Wahi Pana Database, uploading over 500 documents and creating over 2,000 records, including Environmental Assessments, Environmental Impact Studies, Cultural Impact Statements, and other related documentation. Research continues into cultural history, legends, people, sites, and other factors that will add layers of significant historic information to the database.
- Processed 1,174 compliance letters, related but not limited to: archaeological finds; building permits; burial issues; cultural, land, and water surveys; and water and land zoning codes. The compliance letters were sent to federal, state, and county governments and other agencies.
- Conducted 50 days of archaeological surveys in areas to be utilized by the Stryker Brigade, identifying 102 new archaeological site features and 20 traditional Hawaiian artifacts on O'ahu and Hawai'i.
- Assisted in the implementation of the Native Hawaiian Cultural Communications Course at Marine Corps Base Hawai'i, intended to generate a better understanding of Hawaiian history and traditional cultural values to facilitate more effective communication and consultation by the Department of Defense in Hawai'i.
- Participated in boards and advisory groups, including the Ka'ena Point Advisory Group, Kāne'ohe Bay Regional Council, Hawai'i Board of Geographic Names, Hawai'i Tourism Authority Native Hawaiian Advisory Council, and the Lāna'i Archeological Committee.
- Continued facilitation of the Native Hawaiian Historic Preservation Council. Issues reviewed by the council this year included iwi kūpuna finds, salt ponds, heiau destruction and restoration, genetically modified kalo and coffee, bio-control of invasive species, fishing and camping rights, and planning for the future of Kalaupapa.

## GOVERNMENT RELATIONS AND LEGISLATIVE AFFAIRS

Ronald B. Mun, Deputy Administrator



Liko lehua are often joined by other native plants from the forest in beautiful lei, celebrating milestones in life. Every day is a celebration for Wao Kele o Puna, protected in perpetuity from development.

### MISSION

The Government Relations and Legislative Affairs (GRLA) Division is responsible for the promotion, protection, and advocacy of Native Hawaiian rights and entitlements at the federal, state, and county levels.

### FY-09 HIGHLIGHTS

- Compiled OHA's legislative package, which consisted of 19 bills addressing issues of importance to Native Hawaiians, including the OHA biennial budget, OHA revenue bonds, Public Trust payments, ceded lands moratorium, Native Hawaiian Homelessness Task Force, taro issues, Native Hawaiian 'Aha Kiole Advisory Committee, Mākua Valley Reserve Commission, University of Hawai'i tuition waivers, Native Hawaiian building code, historic preservation proposals, commercial uses of property rights, child welfare "caregiver" and "safe home" designation, study of disparate treatment of Hawaiians in the criminal justice system, State Parks education and community-based caretaking, affirming the descendants of the races inhabiting the Hawaiian Islands, Campus Homeless Resource Center, and administrative rules relating to camping at State Parks.
- Held a Native Hawaiian "think tank" and a stakeholders meeting of individuals from the Ali'i trusts and sister organizations to provide input for the OHA 2009 legislative package and related activities.
- Held annual legislative luncheon to brief more than 200 state lawmakers and staff members on the OHA legislative package.
- Reviewed over 3,500 Senate and House bills and resolutions and identified 510 bills that impacted our beneficiaries. The legislative activities of GRLA were summarized in the OHA 2009 Legislative Report, which will be available at oha.org.
- Reviewed and researched numerous proposed federal bills and regulations as OHA continued to voice strong support for the Native Hawaiian Government Reorganization Act of 2009 (S. 1011/H.R. 2314).
- Advocated for a kuleana land real property tax exemption in the County of Maui. Due to OHA's advocacy, the City and County of Honolulu and Hawai'i, Kaua'i, and Maui Counties have enacted such exemptions.
- Provided content and technical coordination for 24 episodes of OHA's award-winning roundtable television production *Ho'oulu Lāhui Aloha – To Build a Beloved Nation*, which airs weekly on 'Ōlelo Community Television and is also distributed to stations on the neighbor islands and the continental U.S. In FY-09, 'Ōlelo once again honored *Ho'oulu Lāhui Aloha* with the award for the best Native Hawaiian series.
- Produced 12 two-hour segments for OHA's radio show *Na 'Ōiwi 'Ōlino – People Seeking Wisdom*, which airs statewide Monday through Friday morning highlighting members of the State Senate and House and members of the Hawai'i Congressional Delegation.

## OFFICE OF BOARD SERVICES


Dean Mark Sr., Director

### MISSION

The Office of Board Services (OBS) works to improve the efficiency and effectiveness of OHA policymaking, programs, and operations, and manages information needed to reach decisions that lead to the achievement of OHA's mission and goals.

### FY-09 HIGHLIGHTS

- Organized and facilitated the 2008 Investiture and State of OHA Address at Central Union Church. This outreach event, which called on the community to “Pūpūkahi I Holomua – Unite to Move Forward” by Chairperson Haunani Apoliona, was broadcast on ‘Ōlelo Community Television, Pacific Network TV and on AM 940 Hawai‘i.
- Facilitated 38 meetings of the Board of Trustees, 24 meetings of the Beneficiary Advocacy and Empowerment Committee, 12 meetings of the Asset and Resource Management Committee, and 5 joint committee meetings throughout the community on all major neighbor islands.
- Serviced and referred 29,976 beneficiary walk-in, telephone, and e-mail requests for assistance.
- Responded to 3,303 facilities, maintenance, and equipment service request in direct support of over 150 OHA staff, including 6 neighbor island offices. The overall maintenance response time decreased to under 4 hours, minimizing operational work stoppage and delays in beneficiary service.
- Processed and delivered 26,110 pieces of mail through our comprehensive postage courier system.
- Records Management reduced amount of records stored to 746 boxes, which provided significant cost savings.
- Coordinated and facilitated the relocations of the Hālawā Luluku Interpretive Development Office, Kaua‘i Community Resource Center, and Maui Community Resource Center for cost savings purposes.
- Reduced OBS spending by 10%.



The hāpu‘u is a very hardy plant. When it does fall, new hāpu‘u grow out of the trunk on the forest floor. Like the hāpu‘u, Hawaiian forests are extremely resilient – however, they do need to be protected from overuse and development.



## PUBLIC INFORMATION OFFICE

Crystal Kua, Director of Communications

These lehua blossoms found in Wao Kele o Puna, will lend its nectar to a native bird, which will fly on to keep the forest growing.

### MISSION

The Public Information Office (PIO) serves the communications, publications, graphic design, public relations, multimedia production, and information needs of OHA. PIO coordinates the dissemination of information about OHA programs, policies, and general activities to the public through various print, electronic, and broadcast media.

### FY-09 HIGHLIGHTS

- Administered and coordinated *Nā 'Ōiwi 'Ōlino*, a weekday morning radio show covering issues facing the Native Hawaiian community and the general public. The show airs on AM 850 in Hilo, AM 790 in Kona, AM 900 on Maui, AM 940 on O'ahu, and online worldwide at [am940hawaii.com](http://am940hawaii.com).
- Added a third host to *Nā 'Ōiwi 'Ōlino* and began broadcasting two days of the week from a studio in Hilo.
- Conducted remote broadcasts of *Nā 'Ōiwi 'Ōlino* from the Association of Hawaiian Civic Clubs Convention on Kaua'i, the Merrie Monarch Festival in Hilo, and the opening of the State Legislature in Honolulu.
- Redesigned, produced, and coordinated distribution of 12 issues of *Ka Wai Ola*. The free newspaper's circulation of 59,000 includes roughly 36,500 recipients on O'ahu, 18,000 on the neighbor islands, and 4,500 on the U.S. continent.
- Produced special *Ka Wai Ola* sections for the 2008 elections and the U.S. Supreme Court ceded lands hearing.
- Launched *Ka Wai Ola Loa*, an electronic mid-month edition of *Ka Wai Ola* that leverages the possibilities of the Internet and delivers the very latest in Native Hawaiian news. Produced 7 issues.
- Created the 2008 OHA Annual Report, calendar, and greeting card with the artistic theme "Ola Ka 'Ōlelo Hawai'i – The Hawaiian Language Lives," featuring images illustrating OHA's values photographed by Arna Johnson.
- Assisted the Grants division in the production of the 2008 Grants Report.
- In collaboration with volunteers from other OHA divisions, PIO produced and directed *Ho'oulu Lāhui Aloha* roundtable discussion programs for 'Ōlelo Community Television, with content coordination provided by the GRLA division. The program airs weekly on NATV Channel 53.
- Produced new television commercials to promote *Ka Wai Ola*, *Ka Wai Ola Loa*, and *Nā 'Ōiwi 'Ōlino*.
- Organized news conferences in Hawai'i and in Washington, D.C., media appearances, and communications strategies surrounding the U.S. Supreme Court decision on ceded lands.
- Produced TV broadcast of a one-hour panel discussion special on KITV on U.S. Supreme Court case on ceded lands.
- Assisted OHA divisions in organizing Kūkulu Kumuhana events to support a favorable outcome in the U.S. Supreme Court ceded lands case.
- Supported advertising sponsorship of major events, including the Queen Lili'uokalani Keiki Hula Competition, Merrie Monarch Hula Festival, the Kamehameha Schools Song Contest, and Nā Hōkū Hanohano Awards.
- Coordinated major sponsorship of *'Āha'i 'Ōlelo Ola*, the television news magazine show broadcast in 'ōlelo Hawai'i on KGMB.
- Organized news conferences and issued dozens of press releases, newspaper opinion pieces, and letters-to-the-editors.
- Produced a broad variety of fliers, business cards, brochures, and other products.

OFFICE OF HAWAIIAN AFFAIRS

# 2009 UNAUDITED FINANCIAL STATEMENTS

The following financial statements for the fiscal year beginning July 1, 2008, and ending June 30, 2009, were prepared internally by the Office of Hawaiian Affairs and were not reviewed by any external auditor. OHA makes no representations as to the accuracy of these financial statements. When audited financial statements become available, they will be printed in *Ka Wai Ola* and available online at [oha.org](http://oha.org).

**2009 UNAUDITED FINANCIAL STATEMENTS**  
**GOVERNMENTAL FUNDS - BALANCE SHEET/GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
June 30, 2009

ASSETS	GOVERNMENTAL FUNDS						ADJUSTMENTS	GOVERNMENT-WIDE STATEMENT OF NET ASSET
	GENERAL FUND	PUBLIC LAND TRUST	FEDERAL GRANTS	OTHER	HI'ILEI ALOHA	TOTAL		
Petty cash	\$ -	\$ 600	\$ -	\$ -	\$ 3,100	\$ 3,700	\$ -	\$ 3,700
Cash in State Treasury	538,146	2,909,922	-	-	-	3,448,068	-	3,448,068
Cash in banks	-	4,260,124	1,276,249	410,121	286,965	6,233,459	-	6,233,459
Cash held by investment manager	-	5,646,448	5,128,078	-	-	10,774,526	-	10,774,526
Accounts receivable	-	957,911	172,798	8,529	78,886	1,218,124	-	1,218,124
Interest and dividends receivable	-	133,805	111,675	-	-	245,480	-	245,480
Inventory, prepaid items and other assets	62,203	496,333	14,967	-	116,090	689,593	-	689,593
Interfund balance	-	(21,344)	21,344	-	-	-	-	-
Notes receivable - due within one year	-	580,162	1,647,517	-	-	2,227,679	-	2,227,679
Notes receivable - due after one year	-	3,975,198	6,437,371	-	-	10,412,569	-	10,412,569
Security deposits	-	605	-	-	973	1,578	-	1,578
Investments	-	295,205,399	13,875,454	-	-	309,080,853	-	309,080,853
Capital assets - net	-	-	-	-	-	-	27,176,212	27,176,212
<b>TOTAL</b>	<b>\$600,349</b>	<b>\$314,145,163</b>	<b>\$28,685,453</b>	<b>\$418,650</b>	<b>\$486,014</b>	<b>\$344,335,629</b>	<b>\$27,176,212</b>	<b>\$371,511,841</b>



**2009 UNAUDITED FINANCIAL STATEMENTS**  
**GOVERNMENTAL FUNDS - BALANCE SHEET/GOVERNMENT-WIDE STATEMENT OF NET ASSETS (continued)**  
June 30, 2009

LIABILITIES AND FUND BALANCES/NET ASSETS	GOVERNMENTAL FUNDS						ADJUST- MENTS	GOVERNMENT- WIDE STATEMENT OF NET ASSETS
	GENERAL FUND	PUBLIC LAND TRUST	FEDERAL GRANTS	OTHER	HI'ILEI ALOHA	TOTAL		
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	\$ 289,446	\$ 4,993,489	\$ 151,088	\$ -	\$ 238,462	\$ 5,672,485	\$ -	\$ 5,672,485
Due to State of Hawai'i	-	6,030	83,150	-	-	89,180	-	89,180
Long-term liabilities:								
Due within one year	-	-	-	-	-	-	588,598	588,598
Due after one year	-	-	-	-	-	-	1,942,911	1,942,911
<b>TOTAL LIABILITIES</b>	<b>289,446</b>	<b>4,999,519</b>	<b>234,238</b>	<b>-</b>	<b>238,462</b>	<b>5,761,665</b>	<b>2,531,509</b>	<b>8,293,174</b>
<b>FUND BALANCES/NET ASSETS</b>								
Fund balances								
Reserved for encumbrances	313,471	11,199,698	213,332	-	-	11,726,501	(11,726,501)	-
Reserved for notes receivable	-	4,555,360	8,084,888	-	-	12,640,248	(12,640,248)	-
Reserved for prepaid expenses and security deposits	62,203	496,938	14,967	-	-	574,108	(574,108)	-
Fiscal reserve	-	14,711,732	-	-	-	14,711,732	(14,711,732)	-
Unreserved								
Designated for debt service for DHHL-issued revenue bonds	-	87,000,000	-	-	-	87,000,000	(87,000,000)	-
Designated for Native Hawaiian revolving loans	-	-	13,875,454	-	-	13,875,454	(13,875,454)	-
Designated for Fannie Mae Loan Program	-	34,826	-	-	-	34,826	(34,826)	-
Designated for other grants	-	-	29,419	-	-	29,419	(29,419)	-
Designated for Hawaiian projects	-	-	-	410,121	-	410,121	(410,121)	-
Designated for subsequent year's expenditures	-	7,562,681	-	-	-	7,562,681	(7,562,681)	-
Undesignated	(64,771)	183,584,409	6,233,155	8,529	247,552	190,008,874	(190,008,874)	-
<b>TOTAL FUND BALANCES</b>	<b>310,903</b>	<b>309,145,644</b>	<b>28,451,215</b>	<b>418,650</b>	<b>247,552</b>	<b>338,573,964</b>	<b>(338,573,964)</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 600,349</b>	<b>\$ 314,145,163</b>	<b>\$ 28,685,453</b>	<b>\$ 418,650</b>	<b>\$ 486,014</b>	<b>\$ 344,335,629</b>		
<b>Net assets</b>								
Invested in capital assets, net of related debt							26,965,503	26,965,503
Restricted - federal funds							28,451,215	28,451,215
Unrestricted							307,801,949	307,801,949
<b>TOTAL NET ASSETS</b>							<b>\$ 363,218,667</b>	<b>\$ 363,218,667</b>

**2009 UNAUDITED FINANCIAL STATEMENTS**  
**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES/**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

Year ended June 30, 2009

	GOVERNMENTAL FUNDS						ADJUST- MENTS	GOVERNMENT- WIDE STATEMENT OF ACTIVITIES
	GENERAL FUND	PUBLIC LAND TRUST	FEDERAL GRANTS	OTHER	HI'ILEI ALOHA	TOTAL		
<b>Expenditures/expenses</b>								
<b>Current divisions:</b>								
Board of Trustees	\$ 41,220	\$ 1,881,983	\$ -	\$ -	\$ -	\$ 1,923,203	\$ 33,227	\$ 1,956,430
Support services	1,128,861	17,472,396	34,445	40,049	-	18,675,751	(58,304)	18,617,447
Beneficiary advocacy	2,151,223	19,688,093	1,075,030	-	-	22,914,346	73,113	22,987,459
Depreciation	-	-	-	-	-	-	370,076	370,076
Hi'ilei Aloha LLC	-	-	-	-	17,667,195	17,667,195	(14,631,249)	3,035,946
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>3,321,304</b>	<b>39,042,472</b>	<b>1,109,475</b>	<b>40,049</b>	<b>17,667,195</b>	<b>61,180,495</b>	<b>(14,213,137)</b>	<b>46,967,358</b>
<b>Program revenues</b>								
Charges for services	-	-	573,560	-	-	573,560	-	573,560
Operating grants	-	-	378,032	-	-	378,032	-	378,032
Interest and investment earnings	-	-	706,263	59,294	-	765,557	-	765,557
<b>TOTAL PROGRAM REVENUES</b>	<b>-</b>	<b>-</b>	<b>1,657,855</b>	<b>59,294</b>	<b>-</b>	<b>1,717,149</b>	<b>-</b>	<b>1,717,149</b>
<b>NET PROGRAM (EXPENSES) REVENUE</b>	<b>(3,321,304)</b>	<b>(39,042,472)</b>	<b>548,380</b>	<b>19,245</b>	<b>(17,667,195)</b>	<b>(59,463,346)</b>	<b>14,213,137</b>	<b>(45,250,209)</b>
<b>General revenues</b>								
Appropriations, net of lapses	2,965,721	-	-	-	-	2,965,721	-	2,965,721
Public land trust	-	15,100,000	-	-	-	15,100,000	-	15,100,000
Interest and investment (losses) earnings	-	(73,639,530)	-	-	5,012	(73,634,518)	-	(73,634,518)
Newspaper advertisements	-	-	-	99,418	-	99,418	-	99,418
Donations and other	-	422,130	-	5,201	1,027,039	1,454,370	-	1,454,370
Non-imposed fringe benefits	232,384	-	-	-	-	232,384	-	232,384
<b>TOTAL GENERAL REVENUES</b>	<b>3,198,105</b>	<b>(58,117,400)</b>	<b>-</b>	<b>104,619</b>	<b>1,032,051</b>	<b>(53,782,625)</b>	<b>-</b>	<b>(53,782,625)</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ (123,199)</b>	<b>\$ (97,159,872)</b>	<b>\$ 548,380</b>	<b>\$ 123,864</b>	<b>\$ (16,635,144)</b>	<b>\$(113,245,971)</b>	<b>\$ 14,213,137</b>	<b>\$ (99,032,834)</b>
<b>Other financing sources (uses)</b>								
Net transfers (to) from other funds	3,077	(614,404)	(8,734)	(712,800)	16,830,756	15,497,895		15,497,895
<b>NET CHANGE IN FUND BALANCE/NET ASSETS</b>	<b>(120,122)</b>	<b>(97,774,276)</b>	<b>539,646</b>	<b>(588,936)</b>	<b>195,612</b>	<b>(97,748,076)</b>	<b>14,213,137</b>	<b>(83,534,939)</b>
<b>Fund balance/net assets</b>								
Beginning of year	431,025	406,919,920	27,911,569	1,007,586	51,940	436,322,040	10,431,566	446,753,606
<b>END OF YEAR</b>	<b>\$ 310,903</b>	<b>\$ 309,145,644</b>	<b>\$ 28,451,215</b>	<b>\$ 418,650</b>	<b>\$ 247,552</b>	<b>\$ 338,573,964</b>	<b>\$ 24,644,703</b>	<b>\$ 363,218,667</b>







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