

Mana i Mauli Ola

OHA's 15-YEAR STRATEGIC PLAN
FOR 2020-2035



Fiscal Year 2022 and 2023 Preliminary Biennium Budget For Community Input



Executive Summary

The year 2020 saw the adoption of the Office of Hawaiian Affairs’ (OHA) new Strategic Plan, entitled Mana i Maui Ola (Strength to Wellbeing). This plan includes three foundations: ‘Ohana (family), Mo‘omeheu (culture), and ‘Āina (land and water). OHA recognizes these foundations have the power to affect the wellbeing of Native Hawaiians. Therefore, they are woven into OHA’s plans to affect change in the areas of education, health, housing, and economics. Over the next 15 years, OHA will be implementing strategies, aligned with our foundations and directions to achieve our envisioned outcomes for a thriving and abundant lāhui.

The Fiscal Years 2022-2023 biennium core budget is the financial expression of OHA’s plans to implement this Strategic Plan and includes aligned spending priorities and contributing funding sources. The spending priorities for this biennium are to **Increase Beneficiary and Community Investments** to support Native Hawaiian ‘ohana and communities; and to **Streamline & Refocus Personnel and Contracts** to provide beneficiary services in communities and affect systemic policy change. Therefore, annual Beneficiary and Community Investments budget (previously referred to as OHA’s “grants” budget) is increased to \$15.1 million, which now represents the largest share of OHA’s core operating budget and is equal to OHA’s current funding from the Public Land Trust Revenues.

OHA’s funding sources dictate the financial resources available to implement Mana i Maui Ola, and annually include: 5% of the Native Hawaiian Trust Fund investment portfolio; a fixed \$15.1 million of Public Land Trust revenues; appropriations of State of Hawai‘i general fund which have decreased to \$2.25 million; and Kaka‘ako Makai’s resource allocation estimated at \$1.4 million. As OHA is able to increase these sources, so to will the services to Native Hawaiian beneficiaries be able to be expanded.



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Purpose



The purpose of this document is to explain more about OHA and its proposed budget for the next two years. OHA acknowledges its accountability to beneficiaries and communities, therefore, provides this explanation of the preliminary biennium budget for Fiscal Year (FY) 2022 and 2023. This description is part of OHA's community input phase and will allow greater accessibility, transparency and detailed level of information to beneficiaries.

Questions and comments are important and OHA welcomes them. This feedback will serve as an assessment of the preliminary budget and may inform revisions prior to Board action.

Please send your questions and comments to ohabudget@oha.org or visit www.oha.org/budget for more information.

The Office of Hawaiian Affairs

OHA grew out of organized efforts in the 1970s to right past wrongs suffered by Native Hawaiians for over 100 years. Hawaiians' newfound activism brought their plight to the consciousness of the general public, leading grassroots leaders to propose that income from land taken from the illegal overthrow of the Hawaiian Kingdom be used to benefit Hawaiians. After voters of all backgrounds agreed, OHA was born in 1978.

Nu'ukia (Vision)

Ho'oulu Lāhui Aloha - To Raise a Beloved Lāhui

He 'ōlelo mākia 'o "Ho'oulu Lāhui" na ke Ali'i Nui Kalākaua; a he kia ho'omana'o 'o "Aloha" no ko ke Ali'i Nui Lili'uokalani 'ano kū a mau.

"Ho'oulu Lāhui" was King Kalākaua's motto. Aloha expresses the high values of Queen Lili'uokalani.

Ala Nu'ukia (Mission)

E ho'omalua i ko Hawai'i kanaka me ona mau waiwai honua a pau – pau pū nō me ko ke Ke'ena mau waiwai lewa me nā waiwai pa'a iho nō – e ō aku ai ka nohona mo'omeheu, e 'oi aku ai ka nohona kū i ka wā, a e malu iho ai ka nohona welo ho'oilina ma ka mea e ho'olaupa'i mau a'e ai he lāhui lamalama i 'ike 'ia kona kanaka mai 'ō a 'ō o ka poepoe honua nei he kanaka ehuehu, he kanaka ho'ohuliāmahi, he kanaka Hawai'i.

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 lāhui, recognized nationally and internationally.



Governance Structure



The Office of Hawaiian Affairs is a public agency with a high degree of autonomy, principally responsible for the betterment of conditions of Native Hawaiians. OHA is governed by a Board of Trustees (BOT) made up of nine (9) members who are elected statewide to serve four-year terms, setting policy for the agency. The agency is administered by a Chief Executive Officer (Ka Pouhana) who is appointed by the BOT to oversee operations, including staffing.

Board of Trustees

Four of the nine positions on the Board are designated as at-large seats representing the state as whole, while the five other trustees represent each of the following districts: Hawai'i Island, Maui, Moloka'i and Lāna'i, O'ahu, and Kaua'i and Ni'ihau. While there are residency requirements for candidates seeking the district seats, all voters statewide are permitted to vote in each of the OHA races.

The BOT is responsible for setting OHA policy and determining the strategies of the agency's trust. Prior to COVID-19 restrictions, the Board met regularly at the agency's headquarters in Honolulu, and at least once annually on each of the major islands. Board meetings are currently held virtually, and proceedings live streamed.

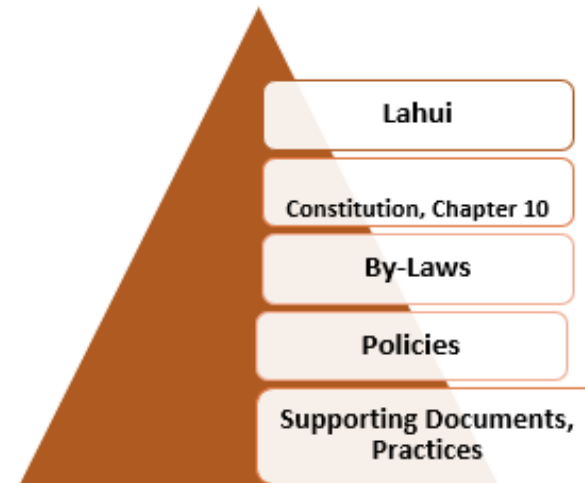
Each of the trustees sits on the Board's two standing committees: Resource Management (RM) and Beneficiary Advocacy and Empowerment (BAE).

The RM Committee handles all fiscal and budgetary matters and ensures proper management, planning, evaluation, investment and use of OHA's trust funds, including policies, related to land use, native rights and natural and cultural resources.

The BAE Committee focuses on the agency's legislative and advocacy efforts, that encourage Hawaiians to participate in governance; as well as programs that address issues relating to beneficiary health, human services, economic stability, education, housing, environment and natural resources.

The RM and BAE Committees convene regularly and approve actions and recommendations that are forwarded to the full Board for consideration and action.

In April 2019, the BOT approved a new Board Governance Framework to better align the establishment of policies and related decision making. The new Board Governance Framework articulates OHA's dual identity as an organization serving the lāhui, balanced with its legal mandates as a state agency, its fiduciary duties as a trust, and its operating values, policies and practices.



Board Governance Framework



Operating Structure



Pending the Board of Trustee’s approval, OHA is currently undergoing a process of proposing a reduction and realignment of the number of full-time organization wide positions (from 179 to 153) to better align the organization to the implementation of its new Mana i Maui Ola Strategic Plan. The reorganization considers several design elements including increasing beneficiary and community centric operations, and operationalizing public policy orientations and advocacy.

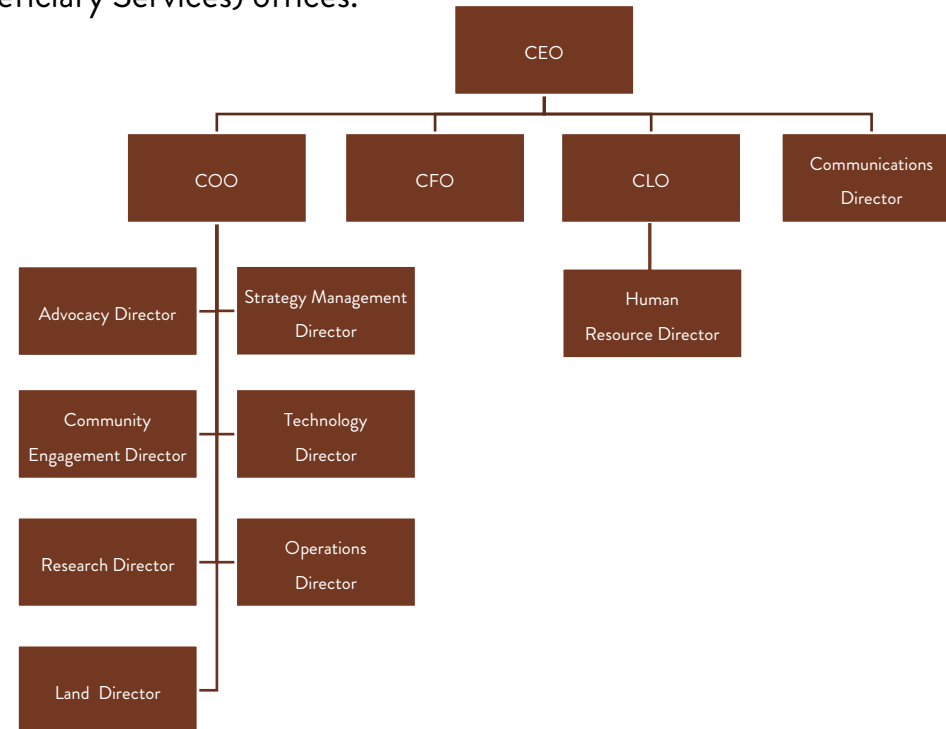
Executive Leadership Team

Five executives currently make up the administrative leadership at the Office of Hawaiian Affairs. OHA’s Executive Leadership Team provides the authority needed to guide the implementation of the strategic direction of the organization. This team is led by a Chief Executive Officer (CEO), who is appointed by the Board of Trustees. The CEO selects the other members of the executive team, which include the Chief Operating Officer (COO), the Chief Financial Officer (CFO), Chief Legal Officer (CLO) and the Human Resources Director.

Ka 'Aha

The Executive Leadership Team will be supported by the proposed restructured Ka 'Aha Team, which will be comprised of eight directors, seven of whom will report to the COO and the Communications Director, who will report to the CEO. Together, OHA leadership works as a team to bring the right combination of staff skills, experiences and leadership to implement policies, perform various operational functions, and help OHA achieve its goals.

Under the responsibilities of the COO, four divisions or paia, including Advocacy, Community Engagement, Research, and Land Assets, engage most directly with beneficiaries and communities. Strategy Management, Technology, and the newly proposed Operations and Communications offices, provide internal infrastructure and maximize beneficiary services and strategically affect systemic policy change. The following chart represents the current leadership structure, plus the proposed creation and addition of the Operations and Communications (including Beneficiary Services) offices.

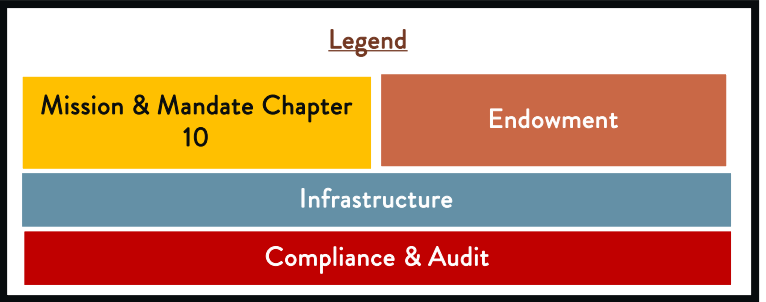
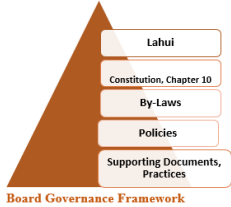
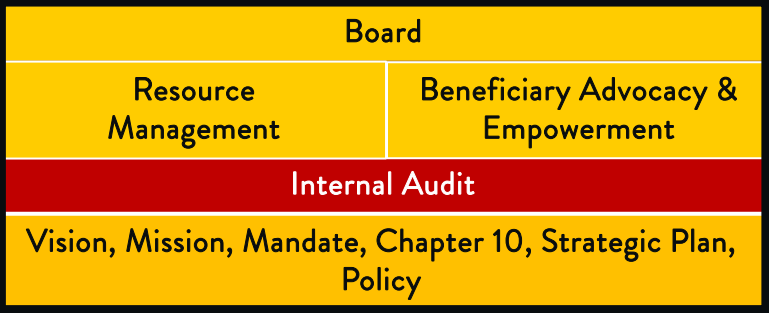


Functional Structure

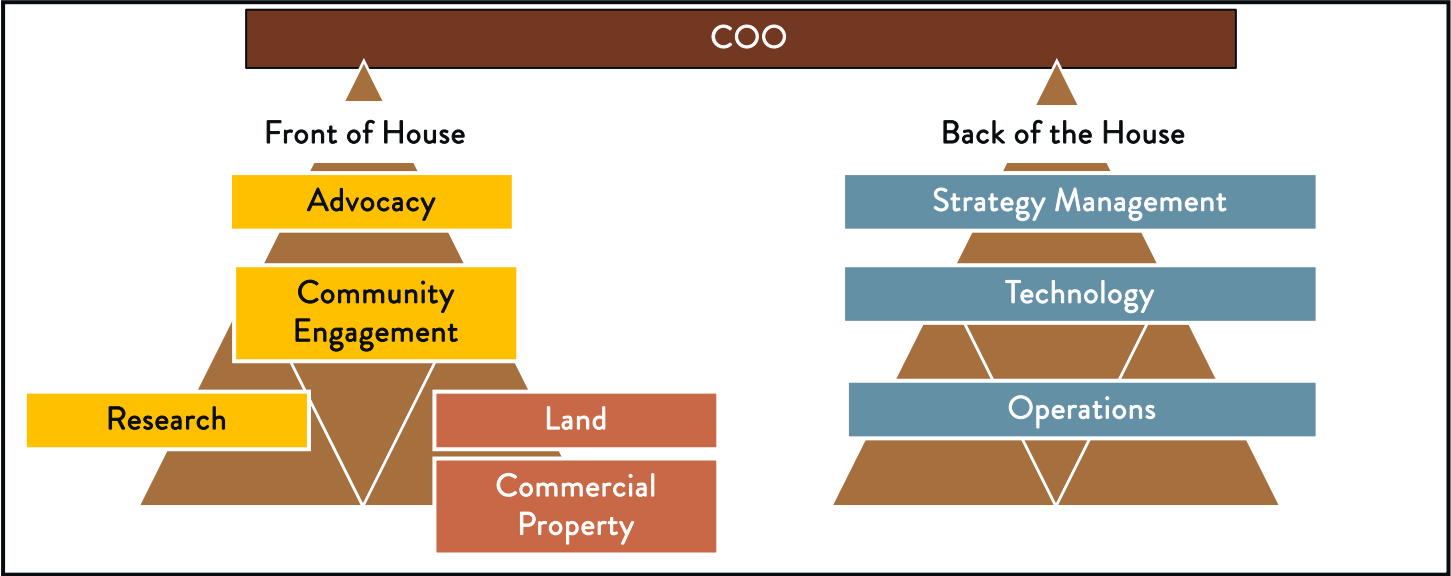


Functional Org Chart

The following functional organization chart represents the current placement and structure of OHA’s functions, plus the addition of internal audit; beneficiary services; communications; and policy, compliance & contract management functions, which are pending approval of OHA’s Board of Trustees.



Note. For the purposes of OHA's structure, the terms "function" and "functional" are used both as a noun and a verb to describe purposes, operations, parts that contribute to whole.



Mana i Maui Ola: OHA's 15-Year Strategic Plan For 2020-2035



OHA's Strategic Plan "Mana i Maui Ola" (Strength to Wellbeing) includes three foundations: 'Ohana (family), Mo'omeheu (culture), and 'Āina (land and water). OHA recognizes these foundations have the power to affect the wellbeing of Native Hawaiians. Therefore, they are woven into OHA's plans to affect change in the areas of education, health, housing, and economics. These four directions will be used to guide OHA's work to better the conditions of Native Hawaiians.

Over the next 15 years, OHA will be implementing eight (8) external strategies (at right), aligned with our foundations and directions to achieve our envisioned outcomes for a thriving and abundant lāhui.



Direction: Educational Pathways

STRATEGY 1: Support development and use of educational resources for all Hawaiian lifelong learners in schools, communities and 'ohana.

STRATEGY 2: Support education through Hawaiian language medium and focused Charter Schools.



Direction: Health Outcomes

STRATEGY 3: Advance policies, programs, and practices that strengthen Hawaiian wellbeing, including physical, spiritual, mental and emotional health.

STRATEGY 4: Advance policies, programs and practices that strengthen the health of the 'āina and mo'omeheu.



Direction: Quality Housing

STRATEGY 5: Advance policies, programs and practices that strengthen Hawaiian resource management knowledge and skills to meet the housing needs of their 'ohana.

STRATEGY 6: Support implementation of the Hawaiian Homes Commission Act and other efforts to meet the housing needs of 'ohana.



Direction: Economic Stability

STRATEGY 7: Advance policies, programs and practices that strengthen 'ohana's ability to pursue multiple pathways toward economic stability.

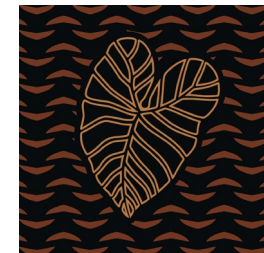
STRATEGY 8: Cultivate economic development in and for Hawaiian communities.



'Ohana



Mo'omeheu



'Āina

Biennium Budget Construction Process



The development of OHA's biennium budget begins with the Strategic Plan. The budget is a financial expression of plans and activities that OHA intends to undertake in the next two fiscal years. These activities are guided by the Strategic Plan and reflect tactical and operational implementation plans and activities. The budget construction starts with all the funding sources available, i.e., a percentage of OHA's Investment Portfolio, Public Land Trust amount, General Funds appropriations, and Commercial Property revenue. These funding sources create the ceiling for budget expenditures. Personnel and non-personnel related budgets are constructed with related assumptions. For non-personnel budgets, recurring expenses, which account for normal on-going operations, are accounted for first. Any remaining identified funds at this stage are to be considered, managed and deployed by the Office of Strategy Management aligned to OHA's Strategic Plan, and related tactical and operational plans and activities (including the operational program unit).

In alignment with Board approved strategies, Administration determines where resources are optimally deployed to achieve strategic and tactical outcomes. Biennial 2022 and 2023 will be the first fiscal period to lay the foundation to implement the Strategic Plan. We are seeking community input on the development of the biennium budget. This step will help to inform Administration of observations and mana'o prior to the submission of the final biennium budget to the Board of Trustees for action in June 2021.

Please send questions and comments to ohabudget@oha.org or visit www.oha.org/budget for more information.



Spending Priorities



As part of the budget construction process, the Executive Leadership Team balances the budget based upon the following priorities and constraints.

For this biennium period, OHA identified two primary spending priorities needed to implement the new Strategic Plan, Mana i Maui Ola. These priorities include:

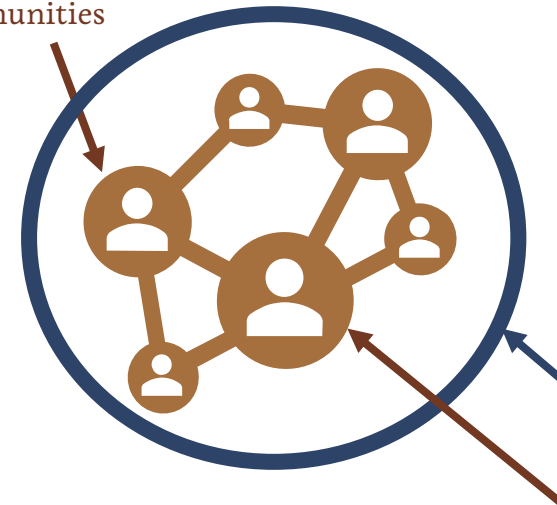
1. **Increasing OHA Beneficiary and Community Investments** to support Native Hawaiian 'ohana and communities.
2. **Streamlining & Refocusing Personnel and Contracts** to provide beneficiary services in communities and affect systemic policy change.

Each direction within Mana i Maui Ola contains two distinct Strategies. The first Strategy in each direction outlines OHA's work to improve Native Hawaiian conditions through supporting individual and 'ohana level change.

The second Strategy within each direction outlines OHA's work to change the systems that create or contribute to inequitable or unjust conditions for Native Hawaiians. Therefore, this budget proposes a **balance between individual support and system change**. To create this balance, the annual Beneficiary and Community Investments budget is increased to \$15.1 million, representing a 57% increase from the FB20-21 preliminary budget annual amounts and equal to 100% of the Public Land Trust Fund revenue amount. Beneficiary and Community Investments funds are allocated to traditional grant programs and other funding mechanism to support the Department of Hawaiian Home Lands. This funding increase moves the Beneficiary and Community Investments allocations to become the **largest share of OHA's core operating budget**. Additionally, personnel and contract costs are streamlined and refocused to increase services OHA directly provides to beneficiaries.

Correspondingly, personnel and contract costs are streamlined and refocused to strategically affect systemic policy change. This work includes research to identify systemic disparities and barriers to Native Hawaiian equality and justice; advocacy to implement policy change and protect Native Hawaiian rights and land; and convening community groups to amplify Native Hawaiian voice in all public spheres.

↑ **Community \$**
To support beneficiaries and communities



🎯 **Personnel & Contracts**
To provide beneficiary services in communities and affect systemic policy change



Key Constraints

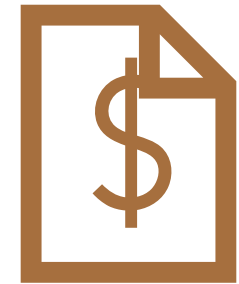


Once spending priorities are identified, constraints on funding sources and spending decisions are considered. Constraints include both restrictions on the funds that OHA receives, as well as previous commitments the agency has made to further the mandate and mission. Therefore, constraints need not be viewed as negative, but rather a part of the process to determine the additional budgetary decisions that must be made.



First, in 2006, the state set the native Hawaiians' pro rata share of Public Land Trust revenues at \$15.1m annually. This amount is outdated and represents about half of what Native Hawaiians should be receiving, thereby significantly restricting OHA's budget.

Second, OHA adheres to a Spending Policy, that is calculated at 5% of a rolling 20 quarter average of the Native Hawaiian Trust Fund.



Third, the budget accounts for the actual calculated fringe benefit rate of 52%. This adds a significant amount to Payroll. Every \$1 of salary requires \$0.52 of fringe benefits. The approved rate from the state was 63.28% which was lowered to 50.98% then increased to 52.83% due to COVID for budgeting purposes; and the actual rate must be recognized when paid.

Fourth, OHA honors large standing commitments, including provisos from the state general fund appropriations with matching funds from OHA; DHHL debt servicing agreement, and pledging an amount equal to the \$15.1 million from the PLT revenues to beneficiary and community investments.



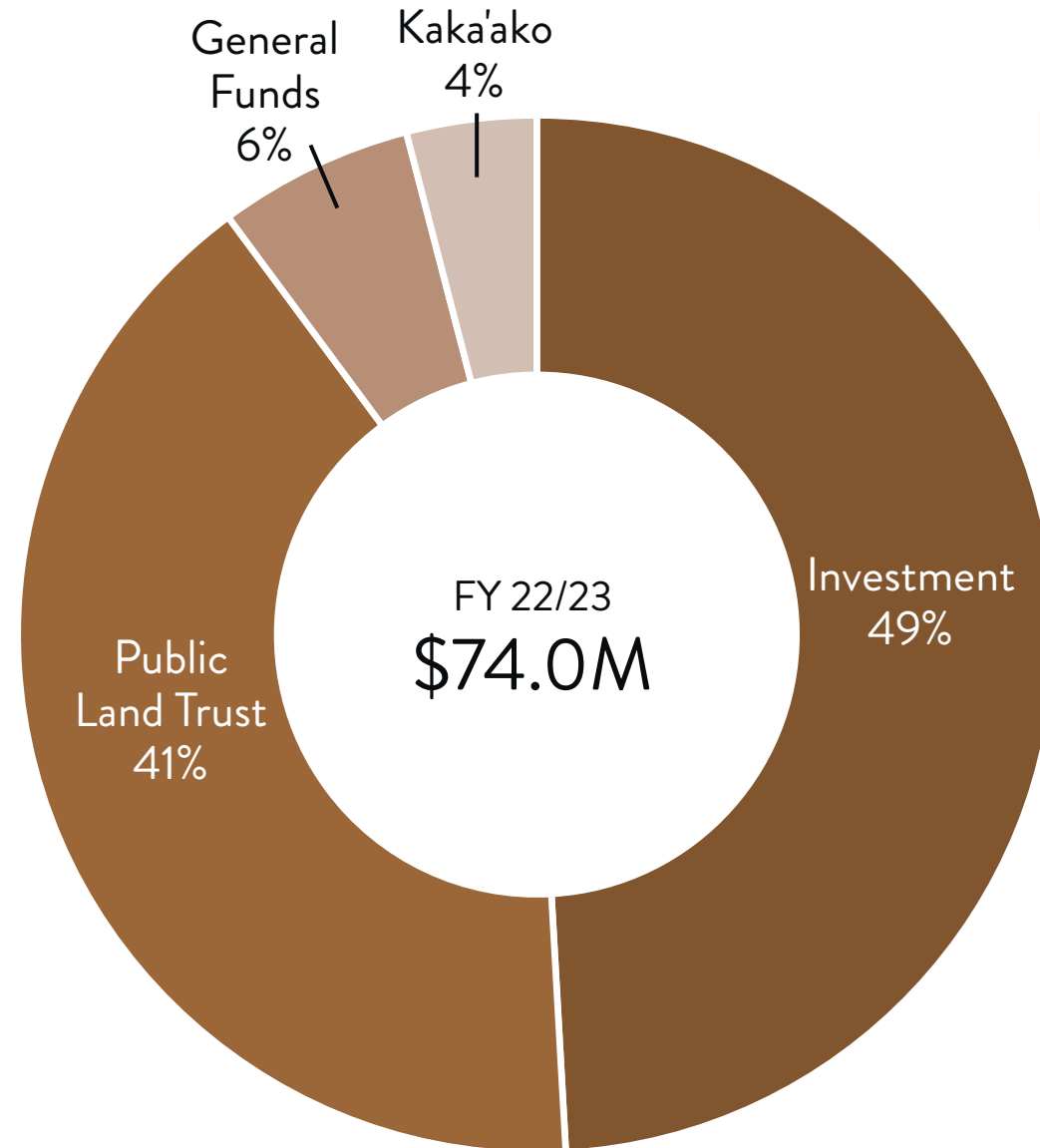
Funding



OHA operation consists of “core” and “non-core” budgets. Items in the non-core operating budget have their own designated funding sources, these include revenues from commercial leasing activities and federal grants received. OHA’s core operating budget is dependent upon four sources of funding including:

1. A percentage of the investment portfolio (Native Hawaiian Trust Fund) (\$36.6m);
2. Public Land Trust (PLT) allotments (\$30.2m);
3. Appropriations of State of Hawai‘i general fund (\$4.5m); and
4. Kaka‘ako Makai allocated resources (\$2.7m).

These sources are projected to generate approximately \$74.0 million in FY22 and FY23.



FY22: \$36.7M
FY23: \$37.3M

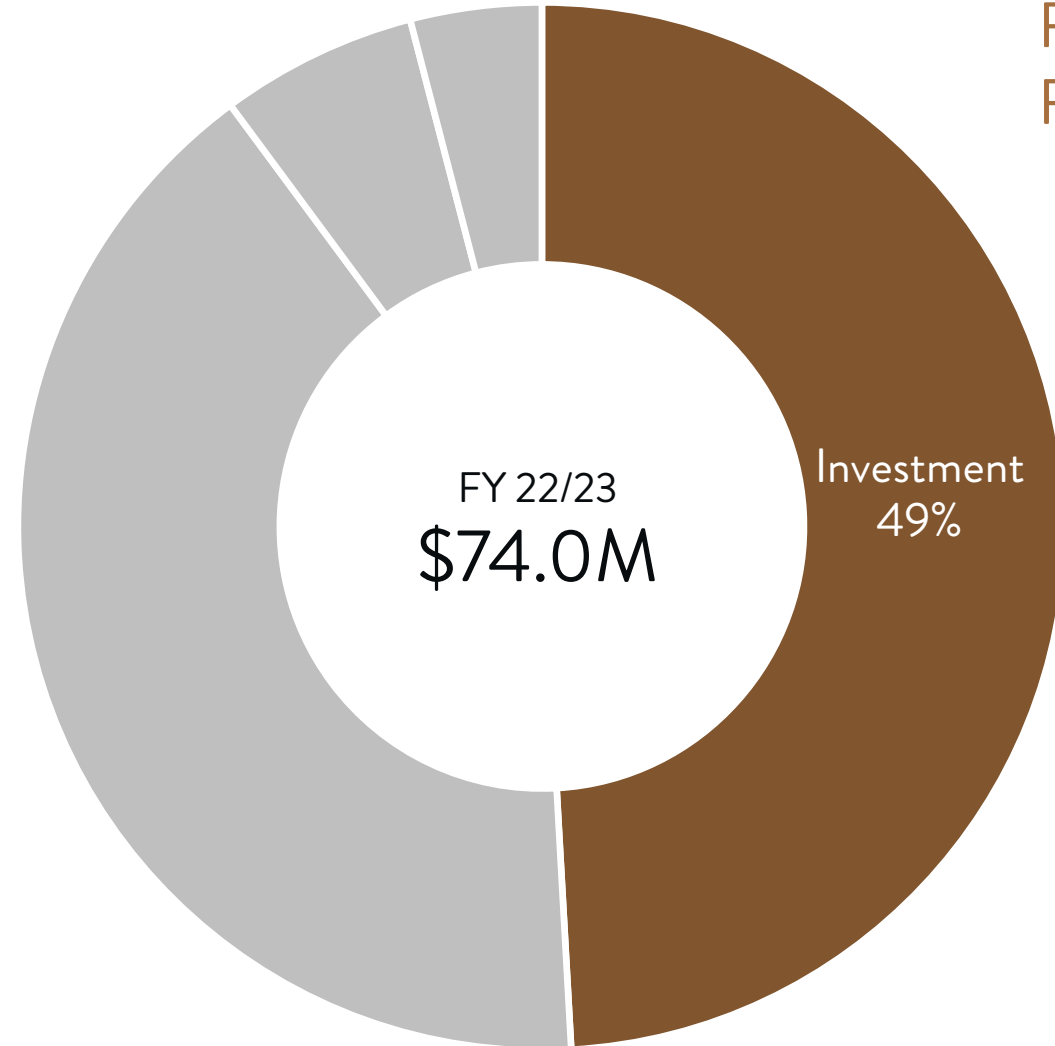
Funding



1. Investment Portfolio

The largest source of funding is OHA's ability to spend 5% of its investment portfolio, pursuant to its Spending Policy, which allows for a maximum 5% allocation of funding based upon a 20-quarter rolling average market value.

For FY22, the 5% spending amounts to approximately \$18.0 million. For FY23, the computed 5% spending increased slightly to \$18.6 million for a total of \$36.6 million over the two-year period or 49% of OHA's total core operating budget.



FY22: \$36.7M
FY23: \$37.3M

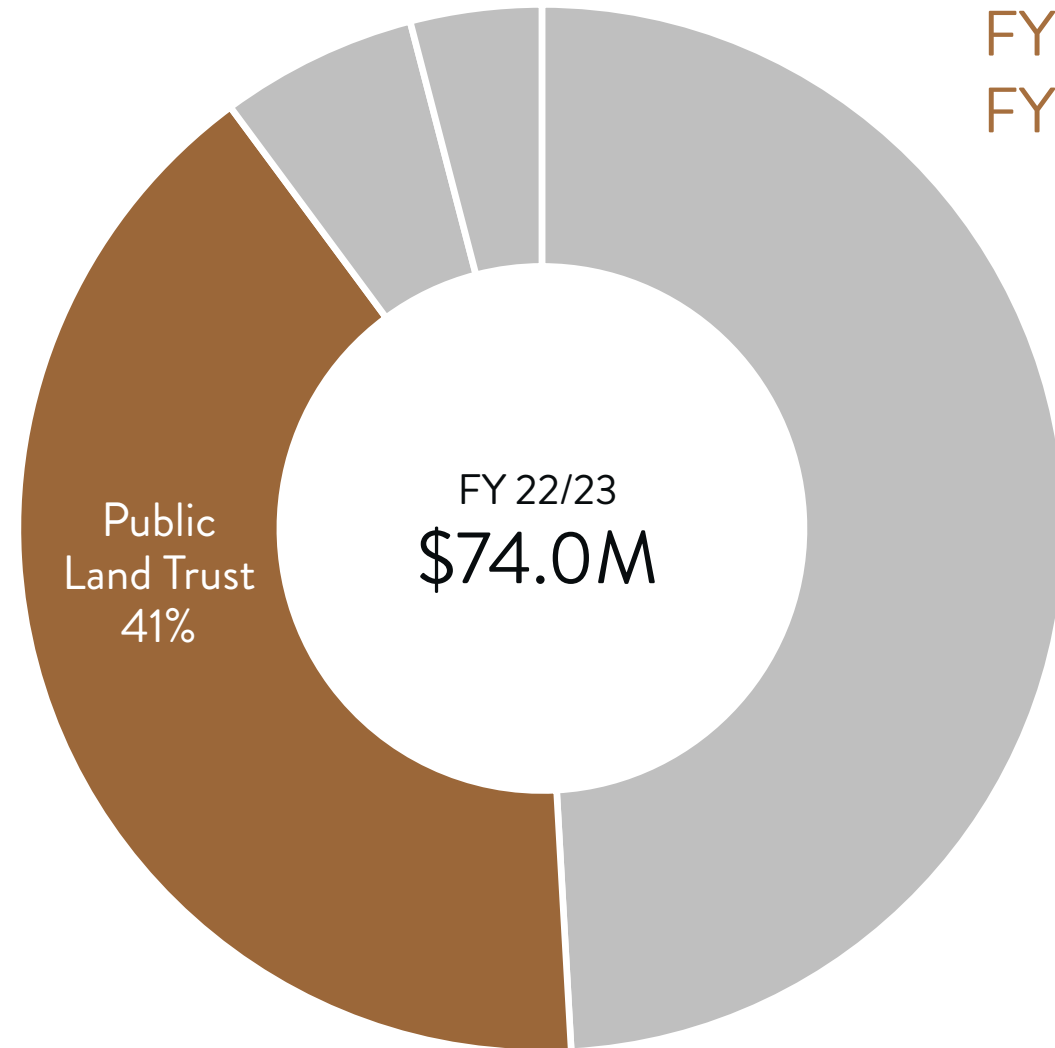
Funding



2. Public Land Trust Revenues

The Public Land Trust (PLT) is a subset of state lands which is held in trust for the betterment of the conditions of Native Hawaiians, and the general public. PLT lands are comprised of former Crown and Government lands of the Hawaiian Kingdom. Hawai'i's constitution establishes OHA in part to receive and administer Native Hawaiians' pro rata share of revenues derived from the PLT. The pro rata share is generally understood to be 20% of the revenues from PLT lands. How this 20% should be calculated is a matter of longstanding debate between OHA and the State.

In 2006, the State of Hawai'i agreed to pay OHA a fixed \$15.1 million per year as a temporary approximation of the PLT share. At 41% of OHA core operating budget, this is the second largest source of funding.



FY22: \$36.7M

FY23: \$37.3M

Funding

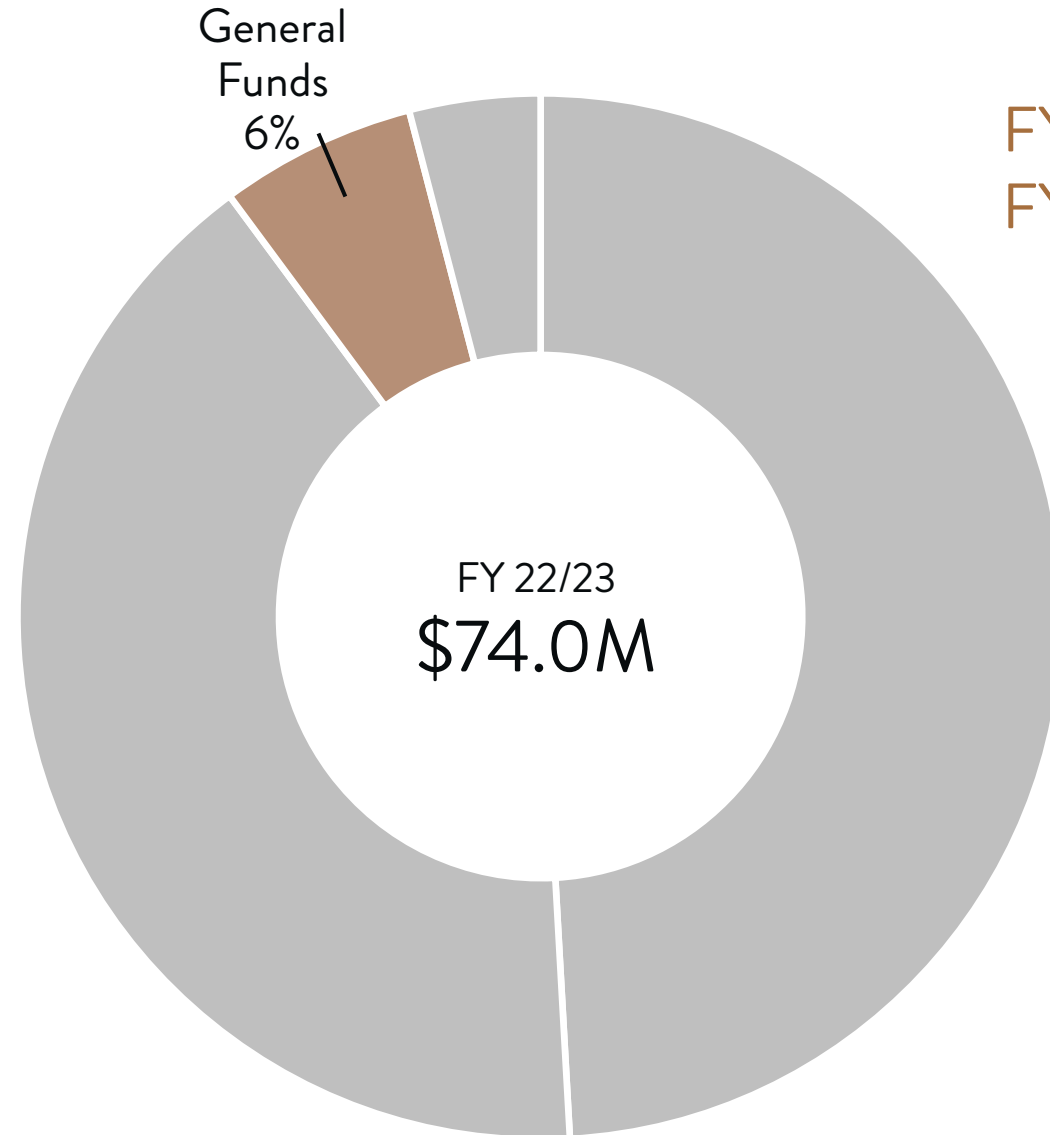


3. State of Hawai'i General Funds

The third source of funding is provided through the State of Hawai'i General Funds. OHA fulfills its fiduciary responsibilities to beneficiaries by advocating at the state legislature each year for general fund appropriations.

In the past OHA has received \$3 million in general fund appropriations annually. During the 2021 legislative session, and in light of COVID-19's impact on the economy, OHA restrained from requesting any increases, but continued advocacy efforts to maintain the previous \$3 million.

For FY22 and FY23, OHA received an annual funding of approximately \$2.25 million; for a total of \$4.5 million over the two years, constituting 6% of OHA's core operating budget.



FY22: \$36.7M
FY23: \$37.3M



Funding



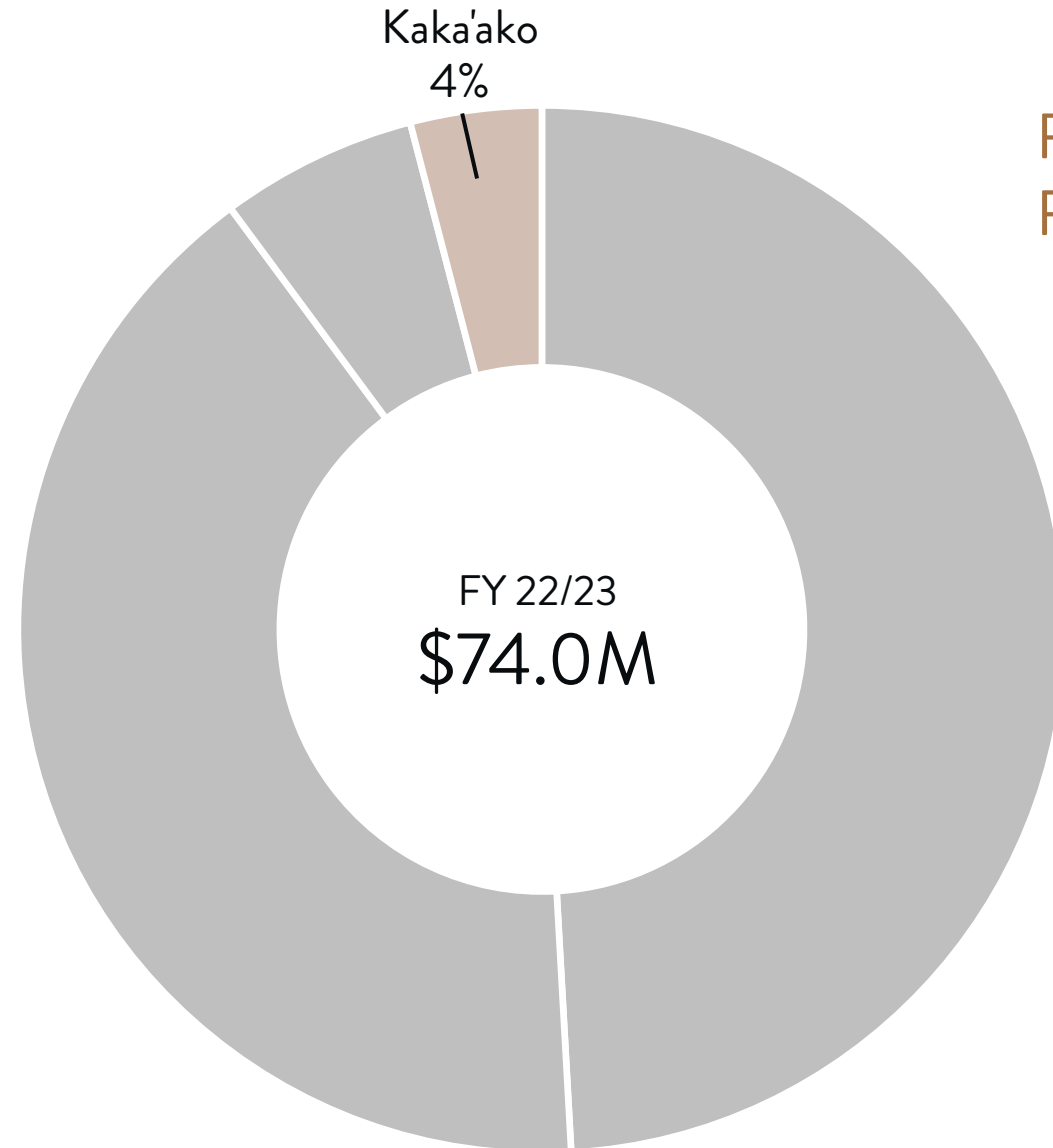
4. Kaka'ako Makai Revenues

The final source of funding, albeit a small percentage of OHA's total core operating budget, reflects a commitment by OHA's Board of Trustees to ensure maximum funding for stewardship of legacy lands.

In 2012, OHA officially took title of 30 acres of prime real estate in Kaka'ako Makai as a settlement amount from the State of Hawaii. Prior to any substantive development activity, the estimated net income amount is approximately \$1.4 million in FY22 and \$1.4 million in FY23, for a total of \$2.8 million.



FY22: \$36.7M
FY23: \$37.3M



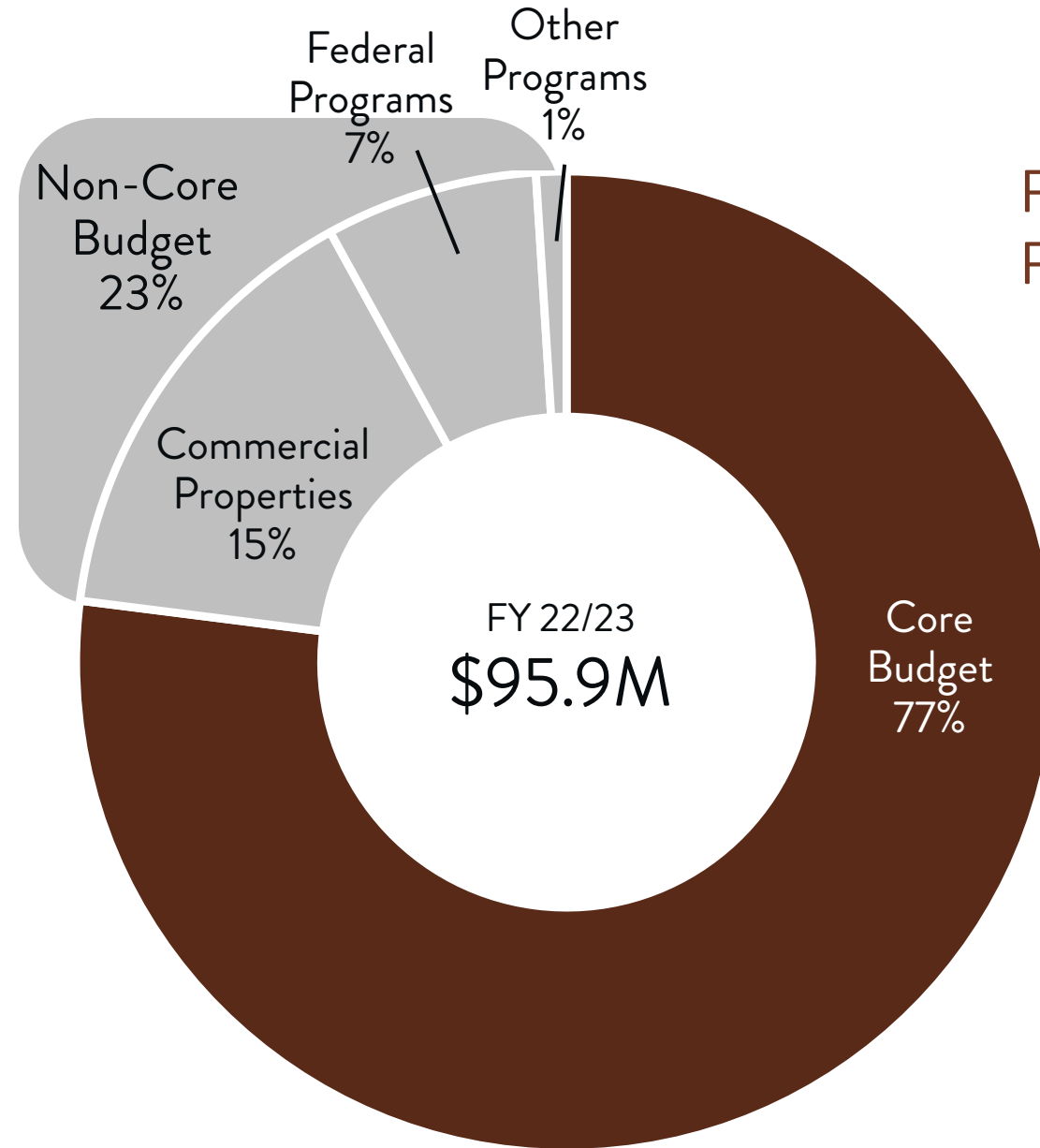
Total Operating Budget



OHA's total operating budget consists of core and non-core budget items. The core operating budget (\$74.1m) is the focus of this document, as the non-core operating budget items are those that have their own designated funding and operations.

This designated funding includes separate revenue sources, such as commercial properties (\$14.7m), federal programs (\$6.5m), and other programs (\$574k).

OHA's legacy land program expenses are not reflected in the core operating budget, as they are covered by a portion of commercial property net income.



FY22: \$49.1M
FY23: \$46.9M



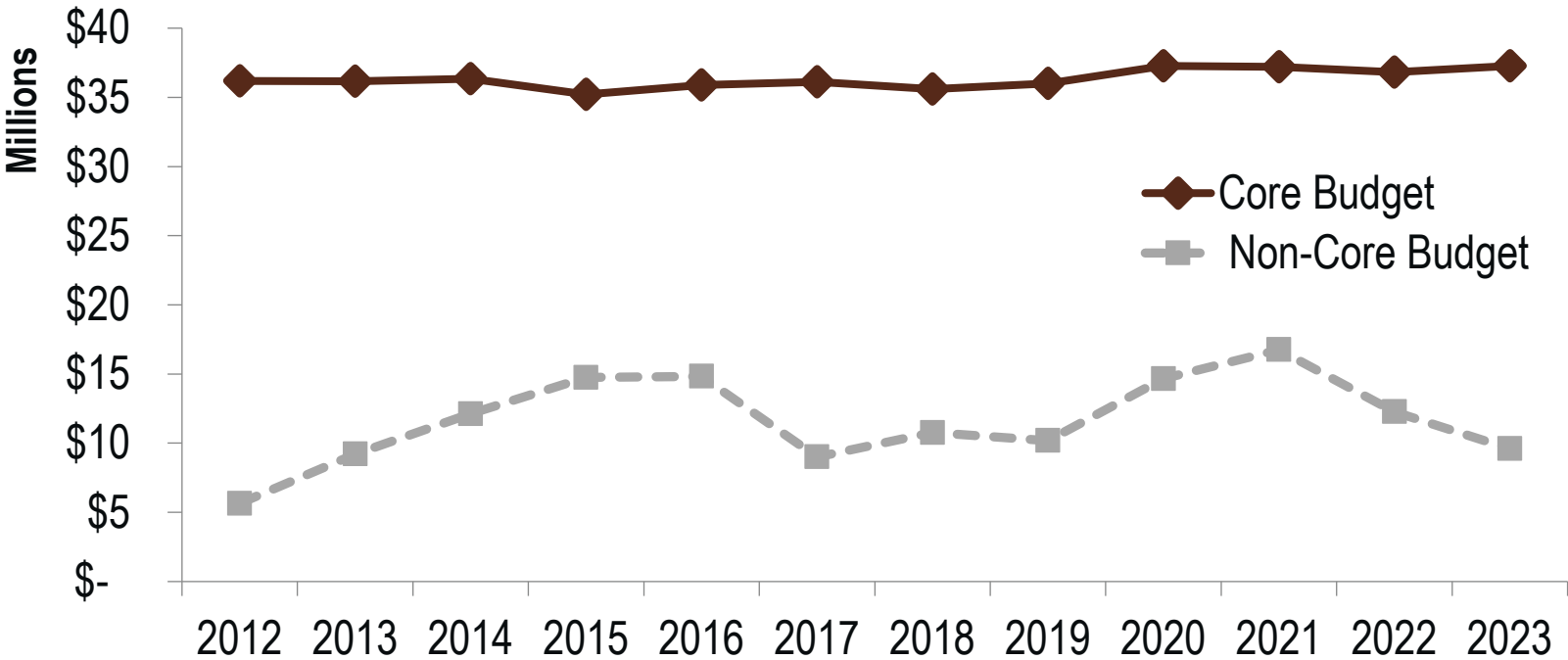
Historical Operating Budget



As shown in the figure below, the core operating budget has remained fairly consistent, ranging between \$35-37 million. With the increase in inflation from 2012 to 2021, the operating budgets have absorbed the increasing costs without a corresponding increase in an overall amount.

The non-core budget has fluctuated over time, increasing from \$5.6 million in 2012, to \$14.8 million in 2016, primarily due to increased revenues and expenses in our commercial properties and federal funds. Since 2016, these amounts dropped in 2017 and then steadily increased until they reached \$16.7 million in 2021.

Moving forward, OHA projects another decrease in the non-core budget to approximately \$12.3 million in 2022 and \$9.6 million in 2023. Again, commercial properties and other program budgets are based on their own revenues and thus self-sustaining and does not reflect any commercial development activities .



Budget data presented are preliminary and subject to change

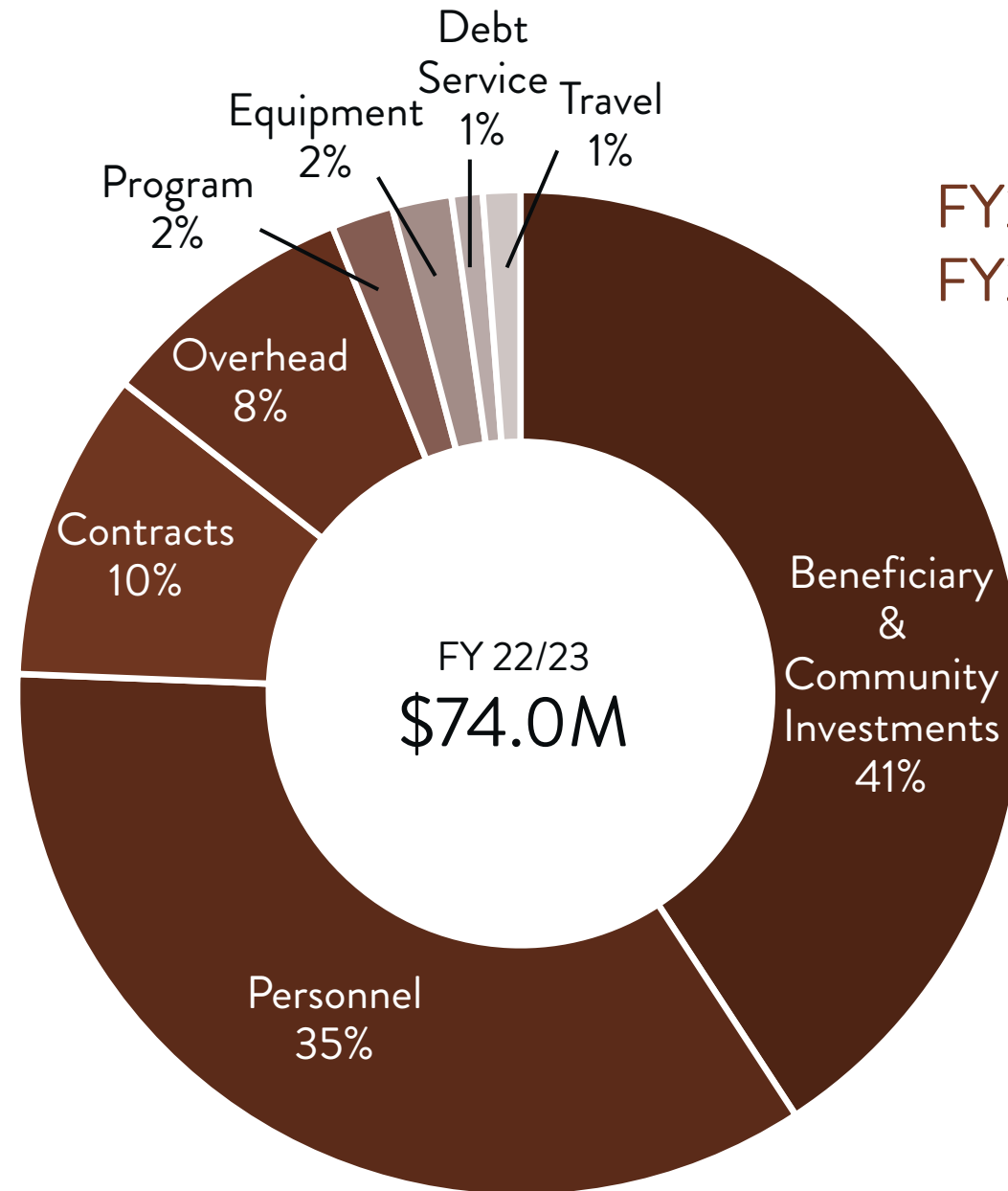


Core Operating Budget



Over the next two fiscal years, OHA allocates 41% of its core operating budget to its beneficiary and community investments (\$30.3m), 35% to personnel (\$26.1m), 10% to contracts (\$7.1m), and 8% to overhead costs (\$6.1m). The smaller categories include 2% for programs (\$1.2m), 2% for equipment (\$1.2m), 1% for debt service (\$1.1m), and 1% for travel costs (\$894k).

The next few slides will provide a more detailed breakdown of each category, with the exception of travel and debt service. Debt service represents principal and interest payment on a mortgage loan and lines of credit. Payments of \$553 thousand for FY22, and \$532 thousand for FY23, for a combined total of approximately \$1.1 million over the two-year period. Although, travel was dramatically curtailed in 2020, OHA estimates some need to resume travel in FY22 and FY23 in order to conduct regular business operations. Travel cost are estimated to total \$447 thousand annually in FY22 and FY23.



FY22: \$36.7M
FY23: \$37.3M

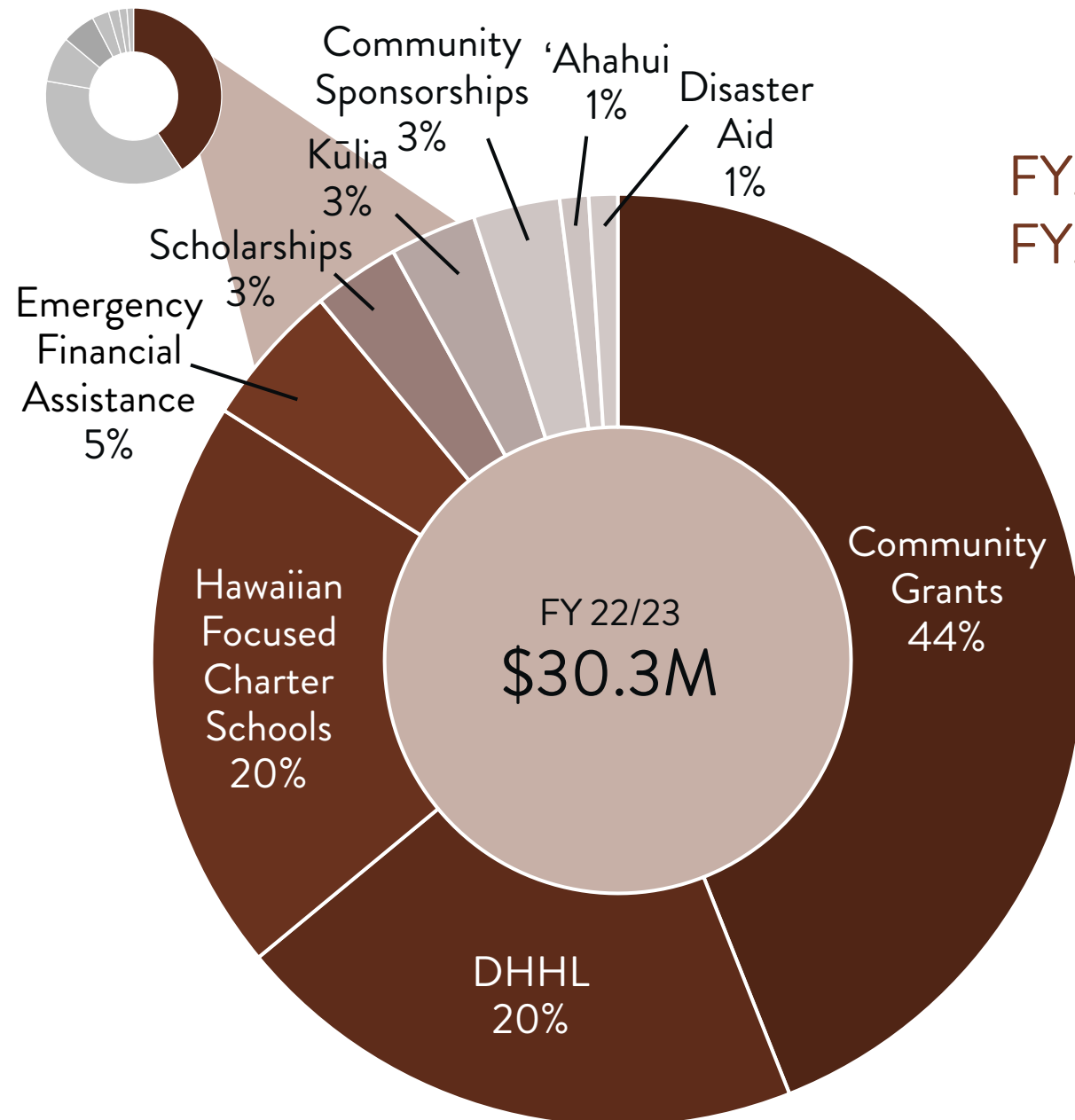


Beneficiary & Community Investments



As noted above, OHA's first spending priority for FY22–FY23 is to **increase OHA Beneficiary and Community Investments** to support Native Hawaiian 'ohana and communities. In the FY21–FY22 biennium budget, OHA allocates \$30.3 million over the biennium budget to various beneficiary and community investments, which constitutes 41% of the core operating budget. Of this budget: \$6.0 million is allocated to OHA's long-term commitments to DHHL revenue bond debt service for housing infrastructure (20%).

\$13.2 million is allocated to grants aligned with implementing the new Mana i Maui Ola Strategic Plan Framework (45%); \$6.0 million to Hawaiian Focused Charter Schools (HFCS) (20%); \$1.7 million is to an Emergency Financial Assistance (EFA) Program (5%); \$1.0 million to Higher Education Scholarships (3%); \$1 million to the Kūlia grants (3%); \$822 thousand to Community Sponsorships (1%); \$400 thousand to 'Ahahui Events (1%); and \$265 thousand to Disaster Aid (1%).



FY22: \$15.2M
FY23: \$15.2M

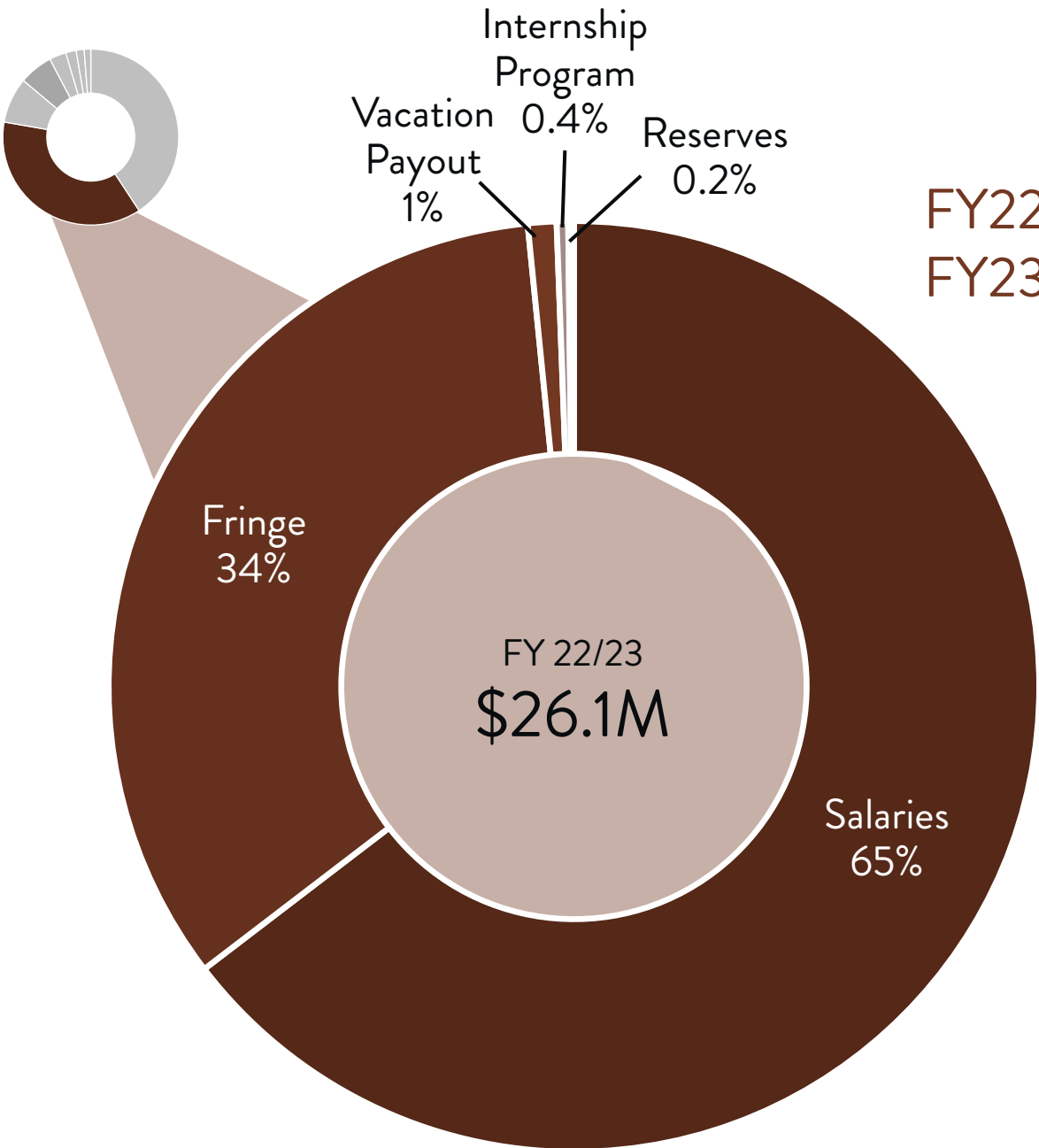


Personnel



As noted above, OHA’s second spending priority for FY22–FY23 is to **Streamline & Refocus Personnel and Contracts** to provide beneficiary services in communities and affect systemic policy change. Through a proposed restructuring, some positions will be created to provide increased direct beneficiary services, while other positions will be refocused on systemic policy change to improve Native Hawaiian conditions. Pending BOT approval, OHA proposes allocating approximately \$13 million a year of the biennium budget, including the 52% fringe benefit rate, in support of 144 (out of 153 total) employees under the core budget; constituting 35% of the core operating budget. This core budget does not include nine (9) non-core employees whose positions are either funded by commercial properties or federal grants.

\$16.9 million of the personnel cost is employee salaries (65%), and \$8.8 million goes to fringe benefits (34%), based on the actual benefit load rate of FY21. Small portions are allotted to fund vacation payouts (\$300k), the Student Internship Program (\$108k), and reserves for overtime and other costs (\$43k).



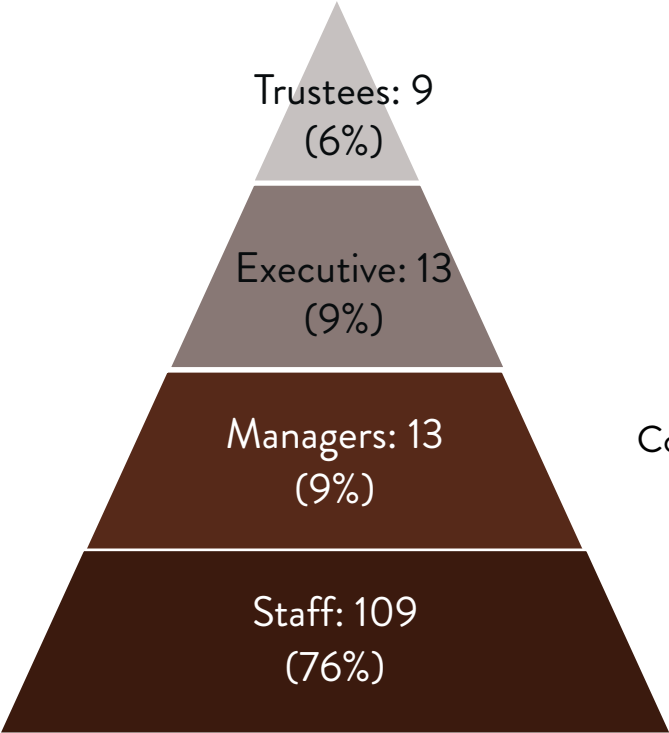
FY22: \$12.9M
FY23: \$13.3M



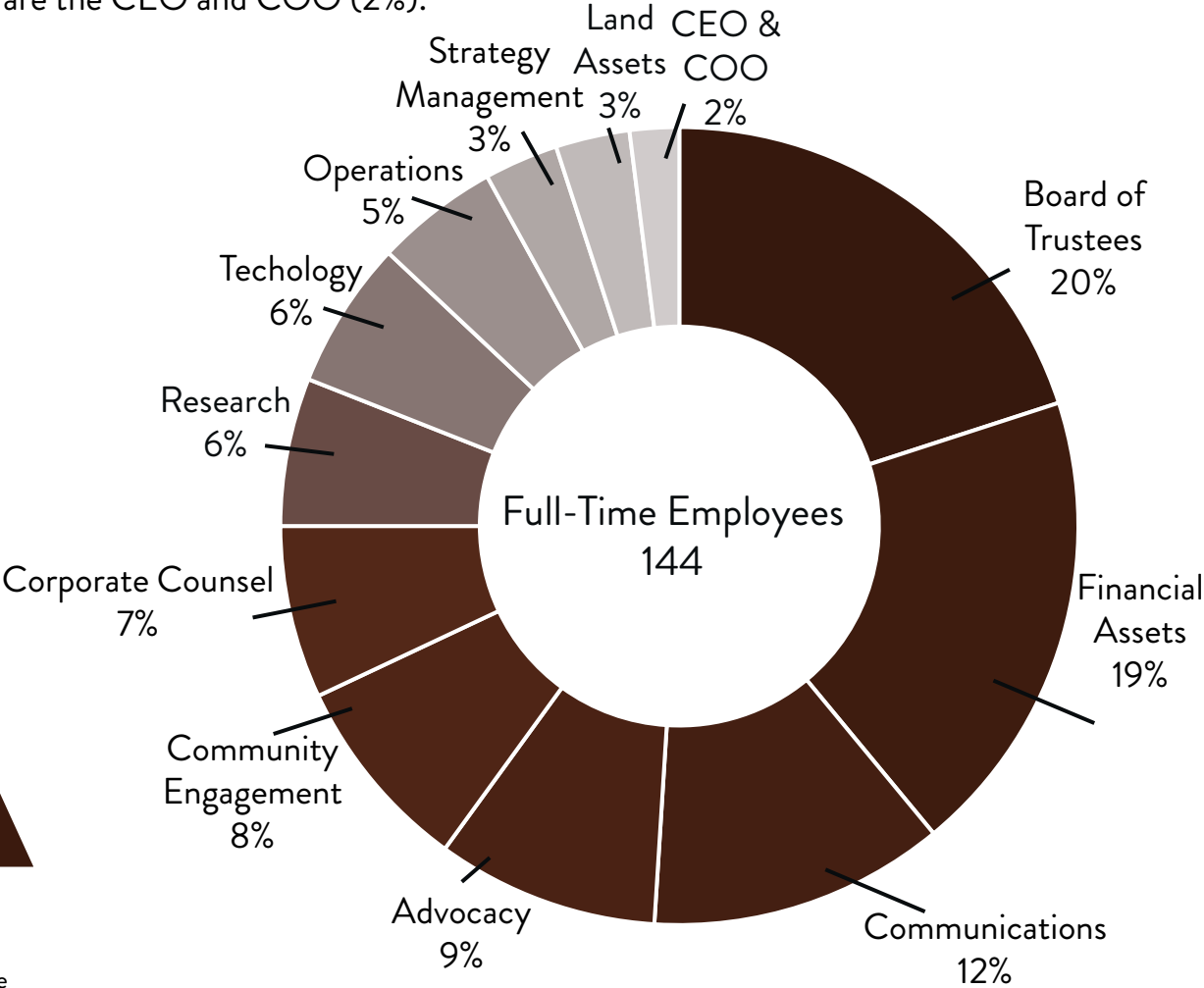
Personnel



Of OHA’s proposed 144 employees under the core budget, 109 are staff members, including Board support staff (76% of employees); 13 are managers (9%); 13 are executives (9%); and 9 are Trustees (6%). The figure below represent an average ratio of approximately 1 manager for every 8 staff.



Of OHA’s proposed 144 employees: 29 are Trustees and related Board support staff, which will not be impacted by reorganization activities; 27 are within Financial Assets (19%) which includes 11 Grants staff; 17 are within Communications (12%) which includes 9 Beneficiary Service Staff; 13 are within Advocacy (9%); 12 are within Community Engagement (8%); 10 within Corporate Counsel, including Human Resources; 9 are within Research (6%); 8 are within Technology (6%); 7 are within Operations (7%); 5 are within Strategy Management (3%); 5 are within Land Assets (3%); and the remaining 2 positions are the CEO and COO (2%).



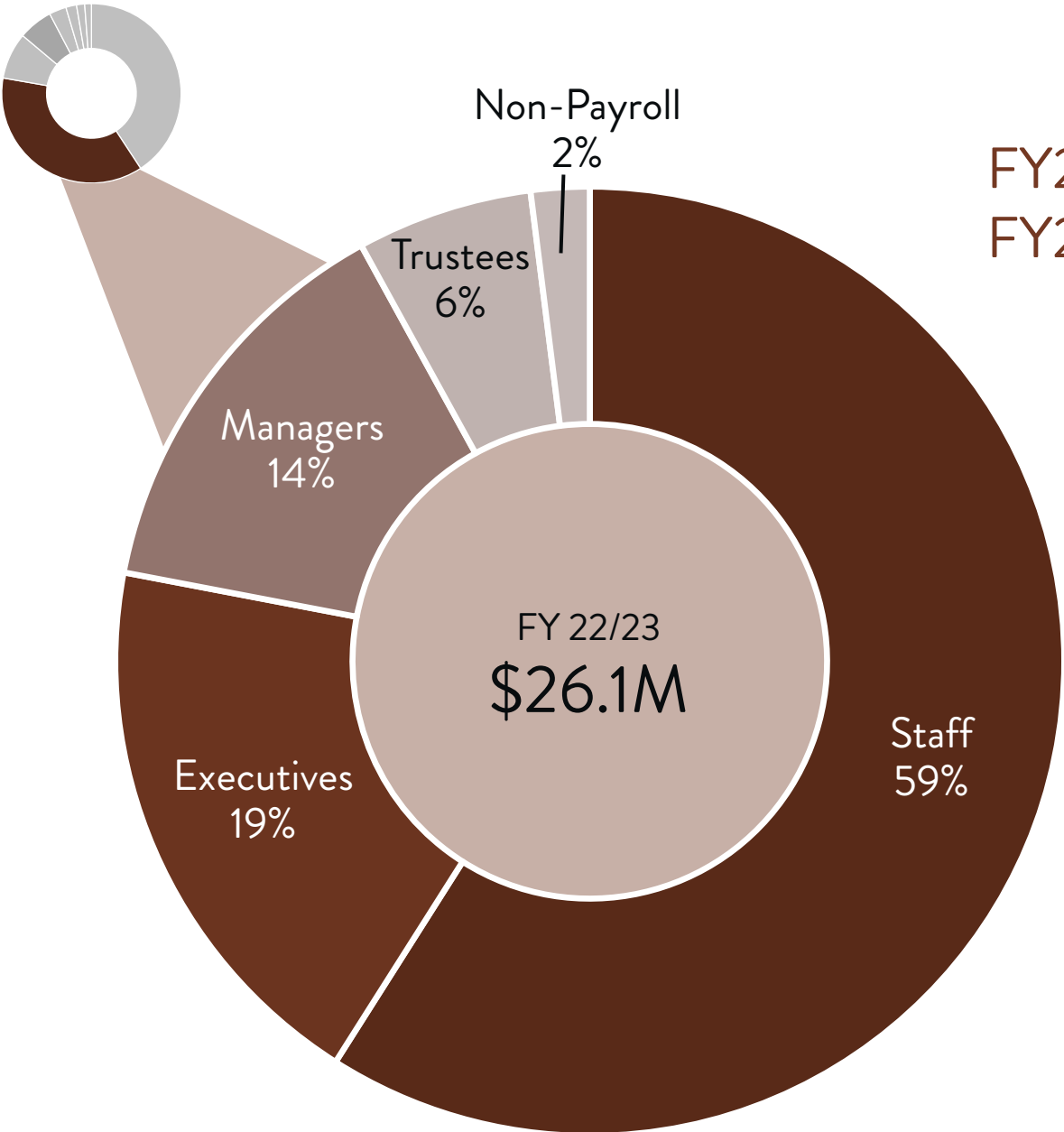
Budget data presented are preliminary and subject to change



Personnel Cost



Of the proposed \$26.1 million allotment for personnel costs; \$15.5 million is allocated to staff member personnel costs (59%); \$4.9 million to executive personnel costs (19%); \$3.6 million to manager personnel costs (14%); \$1.7 million to Trustee personnel costs (6%); and the remaining \$451 thousand is allocated to non-payroll expenses, including vacation payouts, the Student Internship Program, and reserves for overtime and other personnel related costs.



FY22: \$12.9M
FY23: \$13.3M

Contracts

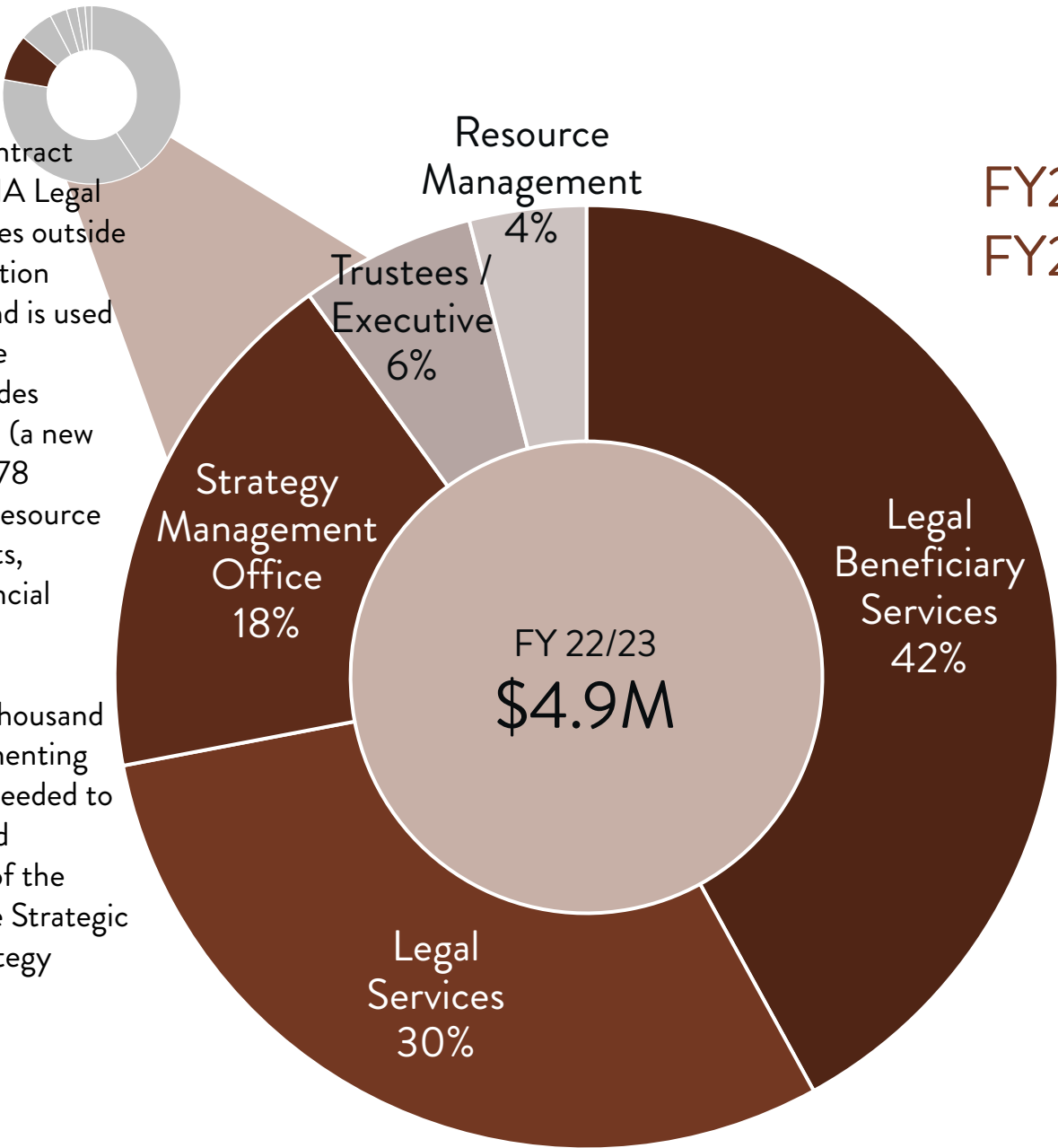


As noted above, OHA’s second spending priority for FY22–FY23 is to **Streamlining & Refocusing Personnel and Contracts** to provide beneficiary services in communities and affect systemic policy change. Therefore, budget allocations providing direct legal service to beneficiaries will remain intact, while OHA legal and auditing budgets will be reduced. Additionally, funds to support systemic policy change work will be housed in the Strategy Management Office to ensure strategic alignment.

Contracts constitute 10% of OHA’s core operating budget. Approximately, \$2.1 million of the Contracts budget is allocated to the legal services proviso contract (42%) to provide direct legal services to beneficiaries on issues considering quiet title action, ahupua’a and kuleana tenant rights, land title assistance, traditional and customary practices, culturally significant places, and native land trust entitlement.

\$1.5 million of the Contract budget is used for OHA Legal Services, which includes outside attorneys for consultation (30%); \$300 thousand is used for Trustee / Executive contracts, which includes internal audit function (a new function) (6%) and \$178 thousand is used for Resource Management contracts, including audited financial statements (4%).

The remaining \$865 thousand is dedicated to implementing professional services needed to implement tactical and operational activities of the implementation of the Strategic Plan through the Strategy Management Office.



FY22: \$2.5M
FY23: \$2.4M



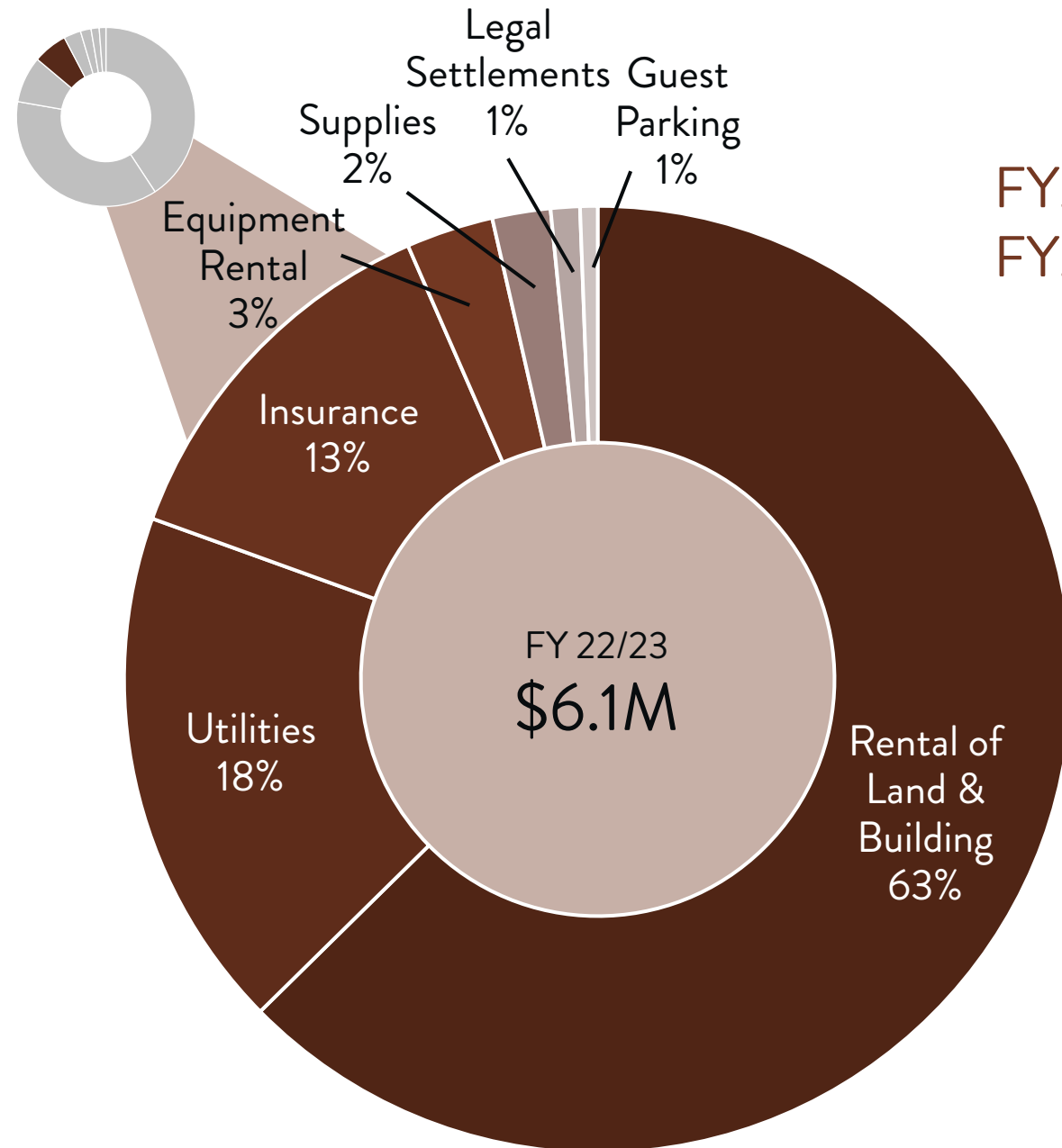
Overhead



OHA allocates approximately \$3 million annually to Overhead or 8% of the core biennium budget. Of these amounts, office leases account for \$3.8 million (63%) which support six (6) offices across the State of Hawai'i, and 1 office in Washington, D.C. Utilities for these offices make up another \$1.1 million (18%) and include electricity, telephone / internet services, and water.

\$790 thousand is insurance premiums for liability insurance, workers compensation, board and officer insurance, and other related coverages (13%).

Additionally, \$177 thousand is allocated to rental equipment for offices (3%), \$97 thousand to office and other supplies (2%), \$60 thousand legal settlements (1%), and \$59 thousand to parking validations for stakeholders and beneficiaries (1%).



FY22: \$3.0M
FY23: \$3.1M



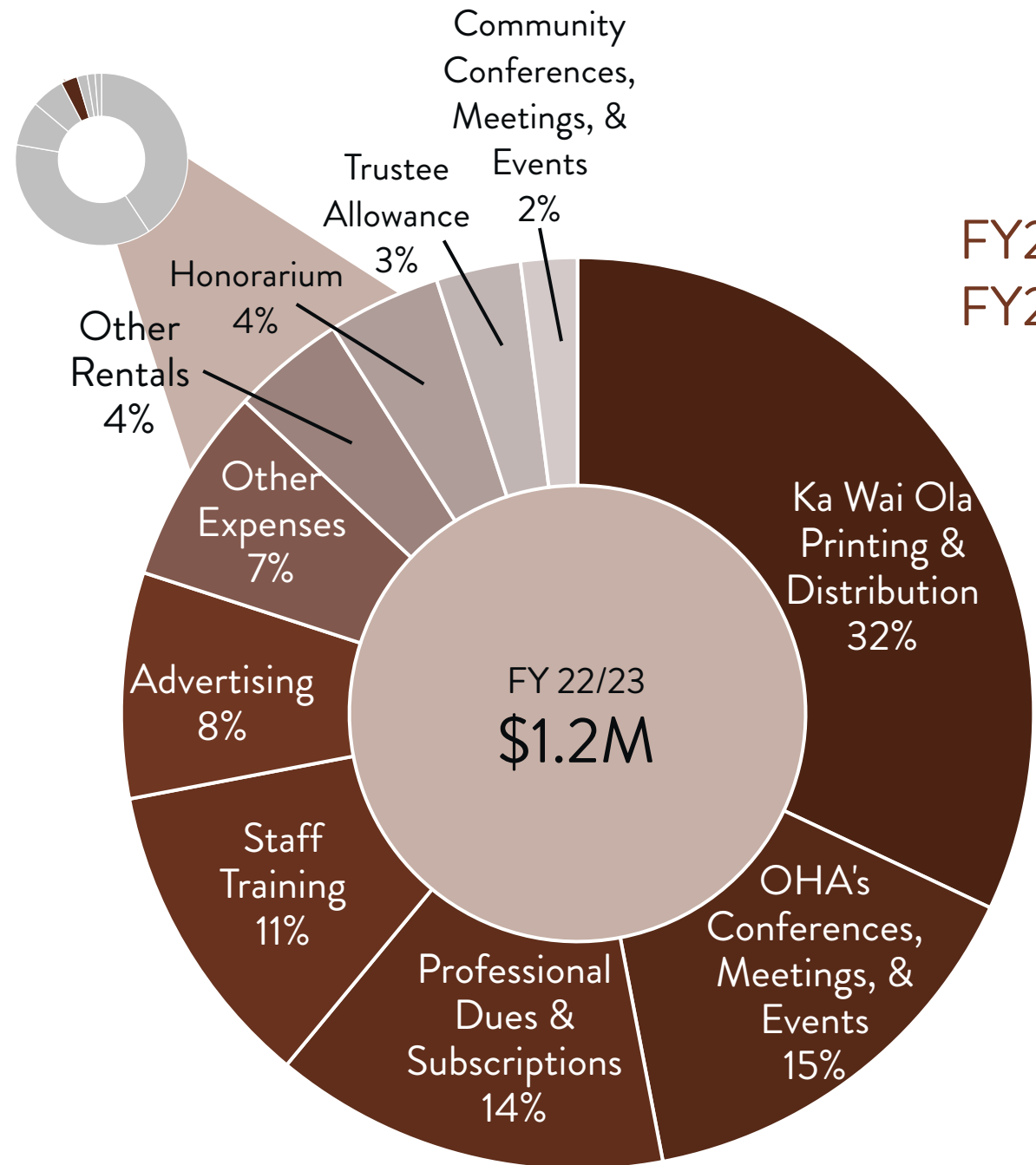
Program



The next budget category is Program, to which OHA allocates approximately \$590 thousand to \$592 thousand annually or 2% of the core biennium budget. These are costs directly related to programs such as printing and distributing of Ka Wai Ola publications (\$380k), hosting cultural workshops/events (\$183k), professional dues and subscriptions (\$166k), staff training (\$129k), advertising for OHA initiatives (\$98k), other rentals needed to conduct business (\$42k), honorarium for OHA event participants (\$50k), trustee protocol allowance (\$32k), and partnering with community organizations to host events (\$23k). Other expenses (\$78k) include promotional items, books and reference materials, freight and delivery, and automobile allowance.

The quarterly utilization (or non-utilization) of the Trustee Protocol Allowance is reported on the organization's website under the Financial Transparency link:

<https://www.oha.org/financials>



FY22: \$590K
FY23: \$592K



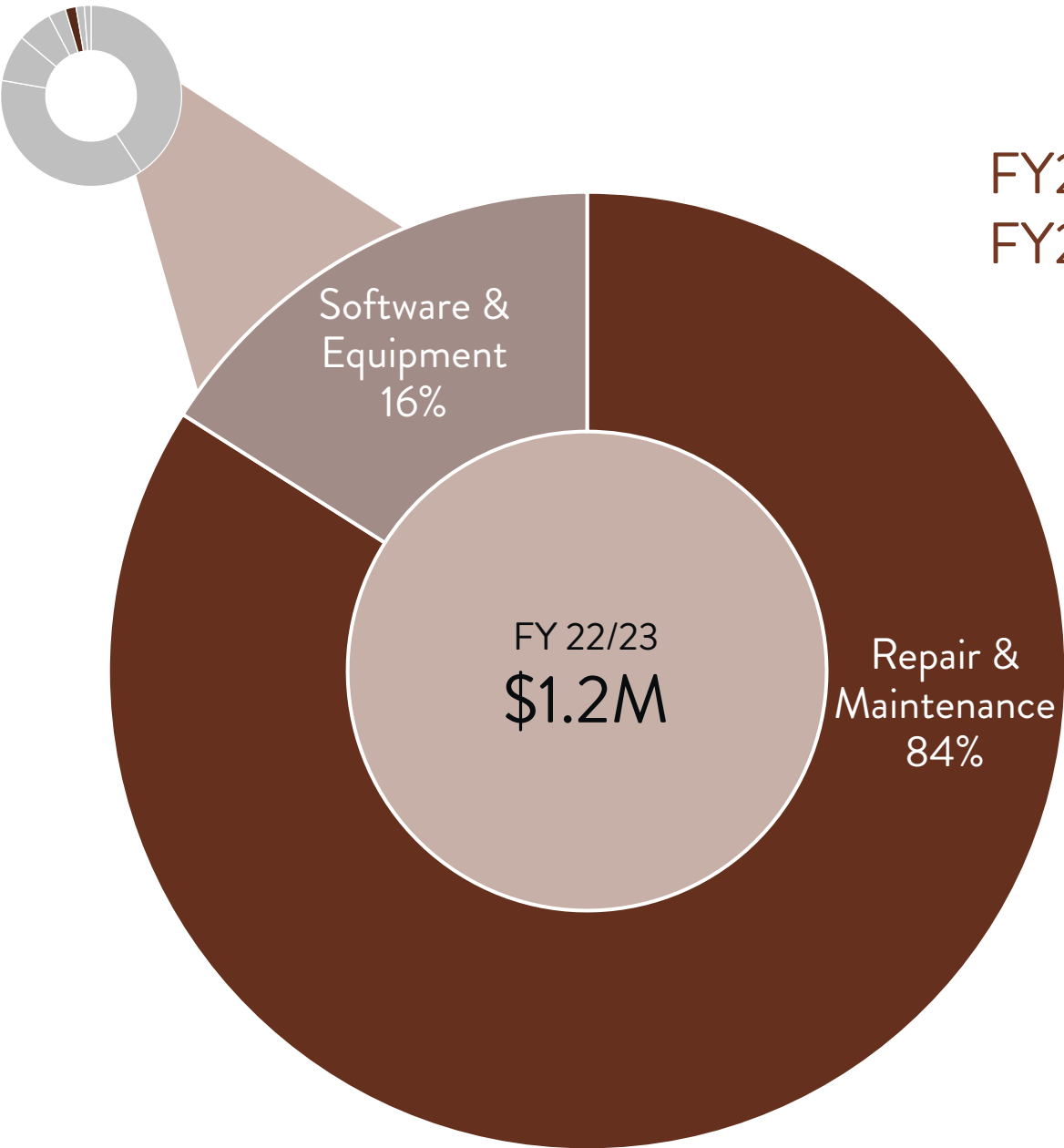
Equipment



OHA allocates \$1.2 million or 2% of the core biennium budget to equipment; including repair & maintenance, and software & equipment.

Repair & maintenance includes various upkeep work for OHA’s facilities (\$980k).

Software and equipment includes IT software, hardware and other purchases required for on-going operations (\$187k).



FY22: \$583K
FY23: \$583K



Please send your questions and comments to ohabudget@oha.org or visit www.oha.org/budget for more information.

OHA is hosting three Zoom meetings to provide the public with an overview of the proposed biennium budget on:

- Thursday, June 10 at 6 p.m.
- Saturday, June 12 at 9 a.m.
- Monday, June 14 at 4 p.m.

The public is encouraged to register in advance and tune in to the live meetings at <http://www.oha.org/meeting>.

