



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

- A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)
- B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga
- C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021
- D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022
- E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)
- F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

If you require an auxiliary aid or accommodation due to a disability, please contact Everett Ohta at telephone number (808) 594-1988 or by email at: everetto@oha.org no later than three (3) business days prior to the date of the meeting. Meeting materials will be available to the public 72 hours prior to the meeting and posted to OHA's website at: www.oha.org/rm.

In the event that the livestream or the audiovisual connection is interrupted and cannot be restored, the meeting may continue as an audio-only meeting through the phone and Webinar ID listed at the beginning of this agenda. Meeting recordings are available upon request to BOTmeetings@oha.org until the written meeting minutes are posted to OHA's website.

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

*** Public Testimony on Items Listed on the Agenda must be limited to matters listed on the meeting agenda.**

Hawai'i Revised Statutes, Chapter 92, Public Agency Meetings and Records, prohibits Board members from discussing or taking action on matters not listed on the meeting agenda.

Testimony can be provided to the OHA Board of Trustees either as: (1) **written testimony emailed** at least 24 hours prior to the scheduled meeting, (2) **written testimony mailed** and received at least two business days prior to the scheduled meeting, or (3) live, **oral testimony online** during the virtual meeting.

- (1) Persons wishing to provide **written testimony** on items listed on the agenda should submit testimony via email to BOTmeetings@oha.org at least **24 hours prior** to the scheduled meeting or via postal mail to Office of Hawaiian Affairs, Attn: Meeting Testimony, 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817 **to be received at least two business days prior** to the scheduled meeting. Any testimony received after these deadlines will be 'late' testimony and will be distributed to the Board members after the scheduled meeting. **Due to COVID-19 office closure and limited in-office staffing, please do not fax or hand-deliver written testimony.**
- (2) Persons wishing to provide **oral testimony online** during the virtual meeting must first register at:
https://us06web.zoom.us/webinar/register/WN_Drpb7cMJQ_2f2Q_AtJTZWQ

You need to register if you would like to orally testify. Once you have completed your registration, a confirmation email will be sent to you with a link to join the virtual meeting, along with further instructions on how to provide oral testimony during the virtual meeting. The registration page will close once the Public Testimony or Community Concerns agenda items have concluded.

To provide oral testimony online, you will need:

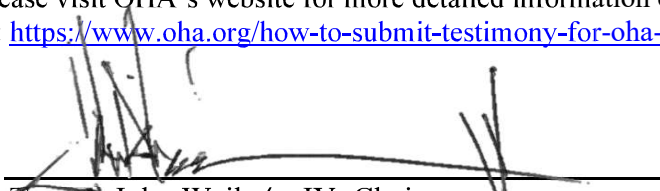
- (1) a computer or mobile device to connect to the virtual meeting;
- (2) internet access; and
- (3) a microphone to provide oral testimony.

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

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

Once your oral testimony is completed, you will be asked to disconnect from the meeting. If you do not sign off on your own, support staff will remove you from the Zoom meeting. You can continue to view the remainder of the meeting on the livestream or by telephone, as provided at the beginning of this agenda.

Please visit OHA's website for more detailed information on how to submit Public Testimony OR Community Concerns at: <https://www.oha.org/how-to-submit-testimony-for-oha-bot-meetings/>.


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

03/01/2022

Date

March 8, 2022 - Continued



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

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**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
(VIRTUAL MEETING - VIA ZOOM WEBINAR)
COMMITTEE ON RESOURCE MANAGEMENT
MINUTES**

February 15, 2022 1:30 p.m.

ATTENDANCE:

Chairperson John Waihe'e, IV
Vice-Chairperson Luana Alapa
Trustee Dan Ahuna
Trustee Kaleihikina Akaka
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee C. Hulu Lindsey
Vacancy, Hawai'i Island

EXCUSED:

Trustee Leina'ala Ahu Isa

BOT STAFF:

Crayn Akina
Melissa Wennihan

ADMINISTRATION STAFF:

Sylvia Hussey, CEO / Ka Pouhana / Administrator
Casey Brown, COO / Ka Pou Nui
Arlene Aguinaldo, IT
Erin Nakama, IT
Everett Ohta, Corporation Counsel
Grace Chen, FS
Nietzsche Ozawa, Corporation Counsel
Ramona Hinck, CFO

I. CALL TO ORDER

Chair Waihe'e calls the Committee on Resource Management meeting for Tuesday, February 15, 2022 to order at **1:30 p.m.**

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

MEMBERS			AT CALL TO ORDER (1:30 p.m.)	TIME ARRIVED
CHAIR	JOHN	WAIHE'E, IV	PRESENT	
TRUSTEE	DAN	AHUNA	PRESENT	
TRUSTEE	KALEIHIKINA	AKAKA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN HULU	LINDSEY	PRESENT	
VICE CHAIR	LUANA	ALAPA	PRESENT	Arrived at 1:37 p.m.
TRUSTEE	HAWAII ISLAND			VACANCY

At the Call to Order, **SIX (6) Trustees are PRESENT**, thereby constituting a quorum.

EXCUSED from the RM Meeting are:

MEMBERS			COMMENT
TRUSTEE	LEINA'ALA	AHU ISA	MEMO – REQUESTING TO BE EXCUSED

II. PUBLIC TESTIMONY on Items Listed on the Agenda*

None

III. APPROVAL OF MINUTES

A. January 25, 2022

Trustee Akaka moves to approve the minutes of January 25, 2022.

Trustee Hulu Lindsey seconds the motion.

Chair Waihe'e asks if there is any discussion.

There is no discussion.

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

						1:32 p.m.
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA					EXCUSED
DAN	AHUNA		X			
KALEIHIKINA	AKAKA	1	X			
KELI'I	AKINA		X			
VICE-CHAIR LUANA	ALAPA					Arrived at 1:37 p.m.
BRENDON KALEI'ĀINA	LEE		X			
CARMEN HULU	LINDSEY	2	X			
HAWAI'I ISLAND	TRUSTEE					VACANCY
CHAIR JOHN	WAIHE'E		X			
TOTAL VOTE COUNT			6	0	0	2

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

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

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

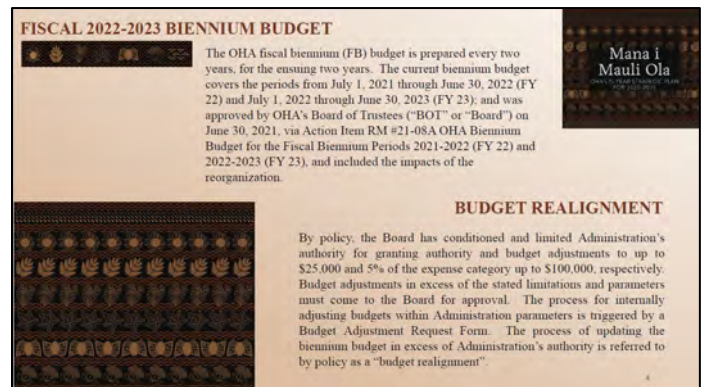
A. WORKSHOP: OHA Biennium Budget for the Fiscal Biennium Periods 2021-2022 (FY22) and 2022-2023 (FY23) – Realignment #2

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you, Chair Waihe'e. Trustees, as is customary, we'll go ahead and do a workshop regarding Budget Realignment #2 and then field any questions, comments, adjustments before an actual action item. I'll just pull up the slides that we have in the folder and start to walk through that with you. In summary, our Policy Basis, our Policy Management, to do a Biennium Budget and any changes to that budget as a result of that original authorization is done through authorizations that the Board provides to the Administrator or, if not all other budget adjustments need to come back to the Board. So, the first, two slides are just resetting context for the budget management policies, as well as the budget realignment.



Pouhana Hussey: Slide four has a slight correction on the budget realignment; the authorities provided by the Board is up to the lesser of \$100,000 or 5% of the account expense category, anything else needs to be brought back to the Trustees and all adjustments in and out of the grants needs to be brought to the Trustees for authorization. So those are the policy parameters that Administration continues to operate under.



Pouhana Hussey: Again, for context back in June, the Board approved the biennium budget, which included the reorganization activities, and for the last six months administration has been implementing the reorganization activities. We did provide an update at the January Resource Management Committee meeting about the progress of the reorganization, including the cost and the separation amounts that have now amounted to an estimated \$600,000 of the 1 million that was approved by the Trustees to hold for the reorganization activities, and we can talk a little bit about that later.

ATTACHMENT 1
REORGANIZATION

OFFICE OF HAWAIIAN AFFAIRS
TOTAL OPERATING BUDGET
BIENNIAL PERIODS 2021-2022 (FY 2022) 2022-2023 (FY 2023)

FY 2022	FTE	Core	Commercial Property Budget		Legacy Property Budget		Other OHA Programs Budget		FY 2022
			Kaka'ako Makai	Waikiki Makai	Palms Makai	Waikiki Makai	Palms Makai	Waikiki Makai	Total Operating Budget
Personnel & Fringe	133	\$13,872,128	\$10,819	\$9,800	\$0	\$0	\$0	\$0	\$13,980,737
Programs	290,293	480,851	388,746	2,356	2,275	219,878	-	1,348,082	1,292,250
Contracts	3,437,394	444,443	444,443	33,400	14,810	585,231	-	5,839,533	5,839,533
Materials	13,175,500	0	0	0	0	0	0	13,175,500	13,175,500
Travel	447,234	0	0	2,340	4,000	38,068	-	40,408	40,408
Equipment	183,348	243,060	1,060,425	31,550	186,300	87,300	-	2,279,443	2,279,443
Overhead	3,604,448	440,285	942,720	6,000	-	88,591	-	4,487,536	4,487,536
Debt Service	533,178	0	5,100,912	-	-	-	-	5,634,090	5,634,090
Totals:	5,868,515	\$1,798,258	\$16,826,972	\$74,740	\$207,569	\$1,833,396	\$0	\$18,205,086	

FY 2023	FTE	Core	Commercial Property Budget		Legacy Property Budget		Other OHA Programs Budget		FY 2023
			Kaka'ako Makai	Waikiki Makai	Palms Makai	Waikiki Makai	Palms Makai	Waikiki Makai	Total Operating Budget
Personnel & Fringe	133	\$13,233,143	\$105,094	\$99,704	\$0	\$0	\$0	\$0	\$13,332,847
Programs	291,040	482,475	370,013	2,356	2,275	219,882	-	1,348,525	1,292,250
Contracts	3,488,137	444,443	444,443	33,400	14,810	585,188	-	5,785,825	5,785,825
Materials	13,175,500	0	0	0	0	0	0	13,175,500	13,175,500
Travel	447,234	0	0	2,340	4,000	38,230	-	40,574	40,574
Equipment	183,348	230,352	1,228,085	31,550	186,300	87,300	-	2,279,443	2,279,443
Overhead	3,603,717	438,844	938,875	6,000	-	88,591	-	4,467,025	4,467,025
Debt Service	533,142	0	5,100,912	-	-	-	-	5,634,054	5,634,054
Totals:	5,773,661	\$1,821,614	\$16,806,184	\$74,740	\$207,569	\$1,833,396	\$0	\$18,193,503	

2-Year Totals: \$1,798,258 \$1,821,614 \$16,826,972 \$74,740 \$207,569 \$1,833,396 \$0 \$18,205,086

Pouhana Hussey: The first realignment for the budget came as a result of the Commercial Property acquisitions made at the end of the first quarter of the fiscal year. So, in October, a budget realignment primarily featuring the non-core was brought to the Trustees for approval. You'll notice that the authorities included the separate and standalone approvals of the Iwilei properties, both at 500 North Nimitz as well as 501 Sumner Street properties. These commercial property budgets that were approved by an action item were also complemented by a non-core realignment in other parts of the Commercial Properties, specifically Kaka'ako Makai and Nā Lama Kukui. So, to set context we've had our initial Budgets approved, and then the realignment #1, because of Commercial Property.



OFFICE OF HAWAIIAN AFFAIRS
FY 2022 AND FY 2023 BUDGET REALIGNMENT #1

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Pouhana Hussey: Which brings us to realignment #2. In realignment #2 there are adjustments to both core budgets, as well as non-core budgets. Core budgets are primarily adjustments related to reclassifications; and reclassifications are primarily a result of moving, reallocating because of underlying details that we found. There is some contract information that really should be better classified in equipment. What is in the account category of equipment are repairs and maintenance, so there are contracts that were originally budgeted in that line item that really should be *repairing* classification items. You will also see that there are three classifications in personnel and fringe, these are costs that were incurred post the budget approval in June that relate to costs associated

with the reorganization and so, these costs, need to be put back into their correct year of authorization and so you'll see that adjustment there. The additional adjustments on core, are additional actions for our Legacy Land Properties, the Pahua Heiau, as well as the Waialua Courthouse; there's major repair items that need to be attended to, and so the budgets have been put into the budget realignments for the core budgets there. I'll pause there, Chair Waihe'e, if the Trustees have any questions about the proposed Core realignments.



FY22 Budget Realignment #2 Request Summary

FY22 CORE BUDGET REALIGNMENT #2
FY22 Budget Realignment #2 Request Summary

CORE OPERATING BUDGET	FY 2022			Adjustments (d) = (c - a)	Ref Page(s)
	Approved Budget (a)	Approved Realignment #1 (b)	Proposed Realignment #2 (c)		
Contracts	3,457,396	3,457,396	3,116,660	(340,736)	
Debt Service	553,178	553,178	553,178	-	
Equipment	583,348	583,348	1,187,033	603,685	
Grants	15,173,500	15,173,500	15,173,500	-	
Overhead	3,004,448	3,004,448	2,885,687	(118,761)	
Personnel & Fringe	12,872,126	12,872,126	12,772,126	(100,000)	
Program	590,283	590,283	839,865	249,582	
Travel	447,234	447,234	153,464	(293,770)	
Total	36,681,513	36,681,513	36,681,513	-	

Chair Waihe'e: *Members, are there any questions?*

Chair Waihe'e recognizes Trustee Lee.

Trustee Lee: Thank you, Chair. So, Ka Pouhana the Legacy Land addition that you're talking about that's the \$249,000 that's going on the program.

Pouhana Hussey: That is the part of the \$603,000.

Trustee Lee: For equipment.

Pouhana Hussey: Right, equipment includes repair and maintenance pieces.

Trustee Lee: Okay, What's the \$249,000 for Program?

Pouhana Hussey: I'm going to ask Grace to help remind us.

Financial Analyst Chen: With regards to the program, within the categories of programs are advertising, printing, freight, and delivery bulk mail. So, at the time of the approval there were items in contract that were relating to the printing of our newspaper and that accounting protectiveness realized that they should have it under the Program expenditures. So, in the action item we will be presenting the adjustments of what it was originally in the original approved and in the proposed realignment #2. Seeing right now what you'll see in the Action item for printing it was initially budgeted for \$8,860. However, the printing that we have, we're proposing is \$181,900 that was originally in contract and should have been classified under advertising, which is in the program category.

Pouhana Hussey: To add to that Trustee Lee, that includes, I don't know if Trustees have noticed, but our Ka Wai Ola print productions have been larger. Normally, in prior years they were budgeted for a 28-page spread and every time you increase that you have to increase it by four pages; so, you also notice that we have special pull out sections and others, so the increase in dollars, is to also support the increase in Ka Wai Ola production and distribution and the special inserts that are there.

Trustee Lee: Thank you, Ka Pouhana. Thanks, Grace.

Chair Waihe'e recognizes Trustee Akina.

Trustee Akina: Thank you, Mr. Chair. Sylvia, back on page five you talk about separation costs, I think you gave a figure approximately \$600,000 out of 1.2 million had been spent, can you give me those figures again and what is your estimation, as to how much more is likely needed of that overall allotted.

Pouhana Hussey: Thank you, Trustee Akina. For the Trustees overall context, setting the Board approved Administration's request, a million-dollar reserve for Fiscal Year 21 to account for the separation costs and just for your breakdown of that

- \$100,000 was budgeted for vacation separations,
- Severance \$450,000,
- COBRA cost as part of separation \$325,000,
- Career transitions at \$100,000,
- \$25,000 for additional recruitment costs that may be needed.

So, if you total all of that, and we'll provide the details in a follow up to the Trustees that accounts for the million dollars. What we have experienced in the payouts has amounted to \$600,000, so there is \$400,000 that is still there in budgetary authority related to the reorganization. At this point, Administration is recommending to the Trustees to leave that there in the event that there are any claims associated with reorganization; until such time that we know better information, before releasing that accrual or authority.

Trustee Akina: Thank you, Sylvia so, in other words we're pretty much of the thinking that those million dollars would probably be enough, but you're leaving some funds there just as a safeguard.

Pouhana Hussey: Correct, and the reason is the million dollars was estimated at the most conservative where all separated individuals would separate and we know, based on our report that 60% returned in new positions. In addition, those new positions often were at higher compensation rates than was previously, so that is all factored in there, and yes, Trustee Akina we are recommending that the balance be left just in case. There may be some claims or other costs that come through that we're not anticipating.

Trustee Akina: So, Sylvia is it safe to say that the process of separations largely complete.

Pouhana Hussey: Correct

Trustee Akina: Thank you.

Chair Waihe'e recognizes CFO Ramona Hinck.

CFO Hinck: I just wanted to add some background, when we developed the first budget, we were actually over-budget, but then we have to stay within our spending limit and so we took care of our fixed expenses and then we tried to budget as much as in the contracts as possible, fee for service, and that was held in eventually in the COO's office. So, when there's a lot of reclassifications, such as in programs, because we're going to the second budget realignment and we're finding funds where it can be allocated where it's needed now. So, I guess what I'm saying is that we deliberately under budgeted in the fee for services, contracts category in order to balance the budget. Thank you, Chair.

Chair Waihe'e if there are not further questions, I'll turn it back over to Sylvia.

There are no further questions.

Pouhana Hussey: Okay. So, Trustees if there are no questions regarding the core budget adjustments, which again are primarily reclassifications in account categories, we will go to the non-core realignment adjustments. Non-core, overall there's the plus up there, primarily in Kaka'ako Makai that's primarily for planning funds there, as you are well aware, the planning for Kaka'ako Makai is going hot and heavy and so additional resources are needed for planning. The rest of the items we will walk through on a property-by-property basis.



FY22 Budget Realignment #2 Request Summary

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL
FY22 Budget Realignment #2 Request

Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
4410 HLID	459,490	459,590	465,680	6,090
4420 NHRLF	1,353,805	1,353,805	1,353,805	-
8210 KAKAAKO MAKAI	1,796,258	2,682,900	3,282,900	600,000
8220 NA LAMA KUKUI	5,628,672	5,695,521	5,695,521	-
8230 500 N NIMITZ	-	1,312,839	1,312,839	-
8240 501 SUMNER	-	506,374	506,374	-
8310 PALUAUEA CULTURE PRES	74,740	74,740	191,494	116,754
8320 WAO KELE O PUNA	207,505	207,505	204,380	(3,125)
Grand Total	\$9,520,470	\$12,293,274	\$13,012,993	\$719,719

Pouhana Hussey: HLID; some very minor adds to the Halawa office and repairs.

For NHRLF, or the Native Hawaiian Revolving Loan Fund. As you know, the Administration for Native Americans is the one that authorizes and approves their budget, and so, when there are reclassifications that are done, they are sent back to ANA for approval. So they receive approval for these realignments and reallocations; these also reflect future intentions to be able to allocate some of the fixed overhead costs that OHA carries on behalf of the program for IT, HR and other services, so this is part of reallocation of resources from OHA charging basically charge backs for support that OHA provides for the Revolving Loan Fund.

FY22 NONCORE BUDGET REALIGNMENT #2 – Halawa-Luluku Interpretive Development (HLID)

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL
FY22 Budget Realignment #2 Request

Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
4410 HLID	459,490	459,590	465,680	6,090

Key Takeaway: Minor Adjustments re: Halawa Office Trailer Repair, Improvements

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Native Hawaiian Revolving Loan Fund (NHRLF)

FY22 NONCORE BUDGET REALIGNMENT #2
FY22 Budget Realignment #2 Request - 4420 NHRLF

NHRLF	FY 2022				Ref Page(s)
	Approved Budget (a)	Approved Realignment #1 (b)	Proposed Realignment #2 (c)	Adjustments (d) = (c - b)	
Contracts	365,231	365,231	365,231	0	
Grants	0	0	0	0	
Equipment	0	0	30,800	30,800	
Personnel & Fringe	779,768	779,768	742,276	(37,492)	
Program	113,478	113,478	138,127	24,649	
Overhead	57,261	57,261	67,371	10,110	
Travel	38,068	38,068	10,000	(28,068)	
Sub-total NHRLF:	\$1,353,805	\$1,353,805	\$1,353,805	\$0	

Key Takeaway: Realign to Forecast Year End Spend

Pouhana Hussey: Kaka'ako Makai; again this is primarily for planning dollars for consultant costs, so that the planning can continue for not only Kaka'ako Makai and all of its additional pieces that you're very well aware.

For Nā Lama Kukui it hasn't changed since the last adjustment, where they made adjustments then, so in budget realignment #2 there are no additional adjustments proposed at this time for NLK.

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Kaka'ako Makai

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL FY22 Budget Realignment #2 Request				
Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
8210 KAKAAKO MAKAI	1,796,258	2,682,900	3,282,900	600,000

Key Takeaway: Kaka'ako Makai Planning

FY22 NONCORE BUDGET REALIGNMENT #2 FY22 Budget Realignment #2 Request - 8210 Kaka'ako Makai					
	Approved Budget	Approved Realignment #1	Proposed Realignment #2	Adjustments	Ref Page(s)
Kaka'ako Makai	1,796,258	2,682,900	3,282,900	600,000	
Contracts	308,250	308,250	308,250	0	
Equipment	166,854	166,854	166,854	0	
Overhead	120,051	120,051	120,051	0	
Program	189,615	189,615	189,615	0	
Debt Service	528,069	528,069	528,069	0	
Totals - 8210 Kaka'ako Makai	1,796,258	2,682,900	3,282,900	600,000	

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Na Lama Kukui

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL FY22 Budget Realignment #2 Request				
Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
8220 NA LAMA KUKUI	5,628,672	5,695,521	5,695,521	-

Key Takeaway:
No change since Action Item RM #21-17 FB 22-23 Non-Core Budget Realignment #1, October 26, 2021

FY22 NONCORE BUDGET REALIGNMENT #2 FY22 Budget Realignment #2 Request - 8220 Na Lama Kukui					
	Approved Budget	Approved Realignment #1	Proposed Realignment #2	Adjustments	Ref Page(s)
Na Lama Kukui	5,628,672	5,695,521	5,695,521	-	
Contracts	308,250	308,250	308,250	0	
Equipment	166,854	166,854	166,854	0	
Overhead	120,051	120,051	120,051	0	
Program	189,615	189,615	189,615	0	
Debt Service	528,069	528,069	528,069	0	
Totals - 8220 Na Lama Kukui	5,628,672	5,695,521	5,695,521	-	

Pouhana Hussey: The Iwilei properties, as well, the action items established as of October, there are no adjustments to this budget yet. We just established these budgets, so no changes there.

Palaeua; Administration intentionally did not include the description, because at the time of the slides being prepared, Legacy Land Programs were going through their projections and budgets for the Cultural Preserve on Maui. So, while there is \$116,000 proposed there for some activities, the action item will not include this just yet. We will ask the Legacy Land Program to do a little bit more planning, sketching and projection; and bring back a more comprehensive adjustment at that time. So, this is here as a placeholder, as a heads up of the kind of planning the Legacy Land Program is doing for Palaeua, and then we will come back to the Trustees for a more definitive adjustment at a future time.

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Iwilei Properties – 500 N Nimitz, 501 Sumner

FY22 NONCORE BUDGET REALIGNMENT #2 FY22 Budget Realignment #2 Request - Iwilei Properties				
Iwilei Properties	Approved Budget	Approved Realignment #1	Proposed Realignment #2	Adjustments
	(a)	(b)	(c)	(d) = (c - b)
500 N Nimitz				
Contracts		308,250	308,250	0
Equipment		166,854	166,854	0
Overhead		120,051	120,051	0
Program		189,615	189,615	0
Debt Service		528,069	528,069	0
Totals - 500 N Nimitz		\$1,312,839	\$1,312,839	\$0
501 Sumner				
Contracts		48,250	48,250	0
Equipment		154,735	154,735	0
Overhead		79,553	79,553	0
Program		8,658	8,658	0
Debt Service		215,178	215,178	0
Totals - 501 Sumner		\$506,374	\$506,374	\$0

Key Takeaway:
No change since establishment via Action Item RM #21-16: Iwilei Commercial Properties Non-Core Operating Budget for the Fiscal Biennium Periods 2021-2022 (FY 22) and 2022-2023 (FY 23), October 26, 2021

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Palaeua Cultural Preserve

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL FY22 Budget Realignment #2 Request				
Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
8310 PALAEUA CULTURE PRES	74,740	74,740	191,494	116,754

FY22 NONCORE BUDGET REALIGNMENT #2 FY22 Budget Realignment #2 Request - 8310 Palaeua Cultural Preserve					
	Approved Budget	Approved Realignment #1	Proposed Realignment #2	Adjustments	Ref Page(s)
Palaeua Cultural Preserve	74,740	74,740	191,494	116,754	
Contracts					
Equipment					
Overhead					
Program					
Debt Service					
Totals - 8310 Palaeua Cultural Preserve	74,740	74,740	191,494	116,754	

Pouhana Hussey: Wao Kele o Puna; similarly, some very small adjustments there in the programming, Trustees may recall that Wao Kele o Puna had funding that initially started in 2006, at the time of their establishment and those funds have now run out. So those funds, now the core is picking up the cost of Wao Kele o Puna maintenance and the efforts there, so again part of Legacy Land Program are there opportunities to seek from original partners, Federal partners or other to share in the cost of the management of the land, instead of it all coming from the core funding.

That's it, so we can go back to any of the non-core, but the budget realignment #2 is reclassifications on core and then no surprise Kaka'ako Makai non-core adjustments. Chair Waihee, any questions from the Trustees.

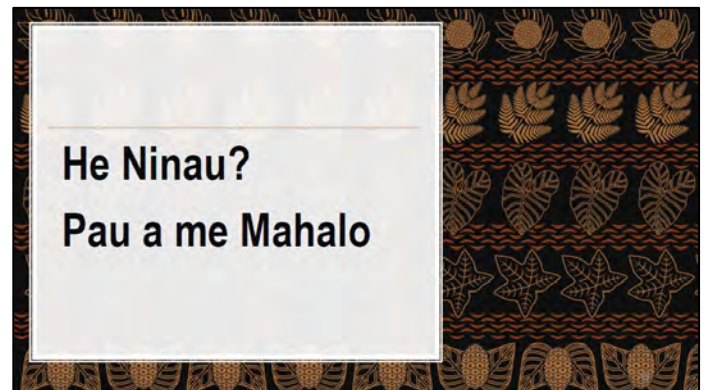
FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL – Wao Kele o Puna

FY22 NONCORE BUDGET REALIGNMENT #2 TOTAL FY22 Budget Realignment #2 Request				
Row Labels	APPROVED BUDGET	APPROVED REALIGNMENT #1	PROPOSED REALIGNMENT #2	ADJUSTMENTS
8320 WAO KELE O PUNA	207,505	207,505	204,380	(\$3,125)

Key Takeaway:

- Adjustments re: Conceptual Master Plan Implementation

Row Labels	Approved Budget	Approved Realignment #1	Proposed Realignment #2	Adjustments	Net Budget
8320 WAO KELE O PUNA	207,505	207,505	204,380	(\$3,125)	204,380



Chair Waihe'e: *Thank you, Sylvia. Members, are there any questions?*

There are no further questions.

Chair Waihe'e: *Hearing none, are we ready to move on to the next item, Sylvia.*

Pouhana Hussey: That's it for the budget realignment workshop presentation, as is familiar to the Trustees the action item that will be brought forward will have more of the tables that we normally have, but the essence of the action are these actions that we've called out.

Chair Waihe'e: Thank you, so we'll move on to the next issue which is an update on Grants and Sponsorships.

V. NEW BUSINESS

B. Update by Administration: Beneficiary & Community Investments, FY 2022 Grants & Sponsorship Update

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you, Chair. I'll just go ahead and walk trustees through the memo, it's pretty straightforward. The quarterly schedules that were included in the memo are the quarterly schedules that you received back in January as part of the quarterly reporting that is done. Administration just wanted to again put into context, that there is the Ad hoc Committee on Grants and Sponsorships that is still open and there's been a number of changes and Administration has done some thinking around flow charts, processes, policies, and so we will wait for guidance from the Chair of the Ad hoc Committee, Chair Hulu, as well as Trustee Waihe'e's guidance on next steps regarding any of that material. That's the update and the context.

The implementation of the Fiscal Biennium Budget, again, this is a summary, you'll notice that our general funds, instead of the 3 million we have 2.254 million in general funds and so those will go out through our normal solicitation. What Administration tried to do is to go back to each of the budget line items and then put in the updates for the plans for that, whether it's a solicitation, whether that's additional collaboration or other recommendations.

The first thing is just a refresh of where the grants sit here in the budget, it is the 15.1 million, which in this year's budget, we were very intentional about that number to match our Public Land Trust number. The first table we'll go through is the breakdown of the 15.1 million and so we'll go through each line and just give the Trustees and update on what plans for grants will be.

The first one is our Social Services, this currently is being administered by Hawaii Community Lending, they have a contract to do, Ka Wailele, that's the branded program name. They just announced and we sent out to the Trustees and to our Community that they are adjusting not only the rental and housing and utilities that were a focus during the pandemic, but additional costs that our beneficiaries need. This is also the program that we intended to stand up with our in-house Beneficiary Services programs, to be able to administer. So, right now, it is being administered by a third-party contractor, the intent is for us to administer this ourselves, subject to filling positions, like the Beneficiary Services Manager and getting the IT and the systems built, tested and implemented. That's that whole big line item, we do match Trust funds with these General funds.

Next, we'll jump to the disaster and then go to each of the tables if that's okay. The Grants in Aid-Disaster started at \$132,579 and with the Trustees approved support for the Waimea fires, you see there's a balance in there of \$49,579 as previously budgeted. So those are funds that are available for any future considerations for disaster impact kind of assistance. Before I go on Chair Waihe'e is there any questions on these two particular items from Trustees.

Chair Waihe'e: *Members, are there any questions?*

There are no questions.

Chair Waihe'e: *Hearing none, Sylvia, please continue.*

Pouhana Hussey: Okay, so Table 4 is what is commonly referred to as the Community Grants; in the initial budget, the total amount is the one that totals up to the 7.3 million. What you'll see is the familiar top of the solicitations for culture, health, etc.; these solicitations are getting ready to be released in March, next month. The housing is the new general funds that we received to do occupancy strengthening and right now it's general funds of \$500,000 match with a million from Trust Funds for a total of 1.5 million. The intention was to provide security deposit help, down payments, deposits for rentals, certainly down payments on mortgages is in the concept there, but we would need to think really hard about how to provide for all of that need; so, Administration is proposing that it's \$500,000 for programming and a million for the actual beneficiary, security deposit, rental kind of assistance for this first launch of the Program.

The rest of the lines are the familiar items, the post-secondary; Administration is recommending that we take \$250,000 from what was then Native Hawaiian Teacher Education and Professional Development, put them together and focus it on Immersion Teachers. Having more Teachers in our Immersion and Hawaiian Focus Programs, which we know there is a shortage of. Whether this is scholarships or stipends to help increase the practice and the profession, this is the intent for this line item.

The Homestead Community, the solicitation, the amount is increased from \$250,000 last cycle to \$300,000. This is the recommendation here at \$250,000, to add it to the Higher Education Scholarships.

The Ohana Scholarships; there is a proposal to add what is previously identified as a line item here of just COVID impacts, to add it together. Initially, in COVID there were some very specific things that our communities needed to address COVID; sanitation, masks, those kinds of things, but now, as the communities are living with, it makes sense to Administration to put those dollars together so that our Ohana can utilize it in ways that are needed. There's a particular emphasis on the impacts of incarceration; with our families that are impacted by incarceration as well as human trafficking and LGBTQ communities and service gaps that may exist in our communities. So, Administration's recommendation is to put those two together and create a bigger pot of dollars for our Community.

Increase in Iwi Kupuna, \$300,000.

That is the Community Grants section.

Pouhana Hussey: Chair Waihe'e, do you want me to continue and then come back or pause here for Trustee questions.

Chair Waihe'e: *Members, are there any questions?*

Chair Waihe'e recognizes Trustee Lee.

Trustee Lee: Thank you, Chair. Thank you for the update, Ka Pouhana. When I'm looking at the table for Community Grants, it shows that everything's being prepared for solicitation to go out next month, correct?

Pouhana Hussey: Correct.

Trustee Lee: Can I ask why the nine-month delay; that's nine months into the Fiscal Year, which means we'll have three months to deploy the money, or we'll have to do a carry over realignment, because the Fiscal Year will be over.

Pouhana Hussey: The plan is that as long as it is awarded by the end of the Fiscal Year. That award is encumbered and sufficient to carry into the next year.

Trustee Lee: So then, just go back to my original question, why the nine-month delay. This seems, if I'm thinking back over the last four years, this seems like late; that we normally do granting much earlier than this.

Pouhana Hussey: Yes, normally in the Community Grants the Authorization is actually received by the Trustees in October of the previous year ahead of the budget; the solicitations are all done, so that by the time the Budget approvals from the Legislature and the actual Budget, they can go ahead and start contracting. So, it's a condition of backing up of the backup with a backup. For example, the Iwi Kupuna Grants and the Teacher Education and Charter School Grants were approved by Trustees in June 2020, right after the big \$3 million approval in May of 2020 for COVID. Between that time and June 2021, Grants programming were trying to help all of our grantee's pivot from in person events to virtual events, so helping grantees pivot then also delayed the launch of those solicitations, so those solicitations didn't occur till the spring of 2021. Then the contracting of those solicitations took through the end of the year 2021, because as explained later in the memo, we're trying to align the Grant Monitoring provisions on the measurement tables, along with the evaluation of the entire program, without overburdening the grantee. Process backups then resulted in a delay in the solicitation. The Board actually approved the 22 pieces back in October, as well, in preparation for the budgets, but it's process backups that caused the delay.

Trustee Lee: I understand that we're short in granting. This processing backup, while I understand the foreseen need for that, there must be a way that we can do this better, is what I'm trying to get to.

Pouhana Hussey: Yes.

Trustee Lee: As you have stated, Ka Pouhana, this is the single largest way that we touch our beneficiaries, and nine months into the biennium and we haven't done that yet, seems problematic to me.

Pouhana Hussey: Yes, I understand, Trustee. Process: to ensure that contracting, the time span between awarding and contracting shouldn't take six months, which is what happened with our current awarding. So, process improvements of ensuring awarding and contracting are almost simultaneous, because once the Trustees approve the awards, there shouldn't be any reason that we shouldn't turn it over as quickly as possible, because it benefits nobody when it doesn't get out. So agree that is absolute. In addition, though, we are trying to ensure that we're gathering all of the information, so that we can have a good program evaluation. Grant Monitoring addresses the individual grant, Program Evaluation is to ensure that, does our culture grant, does our housing grants really address the overall programming in there. In the Ahahui Grants, do all of those grants, or do the sum collective of all the Iwi Kupuna Grants of the five or six awardees that we did, has that been evaluated in the totality of the program. So that's another slow down, that we have, because we're trying to integrate that into it, so that the next time we award, this is easy, we shouldn't have this delay in process.

Trustee Lee: If I remember correctly, and please correct me if I'm mistaken, my memory is not the end all be all. But in the realignment we beefed up our Data Collecting and Analysis Division. *Is that a fair analysis.*

Pouhana Hussey: The Office of Strategy Management, or what was then known as the Systems Office was designed to work with Research to be able to set up the Evaluation. So yes, in the reorganization, the Office a Strategy Management was designed to be able to do these evaluations, whether in house or contracted with external. So yes, correct.

Trustee Lee: So, for the current granting cycle, they just weren't up to speed yet and that's been addressed, so like you said this shouldn't happen, the next time around.

Pouhana Hussey: So, the Office of Strategy Management, like Grants and, like other parts of our organization, even without the reorganization, we're short of people. The last six months of the Reorganization has been about filling positions, bringing them on and then orienting them to the work as well, so that's another delay in seating people and getting them into the processes that they need. Which again, by the end of December, we should be pau, but for the open positions that are still there. Yes, that is part of the process improvements that we need to make.

Trustee Lee: So then should these positions, not be filled in by the end of December, then we're going to have a problem. Because what I'm hearing is that this was reorg related and because we're still short on all of these people, if we're still short of these people come the end of December then we're still going to be where we are today, and we possibly will face this same predicament next biennium Fiscal Year.

Pouhana Hussey: So, Office a Strategy Management is filled, except for one position. Grants wasn't reorganization related, but Grants continues to be, and of course with the eminent departure of the Manager; recruitment is a priority, as well as the Grants Officer positions that are there as well. But yes, the intent is that it shouldn't, because those processes and people should be aligned to the overall improvement that awarding and contracting need to be tighter. The other thing that I'd like to share with Trustees is among the reasons that it's important to establish the process and I'm concerned that it's like a fire hydrant that has too much water, and if you don't have the right pipe to funnel the water to where the fire is we're going to receive resources and then it'll just get spilled all over on the street, because we don't have the right mechanisms, hoses to get those resources to where we need to. That is a matter of, because of Federal funding and the kinds of things that are being made available; so I want to ensure that OHA's structure is ready to be able to scale up when there are more resources to get to our communities, so it has to be more than us processing; its collaboration, its contracting, it's a multiplicity of ways to get our dollars out which then ties to the Policy recommendations that are be brought forward to the Ad hoc Committee.

Trustee Lee: So, Ka Pouhana, my concern, using your same analogy; is with that fire hydrant, if these processes and policies that we put in place, if we don't have it running the way we need it to be running, which it doesn't seem like it is yet, that the attachment that we've attached to that fire hydrant is the size of a garden hose. So, while we have all these resources available to us, it's not getting out, and that doesn't help our beneficiaries in any way, shape, or form. For us to be having it bottled up in the hydrant when we should be expending it out through a fire hose and not a garden hose.

Pouhana Hussey: I agree, and that's exactly the reason that we need to strengthen that. Get the right attachment, get the right partners, yes, I share that exact concern as well.

Trustee Lee: Along those lines of that concern is, I know you can't tell when we're going to hire anybody, right because we only can hire whoever we get that applies. What assurances can the Trustees have, I understand the intention behind all of this, but in the meantime, we can have the greatest intentions, but if it's not happening, then it's not happening, and our beneficiaries are the ones that are suffering. That's the gist of all the questions I'm having, and my concern is that the grants are the biggest impact we have on a day to day basis to our beneficiaries, and for the last nine months we haven't been able to affect that. I would argue, longer than that, and so that's my concern that while we have the intention of all of these new things is to make this flow better. Currently it's not and we don't know when it's going to, so what can we do in the interim, to make sure that we're helping our beneficiaries, because they desperately need this grant money.

Pouhana Hussey: With that plan right, the opening of the spigot in March and ensuring that. The other process changes that the memo alludes to is also an open application period, a cyclical open application, among the items that we have observed with the deadlines are important in order to process and ensure we have that, but our communities have needs that transcend deadlines. We also have communities who have variations of ability and so at the last minute they'll say *Oh, I need this* and it's like *Oh, the cycle has passed* and too often our grantees or communities feel like *oh poho I missed that okay now what*, so some of the process, improvements are that we have open cyclical awarding all year round, subject to funding. But that cyclically we're processing all year round, batching and then coming to the Trustees for approval, and getting into a cycle, so that that we can continue that and our communities can know that there are resources all year round, because there are needs all year round.

Trustee Lee: So when can we expect to see drafts of that because we significantly increased our grantees, that was one of the major selling points of the reorg was that it would provide significantly more funding for granting. So, if we're planning on moving, because this is the first time I'm hearing about a cyclical, and that's great. So when can the Trustees expect to see the outline of that and how the mechanics of that is going to work.

Pouhana Hussey: So that would be, at the time of the solicitation. All of that kind of planning; because there's also changes that we're proposing in terms of the external reviewers, involvement of others, and increased communication, status of where your application is, who applied, what strengths, and can you resubmit for the next awarding, can you strengthen your application and continue it in. There's also an entire conversation on Sponsorships that the Trustees, while we have our Event Sponsorships through Ahahui, as well as Merrie Monarch and Keiki Hula, those things that the Board has approved, there are still larger sponsorship conversations that really should be held around Festival of the Pacific, Polynesian Voyaging Society when they have four-year kinds events. I would call those Lāhui Sponsorships, like larger commitments over time and how did the Trustees want to authorize and plan for those large Sponsorship opportunities. The short answer is, with the implementation of the solicitations and the sequencing of those solicitations, would be the plan for process improvements in that as well.

Trustee Lee: That didn't really answer my question, so if we're ever going to go towards that this type of constant cyclical funding, are Trustees going to see an outline of how that's going to work?

Pouhana Hussey: Yes, we can provide that.

Trustee Lee: *Was that not planned on being provided to us?*

Pouhana Hussey: No, we can provide it. Well, I guess, from an operational point of view I didn't plan, but it's certainly not a secret that's something operationally we can provide.

Trustee Lee: No, I mean I guess if that's not something that Trustees had to approve then I guess you don't need to provide it. I'm just trying to get to a comfort level for me of knowing that the money is going to start flowing again and that we're not going to have this nine months or longer gap. Right, the last time we provide grants was more than nine months ago, this is the longest that I've been a Trustee that we have not awarded grants. So that's where my line of questioning is coming from, right, that's my concern that the money is not flowing to our beneficiaries that need it. So, I guess, if this is just an operational thing, and this doesn't require Trustee approval, then I guess we don't need to see the outline. I guess we'll wait for updates within the RM committee of when solicitations go out, which I know these ones are going to want in March, but beyond that and who's awarded, and all of that is, this is a long time in between. We haven't heard anything from grants in a while. Thank you, Mr. Chair.

Pouhana Hussey: I understand.

Chair Waihe'e: *Thank you, Trustee Lee. Members, are there any other questions?*

There is none.

Chair Waihe'e: *Okay, Sylvia, please continue.*

Pouhana Hussey: Okay, Trustees the next table is what are called Level II Grants. They have the familiar DHHL payment in there and just for context it's another 10 years of this particular commitment. Its quarterly payments that are sent over, the Department does provide quarterly details of the expenditure as they did when they came to the Trustees in the Summer, and we will pass those on to the Trustees as we get them.

The Hawaiian-Focused Public Charter School, the recommendation from Administration is that the 1.5 million: KALO – Kanu o Ka 'Āina Learning 'Ōhana was the selected and approved vendor to be able to administer the 16 Charter School and then their school, Kanu o Ka 'Āina, the school, we issued that and manage that contract separately, so that they're not managing their own schools' contract. Based on Grants monitoring, as well as the recommendation, Administration is recommending that we just amend the contract so that they can continue to manage the 1.5 million in Grants for the 16 Charters, and then the separate contract for Kanu o Ka 'Āina, the school will be managed directly by the Grants program. So, in the upcoming Action Item there's a separate motion for this recommendation. You will notice that there is an additional 1.5 million, that is there, that is reserved for a collaboration recommendation that Administration wants to bring back to the Trustees so that we can affect 'Ōhana Programming through the Charter School Network, and so we will bring that back for recommendation to the Trustees at a future time. Right now, the recommendation from Administration is to amend the contract, rather than going out for the solicitation on for this particular administration of the Grant.

Chair Waihe'e recognizes Trustee Ahuna.

Trustee Ahuna: Just a quick question, so we're gonna bifurcate just that one portion?

Pouhana Hussey: So, when we bring the recommendation in the Action Item, the recommendation will be to amend the contract for KALO, the Learning 'Ohana for the 16 schools, and then it would be to amend the contract for Kanu o Ka 'Āina for the one school, rather than going out for additional solicitation. Yes, that's true, unless you're thinking of another bifurcation that you want us to note.

Trustee Ahuna: Yes. I wanted to make sure that if there was money going towards Hawaiian-Focused Public Charter Schools, personally, I wanted to bifurcate that out, yeah.

Pouhana Hussey: Okay I'll make a note of that when we draft the Action Item to be brought forward to Trustees.

Trustee Ahuna: Okay, Thank you.

Pouhana Hussey: In this classification, is also the Kūlia program, for a refresher the Kūlia was a part of the Ad hoc Committee creation back in 2017. Administration is recommending that we reallocate the \$500,000 to another category, because it was a pilot Program our Office of Strategy Management is preparing an evaluation for Kūlia so that we can know the impacts of the three years of the pilot. So that will be coming forward, but in the meantime, we're recommending to the Trustees to take the \$500,000 and reallocate it to one of the line items above you, so if we want to add more 'Ohana grants, more Homestead grants, or other classification, we would recommend that it be reclassified to other Grant purposes as well.

Chair Waihe'e recognizes Trustee Lee.

Trustee Lee: Thank you, Mr. Chair. Ka Pouhana, I'm interested to hear what the Ad hoc Committee Chair thinks about that, because my concern about that was the Kūlia Grants were specific to fill in the gaps that we missed with the other grants, so if we are waiting on an assessment of how well that program did and in the meantime we want to spend the money someplace else, my concern is those people that we were trying to pick up, we're now going to drop on a side. I'm curious to hear what the Chair of the Ad hoc Committee has to say about that.

Trustee Lindsey: I haven't studied that yet Trustee Lee. Actually, in early talks we were discussing not having a Kūlia Grant.

Trustee Lee: So the program that your Committee recommended three years ago, the committee is now recommending that we do away with it.

Trustee Lindsey: We have talked in the past, not recently with Trustee Waihe'e and we were wondering if the Kūlia grant is a good thing for us because we don't see that Kūlia grant would take care of our people in all the other categories that we have grants. So I don't know what you mean by that people falling through the cracks.

Trustee Lee: Well, that's where I'm confused Trustee, because the reason your Ad hoc Committee first recommended the Kūlia Grants is because there were organizations that can't qualify for the Community Grants because there's such a big grant and there was so much that went into having to apply for that grant. So the Kūlia Grant was meant for the smaller organizations that don't necessarily have to go for those big Community Grants, so that's what I mean about the beneficiaries that are going to fall through the cracks. The reason your committee first recommended this was because you said, well not you...

Trustee Lindsey: I don't think it was my committee.

Trustee Lee: I'm sorry, Ka Pouhana mentioned that you're the Chair of that Committee now so I'm just referring to the Committee.

Trustee Lindsey: Now I am, but it was Chair Machado that recommended it.

Trustee Lee: So, the Committee's recommendation at the time was that there are beneficiaries and beneficiary organizations that were falling through the cracks, because they cannot compete for the Community Grants, so the Committee came up with the Kūlia Grants to service that level of beneficiaries. Because those that went for the Community Grants couldn't qualify because they were too big. So that's where my concern is, especially because we don't have – What Ka Pouhana said was that Systems is doing an analysis on how successful this was, but in the meantime let's do away with it. I have concern with that, let's say we get rid of it right now and we reallocate the \$500,000 to another line of Community Grants and they come back and go, you know what Trustees that program was hugely successful, we've analyzed the data, and it was a great thing, but in the meantime, we did away with it.

Trustee Lindsey: So, we need to analyze the data, we haven't done that.

Trustee Lee: But the recommendation is to do away with it, not wait until we analyze the data. The recommendation is to do away with it, while they analyze the data, I would prefer that we keep the Kūlia Grants and wait till we get the data back as to whether we phase it out or not. The data may come back and tell us we should increase this.

Trustee Lindsey: We'll have the Ad hoc Committee look at that and I don't think we'll do anything before the Ad hoc Committee makes that determination and recommendation.

Trustee Lee: Maybe the Ad hoc Committee should talk with Administration because that's not what Administration just said. Administration just said that in the Action Item for next week, that we're going to move this 500, we're going to do away with Kūlia Grant and move this 500,000.

Pouhana Hussey: Subject to Trustees discussion today, right, if the Trustees tell Administration, no, we don't want to take Administration's recommendation, then the Action Item won't do anything with Kūlia.

Trustee Lee: Right, which is why I'm having the discussion.

Pouhana Hussey: Exactly.

Trustee Lee: If we didn't have any of this discussion, that's what was going to happen next week, so that's why I'm bringing these discussions. So I'm just speaking for myself, not the other Trustees, and I see Trustee Ahuna's hand up, but I would appreciate that Systems does that analysis, provides that analysis to the Ad Hoc Committee, so the Ad Hoc Committee can better advise the Chair of the RM Committee as to what we should or should not do with Kūlia Grants versus doing away with it right now.

Chair Waihe'e recognizes Trustee Ahuna.

Trustee Ahuna: Thank you, Chair. My comment is why would we evaluate if we are going to cancel. Anyway, moving along, I think one of the big concerns and why we're moving money to Homestead classification, is those type of people wanted the grants, those are the people that need it. I thought, these Kūlia Grants were successful because a lot of the grantees were from the homestead. I thought it was a big success, I'm just surprised that we would be cancelling it, I really wish we would look more into it. Aloha and Thanks.

Trustee Lindsey: Maybe our Pouhana can give us a list of the grantees, the people that received grants from the Kūlia and we can do a check of the monitoring and how the money was spent, because no question it's unusual grants, that's why it's called Kūlia. Otherwise, it would fall in the other parts of our Grant program, so we should look at the grants that were given out and what it has done for our people and see if it's a necessity, because our policies require that we give out to nonprofits. Kūlia is strictly no need be nonprofit and that's the cracks we are talking about.

Pouhana Hussey: Trustee Waihe'e, also Kūlia, the observations we've made, and we'll provide because we summarize in our annual report the awards by program so we can go to our annual report and collect the awarding. One of the observations we've made in the Kūlia is one of the things it did provide, in addition to timing, people who missed the deadline, or they had capital, so one of the benefits that Kūlia did provide is you could do capital not large capital what small capital, you know certified kitchen capital. We weren't able to fund everything, but Kūlia Grants were able to fund, you know certified kitchen equipment for the Kau Hale in the Homestead or the Community, so there is benefit for Kūlia which can be picked up in any of our other grants. So, with the change in process timing that you're awarded year-round, you can award year-round, subject to funding, so Administration's recommendation is to reclassify that but take all of the program pluses, before the final evaluation is known and put those pluses into the other granting, from the processing year round to the expansion of capital. Modest capital, parts of it, to other kinds of fiscal sponsor, our Granting program accepts fiscal sponsors, to be able to help small nonprofits who have the 'ike, but they don't have the capability. We saw a lot of that in our awarding, in either the Homestead or in our COVID-19, we had fiscal sponsors, Iwi Kupuna as well, they have the 'ike, but they don't have the palapala to be able to qualify, but that was accomplished through fiscal sponsors. I think some of those concerns that Kūlia was trying to address can easily or has already been addressed in our current granting, but that's the observations that we've had over the past three years of this classification.

Chair Waihe'e recognizes Trustee Ahuna.

Trustee Ahuna: I just wanted to add, yes, and it was places like Anahola Community finally got things, Robin Danner was congratulating us. Thank you, that's all I wanted to say.

Chair Waihe'e recognizes Trustee Lee.

Trustee Lee: Thank you, Chair. Ka Pouhana, it sounds like they've already done an analysis of this, so if I'm understanding this correctly right without having an outline for us, it sounds like we're doing away with labeling Community Grants and Kūlia Grants. That the shift for Administration is just as we did a reorg for OHA, that we're doing a reorg for the way we do granting. That we're going to grant by category and we're going to grant year round, and it will no longer be, so you can apply for Community Grants, or you can apply for Kūlia Grants; our Grants are now going to be categorized differently and you guys can apply all year round, subject to funding for whatever your needs are and OHA will, I guess the different categories are going to have a budget line item, versus a lump sum for Community Grants and a lump sum for Kūlia. So, each of these different categories, which I'm assuming will be somewhat broad, so lots of different people can fall into these buckets, and when their money's expended will either add a realignment, move money from another granting bucket that didn't need it.

Pouhana Hussey: Yes, so I would say that in the past we granted based on line items, versus granting strategically, that our families have needs. Our families have needs that transcend Education, health and housing, and our families have needs that transcend age and our families have needs. So, the intent of granting and why we sort of relabeled things, Beneficiary and Community Investments is because we want to think holistically about granting collaborations and all of that. Yes, we do have to have the budgets for that, but we'd like to say our community has these needs, here are all the different funding mechanisms that can be available. In addition to the mindfulness of regional islands, the COVID-19 Grants we specifically carved out for each island to have its own dollar, so people weren't competing with you know large population. So, the Island of Kaua'i had, Moloka'i had, etc. We also learned some things in that as well, so granting and investments in our community has to balance all of that, it has to balance needs, it has to balance islands, it has to balance what is already available in that community, for programming. So, trying to balance all of that is like an eighth-grade simultaneous equation, right, $2X + 4y = X$ and we're trying to balance all the equations, plus the dollars to be able to have impact. But yes, Trustee, it is a broader look at how we, *grant the verb, grant the noun* - that we have, there's many ways that we can, we can sponsor, we can collaborate. There's a number of ideas, I want to explore with the Trustees regarding something like Alekoko; when we have a treasure like that that's available, how do we work with the communities to be able to have the Community take care of their wahi pana there. So, I would love to have a continuing conversation with the Trustees, how do we support that kind of 'āina funding for our communities.

Trustee Lee: The picture is clear Ka Pouhana, and I can see how that could be beneficial, with this shift into that. My, I wouldn't say concern, but my hope is that, while we are working on this eighth-grade multiple faction equation, that we don't do it with 1+1. That we continue with one plus one until we have figured out that multifaceted complicated equation, and not work on this complicated multifaceted equation on the fly, while we're trying to dispense the money. That to me, doesn't make sense, if we're going to work on this complicated equation, I think that's great, but in the meantime, we should continue with the one plus one until we know what the answer to that equation is. Thank you, Mr. Chair.

Chair Waihe'e: *Thank you, Trustee Lee. Are there any other questions, members?*

There are no questions.

Chair Waihe'e: *Sylvia, you may continue.*

Pouhana Hussey: Okay, the last section is Sponsorships, and this section here is the Board and CEO sponsorships that have been perpetually on hold, since 2018. We always put it in pending the Ad hoc Committee's or the Board's resolution, in times of COVID we have reclassified this to our COVID responses. As an example, last year, as we got to the last Budget Realignment and there wasn't any resolution from the Ad hoc Committee, Administration will recommend reclassifying this to other grant lines, so that we can award more, because our application pools are very healthy as we would say. However, I would like the Trustees to think about Sponsorships on a larger scale, when there are multi-year events such as Festival of the Pacific, Voyaging, Moananuiākea, as an example when there are multi-year and very large sponsorship supports that are often asked, that the Trustees think about that kind of Sponsorship commitment, almost like on a not for profit pledge, we're going to pledge so much per year so that, this is not a budget term, this is just kind of a, so we can chipmunk away the resources and then, if the authority, and then be able to spend it when we need to, rather than trying to look for 200 or 400,000 in Sponsorship, all in one year. So that's a concept, I want to throw out there for the Trustees to think about because these dollars can be reallocated in any other way, as well as be left open all year round. Again, right now, the process is once the solicitations go out for a whole week and then it's Pau and, as you know, opportunities for sponsorships come up all year round and they're often large.

Chair Waihe'e recognizes Trustee Lee.

Trustee Lee: Thank you, Mr. Chair. I like that idea, Ka Pouhana, that's similar to the idea that I floated with you about Kaka'ako Makai, and the maintenance, that we put aside *X amount*, but my caveat would be, like the caveat that I had for that Kaka'ako Makai idea that there's a cap. So every quarter, we put *X amount* in and we just keep putting *X amount* in, but when it reaches whatever, 2.1 million, \$3 million or whatever, then the cap is met and the amount that's supposed to go there, goes someplace else, it automatically gets reallocated someplace else and does not just keep going into this *fund*. So we create a cap and once we reach that cap savings, then the money gets reallocated someplace else and we just maintain that cap.

Pouhana Hussey: Yes. So there are a number of mechanisms that can be affected, hence the discussion here for the Trustees, if the desire. There are a number of ways that the mechanisms, the pledging, the control, the authorities are recognized as well, and then we balance it all with the spending policy because you're going to end up cashing out in one-year, budgetary authority from prior years. So yes, that kind of *chipmunking* strategies apply to Grants as well and Sponsorships.

Chair Waihe'e recognizes RM Vice Chair Alapa.

Vice Chair Alapa: My question is, on a smaller scale compared to the large sponsorships that Ka Pouhana outlined, is there anything for Trustees that could award on a smaller scale, for smaller events. Maybe under \$3,000 to \$4,000, is there something that is set aside for us, or do we create that on our own, or how does that work, would we even do you have anything like that.

Pouhana Hussey: So, Trustee Alapa, the BOT Sponsorships as it was originally known, prior to the moratorium is this line item here, the \$135,000 and the CEO Sponsorship and those amounts were bifurcated from what was then known as the Trustee Protocol Allowance. Now there's a new Protocol Allowance process and policy. What you're speaking of, I think, is what we tried to put in the budget. So these are all the Sponsorships that the Trustees approved in the last budget, these are the line items from traditionally the larger program events that we do, and we have sponsored. In some cases, these are in addition to Sponsorship rights that we have when we buy advertising and media. So, Merrie Monarch we buy advertising and media and there's certain sponsorship, accoutrements that we get, but the Board also approved an additional amount, and similarly with Keiki Hula. What is also in here are other Sponsorship line items, and I think this is the that was intended for small, our rural communities, \$300, \$500, the the 'Ōlelo Speech Festival at the high school, or whatever that may be, this was designed so that in the communities, the smaller sponsorships could be provided, and that the mechanism would come back to the trustees. So, this year-round kind of application, effort and reward, so to get a \$500 scholarship we shouldn't require the kind of application, you know, clap your hands, spin around three times kind of process, this should be a one pager, simple. The process could come from Trustees up through and Administration can aggregate once a month, once a quarter and then bring the entire Action Item to the Board. Knowing our communities, it's probably more monthly that they would want, here's the ask, the event is two weeks from now, that approval would need to be much sooner. So, Administration can implement a process that will bring this all to the Board, aggregate, package, cut off is the 15th, you package all of that, and then you write the Action Item, and then it comes to the Board. That's what this line item was intended or envisioned by Administration when we set up this line item for the Budget.

Vice Chair Alapa: Okay Thank you so much, I'm glad that's put in there, because there are events happening in Moloka'i and they're not asking for anywhere near the larger amount, it's much smaller, so I wanted to ensure that we'd be able to help them out. I know there's the big Paniolo Festival that's coming up, so that's something we really want to see through, it's going to happen Kamehameha Day weekend, and it would be great that we could somehow participate and support the Paniolo heritage.

Pouhana Hussey: These sponsorships are in addition to the Ahahui Grants that exist already, so those Event Grants for up to \$10,000 are available as well, and they will have their cycle as well. These were intended for smaller, like under \$1,000 that are two weeks from now or next month. Or we just decided we're gonna do something for Prince Kūhio day or something like that, so they're meant for smaller, more urgent needs but it still provides the process to come back through the Trustees for approval.

Vice Chair Alapa: Okay wonderful. Thank you so much.

Pouhana Hussey: Okay, this is the last table Trustees. It has the Advocacy, and these are the National Native American Sponsorships for Conventions that Washington DC Bureau has. You'll notice here that the Congressional Fellowship is in redesign, it is a valuable Fellowship that we believe should be reactivated, but we want to make sure that we redesign it so that it doesn't have unintended tax or other consequences for the Fellows that are brought into the program. So that's why it's zero now, because we're doing program redesign, that's it Chair.

Chair Waihe'e: *Thank you, Sylvia. Members, are there any further questions?*

There are no further questions.

VI. ANNOUNCEMENTS

Trustee Akaka: We have a BAE Meeting next Tuesday February 22, 2022.

VII. ADJOURNMENT

Trustee Ahuna moves to adjourn the RM meeting.

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

There is no discussion.

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

							2:47 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA						EXCUSED
DAN	AHUNA	1		X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
HAWAII ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	0	1

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

Chair Waihe'e adjourns the RM meeting at 2:47 p.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Committee on Resource Management (RM) on March 8, 2022.

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



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

- A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)
- B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga
- C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021
- D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022
- E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)
- F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment

**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
(VIRTUAL MEETING - VIA ZOOM WEBINAR)
COMMITTEE ON RESOURCE MANAGEMENT
MINUTES**

February 22, 2022 1:30 p.m.

ATTENDANCE:

Chairperson John Waihe'e, IV
Vice-Chairperson Luana Alapa
Trustee Leina'ala Ahu Isa
Trustee Dan Ahuna
Trustee Kaleihikina Akaka
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee C. Hulu Lindsey
Vacancy, Hawai'i Island

ADMINISTRATION STAFF:

Sylvia Hussey, CEO / Ka Pouhana / Administrator
Casey Brown, COO / Ka Pou Nui
Arlene Aguinaldo, IT
Everett Ohta, Corporation Counsel
Grace Chen, FS
Kevin Chak, IT
Nietzsche Ozawa, Corporation Counsel
Ramona Hinck, CFO

BOT STAFF:

Crayn Akina
Melissa Wennihan

I. CALL TO ORDER

Chair Waihe'e calls the Committee on Resource Management meeting for Tuesday, February 22, 2022 to order at **1:30 p.m.**

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

MEMBERS			AT CALL TO ORDER (1:30 p.m.)	TIME ARRIVED
CHAIR	JOHN	WAIHE'E, IV	PRESENT	
VICE CHAIR	LUANA	ALAPA	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	DAN	AHUNA	PRESENT	
TRUSTEE	KALEIHIKINA	AKAKA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN HULU	LINDSEY	PRESENT	
TRUSTEE	HAWAII ISLAND			VACANCY

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

II. PUBLIC TESTIMONY on Items Listed on the Agenda*

None

III. APPROVAL OF MINUTES

None

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

A. ACTION ITEM RM #22-01: OHA Biennium Budget for the Fiscal Biennium Periods 2021-2022 (FY22) and 2022-2023 (FY23) – Realignment #2

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you, Chair Waihe'e. Trustees, the action item before you comes before you as a result of the workshop that was conducted last week about the various changes that are needed in the Core budgets, as well as Non-Core budgets.

In the Core budgets, are a number of reclassifications from contracts to other program line items; and then in the Non-Core budgets are additional supports needed for the Commercial Property work.

This is the second budget realignment; as a refresher the first budget realignment was back in October that picked up all of the Commercial Property additions for the new Iwilei properties. This is the second budget realignment, given six months of activity, and then Administration's proposals there. Most of the items were discussed in last week's workshop and the action proposed is as expected; attachment one is that. In addition, during the grants section, we discussed that there are grant awards that were made that were declined, so we are recommending that the Trustees push that budgetary authorization into FY22. To add to the awarding budgets for FY22 as we are preparing to launch our Grant Program. With that, Chair Waihe'e, Administration is here to answer any questions from our Trustees.

Chair Waihe'e: *Members, are there any questions?*

There are no further questions.

Chair Waihe'e: *Hearing none, I think we have two different motions. Can we get a motion on the table for discussion?*

ACTION ITEM RM #22-01

Motion #1

Trustee Ahuna moves to approve the fiscal biennium budget realignment #2 for the fiscal biennium periods 2021-2022 (FY22) and 2022-2023 (FY23) as summarized on Attachment #1.

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

There is no discussion.

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

RM #22-01 MOTION #1							1:34 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA	1		X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
HAWAI'I ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				8	0	0	0

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

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

ACTION ITEM RM #22-01

Motion #2

Trustee Akaka moves to approve the carry-forward of \$256,300 (\$156,300 in Community Grants Program, Object Code 56530 and \$100,000 in Kulia Grants, Object Code 56540) due to declined FY2021 grants, to re-award in 2021-2022 (FY22), subject to a future action item being brought to the Board of Trustees (BOT).

Vice-Chair Alapa seconds the motion.

Chair Waihe'e asks if there is any discussion.

Trustee Lee: Thank you, Mr. Chair. So, with this carryover - this is going to increase the amount that we're going to give out in FY22 correct? I see the nodding, okay. Thank you.

Pouhana Hussey: Yes.

Trustee Ahuna: *Is this the one that is attached to the Charter Schools?*

Pouhana Hussey: That would be the next action item, Trustee.

Trustee Ahuna: Okay, Thank you.

Trustee Lee: Just a follow-up question - with the increase that doesn't mean we're increasing the individual awards. I'm just seeking clarification. Are we just going to increase the amount of the total number of awards.

Pouhana Hussey: It will increase the amount in the awardee's buckets. Administration would bring back an action item with the recommendations of where this additional \$256,000 would go - whether it's to 'Ohana Grants or Culture, or any of the Community Grants. We would bring that specific action item back to you, which includes the reallocation of the dollars.

Trustee Lee: So, I guess we will just wait to see. My question is based on, so we didn't give anything out in 2021, so we're increasing the dollars for 2022. I just want to make sure that doesn't just mean that the people in 2022 get more money. I want it to be that there's 'X' amount of beneficiaries that didn't get anything in 2021 and we're going to increase the dollars with 2022. I want to make sure that we increase the amount of beneficiaries in 2022, if that makes sense.

Pouhana Hussey: It does. Let me make sure I repeat back to make sure that I'm understanding. So, FY21 these are the dollars for awards that the Trustees approved. These were declined by the awardees and so we're moving that money forward. Part of the improvements in the granting would be to prioritize awarding and making particular note of those who did not receive an award in prior instances as part of the awarding considerations. So those are some process improvements that we are bringing forward so that we can ensure that more dollars are going to beneficiaries, but also that we consider any gaps in awarding that may have occurred in previous cycles - whether that's gaps in service, gaps in awarding, gaps in geographical area. So those service gaps or those awardee gaps will be part of the processes in this next granting cycle.

Chair Waihe'e are there any further questions.

There are no further questions.

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

RM #22-01 MOTION #2							MOTION: 1:35 p.m. VOTE: 1:39 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA	1		X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA		2	X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
HAWAII ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				8	0	0	0

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

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

V. NEW BUSINESS

B. ACTION ITEM RM #22-02: FB 2022-2023 Hawaiian-Focused Charter School Fund Administration Grant Recommendation

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you, Trustees. As also covered in last week's workshop and the feedback that we received; this is to award the continuing contract for the Administration, which was done by a competitive bid in the last cycle and Administration is recommending that we continue and extend the award to Kanu o ka 'Āina Learning 'Ohana.

To be consistent with awarding, we are recommending that they handle 16 of the Charter Schools and we directly manage their contract, as the 17th school, and so the motion is broken into three motions to be mindful of Trustee Ahuna, who raised a question last week. So, we made sure that the motions were structured the way they are.

The first motion is to approve for 15 of the 17 schools and then the second motion is for one specific school, same action, but bifurcated in one specific school and then the third one is the actual school that we direct manage that contract, so that would be consistent with the current management of the Charter School Grants.

ACTION ITEM RM #22-02

Motion #1

Trustee Lee moves to approve and authorize the:

- A. Disbursement of \$2,629,549 from the Fiscal Biennium (FB) 2022-2023 Core Operating Budget (Object Code 56540) to fund the FB 2022-2023 Hawaiian-Focused Public Charter Schools (HFPCS) grant to Kanu o ka 'Āina Learning 'Ohana (KALO), for the benefit of 15 HFPCSs; and**
- B. Amendment to KALO contract #3358.01.**

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

Trustee Ahuna: I will kanalua from this, due to my wife's involvement with the Charter Schools.

Trustee Lee: Point of Clarification for Trustee Ahuna. The Charter School that your wife works for has been bifurcated out to Motion #2, if you so choose - you may vote on this one.

Trustee Ahuna: Okay, Thank you.

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

There is no further discussion.

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

RM #22-02 MOTION #1							MOTION: 1:42 p.m. VOTE: 1:44 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE	1		X			
CARMEN HULU	LINDSEY			X			
HAWAI'I ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				8	0	0	0

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

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

ACTION ITEM RM #22-02

Motion #2

Trustee Lee moves to approve and authorize the:

- A. Disbursement of \$121,040 from the Fiscal Biennium (FB) 2022-2023 Core Operating Budget (Object Code 56540) to fund the FB 2022-2023 Hawaiian-Focused Public Charter Schools (HFPCS) grant to Kanu o ka 'Āina Learning 'Ōhana (KALO), for the benefit of Kanuikapono Public Charter School, Anahola, Kauai; and**
- B. Amendment to KALO contract #3358.01.**

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

There is no discussion.

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

RM #22-02 MOTION #2							1:45 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA					ABSTAIN	
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE	1		X			
CARMEN HULU	LINDSEY			X			
HAWAI'I ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	1	0

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

Chair Waihe'e notes for the record that seven (7) members present vote 'AE (YES) and one (1) ABSTAINS and the **MOTION PASSES**.

ACTION ITEM RM #22-02

Motion #3

Trustee Lee moves to approve and authorize the:

- A. Disbursement of \$249,411 from the Fiscal Biennium (FB) 2022-2023 Core Operating Budget (Object Code 56540) to fund the FB 2022-2023 Hawaiian-Focused Public Charter Schools (HFPCS) grant to Kanu o ka 'Āina New Century Public Charter School (KANU); and
- B. Amendment to KANU contract #3359.01.

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

Trustee Lee: Thank you, Mr. Chair. I wish to speak in favor of this motion and to reiterate what Administration has already relayed, but I think it just be said again. The reason for this third motion is because Kanu o ka 'Āina will be managing the other 16 Charter Schools, but it's improper for them to manage their own money. So, this motion is meant so that OHA will Administer the money to Kanu o ka 'Āina and that's what this motion is clarifying. Thank you, Mr. Chair.

Chair Waihe'e: Thank you, Trustee Lee. *Are there any other discussion points?*

There are no further discussion points.

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

RM #22-02 MOTION #3							Motion: 1:45 p.m. Vote: 1:47 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE	1		X			
CARMEN HULU	LINDSEY			X			
HAWAI'I ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				8	0	0	0

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

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

VI. ANNOUNCEMENTS

Trustee Lindsey: I just wanted to remind everyone that we have BOT Meetings at 9:00am on the next two days, and I wanted to let everyone know that for Thursday's meeting we are requesting that Trustees are here in person. If there are any questions, please let me know. Thank you.

VII. ADJOURNMENT

Trustee Lindsey moves to adjourn the RM meeting.

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion.

There is no discussion.

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

							1:49 p.m.
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
HAWAII ISLAND	TRUSTEE						VACANCY
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				8	0	0	0

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

Chair Waihe'e adjourns the RM meeting at 1:49 p.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Committee on Resource Management (RM) on March 8, 2022.

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



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

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AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo

VI. Announcements


VII. Adjournment



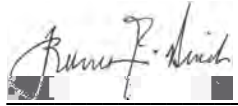
Action Item
Committee on Resource Management
March 8, 2022

RM #22-03


Action Item Issue: Reappointment of Leilani Kūpahu-Marino Kaho‘āno as Non-OHA LLC Manager for Hi‘ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

Prepared by:  Mar 2, 2022


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

Reviewed by:  Mar 2, 2022

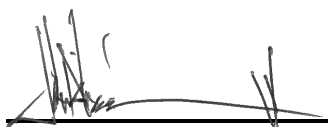
Ramona G. Hinck Date
Ka Pou Kihi Kanaloa Wai, Chief Financial Officer

Reviewed by:  Mar 2, 2022

Casey K. Brown Date
Ka Pou Nui, Chief Operating Officer

Reviewed by:  Mar 2, 2022

Everett Ohta Date
Ka Paepae Puka Kūikawā, Interim General Counsel

Reviewed by:  Mar 4, 2022

John D. Waihe‘e, IV Date
Luna Ho‘omalua o ke Kōmike Resources Management
Chair, Committee on Resource Management

Action Item RM #22-03: Reappointment of Leilani Kahoano as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023,2024, 2025)

I. Proposed Action

Approve the reappointment of Leilani Kūpahu-Marino Kaho'āno for a three-year term and service period, beginning April 1, 2022 and ending March 31, 2025, as a non-OHA limited liability company manager for Hi'ilei Aloha LLC.

II. Issue

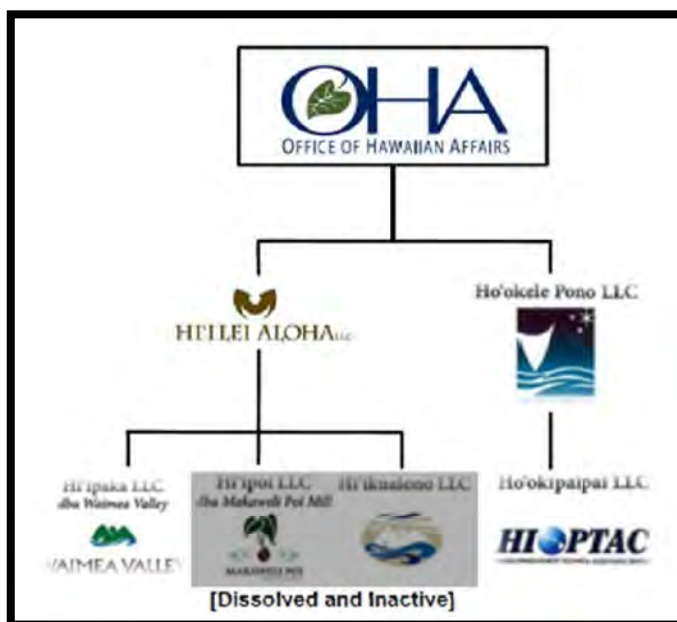
Whether or not the Committee on Resource Management will approve, and recommend Board of Trustee's (BOT) approval, Administration's recommendation to reappoint Leilani Kūpahu-Marino Kaho'āno for a three-year term and service period, beginning April 1, 2022 and ending March 31, 2025, as a non-OHA limited liability company manager for Hi'ilei Aloha LLC. Refer to Attachment A for updated, March 2022, resume of Leilani Kūpahu-Marino Kaho'āno.

III. Background & Overview

A. Background and Overview. Via Action Item RM #21-01¹, OHA approved the following non-OHA employees as volunteer, uncompensated Managers for Hi'ilei Aloha LLC (Hi'ilei), effective April 1, 2021, with the noted staggered terms of service:

1. Roberts "Bob" Leinau for a service period of three (3) years (expires March 31, 2024);
2. Greg C. Pietsch for a service period of two (2) years (expires March 31, 2023); and
3. Leilani Kūpahu-Marino Kaho'āno for a service period of one (1) year (expires March 31, 2022).

Figure 1. LLC Structure



The staggered terms were intentionally set to enable stability in institutional knowledge, experience and management for Hi'ilei and Hi'ipaka LLC, dba Waimea Valley (Hi'ipaka).

B. Structure. The Office of Hawaiian Affairs ("OHA") is the sole member of two limited liability companies ("LLCs"), Hi'ilei Aloha LLC ("Hi'ilei Aloha") and Ho'okele Pono LLC ("Ho'okele Pono"). Hi'ilei Aloha is the sole member of two limited liability companies Hi'ipaka LLC ("Hi'ipaka") and Hi'ikualono LLC ("Hi'ikualono"). Ho'okele Pono is the sole member of a single limited liability company Ho'okipaipai LLC ("Ho'okipaipai").

¹ Approved by the Committee on Resources Management on February 16, 2021; and ratified by the Board of Trustees on February 25, 2021.

C. Trustee Authorized Actions. Refer to Attachment B for background and actions taken.

D. Implementation of Actions to Seat Non-OHA LLC Managers. Refer to Attachment B background and actions taken. The then applicant, now non-OHA LLC manager information (collectively “Community LLC Managers”) included the following:

- 1. Then Applicant, Now Community LLC Manager (1 Year Term): Leilani Kūpahu-Marino Kaho‘āno. Education:** Associates Degree, Nursing, Santa Rosa Junior College; **Experience:** Home Hospice (Navian), Pediatric Nurse Case Manager 2018 (11) to 2019 (06); Tripler Army Medical Center, Neonatal Intensive Care Nurse 2010 (11) to 2018 (11); Kapiolani Medical Center for Women & Children, NICU RN (to be updated); Native Hawaiian Nurse Adjunct Instructor; **Additional Experiences:** cultural/professional highlights; board experiences; cultural, additional information; educator; program development; nurse case manager; shift charge nurse; nurse surgical suite general contractor; trailblazing nursing projects; professional presentations/grant funded programs; professional publications; professional memberships/scholarships; volunteer activities.
- 2. Then Applicant, Now Community LLC Manager (2 Year Term): Greg C. Pietsch. Education:** BBA Finance and Real Estate, Minor, Studio Art (Southern Methodist University), Oxford University, University College, Course work: International Business; **Experience:** Professional Affiliations: Chartered Financial Analyst (CF), American Society of Appraisers, Business Valuation: Accredited Senior Appraiser; Ernst & Young, LLP, Corporate Finance and Real Estate Manager 1994-2000; Eureka Capital Markets, Corporate Finance, Managing Member 2000-2004; Pietsch Properties, LLC, Finance and Real Estate, Managing Member 2004-present; **Community Experiences:** Trust for Public Land, Hawaiian Islands Program, Board Member; Historic Hawaii Foundation, Board Member; and Haleakala Ranch, Board Member.
- 3. Then Applicant, Now Community LLC Manager (3 Year Term): Roberts “Bob” Leinau. Education:** BA Pre-Med/Biology University of Southern California; **Experience:** Military: Hawaii National Guard 1966 to 1974, Journeyman carpenter 1968 to 1973, Safety officer, Business man with 30+ years management experience in Waimea Valley; **Community Activities:** Wahiawa Waiialua Rotary // past President; Hale'iwa Main Street dba North Shore Chamber of Commerce // past Director and current volunteer; Sunset Beach Community Assn // past President; North Shore Outdoor Circle//Director // past President; North Shore Neighborhood Board #27 [since its inception-1977]// Treasurer; Oahu Metropolitan Planning Organization N.S. Representative; Mālama 'Ōhana // past Charter member; Mālama Pūpūkea-Waimea [Charter Member]// director, Treasurer; Hale'iwa Arts Festival // past Director, Secretary; Hawai'i Ecotourism Assn // past Director // Secretary; Wahiawa General Hospital // past Director // Treasurer; Hale'iwa Harbor Advisory Committee; North Shore Community Land Trust [Charter Member]// Treasurer; Defend Oahu Coalition // past Director; Kuilima Advisory Committee [now defunct] // past member; Resort Training Inc. // past Director; Board of Water Supply Community Advisory Board // NS representative; Hawaiian Islands Humpback Whale National Marine Sanctuary // past Advisory Council member; Papahānaumokuākea Marine National Monument //Reserve Advisory Council; Waimea Valley Aha Hui advisory group // current; Oahu

Action Item RM #22-03: Reappointment of Leilani Kahoano as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023,2024, 2025)

Master Gardener // current volunteer/ /“plant doctor”; Kokua Foundation's 'Aina in Schools teacher/volunteer.

E. A Year of Community LLC Manager Activities². Since the approval and appointment in February 2021, with an effective date of April 1, 2021, the Community LLC Managers engaged in a variety of winddown (Hi'ilei) and strategic and operational activities (Hi'ipaka), including but not limited to: transition meetings with OHA LLC Managers, monthly Community LLC Manager meetings, 2021 budget approval, adjustments and updates, Hi'ilei Aloha reporting and winddown activities (e.g., dissolution activities, financial, audit, operations, Chief Operating Officer), and Hi'ipaka Executive Director performance evaluation. Administration will work with the Chair of the Committee on Resource Management to schedule a briefing in May 2022.

IV. Recommended Action

Approve the reappointment of Leilani Kūpahu-Marino Kaho'āno for a three-year term and service period, beginning April 1, 2022 and ending March 31, 2025, as a non-OHA limited liability company manager for Hi'ilei Aloha LLC.

V. Alternative Actions

- A. Amend the recommended action.
- B. Do not approve the recommended action.

VI. Reference Documents

- A. **Action Item RM #21-01:** Approval of Non-OHA Limited Liability Company Managers for Hi'ilei Aloha LLC, February 16, 2021
- B. **Action Item RM #19-20:** Approval of the Non-OHA Employee Managers' Selection and Seating Process for Hi'ilei Aloha, LLC and revised LLC Manager Position Description, November 20, 2019
- C. **Action Item RM #19-08:** Approval of Resolutions of the Board of Trustees Office of Hawaiian Affairs, Reorganization Documents, and Hi'ilei Aloha LLC Manager Position Description as sole member of two limited liability companies, Hi'ilei Aloha LLC and Ho'okele Pono LLC, May 29, 2019

VII. Attachments

- A. Resume of Leilani Kūpahu-Marino Kaho'āno
- B. Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi'ilei Aloha LLC, February 16, 2021, including position description



Leilani Kaho'āno, Cultural Practitioner/ R.N.

CURRICULUM VITAE - Culture/Nursing

Website: www.caringforhawaiiineonates.org

Cultural/Professional Highlights

- **Waimea Valley** (O'ahu) 'Ohana Hewahewa representative (Kupahu lineage); Appointed Hi'ipaka and Hi'ilei Board of Director | Manager
- **Co-Coordinator**, 2019 Pu'ukua blessing with Nā Kahu Emeritus, state & city officials and 'Ohana Hewahewa
- **2018 Waimea Valley** hula competition judge
- **Kumu Hula** ('uniki trained): Hālau Hula o Nāmamoakeakua
- **Pelekikena**, Queen Julia Kapiolani Hawaiian Civic Club
- **Documentary spokesperson**
- **'Ohana Ni'ihau liaison**
- **Co-Founder**, Alliance of Global Neonatal Nursing
- **Educator**, Mana in Neonatal clinical practices and 'ohana mo'oku'auhau
- **Researcher**
- **Former Level IV NICU Nurse**, ECMO trained, Plastic and
- **Nursing**: Reconstructive, Operating Room, Neonatal Intensive Care, Pediatrics, Pediatric Hospice and Palliative Care Nursing
- **Nursing Doctoral education pathway**, University of Hawai'i School of Nursing, in progress
- **Founder**, 501c3 neonatal non profit
- **Project team management**
- **Event Planner**
- **PR/Radio/TV**

Professional Experiences

- **Ka Ha o Hawai'i Podcasting, Co-Producer and Co-Host**, Summit Media, 2020 - current
- **Salvation Army Women's Way, Cultural Maternal & Infant Mental Health**, 2020 - present
- **HI Homecare | Cradles & Crayons**: Intermittent Pediatric Nurse, December 2019 - current
- **Hospice Hawai'i | Navian: Project contract**: Pediatric Hospice support, December 2018 - June 2019
- **Malama o Na Keiki | Caring for Hawai'i Neonates**, Founder | President, transition non profit to 501c3, September 2, 2016
- **Tripler Army Medical Center: Full time and Contracted NICU RN**, November 2010 - December 2018
- **Keiki o ka 'Aina Family Learning Center, Pediatric Health Consultant**, July 2008 - November 2010, (partnership with Malama o Na Keiki)
- **Kapi'olani Medical Center for Women and Children, NICU RN**, August 2006 - July 2008
- **San Diego Hospice and Palliative Care - San Diego, CA**, Pediatric Case Manager, 2004 - 2006 (part-time)
- **Sharp Mary Birch Women's Hospital - San Diego, CA, NICU RN**, 2002 - 2006
- **Santa Rosa Memorial Hospital - Santa Rosa, CA**, NICU RN and OR Scrub & Circulating RN, 2000 - 2002
- **Experience Aloha Tour, 10-month U.S. Cultural Tour**, Nurse | Hula,

January 2000 - October 2000

- **Plastic Surgery Associates - Santa Rosa, CA**, Nurse Manager and General Contractor for Class "C" General Anesthesia Accreditation, June 1995 - 1999
- Halau Hula o Leilani, Hula Teacher, April 6, 1996 - 2014, post 'uniki: **Halau Hula o Namamoakeakua**, Kumu Hula, November 16, 2014
- **San Diego Children's Hospital - San Diego, CA**, Unit Secretary, 1988 - 1992
- **Larry D. Schoenrock, MD - Santa Rosa, CA**, Medical Assistant and Cosmetic Computer Graphics Simulator, 1982 - 1988
- **Straub Medical Center, Orthopedics, Honolulu, HI**, Neck|Back Clinic Unit Secretary & Emergency Room Ward Clerk, 1979 - 1982
- **HMSA, Membership File Clerk**, Honolulu, HI 1977 - 1979
- **Additional experiences and certifications available upon request**

CULTURAL EXPERIENCES:

- **La Niihau - A Day in the life of Niihau**, Lei Poina ole and Ke Kula Niihau o Kamakahikilani, February 26, 2022
- **Waimea Valley, Hi'ilei and Hi'ipaka, Board Manager, OHA appointed, 2021 - current**
- **Huamakahikina**, Kumu Hula member, August 2021 - current
- **Kahala Nui**, Kumu Hula Kupuna, May 2021 - current
- **Lei Poina 'Ole**, Cultural Perinatal & Hospice Visionary/Chairperson, in partnership with Kamehameha Schools & Roman Catholic Diocese of Hawai'i, 2019 - current
- **Hewahewa and Samuel Ka'ilipua Kupahu representative.**
- **29th Children & Youth Day**, Planning Committee Cultural Chairperson, 2010 - current; 2021, 2022 TV Production Coordinator (KFVE, KGMB, KHNL)
- **Queen Julia Kapiolani Hawaiian Civic Club**, Pelekikena, 2019 - current
- **Kapahulu Center**, Kumu Hula Kupuna, May 2016 - current
- **Cathedral of Saint Andrew**, 'Olelo Matuahine reader, Prince Albert Circle and 'Iolani Guild member, 2013 – current
- **Hālau Hula Nāmamoakeakua**, Kumu Hula, 2010 – current (previously Hālau Hula o Leilani before Kumu Hula 'ūniki, 2014; teaching since 1985; hula since 1967)
- **"An Evening of Delight: Queen Lili'uokalani...**, Washington Place, 'Iolani Guild committee member, January 28, 2015.
- **Hanahau'oli School**, Enrichment after-school program, Kumu Hula, 2012 – 2019.
- **Ke Aloha Ho'okahi Preschool**, Kumu Hula, March, 2014 - 2016
- **2014 Neonatal Professionals Institute**, Organizer, in collaboration with University of Hawai'i's Pacific Rim International Conference for Disability and Diversity, Hawai'i Convention Center, May, 2014.
- **Chaminade University School of Nursing**, Perinatal Education Speaker and Kumu Hula, Kumu Hula, Pu'ukuhola Student Nursing community health, 2016 - 2019
- **SONY Open PGA Tour**, Walking Scorer, 2014, 2015, 2017
- **2013 LOTTE LPGA Golf Tour**, Walking Scorer, 2013
- **2013 Early Childhood Educational Conference**, in collaboration with UH Pacific Rim International Conference, April, 2013.
- **2012 Inaugural LOTTE LPGA Golf Tour**, Kumu Hula, taught a brief hula to LPGA winner, Ai Miyazato, for Golf Channel live on-camera, local - international, production
- **Concert Pianist Hawaiian Production**, Fukuoka, Japan, Kumu Hula for concert and teaching workshop, October, 2012
- **PGA Tour Wives Association huaka'i**, Kumu Hula, cultural experiences

- w/Friends of Hawai'i Charities, January, 2012, 2013
- **Mid Pacific Country Club 63rd, 64th, 65th Jennie K Women's Golf Tournament**, Golfer and Kumu Hula for cultural blessings, May 2012, 2013, 2014, 2015 pending
- **Wai'alae Women's Invitational**, Golfer and Kumu Hula for cultural blessing, 2012, 2013
- **2010 Early Childhood Conference sponsoring Dr. Berry Brazelton, renowned international Pediatrician**, Hawai'i Convention Center, April, 2010.
- **"Extraordinary Abilities" Weinberg Foundation and Carole Kai Charities KHON-TV special**, Kumu Hula for runners up, Hearing impaired students, November, 2010.
- **"Extraordinary Abilities" Weinberg Foundation and Carole Kai Charities KHON-TV special**, Kumu Hula for winner, blind student Yana Ramos, November, 2009.
- **Kalani Ali'i Awards**, 'Aha Hīpu'u – Royal Societies, Committee and Honorees Chairperson, 2009 - 2012
- **Native Hawaiian Chamber of Commerce**, Board of Director and 2nd V.P., September, 2009 – 2012
- **'Ahahui Ka'ahumanu**, Board of Director and member, Honolulu, HI – 2008 – current
- **'Ō'ō Awards, Native Hawaiian Chamber of Commerce**, 2nd V.P Coordinator and committee., September, 2008 – 2012
- **Children and Youth Day**, Committee Chairperson, 2008 – current
- **Children and Youth Day** 'Iolani Palace Stage Mistress of Ceremonies, 2008 - current
- **Kaumakapili Church**, Kumu hula, keiki hula, 2007 - 2010
- **Prince Lot Hula Festival**, MGF Board Member and Event program coordination, 2008, 2009
- **Children and Youth Summit** at State Capitol, Cultural Coordinator, 2009
- **"Experience Aloha 2000"** 10-month U.S. major cities Tour for Hawai'i Visitors and Convention Bureau – kumu hula and cultural educator, year 2000
- **George Kahumoku and Daniel Ho** Concert in San Diego, Visionary/Organizer, 2005
- **Hālau Hula o Leilani**, kumu hula, Santa Rosa, CA 1985 – 2002; San Diego, CA 2003 – 2006. Returned to Hawai'i 2007.
- **Celebration of Aloha '98**, Visionary/Organizer – Sonoma County, CA (Day Festival: 3000+ guests; Evening concert w/Keali'i Reichel: 1,680 guests; 2nd day: cultural workshops, charity golf tournament)
- **Celebration of Aloha '99**, Visionary/Organizer – Marin County, CA (Day Festival: 3,500 +; evening concert w/Brothers Cazimero: 900+ guests; 2nd day: Cultural workshops, golf tournament)
- **Slack key U.S. Tour** with George Kahumoku, Daniel Ho, Cyril & Martin Pahinui, Dennis Kamakahi, featured hula dancer, March – April, 1999
- **Major sponsors coordination:** Maui Visitors Bureau, Hawai'i Visitors Bureau, KPIX (San Francisco TV Channel 5), Matson Navigation, HMS Host, KITV, KZST radio, 940AM, Kendall-Jackson Vineyards, Robert Mondavi Winery, and other major corporate sponsors between domestic US and Hawai'i connections.
- **AM940 Aloha Friday's radio show** Co-Host, 2011 - current
- **KITV Commercial production** for CYD commercial, 2014
- **Santa Rosa Junior College**, Continuing Education, Hula instruction, Santa Rosa, CA, 1996 – 2002
- **"Hulacize"** – aerobic hula exercise classes, Sonoma County (see attached article)
- **Teaching blind/deaf** children, youth and adults students hula, Sonoma County, CA 1999; Honolulu, 2009, 2010
- **Professional Hawaiian shows**, Sonoma County, CA – 1998 – 2002

COMMUNITY EXPERIENCES

- **Alliance of Global Neonatal Nursing (ALIGNN), Co-founder**, 2017 - present
- **C&K Golf Tournament**, Keiki o Ka 'Āina benefit, Golf Coordinator, 2009
- **March of Dimes Tad Fujikawa Golf Tournament**, Volunteer, 2008
- **Kamehameha Explorations**, kōkua to Kumu for Arts/Language programs, 2007, 2008
- **'Iolani Palace, Docent**, 2006 – current
- **Distinctive Women in Hawaiian History**, Co-Event organizer and Mistress of Ceremonies, 2007, 2008
- **Hawai'i National Association of Neonatal Nurses, Education Chair**, 2006 – 2008
- **Southern California National Association of Neonatal Nurses**, President, 2003 – 2006
- **Greater Bay Area Make-A-Wish Foundation**, Area Director of Sonoma County, 1993 – 1995
- **World Invitational Croquet Championships**, Event Coordinator Assistant, for Sonoma County Home Hospice at Sonoma-Cutrer Winery, 1995
- **Child Protective Services**, Volunteer, Honolulu, HI – 1980
- **Home Hospice Caregiver Volunteer** trained, St. Francis Hospital, Honolulu, HI – 1980. Currently, professional & volunteer in community
- **St. Eugene's Diocesan Church Assistant Youth Advisor**, Santa Rosa, CA, 1983 - 1987
- **'Iolani Palace spokesperson** on KHNL, KGMB, KITV and Nā 'Ōiwi Ōlino radio show, 2008
- **Greater Bay Area Make-A-Wish Foundation**, Spokesperson, Sonoma County, CA 1995 – 1998
- **Redwood Empire Make-A-Wish Foundation Golf Tournament**, Santa Rosa, CA, 1995, 1996
- **Pro Quarterback Football Charity Golf Shootout**, Konocti, CA, Professional Hawaiian show, 1998.
- **Charles Schulz Redwood Empire** Christmas show, Hula on Ice, 1998
- Projects for terminally ill children w/**Charles Schulz** approval of character usage, 1996 - 1999.
- Additional servanthood for homeless children and families, liaison for pre-Hospice and Hospice patients, prayer visitor for hospital and homebound persons, sharing hula to underserved communities.

NURSING VOLUNTARY/PROFESSIONAL

- **Celebration of Aloha Golf Tournament fundraiser** for Mālama o Nā Keiki nursing organization – 2013, 2014
- **Prince Albert Circle** – partnership at St. Andrew's Cathedral for Perinatal to Pediatric Hospice/Bereavement w/four Hospice agencies, 'Iolani School Hospice class and Kokua Mau, 2014 to present
- **Mālama o Nā Keiki** – Neonatal Nurses Caring for Hawai'i's Babies, Founder – 2008 to present. Neonatal Professionals Institute, 2014 – present – annual educational conference for Neonatal professionals.
- **Hawai'i National Association of Neonatal Nurses**, Education Coordinator, Honolulu, 2006 – current (when organization became Mālama o Nā Keiki)
- **Pacific Rim International Conference for Disability and Diversity**, perinatal to pediatrics in early childhood nursing conference, 2012 - 2014
- **In-progress, qualitative study and future publication on "Indigenous Intuitiveness"** – a study to show the effects of human spiritual connection and physiological responses in Hawaiian population
- **Healthy Child Care Hawai'i**, Early Childhood Health Consultant, 2008 – present
- **Hawai'i Association of Infant Mental Health**, Co-Founding member,

2008 – current

- **Collaboration with Dr. Earl Bakken (co-Founder, MedTronics Pacemaker) for “Mana” research**, April, 2009 – current (will be interviewing Dr. Bakken in January, 2010 for joint presentation in April, 2010 HINANN conference)
- Lecture, **“Nurse’s Mana and Effects on Patient”**, Hawai’i National Association of Neonatal Nurses, Sheraton Moana Surfrider, Honolulu, HI April 26, 2009
- Lecture, **“Mana and Effects on Early Childhood Development,”** Hawai’i Association for the Education of Young Children, October 10, 2009, Hawai’i Convention Center, Honolulu, HI
- **Kamehameha Schools, Explorations nurse** and on-call during school year, 2007- 2009
- **Keiki o Ka ‘Āina Family Learning Centers**, Consultant for DHS Preschool Licensing and city permitting process, **November, 2008 to January, 2009.**
- **Sharp Union Hospitals**, San Diego, CA, Nursing President, 2005
- **Hawai’i Medical Corps**, Volunteer RN, Honolulu, HI – 2007 – current
- **Southern California National Association of Neonatal Nurses**, President, San Diego, 2003 – 2006
- **Fresh Start** – volunteer surgical nurse for pediatric reconstructive cases, San Diego, CA, 2005

Trailblazing Nursing Projects

- **Lei Poina 'ole and Ke Kula Niihau o Kamakahikilani**: Perinatal to early childhood program visionary, 2018 - current
- **Infant Mental Health Association - Hawai'i** (AIMH HI) - Infant Mental Health Specialist, 2008 - current
- **Safesitter - Hawai'i 2019**: Inaugural launch of nationally recognized educational training center for 6th - 8th grade students to be safe and knowledgeable caregivers of infants.
- **Hospice Hawai'i Pediatric Hospice**: Co-team member developing first Hospice and Palliative Care in Hawai'i. November 5, 2018 - present.
- **Alliance of Global Neonatal Nursing (ALIGNN) 2018**: Perinatal seat on World Health Organization extended to Hawai'i by COINN. Collaboration focuses on diverse leadership styles to bring best practices together and set new standards for neonatal nurses, academic advancement and community service.
- **STABLE Instructors Course**: Inaugural 2-day certification course taught by Founder, Dr. Kris Karlsen, to develop local nurse instructors. Training: September 29-30, 2017. Tripler adopted program and 300+ LPNs, RNs, NPs and MDs have been trained to date.
- **Global Neonatal Nurses Institute: 2017: Historical** - Invited Speaker leaders from Council of International Neonatal Nurses; Academy of Neonatal Nurses; Association of Women's Health, Obstetrics and Neonatal Nurses; National Association of Neonatal Nurses to educate on evidence-based topics to local nurses and develop historical global alliance.
- **Pu'ukohola Cultural Nursing Education: 2016 - current**: Training student nurses to integrate cultural, spiritual and academic learning into clinical assessments. Collaboration with University of Hawai'i - Manoa,
- **Neonatal Nurses conferences 2010 - 2016**: Invited Key Note Speakers: **Dr. Carole Kenner** - Mother of Neonatal Nursing; **Dr. William Sears** - Globally recognized Pediatrician and Author; **Dr. Ken Nakamura** - AAP Member and Hawai'i Neonatologist. **Thomas Francis III**, son of Polio co-developer; **Dr. Kris Karlsen**, Founder, STABLE nursing certification. 25 invited speakers over 5 years.

- **Lecture: "Finding Gifts in the Grief Journey Dementia.** Kaina's story.
- **Early Childhood conferences 2010 - 2012:** Early Childhood Collaboration: 2010 - Key Note Speaker: **Dr. Berry Brazelton** - Father of Pediatrics and Founder, Touchpoints globally recognized infant program.
- **Kumu Hula, Halau Hula o Namamoakeakua.** Honolulu, HI October 9, 2010 - current.
- **Pacific Rim Conference for Disabilities, Neonatal Nursing Congress**
Organizer: "Harnessing Brilliance" Advocacy and Action for Early Intervention; Children with special health needs." Hawai'i Convention Bureau. **Key Note Speaker: Dr. Berry Brazelton** - Father of Pediatrics and Founder of Touchpoints. April, 13, 2010.
- **Malama o Na Keiki aka Caring for Hawai'i Neonates 501c3 non profit 2008 - current:** Founder of the first cultural neonatal nurses grassroots organization to benefit babies, especially high-risk neonates, families and NICU nurses. Became a federally recognized non-profit organization on 9/2/2016.
- **Chairperson: "RSV and Influenza/Pandemic Flu"** SCANN Meeting. July 10, 2006.
- **Chairperson: "SCANN's 11th Annual Conference"** San Diego, CA . November 7, 2005.
- **Chairperson: Non-Contentious Medication Controversies in the NICU.** San Diego, CA. September 12, 2005.
- **Chairperson: Respiratory Xrays/Interpretation.** San Diego, CA July 11, 2005.
- **Chairperson: "Does Size Really Matter?"** Decision making on the threshold of viability. San Diego, CA January 10, 2005.
- **Chairperson: "Changing Tides in Neonatal Nursing"** conference 2004: Introduced first corporate Exhibitor sponsorships and hotel-based conference as President of the Southern California Association of Neonatal Nurses.
- **Hula School Teacher: Halau Hula o Leilani.** Santa Rosa, CA. 1985 - 2010.

Professional Presentations/Grant funded programs

- **Lecture:** Cultural Hospice and Palliative Care. University of Hawai'i - Mānoa, School of Social Work. February, 2019.
- **2020 monthly TV presentations:** 2019 Global Neonatal Nurses Institute. 'Ōlelo TV.
- **Lecture: Pediatric Hospice and Palliative Care.** University of Hawai'i - Mānoa, School of Social Work. May 25, 2018
- **Lecture: Hospice and Palliative Care.** Chaminade University - Hawai'i, School of Nursing. February 25, 2018.
- **Lectures: Research "Indigenous Intuition":** Developing program to integrate Inherited and acquired mana into nursing assessments and patient care. Qualitative data pending. 2006 - current
- **Presentation:** Hawai'i Board of Nursing and State Center for Nursing Excellence 2017: Formal organization presentation to obtain approval to maintain California Continuing Education certification for 2017 Global Neonatal Nursing Institute. Approval given.
- **Lecturer: Hospice and Palliative Care - Perinatal to Kūpuna.** UH School of Social Work. May 28, 2018.
- **Co-Emcee: 2018 March of Dimes** annual walk. May, 2018. Kapi'olani Park. Honolulu, HI.
- **Lecture: "Traditional Hawaiian Concepts of Grieving"** Queen Emma Summer Palace. Hosted by Papa Ola Lokahi. September, 2017.
- **Lecture: "Hawaiian Grieving and Dementia"** Hawai'i State Office for

- Dementia Care. Craigsides Honolulu, HI. August, 2016.
- **Lecture: "Buds, Birth and Life"** DOH HHVN Annual Conference. October 3, 2015.
- **Vice President/Chairperson: 'Ō'ō Awards.** Native Hawaiian Chamber of Commerce recognizing extraordinary community efforts of Hawaiian men and women.
- **Lecture: "Unbroken Spirit: Indigeneous Intuition at the Beginning of Life"** Healing Our Spirit Worldwide Conference, Hawai'i Convention Center. September, 2010
- **Grant: Early Childhood Brain Development:** W. K. Kellogg Foundation grant for Health through Action committee member for children's health with Kokua Valley. Based on Dr. Neil Shonkoff's "Neurons to Neighborhoods." 2009.
- **Lecture: "Mana and effects on Early Childhood Development"** Hawai'i Association for the Education of Young Children, October 10, 2009,
- **Co-Founder: "Distinctive Women of Hawaiian History"** educational conference celebrating multi-talented women and their pioneering efforts in Hawai'i. 2008 - 2010.
- **Lecture: "Nurse's Mana and Effects on Patient"** Hawai'i National Association of Neonatal Nurses. April 26, 2009.
- **Lecture: "Princess Ka'iulani"** Her legacy focused on wellness of her people. October 16, 2007.
- **Lecture: "Ka'ahumanu"** Her legacy on spiritual leadership. May 15, 2007
- **Research: Vermont-Oxford Research Study** Committee with Dr. Maynard Rasmussen: Golden Hour - Oxygen sats in the Delivery Room to NICU and Stabilizing. 2002 - 2006.
- **United States Cultural Nursing Tour:** "Experience Aloha" Hawai'i Visitors Bureau 10-month tour throughout major U.S. cities sharing Hawaiian Culture and integrated nursing compassionate care to team members and public. January - October, 2000.
- Instructor: Hula Classes. Santa Rosa Junior College, Santa Rosa, CA Fall, Spring, 201
- **Research: "Intuitive Knowledge":** Discovery of inherited, intuitive sense, nursing complimenting medical technical, academic and phlebotomy results to create better patient interventions. Qualitative data pending. 1978 - current.
- **Research: Patient Arterial Blood Gases:** Patient lab results proving Intuitive Knowledge correlated with "intuitive" nursing assessment. 2004 - 2005.
- **Lecture: "Survival Skills"** in nursing school. Santa Rosa Junior College. October 20, 1995.
- **Lecture: AAFPRS Fall Meeting Scientific Program.** Chicago, IL. September 16 - 19, 1987.
- **Lecture: "The Latest Advances in Cosmetic Surgery of the Face"** Newport Beach, CA. August 5 - 9, 1987.
- **Lecture: "Computer Graphics and Imaging Workshop"** Los Angeles, CA. February 15 - 16, 1987.

Professional Publication

- **Global Neonatal Nursing book**, First Edition, Chapter contributor: Spiritual Assessment, 2020
- **Research:** Population Health, Papakolea, UH-Manoa SON, 2021
- **Article:** Kahuna Nui Hewahewa: Mana: Inherited vs. Acquired in patient care, in progress
- **Publication:** "Pu'ukohola Cultural Health Promotion." Authors: Dr. Edna Magpantay-Monroe, Professor Eurina Cha and Kumu Hula Leilani Kaho'ano, RN. 2018. Publication submitted December, 2018.
- **Video** project to be published: Nā Mo'olelo o Ko Kākou Kūpuna: Traditional

First Food Feeding Practices as Told by Kupuna. Kanaka Maoli (Native Hawaiian) infant first food feeding practices through in-depth interviews. University of Hawai'i - Nutrition. Expert. Researchers: Marie Kainoa Fialkowski Revilla and Jackie Osorio. Started June 2017. Qualitative Research anticipate publishing: 2020 or 2021.

- **Publication: "Dual Perspectives in Health: 'Uniki Trained Hula Practitioners as Licensed Clinical Professionals."** Expert Interviewee. University of Hawai'i - Department of Native Hawaiian Health. National Institute of Health grant. Qualitative Research to be published in 2019.
- **Article: "Live Like The Ali'i"** Mid Week full-page story. Author: Nicole Kato. January 24, 2018.
- **Book in progress: "Na Mele o Hewahewa"** Historical, biographical account of the last High Priest to Kamehameha I and the connection of mana in today's health and family systems. Started June 2017. Anticipate published by Kamehameha Publishing in Fall, 2020.
- **Article: "Kahoano's humility will be his legacy"** (*Kimo Kahoano) November 2, 2007.
- **Article: "Infancy Conform to None - All Conform to it"** (quote by Ralph Waldo Emerson. President message in the Southern California Association of Neonatal Nurses Chapter Newsletter. 2005.
- **Editorial: "Service Needs"** The Press Democrat. June 7, 1997.
- **Article: "Area Coordinator's Turn"** Make-a-Wish Area Director newsletter. June, 1995.
- **Letter: "Peanuts visits local hospitalized children"** Peanuts Creator, Charles M. Schulz. September 22, 1992.
- **Article: "Picture perfect plastic surgery"** Plastic surgery computer results. April 27, 1987.

Professional Memberships/Scholarships

- University of Hawai'i, School of Nursing, scholarship recipient, 2021
- Council of International Neonatal Nurses, Vice President, 2010 - current
- Association of Women's Health, Obstetrics and Neonatal Nursing, Member, 2017 - current
- Academy of Neonatal Nurses, Member, 2017 - current
- Association of Neonatal Nurses, Member, 2017 - current
- Russell Berrie Foundation Grant for initiating the White Coat Ceremony @ Chaminade University School of Nursing. 2016.
- Genevieve Mott Scholarship. February 16, 1993.
- 442nd Nursing Scholarship. September, 1994.
- Private Anonymous Donor Nursing Scholarship. August, 1994.
- Nursing Class Leadership Award and Scholarship. May, 1995.

Education

- University of Hawai'i - Manoa, School of Nursing, Advance degree, 2021 - current
- Santa Rosa Junior College, Associates Degree, Nursing: May, 1995
- Nursing Class Co-Leader Representative, 1992 - 1995.

Volunteer Activities

- **Chapter Committee Member and 8:00 am Hawaiian reader,** Cathedral of St. Andrew. 2016 - 2017; January, 2019 - present
- **Core Planning Committee:** Annual Children and Youth Day.: State Capitol, 'Iolani Palace and surrounding areas. Cultural & Perinatal Chairperson & 'Iolani Palace Stage MC. October, 2008 - current.
- **Collaboration:** Prince Albert Circle with all O'ahu hospices. Voluntary

- group with Cathedral of St. Andrew. February, 2014 - current.
- **Coordinator:** "Navigating the NICU Journey" with Nainoa Thompson and Kathy Muneno. Honolulu, HI. April, 2013.
- **Collaboration:** Dr. Ric Custodio Inspiring Birthing Center with Wai'anae Coast Comprehensive Health Center, Wai'anae, HI. 2010.
- **Keiki Caucus:** Collaboration with Gail Breakey, RN, MPH, Developer of Healthy Start Hawai'i, **on-going legislation** advocacy for early intervention services. 2006 - 2016.
- **"One Voice for Children" Committee Chair,** development of Keiki Advocacy organization on O'ahu, potential expansion to outer islands. Lead to Governor's Early Action Strategy Plan. January, 2010 - 2016.
- **"Extraordinary Abilities"** Trained three different special needs children/youth for the Weinberg Foundation/Hawai'i Stars Disabilities Talent Performance – November 8, 2010, October 2011, October 2012.
- **Nurses Union Representative:** Sharp Union Hospitals, San Diego, CA, President, Nurses Union, 2005.
- **President:** Southern California Association of Neonatal Nurses. 2004 - 2006.
- **Hawai'i Medical Corps:** Volunteer RN, Honolulu, HI – 2007 – 2015.
- **Southern California National Association of Neonatal Nurses:** President, San Diego, 2003 – 2006
- **Hawai'i National Association of Neonatal Nurses:** Education Coordinator / Website Developer. 2006 - 2008 www.neonatenurses.com
- **Nurse Volunteer:** Surgical nurse for pediatric reconstructive cases, San Diego, CA, 2005
- **Fundraiser:** Make-a-Wish Charity Fundraiser. Santa Rosa, CA. June 23, 1995.
- **Visionary Creator: "Celebration of Aloha"** charity benefit. Santa Rosa, CA and Honolulu, HI. 1998 - 2018.
- Event Planner: Kids entertainment at Ronald McDonald House. 2003.
- **Area Coordinator:** Greater Bay Area Make-a-Wish Foundation. Territory: Oregon border to San Francisco. 1994 - 2002
- Volunteer. Child Protective Services. Honolulu, HI 1980 - 1981.
- Volunteer: Jerry Lewis Telethon Backyard Carnival. 1974.
- **Distinctive Women in Hawaiian History,** Co-Event organizer and Mistress of Ceremonies, 2007, 2008
- **Hawai'i National Association of Neonatal Nurses, Education Chair,** 2006 – 2008
- **Southern California National Association of Neonatal Nurses,** President, 2003 – 2006
- **Greater Bay Area Make-A-Wish Foundation,** Area Director of Sonoma County, 1993 – 1995
- **World Invitational Croquet Championships,** Event Coordinator Assistant, for Sonoma County Home Hospice at Sonoma-Cutrer Winery, 1995
- **Child Protective Services,** Volunteer, Honolulu, HI – 1980
- **Home Hospice Caregiver Volunteer** trained, St. Francis Hospital, Honolulu, HI – 1980. Currently, professional & volunteer in community
- **St. Eugene's Diocesan Church Assistant Youth Advisor,** Santa Rosa, CA, 1983 - 1987
- **'Iolani Palace spokesperson** on KHNL, KGMB, KITV and Nā 'Ōiwi Ōlino radio show, 2008
- **Greater Bay Area Make-A-Wish Foundation,** Spokesperson, Sonoma County, CA 1995 – 1998
- **Redwood Empire Make-A-Wish Foundation Golf Tournament,** Santa Rosa, CA, 1995, 1996
- **Pro Quarterback Football Charity Golf Shootout,** Konocti, CA, Professional Hawaiian show, 1998.
- **Charles Schulz Redwood Empire** Christmas show, Hula on Ice, 1998

- Projects for terminally ill children w/**Charles Schulz** approval of character usage, 1996 - 1999.
- Additional servanthood for homeless children and families, liaison for pre-Hospice and Hospice patients, prayer visitor for hospital and homebound persons, sharing hula to underserved communities.


OFFICE OF HAWAIIAN AFFAIRS
Action Item

Board of Trustees

February 16, 2021

RM #21-01

Action Item Issue: **Approval of Non-OHA Limited Liability Company Managers for
Hi'ilei Aloha LLC**

Prepared by:  **Feb 10, 2021**

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

Reviewed by: *Ramona Hinck* **Feb 10, 2021**

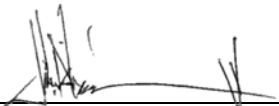
Ramona G. Hinck Date
Ka Pou Kihi Kanaloa Wai, Chief Financial Officer

Reviewed by: *Casey Brown* **Feb 10, 2021**

Casey K. Brown Date
Ka Pou Nui, Chief Operating Officer

Reviewed by:  **Feb 10, 2021**

Raina P.B. Gushiken Date
Ka Paepae Puka, Senior Legal Counsel

Reviewed by:  **Feb. 11, 2021**

John D. Waihe'e, IV Date
Luna Ho'omalua o ke Kōmike Resources Management
Chair, Committee on Resource Management

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

I. Proposed Action

The OHA Board of Trustees approves the following non-OHA employees as volunteer, uncompensated Managers for Hi`ilei Aloha LLC, effective April 1, 2021, with the noted staggered terms of service:

- A. Roberts “Bob” Leinau for a service period of three (3) years;
- B. Greg C. Pietsch for a service period of two (2) years; and
- C. Leilani Kūpahu-Marino Kaho‘āno for a service period of one (1) year.

II. Issue

Whether or not the OHA Board of Trustees approves Administration’s recommendations of three non-OHA employees as volunteer, uncompensated Managers for Hi`ilei Aloha LLC effective April 1, 2021 with the noted staggered terms of service.

III. Background & Overview

A. Background and Overview. Via memorandum on October 4, 2020, Administration updated Trustees re: Implementation of Limited Liability Company Actions Authorized by the Board of Trustees in May 2019.

B. Structure. The Office of Hawaiian Affairs (“OHA”) is the sole member of two limited liability companies (“LLCs”), Hi`ilei Aloha LLC (“Hi`ilei Aloha”) and Ho`okele Pono LLC (“Ho`okele Pono”). Hi`ilei Aloha is the sole member of two limited liability

companies Hi`ipaka LLC (“Hi`ipaka”) and Hi`ikualono LLC (“Hi`ikualono”). Ho`okele Pono is the sole member of a single limited liability company Ho`okipaipai LLC (“Ho`okipaipai”).

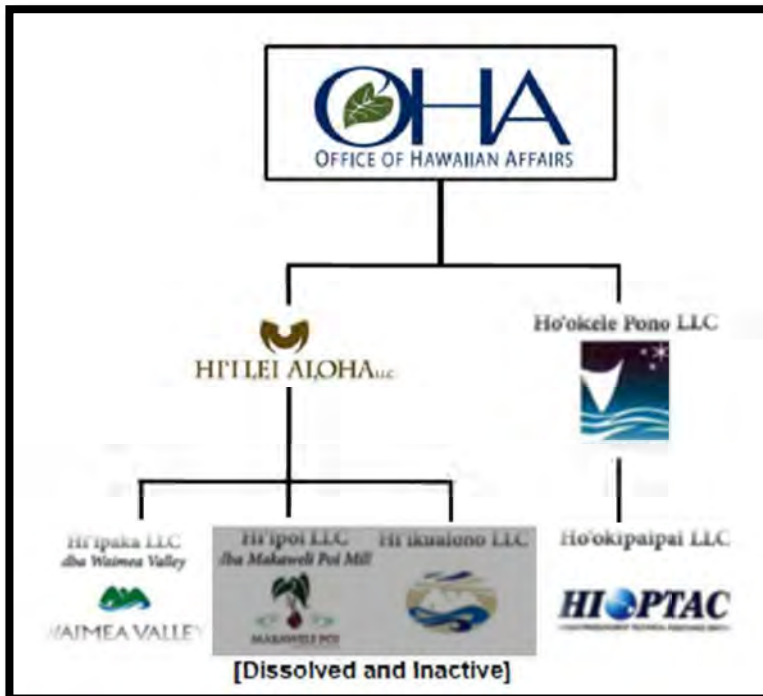


Figure 1. LLC Structure

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

C. Trustee Authorized Actions. In May 2019, the Trustees of OHA desired to amend the operating agreement of Hi`ilei Aloha to permit persons who are not OHA executives to serve as managers (“Managers”) of Hi`ilei Aloha, and to ratify and approve the decision of the OHA executives who presently serve as Managers of Hi`ipaka to amend the Operating Agreement of Hi`ipaka to permit persons who are not OHA executives to serve as managers of Hi`ipaka. To memorialize and carry out the aforementioned intent and desire of the Trustees, Action Item RM #19-08 Approval of Resolutions of the Board of Trustees Office of Hawaiian Affairs, Reorganization Documents, and LLC Manager Position Description as sole member of two limited liability companies, Hi`ilei Aloha LLC and Ho`okele Pono LLC (May 29, 2019), was approved and contained:

1. “Resolutions of The Board of Trustees Office of Hawaiian Affairs” (“Resolutions”); and
2. "Reorganization Documents", including:
 - (a) A proposed Second Amended and Restated Operating Agreement of Hi`ilei Aloha LLC to be executed by the managers of Hi`ilei Aloha;
 - (b) A proposed Fourth Amended and Restated Operating Agreement of Hi`ipaka LLC to be executed by the managers of Hi`ipaka;
 - (c) Proposed Articles of Termination and Plan of Dissolution of Ho`okele Pono LLC to be executed by the Managers of Ho`okele Pono;
 - (d) Proposed Articles of Termination and Plan of Dissolution of Ho`okipaipai LLC to be executed by the Managers of Ho`okipaipai;
 - (e) Proposed Articles of Termination and Plan of Dissolution of Hi`ikualono LLC to be executed by the Managers of Hi`ikualono; and
 - (f) Hi`ilei Aloha LLC Manager Position Description.

The Trustees determined that OHA would derive substantial economies and benefits from the foregoing reorganization, which benefits justify the approval of the required resolutions and reorganization documents.

D. Implementation of Limited Liability Company Actions. Via Action Item RM #19-08 (May 29, 2019), the Board amended the Operating Agreement of Hi`ilei Aloha for OHA to appoint three (3) persons who are not OHA executives to serve as managers (“Managers”) of Hi`ilei Aloha, each to serve staggered terms of approximately three (3) years, two (2) years, and one (1) year. The terms shall end on the last day of the month in which each Manager takes office. Subsequently, OHA as the sole member of Hi`ilei Aloha, shall appoint each Manager to serve a new three (3) year term or the remainder of an unexpired three (3) year term.

1. ***Roles and Responsibilities.*** The roles and responsibilities of a LLC Manager are both operational and strategic. Operational activities include bank and check signing authorities, budget approval, financial statement review, contract, disbursement and other approval matters, liquor license administration, audit review, performance evaluation of executives, etc. Strategic activities include risk mitigation plan review, annual plan, budget and strategic direction, public, private and community collaborations, etc.

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

2. **Selection and Seating Process.** Via Action Item RM #19-20, on November 20, 2019, the Board approved the Non-OHA Employee Managers' Selection and Seating Process for Hi`ilei Aloha, LLC with a revised LLC Manager position description (**Attachment A**). While the existing LLC Managers¹ are winding down the business affairs of and dissolving Ho`okele Pono, LLC, the work that will be left for the new non-OHA LLC Managers will primarily be to manage and oversee the sole asset of Hi`ilei Aloha which is Hi`ipaka. Hi`ipaka will also be selecting Managers to serve staggered terms of three (3) years, two (2) years, and one (1) year. For purposes of economy and efficiency, the non-OHA LLC Managers selected for Hi`ilei Aloha could also concurrently serve as LLC Managers for Hi`ipaka. After being selected, should the non-OHA LLC Managers for Hi`ilei Aloha determine that it is beneficial for and in the best interest of Hi`ipaka for them to concurrently serve as LLC Managers for Hi`ipaka, the non-OHA LLC Managers for Hi`ilei Aloha have the authority under the Second Amended and Restated Operating Agreement of Hi`ilei Aloha LLC to make that determination.
3. **Recruitment Timeline.** Via Action Item RM #19-20, the Board also approved the following selection and seating process, activities and timeline with a target to 'seat' the new non-Executive, non-OHA employee Hi`ilei Aloha Managers, by January 31, 2020:

Table 1: Recruitment Timeline

Date	Action	Function
No later than Friday, 11/29/2019	Publish recruitment for three (3) Hi`ilei Aloha LLC Manager Positions, with staggered terms of 3 years, 2 years, and 1 year. Request for a resume and three letters of recommendation/reference, no later than Friday, January 3, 2020 deadline. Administration, at its discretion, may extend the deadline for applications.	OHA HR
Beginning with date of publication (i.e., no later than November 20, 2019)	Share information, prospect, cultivate, encourage and invite members of the community to respond to the recruitment posting for LLC Managers.	OHA Administration, Hi`ilei Aloha and Hi`ipaka leadership
Monday, 12/23/2019	Begin reviewing, vetting and follow up of references of Applicants, assembling recommendations for the Board	OHA HR, Administration
TBD, RM Committee Meeting,	Present an Action Item, with Administration recommendations for Board review and action.	OHA Administration

¹ Existing LLC Managers currently comprised of CEO (Sylvia Hussey), COO as of November 2, 2020 (Casey Brown) and CFO as of October 16, 2020 (Ramona Hinck). LLC Managers from the beginning of the FY20, 7/1/2019 were comprised of Interim CEO (Sylvia Hussey), Interim COO (Lisa Watkins-Victorino) and Interim CFO (Gloria Li). Effective 12/1/2019, the CEO position was no longer Interim for Sylvia Hussey; on 4/1/2020, the Interim CFO role was assumed by Sylvia Hussey; and effective 7/1/2020 the Interim COO role was assumed by Sterling Wong.

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

Date	Action	Function
January 2020 or later if needed but in no event later than March 2020		
No later than 30 business days after Board action	<ul style="list-style-type: none"> Update operating documents (e.g., agreements, liquor license application, signature cards) Schedule orientation and on-boarding actions for new LLC Managers 	Existing LLC Managers ² and Counsel for the LLCs

4. **Extended Recruitment Timeline & COVID-19 Impacts.** Because insufficient applications were received by the initial December 2019 deadline, the recruitment time period was extended into 2020 and the requisite minimum three applicants was not received until February 2020 at which time four (4) applications were available for review. The applications and related materials were reviewed by then LLC Managers, CEO (Sylvia Hussey), Interim COO (Lisa Watkins-Victorino) and Interim CFO (Gloria Li). However, the transition to telework of the entire organization in March 2020 due to COVID-19 related stay at home orders, paused the non-OHA employee LLC Manager recruitment process.

IV. Context re: 2019 and 2020 OHA LLC Managers

The Office of Hawaiian Affairs began the fiscal year of July 1, 2019 with interim leadership which continued until permanent leadership of the CEO, COO and CFO positions were completed on 11/2/2020; and Table 2 documents the various changes in position leadership that span the calendar years of 2019 and 2020.

Table 2: 2019 and 2020 LLC Managers

Period	CEO	COO	CFO
1/1/2019 to 1/9/2019	Kamana`opono Crabbe	Sylvia Hussey	David Laeha
1/10/2019 to 6/30/2019	Kamana`opono Crabbe	Sylvia Hussey	Sylvia Hussey (Interim)
7/1/2019 to 11/30/2019	Sylvia Hussey (Interim)	Lisa Watkins-Victorino (Interim)	Gloria Li (Interim)
12/1/2019 to 3/31/2020	Sylvia Hussey	Lisa Watkins-Victorino (Interim)	Gloria Li (Interim)

² Existing LLC Managers currently comprised of CEO, Interim COO and CFO

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

Period	CEO	COO	CFO
4/1/2020 to 6/30/2020	Sylvia Hussey	Lisa Watkins-Victorino (Interim)	Sylvia Hussey (Interim)
7/1/2020 to 10/15/2020	Sylvia Hussey	Sterling Wong (Interim)	Sylvia Hussey (Interim)
10/16/2020 to 10/26/2020	Sylvia Hussey	Sterling Wong (Interim)	Ramona Hinck
10/27/2020 to 11/1/2020	Sylvia Hussey	Sylvia Hussey (Interim)	Ramona Hinck
11/2/2020 to present	Sylvia Hussey	Casey Brown	Ramona Hinck

V. Qualifications, Vetting, Applicants

In September 2020, the recruitment process was reactivated and the applicant/application vetting process proceeded.

A. Qualifications. The Board approved position description for the volunteer, unpaid LLC Manager can be found at **Attachment B**. Minimum qualifications include: 1) Must possess a bachelor's degree or equivalent work experience; 2) Experience in business administration is desirable; 3) Five years of administrative experience that involved management and oversight of professional staff and responsibility for the development, management, execution and coordination of program policies and activities. Administrative experience shall include but not limited to oversight of staff and work performance, budget planning and development, project management, understanding of contract management, risk management, human resources processes and procedures, high level strategic planning, collaboration with subordinates to develop professional development plans, and experience engaging various stakeholders of the professional, academic and Native Hawaiian communities; and 4) Three years of administrative or executive level experience in non-profit organization governance and management of non-profit organizations.

B. Vetting. The current LLC Managers are now comprised of the CEO (Sylvia Hussey), CFO effective October 16, 2020 (Ramona Hinck) and COO effective November 2, 2020 (Casey Brown). The CEO contacted the applicants to: 1) Inquire if they are still interested; 2) Ensure they individually understood the voluntary, part-time and essential responsibilities of the LLC Manager role. Then, the CEO: 1) Affirmed eligibility, education, experience and other requirements; 2) Recommended staggered terms of three (3) years, two (2) years, and one (1) year; and subsequently 3) Drafted this Action Item.

One applicant met the minimum requirements, however, because the applicant was a member of management (of Hi`ipaka) and the Trustees did not authorize ex-officio classification or four (4) non-OHA LLC Managers, the applicant was not advanced to a recommendation. Also, due to the withdrawal of a previously vetted applicant in mid-

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

October 2020, the LLC Manager application was reopened and another applicant vetted for recommendation and inclusion in this action item.

- C. Applicant: Leilani Kūpahu-Marino Kaho‘āno. Education:** Associates Degree, Nursing, Santa Rosa Junior College; **Experience:** Home Hospice (Navian), Pediatric Nurse Case Manager 2018 (11) to 2019 (06); Tripler Army Medical Center, Neonatal Intensive Care Nurse 2010 (11) to 2018 (11); Kapiolani Medical Center for Women & Children, NICU RN (to be updated); Native Hawaiian Nurse Adjunct Instructor; **Additional Experiences:** cultural/professional highlights; board experiences; cultural, additional information; educator; program development; nurse case manager; shift charge nurse; nurse surgical suite general contractor; trailblazing nursing projects; professional presentations/grant funded programs; professional publications; professional memberships/scholarships; volunteer activities.
- D. Applicant: Roberts “Bob” Leinau. Education:** BA Pre-Med/Biology University of Southern California; **Experience:** Military: Hawaii National Guard 1966 to 1974, Journeyman carpenter 1968 to 1973, Safety officer, Business man with 30+ years management experience in Waimea Valley; **Community Activities:** Wahiawa Waiialua Rotary // past President; Hale’iwa Main Street dba North Shore Chamber of Commerce // past Director and current volunteer; Sunset Beach Community Assn // past President; North Shore Outdoor Circle//Director // past President; North Shore Neighborhood Board #27 [since its inception-1977]// Treasurer; Oahu Metropolitan Planning Organization N.S. Representative; Mālama ‘Ohana // past Charter member; Mālama Pūpūkea-Waimea [Charter Member]// director, Treasurer; Hale’iwa Arts Festival // past Director, Secretary; Hawai’i Ecotourism Assn // past Director // Secretary; Wahiawa General Hospital // past Director // Treasurer; Hale’iwa Harbor Advisory Committee; North Shore Community Land Trust [Charter Member]// Treasurer; Defend Oahu Coalition // past Director; Kuilima Advisory Committee [now defunct] // past member; Resort Training Inc. // past Director; Board of Water Supply Community Advisory Board // NS representative; Hawaiian Islands Humpback Whale National Marine Sanctuary // past Advisory Council member; Papahānaumokuākea Marine National Monument //Reserve Advisory Council; Waimea Valley Aha Hui advisory group // current; Oahu Master Gardener // current volunteer/ /“plant doctor”; Kokua Foundation's 'Aina in Schools teacher/volunteer.
- E. Applicant: Greg C. Pietsch. Education:** BBA Finance and Real Estate, Minor, Studio Art (Southern Methodist University), Oxford University, University College, Course work: International Business; **Experience:** Professional Affiliations: Chartered Financial Analyst (CF), American Society of Appraisers, Business Valuation: Accredited Senior Appraiser; Ernst & Young, LLP, Corporate Finance and Real Estate Manager 1994-2000; Eureka Capital Markets, Corporate Finance, Managing Member 2000-2004; Pietsch Properties, LLC, Finance and Real Estate, Managing Member 2004-present; **Community Experiences:** Trust for Public Land, Hawaiian Islands Program, Board Member; Historic Hawaii Foundation, Board Member; and Haleakala Ranch, Board Member.
- F. Transition Time.** Administration recommends the Trustees also approve an effective date of April 1, 2021 to allow time for the existing LLC Managers and management of Hi`ilei Aloha to prepare, onboard, and transition applicants to their strategic and operational roles and responsibilities.

Action Item RM #21-01: Approval of Non-OHA Limited Liability Company Managers for Hi`ilei Aloha LLC

VI. Recommended Action

The OHA Board of Trustees approve the following non-OHA employees as volunteer, uncompensated Managers for Hi`ilei Aloha LLC, effective April 1, 2021, with the noted staggered terms of service:

- A. Roberts “Bob” Leinau for a service period of three (3) years;
- B. Greg C. Pietsch for a service period of two (2) years; and
- C. Leilani Kūpahu-Marino Kaho‘āno for a service period of one (1) year.

IV. Alternative Actions

- A. Amend the recommended action.
- B. Do not approve the recommended action.
- C. Do not approve the recommended action and restart the non-OHA LLC Manager search bringing to the Board six (6) to eight (8) applicants for Board final selection of three (3) managers.

V. Reference Documents

The following reference documents, electronic—Attachments A to L---of the October 4, 2020 memorandum to Trustees (Attachment A of this Action Item) are available: (A) Action Item RM #19-08 Approval of Resolutions of the Board of Trustees Office of Hawaiian Affairs, Reorganization Documents, and Hi`ilei Aloha LLC Manager Position Description as sole member of two limited liability companies, Hi`ilei Aloha LLC and Ho`okele Pono LLC; (B) Action Item RM #19-20 Approval of the Non-OHA Employee Managers’ Selection and Seating Process for Hi`ilei Aloha, LLC and revised LLC Manager Position Description (November 20, 2019); (C) LLC Manager Position Description; and (D) Waimea Valley 2020 and 2021 Work Plans and Budgets; (E) – Hi`ipaka 2019 Audit Report; (F) – Hi`ilei Aloha 2019 Audit Report; (G) Ho`okipaipai 2019 Audit Report; (H) – Hi`ilei Aloha 2019 Form 990; (I) Ho`okipaipai 2019 Form 990; and (J) Hi`ilei Aloha Trailer Pics in Waimea Valley.

VI. Attachments

- A. LLC Manager Position Description

HI'ILEI ALOHA LLC

POSITION DESCRIPTION

Position Title: Manager of Hi'ilei Aloha LLC (Volunteer)

Reports To: Office of Hawaiian Affairs, As Member of Hi'ilei Aloha LLC

Effective Date: November 2019

GENERAL OVERVIEW OF POSITION DUTIES

The Manager, who will be one of a board of three appointed managers, is expected to direct and oversee the Chief Operating Officer ("COO") of Hi'ilei Aloha LLC (the "Company"), and oversee the Company's business affairs, subject to limitations in the Company's operating agreement ("Operating Agreement") or by law. The Manager may be tasked with oversight of additional companies of which the Office of Hawaiian Affairs or the Company is a member ("Member").

Except for situations in which approval of the Member is required by the Operating Agreement, the Manager will have authority, power and discretion to oversee the business, affairs and properties of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business.

PART-TIME POSITION, TERM AND SERVICE WITHOUT REMUNERATION

This is a part-time position in which the Manager is expected to devote approximately 3-5 hours per month. Each Manager appointed by the Member shall serve staggered terms of approximately three (3) years, two (2) years, and one (1) year. The terms shall end on the day of the month in which the Manager takes office. Subsequently, the Member shall appoint each Manager to serve a new three (3) year term or the remainder of the unexpired three (3) year term. in accordance with the terms of the Operating Agreement.

The Manager shall serve without remuneration except the Company shall reimburse a Manager for ordinary, necessary, and reasonable direct expenses incurred by the Manager on behalf of the Company in carrying out the Company's business activities.

ESSENTIAL DUTIES & RESPONSIBILITIES

1. Manager's Authority: The Manager has the authority to manage and oversee the Company's COO and the Company's business. The Manager reviews the COO's

recommendations and makes decisions consistent with the Operating Agreement, the Company's annual objectives, the approved budget and best practices.

2. Review of Operations: At least once a month, meets with the COO and executive staff to review overall Company operations to ensure the business is progressing in a culturally appropriate manner and in compliance with acceptable business practices. Oversees Company use and maintenance of facilities and property. Assigns projects and requests reports as needed.
3. Strategic Plan and Company Objectives: Reviews and approves Company's Long Range and annual objectives, goals, policies and programs. Ensures compliance with Operating Agreement.
4. Budgeting and Finance: Reviews and approves operating and capital budgets. Monitors Company's implementation of approved budgets. Reviews financial reports, including income statements, balance sheets, and reports, tax returns; and reports for government regulatory agencies or other compliance purposes. Oversees investment of Company funds and approves large Company expenditures.
5. Human Resources, Risk Management and Contracts: Oversees Company handling of human resources-related issues, risk management claims and liabilities and Company contractor utilization.
6. Performs other duties as assigned by the Member.

KNOWLEDGE, SKILL AND ABILITIES

1. Must have good working knowledge of strategic management, financial, accounting and planning, and business systems.
2. Must be able to work well with others.
3. Must be organized and a self-starter. Must exercise independent judgment to prioritize projects and respond to situations as they arise without direct supervision.
4. Must project a professional demeanor.
5. Must have good oral and written communication skills.

MINIMUM QUALIFICATIONS

EDUCATION, TRAINING AND/OR EXPERIENCE

1. Must possess a bachelor's degree or equivalent work experience.

2. Experience in business administration is desirable.
3. Five years of administrative experience that involved management and oversight of professional staff and responsibility for the development, management, execution and coordination of program policies and activities. Administrative experience shall include but not limited to oversight of staff and work performance, budget planning and development, project management, understanding of contract management, risk management, human resources processes and procedures, high level strategic planning, collaboration with subordinates to develop professional development plans, and experience engaging various stakeholders of the professional, academic and Native Hawaiian communities.
4. Three years of administrative or executive level experience in non-profit organization governance and management of non-profit organizations.

HOW TO APPLY:

To apply for this position, download, complete and submit this fillable application form [insert link] along with a resume and cover letter to:

OFFICE OF HAWAIIAN AFFAIRS
560 N. Nimitz Highway, Suite 200
Honolulu, Hawai'i 96817
Attention: Human Resources

Or via email: ohahr@oha.org

An Equal Opportunity Employer



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

~~B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga~~

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

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Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

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Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment



August 12, 2021

VIA EMAIL

Carmen "Hulu" Lindsey
Chairperson

(TrusteeHuluLindsey@oha.org)

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

(SylviaH@oha.org)

Office of Hawaiian Affairs
560 North Nimitz Highway, Suite 200
Honolulu, Hawai'i 96817

Re: "Follow-Up on Recommendations from Report No. 18-08, *Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*," Report No. 21-10

Dear Chairperson Lindsey and Dr. Hussey:

Please find attached our "Follow-Up on Recommendations from Report No. 18-08, *Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*," Report No. 21-10. The audit was performed pursuant to Section 23-7.5, Hawai'i Revised Statutes, and is a report on the Office of Hawaiian Affairs' implementation of the recommendations made in Report No. 18-08, *Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*, published in June 2018.

The report is accessible through our website at:
<https://files.hawaii.gov/auditor/Reports/2021/21-10.pdf>.

On behalf of my staff, thank you for your cooperation and courtesy. We also express our appreciation to the Office of Hawaiian Affairs' staff for their assistance.

If you have questions about the report, please feel free to contact me.

Very truly yours,

Leslie H. Kondo
State Auditor

LHK:emo
Attachment

cc/attach:	Trustee Leina'ala Ahu Isa	(TrusteeAhuIsa@oha.org)
	Trustee Dan Ahuna	(TrusteeAhuna@oha.org)
	Trustee Kaleihikina Akaka	(TrusteeAkaka@oha.org)
	Trustee Keli'i Akina	(TrusteeAkina@oha.org)
	Trustee Luana Alapa	(TrusteeAlapa@oha.org)
	Trustee Brandon Kalei'aina Lee	(TrusteeLee@oha.org)
	Trustee Keola Lindsey	(TrusteeKeolaLindsey@oha.org)
	Trustee John D. Waihe'e IV	(TrusteeWaihee@oha.org)

Follow-Up on Recommendations from Report No. 18-08, *Audit of the Office of Hawaiian Affairs’ Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*

A Report to the Governor
and the Legislature of
the State of Hawai‘i

Report No. 21-10
August 2021



OFFICE OF THE AUDITOR
STATE OF HAWAI‘I



OFFICE OF THE AUDITOR STATE OF HAWAII

Constitutional Mandate

Pursuant to Article VII, Section 10 of the Hawai'i State Constitution, the Office of the Auditor shall conduct post-audits of the transactions, accounts, programs and performance of all departments, offices and agencies of the State and its political subdivisions.

The Auditor's position was established to help eliminate waste and inefficiency in government, provide the Legislature with a check against the powers of the executive branch, and ensure that public funds are expended according to legislative intent.

Hawai'i Revised Statutes, Chapter 23, gives the Auditor broad powers to examine all books, records, files, papers and documents, and financial affairs of every agency. The Auditor also has the authority to summon people to produce records and answer questions under oath.

Our Mission

To improve government through independent and objective analyses.

We provide independent, objective, and meaningful answers to questions about government performance. Our aim is to hold agencies accountable for their policy implementation, program management, and expenditure of public funds.

Our Work

We conduct performance audits, which examine the efficiency and effectiveness of government programs or agencies, as well as financial audits, which attest to the fairness of financial statements of the State and its agencies.

Additionally, we perform procurement audits, sunrise analyses and sunset evaluations of proposed regulatory programs, analyses of proposals to mandate health insurance benefits, analyses of proposed special and revolving funds, analyses of existing special, revolving and trust funds, and special studies requested by the Legislature.

We report our findings and make recommendations to the governor and the Legislature to help them make informed decisions.

For more information on the Office of the Auditor, visit our website:
<https://auditor.hawaii.gov>



PHOTO: OFFICE OF THE AUDITOR

Follow-Up on Recommendations from Report No. 18-08, *Audit of the Office of Hawaiian Affairs’ Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*

Section 23-7.5, Hawai‘i Revised Statutes, requires the Auditor to report to the Legislature annually on each audit recommendation more than one year old that has not been implemented by the audited department or agency. We follow up on recommendations in two ways. First, annually, we ask agencies to report the status of their implementation of our audit recommendations. We compile agencies’ self-reported implementation status in a consolidated report. Second, we conduct an “active” follow-up two to three years after issuance of the audit report containing the recommendations where we, independently, assess the agency’s progress in implementing each recommendation and issue a separate follow-up report. This report presents the results of our follow-up on the Office of Hawaiian Affairs’ implementation of the 11 audit recommendations made in Report No. 18-08, *Audit of the Office of Hawaiian Affairs’ Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*.

**We found the
Office of Hawaiian
Affairs has
implemented 10
and partially
implemented 1 of the
11 recommendations
made in our report.**

The Office of Hawaiian Affairs

The Office of Hawaiian Affairs (OHA) is a unique state agency. Established by the State Constitution, independent of the executive branch, its primary responsibility is to better the conditions for Native Hawaiians. OHA is the principal agency responsible for the performance, development, and coordination of programs and activities relating to Native Hawaiians. OHA's other purposes include assessing the policies and practices of other state agencies that impact the Hawaiian community and conducting advocacy efforts for its Hawaiian beneficiaries.

Hawai'i's constitution requires that OHA be governed by a Board of Trustees (Board) comprised of at least nine members chosen by the State's electorate for staggered four-year terms. The Board is led by a chairperson and a vice chairperson. OHA Trustees have fiduciary responsibilities, including a duty of prudence (to exercise reasonable care, skill, and caution); a duty of loyalty (to act solely in the best interests of beneficiaries); a duty of impartiality (to be impartial with respect to the various beneficiaries, in consideration of the diverse interests of present and future beneficiaries); and a duty with respect to co-Trustees (using reasonable care to prevent co-Trustees from committing a breach of trust and to obtain redress if a breach occurs).

The Chief Executive Officer (CEO) of OHA is appointed by a majority of the Board and leads OHA's Administration. The CEO is assisted by a Chief Operating Officer (COO) and the directors of five divisions – Advocacy, Community Engagement, Research, Resource Management: Financial Assets, and Resource Management: Land Assets. At present, OHA's Administration consists of its CEO, COO, Chief Financial Officer, Human Resources Director, Senior Legal Counsel, and the directors of Advocacy, Community Engagement, Research, Resource Management: Land Assets, and Systems Office. Once the positions are permanently filled, the Information Technology director and Operations manager will be included as part of OHA's Administration.

Why we did the audit in 2018

In 2018, we conducted a performance audit of OHA pursuant to Sections 10-14.55 and 23-7.5, Hawai‘i Revised Statutes (HRS).¹ We issued two reports about funding mechanisms used by OHA to support organizations and individuals; Report No. 18-03 evaluated OHA policies and actions regarding use of its non-competitive grants (Kūlia Initiatives and CEO Sponsorships) and the use of its Fiscal Reserve and Trustee Allowances; and Report No. 18-08 evaluated OHA policies and actions regarding its competitive grants. A follow-up report on OHA’s implementation of the audit recommendations contained in Report No. 18-03 is being issued separately.

What we found in 2018

In Report No. 18-08, *Audit of the Office of Hawaiian Affairs’ Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*, we focused on OHA’s use of grants to support Native Hawaiian programs and services. We found that while the policies and procedures for OHA’s competitively awarded grants were for the most part defined, there were shortcomings in the way awarded grants were monitored and evaluated. Section 10-17, HRS, requires OHA to monitor and evaluate every grant to ensure compliance with the purpose and intent of the grant, and to determine whether the intended results were achieved.

At the time of our audit, OHA’s Grants Program Standard Operating Procedures (Grants SOP) manual described four funding resources that involved competitive and non-competitive processes, including:

GRANT NAME	GRANT PROCESS	DESCRIPTION
‘Ahahui Grants	Competitive	Provide support to eligible organizations hosting community events. Events are typically single occurrence events open to the larger community.
Community Grants	Competitive	Provide support for programmatic services over a two-year period, awarded through a competitive grants process.

¹ Section 10-14.55, HRS, requires the Auditor to conduct an audit of OHA at least every four years; the report was our seventh audit pursuant to this mandate.

GRANT NAME	GRANT PROCESS	DESCRIPTION
Kūlia Initiatives	Non-Competitive	Provide support for programmatic services or projects requested outside of the formal grant application process. Initiated by an OHA Trustee or the Administration, grants are awarded through a process involving administrative review and Board approval. There is no solicitation process for Kūlia Initiatives.
CEO Sponsorships	Non-Competitive	Provide support to community organizations for events or projects. Grants are awarded through an administrative review process outside of OHA's formal grant application process. There is no solicitation process for CEO Sponsorships.

OHA's 'Ahahui and Community Grants involved a solicitation process that notified the public of available grant funding opportunities and details of eligibility criteria. These grants, awarded through a competitive process, made up 35 percent of OHA's total grant spending; non-competitive grants, such as OHA's Kūlia Initiatives and CEO Sponsorships, accounted for the rest. (OHA's Kūlia Initiatives and CEO Sponsorships were awarded under a non-competitive administrative review process and were addressed in Report No. 18-03.)

In Report No. 18-08, we found that OHA did not consistently meet the statutory requirements to monitor and evaluate 'Ahahui Grants and mostly met monitoring and evaluation requirements for Community Grants.

We also found the program primarily responsible for administering grants, the Transitional Assistance Program (TAP)², followed the policies and procedures for the planning, solicitation, application, review, and recommendation phases for the 'Ahahui and Community Grants process cycles, but that a standard operating procedures manual for 'Ahahui Grants did not include steps for monitoring and evaluating grants that had been awarded. For example, we found that TAP did not track if grantees were in compliance with grant requirements or evaluate whether they were in good standing and eligible for future OHA grants.

² TAP is now known as the Grants Program.

What we found in 2021

In response to Report No. 18-08, OHA instituted specific policies and actions related to its use of ‘Ahahui Grants and Community Grants.

‘Ahahui and Community Grants

Report No. 18-08, *Audit of the Office of Hawaiian Affairs’ Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*, reviewed OHA policies and actions regarding its use of ‘Ahahui and Community Grants. These types of grants are awarded through a *competitive* process, which involves a solicitation process that provides notice to the public of available grant funding opportunities and details of eligibility criteria. As reported in Report No. 18-08, the competitive grants process includes planning, solicitation, eligibility, application, review, recommendation, contracting, award processing, monitoring, reporting, closeout, and evaluation. As noted in our earlier report, state law (Section 10-17, HRS) requires OHA to monitor and evaluate every grant to ensure compliance with the purpose and intent of the grant, and to determine whether the intended results were achieved.

Following Report No. 18-08, OHA revised its Grants SOP. As part of that process, a Grant Agreement used in the awarding of ‘Ahahui and Community Grants was revised and now includes mandated performance requirements. The Grant Agreement also now includes a certification the grantee is in compliance with Section 10-17, HRS, as well as applicable federal, state, and county laws and has obtained licenses and permits required to conduct grant activities and provide grant services. OHA also revised the grant solicitations process to require that applicants sign a Board Governance Certification Form stating the organization has bylaws or policies that govern how business is conducted. The bylaws or policies must include provisions addressing conflicts of interest and the organization’s compliance with Section 10-17(c)(2), HRS. An assessment component was also added to the grant closeout process that considers the grant’s benefit to the Hawaiian community, alignment to OHA’s “vision and strategic result,” and recognition and benefits to OHA. According to OHA, assessment responses are used to determine whether an organization may receive future funding.

In 2019, OHA developed and implemented an information management system to ensure grants are monitored and evaluated consistently. OHA’s Grants Portal serves as an electronic filing system for grant solicitations, applications, awarded contracts, and grantee reporting documents; documents are tracked throughout the granting process, enabling OHA to electronically track pre-award, award, and post-award documents. The system also serves as a repository for

Definition of Terms

WE DEEM recommendations:

Implemented

where the department or agency provided sufficient and appropriate evidence to support all elements of the recommendation;

Partially Implemented

where some evidence was provided but not all elements of the recommendation were addressed;

Not Implemented

where evidence did not support meaningful movement towards implementation, and/or where no evidence was provided;

Not Implemented - N/A

where circumstances changed to make a recommendation not applicable; and

Not Implemented - Disagree

where the department or agency disagreed with the recommendation, did not intend to implement, and no further action will be reported.

‘Ahahui and Community Grants

‘Ahahui Grants are awarded to eligible organizations hosting one-time community events that are determined to align with OHA's vision and strategic plan; provide significant benefits to the Native Hawaiian community; and offer OHA public relations, recognition benefits, and community engagement opportunities.

Community Grants are for programmatic services over a two-year period, and are awarded to organizations across the state to fund projects that align with OHA's strategic priorities.

email communications and required grant documents, enabling OHA to verify the receipt of necessary documents. The system provides real time status updates that verify grant assessment and grant monitoring and that grant reports are completed and submitted as required. The portal enables OHA to generate reports for each grant on a real-time dashboard that also serves as a checklist for each grant. According to OHA, program and monitoring reports ensure that performance requirements and grant deficiencies are documented and that identified corrective actions are implemented.

The Grants Portal is accessible through the OHA Grants Program webpage on the agency's website. Activities including online grant applications, evaluations, monitoring, and reporting are available to users.

A Grants Management System Administrator manages the portal for long-term grants record-keeping and provides training on the portal to the public through meetings, presentations, and direct communication via phone, email, and in-person.

According to OHA, "Program Improvement Standard Operating Procedures" (Program SOP) as of March 2021, serve as "a general guide to the evaluation procedures for grants and other contracts, programs, and projects" funded by OHA. The document goes on to state "the purpose of Program Improvement is to provide administrative and programmatic findings and recommendations" necessary "to ensure contracts, programs, and projects are properly executed and implemented in accordance with the terms and conditions stated in the contract or grant agreement, and to identify outputs, outcomes, and impact" on both OHA and its beneficiaries. According to the procedures, evaluations include a review of all information available in a file concerning a contract and may include orientation meetings with the grantee and the performance of "exploratory analyses" to determine the feasibility of future contracts. Responsible personnel—termed "program improvement staff"—are required by OHA procedures to develop a list of contracts targeted for evaluation. They are also required to develop findings regarding whether contract outputs and outcomes are achieved, as well as develop recommendations regarding those findings. Electronic copies of the evaluation report are distributed to OHA's Grants Division and the Board. The evaluation report is also posted on OHA's website. Upon completion of a grant, it is the responsibility of OHA's Program Improvement Program (PIP) to perform grant evaluations.

Recommendations and their status

Our follow-up efforts were limited to reviewing and reporting the implementation status of our audit recommendations. We did not explore new issues or revisit old ones that did not relate to the original recommendations. The following details the audit recommendations made, and the current implementation status of each recommendation based on our review of information and documents provided by OHA, and other publicly available information.

Exhibit 1 Audit Recommendations by Status



Source: Office of the Auditor

Recommendation 1a

OHA should improve its overall administration and reporting of grants by ensuring that all grants are awarded and administered consistent with the requirements set forth in Section 10-17, HRS.

Implemented

Comments

In response to Report No. 18-08, *Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations*, OHA's Grants Program SOP were revised to include mandated performance requirements. OHA's Grant Agreement now includes a certification the grantee is in compliance with Section 10-17, HRS, as well as applicable federal, state, and county laws and has obtained licenses and permits required to conduct grant activities and provide grant services. Additionally, OHA's grant solicitation process now requires applicants to sign a Board Governance Certification Form stating the organization has bylaws or policies that govern how business is conducted, including conflicts of interest and the organization's compliance with Section 10-17(c)(2), HRS.

Recommendation 1b

OHA should improve its overall administration and reporting of grants by developing and documenting a process to ensure a complete list of grants is properly maintained and reported. As part of this process, OHA should consider establishing a master list of all grants and reconciling TAP's grant records against the grant records of fiscal and other OHA divisions.

Implemented

Comments

Grants are now monitored and evaluated through the OHA Grants Portal.

According to OHA, it has developed and implemented an information management system that ensures grants are monitored and evaluated consistently. OHA's Grants Portal serves as an electronic filing system for grant solicitations, applications, awarded contracts, and grantee reporting documents; documents are tracked throughout the granting process, enabling OHA to electronically track pre-award, award, and post-award documents. The system also serves as a repository for

email communications and required grant documents, enabling OHA to verify the receipt of necessary documents. The system provides real time status updates that verify grant assessment and grant monitoring. Grant reports are completed and submitted as required. The portal enables OHA to generate reports for each grant on a real time dashboard that serves as a checklist for each grant. According to OHA, program and monitoring reports ensure that performance requirements and grant deficiencies are documented and that identified corrective actions are implemented. At the end of each quarter, the Grants Program staff issues reports to the Administration and other OHA divisions for their reconciliation and reporting.

The Grants Portal is accessible through the OHA Grants Program webpage on the agency's website. Activities including online grant applications, evaluations, monitoring, and reporting are available to users. OHA's Grants Management System Administrator manages the portal for long-term grants record-keeping and provides training on the portal to the public through meetings, presentations, and direct communication via phone, email, and in-person.

Recommendation 2a

OHA should improve its administration of 'Ahahui Grants by monitoring, tracking, and documenting grantees' compliance with grant agreement terms and conditions, submission of required grant documents, and achievement of applicable performance measures for use in future grant application reviews and award decisions.

Implemented

Comments

Grants SOP now include policies and procedures ensuring grants are consistently monitored and reviewed.

Information about agreement terms and conditions, required grant documents, and performance measures is housed in OHA's information management system. According to OHA, the Grants Portal also serves as a repository for email communications and required grant documents, enabling OHA to verify the receipt of necessary documents. The system provides real time status updates that verify grant assessment and grant monitoring. Grant reports are completed and submitted as required. The portal enables OHA to generate reports for each grant on a real time dashboard that serves as a checklist for each grant.

Grants SOP require staff to complete a Quarterly Grant Assessment Report that addresses whether the key activities are being completed as described in the grant and contract; whether the grantee is on track to meet outcomes; and whether there are major issues or challenges that may negatively impact project implementation. The report requires a manager's certification stating that the information in the quarterly report is true and accurate.

Recommendation 2b

OHA should improve its administration of 'Ahahui Grants by formally evaluating the information gathered from grantee final reports and OHA staff attendance reports to determine whether events met criteria and should be funded in the future.

Implemented

Comments

Grants SOP now include policies and procedures ensuring grants are consistently monitored and evaluated to determine whether 'Ahahui Grants events meet criteria and should be funded in the future. Grants SOP were revised to include, among other things, reviews of Attendance Report Forms completed by OHA staff and Final Report Forms completed by grantees to determine whether it is worthwhile for OHA to consider funding the event again in the future. OHA's Attendance Report Form is completed by staff in the close-out phase. The report now includes an assessment of the event including the event's impact and benefit to Hawaiians, OHA recognition at the event, and whether it is worthwhile for OHA to consider funding the event in the future.

Recommendation 2c

OHA should improve its administration of 'Ahahui Grants by requiring OHA personnel to attend 'Ahahui Grant-funded events to monitor and evaluate the events to ensure grants are used consistent with the purpose and intent of the grant, and achieved the expected results; and ensuring that staff reports are submitted by the established deadline.

Implemented

Comments

Grants SOP now include policies and procedures ensuring grants are consistently monitored and evaluated to determine whether 'Ahahui Grants events met criteria and should be funded in the future. The

Grants Program now coordinates the administration of ‘Ahahui Grants with OHA Community Outreach Program staff to ensure ‘Ahahui Grant-funded events are attended by OHA personnel who monitor and assess events to confirm that grants are used consistent with the purpose and intent of the grant, and that the grants have achieved expected results. OHA uses an Excel spreadsheet to identify and track the event’s attendance by OHA’s Community Outreach Program staff. Attendance Report Forms and Closeout Report Forms are required, and Grants SOP have been revised to ensure staff reports are submitted by established deadlines; specifically, two email notifications to the Grant Monitor are required - the first notification is sent seven days prior to the deadline, and the second notification is sent one day after the due date. The Grant Manager and assigned staff also receive notifications and can follow-up with OHA staff assigned to monitor the grant as needed.

Grants SOP have been revised to include, among other things, reviews of Attendance Report Forms completed by OHA staff and Final Report Forms completed by grantees. OHA’s Attendance Report Form is completed by staff in the post-award phase. The report now includes an assessment of the event, including the event’s impact and benefit to Hawaiians, OHA recognition at the event, and whether it warrants future funding.

Grants are monitored through the Grants Portal which tracks pre-award, award, and post-award documents. Program and monitoring reports help to ensure that performance requirements and grant deficiencies are documented and that identified corrective actions are implemented. The Grants Portal is accessible through the OHA Grants Program webpage on the agency’s website.

Recommendation 2d

OHA should improve its administration of ‘Ahahui Grants by clarifying and documenting the responsibilities and processes for monitoring and evaluating all ‘Ahahui Grants, and updating existing policies and procedures, as necessary.

Implemented

Comments

Grants SOP now include policies and procedures clarifying and documenting the responsibilities and processes for monitoring and evaluating all ‘Ahahui Grants. According to OHA, policies and procedures were updated as part of that process.

According to OHA, the Grants Program now administers competitive and non-competitive programs and contracts and is structured as follows:

- In accordance with OHA statutory and management directives, the Grants Program Manager directs grant policies and procedures, supervises Grants Program staff to ensure the coordination of grant programs, processes, and contracts are strategically aligned, and oversees the implementation of quality assurance function, control, and activities.
- The Lead Grants Specialist conducts and provides management oversight for desktop and on-site monitoring for program performance and grant compliance, assists the Grants Program Manager by facilitating workflow among other OHA programs, and manages Grants Program staff as assigned by the Grants Program Manager.
- The Grants Specialist plans and develops solicitations; coordinates the grant application review process, including evaluation of eligibility and other program requirements; prepares grant recommendations; drafts grant agreements; monitors contract compliance, including performance assessments, site visits, and document reviews; processes payments in accordance with grant agreement(s); and serves as the principal liaison between grantees and OHA.

‘Ahahui Grants are reviewed and approved by the CEO; Joint Committees of Beneficiary Advocacy and Empowerment, and Assets and Resource Management; and the Board.

Grants SOP revised procedures now assign the grant monitoring responsibility to Grants Program and Community Outreach staff, who coordinate to ensure OHA staff attend and monitor ‘Ahahui events. According to OHA, the purpose of grant monitoring, which consists of both desktop and on-site monitoring, is to assess the progress of the grantee’s performance and expenditures to determine if terms and conditions of the grant agreement are met; ensure that the grant is implemented in a timely manner in compliance with all grant agreement requirements; identify noncompliance with grant agreement specifications; develop and implement actions to reinforce, improve, correct, or supplement grantee performance, as appropriate; and identify technical assistance needs and provide proactive support.

Upon completion of a grant, it is the responsibility of OHA’s Program Improvement Program to perform grant evaluations. For OHA, grant evaluations are summative in nature and generally are not scheduled

until the grant has been fully disbursed and closed out. PIP reviews all information available in the file concerning the contract; performs comprehensive evaluations that may include orientation meetings and visits to the grantee offices; performs exploratory analyses to determine the feasibility of a future contract; develops a listing of contracts targeted for an evaluation; and develops findings and recommendations. A Program Improvement Manager distributes the final report to the Board and OHA's Grants Division. A copy of the report is also posted on OHA's website and is accessible by the public.

Recommendation 2e

OHA should improve its administration of 'Ahahui Grants by implementing a formal, documented system to ensure that grant files are complete and contain all necessary documents, including grantee final reports and OHA staff attendance reports, such as a checklist for each grant.

Implemented

Comments

OHA has implemented an information management system to ensure grants are monitored and evaluated consistently. The Grants Portal serves as an electronic filing system for grant solicitations, applications, awarded contracts, and grantee reporting documents; documents are tracked throughout the granting process, enabling OHA to electronically track pre-award, award, and post-award documents. The system also serves as a repository for email communications and required grant documents. The system provides real time status updates that verify grant assessments, grant monitoring, and grant reports are completed and submitted as required. The portal enables OHA to generate reports for each grant on a real-time dashboard that serves as a checklist for each grant. According to OHA, program and monitoring reports ensure that performance requirements and grant deficiencies are documented and that identified corrective actions are implemented. OHA's Grants Portal is accessible through the OHA Grants Program webpage on the agency's website.

Grants SOP were revised to include reviews of Attendance Report Forms and Final Report Forms.

Recommendation 3a

OHA should improve its administration of Community Grants by monitoring, tracking, and documenting grantees' compliance with grant agreement terms and conditions, submission of required grant documents, and achievement of applicable performance measures for use in future grant application reviews and award decisions.

Partially Implemented

Comments

Grants SOP now include policies and procedures ensuring grants are consistently monitored and evaluated. Community grants are also monitored through OHA's Grants Portal which serves as an electronic filing system for grant solicitations, applications, awarded contracts, and grantee reporting documents; documents are tracked throughout the granting process, enabling OHA to electronically track pre-award, award, and post-award documents.

Grants SOP require staff complete a Quarterly Grant Assessment Report. Staff are required to address whether key activities are being completed as described in the grant and contract, whether the grantee is on track to meet the outcomes, and whether there are major issues or challenges that are negatively impacting project implementation. The report requires a manager's certification stating that the information in the quarterly report is true and accurate.

Grants SOP were also revised to include reviews of Attendance Report Forms and Final Report Forms. OHA's Attendance Report Form is completed by staff in the close-out phase. The report now includes an assessment of the event, including the event's impact and benefit to Hawaiians, OHA's recognition at the event, and whether it is worthwhile for OHA to consider funding this event again in the future.

Community Grants are awarded for a term of two years. According to OHA, all Quarterly Reports, Grant Assessments and the grantee's Final Report Form are considered by the Grants Program Specialist when completing OHA's Closeout Report to determine the grantee's final eligibility status for future OHA grant applications. However, any Closeout Reports for Community Grants awarded in October 2019 cannot be completed until the grants end in late 2021. Because grantees and OHA have not had an opportunity to complete required reports, we deem this recommendation to be partially implemented.

Recommendation 3b

OHA should improve its administration of Community Grants by monitoring the scheduling and performance of on-site visits to ensure that visits are conducted annually, and results are communicated to grantees in a timely manner.

Implemented

Comments

Grants SOP were revised to include policies and procedures ensuring grants are consistently monitored and evaluated. According to OHA, the purpose of on-site monitoring is to provide a more in-depth review of the grantee's program and to address grant issues and concerns. It is recommended for all grants as determined by the Grants Program Manager and is required if the Grants Program Manager determines that the grant may be at risk for failure or there are discrepancies that require an on-site visit. Any area of noncompliance may be considered, including complaints by participants, grantee failure to meet performance expectations on over half of the critical performance measures without corrective action implemented, and concerns regarding expenditures that have not been addressed by the grantee.

The on-site monitoring process includes, but is not limited to, scheduling and conducting on-site visits with the grantee that include program observation, site tours, and interviews with staff and participants to determine compliance, as well as preparing a report. The report is reviewed and signed by the Grants Program Manager and sent to the grantee. The Grants Program Specialist provides technical assistance and/or corrective action assistance to support grantees' compliance with grant agreement terms and conditions.

For virtual monitoring visits, OHA includes a meeting agenda that requests a virtual tour of the grantee's facility, discussion about the grantee's compliance with grant agreement terms and conditions, and staff interviews. The Grants Program Specialist conducts weekly meetings that incorporate tracking of on-site and virtual monitoring visits.

Recommendation 3c

OHA should improve its administration of Community Grants by clarifying and documenting the responsibilities and processes for monitoring and evaluating all Community Grants, and updating existing policies and procedures, as necessary.

Implemented

Comments

Grants SOP were revised to include policies and procedures clarifying and documenting the responsibilities and processes for monitoring and evaluating all Community Grants and updating existing policies and procedures, as necessary.

Section 10-17, HRS, requires OHA to monitor and evaluate every grant to ensure compliance with the purpose and intent of the grant, and to determine whether the intended results were achieved. For OHA, grants administration includes the following functions and related procedures: planning, solicitation, application, review, recommendation, contracting, monitoring, and evaluation for each grant program.

The Grants Program administers competitive and non-competitive programs and contracts and is structured as follows:

- In accordance with OHA statutory and management directives, the Grants Program Manager directs grant policies and procedures, supervises Grants Program staff to ensure the coordination of grant programs, processes, and contracts are strategically aligned, and oversees the implementation of quality assurance function, control, and activities.
- The Lead Grants Specialist conducts and provides management oversight for desktop and on-site monitoring for program performance and grant compliance, assists the Grants Program Manager by facilitating workflow among other OHA programs, and manages Grants Program staff as assigned by the Grants Program Manager.
- The Grants Specialist plans and develops solicitations; coordinates the grant application review process, including evaluation of eligibility and other program requirements; prepares grant recommendations; drafts grant agreements; monitors contract compliance, including performance assessments, site visits, and document reviews; processes payments in accordance with grant agreement(s); and serves as the principal liaison between grantees and OHA.

Community Grants are reviewed and approved by the CEO; Joint Committees of Beneficiary Advocacy and Empowerment, and Assets Resource Management; and the Board.

Grants are monitored through the Grants Portal which tracks pre-award, award, and post-award documents.

Grants SOP have been revised and now assign the grant monitoring responsibility to Grants Program and Community Outreach staff, who coordinate to ensure OHA staff attend and monitor events. According to OHA, the purpose of grant monitoring, which consists of both desktop and on-site monitoring, is to assess the progress of the grantee's performance and expenditures to determine if terms and conditions of the grant agreement are met; ensure that the grant is implemented in a timely manner in compliance with all grant agreement requirements; identify noncompliance with grant agreement specifications; develop and implement actions to reinforce, improve, correct, or supplement grantee performance, as appropriate; and identify technical assistance needs and provide proactive support.

Upon completion of a grant, it is the responsibility of OHA's PIP to perform grant evaluations. For OHA, grant evaluations are summative in nature and generally are not scheduled until the grant has been fully disbursed and closed out. PIP reviews all information available in the file concerning the contract; performs comprehensive evaluations that may include orientation meetings and visits to the grantee offices; performs exploratory analyses to determine the feasibility of a future contract; develops a listing of contracts targeted for an evaluation; and develops findings and recommendations. The Program Improvement Manager distributes the final report to the Board and OHA's Grants Division. A copy of the report is also posted on OHA's website and is accessible by the public.

Recommendation 3d

OHA should improve its administration of Community Grants by implementing a formal, documented system to ensure that grant files are complete and contain all necessary documents, including on-site monitoring reports, such as a checklist for each grant.

Implemented

Comments

OHA has implemented an information management system to ensure grants are monitored and evaluated consistently. OHA's Grants Portal serves as an electronic filing system for grant solicitations,

applications, awarded contracts, and grantee reporting documents throughout the granting process, enabling OHA to electronically track pre-award, award, and post-award documents. The system also serves as a repository for email communications and required grant documents, enabling OHA to verify the receipt of necessary documents, and provides real time status updates that verify grant assessments, grant monitoring, and grant reports are completed and submitted as required. The portal enables OHA to generate reports for each grant on the real-time dashboard that serves as a checklist for each grant. Program and monitoring reports also ensure that performance requirements and grant deficiencies are documented and that identified corrective actions are implemented. OHA's Grants Portal is accessible through the OHA Grants Program webpage on the agency's website.



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment



February 18, 2022

VIA EMAIL

The Honorable Carmen “Hulu” Lindsey, Chairperson (TrusteeHuluLindsey@oha.org)
Sylvia M. Hussey, Ed.D., Ka Pouhana, Chief Executive Officer (SylviaH@oha.org)
Office of Hawaiian Affairs
560 North Nimitz Highway, Suite 200
Honolulu, Hawaii 96817

Re: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, Report No. 22-02

Dear Chairperson Lindsey and Dr. Hussey:

Please find attached a copy of Report No. 22-02, *Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs*, along with a copy of the Auditor’s Summary.

This report presents a five-year summary for each special fund, revolving fund, trust fund, and trust account maintained by the Office of Hawaiian Affairs, evaluates the original intent and purpose of each fund and account, and determines the degree to which each fund and account achieves its stated and claimed purpose.

The report is accessible through the Office of the Auditor’s website at:
<https://files.hawaii.gov/auditor/Reports/2022/22-02.pdf>.

The summary is also accessible through the Office of the Auditor’s website at:
<https://files.hawaii.gov/auditor/Overviews/2022/22-02AuditorSummary.pdf>.

On behalf of my staff, thank you for your cooperation and courtesy. We also express our appreciation to the Office of Hawaiian Affairs staff for their assistance.

If you have any questions about the report, please contact me.

Very truly yours,

Leslie H. Kondo
State Auditor

DALG:EJK:emo
Attachment

cc/attach:	Trustee Leinaala Ahu Isa	(TrusteeAhuIsa@oha.org)
	Trustee Dan Ahuna	(TrusteeAhuna@oha.org)
	Trustee Kaleihikina Akaka	(TrusteeAkaka@oha.org)
	Trustee Keli’i Akina	(TrusteeAkina@oha.org)
	Trustee Luana Alapa	(TrusteeAlapa@oha.org)
	Trustee Brandon Kaleiaina Lee	(TrusteeLee@oha.org)
	Trustee John D. Waihee IV	(TrusteeWaihee@oha.org)

Auditor's Summary

Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs

Report No. 22-02

One Office of Hawaiian Affairs special fund should be closed.

OUR REVIEW of the two special funds, one revolving fund, and one trust fund of the Office of Hawaiian Affairs (OHA) found one special fund did not meet criteria and should be closed.

Section 23-12, Hawai'i Revised Statutes (HRS), requires the Auditor to review all existing special, revolving, and trust funds every five years. Reviews are scheduled so that each department's funds are reviewed once every five years. Although not mandated by statute, we included trust accounts as part of our review. This is our sixth review of the revolving funds, trust funds, and trust accounts of OHA. It is our second review of the special funds of OHA, since Act 130, Session Laws of Hawai'i 2013, amended section 23-12, HRS, to require review of special funds along with revolving funds and trust funds.

We used criteria developed by the Legislature and by our office based on public finance and accounting literature. For each fund and account, we present a five-year financial summary, the purpose of the fund or account, and conclusions about its use. We did not audit the financial data, which is provided for informational purposes. We do not present conclusions about the effectiveness of the programs or their management, or whether the program should be continued.

Reporting Shortfall

We noted that OHA did not file statutorily required reports for administratively created non-general funds totaling at least \$15 million. Accurate and complete reporting will greatly improve the Legislature's oversight of these funds.

Agency response

OHA acknowledged our recommendations related to the closing of the trust fund and stated they are working with the Department of Accounting and General Services to close this fund.



FUND TYPES

SPECIAL FUNDS

are used to account for revenues earmarked for particular purposes and from which expenditures are made for those purposes.

REVOLVING FUNDS

such as loan funds, are often established with an appropriation of seed money from the general fund and must demonstrate the capacity to be self-sustaining.

TRUST FUNDS

such as a pension fund, invoke the State's fiduciary responsibility to care for and use the assets held to benefit those with a vested interest in the assets.

TRUST ACCOUNTS

are typically separate holding or clearing accounts and are often used as accounting devices for crediting or charging state agencies or projects for payroll and other costs.

OHA disagreed with our assertion that the reporting of Non-General Funds is required by section 37-52.5, HRS, stating that the Native Hawaiian Revolving Loan Fund is a federal fund and for various reasons should not be included with information annually required to be reported to the Legislature. We disagree. Section 37-52.5, HRS, applies to any fund or account that is administratively established, and is “the criteria for the establishment and **continuance** of administratively established accounts and funds.” OHA should report to the Legislature, annually, its administratively created funds and accounts, irrespective as to when those funds and accounts were established, as required by section 37-52.5(b), HRS.

Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs

A Report to the Governor
and the Legislature of
the State of Hawai'i

Report No. 22-02
February 2022



King Imaihalo
January 18, 1824 - May 1, 1855



King Kalakaua
January 15, 1836 - December 20, 1891



Queen Lili'uokalani
January 2, 1832 - November 29, 1909



OFFICE OF THE AUDITOR
STATE OF HAWAII



OFFICE OF THE AUDITOR STATE OF HAWAII

Constitutional Mandate

Pursuant to Article VII, Section 10 of the Hawai'i State Constitution, the Office of the Auditor shall conduct post-audits of the transactions, accounts, programs and performance of all departments, offices and agencies of the State and its political subdivisions.

The Auditor's position was established to help eliminate waste and inefficiency in government, provide the Legislature with a check against the powers of the executive branch, and ensure that public funds are expended according to legislative intent.

Hawai'i Revised Statutes, Chapter 23, gives the Auditor broad powers to examine all books, records, files, papers and documents, and financial affairs of every agency. The Auditor also has the authority to summon people to produce records and answer questions under oath.

Our Mission

To improve government through independent and objective analyses.

We provide independent, objective, and meaningful answers to questions about government performance. Our aim is to hold agencies accountable for their policy implementation, program management, and expenditure of public funds.

Our Work

We conduct performance audits (also called management or operations audits), which examine the efficiency and effectiveness of government programs or agencies, as well as financial audits, which attest to the fairness of financial statements of the State and its agencies.

Additionally, we perform procurement audits, sunrise analyses and sunset evaluations of proposed regulatory programs, analyses of proposals to mandate health insurance benefits, analyses of proposed special and revolving funds, analyses of existing special, revolving and trust funds, and special studies requested by the Legislature.

We report our findings and make recommendations to the Governor and the Legislature to help them make informed decisions.

For more information on the Office of the Auditor, visit our website:
<https://auditor.hawaii.gov>

Foreword

This is a report of our review of the special funds, revolving funds, trust funds, and trust accounts of the Office of Hawaiian Affairs.

Section 23-12, Hawai‘i Revised Statutes (HRS), requires the Auditor to review all existing special, revolving, and trust funds, once every five years. Although not mandated by statute, we include trust accounts as part of our review. This is our sixth review of the revolving funds, trust funds, and trust accounts of the Office of Hawaiian Affairs. It is our second review of its special funds since section 23-12, HRS, was amended by Act 130, Session Laws of Hawai‘i 2013, to include reviews of special funds.

We wish to express our appreciation for the cooperation and assistance extended to us by the Office of Hawaiian Affairs.

Leslie H. Kondo
State Auditor

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Chapter 1

Introduction

This review encompasses the special funds, revolving funds, trust funds, and trust accounts administered by the Office of Hawaiian Affairs (OHA). Section 23-12, Hawai‘i Revised Statutes (HRS), requires the Auditor to review each state department’s special, revolving, and trust funds every five years. For each fund, the Auditor’s review must include:

1. An evaluation of the original intent and purpose of the fund, both as expressed by the Legislature and as understood by the expending agency;
2. The degree to which the fund achieves its stated and claimed purposes;
3. An evaluation of the fund’s performance standards as established by the agency; and
4. A summary statement reflecting total fund transactions in the preceding five fiscal years, including the fund balance at the beginning of each fiscal year, total deposits and withdrawals, amount of interest earned, total expenditures made from the fund, and the ending balance for each fiscal year.

This is our sixth review of the Office of Hawaiian Affairs’ revolving funds, trust funds, and trust accounts.¹ It is our second review of the Office of Hawaiian Affairs’ special funds, since Act 130, Session Laws of Hawai‘i (SLH) 2013, amended section 23-12, HRS, to require review of special funds along with revolving funds and trust funds. Although not mandated by section 23-12, HRS, we have included trust accounts as part of our review. Trust accounts, like special, revolving, and trust funds, are funded outside of the general fund appropriation process and are therefore generally subject to less legislative scrutiny than the State’s General Fund. We last examined these funds and accounts in 2016.

¹ Prior to 2013, section 23-12, HRS, did not require reviews of departments’ special funds.

Description of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts

Special funds

Section 37-62, HRS, defines a special fund as one that is “dedicated or set aside by law for a specified object or purpose, but excluding revolving funds and trust funds.” According to the State’s Accounting Manual, special funds are funds used to account for revenues earmarked for particular purposes and from which expenditures are made for those purposes.

Revolving funds

Section 37-62, HRS, defines a revolving fund as one “from which is paid the cost of goods and services rendered or furnished to or by a state agency and which is replenished through charges made for the goods or services or through transfers from other accounts or funds.” Activities commonly financed through revolving funds include loan programs, which are initially established by general fund seed moneys and are then replenished through the repayment of loans.

Trust funds

Section 37-62, HRS, defines a trust fund as one in which “designated persons or classes of persons have a vested beneficial interest or equitable ownership, or which was created or established by a gift, grant, contribution, devise or bequest that limits the use of the fund to designated objects or purposes.” Trust funds invoke a fiduciary responsibility of state government to care for and use the assets held only for those designated to benefit from the funds. A pension fund is an example of a trust fund. Contributions and payments are to be held for the beneficiaries of the pension fund. Another example is tenants’ security deposits, which are held in trust for the future benefit of tenants and landlords. Until forfeited or returned, deposits are the property of the tenants and should be accounted for accordingly.

Trust accounts

The Department of Accounting and General Services (DAGS) defines a trust account as a separate holding or clearing account for state agencies. Trust accounts also serve as accounting devices to credit or charge agencies or projects for payroll or other costs.

Criteria for Reviewing Special Funds, Revolving Funds, Trust Funds, and Trust Accounts

Special and revolving fund criteria

In 2002, the Legislature set the requirements for establishing and continuing special and revolving funds. Sections 37-52.3 and 37-52.4, HRS, state that special and revolving funds may only be established by statute. The criteria used to review special and revolving funds are the extent to which each fund:

- Serves a need, as demonstrated by: (a) the purpose of the program to be supported by the fund; (b) the scope of the program, including financial information on fees to be charged, sources of projected revenue, and costs; and (c) an explanation of why the program cannot be implemented successfully under the general fund appropriation process;
- Reflects a clear nexus between the benefits sought and charges made upon the program users or beneficiaries, or a clear link between the program and the sources of revenue – as opposed to serving primarily as a means to provide the program or users with an automatic means of support, removed from the normal budget and appropriation process;
- Provides an appropriate means of financing for the program or activity that is used only when essential to the successful operation of the program or activity; and
- Demonstrates the capacity to be financially self-sustaining.

Trust fund and trust account criteria

Unlike the requirements for special and revolving funds, the law is silent on whether a trust fund or trust account must be established by statute. The criteria used in this report to review trust funds and trust accounts are the extent to which each fund and account:

- Continues to serve the purpose and intent for which it was originally created, and
- Meets the definition of a trust fund or trust account, respectively.

The first criterion is derived from the objectives of section 23-12, HRS, which requires the Auditor to evaluate the original intent of each fund and the degree to which each fund achieves its stated purpose. The second criterion assesses whether a fund is held by the State only for the benefit of those with a vested interest in the assets or an account is held as a separate or clearing account.

Objectives of the Review

1. Identify and review all special funds, revolving funds, trust funds, and trust accounts of the Office of Hawaiian Affairs.
2. For each special fund, revolving fund, trust fund, and trust account, determine whether the fund or account meets the respective criteria.
3. Provide a five-year (FY2017 – FY2021) unaudited financial summary for each fund and account of the Office of Hawaiian Affairs.

Scope and Methodology

We reviewed all special funds, revolving funds, trust funds, and trust accounts directly administered by the Office of Hawaiian Affairs during the five-year period under review (FY2017 – FY2021). Funds and accounts included those established by statute as well as by administrative authority. Funds that had no balances or activity during the review period are not presented.

To identify funds subject to this review, we used a variety of sources, including our prior reviews, accounting reports from DAGS, non-general fund reports, legislative budget briefing documents, and other records. To gain an understanding of fund operations, we reviewed applicable agency administrative rules and interviewed key fiscal and program personnel, as necessary.

We obtained a summary statement for each fund that reflects total fund transactions in the preceding five fiscal years (July 1, 2016 to June 30, 2021), including beginning fund balances, total revenues, amount of interest earned, total expenditures, transfers, and ending fund balances for each fiscal year. We requested explanations for discrepancies between ending balances for FY2016 reported in our last review and opening balances reported for FY2017. We did not audit the Office of Hawaiian Affairs' financial data, which we provide for informational purposes only.

Procedures were performed on each fund using relevant criteria as stated above. We reviewed fund information for consistency with the intent of each fund's use. We reviewed information on performance standards established for the funds or accounts and performed other procedures as necessary.

Where appropriate, we relied on our prior reports, including Report No. 16-10, *Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs*.

Our review was conducted from August 2021 to December 2021. Recommendations were made where applicable.

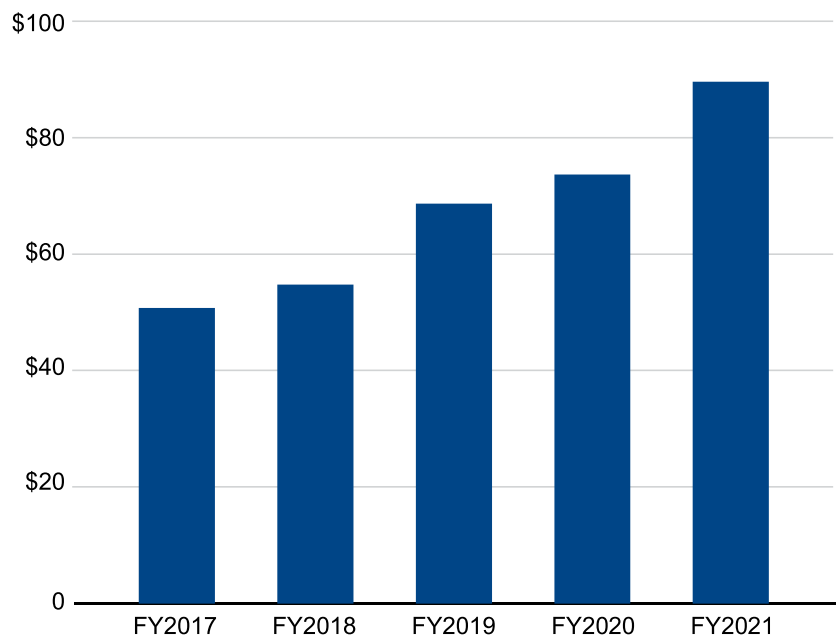
Chapter 2

Office of Hawaiian Affairs

This chapter presents the results of our review of 2 special funds, 1 revolving fund, and 1 trust fund of OHA. Funds which had no balances or activity during the review period are not presented. Total fund fiscal year-end balances for OHA amounted to at least \$51 million per year during the period reviewed.

Exhibit 2.1 summarizes the totals for these fund balances at the end of each fiscal year.

Exhibit 2.1
Cash Balances for the Office of Hawaiian Affairs’
Non-General Funds FY2017 – FY2021 (in millions)



Source: Office of the Auditor

Exhibit 2.2 presents totals for the combined revenue and interest, expenses and transfers, and ending fund balances for the different fund types for FY2021.

In FY2021, the special funds, revolving funds, and trust funds collected approximately \$103 million and spent or transferred approximately \$87 million.

Exhibit 2.2
Office of Hawaiian Affairs Fund and Account Totals by Type, FY2021

Fund Type	Revenue and Interest	Expenses and Transfers	FY2021 End Cash Balance
Special Funds	\$0	\$0	\$326,000
Revolving Funds	2,024,000	2,733,000	15,448,000
Trust Funds/ Trust Accounts	101,270,000	84,655,000	74,464,000
Total	\$103,294,000	\$87,388,000	\$90,238,000

Source: Office of the Auditor

For each fund, we present a five-year financial summary, the purpose of the fund, and conclusions about its use and whether it meets the definition of a special fund, revolving fund, or trust fund. This review does not include an assessment of the effectiveness of the program or its management. Funds are presented in alphabetical order.

Exhibit 2.3 presents OHA funds that did not meet criteria for continuance and should be closed or reclassified.

Exhibit 2.3
Office of Hawaiian Affairs Fund Not Meeting Criteria

Fund Name	Fund Type	FY2021 Ending Balance	No longer serves original purpose and/ or does not serve a need	No clear nexus between benefits sought and user charges or a clear link between the program and revenue sources	Inappropriate financing mechanism	Not financially self-sustaining	Does not meet special fund, revolving fund, trust fund, or trust account definition
Native Hawaiian Rights Fund (Not in S/T)	Special Fund	\$325,754	✓				
Total		\$325,754					

Source: Office of the Auditor

***Native Hawaiian
Revolving Loan Fund
(revolving fund)***

***Administratively
established***

Financial Data for Fiscal Years 2017 – 2021 (in thousands)

	FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Balance	\$13,808*	\$15,525	\$16,392	\$15,864	\$16,158
Revenues	3,076	2,485	2,108	1,813	1,467
Interest	420	501	580	614	556
Expenditures	(1,779)	(2,119)	(3,216)	(2,133)	(2,733)
Transfers	0	0	0	0	0
Ending Balance	\$15,525	\$16,392	\$15,864	\$16,158	\$15,448
Encumbrances	\$202	\$138	\$162	\$216	\$202

Investment Balances for Fiscal Years 2017 – 2021 (in thousands)

	FY2017	FY2018	FY2019	FY2020	FY2021
Long-Term Investments**	\$13,527	\$13,551	\$13,759	\$14,625	\$14,670
Total Ending Fund Balance***	\$29,052	\$29,943	\$29,623	\$30,783	\$30,118

*FY2017 beginning balance reflects only the cash balance from the State's Financial Accounting and Management Information System (FAMIS). FY2016 ending balance as previously reported in Report No. 16-10 included long-term investment balances, which are now separately presented.

**Long-Term Investment balances were previously reported as part of the financial data table. However, OHA was unable to provide investment activity (i.e., revenues, interest, expenditures, transfers) for the years under review. As such, we present only ending long-term investment balances.

***Total Ending Fund Balance is the sum of ending cash balances and ending long-term investment balances per FAMIS.

This fund serves the purpose for which it was created and meets the criteria for a revolving fund. Administratively established in 1988 with funding by OHA and a series of grants from the United States Administration of Native Americans (ANA), the fund provides financing for the startup or expansion of Hawaiian-owned businesses unable to secure financing from conventional lending institutions or unable to obtain small business training and technical assistance. In 2007, loan offerings were expanded to include consumer loans and consumer lines for education and home improvement. In 2011, a revolving line of credit for qualified Hawaiian-owned businesses and for Native Hawaiian consumers and a debt consolidation program were approved. In FY2013, the Hua Kanu Loan Program was created; the program offers financing of up to \$1 million and is available for highly qualified Native Hawaiian

owned business applicants. Revenues for this fund were from principal repayments from loans, interest earned from loans and investments, loan fees, and recovery of loans written-off. Expenditures consisted of loan disbursements, loan application fees, legal services, technical assistance, investment management, bad debt, personnel, and various overhead costs.

***Native Hawaiian Rights
Fund
(Not in state treasury)
(special fund)***

***Administratively
established***

Financial Data for Fiscal Years 2017 – 2021 (in thousands)

	FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Balance	\$326	\$326	\$326	\$326	\$326
Revenues	0	0	0	0	0
Interest	0	0	0	0	0
Expenditures	0	0	0	0	0
Transfers	0	0	0	0	0
Ending Balance	\$326	\$326	\$326	\$326	\$326
Encumbrances	\$0	\$0	\$0	\$0	\$0

This fund no longer serves the purpose for which it was created and should be closed. The fund was administratively created by OHA in 1987 to hold attorney's fees and costs recovered by the Native Hawaiian Legal Corporation's Land Title Project. According to OHA, it now has a direct legal services contract with the Native Hawaiian Legal Corporation in place and the balance in the fund was transferred to the Public Land Trust on July 14, 2015. While the fund has been inactivated internally, the fund still exists in FAMIS, no longer serves the purpose for which it was created, and should be closed.

***Planning and Research
(special fund)***

***Administratively
established***

Financial Data for Fiscal Years 2017 – 2021 (in thousands)					
	FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Balance	\$1	\$0	\$0	\$0	\$0
Revenues	0	0	0	0	0
Interest	0	0	0	0	0
Expenditures	0	0	0	0	0
Transfers	(1)*	0	0	0	0
Ending Balance	\$0	\$0	\$0	\$0	\$0
Encumbrances	\$0	\$0	\$0	\$0	\$0

*The fund was closed in FY2017 and the remaining balance was transferred to the Public Land Trust.

This fund was closed in FY2017 and the remaining balance of \$750 was transferred to the Public Land Trust. The fund was administratively created.

**Public Land Trust
Proceeds (Not in state
treasury)
(trust fund)**

**Hawai'i State
Constitution,
Article XII, Section 4**

Financial Data for Fiscal Years 2017 – 2021 (in thousands)

	FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Balance	\$29,857*	\$35,345	\$38,262	\$52,881	\$57,849
Revenues	120,744	117,781	148,722	145,795	101,251
Interest	50	54	52	37	19
Expenditures	(115,306)	(114,918)	(134,155)	(140,864)	(84,655)
Transfers*	0	0	0	0	0
Ending Balance	\$35,345	\$38,262	\$52,881	\$57,849	\$74,464
Encumbrances	\$23,579	\$24,850	\$24,524	\$31,775	\$20,586

Investment Balances for Fiscal Years 2017 – 2021 (in thousands)

	FY2017	FY2018	FY2019	FY2020	FY2021
Long-Term Investments**	\$352,408	\$373,951	\$368,656	\$380,631	\$377,586
Total Ending Fund Balance***	\$387,753	\$412,213	\$421,537	\$438,480	\$452,050

*FY2017 beginning balance reflects only the cash balance from the State's FAMIS. FY2016 ending balance as previously reported in Report No. 16-10 included long-term investment balances, which are now separately presented. Additionally, the Hawaiian Projects Fund (S-320) balances were reported separately in the prior review. During this review, the balances are combined with the Public Land Trust Fund.

**Long-Term Investment balances were previously reported as part of the financial data table. However, OHA was unable to provide investment activity (i.e., revenues, interest, expenditures, transfers) for the years under review. As such, we present only ending long-term investment balances.

***Total Ending Fund Balance is the sum of ending cash balances and ending long-term investment balances per FAMIS.

This fund meets the criteria of a trust fund and continues to serve the purpose for which it was originally created. The fund, also known as OHA's Native Hawaiian Trust Fund, was established in 1981 to account for OHA's portion of revenues derived from the Public Land Trust. For this review, we have included the balances of all accounts funded with public land trust funds (as legislatively and board mandated); figures in the table above represent the total revenues and expenditures related to the Public Land Trust.

Revenues included an annual sum of \$15.1 million which represents OHA's pro rata share of the revenues from the Public Land Trust as stated in Act 178, SLH 2006. Additional revenues consisted of dividend and interest income from investments; interest earned from the Consumer

Micro-Loan Program; and lease and other revenues generated from commercial properties. Expenditures of this fund consisted of OHA's operating and program costs, plus grant and sponsorship funding for the benefit of Native Hawaiians.

Chapter 3

Observations on the Office of Hawaiian Affairs Reporting and Accounting for Funds

As we reported in our *Study of the Transfer of Non-general Funds to the General Fund*, Report No. 12-04, special, revolving, and other types of non-general funds collectively represent about half of the State's operating budget – moneys that are not subject to the same level of legislative scrutiny as the general fund. Accurate and complete reporting of all funds, as required by law, would greatly improve the Legislature's oversight and control of these funds and provide increased budgetary flexibility. Fund reports are one of the primary means through which the Legislature tracks non-general funds. The reports are used to monitor fund balances and identify excess moneys for possible transfer to the general fund.

The Office of Hawaiian Affairs Did Not Report Non-General Funds as Required by Law

During our review of the Office of Hawaiian Affairs non-general funds, we noted noncompliance with statutory requirements required by section 37-52.5, HRS.

Section 37-47, HRS, requires departments to submit to the Legislature an annual report of each non-general fund account, including information such as the intended purpose of the fund, current program activities supported by the fund, and financial data. The Director of Finance annually issues a memorandum requesting all departments complete and submit Form 37-47, *Report on Non-General Fund Information*, to the Department of Budget and Finance for each of their non-general funds. The Department of Budget and Finance compiles a report of all non-general fund accounts and submits it to the Legislature prior to the start of each legislative session.

We did not identify any issues related to reporting required by section 37-47, HRS.

Section 37-52.5, HRS, requires the Judiciary and any department that administratively establishes a new fund or account to submit a report to the Legislature. The report must be filed within 30 working days of a fund or account's creation and should include a justification for the fund or account and identification of its sources of revenue. In addition,

prior to the start of each legislative session, the law also requires each department to submit to the Legislature a listing of all administratively established funds or accounts along with a statement of their revenues, expenditures, encumbrances, and ending balances for each fund or account. This report is separate and distinct from the non-general fund report required under section 37-47, HRS.

As shown in Exhibit 3.1, OHA had non-general funds that were administratively created with balances totaling approximately \$15.45 million that was not reported to the Legislature as required by section 37-52.5, HRS.

Exhibit 3.1
OHA Administratively Created Non-General Funds Not Reported to the Legislature

Fund Name	Fund Type	HRS 37-52.5 (Admin Created)	FY2021 Ending Balance (rounded)
Native Hawaiian Revolving Loan Fund	Revolving Fund	✓	\$15,448,000
Total			\$15,448,000

Source: Office of the Auditor

The Office of the Auditor's Comments on Response from the Office of Hawaiian Affairs

Comments on Agency Response

WE TRANSMITTED a draft report of this review to the Office of Hawaiian Affairs (OHA) and met with OHA's Chief Executive Officer, Chief Financial Officer, and acting Corporation Counsel to discuss the draft report. OHA subsequently provided a written response to the draft report, which is attached in its entirety (Attachment 1).

A. OHA (Special) Fund Not Meeting Criteria

OHA acknowledged our recommendations related to the closing of the trust fund and stated they had notified the Department of Accounting and General Services (DAGS) to close this fund.

B. OHA is Unable to Provide Investment Activity (i.e., Revenues, Interest, Expenditures, Transfers) For the Years Under Review

In response to our note that OHA was unable to provide us with specific information about its investment activity for the Native Hawaiian Revolving Loan Fund and the Public Land Trust Proceeds (trust fund), OHA claims that, because of the deadlines set by DAGS to submit fiscal information to be recorded in the State's Financial Accounting and Management Information System (FAMIS), certain of OHA's financial activity and adjustments for June (which is the end of the state's fiscal year) is recorded in the FAMIS data for the following fiscal year. That explanation, however, is misleading and disingenuous.

First, OHA did not raise the explanation during our meeting, which, as we explained to OHA, was the purpose of the meeting, i.e., to discuss concerns OHA may have about the draft report. Second, and more importantly, at the beginning of our review, we provided OHA with a spreadsheet of the fiscal information about each of OHA's funds from FAMIS and asked OHA to confirm the accuracy of the information based on OHA's accounting records. While OHA may close its fiscal year after DAGS closes the State's fiscal year, OHA had the opportunity to, but did not, update the information about its long-term investments. OHA was unable to "tie" the information in the spreadsheet to any of

its financial records. We had multiple meetings with OHA's CFO to explain how she might obtain the information; but she did not provide the information to us, and we therefore reported the ending balances as reflected in FAMIS. Accordingly, we believe the notes about OHA's investment activity for the Native Hawaiian Revolving Loan Fund and the Public Land Trust Proceeds (trust fund) – specifically, that OHA was unable to provide the revenues, interest, expenditures, and transfers relating to its investments for the five-years we reviewed – are accurate.

C. Public Land Trust Interim Amount

OHA requested that we modify a sentence in Chapter 2 regarding the Public Land Trust revenues. However, the sentence as written in our report is consistent with Act 178, SLH 2006. OHA's suggested modification is not in line with Act 178, SLH 2006.

D. OHA Did Not Report Non-General Funds as Required by Law

Finally, OHA disagreed with an observation about the reporting of Non-General Funds as required by section 37-52.5, HRS, stating the Native Hawaiian Revolving Loan Fund is a federal fund and for various reasons should not be included with information annually required to be reported to the Legislature. We disagree. By its plain and unambiguous language, section 37-52.5, HRS, is “the criteria for the establishment and continuance of administratively established accounts and funds.” Section 37-52.5(b), HRS, states, “[e]xcept for the judiciary, each department or agency, at least twenty days prior to the convening of each regular session, shall submit a report to the legislature.” Stated differently, section 37-52.5(b), HRS, requires OHA to annually submit a list of all administratively established funds or accounts to the Legislature along with a statement of their revenues, expenditures, encumbrances, and ending balances. And, the reason for the requirement is equally clear. The Legislature has no information about funds and accounts that OHA establishes, including the amounts held in those funds and accounts; the required reporting provides the Legislature with visibility into administratively created funds and accounts, regardless of when those funds and accounts were established.

Instead of objecting to the transparency such reporting provides, OHA should report to the Legislature, annually, its administratively created funds and accounts, irrespective as to when those funds and accounts were established, as required by section 37-52.5(b), HRS.

PHONE (808) 594-1888

FAX (808) 594-1938



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**
560 N. NIMITZ HWY., SUITE 200
HONOLULU, HAWAII 96817

February 11, 2022

Leslie H. Kondo
State Auditor
465 S. King Street, Room 500
Honolulu, Hawai'i 96813-2917
Via Email: les.kondo@hawaii.gov

Aloha Mr. Kondo:

Mahalo for your recent transmittal of the draft report on your review entitled *Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs* ("OHA"). We would like to respond to the findings noted in your review as follows:

A. OHA (Special) Fund Not Meeting Criteria

In Exhibit 2.3 on page 9, and also referenced on page 12 of the draft report, your office notes that the Native Hawaiian Rights Fund (NHRF), "*No longer serves original purpose and/or does not serve a need, and therefore should be closed or reclassified.*" On March 23, 2021, OHA's Board of Trustee approved Action Item RM #21-02, to close the NHRF, given the inactivity and it no longer serving its intended purpose. On July 14, 2021, OHA notified the State Department of Accounting and General Services (DAGS) who replied that, "Appropriations cannot be closed but will be purged by FAMIS when we run the process. It is not completed frequently." During this fund's review, OHA inquired with the State Auditors if they knew how to close an inactive fund, to validate the response from DAGS, and they were not aware of the process. Therefore, OHA returned to and followed up with DAGS again last week, to ask when the next purge activity would occur, and according to DAGS, the last purge was in 2019. OHA was not provided a definitive date by DAGS. Therefore, OHA awaits the date and time DAGS completes its purge activities.

B. OHA is unable to provide investment activity (i.e., revenues, interest, expenditures, transfers) for the years under review

In a footnote for the Native Hawaiian Revolving Loan Fund (page 10 of the draft report, footnote **) and for the Public Land Trust Proceeds (page 14 of the draft report, footnote **) it was noted that *OHA is unable to provide investment activity (i.e., revenues, interest, expenditures, transfers) for the years under review.* The reason for this is because the balances reported on FAMIS are for at a point of time. For example, for fiscal year 2021,

Leslie H. Kondo, State Auditor
Review of Special Funds, Revolving Funds,
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Comptroller's Memorandum No. 2021-06 establishes submittal deadlines for accounting documents that must be recorded in FAMIS by the close of fiscal year 2021. Journal Vouchers were due by July 8, 2021, 10:00 a.m. OHA submitted journal vouchers up to May 31, 2021, because June 30, 2021, was not closed. It is not uncommon for June's activity and adjustments to be recorded in FAMIS in the following DAGS fiscal year. Although investment revenues, interest, expenditures, and transfers are reported in the proper category on the draft report, the amounts reported are at a point in time and not necessarily in the proper fiscal year per OHA's financial records. Therefore, to report the investment amounts separately is not possible as one DAGS fiscal year would include prior OHA fiscal year activities and adjustments and also not all of the OHA fiscal year activities and adjustments for the DAGS fiscal year.

C. PUBLIC LAND TRUST INTERIM AMOUNT

In Chapter 2, on page 14 of the draft report, please insert at the end of the first sentence of the last paragraph, "...an interim amount of...", so the entire first sentence of the last paragraph reads, "Revenues included an annual sum of \$15.1 million which represents *an interim amount of* OHA's pro rata share of the revenues from the Public Land Trust as stated in Act 178, SLH 2006."

D. OHA Did Not Report Non-General Funds as Required by Law

In Chapter 3, on page 17 of the draft report, your office notes non-compliance with statutory HRS 37-52.5 that *requires the Judiciary and any department that administratively establishes a new fund or account to submit a report to the Legislature. The report must be filed within 30 working day of a fund or account's creation and should include a justification for the fund or account and identification of its sources of revenue. In addition, prior to the start of each legislative session, the law also requires each department to submit to the Legislature a listing of all administratively established funds or accounts along with a statement of their revenues, expenditures, encumbrances, and ending balances for each fund or account. This report is separate and distinct from the non-general fund report required under section 37-47, HRS.*

We are not in agreement with this finding.

For all intents and purposes, HRS 37-62 defines the Native Hawaiian Revolving Loan Fund (NHRLF) as a Revolving fund. Special funds are also defined and exclude revolving funds and trust funds. Federal funds means financial aid received or reasonably anticipated to be received from the federal government. Based on these definitions and per HRS 37-62, NHRLF is a Federal Revolving fund. The HRS 37-52 provisions are applicable to Special funds and not Revolving funds. Furthermore, according to the 2021 SRT Fund Review,

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Preliminary Inventory form that was filled out, Revolving, Trust and Federal funds are excluded with this review.

The Native Hawaiian Revolving Loan Fund (NHRLF) program was established in 1988 and predates the reporting requirements for new administratively established accounts, which was enacted by the Legislature through Act 178 in 2002. OHA did not find an amendment to 37.52-5 that retroactively requires NHRLF to now comply under this state statute. On page 2 of the draft report describing Revolving funds, NHRLF was not established by general fund seed moneys. NHRLF was jointly funded by OHA and a series of seven grants from the Administration for Native Americans¹. It is a federal fund and is externally audited. A single audit is required if a non-federal entity (e.g., not-for-profit organization, state and local government, tribe or institution for higher education) spends greater than \$750,000 of federal funds in a fiscal year. Every year, a Single Audit of the Native Hawaiian Revolving Loan Fund is filed with the Federal Audit Clearinghouse.

We appreciate the diligence your office demonstrated during this review. OHA staff reports that your office was exemplary in our mutual working relationship. We appreciate the thoroughness and professionalism they demonstrated, and we look forward to continuing constructive joint efforts in future engagements as we continue to fulfill our mission to better the conditions of Native Hawaiians.

‘O maua me ka ‘oia‘i‘o,



Carmen “Hulu” Lindsey
Chair, Board of Trustees



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

¹ An Office of the Administration for Children & Families under the U.S. Department of Health and Human Services



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo

VI. Announcements

VII. Adjournment



**Office of Hawaiian Affairs
Native Hawaiian Revolving Loan Fund (NHRLF)**

**Committee on Resource Management
Presentation**

Loan Fund Manager: Aikū'ē Kalima

March 8, 2022

Topics of Discussion

- ❖ NHRLF's Program In A Nutshell
- ❖ Loan Products Offered
- ❖ Eligibility Requirements
- ❖ Standard Financial Documents
- ❖ Transition from Pre-COVID to Recovery FY 2019-FY 2022
- ❖ Semi-Annual Report Outcomes
- ❖ Outcome Evaluation
- ❖ NHRLF's Program Impact
- ❖ Loan Disbursements by Purpose
- ❖ Loan Disbursements by Islands
- ❖ Highlights of the NHRLF Program
- ❖ Challenges of the NHRLF Program
- ❖ Mahalo Nui Loa Q & A

NHRLF's Program In A Nutshell

- ❖ The OHA NHRLF program was established in 1989. 2022 represents 33 years of OHA providing loan funds to Native Hawaiians.
- ❖ Formed in partnership with Administration for Native Americans (ANA)
- ❖ 1989 to 2001 – ANA contributed approximately \$12.9 Million and OHA an additional \$9.9 Million of non-federal funds. The total estimated value of the loan fund is \$22.8 Million.
- ❖ \$67.2 Million Closed; Revolved over 3 times
- ❖ ANA functions as Government Regulatory agency
- ❖ The NHRLF Board of Directors main purpose is to review loan applications and make a Final Loan Determination.

NHRLF Board of Directors

The NHRLF Operational Guidelines approved by the Administration for Native Americans (ANA) in August 2019 states that the NHRLF BOD shall be responsible for the final approval or denial of loans. The BOD consists of the seven (7) volunteers who support the program.

	Name	BOD Title	Island	Current Expiration Date
1	Mike Tresler	President	<u>Kaua'i</u>	2 nd term ends 09/30/2023
2	Liane Khim	Vice President	<u>O'ahu</u>	1 st term ends 03/31/2023
3	Alvin Tanaka	Secretary	<u>O'ahu</u>	1 st term ends 10/31/2022
4	<u>Wilmina English</u>	Member	Molokai	1 st term ends 06/30/2024
5	Wayne Wong	Member	Maui	1 st term ends 11/30/2024
6	Kirstin Kahaloa	Member	<u>Hawai'i Island</u>	1 st term ends 11/30/2024
7	Vacant ¹	OHA Representative	<u>O'ahu</u>	TBD

Current Loan Program Products Offered



PERSONAL LOANS

Mālama EDUCATION



**\$2,500 -
\$20,000**

**5.00% -
6.00% APR**

School tuition

Preschool, trade school,
K-12, college, post graduate,
campus charges, books, etc.

Mālama DEBT CONSOLIDATION



**\$2,500 -
\$20,000**

**5.00% -
6.00% APR**

Consolidate existing debts

Applicant to submit
creditor statements for
debts being paid off

Mālama HOME IMPROVEMENT



**\$2,500 -
\$100,000**

**5.00% -
6.00% APR**

Renovate existing home

Home repairs, extend home,
retaining wall, driveway, fencing,
sidewalk, new appliances, etc.

Eligibility Requirements:

U.S. Citizen | State of Hawai'i Resident | Applicant must be of Native Hawaiian Ancestry | At least 18 years of age

Low interest loans for Native Hawaiians

BUSINESS | HOME IMPROVEMENT | DEBT CONSOLIDATION | EDUCATION

LOANS.OHA.ORG | 808.594.1888

Mahalo for choosing OHA MĀLAMA LOANS



BUSINESS LOANS

Mālama BUSINESS



**\$2,500 -
\$100,000**

4.00% APR

Establish or build upon a small business

Working capital

Loan amounts over \$20,000 require
non-real estate collateral

Hua Ranu BUSINESS



**\$150,000 -
\$1,000,000**

4.00% APR

Purchase equipment or inventory

Working capital

Eligibility Requirements:

All Principals must be U.S. Citizen | All Principals must be State of Hawai'i Resident
All Principals must be of Native Hawaiian Ancestry
At least 18 years of age | Business must be registered with DCCA and in good standing

Low interest loans for Native Hawaiians

BUSINESS | HOME IMPROVEMENT | DEBT CONSOLIDATION | EDUCATION

LOANS.OHA.ORG | 808.594.1888

Mahalo for choosing OHA MĀLAMA LOANS

Current Loan Program Products Offered (Cont.)

DISASTER RELIEF



OHA's Disaster Relief Loan Program assists Native Hawaiians experiencing loss as a result of a natural disaster. This includes an occurrence of a natural catastrophe, technological accident, or human caused event that has resulted in severe property damage, deaths, and/or multiple injuries. Applicants, both new and existing loan borrowers, may be eligible for up to six months of deferred payments.

UP TO
\$20,000

4.00% APR

Eligibility Requirements:

U.S. Citizen | State of Hawai'i Resident | Applicant must be of Native Hawaiian Ancestry | At least 18 years of age



Low interest loans for Native Hawaiians

BUSINESS | HOME IMPROVEMENT
DEBT CONSOLIDATION | EDUCATION

[LOANS.OHA.ORG](https://loans.oha.org) | 808.594.1888

Makalo for choosing OHA MĀLAMA LOANS

Eligibility Requirements

- ☐ Applicant must be a U.S. Citizen, State of Hawai‘i resident, at least 18 yrs. of age and of Native Hawaiian Ancestry
- ☐ Credit score of 600 or above for Business, Education, and Home Improvement
- ☐ Credit score of 650 or above for Debt Consolidation
- ☐ Debt-to-Income Ratio requirement is 45% or less
- ☐ Debt Service Coverage Ratio for Business is a minimum of 1.25%
- ☐ Co-applicant must be of Native Hawaiian ancestry
- ☐ Business must be 100% Native Hawaiian owned

Standard Financial Documents

Personal Loans

- ❖ Proof of Hawaiian Ancestry (OHA I.D., DHHL Lease or Wait List No., KS Database)
- ❖ Driver's License or State I.D.
- ❖ 2 years recent Federal Tax Returns all schedules
- ❖ 2 years recent W-2 Form(s)
- ❖ 1-month current consecutive pay stubs

Business Loans

- ❖ All applicable Consumer Loan documents
- ❖ Certificate of Good Standing from DCCA
- ❖ Business Plan
- ❖ Existing Business (more than 2 years in business) YTD P&L and Balance Sheet
- ❖ Startup Business (less than 3 years in business) current business plan to include 3-year P&L forecast
- ❖ Up to 3 years business tax returns may be required depending on loan amount
- ❖ Breakdown of use of funds
- ❖ Itemized list of assets to use as collateral (if applicable)

Transition From Pre-COVID To Recovery OHA

FY 2019 – FY 2022

CATEGORY	APPLICATIONS		APPROVED		DISBURSED	
FISCAL YEAR	#	\$	#	\$	#	\$
FY 2019	129	3,308,680	69	1,570,095	67	1,400,848
FY 2019 (Hua Kanu)	3	1,950,000	3	1,950,000	3	1,950,000
FY 2020	86	437,801	51	1,895,249	51	944,338
FY 2020 (Hua Kanu)	2	1,500,000	1	500,000	1	500,000
FY 2021	106	1,439,300	21	563,195	20	553,476
FY 2021 (Hua Kanu)	3	2,000,000	1	1,000,000	1	1,000,000
FY 2022 YTD	63	1,777,087	30	821,802	25	689,305
FY 2022 (Hua Kanu)	0	0	0	0	0	0

Semi-Annual Report

Performance Measure 1: Geographic Disbursement of Loans to Native Hawaiians							
	Inception to Prior Fiscal Year Semi-Annual Report Ending June 30, 2021	July 1 - December 31, 2021		January 1 to June 30, 2022		Comprehensive Total	
Goals	Number of Loans Disbursed	Number of Loans Disbursed	% to Total	Number of Loans Disbursed	% to Total	Number of Loans Disbursed	% to Total
Hawaii (13.8% -16.8%)	361	2	8.0%		0.0%	363	15.1%
Kauai (6.5% - 8.0%)	122	2	8.0%		0.0%	124	5.2%
Lanai (0.1% - 0.3%)	10	0	0.0%		0.0%	10	0.4%
Maui (10.5% -12.9%)	249	3	12.0%		0.0%	252	10.5%
Molokai (0.4% - 0.6%)	62	0	0.0%		0.0%	62	2.6%
Oahu (63.1% - 67.1%)	1,574	18	72.0%		0.0%	1,592	66.3%
Total	2,378	25	100.0%	0	0.0%	2,403	100.0%
Performance Measure #1 - Measures the performance of the NHRLF program to disburse loans across the State of Hawaii. Only Kauai is behind the comprehensive projected goals for disbursements. Kauai is normally behind because of Gather Federal Credit Union dedicating their loan products to service the financial needs on Kauai.							

Semi-Annual Report

Performance Measure 2: Timely Processing from Application to Disbursement			
Goals	July 1 - December 31, 2021 Average	January 1 - June 30, 2022 Average	FY 2022 To Date Average
Percentage of Debt Consolidation loans disbursed within 45 calendar days: Goal is 100%	100%		100%
	16 of 16 Debt Consolidation Loans Disbursed		(16 of 16 Debt Consolidation Loans disbursed within 45 calendar days)
Percentage of Tier 1 Unsecured loans disbursed within 15 calendar days: Goal is 100%	61%		61%
	(11 of 18 Tier 1 Unsecured loans closed within 15 days of application)		(11 of 18 Tier 1 Unsecured loans closed within 15 days of application)
Percentage of Tier 1 Secured loans disbursed within 60 calendar days: Goal is 100%	100%		100%
	(4 of 4 Tier 1 Secured loans closed within 60 days of application)		(4 of 4 Tier 1 Secured loans closed within 60 days of application)
Percentage of Tier 2 Unsecured loans disbursed within 45 calendar days: Goal is 100%	100%		0%
	(3 of 3 Tier 2 unsecured loans closed within 45 days of application)		(3 of 3 Tier 2 unsecured loans closed within 45 days of application)
Percentage of Tier 2 Secured loans disbursed within 75 calendar days: Goal is 100%	0%		0%
	There were no Tier 2 secured loans closed within this period		No Tier 2 secured loans were closed.

Semi-Annual Report

Performance Measure 3: Percentage of Tier 2 Loans Disbursed				
	Inception to Previous Semi-Annual Report Ending June 30, 2021	July 1 - December 31, 2021	January 1 - June 30, 2022	Cumulative Since Restructuring
Total Number of Tier 1 Loans Disbursed	2,089	22		2,111
Total Number of Tier 2 Loans Disbursed	289	3		292
.ihr	2,378	25	0	2,403
Tier 2 Loans % of Total: Goal is 20%	12%	12%	0%	12%

Performance Measure 4: Increase Loan Disbursement for New or Expanding Native Hawaiian-owned Businesses				
	Inception to Previous Semi-Annual Report Ending June 30, 2021	July 1 - December 31, 2021	January 1 - June 30, 2022	FY 2022 To Date
Total Number of OHA Mālama Business Loans Disbursed Goal: \$1,500,000	\$ 9,366,819	\$ 244,679		\$ 244,679
Total Number of OHA Hua Kanu Business Loans Disbursed Goal: \$1,000,000	\$ 5,686,000	\$ -		\$ -
Total Business Disbursement	\$ 15,052,819	\$ 244,679	\$ -	\$ 244,679

Semi-Annual Report

Performance Measure 5: Increase Loan Disbursement to Native Hawaiians seeking to improve the condition of their residence and provide opportunities to improve their financial health				
	Inception to Previous Semi-Annual Report Ending June 30, 2021	July 1 - December 31, 2021	January 1 - June 30, 2022	FY 2022 To Date
Total Number of OHA Mālama Debt Consolidation Loans Disbursed Goal: \$550,000	\$ 11,109,508	\$ 272,389	\$ -	\$ 272,389
Total Number of OHA Mālama Disaster Relief Loan Consolidation Loans Disbursed Goal: As Needed	\$ 20,000	\$ -	\$ -	\$ -
Total Number of OHA Mālama Education Loans Disbursed Goal: \$250,000	\$ 4,784,747	\$ -	\$ -	\$ -
Total Number of OHA Mālama Home Improvement Loans Disbursed Goal: \$1,200,000	\$ 17,963,739	\$ 172,238	\$ -	\$ 172,238
Total Disbursements: Consumer Loans	\$ 33,877,994	\$ 444,626	\$ -	\$ 444,626

Semi-Annual Report

Performance Measure 6: Hua Kanu and OHA Mālama Tier 1 Default Rate is Less Than 6%		
	Previous Semi-Annual Period ending June 30, 2021	Current Semi-Annual Period ending December 31, 2021
\$ Value of Hua Kanu Defaults	\$ -	\$ -
\$ Value of Hua Kanu Outstanding Loan Balance	\$ 3,569,456	\$ 3,442,258
% of Hua Kanu Default Rate: Goal is < 6%	0.00%	0.00%
\$ Value of Tier 1 Defaults	\$ 556,401	\$ 552,504
\$ Value of Tier 1 Outstanding Loan Balance	\$ 3,144,569	\$ 3,507,280
% of Tier 1 Default Rate: Goal is < 6%	17.69%	15.75%

Performance Measure 7: OHA Mālama Tier 2 Default Rate is Less Than 26%		
	Previous Semi-Annual Period ending June 30, 2021	Current Semi-Annual Period ending December 31, 2021
\$ Value of Tier 2 Defaults	324,257	314,152
\$ Value of Tier 2 Outstanding Loan Balance	565,027	579,557
% of Tier 2 Default Rate: Goal is < 26%	57.39%	54.21%

Semi-Annual Report

Performance Measure 8: Cumulative Charge Offs on Tier 1 Loans is Less Than 2.0%

	Inception to Previous Semi-Annual Report ending June 30, 2021	July 1 - December 31, 2021	January 1 - June 30, 2022	Cumulative Since Restructuring
\$ Value of Tier 1 Charge Off Loans	\$ 1,704,184	\$ -	\$ -	\$ 1,704,184
\$ Value of Tier 1 Loans Disbursed	\$ 38,646,831	628,851.00	\$ -	\$ 39,275,682
Tier 1 Charge Off Rate %: Goal is < 2.0%	4.41%	0.00%	0.00%	4.34%

Performance Measure 9: Cumulative Charge Offs on Tier 2 Loans is Less Than 3%

	Inception to Previous Semi-Annual Report ending June 30, 2021	July 1 - December 31, 2021	January 1 - June 30, 2022	Cumulative Since Restructuring
\$ Value of Tier 2 Charge Off Loans	\$ 780,433	-	\$ -	\$ 780,433
\$ Value of Tier 2 Loans Disbursed	\$ 4,597,982	60,454	\$ -	\$ 4,658,436
Tier 2 Charge Off Rate %: Goal is < 3%	16.97%	0.00%	0.00%	16.75%

Semi-Annual Report

Performance Measure 10: Cumulative Charge Offs on Hua Kanu Loans is Less Than 3%















	Inception to Previous Semi-Annual Report endin June 30, 2020	July 1 - December 31, 2020	January 1 - June 30, 2021	Cumulative Since Restructuring
\$ Value of Hua Kanu Charge Off Loans	\$ 409,499	\$ -	\$ -	\$ 409,499
\$ Value of Hua Kanu Loans Disbursed	\$ 5,686,000.00	\$0	\$ -	\$ 5,686,000
Hua Kanu Charge Off Rate %: Goal is < 3%	7.20%	#DIV/0!	0.00%	7.20%

Performance Measure 11: NHRLF Operating Income greater than \$0.00

	July 1 - December 31, 2021	January 1 - June 30, 2022	FY 2022 Year-T o-Date
Operating Income greater than \$0.00	\$ (215,136)		\$ (215,136)
Less : Charge-off	-	-	-
Total Operating Income	\$ (215,136)	\$ -	\$ (215,136)

OHA completed the *Office of Hawaiian Affairs Native Hawaiian Revolving Loan Fund Program Outcome Evaluation 2020*

Table 1. NHRLF Outcome Matrix

	Before OHA Loan	2019	Change over Loan Period
ECONOMIC WELLBEING			
Positive Financial Management	59%	72%	 14%
Economic Fragility	66%	53%	 -13%
PRECONDITIONS TO FINANCIAL STABILITY			
Median Debt to Income Ratio	54%	46%	 -8%
Credit Score Above 650	66%	76%	 10%
INCOME			
Monthly Mean Individual Income	\$5,271	\$5,862	 11%
Annual Mean Household Income	\$100,271	\$108,605	 8%
HOUSING			
Housing Conditions (own/rent)	83%	88%	 4%
Satisfied with Housing Quality	83%	83%	 -1%
Affordable Housing Cost	49%	47%	 -2%
WEALTH			
Average Financial Assets	\$74,985	\$83,492	 11%
Average Non-Financial Assets	\$240,122	\$294,676	 23%
Average Total Assets	\$312,776	\$375,307	 20%
Average Debt	\$201,817	\$249,735	 24%
Average Net Worth	\$149,462	\$165,594	 11%

Outcome Evaluation

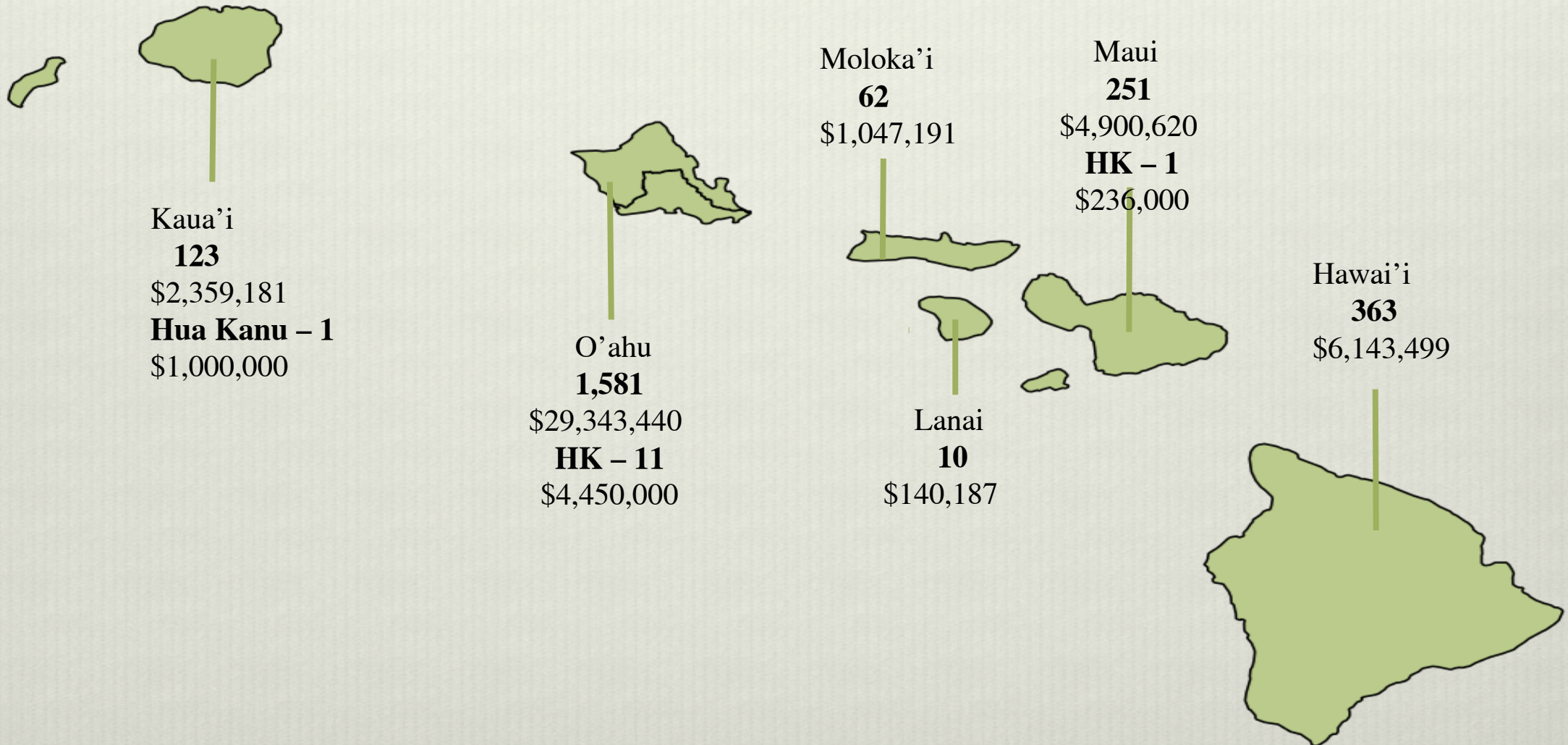
Key Takeaways (N=157):

1. NHRLF loans were distributed equitably throughout the Hawaiian Islands.
2. NHRLF borrowers improved their overall economic wellbeing during the loan period.
3. NHRLF borrowers experienced improved preconditions to financial stability, after receiving a NHRLF loan.
4. Education and business loan borrowers were able to substantially increase their income, as a result of the NHRLF loan.
5. The value of NHRLF borrowers' financial and non-financial assets increased over time, with smaller gains resulting from home improvement loans.
6. As a result of increased asset value, the average net worth of OHA borrowers grew over the loan period.
7. Native Hawaiian-owned business with NHRLF loans improved their financial performance from before the loan was received to 2019.
8. The devastating impact of the COVID-19 pandemic on Hawai'i's economy derailed the positive outcomes NHRLF borrowers had experienced over the loan period in the areas of economic wellbeing, preconditions to financial stability, and income. While longer-term measures of NHRLF borrower financial stability, such as housing conditions, asset wealth, total debt, and net worth appeared less impacted by the COVID

Malama Loan Disbursements by Loan Purpose (July 1, 2007 – December 31, 2021)

	ACCOUNTS DISBURSED	DOLLARS DISBURSED
BUSINESS	397	\$9,611,498
HUA KANU BUSINESS	13	5,686,000
TOTAL BUSINESS	410	\$15,297,498
DEBT CONSOLIDATION	693	\$11,381,896
DISASTER RELIEF	1	20,000
EDUCATION	365	4,784,747
HOME IMPROVEMENT	934	18,135,977
TOTAL CONSUMER	1993	\$34,322,620
GRAND TOTAL	2403	\$49,620,118

Mālama & Hua Kanu Loan Disbursements by Island (July 1, 2007 – December 31, 2021)



Highlights of the NHRLF Program

- ❖ Mid-FY22 NHRLF has exceeded FY21 total Mālama Loan number and dollars disbursed.

CATEGORY	DISBURSED	
	#	\$
FY 2021	20	553,476
FY 2022 YTD	25	689,305

- ❖ Partnered with Department of Hawaiian Homelands for Marketing Campaign – The collaboration includes the release of OHA Business and Consumer Loan product postcards to DHHL Lessees and Wait List Applicant’s state-wide.
- ❖ Connected with twenty (20) Hawaiian and Non-Hawaiian Service Providers and created a Community Partner Resource List.
- ❖ Fine tuned delinquency procedures and maintained default rate – At the end of FY21 default rate was 21.03%, Mid-FY22 default rate is 21.21% and will improve in the second half.

Challenges of the NHRLF Program

- ❖ Limited Resources – Currently recruiting for Finance and Operations Officer and Loan Underwriter
- ❖ Unallowable Loan Activities – Prevents NHRLF from expanding loan products. The NHRLF Program is unable to offer the following:
 - Purchase of Land
 - Purchase or Construction of Buildings
 - Purchase or financing equity in a private business
 - Investments – High Interest accounts, Certificate of Deposits or other types
- ❖ Technical Assistance is provided
- ❖ Business Must Be 100% Native Hawaiian-Owned
- ❖ Lender of Last Resort



Mahalo Nui Loa

Q & A



**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS**

Committee on Resource Management

Trustee John Waihe'e IV, *At-Large* - Chair

Trustee Luana Alapa, *Moloka'i / Lāna'i* - Vice Chair

Members

Trustee Leina'ala Ahu Isa, *At-Large*

Trustee Dan Ahuna, *Kaua'i / Ni'ihau*

Trustee Kaleihikina Akaka, *O'ahu*

Trustee Keli'i Akina, *At-Large*

Trustee Brendon Kalei'aina Lee, *At-Large*

Trustee Carmen Hulu Lindsey, *Maui*

Vacancy, *Hawai'i Island*

**MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)**

DATE: Tuesday, March 8, 2022

TIME: 1:30 p.m.

PLACE: Virtual Meeting viewable at www.oha.org/livestream OR

Listen by phone: (213) 338-8477,

Webinar ID: 840 8177 1115

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022, Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at www.oha.org/livestream or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

AGENDA

I. Call to Order

II. Public Testimony on Items Listed on the Agenda*

(Please see page 2 on how to submit written testimony or provide oral testimony online.

Oral testimony by telephone/landline **will not** be accepted)

III. Approval of Minutes

A. February 15, 2022

B. February 22, 2022

IV. Unfinished Business - None

V. New Business

A. ACTION ITEM RM #22-03: Reappointment of Leilani Kūpahu-Marino Kaho'āno as Non-OHA LLC Manager for Hi'ilei Aloha LLC for a 3-Year Term (2023, 2024, 2025)

B. ACTION ITEM RM #22-04: Approval of \$5,000 in Emergency Relief Disaster Aid to Address the Impacts of the January 2022 Volcanic Eruption and Tsunami in Tonga

C. Presentation by Administration: State Auditor Report No. 21-10: Follow-Up on Recommendations from Report No. 18-08, Audit of the Office of Hawaiian Affairs' Competitive Grants and Report on the Implementation of 2013 Audit Recommendations, August 2021

D. Presentation by Administration: State Auditor Report No. 22-02: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, February 2022

E. Presentation by Administration: Native Hawaiian Revolving Loan Fund Update, Semi-Annual Report, Including Quarters 1 (9/30/2021) and 2 (12/31/2021)

F. Presentation by Administration: Grants Program Mahalo *No Material provided for this section.*

VI. Announcements

VII. Adjournment