

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

**JOINT MEETING OF THE COMMITTEES ON
BENEFICIARY ADVOCACY AND EMPOWERMENT
AND
RESOURCE MANAGEMENT
MINUTES**

May 31, 2017 1:00 p.m.

ATTENDANCE:

Chairperson Robert K. Lindsey, Jr.
Vice-Chairperson Dan Ahuna
Trustee Leina'ala Ahu Isa
Trustee Keli'i Akina
Trustee Peter Apo
Trustee Carmen Hulu Lindsey
Trustee Colette Machado
Trustee John Waihe'e, IV

EXCUSED:

Trustee Rowena Akana

BOT STAFF:

Kauikeaolani Wailehua
Kama Hopkins
Lopaka Bapiste
Davis Price
Claudine Calpito
Maria Calderon
Paul Harleman
Liana Pang
Makana Chai
Lady Elizabeth Garrett
Alvin Akee

ADMINISTRATION STAFF:

Kamana'opono Crabbe Pouhana / CEO
Albert Tiberi, CC
David Laeha, CFO
Jim Patterson, PROG
John Kim, Controller
Leona Castillo, EA CEO
Keith Yabusaki, TAP
Lisa Victor, COO
Mehana Hind, CE
Momilani Lazo, EA CEO
Nancy King, TAP

GUESTS:

Leimomi Khan
Germaine Meyers

I. CALL TO RECONVENE

Chair Lindsey (CL) reconvenes the Joint Committees on Beneficiary Advocacy and Empowerment and Resource Management meeting on Wednesday, May 31, 2017 at **1:04 p.m.**

CL announces for the record the members **PRESENT**:

MEMBERS			AT RECONVENING (1:04 pm)	TIME ARRIVED
CHAIR	ROBERT	LINDSEY, JR.	X	
VICE-CHAIR	DAN	AHUNA	X	
TRUSTEE	LEI	AHU ISA	X	
TRUSTEE	ROWENA	AKANA		EXCUSED
TRUSTEE	KELI'I	AKINA	X	
TRUSTEE	PETER	APO	X	
TRUSTEE	HULU	LINDSEY	X	
TRUSTEE	COLETTE	MACHADO	X	
TRUSTEE	JOHN	WAIHE'E		1:09 PM

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

III.PUBLIC TESTIMONY*

None.

IV.NEW BUSINESS

A. BAE/RM #17-01 Fiscal Biennium 2018-2019 Community Grant Recommendations

CL asks Kamana'o Crabbe (KC) if Administration needs more time to respond to Trustee requests for item IV. A.

KC responds, yes. KC shared that since the last meeting, he, the COO and the new CFO met with staff handling the grants to better understand the process. Administration is not ready with the informational packets as requested, but would like to have more time to discuss what spreading out the money would look like as well as discussing more of the suggestions, questions and concerns shared by Trustees and the community at the last meeting and in a previous meeting. KC continues and says that Administration would like to share some of the results of their conversations over the past few days. He also announces that Keith Yabusaki (KY) is here to answer questions the Trustees may have. KC shares that the intent of Administration is to come back to the board with new criteria and the potential changes in the awardees and the amounts.

Trustee Machado (T. Machado) reminds KC that a concern of hers was that there was no room or opportunity for "startup" organizations to receive grants. Earlier today in the RM Committee meeting, there was mention that \$500k may be included for the Kūlia Grants. Would these funds be used in this Community Grant Fund as well?

KC responds, no. However, that would be a separate category of funds. What Trustees are looking at today is only the Community Grants with a 2-year cycle.

T. Machado asks if there will be a reduction across the board for this cycle of Community Grants at about 25% as was done for the conference funding.

KC responds and says that Administration has not applied a 25% reduction to the Community Grants as the desire is to keep the total funding at \$6 million.

T. Machado mentions taking a look at the legacy grants such as the hula festivals.

KC proceeds and mentions that today Administration will update Trustees on the possible new criteria and what changes would look like in order to assist Trustees with their decision making regarding the Community Grant recommendations. KC also shared that they would like to use this time to get the Trustees' thoughts on the Kūlia Grants. Administration would also like to talk about Legacy funding so that they might address some of the concerns from Trustees.

CL reminds Trustees to please keep discussions, comments and questions focused on Community Grants.

Trustee Ahuna (T. Ahuna) asks how to communicate questions regarding the Legacy grants or the Kūlia Grants. Will it be through email or some other method?

KC suggests emailing him and he will connect with staff to gather information and respond with answers at a future meeting with the Board.

Trustee Apo (T. Apo) talks about adjusting the application criteria for the Community Grant program by making sure the applicant has some experience in the area of service for which the applicant is applying.

T. Machado asks if the Community Grant recommendations will be approved by next week so that it can be included in the potential approval of the OHA Biennium Budget.

KC suggests allowing Keith and David to give the updates and at the end of those updates and discussions, a determination might be able to be made on whether or not the Community Grant recommendations can be taken to a vote for approval next week.

Trustee Akina (T. Akina) suggests setting aside some time to in the latter part of 2017 to discuss the Community Grant Program to make sure that the Board can review the policy and perhaps make changes. Also, it will provide the opportunity to give clearer direction to Administration regarding how they execute the policy.

T. Machado requests information on who applied for the Community Grants and were subsequently found to be unqualified or were not recommended. Can that information be included in the information coming to Trustees in the informational packets? Also, can Trustees be informed in the future regarding those grantees who are being recommended for continued funding the reasons for the recommendation for continued funding. For example, are they meeting their goals? Does OHA see other opportunities in the continuing organization that really assist OHA in meeting its strategic

priorities and results? This kind of information would be helpful to Trustees and they would be able to understand how these organizations were vetted and why they are being recommended to continue for another biennium using OHA grant funding.

T. Ahuna asks, for today's discussion, how KC would like the questions submitted. Would he like them by email or can T. Ahuna share the questions at the Board table today?

KC responds and says that he can take the questions either way.

T. Ahuna proceeds. He shares that if Administration proceeds with the Kūlia Grants, then perhaps more people on Kaua'i or Ni'ihau would be able to receive grant funding for their projects and programs. T. Ahuna's question for the Community Grant funding is if reductions to certain awardees come into play, what will happen to that "extra money?"

Additional discussion occurs regarding the Kūlia Grant policy, but all those at the table were reminded to get back to the topic at hand, the Community Grant recommendations. The Kūlia Grant and Legacy Grant policies can be discussed at a future meeting.

T. Machado reminds Trustees that there are only two more opportunities as far as approving the Community Grant recommendations at the Board level. The two dates are June 8 and June 29. She is all for moving forward, but wants these concerns resolved.

KC shares that having informational packets ready by Friday will be difficult, but having them prepared by Monday would be best for Administration. That way, it will still give two days for Trustees to review the material and hopefully assist them in their deliberations and decision making.

David Laeha (DL) begins with his updates. Staff and Administration's focus is on the beneficiaries. Secondly, Administration is committed to remaining true to the process so that the independence and objectivity holds firm in the grant selection. The Board established policies and guidelines 2 years ago that the staff is following and fulfilling. They communicated this to the applicants and followed through to today. Administration still has oversight and discretion regarding the recommendations before coming to the Board. Administration still has to remain compliant to all rules both internal and external regarding the granting of funds.

DL continues and shares that after the BAE-RM meeting last week, he got together with the Grants staff and the COO to share their thoughts and recollections of the meeting and then discussed the next steps in the process. Many of the concerns, questions, suggestions, etc. of the Trustees related to policy matters. Some of these comments on the policies were consistent with what Trustees agreed to 2 years ago, but some were different. Regarding compliance, staff and Administration felt that they need to comply with what was agreed to in the policy 2 years ago. The newly suggested changes would be difficult to implement at this time as these would be inconsistent with what was explained to the applicants previously.

DL shares the takeaways staff and Administration heard at the meeting last week. The first was that Trustees feel that the funding should go to Native Hawaiian organizations, organizations with a majority of the members of the board being Native Hawaiian or to organizations that primarily service Native Hawaiians. The need to move to smaller grants in terms of money awarded and the need to pay attention to Trust to Trust grants were two other things heard by staff and Administration. The

idea of creating a regional grant program considering the make-up of the population of each island was shared in the meeting. There was some concern about the 2-year cycle versus the one year rolling cycle. Staff would need to really incorporate evaluations in the process. They would need to know how the potential grantee has done in the past and would they really be able to perform up to what is stated in the application going forward. Staff and Administration would also need to know what the original request was and how it was changed or how would it change going forward. The last concern heard was that perhaps the staff should look more closely at the amount of money being awarded per beneficiary.

DL shares that these were the priorities communicated to them from the meeting last week. This input is considered valuable and they will consider any further input as well. The challenge now is one of compliance. How can OHA continue with what was communicated 2 years ago with potential grantees based on the policy decisions by the Board and then include some of the new recommendations heard in recent meetings and remain in compliance?

DL remarks that Administration feels that the Kūlia Grants would be a perfect way to include these policies mentioned in recent meetings. DL says that Administration is challenged to incorporate some of these recommendations at this late date. It comes down to compliance matters and that is where things are at the moment.

CL says that he believes DL has captured the concerns very well.

T. H. Lindsey shares that one of the important points made last week was that we need to know the results of the use of OHA grant money in our communities. How is it affecting our lāhui? Is it flowing away like water, or is it helping to build our people? We need reports like that to see if the use of the money is working.

T. Apo thanks CL, T. H. Lindsey and T. Machado. To his recollection, this is the first time in 6 years that there has been a good “scrub down” discussion such as this regarding the grants program and the budget. OHA is improving its transparency. The Trustees’ main duty is policy. The instrument of implementation of the policy is the Budget. The Budget expresses the policy and carries it out. Improving the communication between Trustees and Administration and understanding the difference in roles that each entity plays is good. T. Apo enjoys these workshop sessions as before Action Items come up, Trustees and Administration are able to vet these potential actions and provide an opportunity for our beneficiaries to come forward and share their thoughts.

KC summarizes the challenges before Administration. Last year, the amounts for each category were approved by the board. The kāhea went out to the community regarding the grant application process and the expectations. An increased amount of comments on oversight by the board and community occurred this year which has been healthy. This is the predicament. Staff and Administration had a process. That process was implemented and followed with those specific amounts and Administration returned with these specific recommendations. The problem is whether to stick with these recommendations or to seek additional input from Trustees on how Administration can refine the current recommended awardees.

T. Machado doesn’t believe that Trustees want to impede the process. She does want to know specifically about one grantee why they are recommended for another two years based on the leadership restructuring and why the amount recommended for them is about 25% of the total amount

allocated for the Community Grant Program. She would also like to know who was not recommended for funding. There has to be some way to keep in better contact with the Trustees regarding the process from beginning to end, without sacrificing the integrity of the process. She is also asking for a little more review for those being considered again for an award and how it fits into our strategic plan if they are awarded 4 straight years.

KC shared that staff can meet with Trustees to talk about their concerns regarding the different recommended awardees for which there were questions before next week's meeting. Also, the informational packets will still be provided for Trustees to review before next week's meeting.

KC invites KY to share some thoughts.

KY shares that the grants program is a culmination of years working with the Trustees, Administration, the Grants Team and beneficiaries. He thanks T. Machado and T. Akina for sharing their comments about better communication throughout the process. He takes the blame for that. Trustees should not just hear about the grants process at the time they are expected to vote. They should be aware of the process. Sitting at the table and discussing this is good. There are more commonalities than differences. He does believe in improving the process in whatever way possible. He wants to work with the Board to put their suggestions into the process in the future.

CL thanks KY for his comments.

KC shares that the informational packets will include responses to concerns raised by Trustees.

T. Machado shares the importance of trying to pass the budget as one complete budget with the Community Grant Program in it. It would be a statement that even though OHA is criticized externally, we can still move forward and accomplish the things that need to get done.

CL thanks DL and KY for being at the table today.

VI. COMMUNITY CONCERNS*

CL calls Germaine Meyers (GM) up.

GM asked to have sufficient time for beneficiaries to review the information before Trustees make a decision. One week would not be enough time. She also mentions that she has been asking for the same information for which Trustees have been asking. She mentions that this is in accordance with HRS Chapter 10. She also mentions that in her professional career, the companies for which she worked always reviewed the results of the previous year's budget in order to plan the coming year's budget. She hopes to receive the information by the next meeting.

VII. ANNOUNCEMENTS

KC calls Leona Castillo (LC) up and introduces her as a new Executive Assistant in the CEO's office.

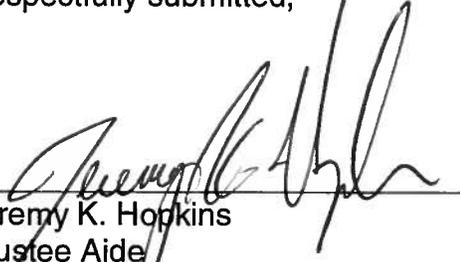
LC shares that she came from Chevron and before that SERVCO. She was living on the mainland.

CL thanks LC and welcomes her to OHA.

CL announces that the meeting will be in recess and will reconvene for the purpose of continuing discussion on item IV. A. on June 7 immediately following the RM Committee meeting:

Meeting recessed at **2:03 PM**

Respectfully submitted,



Jeremy K. Hopkins
Trustee Aide
Committee on Beneficiary Advocacy and Empowerment

As approved by the Joint Committees on Beneficiary Advocacy and Empowerment and Resource Management on 11/29/17.



Trustee Robert K. Lindsey, Jr.
Chair
Committee on Beneficiary Advocacy and Empowerment



Trustee Carmen Hulu Lindsey
Chair
Resource Management

ATTACHMENT(s):

- Excused Absence Memo – Trustee Rowena Akana (5/31/17)