

House District _____

Senate District _____

**THE TWENTY-FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 108-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST DEPT. OF LABOR & INDUSTRIAL RELATIONS, OFFICE OF COMMUNITY SERVICES

AND PROGRAM I.D. NO. _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Honolulu Community Action Program (HCAP)

Db/a:

Street Address: 33 S. King Street, Suite, 300, Honolulu, HI 96813

Mailing Address: SAME

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JOY BARUA

Title Director of Finance

Phone # (808) 447-5416

Fax # (808) 521-4538

e-mail joyb@hcapweb.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID # _____

5. STATE TAX ID # _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

MAIN OFFICE BUILDING

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 3,000,000.00

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$0 _____

FEDERAL \$0 _____

COUNTY \$0 _____

PRIVATE/OTHER \$0 _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

JOAN P. WHITE / EXECUTIVE DIRECTOR

NAME & TITLE

11/30/08
DATE SIGNED

ORIGINAL

I. **BACKGROUND AND SUMMARY**

1. Description of the applicant's background

Honolulu Community Action Program, Inc. (HCAP) is a private, non-profit 501(c)(3) community action agency with a mission to provide opportunities and inspiration to enable low-income families and communities to achieve self-reliance.

With its staff of approximately 450 full- and part-time employees, HCAP operates with a budget of approximately twenty million dollars consisting of federal, state, county and private funds. More than 200,000 client referrals for services are consummated on Oahu annually.

Through its five neighborhood district centers, HCAP provides a variety of services designed to alleviate the social, emotional and economic stress so often associated with poverty. They include: the Head Start pre-school network; employment services; business development; family development; crisis intervention; community leadership development; gardening/agricultural training, federal surplus food distribution; weatherization assistance; energy assistance and subsidy programs; HIV and substance abuse prevention programs; mentoring of children and families of the incarcerated; and other general assistance.

2. Goals and objectives related to the request

The goal is to secure a permanent home for HCAP's main office which will also house the major programs.

The objective is to secure at least \$3 million in State funding towards site-acquisition.

3. State the public purpose and need to be served

HCAP's philosophy focuses on improving the well-being of the community, so as to assist low-income families and individuals to become productive contributors to the welfare of the economy. The problems, so called "needs", associated with those that are less fortunate are linked to lack of employment, inadequate education, poor health, lack of necessary resources, time and mobility. HCAP addresses these needs by providing programs and services that are meaningful and useful to its clients.

In supporting the gamut of activities, HCAP provides training and technical assistance to its staff; coordinates and collaborates its services with federal, state and private organizations; sets up a technological system of good communication; analyzes problematic issues within the community; supports asset-building programs for its clients; and solidifies innovative programs and activities with neighborhood-based organizations to eliminate poverty and promote self-sufficiency. For these reasons, HCAP plans for and provides programs that address community needs on behalf of low-income persons.

HCAP's major program, Head Start operates two sites (Kunia & Kapalama Military Reservation-KMR) with 100 in staffing. HCAP's main office houses two of its employment based programs targeted to assist Youth and Seniors

along with its core administrative functions. The Head Start office-sites are currently operating at the mercy of near-terminating, non-renewable leases which imposes an immediate threat to the continuity of programs and corresponding need for a permanent site. Pictures of the KMR site highlighting dilapidation are to be found under Attachments. A consolidation of the two Head Start sites and HCAP's main office-based programs and operations would therefore not only be cost-effective, but also address the community's need for access to a "one-stop-shop" for a wider range of programs and services, all of which would be housed under one roof.

4. Describe the target population

The intended beneficiaries will be low-income individuals and families in Oahu.

5. Describe the geographic coverage

HCAP's services are (and will be) provided via various district offices in Oahu.

II. SERVICE SUMMARY AND OUTCOMES

1. Describe the scope of work, tasks and responsibilities

In addition to housing its central operations, the new facility would enable HCAP to provide additional services that would expedite its ability to assist area residents to achieve self-sufficiency. These services include: homelessness issues and assistance; low-income energy assistance programs; job readiness and training; alternative learning programs for at-risk youth; and specialized programs to assist the area's senior population.

2. Timeline

Timeframe	Activity
Month 1	Acquisition
Month 2-4	Rehab and site-preparation
Month 5	Relocation
Month 6 – ongoing	Service delivery

3. Quality Assurance and Evaluation

1. Audit and Financial Management

For more than 40 years HCAP has effectively and efficiently managed grants, funds and donated contributions to meet the growing needs of local recipients and their families. HCAP's "leadership" management design provides dual internal and external oversight of grant funds to ensure program objectives are met within the grant award framework. The result is an achievement of excellence to implement and maintain "best business practices".

Internally, HCAP's governance role is through promoting "leadership" at all levels. HCAP's "leadership" program provides oversight and accountability beginning with the Board of Directors, Executive Director, Chief Financial Officer, managers and staff personnel for fund program performance objectives.

HCAP "leadership" management provides:

- Governance for policy and procedures to maintain program objectives
- Strategic direction
- Fund Development
- Technology to support program objectives
- Staff training
- Communication
- Staff empowerment to "do the right thing"

Governance for policy and procedures to maintain program objectives is achieved through implementing and reviewing accounting practices in accordance with generally accepted accounting principles.

The internal accounting control processes have been established to safeguard the assets and to ensure reliability of the financial records. HCAP's internal controls for fund transactions provide:

- Authorization and approval
- Documentation and accurate recording
- Computer security
- Budget development for each grant to establish expense guidelines
- Segregation of staff duties
- Arm's length business arrangements are mandated
- Cash receipt and deposit separation
- Bank statement review and reconciliation completed and audited timely
- Accounting policies and processes are in writing and reviewed annually
- Bond coverage for staff

These processes include:

- * Financial and accounting policies and procedures which are:
 - in compliance with A-122, A-133 and grantor regulations; applicable to the following:
 - property control
 - payroll (personnel cost reports)
 - financial reporting
 - budgeting
 - cash receipt and disbursement
- * Funds management policies and processes are as follows:
 - Establish and maintain separate accounting and related records for each contract with a budget in accordance with generally accepted accounting principles
 - Periodic preparation of financial statements
 - Cash flow process is initiated following the registration of the contract
 - Program expenditure report is generated for budget cost analysis on a periodic basis and for reporting purposes
 - Senior accountant(s), under the direction of the CFO, are assigned to each fund contract to ensure compliance in all areas.

- Fiscal, program, and other staff as required comprise fund management teams that meet on a regular basis to review program objectives, discuss and implement program improvements.
- Expenses are obligated and expensed under the terms of the fund contract
- Cash payments are authorized by fiscal and program management to ensure program compliance and payment integrity.
- Budget submission by fund including any amendments or revisions must be signed by the requesting program manager and approved with signature required by the Executive Director.

* HCAP's Board of Directors provides the governance, strategic direction and fund development to ensure program compliance for each fund with continued assessment of recipient's needs for program changes.

* Technology provides the tools to accurately track the detail of expenditures and revenues for cost benefit analysis and for reporting purposes.
- A fund accounting computer system was purchased and implemented in April 2005 to ensure compliance and accurate reports of each fund.

* HCAP provides education and training to staff on related fund topics. Educational funds are available to staff for educational purposes for career development.

* Communication is encouraged and welcomed in HCAP at all levels. Regular department meetings as well as cross sectional meetings are held to discuss current and future topics. Fund issues, objectives, and program criteria are discussed with time line resolutions for action.

In addition to internal governance, external compliance is performed by external examiners. The external audits are performed by both independent auditors and grantor monitors. An organization-wide audit is conducted annually by a certified public accounting firm in accordance with applicable auditing standards which meets the A-133 Standards for Audit of Governmental Organizations, Program, Activities, and Functions.

Audits include but are not limited to an examination of the internal control system affecting the expenditure of grant funds, statements, reports and schedules. The most recent audit was conducted for the fiscal year ending March 31, 2007. Grantor monitoring is performed on a scheduled (e.g. Head Start every three years for a week with a team of 10 monitors) and unscheduled basis. All grantor monitor recommendations and findings are followed through with a corrective action plan with timeline, accountability and reporting.

HCAP's financial management has developed into a simple and effective structure that ensures compliance with both state and federal regulations with demonstrated flexibility to redirect operational programs on short term notice for the benefit of grant recipients.

4. Monitoring for Quality Control

a. Grant Management

All grants are managed in accordance with HCAP's mission statement, which is to provide opportunities and inspiration to enable low income families and communities to achieve self-reliance. Grant management, including but not

limited to program operations, review of systems, contract management, reports, compliance with equal employment opportunity and grievance procedures, is the responsibility of the Coordinator. The Executive Director and the Chief Financial Officer are responsible for ensuring compliance with all contract requirements.

b. Program Operations

The Chief Financial Officer is responsible for updating financial management policies and procedures. The Executive Director and Director of Community Services review program management policies and procedures. HCAP's Administrative Policies and Procedures Manual ensure program quality and consistency throughout the agency.

III. FINANCIAL

1. Budget Forms (see attached).
2. Anticipated quarterly funding requirements for the Fiscal Year 2008-2009

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$2,000,000	\$500,000	\$250,000	\$250,000	\$3,000,000

IV. EXPERIENCE AND CAPABILITY

A. Necessary Skills and Experience

HCAP has been serving Oahu's communities since 1965. During this time, HCAP has developed different skills, programs and experiences to assist the most underprivileged families. Currently, HCAP offers a wide-range of programs designed to help low-income people on Oahu overcome the impact and cycle of poverty.

The following highlights HCAP's experience in programs relevant to self-sufficiency:

Program: Out-of-School Youth Program
 Contracting Agency: Department of Community Services
 Address: 715 South King Street, Suite 311, Honolulu, HI 96813
 Telephone: 527-5311
 Dates: 2000 - present
 Description: The program provides out-of-school youth, ages 14-21, with pre-employment preparation, education, skills training, counseling and job placement.
 Contact: Deborah Morikawa, Director

Program: In-School Youth Program
 Contracting Agency: Department of Community Services
 Address: 715 South King Street, Suite 311, Honolulu, HI 96813
 Telephone: 527-5311
 Dates: 2003 - present

Description: The program provides in-school youth, ages 14-21, with pre-employment preparation, education, skills training, counseling and job placement.
Contact: Deborah Morikawa, Director
Program: Employment Core Services for Low-Income Persons/
 Employment Related Services for Low-Income
 Persons (Families Are Working)
Contracting Agency: Department of Labor and Industrial Relations, Office
 of Community Services
Address: 830 Punchbowl Street, Room 420, Honolulu, HI
 96813
Telephone: 586-8675
Dates: 1997 - present
Description: The program provided employment services to low-
 income residents of including intake, assessment,
 service planning, employment preparation, job
 acquisition and maintenance.
Contact: Keith Yabusaki, Program Administrator
Program: Senior Community Services Employment Program
Contracting Agency: Department of Labor and Industrial Relations,
 Workforce Development Division
Address: 830 Punchbowl Street, Room 329, Honolulu, HI
 96813
Telephone: 586-9262
Dates: 1974 - present
Description: The program provides low-income, older workers,
 aged 55 and over with subsidized work experience in
 nonprofit organizations and with unsubsidized job
 placement.
Contact: Yvonne Chong, Program Specialist
Program: WorkLinks One-Stop Center at Makalapa Community
 Center
Contracting Agency: Department of Community Services
Address: 715 South King Street, Suite 311, Honolulu, HI
 96813
Telephone: 527-5311
Dates: 2000 - present
Description: As part of a consortium of agencies, the program
 operates a one-stop employment center at Makalapa
 Community Center to provide a variety of
 employment and training resources at a single
 location.
Contact: Deborah Morikawa, Director
Program: Employment/Job Readiness Services
Contracting Agency: Department of Labor and Industrial Relations, Office
 of Community Services
Address: 830 Punchbowl Street, Room 420, Honolulu, HI
 96813
Telephone: 586-8675
Dates: 1995 - present
Description: The program provides pre-employment services to
 low-income residents of including intake, assessment,

service planning, assistance with removal of employment barriers, building motivation and self-esteem and job coaching.

Contact: Len Oyama, Program Specialist

Program: Business Development

Contracting Agency: Department of Labor and Industrial Relations, Office of Community Services

Address: 830 Punchbowl Street, Room 420, Honolulu, HI 96813

Telephone: 586-8675

Dates: 2000 - present

Description: The program provided training and technical assistance in entrepreneurship to low-income residents of including intake, assessment, service planning, micro-enterprise classes and assistance with starting up a small business.

Contact: Len Oyama, Program Specialist

B. Facilities

HCAP's main office located in town is accessible to the disabled; near bus lines; and is in compliance with the Americans with Disabilities Act, meeting all applicable building, zoning, health and fire standards.

Main Office
33 S. King St., Suite 300
Honolulu, Hawaii 96813

V. PERSONNEL: PROJECT ORGANIZATION AND STAFFING

1. Proposed Staffing, Staff Qualifications, Supervision and Training

Proposed staff will include the Executive Director, the Director of Community Services, (District) Program Managers and program staff.

Executive Director Joan P. White will provide direction and oversight of unrestricted operating funds. Prior to joining HCAP, she served in variety of administrative positions over the last 25 years, including: Executive Director of Hawaii Uninsured Project; Hawaii Institute for Public Affairs; Board Executive of Temporary Board of Trustees; Long Term Care Financing Act 245; U.H. College of Social Science; Vice President of Healthcare Association of Hawaii; Executive Director of YWCA of Oahu; and Administrator for Planning and Development at Straub Clinic and Hospital. She has an MBA from Chaminade University.

Val Tavai, Director of Community Services has extensive experience working with communities, designing programs and services for the low-income. She has worked in Southwest Baltimore, concentrating on community revitalization projects for the Sisters of Mercy in the midst of extreme poverty and violence. Known for its dangerous streets in the TV show "Homicide," Southwest Baltimore is home to the House of Mercy where Val spent seven years working with families and youth in crisis, developing programs and projects to build and stabilize their communities.

Val has over fifteen years working with non-profits in Hawaii, Los Angeles, New York and Baltimore. Most of her professional career has been spent advocating for the indigent, as well as indigenous groups. She is a practitioner of conflict resolution and has worked diligently to train different communities in the issues of race and class throughout the country. Val believes the best job she ever had was being a second-grade teacher in South Bronx, New York, because it taught her more about people than any other job ever has.

Val graduated from St. Francis High School in Honolulu. She attended Loyola Marymount University in Los Angeles where she graduated with a B.A. in Communication Arts. She earned her Masters degree in Public Administration from the University of Hawaii – Manoa.

2. Organization Chart

See attached.

VI. **OTHER**

A. Litigation

None.

B. Licensure or Accreditation

Not applicable

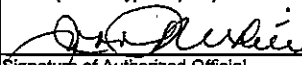


ATTACHMENTS

BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2008 to June 30, 2009)

Applicant: Honolulu Community Action Program, Inc.
Main Office Building Fund

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Space				
4. Lease/Rental of Equipment				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9. Land and building Acquisition	3,000,000			
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	3,000,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	3,000,000	0	0	0
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	3,000,000	Lorma Viernes 521-4531		
(b)		Name (Please type or print) Phone		
(c)				
(d)		Signature of Authorized Official 1/28/08		
		Date		
		Joan P. White, Executive Director		
		Name and Title (Please type or print)		
TOTAL REVENUE	3,000,000	For State Agency Use Only		
		Signature of Reviewer		
		Date		

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant/Provider: Honolulu Community Action Program Inc.

Period: July 1, 2008 to June 30, 2009

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ANY OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED		FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2005-2006	FY: 2006-2007	FY: 2007-2008	FY: 2008-2009	FY: 2009-2010	FY: 2010-2011
PLANS						
LAND ACQUISITION				3,000,000		
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:				3,000,000		
JUSTIFICATION/COMMENTS:						

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant/Provider: Honolulu Community Action Program Inc.

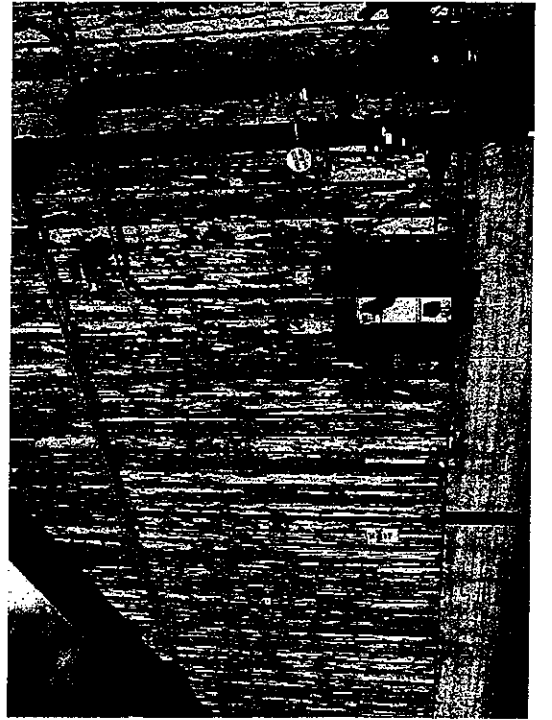
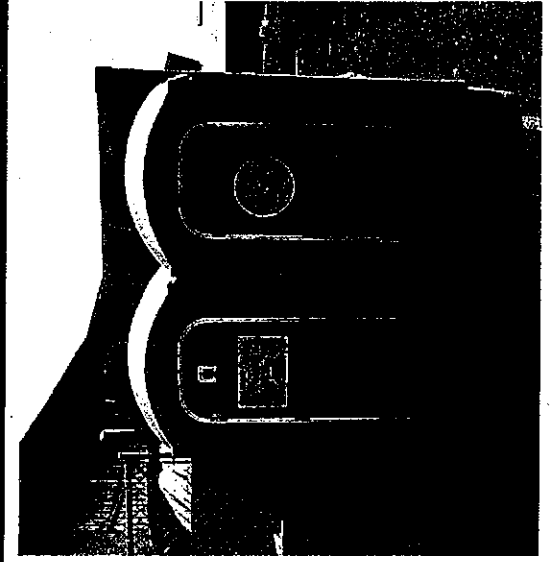
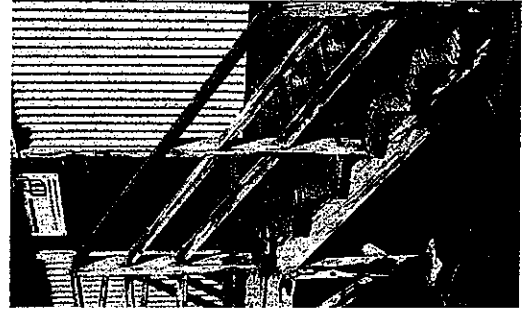
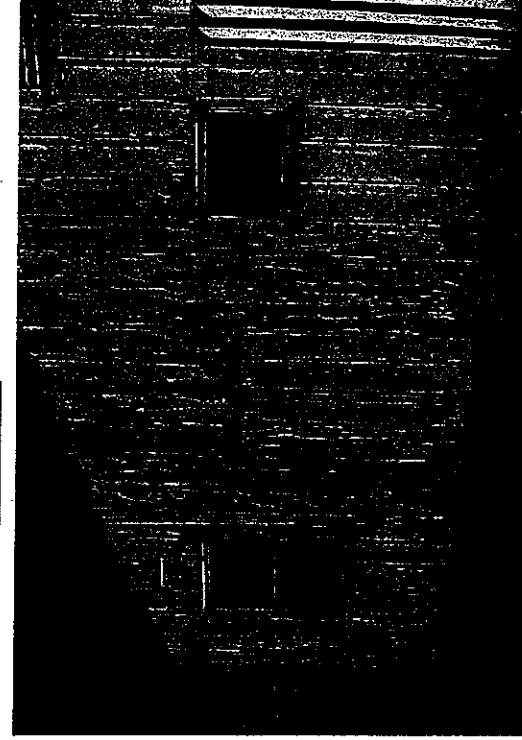
Period: July 1, 2008 to June 30, 2009

DESCRIPTION OF EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Not Applicable				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
Not Applicable				
JUSTIFICATION/COMMENTS:				

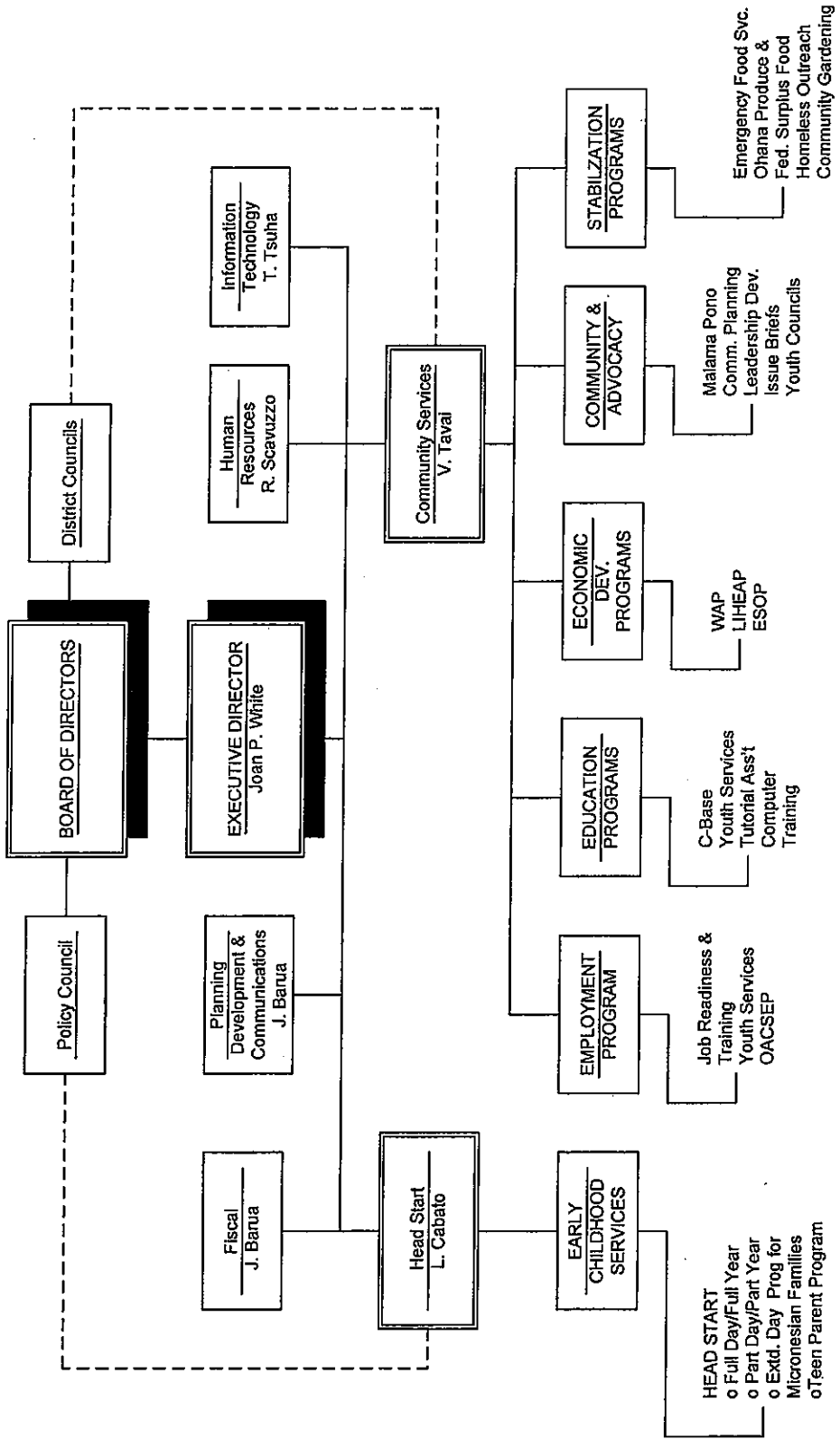


**Current KMR Office-Site
(highlighting deterioration & limited amenities)**



HONOLULU COMMUNITY ACTION PROGRAM, INC.

January 9, 2008



**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii'i Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports; files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Honolulu Community Action Program (HCAP), Inc.

(Typed Name of Individual or Organization)



(Signature)

Joan P. White

(Typed Name)

1/31/2008

(Date)
Executive Director

(Title)