

House District 24

Senate District 10

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

Log No: 191-0

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 (LEAVE BLANK IF UNKNOWN):

UNIVERSITY OF HAWAII, JABSOM

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Natural Healing Research Foundation (NHRF)
1110 University Avenue, Ground Floor
Honolulu, Hawaii 96826

Mailing Address: (same as above)

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name ANN YAMAMOTO

Title NHRF-Qi Center Coordinator

Phone # 947-1333

Fax # 947-5222

e-mail honolulu@thegqcenter.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:

"Aging in Place" -- Assessing the Effectiveness of Natural Healing Methods in the Health and Well-being of Three Functional Levels of Elderly: Independent, Semi-independent (participants in an adult day health care center), and Institutionalized (in a skilled nursing facility)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 182,400

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 \$ 182,400

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[Redacted Signature]



HONG LIU, PRESIDENT
NAME & TITLE

1/31/08
DATE SIGNED

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

The Natural Healing Research Foundation (NHRF) promotes health through education about and research on complementary natural healing practices. The organization is led by Grandmaster Hong Liu, one of the leading Qi Gong masters in the world. In lectures and through practice of healing methods, the use of empowering techniques of Western, Eastern, and other traditional medicine is encouraged for lasting health and improved quality of life in the elderly.

This one-year project focuses on using natural healing and complementary methods to assist and empower the elderly. During the past six months, a similar protocol developed by Master Hong has been piloted on healthy seniors. The success of that program speaks for the usefulness of more scientifically researching the effectiveness of this type of protocol among (1) healthy seniors as well as (2) with more frail elders who receive adult day health services and (3) the institutionalized elderly. The major goal of the project is to teach seniors Qi Gong exercises to bring their body, mind, and spirit into balance, thereby improving their independence, health and quality of life. Further natural healing methods will include self-reflexology, a convenient Chinese healing food, and music that stimulate the relaxation response.

The program protocol will include measures of effectiveness administered by medical staff before, during and at the end of the program, with a control group for the day care and institutionalized groups (obtaining a control group for the healthy group would be time-intensive). A written report documenting the program results, with recommendations, will also be prepared by an experienced medical researcher and documented by a professional videographer.

I. Background and Summary

1. Brief description of the applicant's background:

The Natural Healing Research Foundation (NHRF) is a 501(c)(3) non-profit organization established in 2003 to promote health, education and research on the effectiveness of complementary natural healing practices, including Qi Gong. It strives to integrate the natural healing practices with Western medicine to enhance health and well-being. The organization is led by Grandmaster Hong Liu, one of the leading Qi Gong masters in the world.

2. The goals and objectives related to the request:

This project focuses on an alternative health protocol using natural healing and complementary and non-intrusive methods to assist the elderly. This demonstration project will test the effectiveness of the protocol in rehabilitation of health and ability and improving the quality of life among the elderly. The proposed protocol has been used with healthy elders during the past six months on 50 people in a pilot project developed by NHRF. The success of the pilot has resulted in this proposal to test the effectiveness of the protocol among (1) frail elders receiving adult day health services, (2) institutionalized elderly, as well as (3) a larger group of healthy elders than before.

The major goal of the project is to teach seniors Qi Gong exercises to bring body, mind, and spirit into balance, thereby increasing/improving their level of independence, health and quality of life. An additional goal is to teach the seniors to use natural healing methods, including self-reflexology, use of natural healing foods, and use music composed for health benefits.

The project will test the effectiveness of the protocol to achieve the following objectives:

- a. Improve participants' markers of health of senior participants
- b. Improve markers related to specific health conditions: hypertension, diminished mental status, asthma, and depression
- c. Improve the reported well-being and quality of life of the participants

The program protocol will include measures of effectiveness administered by medical staff before, midway through, and at the end of the programs. A written report documenting the program results will also be prepared by an experienced researcher and case examples will be documented by a professional videographer.

3. Public purpose and need to be served:

The Executive Office on Aging (EOA), State of Hawaii, reports that the number of Hawaii's older adults (those 60 year of age and older) is increasing and comprising a larger proportion of the population. The U.S. Census Bureau reported that there were 239,929 individuals aged 60 and over in 2004, which represented 24% of the adult population. This was an increase from 2000, when the 60 plus population numbered 297,000, representing 22.6% of the total adult population. With the aging of the "baby boomers" and increased life expectancy, the elderly population will increase 24%.

As the population ages, the need for additional health care services will become even more critical. The lack of institutions for those in need has been a continuing and growing challenge for the state. The EOA's "Aging in Place: How to Cope" conference in October 25, 2003 reported that even then there was a long waiting period of two to three years for a bed in a nursing home. Presently there are 56 nursing home beds per 1000 elderly in the U.S. The shortage of nursing facilities is even more severe for Hawaii, with only 26 nursing home beds per 1000 elderly.

The shortage was cited even as recently as January 2008 when the *Honolulu Advertiser* cited the Healthcare Association of Hawaii report that, on average, 200 long-term-care patients were 'wait-listed' in hospitals for transfer to nursing homes or other places. And, the number goes as high as 275 patients on some days.

The wait-list problem is one of the most visible aspects of the state's long-term-care crisis. Patients who otherwise would be housed at long-term-care facilities, nursing homes or in their own homes remain in hospitals because of the lack of facilities or home-care personnel, denying patients with acute problems the proper care. To address this situation, the only alternative in some cases has been for hospitals to transfer patients to the Mainland.

Because of the inadequate capacity-- both institutional and home-community-based -- to meet the needs of wait-listed patients, there is a need to find other alternatives for the treatment and care of our needy elders.

The NHRF has been providing Qi Gong classes and consultation in Hawaii's communities for the last five years. With its successes, it more recently sought to expand the program to independent senior citizens. Thus it initiated a pilot program which served 50 senior participants ranging from 65 to 90 years of age. Participants completed the program, which consisted of two one-hour sessions per week over a six-month period. Results indicate a high level of satisfaction, indicative that the program as an alternative and less intrusive modality is a more satisfying and effective way to meet the health needs of our elderly. The pilot program should be further tested on a larger number of elderly as well as with elderly with varying health conditions to determine whether the program protocol can strengthen them physically and mentally. If successful, the program can be an additional non-intrusive modality that can be used to improve health and independence of seniors and, ultimately, lower health care costs and lessen the burden on caregiver families and care facilities.

Because of the growing number of elderly living longer and with multiple health problems and because very few other options are being developed, the State will need to build more long term care facilities to meet the growing need. But these are costly. To avert a crisis in health care for the community, this proposal tests an alternative preventive and treatment option to enable more elders to "age in place."

4. Target population to be served:

The project will test the protocol among 150 seniors, with 50 participants in each of three levels of functioning. Discussions are being finalized with the following institutions to serve their patients as follows:

- 50 seniors with limited mobility and independence (Lunalilo Home)
- 50 seniors with partial mobility and independence (Franciscan Adult Day Health Center)
- 50 healthy and independent seniors (Qi Center of Honolulu)

5. Geographic coverage:

The project will serve 150 seniors in the Honolulu area who meet the eligibility requirements.

II. Service Summary and Outcomes

1. Scope of work, tasks and responsibilities

The project will serve 150 seniors during the one-year pilot project period. The participants will be organized into two cohorts of 75 each and each cohort will participate in a six-month program. Each cohort will consist of three groups of 25 seniors, who will participate in a Qi Gong natural healing program specially designed for their health condition and physical capabilities. The three groups proposed are as follows:

- a. Institutionalized seniors
- b. Semi-independent seniors: level requiring day care
- c. Seniors in the community

Each group will be taught a series of Qi Gong exercises commensurate with their physical condition and capabilities. For example, those with limited mobility will be taught exercises in a lying or seated position, while those who are ambulatory will perform exercises from standing and moving positions. The training will be provided by Qi Center staff who have been trained and certified by Master Hong. During qi gong exercise the seniors will listen to music composed for health benefits by a Traditional Chinese medicine doctor who is a prominent composer in China.

Each participant will also be provided with herbal supplements that are to be taken twice a day. These herbal supplements have been specially formulated by Master Hong, a Master herbalist in China. The herbal supplements include rare herbs from Tibet, Russia and the U.S. and the formulary is not available in a drugstore or pharmacy. These herbal supplements are designed to improve the immune system and energize the mind and body.

Participants will also be provided the traditional Chinese healing food, dried Goji berries (in an airtight container allowed in a residential home).

Participants will be tested before participants begin the two six-month programs, midway through the programs, and at the end of the programs. Testing will be for vital signs, mobility, general health, mental status and depression, using a series of objective measurements that are appropriate for the age and health of this group.

A professional videographer will also document the program, provide visual feedback to teachers getting certified, record progress of the seniors, prepare a training video to assist the seniors in their exercises, and provide visual and auditory evidence of the degree of effectiveness of the program.

2. Projected annual timeline for accomplishing the results or outcomes of the service:

The project and research will be for a period of one year and consist of two cohorts, each participating in a six-month program.

Timeline for NHRF's 3-level Senior Well-being Program

0	1	2	3	4	5	6
Before July (volunteer work)	July	Aug	Sept	Oct	Nov	Dec
<ol style="list-style-type: none"> 1. Project manager will liaison with facilities, schedule July presentations and go over program schedules. 2. Schedule presentations, Master Hong's plane flights 3. Place flyers about the presentations at locations 4. Buy partition materials 5. Advertise re openings in research project for seniors living in community. 	<ol style="list-style-type: none"> 1. Obtain & register referral through facilities. Distribute first bottle of Primal Energy for each student. 2. Create teacher manual per Master Hong's teachings. 3. Train teachers (3 hrs x 3 wks) 4. Presentations by teacher & trainees at the 3 locations to familiarize seniors and families with project and register students. 5. Program procedure inservice for teachers by manager, including rules and procedures of the 3 facilities. 6. 4th wk: Seniors Qi Gong Teacher Certification test & videoing for feedback. 7. Make Qi Gong practice videos for each of the 3 senior groups to use daily. 8. Research: Take baseline measurements (on 3 separate days) for each senior. 9. Enter Cohort I database. 10. Build partition w/ volunteers. 	<p>Cohort I (25 people each of 3 levels of function) begins.</p> <p>Wk 1: 2 hr lecture/demo by Master Hong.</p> <ol style="list-style-type: none"> 1. Distribute initial healing food snacks. 2. Video 3 "Before" cases per group 3. Program manager outreach calls to any dropouts. 4. Researcher gathers initial control group data in first half of month 5. Program manager regularly contacts facilities for feedback and coordination throughout year. 	<p>Teach reflexology in addition to exercises. Teachers supply Primal Energy and Goji berries throughout year. Practice sessions are accompanied by Chinese healing music.</p>	<p>Wk 9: 2 hr lecture/demo by Master Hong including meditation for vitality and longevity.</p> <p>Last 2 wks of month: Mid-program research measurements for Cohort I and Control Group I</p>	<p>Introduce healing food suggestions to the two non-institutionalized groups</p>	<p>Videographer gathers feedback on 3 practice videos for the 3 groups & needed, creates better videos.</p> <p>Wk 17: 2 hr lecture/demo by Master Hong includes self-help Yin Yang psychology methods and healing food recipes for th two non-institutionalized groups.</p> <p>Cohort II</p> <p>Groups in 3 levels begin.</p> <p>Wk 1: 2 hr lecture/demo by Master Hong.</p> <ol style="list-style-type: none"> 1. Take video of 3 "Before" cases per group 2. Program manager outreach calls to any dropouts. 3. Gather control group's baseline data in 1st 2 wks 4. Distribute initial Goji berries. 5. Manager have phone contact like Cohort I.

7 Jan	8 Feb	9 Mar	10 Apr	11 May	12 June
<p>Jan 16-31: Cohort I & Control Group I research testing.</p> <p>Video the 3 "After" cases per group.</p>	<p>.....</p> <p>6-month Analyses</p>				
<p>Introduce reflexology along with exercises</p> <p>Continue to change the healing music for maintained interest.</p>	<p>Wk 9: 2 hr lecture/demo by Master Hong including meditation for vitality and longevity.</p> <p>Last 2 wks of month: Mid- program research measurements Cohort II and Control Group II</p>	<p>Introduce healing food suggestions to the two non- institutionalized groups.</p>	<p>Wk 17: 2 hr lecture/demo by Master Hong includes self-help Yin Yang psychology methods for all and healing food recipes for the two non- institutionalized groups.</p>	<p>May 16-31: Cohort II & control group II research testing.</p> <p>Video the 3 "After" cases per group (9 total).</p>	<p>.....</p> <ol style="list-style-type: none"> 1. Meeting and feedback with locations 2. 6-mo analyses of Cohort II and Control Group II 3. Prepare Before-After video for use when introducing the program to seniors to inspire motivation for health. 4. Full year research analyses and write-up of report.

3. Quality Assurance and Evaluation Plans:

Only certified qi gong trainers and treatment practitioners will administer the training and treatment. Previous work by the NHRF developed a group of measures and instruments to evaluate the effectiveness of various protocols. These and additional instruments will be used to test the effectiveness of the natural healing training and treatment among seniors, from the institutionalized to the independent. Questionnaires for participants (or their representatives in the case of some institutionalized seniors) will be used to determine program satisfaction and self-reported changes in health and well-being.

4. List the measure(s) of effectiveness that will be reported to the State:

Measures of effectiveness will include generally accepted, understandable, non-intrusive, and easy to administer tests, such as:

- Blood pressure
- Heart rate
- Lung function: Lung capacity/restriction as measured by FVC and freedom from lung obstruction as measured by FEV, both taken by spirometer
- Weight
- Body Mass Index
- Mobility: Timed Get Up and Go test
- Tinetti Performance-Oriented Mobility Assessment
- 7-point Clinical Frailty Scale
- Mini Mental State Examination (MMSE)
- CDC's Health-Related Quality of Life (HRQOL)
- Geriatric Depression Scale
- Quality and Satisfaction questionnaire on the six-month program

III. Financial

Budget

1. This proposal requests a total of \$182,400 which will be used to provide the following services:

Staffing: Administrative Support and Trainers. The major program cost will be for independent consultants to administer the program and provide the training. Many of these consultants are also volunteers who have been associated with the Qi Center for several years. The Center is staffed entirely by volunteers and due to the lack of regular and reliable donations, relies on these independent consultants to conduct its programs, based on the availability of funds. The

independent consultants include Master Hong, a medical researcher, a medical doctor, Qi Gong instructors, a videographer, program manager, and data entry personnel. The budget for these consultants is \$91,480. The budget is based on the following hours and rate per hour.

- Interpreter (12 hours @ \$40 per hour = \$480)
- Medical Doctor (80 hours @ \$75 per hour = \$6,000)
- Researcher (80 hours @ \$50 per hour = \$4,000)
- Data Entry Clerk (50 hours @ \$20 per hour = \$1,000)
- Instructors (600 hours @ \$25 per hour = \$15,000)
- Asst. Instructors (600 hours @ \$15 per hour = \$9,000)
- Videographer (400 hours @ \$50 per hour = \$20,000)
- Program Manager (1200 hours @ \$30 per hour = \$36,000)

Supplies:

- The herbal supplements. Herbal supplements that are integral to the treatment aimed at improving the physical health and energy of the participants. These herbal supplements have been formulated by Master Hong, based on his practice and success as a master herbalist in China. The formulary for the rare herbs from Tibet, Russia, and the U.S. is intended to improve the individual's mind and body energy. These supplements are not available in drugstores or pharmacies. Each participant will be given a supply of 400 capsules, which are to be taken twice a day for 6 months. At a cost of \$0.35 per capsule, the total cost per participant is \$140 per training period.
- Video tapes. \$4,200 is the estimated cost of the numerous video tapes that will be necessary for recording the project.

Other major costs include:

- A videographer and video equipment, which will be used to prepare training videos for the seniors as well as document the progress of the seniors. The budget includes 400 hours for the videographer at \$50 per hour plus \$20,000 for a professional grade video camera, large screen for the seniors to watch the exercises, and other audio video editing and projection equipment.
- A van to transport test equipment, large screen TV for practice sessions and staff to the outside facilities, four times a week, is budgeted for lease at \$1,200 per month for 12 months. Weekly costs for gas, insurance, and maintenance of the van are budgeted at \$100 per week.
- Building materials to partition the large Qi Center hall into a separate area for the seniors is also budgeted at \$5,000. Seniors with hearing problems need protection from interfering sounds of another class held

just feet away. Construction, drywall, and painting of the senior training area will be performed by Qi Center volunteers.

2. Anticipated quarterly funding requirements for the fiscal year 2008-2009.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$71,640	\$36,920	\$36,920	\$36,920	\$182,400

IV. Experience and Capability

A. Necessary Skills and Experience

The NHRF was established in Hawaii in 2003, but Master Hong, its president, has been training and providing effective natural healing services internationally and nationally since the 1960's. The training and treatment techniques used in the project have been tested and found to be effective with the general public and with independent seniors 65-90 years of age. Therefore the project team has the background and necessary experience to provide the services and work with the elderly participants. All teachers and consultants are trained and qualified to conduct the senior citizen training safely and effectively. See Section V A below for qualifications of staff.

B. Facilities

The Qi Center-Honolulu will be used for the training and treatment program for the independent elderly. The Lunalilo Home and Franciscan Adult Day Health Center have tentatively agreed to participate in the program for the institutionalized and semi-independent elderly respectively. All facilities meet ADA requirements.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The program will be led by **Grandmaster Hong**, who has over 30 years of experience in the healing art of Qi Gong and has bridged the gap between western medical practice and eastern natural healing practices.

Lynn Thomas, Ph.D., head of NHRF's Research Team for several years, will oversee the design, conduct and evaluation of this training and treatment program.

As head instructor, she oversees the certification of all U.S. teachers and has put many teachings into manual form. A clinical psychologist, she has done therapy with seniors in residential and outpatient settings.

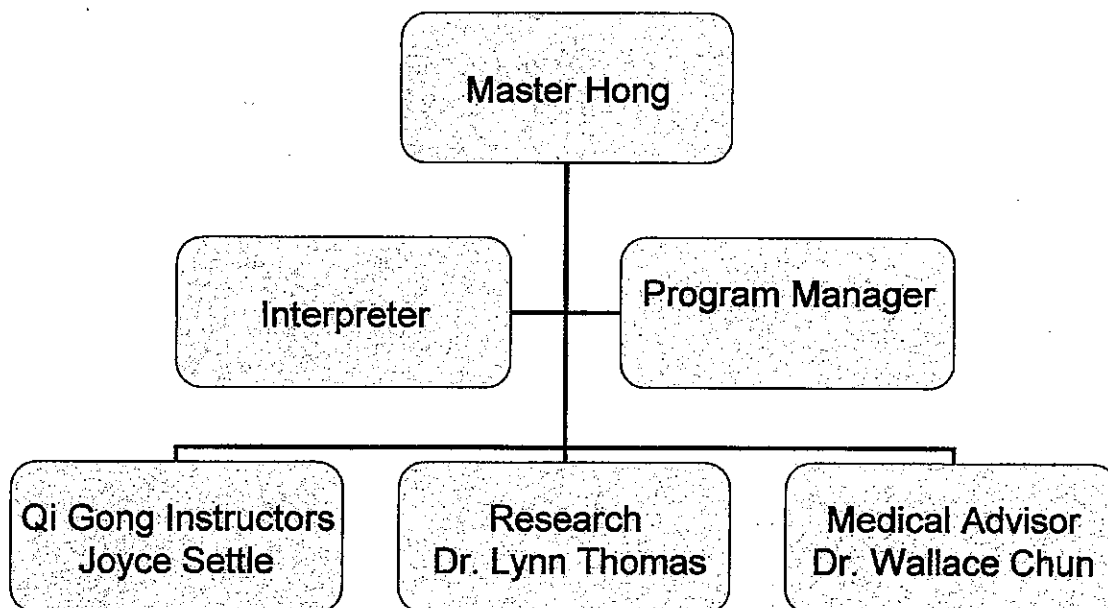
Additionally, the NHRF cadre of certified instructors will conduct the sessions. The instructors are all certified at NHRF and are also licensed teachers, licensed massage therapists, nurses or health care practitioners. Grandmaster Hong's apprentices assist in the training and supervision of the teachers and teacher interns.

The resident coordinator and trainer supervisor, **Joyce Settle**, is Master Hong's apprentice of 10 years and is licensed by the State of Hawaii and is a teacher and massage therapist. She thus has extensive training in the healing arts as well as a master's degree in education.

Dr. Wallace Chun will conduct and coordinate the medical measures that will be used to benchmark the progress of the participants. Dr. Chun is currently a psychiatric consultant to the State of Hawaii, Department of Human Services, Med-Quest Division, former instructor at the John A. Burns School of Medicine, Department of Psychiatry and has been practicing in Hawaii for over 30 years.

B. Organization Chart

The program will be organized as follows:



VI. Other

A. Litigation

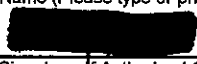
Not applicable

B. Licensure or Accreditation

Members of the project team have degrees in medicine, psychology, clinical health, and psychiatry. Master Hong received formal medical training and became a doctor at the Shanghai Military Medical College. He also received an advanced degree in herbal medicine as well as a Grand Master (highest attainable level) in Qi Gong.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2008 to June 30, 2009)

App Natural Healing Research Foundation

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries (consultants)				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Mainland	9,600			
2. Insurance	2,000			
3. Lease/Rental of Equipment	14,400			
4. Lease/Rental of Space		2,800		
5. Staff Training	4,720			
6. Supplies	25,200			
7. Telecommunication	1,800			
8. Utilities (included in rent)				
9 Materials--private senior training area	5,000			
10 Transportation (gas, maint, ins)	5,200			
11 Consultants	91,480	9,400		
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	159,400	12,200		
C. EQUIPMENT PURCHASES	23,000			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	182,400	12,200		
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested		Randall Ho	540-5770	
(b) NHRF in-kind donation		Name (Please type or print)	Phone	
(c)			Date	
(d)		Signature of Authorized Official	Date	
TOTAL REVENUE		<i>Hong Hiu - President</i>	6/1/08	
		Name and Title (Please type or print)	Date	

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Natural Healing Research Foundation Period: July 1, 2008 to June 30, 2009

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Video equipment	1.00	\$20,000.00	\$ 20,000.00	
Laptop computer	1	\$2,000.00	\$ 2,000.00	
Oximeter, blood pressure, spirometer	1	\$1,000.00	\$ 1,000.00	
		\$ -		
		\$ -		
TOTAL:	3		\$ 23,000.00	
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS:				

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED 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 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.

Natural Healing Research Foundation

(Typed Name of Individual or Organization)



(Signature)



Hong Liu

(Typed Name)

1/31/08

(Date)

President

(Title)

██████████