

LINDA LINGLE
GOVERNOR



LILLIAN B. KOLLER, ESQ.
DIRECTOR

HENRY OLIVA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 18, 2008

MEMORANDUM

TO: The Honorable Maile S. L. Shimabukuro, Chair
House Committee on Human Services and Housing

The Honorable Michael Y. Magaoay, Chair
House Committee on Legislative Management

FROM: Lillian B. Koller, Director

SUBJECT: S.C.R 200, S.D.1 – REQUESTING THE AUDITOR TO CONDUCT A
FINANCIAL AND MANAGEMENT AUDIT OF THE HAWAII
CENTERS FOR INDEPENDENT LIVING

Hearing: Friday, April 18, 2008, 1:00 p.m.
Conference Room 309, State Capitol

PURPOSE: The purpose of the resolution is to request the Auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living.

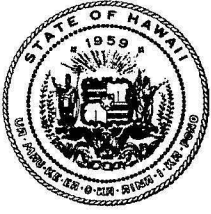
DEPARTMENT'S POSITION: The Department of Human Services has no objections to the proposed audit and will fully cooperate and assist the Auditor and provide information, if available, to facilitate an analysis of the Hawaii Centers for Independent Living (HCIL) as intended by the Legislature.

The Department fully supports the services that are provided by the HCIL and supports the HCIL through three contracts for services for persons with disabilities.

The testimonies and information that were provided at the Senate Human Services and Public Housing hearing on this resolution on March 25, 2008, by former employees and clients and former clients of the HCIL indicates that there could be information and recommendations provided by an audit that will help in improving services to clients.

The Department has a responsibility to ensure that contract obligations are being met and that clients are receiving necessary services. The Department will also be doing a review of HCIL and its contracts. No vendor should be unaccountable when providing services necessary for the health and well-being of Hawaii's citizens.

Thank you for the opportunity to comment on this resolution.



DISABILITY AND COMMUNICATION ACCESS BOARD

919 Ala Moana Boulevard, Room 101 • Honolulu, Hawaii 96814
Ph. (808) 586-8121 (V/TDD) • Fax (808) 586-8129

April 18, 2008

TESTIMONY TO THE HOUSE COMMITTEES ON HUMAN SERVICES AND HOUSING AND LEGISLATIVE MANAGEMENT

Senate Concurrent Resolution 200, SD1 - Requesting the Auditor to Conduct a Financial and Management Audit of the Hawaii Centers for Independent Living

The Disability and Communication Access Board (DCAB) is a statewide board with seventeen (17) members appointed by the Governor, thirteen (13) of whom are persons with disabilities or family members. DCAB's mission is to advocate for and promote full integration, independence, equal access, and quality of life for persons with disabilities in society. This testimony represents a position voted upon by the Legislative Committee of the Board.

DCAB supports this concurrent resolution. Our support is based upon our concerns that individuals with disabilities are not receiving the expected and necessary core independent living services as stated on page 1.

DCAB serves as a clearinghouse of disability-related information and services, but we do not provide any direct client services. Last year we fielded approximately 3,000 requests for information or services. We have stopped referring any individuals to the Hawaii Centers for Independent Living to obtain any 1:1 direct services such as finding a place to live, obtaining help in understanding and filling out a Social Security application form or a tax form, learning how to open up a checking account and manage money, finding a personal care attendant, etc., because we consistently receive call backs stating that either the person was informed that they would not be serviced, they did not receive a return call, or they do not provide intake. We consistently have individuals call our office and when we offer a referral to Hawaii Centers on Independent Living for direct services, we are told that they have tried to no avail.

The agency's web site indicates the availability of 1:1 skills training, peer mentoring, peer advocacy, individual and family counseling, attendant management training, housing assistance and referral, equipment loan, guidance on accessibility, etc., but consumers do not receive those services as expected. These are all types of services that individuals expect and used to receive but no longer can obtain. Thus, consumers end up at our agency, which does not provide direct client services, or the Hawaii Disability Rights Center, which should only be handling formal complaints. While we recognize that an agency's priorities may shift from year to year in response to community needs or shifts in funding priorities, these core services should continue, DCAB, through its predecessor agency the Commission on Persons with Disabilities, was active in supporting the creation of the Centers here in Hawaii. In most states there are multiple independent living centers. In Hawaii, however, we have only one independent living center with offices in each county. Thus, when the agency does not provide expected direct client services or when prior services and access to staff diminishes, the individuals have no other agency to turn to for assistance.

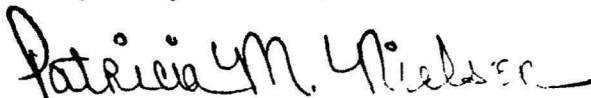
Federal oversight should be the purview of the federal funding agency but federal oversight is minimal, particularly with the disbanding of the federal Rehabilitation Services Administration's regional offices. We are also aware that the state provides monies through at least two other significant contracts in generalized independent living and specialized deaf independent living services. We believe that it is in the interest of the Legislature to ensure that those funds are expended in such a manner that clients actually receive direct services. If the Auditor is not the appropriate agency, then we believe that the State agency that provides money to the Centers for Independent Living should conduct the review.

For the record, DCAB has no financial transactions with the Centers and provides no funding to them. We were both sub-contractors with the Pacific ADA Center (a.k.a. Pacific Disability and Business Technical Assistance Center) in Oakland, California, for about six years with two small ADA contracts until approximately five years ago when the entire ADA sub-contract was shifted to DCAB by the funding agency. The fiscal agent for any state monies to Hawaii Centers for Independent Living is the Department of Human Services, Vocational Rehabilitation and Services for the Blind Division. We defer to them regarding financial oversight issues.

Senate Draft 1 significantly amended Senate Concurrent Resolution 200 based upon testimony presented at the hearing in the Senate Committee on Human Services and Public Housing on March 25, 2008. DCAB is not in any position to substantiate or negate any of the allegations, as we do not have fiscal oversight. However, the seriousness of the allegations from multiple testifiers warrant this audit, as fiscal transparency and accountability of our taxpayer money is essential to restore public trust and improve services for persons with disabilities when impropriety is brought forth in allegations.

Thank you for the opportunity to provide testimony.

Respectfully submitted,



PATRICIA M. NIELSEN
Chairperson
Legislative Committee



FRANCINE WAI
Executive Director

TESTIMONY OF HAWAII CENTERS FOR INDEPENDENT LIVING
BEFORE THE JOINT COMMITTEE ON
HUMAN SERVICES & HOUSING and LEGISLATIVE MANAGEMENT
April 18, 2008, 1:00 p.m., Conference Room 211

Regarding SCR 200, SD1

**REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT
AUDIT OF THE HAWAII CENTERS FOR INDEPENDENT LIVING.**

Chairs Magaoay, Shimabukuro and Members of the Committees:

My name is Elizabeth Haws Connally. I am an attorney with the law firm of Alston Hunt Floyd & Ing. My firm represents Hawaii Centers for Independent Living ("HCIL").

HCIL understands and appreciates the concerns raised by various members of the community and the Department of Human Services about the financial and human resources management of the organization. However, HCIL's ability to respond to specific complaints is restricted by federal and state laws governing the confidentiality of medical information, personnel information, and personal information.

Nevertheless, the Board of Directors has been, and continues to be, committed to operating and managing HCIL in accordance with applicable laws, regulations, Generally Accepted Accounting Principles, and reasonably prudent business practices. That is why it is working with Supervising Deputy Attorney General Hugh R. Jones who is investigating many of the issues stated in this measure. Specifically, the Board of Directors has:

1. Agreed to provide Mr. Jones with the documents sought in a subpoena he issued on March 25, 2008. These documents are being gathered right now and will be submitted to Mr. Jones on or before May 16, 2008.
2. Determined that it will include copies of all financial audits conducted on HCIL for the years 2003-present, as well as any employment investigation reports prepared by outside investigators for the same period. Since many of these documents contain confidential information, the Board plans to approach Mr. Jones about possible "protective procedures" that can be implemented to prevent disclosures.
3. Begun the process of identifying and retaining impartial, outside investigators to conduct financial and management investigations of any concerns which have not been previously investigated and remediated. Please note, however, that HCIL's ability to conduct such investigations is limited by the availability of funds.

4. Placed Executive Director Patricia Lockwood on administrative leave pending completion of any internal or external investigation of the concerns that have been raised.
5. Issued a memorandum to current employees assuring them that they are free to express their personal opinions about HCIL's operations – whether at these hearings or during investigations – without fear of retaliation. The Board's only request is that employees coordinate their time away from work so as not to disrupt the provision of services to consumers.

The volunteer members of the HCIL Board of Directors fully appreciate their fiduciary obligations as directors and officers of a nonprofit organization. They have and will continue to move as expeditiously as possible, given their own accessibility needs, to respond to all inquiries. HCIL simply requests that the Committees allow HCIL the time to prepare its response to the Supervising Deputy Attorney General's investigation and to update the Committee after resolution of the investigations.

Thank you for this opportunity to provide this testimony on this important matter.

Francine Aona Kenyon

dba KULI IKE KOKUA

Friday, April 18, 2008 at 1:00 pm in Conference Room 309

TESTIMONY TO JOINT HOUSE COMMITTEE ON HUMAN SERVICES AND HOUSING AND HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT ON SENATE CONCURRENT RESOLUTION # 200, SENATE DRAFT # 1, REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT AUDIT OF THE HAWAII CENTERS FOR INDEPENDENT LIVING

ALOHA, Chair Representative Maile Shimabukuro and Vice-Chair Karl Rhoads, Chair Representative Michael Magaoay, Vice-Chair Representative James Tokioka, Members of Human Services and Housing and Members of Legislative Management, and Friends,

My name is Francine Kenyon. I am a long-time advocate and volunteer consultant for deaf, hard-of-hearing, and deaf-blind people of the State of Hawaii.

I strongly and firmly support Senate Concurrent Resolution No. 200, Senate Draft No.1, requesting the auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living because of three important reasons: (1) full independence; (2) provision of better quality of services and programs; and (3) well-managed, qualified programmatic staff.

Kuli Ike KOKUA is a private volunteer-based, woman-owned business that include consulting, teaching, fostering and promoting full independence, and providing technical assistance.

I am here only to testify as an individual and advocate on behalf of deaf and disabled communities.

Consumers with disabilities, including those who are deaf and hard-of-hearing, have the right to receive appropriate services and programs so, therefore, the Hawaii Center on Independent Living (HCIL) is expected to help them meet their needs, NOT to turn them away or to close their cases, and NOT to refer them to other agencies or churches that do not have specific programs for them.

In addition, we were devastated, shocked and puzzled when we heard the deaf individuals, testifying in House Committee on Legislative Management last year in opposition to SCR 81 and saying that they did not want HCIL to be closed. Thus, to our disappointment, SCR 81 was deferred! We **DO NOT INTEND TO CLOSE HCIL** but we want to see that HCIL improve and expand more services and programs, to maintain professionalism among the directors, employees and consumers, and to guarantee that the services are open to **ALL** people with disabilities, not only to individuals who are deaf and hard-of-hearing. HCIL should be in compliance with Americans with Disabilities, Title I, Employment, and Title III, Public Accommodation, prohibiting discrimination against individuals with disabilities, including individuals who are deaf or hard-of-hearing.

As a matter of fact, for almost a year, the HCIL director and/or staff blasted at me on my phone and embarrassed me in front of advisory board members in many meetings for testifying in support of SCR 81. Also, some deaf students at Kapiolani Community College, who testified in opposition to SCR 81 last year, ignore me and never contact me for any tutoring assignment or talk with me again, except a few who did not participate.

However, I continuously received many anguish, emotional calls from the individuals with disabilities and individuals who are deaf and hard of hearing in Hawaii, regarding the closure of cases and lack of services. At first, I hesitated helping them because of loss in my tutoring contract, but they begged for my help! As a result, I heard many shocking reports not only from deaf and hard-of-hearing consumers but also from the former and current employees and people with disabilities! With my tears in my eyes, I encouraged them to file their complaints with the Vocational Rehabilitation Division because the Hawaii Center on Independent Living is contracted by Vocational Rehabilitation Division, requiring HCIL to satisfy the Vocational Rehabilitation scope of services in their quarterly reports as stated in the Request For Proposal (RFP) contract agreement.

I am reminding you again that HCIL should NOT limit to only individuals who are deaf and hard-of-hearing and that HCIL is open to all individuals with disabilities needing such services. To my surprise, THIRTY-ONE (31) experienced, qualified employees having more than 10 years of employment at HCIL had been fired or terminated or resigned within 5 years because of their disagreements with the executive director. It is a tremendously high staff turnover in 5 years! Unbelievable! What was actually going on at HCIL? Terminating or firing an employee who simply did not know sign language is a ridiculous and poor excuse. This can be considered a possible employment discrimination. Because of the firings, terminations, and resignations and of lack of services and programs provided for individuals with disabilities, we are concerned about the HCIL's possible violations of their civil rights and labor laws as mandated by Americans with Disabilities Act, the U.S. Department of Labor, U.S. Dept. of Education, and Vocational Rehabilitation Act, Title VII.

It was very sad that individuals with disabilities have been neglected from the services and programs. I heartily and strongly feel that your support is greatly needed in order to ensure that not only deaf and hard-of-hearing individuals but also individuals with disabilities satisfactorily receive the services and programs, maximizing their full independence in our society as the first-class citizens.

SCR 200, SD 1 mentions about the Center closing the cases of clients who testified support of Senate Concurrent Resolution No. 81 last year. I would like to add that there was much pressure on those who did not participate or who wanted to support the resolution but they were afraid of retaliation and of having their cases closed.

We firmly request that we do not allow any false or abusive statements or retaliations from HCIL staff toward any innocent individuals, former employees, or agencies testifying in support of SCR 81 and SCR 200.

In conclusion, it is very important that the financial and management of Hawaii Centers for Independent Living be audited to ensure that the full services and programs for individuals with disabilities are met and that the Board of Directors be strengthened in order to guarantee better quality of services and programs for individuals with disabilities, including individuals who are deaf and hard-of-hearing.

Therefore, I strongly urge you to pass this important resolution on the benefit of the general entire community serving the individuals with disabilities and individuals who are deaf, hard-of-hearing, and deaf-blind.

Mahalo nui loa for allowing me to testify in support of this important resolution.

Sincerely,

Francine Aona Kenyon
Deaf advocate and consultant

PETER L. FRITZ
414 KUWILI STREET, SUITE 414
HONOLULU, HAWAII

**HOUSE OF REPRESENTATIVES
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008**

**COMMITTEE ON HUMAN SERVICES & HOUSING
AND**

COMMITTEE ON LEGISLATIVE MANAGEMENT

**Testimony on SCR 200, SD1
Hearing April 18, 2008 at 1:00 pm**

Requesting the Auditor to Conduct a Financial and Management Audit of
The Hawaii Centers for Independent Living

Chairs Shimabukuro and Magaoay, Vice-Chairs Rhodes and Tokioka, members
of the Committees:

I strongly support SCR 200, SD1.

I am an attorney practicing in Hawaii and testifying as a concerned citizen. I have personal knowledge of the disability community because of my own disability and the disability of a family member and my service on the State Rehabilitation Advisory Committee ("RAC"). A well run organization has nothing to fear from an audit. An organization can only benefit by the identification of areas that need improvement.

Hawaii Centers for Independent Living ("HCIL") is a nonprofit organization that receives Federal and State funds to provide services to help individuals with disabilities achieve independence. I am aware that questions have arisen regarding how well the organization is being managed and whether these services are being adequately provided. There has been additional testimony concerning the possible misappropriation of State funds, failure to perform all of the terms of a contract with the State and the failure of officers and directors of the HCIL to discharge their fiduciary duties.

An audit should be conducted for the following reasons.

- The allegations of mismanagement, possible misappropriation of State funds, failure to perform all of the duties under a contract with the State, and breach of fiduciary duty by the board of directors and officers of HCIL set forth compelling reasons for an audit.
- The audit would answer the question of whether the HCIL is providing adequate services to consumers.

- An audit would determine if changes are required and if the services are being provided as required the contract.
- An audit would end the tension that currently exists by providing an answer to whether the services are adequate. It would enable services to be provided more efficiently if the conflict were eliminated.
- An audit would reveal whether the HCIL has complied with the requirements of Federal and State law such as timely filing of reports with government entities.
- An audit would examine whether the organization is complying with applicable Federal and State laws that govern the operation of nonprofit organizations.
- An audit would protect the State of Hawaii. HCIL receives substantial federal funds (upon information and belief in the federal funds are in excess of \$600,000) in addition to State Funds. If the funds are not spent on the required programs or if the required services are not being provided, the State of Hawaii could be required to repay the Federal government for the misspent funds. The State of Hawaii has a responsibility to ensure that the funds are spent on the required programs and an audit would confirm this fact or point out any deficiencies.

Thank you for the opportunity to testify.

Respectfully submitted,



Peter L. Fritz

HOUSE OF REPRESENTATIVES
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

COMMITTEE ON HUMAN SERVICES & HOUSING

Rep. Maile S.L. Shimabukuro, Chair

Rep. Karl Rhoads, Vice Chair

Rep. Karen Leinani Awana

Rep. Josh Green, M.D.

Rep. Della Au Belatti

Rep. John Mizono

Rep. Joe Bertram, III

Rep. James Kunane Tokioka

Rep. Rida T.R. Cabanilla

Rep. Gene Ward, Ph.D.

COMMITTEE ON LEGISLATIVE MANAGEMENT

Rep. Michael Y. Magaoay, Chair

Rep. James Kunane Tokioka, Vice Chair

Rep. Pono Chong

Rep. Lynn Finnegan

Rep. Blake K. Oshiro

NOTICE OF HEARING

Date: Friday, April 18, 2008

TIME: 1:00 p.m.

PLACE: Conference Room 309

State Capitol

415 South Beretania Street

AGENDA

SCR200, SD1 (SSCR3512)

RREQUESTING THE AUDITOR TO CONDUCT A FINANCIAL
AND MANAGEMENT AUDIT OF THE HAWAII CENTERS FOR INDEPENDENT LIVING

April 18, 2008

Dear Committee on Human Services & Housing & Committee on Legislative Management,

I am writing in support of SCR200 requesting the auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living.

I am a former employee of Hawaii Centers for Independent Living (East Hawaii Office). I was hired by Branch Office/Neighbor Island Program Coordinator, Laura Tobosa on September 9, 1991 as a Secretary/Receptionist and resigned on January 31, 2006, as an Administrative Assistant. (14 Years and 5 Months)

When Executive Director, Patricia Lockwood was hired, I was promoted to an Administrative Assistant. At first Patricia Lockwood had plans to demote my position to a receptionist. As I was already doing more than a Secretary's job, it was Laura Tobosa, who fought for my position as an Administrative Assistant. Laura Tobosa made it possible for me to continue to work at HCIL at a position that I was hired to begin with.

While working under the direction of Executive Director, Mark Obatake, I knew my job duties well and became very confident of my work abilities, skills and experience. I felt very comfortable and secured with my position and would always be well organized in my work. Business ran a lot smoother and the working environment was a lot more serene while Mr. Obatake managed HCIL.

When Patricia Lockwood came on board as the new Executive Director, there have been many changes to HCIL. Business was a major catastrophe, chaotic, rough and sort of like a roller coaster ride. I never knew whether I was coming or going and was more often confused & unorganized in my work. Patricia Lockwood took job duties away from staff & my self to be designated to staff in Oahu and be controlled under her supervision. The imprest checking account and all accounting matters were taken away by the Oahu office. Many vendors were never paid on time and late payment fees were added to overdue balances. Credit cards were denied when making purchases for office supplies and other services rendered. It caused frustration & embarrassment to many staff. The data entry in the MICIL program, where stats were reported for providing consumer services, was also taken away by the Oahu office. All data entry was designated to a staff in Oahu that had no experience with the MICIL Data system. This staff did not have the proper training on the MICIL program, was not familiar with CIL forms or knew anything about the neighbor island consumers and their backgrounds. The neighbor island staff has been frustrated with the numerous calls that were time consuming, asking them to duplicate paperwork by running off copies to mail to Oahu and looking up info of consumer's backgrounds. It was unnecessary monies spent on copies, postage and long distance calls & faxing. Patricia Lockwood constantly made changes to CIL consumer forms and often never informed branch offices of any changes. Many last minute and unfinished changes and no operations and administrative manuals to follow procedures by. Often it left staff with unanswered questions and no explanations.

The Consumers of HCIL has not been provided services on the Big Island. Such as Independent Living Skills Training, Transportation, Personal Assistance, Housing, Assistive Technology, Technical Assistance and no support groups for the adults and youths with disabilities. The positions left by staff that resigned or were terminated, most of the time they were never replaced with new staff. This caused a lack for services for people with disabilities.

On February 6, to March 29 2005, I left the office to go on maternity leave. The TDI insurance benefits were immediately filed on February 7, 2005. While being out for seven weeks no income came in, having to support a family of four, paying a mortgage and other monthly debts were very difficult. I contacted my supervisor Laura Tobosa to see if paperwork was being processed and she immediately followed through to contact Patricia Lockwood and Cora Laxima in accounting. Cora Laxima promised to follow up on the matter. I never received a response. After returning to work by the second week I decided to contact the TDI Insurance Company and was informed by them that Patricia Lockwood never returned any of their calls. All the insurance company needed was to confirm dates of my leave. After contacting the insurance company in a matter of two days I received my TDI check that covered all seven weeks of my maternity leave.

In April, 2005 I was informed by Representative, Susan B. Hays that my allotments were not paid to my personal mutual fund account for period of August 31, 2004 to May 15, 2005. HCIL always made a monthly payroll deduction. According to my pay stubs the deductions were taken out regularly. I immediately informed Laura Tobosa and she contacted Patricia Lockwood regarding this matter. HCIL later paid a lump sum to my mutual fund, but I also lost out on interest for that period of time.

It was very obvious that favoritism was a problem with Patricia Lockwood. Chain of command does not need to be followed by some staff, while other staff got reprimanded. Patricia Lockwood creates situations that would cause hard feelings between staff. She often bad mouthed one staff to another, making claims of inappropriate behavior on a staff member's part. Which was never substantiated? Making statements such as "I'm sending my spy's" does not promote trust in staff. Unwillingness on her part to resolve issues with staff creates hostility. Pat Lockwood always laying the blame on staff who no longer worked for HCIL made everyone cautious. Due to Patricia Lockwood's actions, staff member's no longer trusted each other. Patricia Lockwood's behavior was is inappropriate when she abuses her authority. Such statements as "I'm the Boss", "I sign your paychecks", "I gave you a bonus", "now you have to earn it" are inappropriate. They caused resentment and under mind staff morale. This could be interpreted as a threat to ones job.

Due the hostile working environment of HCIL, all three staff at the Hilo office sought counseling with a Hilo psychiatrist & psychologist at least once or twice a week for several months. The staff at the Hilo office sought counseling to relieve the burden of stress and to be able to make it through another working day.

In a November 30, 2005 letter HCIL Board President, Elizabeth Whitney wrongfully insulted and accused Laura Tobosa of soliciting information from staff on the Executive Director, Patricia Lockwood. When Laura Tobosa's job was to accept information from all neighbor island staff to present to the Executive Director (if approval was needed) and was to report back to staff on solutions to problems. All neighbor island staff submitted documentation voluntarily. The staff tried to set up meetings with Patricia Lockwood since April, 2004 to November, 2005 to discuss the concerns and to come up with solutions. Patricia Lockwood cancelled flights to Hilo at the last minute. Many of the staff being disappointed for her "no show" for not meeting with them on those several occasions. Since then all staff decided to go forward and present their concerns to the executive committee for their assistance. The executive committee involving Elizabeth Whitney & Maureen Litchner has been negligent in providing staff with a safe working environment and allowed Patricia Lockwood to continue poor management of HCIL and also breached confidentiality when staff asked that the concerns not be shared with the executive director until the committee has reached their final decision.

All neighbor island staff including Oahu office had concerns with the management of Patricia Lockwood. Staff submitted there letter of concerns to Laura Tobosa. Many of the staff felt threatened of their job securities, due to retaliation of Patricia Lockwood. Those that were afraid of being unemployed continued to do what they were told to do and looked the other way and still continue to do so. There have been a high turn over of experienced staff that has been with HCIL for many years; either terminated for no apparent cause, reasons, nor explanation, or resignations due to the disappointment of Patricia Lockwood's so called style of management.

In December, 2005 Laura Tobosa, was terminated for no apparent cause, reason, nor explanation why she was let go of her duties. I believe that Patricia Lockwood terminated Laura Tobosa due to retaliation of reporting her to the board for unresolved issues of concerns of the neighbor island staff. It was Laura Tobosa's job duty as a Neighbor Island Program Coordinator to take a step further if issues with Executive Director were not met. Laura Tobosa was only falling protocol by following the chain of command as written in HCIL policies.

The day Laura Tobosa was terminated, Patricia Lockwood sent Lymari Graciano with a hired security/retired police officer to Hilo to notify staff of Laura Tobosa's termination. Patricia Lockwood also instructed Lymari Graciano to immediately have the locks on the entrance doors changed and to make other changes to the Hilo Office. The Hilo staff was never a threat, nor violent in any matters. There was no reason for Patricia Lockwood to hire a security which was a waste of time and money. For weeks the Hilo staff was under tight supervision and reports of staff were made to Patricia Lockwood on a daily or weekly basis. All conversations were heard clearly as I sat near a desk near by. Honestly it made staff at the Hilo office felt very uneasy.

Knowingly that Laura Tobosa has work hard for 17 ½ years to build a stable and suitable reputation for CIL in our community and after working along side Laura Tobosa for 14 years and 5 months. Coming to work without Laura Tobosa had been very difficult for me. It caused more confusion, a lost of trust, and emotional issues, while working in this hostile environment. Since then I had no enthusiasm and often felt uneasy with my position and felt threatened of my job security. I later resigned to move on to new & better employment, due to the frustration of management directed by Patricia Lockwood.

I hope that this resolution will be considered so people with disabilities will continue to receive the proper support services to maintain their quality of life.

Thank you for you time in this matter.

Sincerely,

Sharlene Chaves
2340 Nohona Street
Hilo, Hawaii 96720

From: kuulei [mailto:kuuleikiliona@hawaii.rr.com]
Sent: Tuesday, April 15, 2008 9:31 PM
To: HSHtestimony
Subject: SCR 200, SD1

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

To: Committee on Human Services & Housing
Rep. Maile Shimabukuro, Chair and Rep. Karl Rhoads, Vice Chair

To: Committee On Legislative Management
Rep. Michael Magaoay, Chair and Rep. James Tokioka, Vice Chair

FROM: Sam W. Torkelson,
(Private citizen and former HCIL consumer.)
101 Aupuni Street, apt. 808
Hilo, Hawaii 96720
808-935-8870

Hearing Date: Friday, April 18, 2008
Time: 1:00 p.m.
Place: Conference Room 309

Dear Chairs and Committee Members,

I am in strong support of this resolution calling for an audit of the Hawaii Centers for Independent Living (HCIL). I began receiving services from them in Hilo back in 1987, when it was called BICIL. That stood for Big Island Center for Independent Living.

BICIL offered a whole lot of services over the years until Pat Lockwood, the current director took over. In the past there was:

Help with finding housing,
Finding a job that fit in with a person's disability,
Getting a chore worker to help with things around the house or for driving.
Special events like excursions around town or the island.
Monthly support group meetings with food, entertainment or speakers,

Potlucks that consumers organized,
And, a whole lot more.

Every year I donated money to the cause by giving to the charity walk that supported BICIL. I helped whenever I could, but now there's nothing for us folks on the Big Island.

After giving written testimony last year in favor of auditing HCIL, I received a letter telling me I was no longer with them. They had closed their file on me and I didn't ask them to.

Thank you for allowing me to give written testimony. I also plan to fly over to Honolulu and give additional testimony in person, because I feel so strongly about this matter.

Sincerely,

Sam W. Torkelson
(this testimony was typed for Sam who is blind.)

DAN NAGATA, SR

Friday, April 18, 2008 at 1:00 p.m. in Conference Room 309

TO: Chair, Vice-Chair, and Members of House Committee on Human Services and Housing and House Committee on Legislative Management

FROM: Dan Nagata, Sr.

SUBJECT: Senate Concurrent Resolution No. 200, Senate Draft No. 1, Requesting for HCJL Audit

I am Dan Nagata, Sr. I am deaf and a resident of Honolulu, Hawaii.

I definitely support SCR 200, SD 1 with added information. This will help us find out where the money was spent and what HCJL is doing for us. What did they do with the money? What happened to the old staff who used to help me before?

I do not agree that HCJL should not mix with deaf and hard of hearing people and people with disabilities in the same office. I want the separate agency - one for deaf and hard-of-hearing and the other for people with disabilities. Why? I do not want people with disabilities to complain about us using the HCJL office.

I heard that the acting director who is deaf does not have an experience. I think it's a possible fraud about her BA or MA degree because her English is no good.

HCJL is in dark shadow just a Christmas Carol because HCJL is like a Scrooge getting the money for themselves. I went to HCJL for help when my phone was disconnected but they never helped me with the rent, electric bills, and phone bills. Pat ordered HCJL staff not to help me and told HCJL people to find other places. Why did HCJL refer me to Helping Hands? They did not help me. Not right place to look for help. I know HCJL has plenty of money so why didn't they help us?? That is why HCJL sounds like Christmas Carol and is selfish with the money. So how come they said no money? I don't understand why they have no money at all.

I hear many deaf people complain about HCJL because they don't help them with the rents, too. Pat ordered the staff. She controls the staff - tells them not to do this or that.

Where is the justice? What rights we have to get services and programs? HCJL has birdbrain. Not very nice not to help us.

I want to see that the new deaf building not HCJL because there are HC incl deaf... but I want own deaf service..

I want to add - DO NOT ALLOW SCR 200 to be killed or to die because this is very important for many people who are blind, use the wheelchair, or have no arms or no legs go to HCJL and don't know sign language so how they can communicate with the deaf staff.

Don't listen to people who opposes to SCR 200 because they don't understand what is going on.

So please help us. Pass this resolution so we get better services and programs.

HCJL reminds me of Verizon, not doing good services to people.

Mahalo for let me testify.

Sincerely,

Dan Nagata, Sr.

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

To: Committee on Human Services & Housing
Rep. Maile Shimabukuro, Chair and Rep. Karl Rhoads, Vice Chair

To: Committee On Legislative Management
Rep. Michael Magaoay, Chair and Rep. James Tokioka, Vice Chair

FROM: Laura McGerty
94 Punaewa Street
Hilo, Hawaii 96720

Hearing Date: Friday, April 18, 2008

Time: 1:00 p.m.

Place: Conference Room 309

Dear Chairs and Committee Members,

I fell off a horse & hit my head so now I have a tendency to stagger & fall. I would like help getting ready to go out, put on some make up & attend the support group meeting. I'm the only person I know who's disabled. Coming together with others is a real treat. I can't get a cab to pick me up because of my speech defect because they think I'm drunk.

On Maui I got a device to elevate the toilet seat from HCIL. I thought that was wonderful, my couch and all my chairs are on bricks.

I need more help now because I am older. I live independently, don't have medical, don't have food stamps. I could really use some help, I called CIL, they were very cold on the phone & said no. I'm easily put off.

Thank you for considering my testimony.
Sincerely,

Laura McGerty

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

To: Committee on Human Services & Housing
Rep. Maile Shimabukuro, Chair and Rep. Karl Rhoads, Vice Chair

To: Committee On Legislative Management
Rep. Michael Magaoay, Chair and Rep. James Tokioka, Vice Chair

FROM:

Sumie W. Koni
344 AINAOLA DR
HILO HI 96720

Hearing Date: Friday, April 18, 2008

Time: 1:00 p.m.

Place: Conference Room 309

Dear Chairs and Committee Members,

When I moved from Honolulu to Hilo in 1989, Karen who worked for CIL helped me get an Aladdin electronic reader which magnified the letters 25 times. CIL did not pay for the reader although I understand today that CIL would have paid a small portion of it for me.

About four years ago when "Sam" Nagasawa ran the program for the elderly blind, I was able to buy a Merlin electronic reader. Again, I had to pay for the reader.

Sumie W. Kon p. 2 March 25, 2008

reader. Under Sam's leadership, we meet once a month, sometimes planning the agenda for the next meeting, or for the whole year, sometimes we'd suggest speakers for our meetings. Sam would xerox materials, such as glaucoma, identity theft, etc.

Under the new leadership of Patricia Lockwood, nothing has been done for the elderly blind ~~or~~ or those with low vision. We have not had any meetings whatsoever. We have not been asked to sign for vision testing by Hoopono, once a year either. We who are blind or have low vision are left to fend for ourselves.

Sumie W. Kon

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

To: **Committee on Human Services & Housing**
Rep. Maile Shimabukuro, Chair and Rep. Karl Rhoads, Vice Chair

To: **Committee On Legislative Management**
Rep. Michael Magaoay, Chair and Rep. James Tokioka, Vice Chair

FROM: Donald Kauila Haumea
1370 Ululani St Apt #15
Hilo, HI 96720

Hearing Date: Friday, April 18, 2008

Time: 1:00 p.m.

Place: Conference Room 309

Dear Chairs and Committee Members,

I am in support of auditing HCIL because of the lack of services that I am not receiving.

In the past they have provided a computer for me but haven't given me any computer classes so that I may use it correctly.

I need the computer to communicate ^{better} with other people because of my ^{lack of} sight, speech and other physical difficulties.

It has been over a year since I have received any services from HCIL.

The last ^{walk was} I did the charity walk for HCIL for year 3 years ago but they have not sponsored the event for ^{last} 2 years. I wasn't supported. I ~~am~~ ^{wasn't} properly supported when I did it.

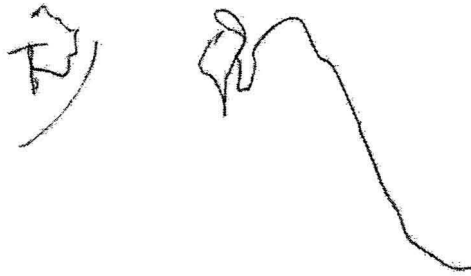
I was a mentor for the ^{HAEL} youth group, for almost a year
I was ~~reprimanded~~ ^{reprimanded} ~~and~~ it was not handled properly.
~~I feel~~ I think it could have been
handled better because I feel like they were
attacking me.

I have been part of the Hael support group
since 1994 and these last 2 years there has
been nearly zero support for our group on Hael.

In the past I have received newsletters.
I couldn't read them because of my limited ^{eye} sight.
Emails are easier to read because my computer
has a screen reader.

Please audit Hael and reinstate the
needed support for us.

Sincerely yours,

A handwritten signature consisting of a stylized 'R' followed by a long, sweeping line that curves downwards and to the right.

From: kuulei [mailto:kuuleikiliona@hawaii.rr.com]
Sent: Wednesday, April 16, 2008 10:48 PM
To: HSHtestimony
Subject: SCR 200, SD1

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

(I plan to be present at the hearing to give oral testimony.)

To: Committee on Human Services & Housing
Rep. Maile Shimabukuro, Chair and Rep. Karl Rhoads, Vice Chair

To: Committee On Legislative Management
Rep. Michael Magaoay, Chair and Rep. James Tokioka, Vice Chair

FROM: Ku'ulei Kilonia,
(Private citizen and former HCIL consumer.)
kuuleikiliona@hawaii.rr.com

Date: Friday, April 18, 2008
Time: 1:00 p.m.
Place: Conference Room 309

Dear Chairs and Committee Members,

I am in **strong support** of this resolution requesting an audit of the Hawaii Centers for Independent Living (HCIL). I first began receiving services from HCIL in Hilo back in 1991, when it was called BICIL. That stood for Big Island Center for Independent Living. Over the years I have also received services from the Oaha and Kaua'i offices. The HCIL offices offered a large variety of services over the years on a consistant basis. However, after Patricia Lockwood became the executive director, HCIL began to change for the worse all over the islands. HCIL offices were closed on this island leaving only the Hilo office. Staff were let go with the closure of offices and services began to be cut on a regular basis.

Over the years, I contacted HCIL for varied services from housing to support groups. When I sought help in finding chore workers, I was provided with names from a list that was kept by a HCIL staff. This list was helpful because the people on it had been interviewed and approved by the staff. This was the procedure before a name was placed on the registry. This was very, very helpful since I am limited in how much I can do. I have heard the same from other consumers who were with HCIL.

When my low vision began around 2003, I contacted HCIL. I was offered special glasses that were ordered from Germany. They were a special type that one of the HCIL staff knew how to order and get it covered by my insurance. In the down sizing of offices and staff, this man was let go. Additionally, I was introduced to the Ho'opono clinic in Honolulu where I saw an eye specialist and received helpful information on how to cope with my low vision. Later, the eye specialist came to Hilo and prescribed a white cane for me. CIL staff arranged for the consumers and myself to see the specialist on his annual visit to Hilo. None of that is available to anyone now in Hilo.

Last month, Emily Souza (a former consumer of HCIL who is blind) referred a friend of hers with low vision to HCIL. The friend needed supplies to help her cope with her low vision. She called the Hilo HCIL office and was told that they no longer serve people with low vision or blindness. Previously HCIL had served the blind since its inception.

Most important to the majority of the consumers in the Hilo office, were the support group meetings. There was a support group for the youth and one for the adults. The adult group consisted primarily of consumers with low vision and blindness. I participated in the adult group.

The adults are a very close tight knit group who depend on contact with each other for fellowship, new knowledge and emotional support in coping with their disabilities. When HCIL stopped the group meetings, no one was contacted and no explanation was ever given. Consequently, people showed up at the HCIL office for the scheduled monthly meeting only to discover that the staff who had led the group no longer worked there and HCIL had no one hired to lead the support group. This was devastating to the group members both emotionally and mentally. Members have expressed suffering personal injury as a result of the negligent actions by HCIL and Patricia Lockwood.

Since the time that HCIL abandoned the adult support group, I have been the group leader with shared responsibilities with other members. The group has sought and received some help from the community. However, we do not have

the transportation and resources that were available to us when we were at HCIL. The support group plans to return to HCIL after Patricia Lockwood is no longer the executive director.

Meanwhile, for each of the members including myself who gave testimony last year in favor of HCIL being audited; we all received letters informing us that we are no longer consumers of HCIL even though we did not ask for our files to be closed. Other consumers who did not give testimony did not receive letters informing them that their files were closed.

Please contact me should you have any questions.

Mahalo for the opportunity to submit testimony.

~Ku'u lei A. Killiona

April 17, 2008

Aloha Members of the Committee on Human Services & Housing & Members of the Committee on Legislative Management:

My name is Roxanne Bolden (formerly Harris) and I am in support of the Financial and Management Audit of HCIL. I am a former employee of HCIL. I've worked for the center from May 1, 1996 until October 14, 2005. My positions at the time of resignation were the following: Special Programs Coordinator for the San Diego State University Community Rehabilitation Program for Continuing Education; Coordinator for the National Technical Assistance Center for Asian Americans and Pacific Islanders with Disabilities for Employment; Supervisor of Guam staff and Independent Living Specialists on Oahu, & Training Coordinator for all staff members island wide including Guam. In addition to fulfilling the job duties required by each of the above mentioned contracts, I had to provide technical assistance to the CNMI Center Director and assist the Accounting Department with the collection of staff timesheets and summary reports for payroll.

During my employment there had been a high turn over of long term and experienced staff members from every island beginning 2003 to 2005. From the Island of Maui, both Ken Mailo (IL Specialist) and Lessie Cooper (Office Coordinator) have resigned; from Kauai both Humberto Blanco (former Coordinator for Kauai) and Gorgon Dodd (IL Specialist) have resigned; from Kona both Merle Martin (former Coordinator for Kona) and Henry Shimakura (EBS Specialist) have resigned; from Hilo Laura Tobosa (former Coordinator for Hilo and then later promoted to Program Director for all outer islands) was fired and staff members Sabine Nagasawa (IL Specialist) and Sharlene Chaves (Secretary) resigned immediately after; from Guam Rodney Priest (Guam Center Director) resigned; from Oahu, besides myself, Violet Evans (Financial Manager accused of fraud, filed lawsuit and received a settlement from HCIL), Dee Akasaki (former Human Resource Manager and later promoted to Director of Operations) was fired, Max Balbuena (IL Specialist) was fired, Rhonda Yoshikawa (IL Specialist) resigned, Nadine Santiago (Receptionist) resigned, Lucy Wong (former NTAC Coordinator) resigned, Eunice Chang (former NTAC staff member) resigned, Sharon Macabugao (Accountant) resigned, Terry Jasper (IL Specialist) resigned, Cecilia Manettas (Accounting Assistant) resigned, Lymari Graciano (Director of Finance) resigned, Wil Koki (BLN Coordinator) resigned, and Cora Laxtina (Accountant) resigned. The following Temp Employees have resigned: Terry Conlan, and Craig Turner. Patrick Hahn Temp employee was fired. Finally Grant Writer volunteer Mark Mitsuoka (wrote grants for the following programs NTAC, Self Advocacy Program, & Youth Program) discontinued volunteer services for HCIL. The above mentioned staff members throughout the Hawaiian Islands have worked seven years or more prior to being fired or having resigned from the agency.

The Oahu staff members routinely faced unfounded and unproven accusations of theft of mail or other documents and tampering with computer data base or security camera equipment by the current Executive Director. For each accusation made, staff members faced investigative questionings from Roger Lau (retired HPD officer and current Private

Investigator). Staff members were never informed of their right to have an attorney present nor were we given the option to refuse questionings. Another private investigator that questioned the Oahu staff members was a woman named Linda. With this particular questioning, the HCIL board issued a letter informing all Oahu staff members to cooperate with the investigator.

Entry door locks to HCIL (front and emergency doors) were changed every time an employee resigned or was fired. Cabinet locks to the files by the Secretaries desk were also changed during these situations. In addition, new security alarm codes would be issued to every staff member also when staff were fired or had resigned.

During a mandatory Independent Living Skills training held at the Ala Moana Hotel, all HCIL staff members from the Oahu, Hilo, Kona, Maui, Kauai, Guam and the CNMI, were informed by the current Executive Director that we were under new administration and that our former Executive Director Mark Obatake had committed fraud. Ms. Lockwood failed to justify her accusations and when questions continued about Mr. Obatake she jokingly held out a can and said a quarter would be deposited every time his name was mentioned. She also informed staff that if we did not like her management style, we could always leave. She informed us that she had a different management style from the previous director and that all staff positions would be adjusted according to her new plan. She would be the primary supervisor for all staff members across the islands. All former coordinators would now be called Team Leaders. We could not perform our normal duties unless otherwise directed by Ms. Lockwood.

Ms. Lockwood has managed to alienate HCIL from Diversabilities (the four non profits that provided services to persons with disabilities – United Cerebral Palsy Association, Abilities Unlimited –formerly Winners at Work, Assistive Technology Resource Centers of Hawaii and HCIL). Diversabilities Executive Directors no longer welcomed Ms. Lockwood's participation at their meetings. They had asked for a representative to take her place. I have had to attend the meeting during my employment at the agency.

These are but a few tidbits of what went on at the center. I have approached a board member, Mr. Bruce Clark, informing him of my concerns with Ms. Lockwood's daily management. I was given a written letter informing me that I was not to contact any board member again and if I did I would be given a written reprimand. A letter was then generated by the Board of Directors and given to all staff members informing them that we could not contact the board at any given time. All concerns were to be brought up to the Executive Director and she would in turn send it up to the board for review.

I am truly saddened by what I've witnessed at the center. Many valuable employees with history and knowledge about the independent living philosophy have left either under unpleasant circumstances or because they could no longer take the abusive treatment anymore. Normal office functions such as holiday parties were no longer allowed. The office environment became hostile and unpleasant to work under. Staff members met outside working hours to offer each other support just to get through the next business day.

It is more than time for someone to hear our concerns and to take some form of action. Twenty eight staff, temps, and volunteer did not dedicate their lives to an agency only to see it being torn apart. I implore you to please pass this resolution for the Financial and Management audit of the Hawaii Centers for Independent Living.

Thank you for your time.

Sincerely,

Roxanne U. Bolden

**ART FRANK
1509 PIIKEA ST
HONOLULU, HI 96818-1842
April 18, 2008**

**TESTIMONY TO THE HOUSE COMMITTEE ON HUMAN SERVICES AND HOUSING AND THE
HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT.**

**SCR200 SD1 REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT AUDIT
OF THE HAWAII CENTER FOR INDEPENDENT LIVING**

My name is Art Frank and I am a deaf quadriplegic who has been an advocate for the disabled with emphasis on deafness since 1981. I strongly support SCR200 SD1 which Requests a Financial and Management of the Hawaii Center on Independent Living (HCIL). At a previous senate committee hearing former employees of HCIL reported instances of alleged fiscal improprieties, misappropriation of funds, and fraud between 2003 and 2006. Based on the allegations as stipulated in SD200 SD1 you have no choice but to request an audit of the HCIL to determine if funds were misappropriated and fraud committed against the taxpayers.

I am also concerned with the high staff turnover and exodus of board members within the past five years resulting in a lack of continuity of services as stated in SCR200 SD1. I am also concerned about the lack of quarterly and annual reports not submitted to the state as stipulated in the contracts. Furthermore if the state is responsible for managing the day to day operations and should be monitoring the grant and sub-grant supported activities to assure compliance with applicable federal requirements etc, I believe an audit is imperative because taxpayers and the state should know what's going on at the HCIL.

I would personally consider it a crime if an audit of the HCIL isn't done so the public and the state knows one way or the other how our taxes are being spent. I beg you to please pass SCR200 SD1.

Thank you vey much for the opportunity to testify.

Art Frank

NOTE: DUE TO MEDICAL REASONS I AM UNABLE TO ATTEND TODAY'S HEARING

April 17, 2008

Dear Committee on Human Services & Housing:

I strongly a financial and management audit of the Hawaii Centers for Independent Living (HCIL).

I began working for HCIL in 1999 as an Executive Secretary under the direction of Mark Obatake. In 2001 I was promoted to Human Resources Manager. In 2003, Mark Obatake retired and Patricia Lockwood was hired as his successor.

Ms. Lockwood rented a home from the realty office of Solid Foundation. Ms. Lockwood requested and it was allowed that HCIL make direct payment to Solid Foundation for her rent each pay period and she received the balance of her salary. Ms. Lockwood claims not to have received compensation for the first two years. That report is untrue. Ms. Lockwood moved out and left the home in shreds. Solid Foundation attempted to collect reimbursement for the extensive damages she had done to the home. Ms. Lockwood refused to pay for any of the damages stating she was disabled and therefore not responsible.

Ms. Lockwood wanted me to put Violeta Evans, Comptroller, on administrative leave. I told her that in my capacity I could not. At a Board Meeting which took place shortly thereafter, and together with select Board members namely Maureen Lichter and Betsy Whitney, my position title was changed from Human Resources Manager to Director of Operations. They then told me I now had the authority and that on the following Monday I was to put Violeta Evas on leave.

Shortly thereafter I was instructed to terminate Malvin Whitecliff, Elderly Blind Services Coordinator. It was a Executive decision but she made me perform the duty.

I began having difficulty with Ms. Lockwood for her lack of producing reports which I knew needed to be done for continuance of our various grant monies and or programs. i.e. Kristy Yamaguchi Foundation. I did go to the Board of Directors namely Bruce Clark. He did not want to assist me. I did find an ally in Danny Agsalog of Maui. Danny did try to assist. He was removed from the Board. I was told I could no longer attend Board meetings, which I had done since my first day of employment.

There were excessive legal fees. Ms. Lockwood changed attorneys claiming that the ones Mr. Obatake used were "tainted".

I attempted to report her personal use of a Dept of Transportation vehicle to the funding source. She then took away the monthly reporting responsibility from me.

In September of 2003 I went on maternity leave. I returned in January 2004. Upon my return I found that many of the personnel files which were kept under my responsibility were missing. The files that were still in the official personnel cabinet contained many violations of policy. I found that the person temporarily assigned to fulfill my obligations, Rhonda Yoshikawa, had given the Receptionist many paid days off for "good work" and these were approved by Ms. Lockwood.

Ms. Lockwood believed that someone climbed through the fiberglass ceiling tiles and into her office and stole files. When she found them, she would claim someone climbed back into her office and put them back.

I was terminated in May of 2004 by Maureen Lichter, Board member. The claim was that I was a violent employee. I was never in any way volatile or threatening. There was no evidence. There was no documentation. There was no basis except that which Ms. Lockwood may have made up but which I have never been told of or seen. Ms. Lockwood could not complete this task. She hired two security guards, about 6' tall and in excess of 300 lbs each to escort me from the building. I am 4'10" tall and weigh 110 pounds. I was offered a month's salary if I agreed to sign a paper which stated that I agree not to sue HCIL.

Since her employment staff and board attrition should be enough of a flag that something is amiss.

Please conduct a financial and management audit so that HCIL can be the organization it once was. Please conduct your audit so that all persons with disabilities can enjoy the services HCIL once provided. Please conduct your audit so that HCIL can regain the respect it once had in the disability community.

Sincerely,

/s/ *dee akasaki*

Dee Akasaki

Board members I can recall at the time of my departure:

Maureen Lichter, Finance Factors
Betsy Whitney, Big Island
Marcella Stroh, Big Island
Dr. Dennis Crowley, Rehab Hospital
Bruce Clark, Accessibility Planning and Consulting
Kirby Shaw, DCAB
Mark Yabui
Howard Lesser
Danny Aagsalog, Maui
The late Michael Nakamura
Dr. Richard Radtke, Professor, UH Manoa
Brian Kessler
Sterling Kryslar
Dr. Randy Roth, UH Manoa Resident Scholar
Danielle Conway- Jones, Professor of Law, UH Manoa
Susan Golden, West Hawaii (Kona)

I believe there were 21 members; I am unable to remember all names

March 24, 2008

Committee on Human Services & Housing
Attention: Rep. Maile S.L. Shimabukuro, Chair
Rep. Karl Rhoads, Vice Chair

Hearing Date: Friday, April 18, 2008 @1:00 p.m.

RE: SCR-200 Requesting the Auditor to Conduct a Financial & Management Audit of
the Hawaii Centers for Independent Living

Dear Chair Rep. Shimabukuro and Rep. Rhoads:

It has been since December 2005 that I was terminated from my position as Neighbor Island Program Coordinator. I have worked at HCIL for 17 $\frac{1}{2}$ years and found that the management of the organization has been the worst that I have experienced.

HCIL has had a 100% turnover of accountants since Ms. Patricia Lockwood took her position as executive director. Under her leadership, she has created havoc among the staff and the operations has had it share of problems. It took me years to build a reputable reputation on the Big Island and since I left she has destroyed that. The consumers are the ones that are suffering the most as they are without any services.


The reason I was terminated was because "differences in management styles", per Ms. Lockwood's words. I believe it was due to retaliation because I informed her that the concerns of the neighbor island staff were to be presented to the Board since she was not making any efforts to meet with us to resolve the issues.

HCIL is a very needed service in the State of Hawaii but it needs new leadership to take it to the next level. The mission of providing support services to people with disabilities so they will be able to live independently in the community is a cost effective concept. People with disabilities are people and deserve an equal opportunity as everyone else.

Please listen to the consumers on services that are not being provided is an indication that something is wrong. HCIL needs to be investigated for their financial and management of the programs.

Thank you for your consideration in this matter.

Sincerely



Laura L. Tobosa
794 D Kaumana Drive
Hilo, Hawaii 96720
Phone: (808) 961-0877 Business
(808) 936-2974 (Cell)
E-mail: laurahi2002@yahoo.com

SCR200 – Requesting the auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living

DATE: Friday, April 18, 2008

TIME: 1:00 PM

Dara Fukuhara
98-1951 A Kaahumanu Street
Aiea, Hawaii 96701

April 16, 2008

To the members of the House Committee on Human Services and Housing and Legislative Management:

I'm writing as a concerned citizen of the community in **SUPPORT** of SCR200 – Requesting the auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living.

The audit will help identify corrected action to reverse the loss of staff, funding and services – **NOT** close the Center. I want to emphasize the need for a State audit by providing you the following:

- There has never been a federal RSA (Rehabilitation Services Administration) financial audit. RSA conducts only federal program reviews. RSA is unsure of their next review of the Center. The last review of the Center was conducted on September 14 - 21, 2004. RSA does not have a response from the Center regarding the findings of the review on file, nor does the Department of Human Services, Division on Vocational Rehabilitation and SILC.

Federal program reviews are only about the RSA funding and are insufficient for monitoring the overall program. Oversight of the State's \$1,177,267 funding is not part of the federal review. RSA also does not review all of its independent living (IL) grantees every year, but a representative sample. Federal RSA offices must monitor 250-plus IL centers and they just closed regional offices; therefore, oversight is nearly non-existent.

- There has never been a state audit on the Center. The agency only submits periodic reports to the State and many of those reports are missing. In the 704, Part II report from the Center, there is erroneous information. Statistical information reported by the Center in the report is stated that the numbers can't be confirmed since there may have been a "glitch in their system." When a federal report contains such obvious omissions and incomplete reporting, one cannot but wonder about the validity of the other information presented.

- A state audit can determine whether or not the state investment of approximately \$1,177,267 is being spent appropriately. The Center's director has stated repeatedly that HCIL has lost monies and will seek additional monies from the Legislature to increase IL services. However, unless the state knows how the \$1,177,267 is already being spent, there can be no reason to justify additional monies from the legislature. Federal funds are not likely to increase, which will make the pressure on the state to augment funding in the future. If we are truly interested in increasing IL services, then we need justification beyond consumer demands.

With only ONE Center, the state essentially is faced with sole source procurement. Thus, we must ensure that our money is being appropriately spent and the disabled community is provided with a breadth of IL services.

In summation, I strongly support SCR200 and urge the members of this committee to do so as well.

Regards,

Dara Fukuhara

From: Kathy Hammes [mailto:kham337@gmail.com]
Sent: Wednesday, April 16, 2008 6:38 PM
To: HSHtestimony
Subject: SCR 200 SD1

Testimony In SUPPORT of SCR 200, SD1
Requesting Audit of HCIL

To: Committee on Human Services &
Housing

Rep. Maile Shimabukuro, Chair and Rep.
Karl Rhoads, Vice Chair

To: Committee On Legislative Management
Rep. Michael Magaoay, Chair and Rep.
James Tokioka, Vice Chair

FROM: Peggy Chamberlain,
(Private citizen and former HCIL
consumer.)

227 Haili, Apt E-2

Hilo, Hawaii 96720

808-934-7898

Hearing Date: Friday, April 18, 2008

Time: 1:00 p.m.

Place: Conference Room 309

Dear Chairs and Committee Members,

I am in strong support of this resolution calling for an audit of the Hawaii Centers for Independent Living (HCIL). I began receiving services from them in Hilo over three years ago. I received services for about two months when Sam Nagasawa quit.

I would strongly urge you do both a financial and administrative audit of HCIL because it seems they are doing nothing with the money. I'd support the administrative audit because my worker, Edel, when I lived in Puna came to my house several times and helped me find a place in Hilo and then was

told I had to sign off as her client because I was no longer a Puna resident. She brought the paperwork to me and I signed it under protest and so notated my signature.

Nothing happened after that, no one called me, no one responded at all.

Edel did mention to me once that she saw her work in the computer at HCIL with someone else's name on it. I testified to this fact over a year ago so there has been plenty of time for HCIL to fix this damage in the computer. Other than one pickup by Sam for the Charity Walk, no one else from HCIL, other than Edel, has ever been to my home in Puna.

When they stopped the meetings everything stopped. I need check registers in large size and prescription magnifying glass and I need help getting these. Edel or Sam helped before, now there is no help that I know of.

Before HCIL asked me to leave a new person was hired to fill Sam's position. I did not know that the group was meeting on its own. When I moved into town I called HCIL and gave them my new phone number as I had lost touch with the group. They hired a new group person, Charlene, and I heard about this through somebody else. I gave Charlene my address and phone number on two separate occasions and never received any information about group meetings. They later called and asked to speak to Mary (my legal name) and asked for Peggy and wanted to know my address. I asked them why they did not have it and later received the letters kicking me out.

A year after the first Charity Walk a friend that gave me \$100 called me up asking when she could sponsor me for the next walk. I had to tell her we are not able to do the Charity Walk any more.

Thank you for allowing me to give written testimony.

Sincerely,

Peggy Chamberlain

(this testimony was typed for Peggy who is multiply disabled.)

May 17, 2008

TO: The Committee on Human Services and Housing
The Committee on Legislative Management

REF: SCR 200 (Requesting the Auditor to Conduct a
Financial and Management Audit of the Hawaii Centers for
Independent Living

Aloha Kakou!

I want to thank the writers and supporters of SCR 200. It is about time that this resolution be approved and immediately implemented.

I obviously, wholeheartedly support SCR 200 for many great reasons.

My name is Keoni "John" Kealoha Devereaux, Jr. Formerly, I was the Executive Director of the Epilepsy Foundation of Hawaii and Chief Administrator of the Neuroscience Institute of the Pacific.

REASONS WHY I SUPPORT SCR 200

1. I had the opportunity to write and was awarded with Federal Grants. I am very familiar about the guidelines and parameter of Federal Grants. Grantees **MUST SERIOUSLY** comply with the parameters and guidelines imposed to ensure that proposed outcomes and objectives of such proposals are met or achieved. There must be clear evidence on what you

proposed (goals, process, target populations, time frame, and outcomes) are followed. Every agency requesting for federal funding through competitive grants MUST recognize that they were awarded based on what they proposed including the committed outcomes. The negative side is that many non-profit and qualified organizations applying for federal grants will be directly affected because it will send message to the Feds that this is what's happening in the State of Hawaii, this is how non-profit organizations are operating in Hawaii. The Positive Side of SCR 200 if approved and implemented is that, it will send message to the Feds that the state is serious about checking and monitoring accountabilities (finance, programs, and etc.), that the state has a system in place when a federally-funded organizations appears to be in trouble and suspected in not following regulations and parameters about grants. In fact, SCR 200 process should be included as one of the best practices modality to ensure that every organization are in compliance with the federal funding guidelines.

2. High staff and an exodus to board members is a serious symptom that something is wrong within the internal operation and system of the organization.

These symptoms are evidence that indicate severe operational problems and reflects bad leadership, bad human relations, inconsistent or the lack of it- implementation of required and acceptable policies and procedures. It's a serious indicator that the agency staff are demoralized for various reasons. Having read all the testimonies published, it validates that something is really, really wrong with the organization.

Negative experiences, I personally encountered with Patricia Lockwood validates that the leadership is very poor, that she is malicious, and extremely vindictive. Examples are: 1. Sending false accusations, malicious and attacking emails about individuals (I can use my self and example-Evidence attached) to Legislators such as Dr. Josh Green and Rep. Mizuno. I had my attorney send a Letter of Cease and Desists to Patricia Lockwood to protect myself.

2. Last year, the Neuroscience Institute of the Pacific was opened, I was the Chief Administrator at that time, decided to do an Informational Presentation to the Legislators with the assistance of Representative Mizuno. Our purpose is to simply share with the community that there is a new organization that will enhance the research community in Hawaii. Patricia Lockwood showed-up with her cohorts with the intention of creating chaos and disturbance during the presentation by interrupting all the presenters, screams and yells at them, made noises so other people cannot hear, called nasty names, uttered foul language and literally attacked everyone that supports the Neuroscience Institute of the Pacific. Ms Lockwood did this in front of a statewide television coverage of Channel 3. Fortunately, the announcer and the camera man “ignored” the chaos that Patricia Lockwood created instead focused on the presenters. I learned later that Ms Lockwood want to be part of the planning process of the Neuroscience Institute of the Pacific. So this is the Executive Director of Hawaii Center for Independent Living-Unprofessional, Malicious, unethical,

and poor use of government funds-using work time for personal gain and agenda.

3. Upon reading all the Testimonies, it is indeed overwhelming to note the dissatisfaction and dismay of many people from various segments in the community specially the disabled community.

4. I also propose that any one handling money of more than \$500,000.00 federal funds must undergo a 20 year background check

THE AUDIT MUST BE DONE AS SOON AS POSSIBLE.

Mahalo nui loa! I pray to God that the legislatures will be thinking about the many people affected and will make a fair decision favoring SCR 200

Malama pono!

Sincerely,

Keoni "John Devereaux, Jr. MS, PhD
jdeverea@hawaii.edu

From: bobby harris [mailto:bobbyjoe60@hotmail.com]
Sent: Thursday, April 10, 2008 8:17 PM
To: HShtestimony@capitol.hawaii.gov
Subject: testimony

TESTIMONY TO HOUSE COMMITTEE ON HUMAN SERVICES AND HOUSING
ON SCR 200, SD 1, HCIL AUDIT

ALOHA

My name is Bobby Harris .

I strongly support the Senate Concurrent Resolution # 200, Senate Draft # 1, asking for HCIL to be audited. I am writing to state my grievance, supporting the resolution about HCIL audit.

This person named Cheryl Misuzawa, who has been treating me unfairly. Ms. Francine Kenyon invited me to come to the ATRC Open House which was open to everyone in our community. Cheryl called Francine to ask her for something . She saw me standing behind Francine and told me nastily and rudely that I was not allowed at HCIL building and that I was not supposed to be there and told me to go home! I refused to leave because ATRC had an open house for all disabled and deaf persons . She has unprofessionally been trying to control the entire building herself!

Also, Cheryl also has been treating me with no respect at the Emergency Preparedness Conference which was held at the Japanese Cultural Plaza. One day I went there as part of the training in case of a real event during an emergency. She was gossiping about others and I did not intend to get involved in any incidents as they were talking during the conference. I was either annoyed or displaced about the way Cheryl has been putting on towards me. I presume that she has also been doing this bad gossip to other hearing impaired, and the deaf residents of Oahu also, not only me. I am concerned for the deaf community being bribed by her action and her way of deceiving other deaf persons with all the lies. This should not be allowed to be done like this.

We have the right to be treated fairly and be able to get professional help in a professional environment where the staff is best qualified for the work and help a deaf person and is not being deliberate and demanding and in control of others . Along with Pat, both she and Cheryl are unprofessional and unskilled employees of HCIL and the board has no idea what they are doing, illegally as mentioned here.

I myself am not pleased with the services she gave us, and offered. I support the SCR200 for an audit to check the premises for the financial expenses in the agency,

Also I would like to know why Cheryl was hired as program director. I believe that she did not complete her studies at Gallaudet University for the deaf in Washington DC. She

claimed to have them but she does not have the type of degree and certification to prove it. It has been heard that she did not complete her courses for some reason, so I therefore do not trust her in the office and now that she is acting director as I heard. This is going to make the agency even the worst! The deaf people do not realize that HCIL is opened to all of us, not only to deaf people. I strongly believe 100 % that she is going to plan to be even more in revenge as she is seeking to do that. To get away she has covered up a lot of her lies and her deceit with our community. I ask that there is some course of action to be sought out on this matter, and that we must solve this before it will get worse at HCIL! I hope that we can be at peace once again in the future. I hope that you can do something to take action, and to take these matters seriously as possible .

Please be sure to pass the resolution to have HCIL audited so we could be able to resume to our normal way of life once again and that Pat and Cheryl should be removed from this office and be restricted from obtaining this job in the future .

Thank you for your help to us and I urge you to pass this resolution!

Sincerely yours

Bobby J. Harris , Jr

From: tokioka2-Chanel
Sent: Thursday, April 17, 2008 11:16 AM
To: HSHtestimony
Subject: FW: SCR200, SD 1

From: bobby harris [mailto:bobbyjoe60@hotmail.com]
Sent: Tuesday, April 15, 2008 11:55 PM
To: LMGtestimony
Subject: SCR200, SD 1

From: bobbyjoe60@hotmail.com
To: LMGtestimony@capitol.hawaii.gov
Subject: testimony
Date: Mon, 14 Apr 2008 22:10:50 -1000

TO: Members of House Committee on Legislative Management

FROM: Bobby Harris

SUBJECT: SCR 200, SD 1

Aloha, my name is Bobby Harris. I am hard of hearing and a local resident of Oahu.

I strongly support Senate Concurrent Resolution No. 200, Senate Draft No. 1, because I strongly recommended that the HCIL be audited to make sure that the money is being spent accurately on the services and programs for deaf, hard-of-hearing, and the late deafened and people with disabilities! I do not understand why some deaf, hard-of-hearing, and the late deafened people did not receive the services at all at HCIL. What is HCIL doing? What responsibilities do HCIL have for us?? Does HCIL have the favoritism to choose their own people, not discriminating anyone from being hired?

It isn't appropriate for someone not to get or obtain service requested by the individual who may come into the agency seeking a intake or counselor to help with housing, financial, ssa. Food stamps, welfare.etc Many deaf cannot understand words. Also, I thought HCIL is only for people with disabilities, not for deaf people, but they do provide the services. Yet, I don't understand why deaf people are turned away by HCIL. What was the reason why HCIL turn them away and close the cases without filling the requests with FULL SATISFACTION??

I am curious why Cheryl and Pat fly to the mainland so often and never reported back to the staff to tell them what they have learned from the conference. I understand one former employee told me that HCIL never gave the staff the training how to handle the case management. I want you to investigate on their

spending because \$1,200,000 from the federal grant and state grants is alot. Wow, this is a lot of money but where did they go??

Is taping of person entering the office legal? Is spying on deaf clients with the hidden camera and assuming that the deaf clients talking with each other and having the staff and the volunteer watching the video tape legal? It sounds like abusing deaf clients' rights and threatening them not to come back to HCIL. I feel that the HCIL executive director and the independent living program director are abusing their work times because Cheryl was not often at the office most of the time. When I went to HCIL, I rarely saw Cheryl at the workplace and thought she was out on the errand but she flew to another island or to the mainland. I feel that HCIL may have abused with the power, money, and authority. I don't feel comfortable with the volunteers who handle files and look into the files illegally. The files should be kept confidential! The volunteers don't do the office work for the staff unless instructed appropriately by the supervisor.

I feel that some staff is not certified or intensively trained to work with deaf or hard of hearing. I wondered why Pat hired someone who does not have Bachelor's degree or master's degree. I cannot imagine someone without the Bachelor's degree is the program director and she was never been in the office. She claimed that she has Bachelor's and Master's degree but I cannot imagine having her hired without the Bachelor's degree. She misses work too much and is abusing her work there. I wonder...

Also, the director abused by threatening us verbally and unprofessionally. I did not believe that the executive director has a disability as she claimed she has because I saw her getting out of her electric scooter and running fast to get something. I was stunned and said that it is not possible for her to get out of the scooter and to run out fast because I know some of my friends couldn't get out of the scooter and run fast. I believe she is making her own false statements of her disability.

My friend invited me to go along with her to Assistive Technology Resource Center (ATRC) Open House one day. I stood behind my friend waiting for Cheryl to stay to her. Cheryl was very rude to me, asking me what I was doing here at ATRC and telling me to go home! My friend was stunned at her behavior toward me. She made me disgusted and angry. It was not appropriate for her to act harshly and rudely toward me. Why?

I think it may be illegal for those two employees for abusing the rights of people seeking help at HCIL by taping and spying on them coming in the office and making threats against them. I think HCIL violates for using the video to spy on anyone coming to the office and also for sending out someone – a deaf person- to spy on other deaf people in the community. Wonder why there are more deaf staff in the agency when we need hearing staff who would help serve the people with disabilities. This agency should help the disabled in the community and not only for deaf people. I do not understand why the HCIL Board of Directors made the poor decisions by hiring such people without college degree to work there as the director. The board of directors sounds weak in its power to hire the executive director in the first place.

I think it is time to have a separate agency - one agency for the deaf like the closed Hawaii Services on Deafness and one for disabled like HCIL because it tends to confuse things and causes discriminatory practices. I would like to see that the deaf service agency similar to deaf centers on the mainland, assisting those who request for help in getting hearing aids, hearing test, housing, SSA, food stamp applications, HUD, etc.

Last year, this committee DEFERRED SCR 81! I was shocked and disbelieving. In fact, Cheryl had gathered deaf people to opposing to SCR 81. I suspected that she bribed them to signing the testimonies in opposition to SCR 81. I think it was NOT FAIR to those deaf and hard of hearing people or friends whose cases were closed because of their supporting in SCR 81. So PLEASE DO NOT LET SCR 200 DIE like it did happen to SCR 81 last year.

I strongly urge you to passing the SCR 200, SD 1 and to having HCIL audited NOW!

Thank you for letting me speak up for those deaf people here in Hawaii.

Sincerely Yours
Bobby Harris

April 16, 2008

SCR200 SD1– Requesting the Auditor to Conduct a Financial and Management Audit of the Hawaii Centers for Independent Living (HCIL)

I am not sure if you are familiar with Senate Concurrent Resolution (SCR200 SD1) requesting the State Auditor to conduct a financial and management audit of the Hawaii Centers for Independent Living (HCIL). HCIL receives State and Federal funding and there are allegations of misappropriations of funds . In addition, there was testimony of former employees who were denied their human rights as well as their civil rights. The employees were required to speak with investigators numerous times and not advised of their right to council. There is a hostile work environment which has created stress related health issues. Employees were not aloud to talk with Board members about any irregularities they were concerned about, with the threat that they would be terminated immediately. All complaints had to go to the Executive Director and the information the employees were trying to alert the Board to were about the instability of the Director. Staff from the other islands were flown to Oahu were fired in front of the entire staff. The fear of being publicly humiliated at the discretion of the Executive Director or forced to resign created a fearful and stressful work environment. .Hawaii is a small town when you are in the job of helping people with disabilities. In the past there has always been a mutual working relationship with all of the disability providers. One of cooperation and respect to help persons with a disability to live independently in their community. I am sad to say there are few, if any, disability related organizations that will refer people to HCIL because of the agencies in ability to follow through. Years of grants, fundraising have been dissolved. Please give your support of SCR 200 SD-1 to the audit of HCIL. Last year the SCR 81 was the same bill and after having days of testimony it was left at the last committee meeting with no one there to hear it. This year with the information of several past employees was brought to the attention of the Senate through testimony. Also the Department of Vocational Rehabilitation testified that HCIL was out to compliance with their funding contracts by failing to deliver 13 reports over the past five years. Please do not let another year go by without acting on this issue because people across the State are depending on you . Sandra Meehan

Lymari Graciano

Testimony in regards to SCR 200 Request for Financial
and Management Audit of HCIL

April 17.20008

1. Pat Lockwood issued Christmas bonuses with the approval of the board of directors. Christmas Bonuses are not allowed in government grants. Therefore, they are not given a budgetary line item. This will be recorded in the board of directors November 2005 monthly meeting CD and in the Ceridian Payroll records for December of 2005.

2. Unspent funds - Grant funds that remain unspent at the end of the grant period are to be refunded to the grantor. The state grants were not completely spent yet quarterly expenditure reports saying that they were spent completely to the penny were sent to Guy Tagamori. I refused to sign these bogus reports. Pat Lockwood's signature is found where the financial director should have signed. Federal funds were also drawdown monthly by Pat Lockwood. The amounts drawdown should equally represent money spent yet Pat Lockwood instead drewdown arbitrary numbers not representing actual expenditures as required. Drawdowns done with Pat Lockwood's password were done by her alone. She is the only one with access to her password. I have my own password and can verify the accuracy of those drawdowns done with my password.

3. Travel Expenses - Pat Lockwood routinely scheduled travel that she never went on yet still received her per diem monies. Monthly trips to our outer island offices were scheduled and paid for yet never attended between July 05 and November 05 and January 05 through February 05. The Business Leadership Network Conference in Philadelphia on October 30th 2005 was also scheduled and paid for yet never attended by Pat Lockwood. Will Koki attended this meeting alone. Pat Lockwood said she felt sick just after she arrived in California. She stayed with her daughter for 2 weeks. She never reimbursed HCIL for her travel expenses.

4. Car Expenses - The company van was used for personal reasons by Pat Lockwood. Although originally purchased on an old city and county grant to serve consumers, after Max Balbuena left the Oahu van was never used for consumers. Gasoline, Insurance and Repairs were charged

to the 50/25/25 government grants. There is no automobile budget in those grants. Any auto expenses on those grants are in violation.

Other employees that were approved by Pat Lockwood to use the van for personal reasons were «GreetingLine», Cecelia Manettas and Takea.

During my time at HCIL I never witnessed a consumer being helped by use of the van. Other company vehicles in Kauai and Hilo were also never used for consumers. The outer island vans were not used by anyone but have sat in parking lots unused.

5. High office turnover due directly to Pat Lockwood. Many employees were fired for complaining about Pat Lockwood to the Board of Directors. Others were forced to resign due to threats from Pat Lockwood. This list includes but is not limited to the following people (please forgive misspellings):

Will Koki, Roxanne Harris, Hiroko Koberi, Lessie Cooper, Laura Tabosa, Sam Nagasawa, Charlene Chaves, Humberto in Kauai, Henry in Kona, Merle Norman, Cecelia Manettas, Lymari Graciano, Terry Jasper, Rhonda Yoshikawa, Nadine Santiago, Max Balbuena, Dee Okasaki, Sharon Macabugao, Gordon in Kauai, Ken Mailo, Christina Kealoha, Craig the accounting clerk, Patrick Ho in accounting, Terry Conlan, and Rodney Priest.

6. My last paycheck shows a larger year to date income amount than my W2. Accuracy of the W2 amount is the responsibility of Pat Lockwood. Misrepresenting income amounts on federal tax forms is illegal.