

House District 13

Senate District 07

**THE TWENTY-SEVENTH LEGISLATURE
APPLICATION FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No:

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):

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual: ALU LIKE, Inc.

Dba: ALU LIKE, Inc.

Street Address: 458 Keawe Street, Honolulu, Hawai'i 96813

Mailing Address: 458 Keawe Street, Honolulu, Hawai'i 96813

Please note: Both addresses change to 2669 Mapunapuna Place, Honolulu, Hawaii 96819 on April 1, 2014.

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MERVINA K. M. CASH-KAEO

Title President and CEO

Phone # 808-535-6705

Fax # 808-541-1344


e-mail mecashk@alulike.org


3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

KULANA 'OIWI – MOLOKA'I

4. FEDERAL TAX ID #: 

5. STATE TAX ID #: 

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$278,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

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

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

STATE \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 11,500

 MERVINA K. M. CASH-KAEO, PRESIDENT AND CEO
NAME & TITLE

1/30/14
DATE SIGNED

Application for Grants and Subsidies

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

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

Since its incorporation as a 501(c)(3) in 1975, ALU LIKE, Inc. has provided direct assistance more than 800,000 times to individuals who were committed to achieving their potential for themselves, their families and communities. Today, ALU LIKE, Inc. has a comprehensive range of services including early education, employment and training, career and technical education, high risk reduction, elderly, financial literacy and library services. A volunteer Board of Director's with representation from all counties govern ALU LIKE, Inc. and sets organizational policies to fulfill their fiduciary duty. A staff of 89 provides statewide services through our offices on the islands of O`ahu, Kaua`i, Maui, Moloka`i and Hawai`i Island.

2. The goals and objectives related to the request;

Changes in the nation's economy have required ALU LIKE to explore strategies to increase the resources available for participant services. Our first goal was to increase our use of technology to improve efficiencies making it possible to dedicate more time to direct client services and less time on administrative tasks. To do this we formulated and implemented the following objectives: a) a statewide "real time" database of client services to eliminate the need to mail client data between offices; b) elimination of duplicate files, i.e., one in the central office and one in the local office), elimination of paper files (if approved by the grantor) and c) more important, the integration of our approval process into our database to decrease the delay for service approvals between the central and satellite offices.

The second goal was the reduction of expenses. We formulated and implemented the first objective to reduce expenses on items such as supplies, subscriptions and staff travel. This involved ALU LIKE, Inc. categorizing expenses as a need (something we absolutely need to provide services) and wants (convenience). We then weighed the expenses in the want category against their contribution to service efficiency. If the elimination of the want expense would lead to a significant decrease in efficiency we did not eliminate the expense.

In addition, we reduced staffing to address implemented and anticipated shortfalls in our Federal, State, County and private funding. When we reached the point that a further reduction in staff would result in a negative impact on our ability to serve our clients, we began the process of reducing our next area of substantial expense - facilities.

To do this, ALU LIKE actively looked for cheaper and smaller office space as our long term leases expired. Currently we are moving our Honolulu, Maui and Kauai Offices to smaller and cheaper offices. Although the move has had a positive effect on our expenses, we realized that it also had a negatively impact on our clients who will not only have to find our new offices, but also figure out how to get there, i.e., bus routes, gas costs, travel time, etc...

As such, ALU LIKE, Inc.'s Board of Directors approved the implementation of a long term capital campaign to purchase our offices on five islands to provide site stability for both ALU LIKE and the individuals and families we serve. We called our capital campaign a long-term campaign because purchase would only occur when a favorable opportunity to purchase arises. The Moloka'i office presented the first favorable opportunity for purchase.

ALU LIKE, Inc. has occupied its current space at the Kulana `Oiwi Complex on Hawaiian Homelands since 1997. ALU LIKE was unable to pay the estimated \$770,754.69 in construction costs to purchase our space so the other owners paid for the construction and rented the facilities back to ALU LIKE to recoup their costs. When the economy took a downward trend and grants amounts were drastically reduced, the owners of the facility graciously subsidized our expenses over the last two years but cannot continue to do so indefinitely.

On November 27, 2013, ALU LIKE received an offer from the Association of Owners of Kulana `Oiwi to purchase our 2,043 square foot office for \$270,000.00 subject to tax. The purchase of our Moloka'i office space makes economic sense for the following reasons:

- a) Due to the high cost of electricity, food, materials and supplies, our Moloka'i office is one of the most expensive offices to operate: \$102,544 Annually (Rent \$39,600; Avg. Electricity: \$31,740; Avg. CAM: \$31,204);
- b) Purchase of our office would reduce our annual facilities expenses by \$39,600.00;
- c) Purchase of our facility would open the door to other grants to help us further reduce our expenses, i.e., solar;
- d) Purchase of our facility and the resulting reduction in cost would lower the staff to facility cost to service population ratio which has been raised by our grantors; and
- e) More important, the elimination of rent would make more funds available for direct client services.

3. The public purpose and need to be served;

According to the 2010 US Census, there are currently 7,345 residents on the Island of Moloka`i. The Hawaii State Department of Labor in their 2013 report listed the civilian unemployment labor rate at 14%. This is not a positive socio-economic statistics making the need for social services crucial to help residents connect with available resources and services.

In the last year, ALU LIKE has provided services to 1,709 of Moloka`i's population. The service numbers and areas of service are as follows:

a) Information and Referral:	145
b) Native Hawaiian Summer School Assistance Program:	26
c) Na Hana Lima Scholarships:	2
d) Teacher Board Certification Scholarships:	1
e) High Risk Reduction Services	238
f) Native Hawaiian Library Services	1,026
g) Employment and Training – Adult	39
h) Employment and Training – Youth	100
i) <u>Kupuna Services</u>	<u>132</u>
 Total Served	 1,709

Currently, due to the high cost of our Moloka`i Office, only three of the services listed have staff located on the island of Moloka`i (Employment and Training, Kupuna Services and the Native Hawaiian Library). For these programs, it is a constant struggle to justify the placement of staff on the island due to the high cost for facilities, utilities and supplies and the small island population. A recent cost and service population analysis by our employment and training program officer resulted in a decrease in our service staff from three full-time equivalent positions to one. The other service groups provide their services through the telephone or over the internet which creates delays in service when documents need to be mailed to Honolulu. The purchase of the office and the subsequent elimination of rental cost would not only help all of our programs who service the Island of Moloka`i to improve their cost to service population ratio but would also free up resources to support more direct services on Moloka`i. In addition, it makes it more economically feasible to locate staff from the other program services on island.

4. Describe the target population to be served; and

The current target population are residents on the Island of Moloka`i. We currently provide employment and training and Kupuna services targeted for Native Hawaiians. In partnership with HACBED, we also provide free tax preparation services for all eligible residents of Moloka`i (eligibility is based on the type of filing not income). The purchase of the Moloka`i Office would not only make more funds available for employment and training and Kupuna participant services, but would also make it fiscally

possible for our Native Hawaiian Library to respond to the Moloka'i's communities request that we relocate our library from the Ho'olehua Homestead to the Moloka'i Office Site to facilitate island wide access. Our Native Hawaiian Library is open to the general public.

5. Describe the geographic coverage.

The geographic coverage of the Moloka'i Office is the entire Island of Moloka'i.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;

ALU LIKE, Inc. intends to purchase our existing office space from the Association of Owners of Kulana `Oiwī. Since it is an existing space, there are no construction or improvement costs associated with this request. Thus, the majority of the scope of work involves the identification and application to possible sources of funding to procure the purchase price for our Moloka'i Office.

- a) Overall management of the project: Mervina Cash-Kaeo, President and CEO
- b) Identification of possible grants for purchase: Mervina Cash-Kaeo, President and CEO and all Members of the Board of Directors
- c) Submission of applications for funding: Mervina Cash-Kaeo, President and CEO and Wayne King, Controller
- d) Property appraisal: Association of Owners of Kulana `Oiwī (completed)
- e) Closing and Recordation: Subcontract – vendor TBD.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

2013	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
ALU LIKE Board of Directors approve a long term, statewide capital campaign	x----->										
Begin identifying possible office space for purchase on all islands		x----->									

Identification of possible grants		x----->										
Meeting with Kulana `Oiwi owners to discuss the possibility of purchase of Molokai Office					x							
Meeting with the USDA Representative for Public Service Grants									x			
Association of Owners of Kulana `Oiwi offers Moloka`i office for purchase											x	

2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Submission of CIP	x----->											
Submission to Atherton							x----->					
Inquiry to Weinberg									x----->			
Submission to USDA								x----->				
Recordation of purchase											x	
Completion of purchase												x

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

The President and CEO of ALU LIKE will be responsible for securing funding for purchase and completing all the necessary documentation to complete purchase. The ALU LIKE Board of Directors will monitor progress of the facilities purchase. The Program Directors for each of the service areas are responsible for reallocating their rent funds for direct service activities.

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

The following will be used to measure effectiveness of this project:

- a) The amount of resources that are reallocated from rent to direct program services;
- b) The number of new programs that are able to relocate to the Kulana `Oiwi facility due to the decrease in facilities cost;

- c) The increase in participant service numbers.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$278,000.00	\$0	\$0	\$0	\$278,00

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.

For the purchase of the Moloka'i Office, ALU LIKE has committed \$5,000 of unrestricted funds. We are planning to apply for funding from the Atherton Foundation, the Weinberg Foundation and the USDA Public Service Grants. There is no guarantee that we will receive funding from any of these grantors.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Cost
\$283,000.00	\$0	\$6,500	\$	\$289,500

4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

ALU LIKE, Inc. has not received or applied for any state or federal tax credits for this capital project.

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013.

ALU LIKE, Inc.'s unrestricted cash balance as of December 31, 2013 is \$366,931.62. It is important to note that our unrestricted cash is used to pay grant related expenses until we are reimbursed from the grantors. The reimbursement time varies. At one point we had one grant that took 18 months to reimburse more than \$100,000 in expenses. Thus, it is crucial that we maintain an unrestricted balance of no less than \$35,000.00.

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

ALU LIKE has a proven record of securing grant funds. Over its 38 year history, ALU LIKE has competed for and managed more than \$360,689,128 in Federal, State and County grants and private donations.

ALU LIKE also has a record of facility ownership. We currently own an office in Mahana on the Island of Moloka'i. The Mahana office project required us to move an existing building (which was donated to ALU LIKE) to the Mahana site and conduct rehabilitation work to bring the structure up to code and suitable for our office needs. This office is solely used for our Youth High Risk Reduction Program which, in addition to the work done in the local schools, conducts live-in weekend retreats.

Like the Kulana `Oiwī Office space, our Mahana office building is located on Hawaiian Homelands. Thus, ALU LIKE has experience with negotiating a lease with Hawaiian Homelands.

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

ALU LIKE, Inc. has eleven (11) offices on the islands of O`ahu (Kakaako and Nanakuli), Kaua`i, Maui (Kahului and Hana), Moloka`i (Kaunakakai, Ho`olehua and Mahana) and Hawai`i Island (Hilo, Miloli`i and Kailua Kona). ALU LIKE currently pays rents for eight of its eleven facilities. Organizations provided us with rent free space for our Native Hawaiian Libraries in Miloli`i and Ho`olehua and we own the office space in Mahana. ALU LIKE now has the opportunity to purchase the office it currently occupies in Kaunakakai on the island of Moloka`i.

The Moloka`i Office is part of a complex named Kulana `Oiwī. Owners of the complex include Kamehameha Schools, the Department of Hawaiian Homelands (land), the Office of Hawaiian Affairs, Queen Lili`uokalani Children`s Center and Na Pu`uwai. The address of and tax map key of the facility is as follows:

Address: Maunaloa Highway, Kalamaula Building D, Kaunakakai, Hawai'i 96748

ALU LIKE's office space is located in rooms D-114 to D-119 and the D-119 nook. These rooms have a total usable area of approximately 2,043 square feet and include the availability of 86 on-site parking stalls for staff and clients.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

The President and CEO and Members of the Board of Directors are assigned to this project. Duties include the negotiation of the sales price, securing funding for purchase, negotiations of lease amendment with the Department of Hawaiian Homelands and recordation of purchase. ALU LIKE will be hiring an attorney to complete the recordation process once funds for purchase are secured.

The President and CEO, Mervina Cash-Kaeo, had worked in the non-profit field for 25 years. During this period she has written numerous grants and funding requests for both program and capital projects. During her tenure with the Legal Aid Society of Hawai'i (LASH) as its Deputy Director, she was responsible for the capital campaign that resulted in the purchase of LASH's Honolulu Office located on Bethel Street.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.

(see Attachment)

C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position:

President and CEO	\$120,000
Director of Program Services	\$77,035
Director of Program Services	\$75,533

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

ALU LIKE, Inc. has no pending litigation.

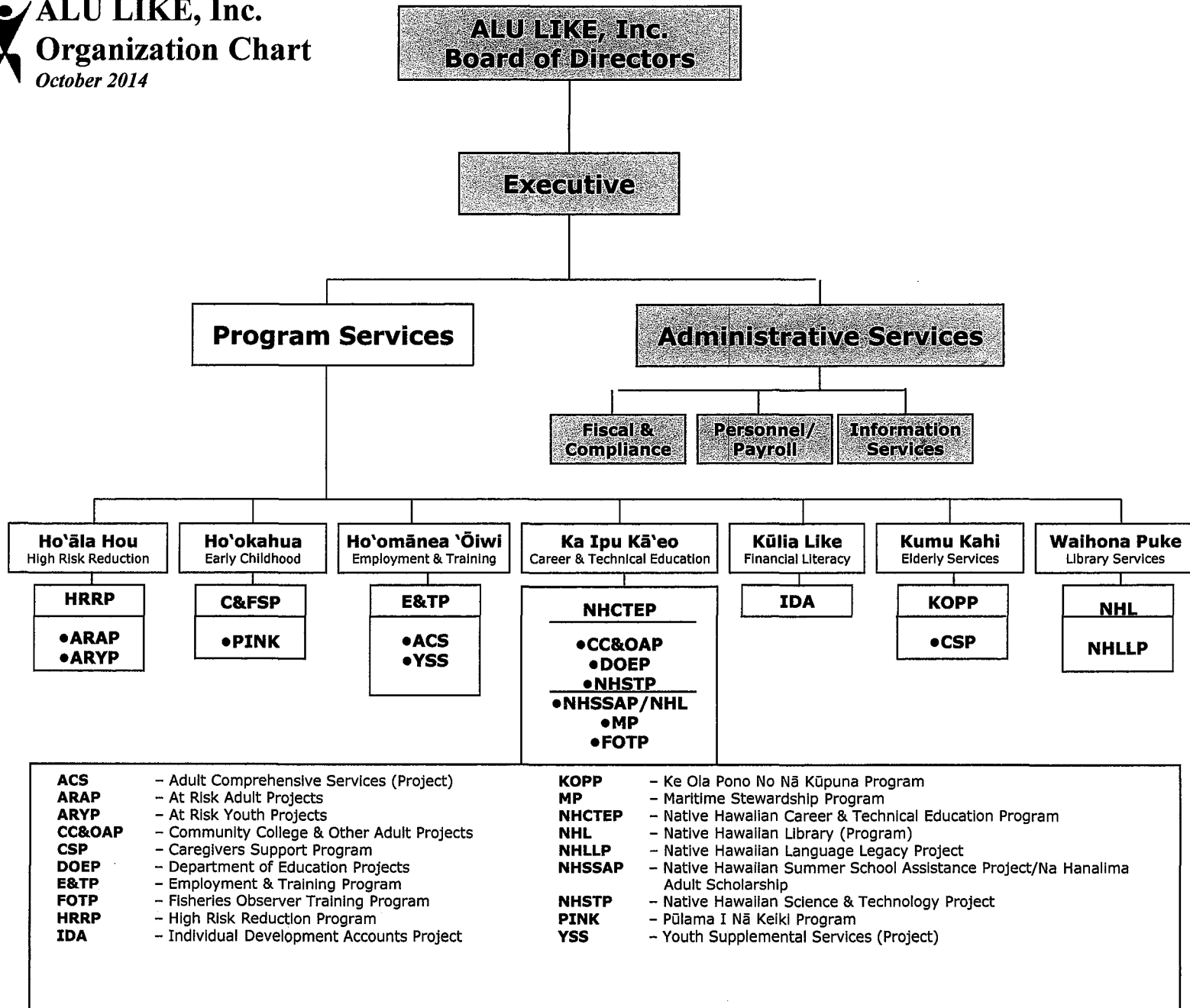
B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

ALU LIKE, Inc. has no special qualification, licensure or accreditation that is relevant to this issue.



ALU LIKE, Inc.
Organization Chart
October 2014



BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: ALU LIKE, Inc. _____

BUDGET CATEGORIES	Total State Funds Requested	Other		
	(a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	0			
2. Payroll Taxes & Assessments	0			
3. Fringe Benefits	0			
TOTAL PERSONNEL COST	0			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	0			
2. Insurance	0			
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	0			
5. Staff Training	0			
6. Supplies	0			
7. Telecommunication	0			
8. Utilities	0			
9. Fees and Taxes	8,000	5,500		
10. Legal Fees		6,000		
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	8,000	11,500		
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	270,000			
TOTAL (A+B+C+D+E)	289,500	11,500		
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	278,000	Mervina K. M. Cash-Kaeo	808-535-6705	
(b) Private	11,	[REDACTED]		
(c)				
(d)				
TOTAL BUDGET	289,500	Signature of Authorized Official _____ Date _____		
		President and CEO _____ Name and Title (Please type or print)		

**BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES**

Applicant: ALU LIKE, Inc.

Period: July 1, 2014 to June 30, 2015

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS: N/A				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: ALU LIKE, Inc.

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

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

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: ALU LIKE, Inc.

Period: July 1, 2014 to June 30, 2015

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS	0	0	0		0	0
LAND ACQUISITION	0	0	0		0	0
DESIGN	0	0	0		0	0
CONSTRUCTION	0	0	0		0	0
EQUIPMENT	0	0	0		0	0
Purchase TOTAL:	0	0	278,000	11,500	0	0
JUSTIFICATION/COMMENTS: The Office was built in 1997. The Association of Owners of Kulana `Oiwī offered ALU LIKE, Inc. the option to purchase this existing space.						

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

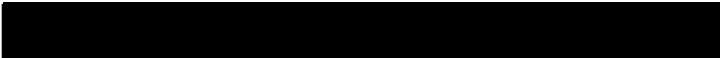
The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) 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;
 - b) Complies 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;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows 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 ensuring the proper expenditure of the grant or subsidy.
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) 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.
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants or subsidies used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

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

ALU LIKE, Inc.
(Typed Name of Individual or Organization)


(Signature)

1/30/14
(Date)

Mervina K. M. Cash-Kaeo
(Typed Name)

President and CEO
(Title)