

House District 20

Senate District 10

**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: Hawaii Symphony Orchestra

Db:

Street Address: 3610 Waiialae Ave., Honolulu, HI

Mailing Address: 3610 Waiialae Ave., Honolulu, HI 96816

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JONATHAN PARRISH

Title Executive Director

Phone # 808-380-7722

Fax # n/a

e-mail jparrish@hawaiisymphonyorchestra.org

3. TYPE OF BUSINESS ENTITY:

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

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

OPERATING GRANT TO ENABLE THE HAWAII SYMPHONY ORCHESTRA TO (1) RE-ESTABLISH SERVICE ON NEIGHBOR ISLANDS, PROVIDING SYMPHONIC MUSIC TO GENERAL AUDIENCES AS WELL AS EDUCATIONAL PROGRAMS AND COMMUNITY PERFORMANCES WHICH WOULD OTHERWISE NOT BE POSSIBLE WITHOUT THE GRANT, AND (2) TO ENCOURAGE PRIVATE SUPPORT THAT WILL SUSTAIN ONGOING STATEWIDE INITIATIVES.

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 500,000

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 \$ 150,000

JONATHAN PARRISH, EXECUTIVE DIRECTOR
NAME & TITLE

Jan 31, 2014
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;

The Hawaii Symphony Orchestra (hereinafter "HSO"), a Hawaii nonprofit corporation, is the successor to the Honolulu Symphony Society, founded in 1902, that ceased operations and filed for bankruptcy in 2009 and was liquidated in 2010. The HSO was founded by a group of community leaders in 2011 and, using the same professional musicians, has presented 33 classical and 9 pops concerts attended by more than 50,000 people on Oahu since March 2012.

2. The goals and objectives related to the request;

Having re-established Hawaii's only professional symphony orchestra on Oahu, the HSO desires to expand symphonic concert programs and educational outreach to the neighbor islands.

3. The public purpose and need to be served;

- a) It presents symphonic concerts that inspire audiences and satisfy their souls.
- b) It brings to Hawaii nationally and internationally known guest artists.
- c) It is part of Hawaii's cultural landscape that enhances the quality of life and attracts businesses, their employees, and others to live and work in Hawaii.
- d) It attracts visitors to Hawaii and enhances the visitor experience.
- e) It employs highly-trained professional musicians, who not only provide private instruction to students in grades K-12, but also at virtually all local colleges and universities, as well as for adults pursuing music studies, and who otherwise would not be in residence in Hawaii.
- f) Its musicians, as part of the HSO Outreach Program, visit schools to perform for and educate students about music and music instruments.
- g) It also employs a professional staff, stagehands, and security personnel.
- h) Its musicians are essential to the continued success of the ballet, opera, and chamber music organizations in Hawaii.
- i) Its musicians provide music for weddings and religious services year round.

4. Describe the target population to be served.

- (a) neighbor island residents and visitors.
- (b) neighbor island school students, especially those in music programs.

5. Describe the geographic coverage.

Maui, Kauai and Hawaii counties.

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;

The requested grant funds would provide the resources to expand the Orchestra's activities to include performances and outreach on the neighbor islands during the 2014-15 season. Primary concert venues would be Maui Arts and Cultural Center, Kahilu Theatre, UH Hilo Performing Arts Center, and Kauai Community College Performing Arts Center.

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

The requested grant funds would be expended in the fall of 2014 and the spring of 2015.

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 expansion of the Hawaii Symphony Orchestra season will help the organization attract and retain the best professional musicians and guest artists, and to present the same high quality performances on neighbor islands that residents of Oahu already enjoy. Concert attendance, contributions, and audience feedback will provide an indication of the success of the programs.

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 effectiveness of this effort will be readily apparent through ticket sales and subsequent donations, though it is expected that building an audience and adequate statewide support will be a multi-year project. The HSO will also survey neighbor island audiences to evaluate the success of the programming and determine future offerings.

Number of people attending each ticketed concert:
 Maui 2000-2400 (capacity 1200 per event)
 Hawaii 800-1000 (capacity 500 per event)
 Kauai 800-1000 (capacity 500 per event)

Number of students served
 Maui 1000
 Hawaii 600
 Kauai 600

Percentage of positive audience experiences reported
 All counties 90%

Revenue support measures – Ticket Sales
 Maui \$80,000
 Hawaii \$40,000
 Kauai \$40,000

Revenue support measures – Donations and Sponsorship
 Maui \$30,000
 Hawaii \$15,000
 Kauai \$15,000

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
	\$150,000	\$150,000	\$200,000	\$500,000

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

Revenue from Ticket Sales	\$1,200,000
Contributions from Individuals	\$1,250,000
Corporate Sponsorships	\$300,000
Foundation Support	\$400,000
TOTAL	\$3,150,000

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.

The Orchestra has neither requested nor received federal or state tax credits and does not expect to apply for any tax credits.

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

\$318,186

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.

The Hawaii Symphony Orchestra is successor to the Honolulu Symphony Society, which operated for more than 100 years and regularly served the neighbor islands at its height of activity.

The Executive Director of the HSO was a musician in the Orchestra from 1998-2013 and previously managed Chamber Music Hawaii and its highly successful statewide programs from 2003-2013. In 2013 five staff were hired, including a General Manager and Directors of Marketing, Development, and Finance.

The Hawaii Symphony Orchestra has produced two seasons of concerts on Oahu since inception in 2012, which have been well attended and highly praised by audiences, guest artists, and conductors.

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.

The Orchestra's principal venue is the Blaisdell Concert Hall, owned and operated by the City & County of Honolulu, which meets ADA requirements. The Orchestra's plans for the 2014-15 season include community concerts to be presented in school or college/university auditoriums and parks on Oahu and at community, school, or university venues on neighbor islands.

V. Personnel: Project Organization and Staffing

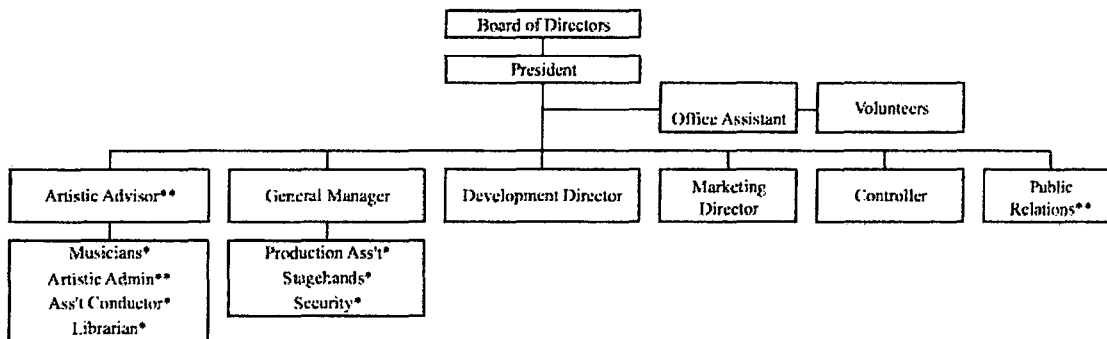
A. Proposed Staffing, Staff Qualifications, Supervision and Training

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 Orchestra’s administrative staff will consist of a chief executive (Executive Director), General Manager (20+ years experience in orchestra operations/touring), a controller (CPA with 30+ years experience), a development director (an attorney, and experienced non-profit executive and fundraiser), a marketing director (formerly with Dallas Symphony), and an office assistant. Artistic personnel includes an Artistic Director (part-time contract basis), Artistic Administrator (contractor), Orchestra Personnel Manager (part-time seasonal), and 84 musicians.

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.



* seasonal positions
 ** seasonal contract positions

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.

Executive Director	\$100,000
Director of Finance	\$70,000
Director of Development	\$70,000

VI. Other

A. Litigation

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

None.

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.

No licensure or accreditation is relevant.

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

App Hawaii Symphony Orchestra

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	273,500	1,561,700		
2. Payroll Taxes & Assessments	32,310	184,050		
3. Fringe Benefits	49,190	278,750		
TOTAL PERSONNEL COST	355,000	2,024,500		
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	65,000	0		
2. Insurance	0	95,000		
3. Lease/Rental of Equipment	0	25,000		
4. Lease/Rental of Space	0	40,000		
5. Staff Training	0	7,000		
6. Supplies	0	12,000		
7. Telecommunication	0	11,000		
8. Utilities	0	30,500		
9. Marketing and Development	20,000	235,000		
10. Production	60,000	670,000		
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	145,000	1,125,500		
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	500,000	3,150,000		
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	500,000	Jonathan Parrish 808-372-8236		
(b) Earned Revenue - Sales	1,200,000	Name: [REDACTED]		
(c) Contributed Revenue	1,950,000	Signature: [REDACTED]		
(d)		Name: [REDACTED]		
TOTAL BUDGET	3,650,000	Name and Title (Please type or print)		

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Hawaii Symphony Orchestra

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)
Executive Director	1	\$100,000.00	10.00%	\$ 10,000.00
General Manager	1	\$54,000.00	20.00%	\$ 10,800.00
Director of Finance	1	\$70,000.00	5.00%	\$ 3,500.00
Director of Development	1	\$70,000.00	10.00%	\$ 7,000.00
Director of Marketing	1	\$54,000.00	20.00%	\$ 10,800.00
Office Manager	1	\$36,000.00	50.00%	\$ 18,000.00
Personnel Manager	0.5	\$12,000.00	20.00%	\$ 2,400.00
Musicians (84 for 16 weeks)	30	\$950,000.00	20.00%	\$ 190,000.00
Stage and Technical Crew (casual)	2	\$80,000.00	20.00%	\$ 16,000.00
Security (casual)	0.5	\$15,000.00	0.00%	\$ -
Artistic Administrator (contracted)	0.5	\$30,000.00	10.00%	\$ 3,000.00
Artistic Advisor (contracted)	0.2	\$20,000.00	10.00%	\$ 2,000.00
				\$ -
				\$ -
TOTAL:				273,500.00
JUSTIFICATION/COMMENTS:				

**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.

Hawaii Symphony Orchestra
(Typed Name of Individual or Organization)

Jan. 31, 2014
(Date)

Johathan Parrish
(Typed Name)

Executive Director
(Title)