

House District 49

Senate District 24

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):

DEPARTMENT OF HEALTH, ALCOHOL AND DRUG ABUSE DIVISION

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
The Alcoholic Rehabilitation Services of Hawaii, Inc.

Db: Hina Mauka

Street Address: 45-845 Po'okele Street
Kaneohe, Hawaii 96744

Mailing Address: 45-845 Po'okele Street
Kaneohe, Hawaii 96744

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MARIE HUGHES

Title Chief Administrative Officer

Phone # (808) 236-2600 ext. 249

Fax # 808-236-2626

e-mail mhughes@hinamauka.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:

TITLE-PAKU'I HALE

CONSTRUCTION PHASE OF A CAPITAL EXPANSION PROJECT TO ACCOMMODATE THE PRESENT DEMAND FOR ADDICTION TREATMENT SERVICES IN HAWAII. HINA MAUKA IS PLANNING TO EXPAND OUR CURRENT FACILITY TO KANEOHE BY 16 RESIDENTIAL BEDS.

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 1,500,000.00

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 \$1,500,000.00
FEDERAL \$0.0
COUNTY \$2,420,000.00
PRIVATE/OTHER \$250K

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE

[Redacted Signature]

ALAN JOHNSON & CHIEF EXECUTIVE OFFICER

1-30-14

AUTHORIZED SIGNATURE

NAME & TITLE

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;

Hina Mauka has been providing substance abuse and mental health services to Hawaii for over 40 years. As one of the larger treatment agencies in the state, Hina Mauka is licensed by the State of Hawai'i (STF) and nationally accredited by CARF: Commission for Accreditation of Rehabilitation Facilities. Hina Mauka's Mission is to foster hope and healing for people recovering from alcohol and substance use disorders and related behavioral health challenges. Hina Mauka provides treatment services to the impoverished and low income.

In 1969, Hina Mauka began as a volunteer program at the Hawaii State Hospital (HSH) after alcohol was decriminalized and a large number of alcoholics were released from the prison to HSH. In 1970, Hina Mauka was the first treatment program in Hawaii to treat Native Hawaiians and Asians. Incorporated in 1976, as the Alcoholic Rehabilitation Services of Hawaii, Inc., dba Hina Mauka, operations were eventually relocated to a new building adjacent to HSH to accommodate the increasing number of people seeking treatment, which was completed in 1995.

The 48-bed residential building is on state land and was primarily funded by state and local government with some funding from local foundations and businesses. Hina Mauka provides a comprehensive continuum of care to treat substance use disorders and related mental health issues that includes residential, intensive outpatient, family counseling, and urine analysis testing. Our adolescent programs provide services at 21 schools as well as 3 intensive outpatient and prevention sites throughout Oahu.

Almost all funding for residential is government, either direct or Quest. Following residential, patients step down to insurance provided outpatient care. Given that there are only a total of 6 residential programs on Oahu; Hina Mauka's residential facility helps patients from every district in Oahu. Hina Mauka has a wait list of residential patients waiting for a bed opening that averages about 40 people at any given time and totals well over 200 per year.

2. The goals and objectives related to the request;

Hina Mauka wants to expand with 16 beds that will help up to 200 more patients by adding to the existing 48 bed residential facility starting with a planning grant from the City and County. Hina Mauka has the personnel capacity to help those who are waiting for bed openings; however, there isn't the bed capacity. With expanded bed capacity, Hina Mauka will better meet the needs of the community by helping individuals reclaim their lives, reuniting children with their parents, and healing families.

Hina Mauka is bidding for and will select the best qualified and lowest priced Architect. Under this grant, construction will begin. Currently we are preparing a bid for selecting a Project Manager, who will help with obtaining proper permits, inspections, audit fees and other administrative costs. The Architect and Project Manager will prepare a construction bid and help select the contractor. This grant request is \$1,500,000 for anticipated construction cost.

3. The public purpose and need to be served;

According to the Department of Health, Substance Use Disorders (and co-occurring mental health disorders) are serious medical problems involving about 9% of Oahu's population. Using evidenced-based practices that have evolved from billions of dollars invested by the Federal government in almost every major university in the country including UH, Hina Mauka's adult residential treatment program reports completion rates at about 80% for 2012. While we treat about 1,500 adults per year, around 500 meet the criteria for chronic addiction to need residential services rather than starting at outpatient. Our 48-bed program averages about 40-45 days in length.

Hina Mauka averages 40 people per day on the wait list who are waiting for bed openings because residential beds in all facilities across Oahu are full. More and more people need the residential level of care because their complex problems are becoming more severe with chronic substance abuse and untreated psychological and medical challenges that require longer term acute care to effectively attain and maintain recovery.

4. Describe the target population to be served; and

Hina Mauka provides treatment services to the impoverished and low income.

5. Describe the geographic coverage.

Residential services are provided to residents' state wide.

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;

Construction would occur in Hina Mauka’s existing residential building by remodeling existing 2nd floor staff offices into residential beds and building on top of and across a first floor between two U shaped wings to create space for more residential beds. Planning funds for \$187,500 have been awarded and the bid process has started to select an architect who will help select a Project Manager and apply for permits. Another application for additional planning funds has been submitted for review and selection by the City and County, which would be awarded in March, 2014.

During this fund raising time, Hina Mauka will work with the Architect to prepare bid documents for a contractor so that construction work can begin immediately upon receipt of any funds. Given that the existing building is being remodeled, the Architect will determine, by February 2014, the extent and need for an environmental review.

While Hina Mauka applying for a State Grant-in-Aid for \$1.5 million in construction funds, Hina Mauka is also applying for a CDBG grant for \$2 million to cover additional construction costs. Hina Mauka will approach foundations for support as was done in the past to include Weinberg and Castle foundations. The Board and management will secure funds from the community as well.

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

| Activity | 4th Qtr 2013 | 1st Qtr 2014 | 2nd Qtr 2014 | 3rd Qtr 2014 | 4th Qtr 2014 | 1st Qtr 2015 | 2nd Qtr 2015 | 3rd Qtr 2015 |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Planning Award | X | | | | | | | |
| Architect Bid | | X | | | | | | |
| Hire Project Manager | | X | | | | | | |
| Architect | | X | X | X | | | | |
| Permits | | X | X | X | | | | |
| Environmental Review | | X | X | X | | | | |
| Planning Award 2nd | | | X | | | | | |

| Activity | 4th Qtr 2013 | 1st Qtr 2014 | 2nd Qtr 2014 | 3rd Qtr 2014 | 4th Qtr 2014 | 1st Qtr 2015 | 2nd Qtr 2015 | 3rd Qtr 2015 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Construction Award State GIA | | | | X | | | | |
| Construction Award CDBG | | | | X | | | | |
| Construction Bid | | | X | | | | | |
| Construction | | | | X | X | X | X | |

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

Hina Mauka will work closely with the State as well as the City and County to ensure work meets all requirements. While the Architect will review construction compliance to plans, Hina Mauka is hiring a Project Manager to review all work and prepare compliance reports. Moreover, Hina Mauka has a Maintenance department of staff who have decades of experience, of which they will also review work. Hina Mauka has Board members who are involved in construction (SSFm) to help oversee work quality.

- 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.

Hina Mauka will engage certified and proven Architects, Project Manager, and Contractors that meet State as well as City and County approval. Hina Mauka has an extensive accounting and another administrative department, led by our Chief Administration Officer that can meet all reporting requirements. Hina Mauka has over 30 contracts, which include monitoring. All contracts, including reports, are current and in good standing.

III. Financial

Budget

- The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

See Budget Forms Section Following Section VI.

- The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

| Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total Grant |
|-----------|-----------|-----------|-----------|-------------|
| \$375,000 | \$375,000 | \$375,000 | \$375,000 | \$375,000 |

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

| Hina Mauka Facilities Expansion (16 Beds) | | |
|--------------------------------------------------------|---------------|--------------------------|
| Sources of Funding | | |
| GRANT | AMOUNT | STATUS |
| City & County GRP-DCS-632512 | 187,500.00 | Awarded / Received |
| City & County RGP-DCS-GIA2015 | 197,500.00 | Award Pending |
| Harold Castle Foundation | 15,000.00 | Harold Castle Foundation |
| Hina Mauka Board of Directors | 20,000.00 | Pledged |
| State of Hawaii 27th Legislature on Grants & Subsidies | 1,500,000.00 | Applying |
| CDBG Block Grant | 2,000,000.00 | Applying |

- 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.

Not Applicable

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

| ASSETS | |
|-------------------------------------|------------------|
| CURRENT ASSETS | |
| CASH | 483,027.24 |
| ACCOUNTS RECEIVABLE | 1,516,859.46 |
| RESERVE WEINBERG ANNEX MAINTENANCE | 28,094.12 |
| ACCOUNTS RECEIVABLE - OTHER | 6,187.71 |
| ALLOWANCE FOR UNCOLLECTED A/R | -65,344.28 |
| PREPAID EXPENSES | 57,146.69 |
| DEPOSITS | <u>24,301.93</u> |
| Total CURRENT ASSETS | 2,050,272.87 |
| LAND, BUILDING AND EQUIPMENT | |
| BUILDING AND IMPROVEMENTS | 7,001,396.93 |
| FURNITURE AND EQUIPMENT | 450,107.74 |
| COMPUTER EQUIP/SOFTWARE | 250,612.80 |
| TRANSPORTATION EQUIPMENT | 8,300.00 |

| | |
|----------------------------------------|----------------------------|
| LEASEHOLD IMPROVEMENTS | 114,388.45 |
| OTHER | 3,154.83 |
| LESS: ACCUMULATED DEPRECIATION | <u>-3,070,921.37</u> |
| Total LAND, BUILDING AND EQUIPMENT | <u>4,757,039.38</u> |
| Total ASSETS | <u>6,807,312.25</u> |
| LIABILITIES AND NET ASSETS | |
| CURRENT LIABILITIES | |
| ACCOUNTS PAYABLE | 54,148.38 |
| NOTES PAYABLE | 373,012.68 |
| ACCRUED AND WITHHELD TAXES | -1,727.98 |
| OTHER ACCRUED LIABILITIES | <u>380,349.50</u> |
| Total CURRENT LIABILITIES | 805,782.58 |
| NET ASSETS | |
| BEGINNING NET ASSETS (UNRESTRICTED) | 6,404,708.94 |
| CURRENT YEAR EXCESS/ (DEFICIT) | <u>-403,154.27</u> |
| Total NET ASSETS (UNRESTRICTED) | <u>6,001,554.67</u> |
| Total LIABILITIES AND NET ASSETS | <u>6,807,337.25</u> |

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.

As a large treatment provider for low income residents with over 40 years of experience, Hina Mauka has state licenses (STF), national accreditation (CARF) and about 30 contracts with government and insurers to provide residential treatment services.

Qualifications: Hina Mauka successfully completed a Three Phase building project (2,400 sq. ft.) to expand outpatient services, which was funded by a planning and subsequent construction CDBG grant in 2004 and 2005 with generous donations from Weinberg and Castle foundations. Hina Mauka successfully constructed a 24,000 square foot residential facility, which was completed in 1995 and funded by state grant-in-aid funds as well as numerous local foundations and businesses. Hina Mauka's residential and outpatient buildings reside on state land under a 25 year lease.

Capacity and Resources: Hina Mauka's revenue is \$7.6 million per year from state, federal and insurance contracts. For adults, our population is over 95% low incomes. Hina Mauka has a 48 bed facility serving about 500 Hawaii residents per year. Hina Mauka has fund raising capabilities through our Board of Directors and has contracted with Beth Lum, a fund raiser from CFR. Hina Mauka has relationships and previous funding from many of the local foundations including Castle, Weinberg, HCF, and

numerous other local foundations and businesses. Hina Mauka currently raises funds through an annual luncheon, Run/Walk, and recently a luau. We are a member of AUW.

With about 135 staff, Hina Mauka has a 3 staff maintenance department, about 10 staff in accounting and IT departments, and a 2 staff administration department.

Hina Mauka has had long term leadership with CEO/COO (17 years), CFO (over 14 years) and CAO (9 years) achieving stable financial results. Linda Brownholtz, CFO has over 40 years accounting experience and Marie Hughes, CAO, has over 30 years of managerial experience. Hina Mauka proposes to contract with a Project Manager under this grant to help lead this project to successful completion. Hina Mauka will obtain fidelity bonds for these staff as part of the project. Hina Mauka will work closely with the State and City for each project activity.

Hina Mauka collaborates with over 25 other non-profit agencies, multiple state agencies such as DOH, DHS, PSD, Judiciary, and has long standing relationships, through our Board, with banks, construction companies, legal services, accounting firms, insurance companies, HECO, and numerous other businesses. Hina Mauka has and is developing stronger relationships with Native Hawaiian groups.

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.

45-845 Po'okela Street, Kaneohe, Hawaii 96744

Nestled below the beautiful Ko'olau Mountain range is Hina Mauka's Kaneohe site is a 24,000sf 48-bed facility, constructed in 1995. The residential clients are housed upstairs, which is accessible by stairs and elevator. On the ground floor, there are 5 large enclosed group rooms, an expansive dining room that serves for client meetings, 9 individual enclosed counseling rooms, a Treatment Associates' office that is open 24 hours a day, a physician's office, a nursing office, a physical examination room, a large enclosed chart/documentation room, and a large enclosed clinical administrative room. Double closed doors separate the clinic area from the rather large open lounge where clients are received by our receptionist and intake specialists. The building meets all ADA regulations and has been further designed to accommodate persons with disabilities.

The building is isolated, providing client confidentiality, since it is several blocks from the nearby Hawaii State Hospital, Windward Community College, Windward Mental Health and the Windward Recreational Area. The facility is accessible by bus. There is a bus stop within 2 blocks of the facility.

Pursuant to our state licensing requirements, the Kaneohe building meets all federal, state and local regulations (e.g. building codes). The building was specifically designed for alcohol and other substance abuse rehabilitation, with the integrity of the confidential relationship and the personal dignity of the client of primary consideration. The health and safety of employees, clients and the community is one of our essential priorities and is monitored by the appropriate government agency annually.

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.

Hina Mauka has had long term leadership with CEO/COO (17 years), CFO (over 14 years) and CAO (9 years) achieving stable financial results. Linda Brownholtz, CFO has over 40 years accounting experience and Marie Hughes, CAO, has over 30 years of managerial experience. Hina Mauka proposes to contract with a Project Manager under this grant to help lead this project to successful completion. Hina Mauka will obtain fidelity bonds for these staff as part of the project.

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 organization and project specific organizational charts under Attachment H.

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..

| Highest Paid | Annual Salary |
|-----------------|---------------|
| [REDACTED] M.D. | \$ 160,000.00 |
| [REDACTED] CEO | \$ 118,750.00 |
| [REDACTED] CFO | \$ 80,000.00 |

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.

Civil Lawsuit 13-1-0147 Fifth Circuit Court filed April 2013. Hina Mauka is being represented by the Insurance Company appointed attorney, Gregory K. Markham. Hina Mauka attorney filed an answer to the complaint on June 5, 2013. The complaint was that a plaintiff's friend was not admitted into Hina Mauka, who was referred to another agency.

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.

In accordance with Title 11 Chapter 98 Special Treatment Facility, Hina Mauka is currently licensed as a Special Treatment Facility and agrees to abide by applicable rules governing accreditation of substance abuse programs. Since the mid-1990s, Hina Mauka has also maintained a Substance Treatment Facility (STF) license for residential services through the Department of Health. This license is monitored annually, of which Hina Mauka remains in good standing. See copy of STF under Attachment A.

Originally accredited by CARF (Commission on Accreditation of Rehabilitation Facilities) in 1999, we have been awarded three-year accreditations in 2002, 2005, 2008 and 2011. Hina Mauka's consecutive years of CARF accreditation indicate our enduring commitment to quality. CARF is a national organization that establishes standards of quality for programs and services and uses those standards to determine how well an organization is serving its consumers and how it can improve. One of Hina Mauka's executive staff members is a CARF Surveyor. See copy of CARF accreditation under Attachment B.

Budget Pages

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

Applicant: Alcoholic Rehabilitation Services of Hawaii, Inc. dba Hina Mauka

| BUDGET CATEGORIES | Total State Funds Requested (a) | (b) | (c) | (d) |
|-------------------------------------|----------------------------------------|---------------------------------------|------------|------------|
| A. PERSONNEL COST | | | | |
| 1. Salaries | 93,478 | | | |
| 2. Payroll Taxes & Assessments | 11,401 | | | |
| 3. Fringe Benefits | 12,386 | | | |
| TOTAL PERSONNEL COST | 117,264 | | | |
| B. OTHER CURRENT EXPENSES | | | | |
| 1. Airfare, Inter-Island | | | | |
| 2. Insurance | | | | |
| 3. Lease/Rental of Equipment | | | | |
| 4. Lease/Rental of Space | | | | |
| 5. Staff Training | | | | |
| 6. Supplies | | | | |
| 7. Telecommunication | | | | |
| 8. Utilities | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| TOTAL OTHER CURRENT EXPENSES | | | | |
| C. EQUIPMENT PURCHASES | | | | |
| D. MOTOR VEHICLE PURCHASES | | | | |
| E. CAPITAL | 1,382,736 | | | |
| TOTAL (A+B+C+D+E) | 1,500,000 | | | |
| SOURCES OF FUNDING | | Budget Prepared By: | | |
| (a) Total State Funds Requested | 1,500,000 | <i>Matthew Pebo</i> | | |
| (b) | | Name (Please type or print) | | |
| (c) | | Phone | | |
| (d) | | Date | | |
| TOTAL BUDGET | 1,500,000 | Signature of Authorized Official | | |
| | | Date | | |
| | | Name and Title (Please type or print) | | |

(0)

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Alcoholic Rehabilitation Services of Hawaii, Inc. dba Hina Mauka

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) |
|---------------------------------------------------------------------------------------------------------|----------------------|--------------------|-------------------------------------------|----------------------------------------|
| ██████████, CEO Provide support and communication to community and contractors | 1 | \$118,750.00 | 3.00% | \$ 3,562.50 |
| ██████████, CFO Oversee overall budget & proper accounting is maintained | 1 | \$80,000.00 | 4.50% | \$ 3,600.00 |
| ██████████ CAO Oversee all administrative, health & safety with respect to construction | 1 | \$76,000.00 | 4.50% | \$ 3,420.00 |
| ██████████ Facilities Manager shall coordinate, direct, and communicate with architects and contractors | 1 | \$51,580.00 | 25.00% | \$ 12,895.00 |
| ██████████ Provide overall project planning, oversight, and communication between all parties | 1 | \$70,000.00 | 100.00% | \$ 70,000.00 |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| | | | | \$ - |
| TOTAL: | | | | 93,477.50 |
| JUSTIFICATION/COMMENTS: | | | | |

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Alcoholic Rehabilitation Services of Hawaii, Inc. dba Hina Mauka Period: July 1, 2014 to June 30, 2015

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

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

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Alcoholic Rehabilitation Services of Hawaii, Inc. dba Hina Mauka

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: 2013-2014 | FY: 2013-2014 | FY:2014-2015 | FY:2014-2015 | FY:2015-2016 | FY:2016-2017 |
| PLANS | | | | 192,500 | | |
| LAND ACQUISITION | | | | | | |
| DESIGN | | | | 227,500 | | |
| CONSTRUCTION | | | 1,500,000 | 2,000,000 | | |
| EQUIPMENT | | | | | | |
| TOTAL: | | | 1,500,000 | 2,420,000 | | |
| JUSTIFICATION/COMMENTS: | | | | | | |
| \$187,500 out of \$420,000 has been awarded and received. We have applied for 2 additional grants which are \$197,500 from City & County & additional \$35,000 from Castle Foundation. | | | | | | |

Certifications

**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.

The Alcohol Rehabilitation Services of Hawaii, Inc. dba Hina Mauka
(Typed Name of Individual or Organization)



(Signature)

Alan Johnson

1-30-14

(Date)

President/Chief Executive Officer

ATTACHMENTS

A- STF License

**B- CARF Accreditation Letter & Annual
Conformance Certification**

C- Articles of Incorporation

D- Amended Bylaws

**E- Internal Revenue Service 501(c)(3)
Determination Letter**

F- Board of Directors Roster

G- Evidence of Insurance

**H- Organization & Project Specific
Organizational Charts**

I- Proposed Floor Plan for Expansion

Attachment A

STF License



STATE OF HAWAII
DEPARTMENT OF HEALTH
LICENSE

ALCOHOL REHABILITATION SERVICES OF HAWAII, INC. is hereby granted a license to operate a

SPECIAL TREATMENT FACILITY (HINA MAUKA)

at 45-845 POOKELA STREET, KANEOHE, HAWAII

with a capacity of 48 beds. This license is valid for ONE YEAR

ending NOVEMBER 30, 2014 unless revoked for just cause.

This license is granted in accordance with provisions of the state public health laws and regulations.

Effective Date: DECEMBER 1, 2013

Date Issued: NOVEMBER 19, 2013

OHCA#52-STF

Established Date: 8/15/95

- > Post in a conspicuous place.
- > License is not transferable.
- > License shall be surrendered upon a suspension or revocation

Director of Health

By

Office of Health Care Assurance

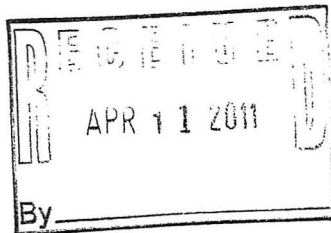
MEMORANDUM OF AGREEMENT ADAD

Attachment B

**B- CARF Accreditation Letter & Annual
Conformance Certification**



April 7, 2011



Marie B. Hughes, M.A.
Chief Administrative Officer
The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka
45-845 Po'okela Street
Kaneohe, HI 96744

Dear Ms. Hughes:

It is my pleasure to inform you that The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka has been accredited by CARF for a period of three years for the following programs:

- Intensive Outpatient Treatment: Alcohol and Other Drugs/Addictions (Adults)
- Intensive Outpatient Treatment: Alcohol and Other Drugs/Addictions (Criminal Justice)
- Outpatient Treatment: Alcohol and Other Drugs/Addictions (Adults)
- Outpatient Treatment: Alcohol and Other Drugs/Addictions (Children and Adolescents)
- Outpatient Treatment: Alcohol and Other Drugs/Addictions (Criminal Justice)
- Residential Treatment: Alcohol and Other Drugs/Addictions (Adults)
- Residential Treatment: Alcohol and Other Drugs/Addictions (Criminal Justice)
- Residential Treatment: Integrated: AOD/MH (Adults)
- Therapeutic Communities: Alcohol and Other Drugs/Addictions (Adults)
- Therapeutic Communities: Alcohol and Other Drugs/Addictions (Criminal Justice)

This accreditation will extend through May 2014. This achievement is an indication of your organization's dedication and commitment to improving the quality of the lives of the persons served. Services, personnel, and documentation clearly indicate an established pattern of practice excellence.

Your organization should take pride in achieving this high level of accreditation. CARF will recognize this accomplishment in its listing of organizations with accreditation, and we encourage you to make this accomplishment known throughout your community. Communication of this award to your referral and funding sources, the media, and local and federal government officials will promote and distinguish your organization. Enclosed are some materials that will help you publicize this achievement.

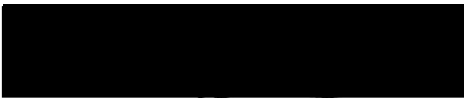
The survey report is intended to support a continuation of the quality improvement of your programs. It contains comments on your organization's strengths as well as suggestions and recommendations. A quality improvement plan demonstrating your efforts to implement the survey recommendations must be submitted within the next 90 days to retain accreditation. Guidelines and the form for completing the QIP have been posted on Customer Connect, our secure, dedicated website for accredited organizations and organizations seeking accreditation. E-mail notification was previously sent to your organization letting you know that these documents have been posted. Please submit this report to the attention of the customer service unit Administrative Coordinator.

Your Certificate of Accreditation is being sent under separate cover. Please note that you may use the enclosed form to order additional copies of the certificate.

If you have any questions regarding your organization's accreditation, you are encouraged to seek support from a Resource Specialist in your customer service unit by calling extension 7151.

We encourage your organization to continue fully and productively using the CARF standards as part of your ongoing commitment to accreditation. We commend your commitment and consistent efforts to improve the quality of your programs. We look forward to working with your organization in the future.

Sincerely,



Brian J. Boon, Ph.D.
President/CEO

aef
Enclosures



To: Marie B. Hughes, M.A.
Chief Administrative Officer
The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka

From: Emily Hosea
Resource Specialist
Behavioral Health

Date: April 04, 2012

Re: Annual Conformance to Quality Report (ACQR)

We have reviewed the ACQR for The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka. Enclosed, please find your organization's annual conformance seal(s) that is to be placed on the certificate(s) of accreditation that was received at the beginning of the term of accreditation. This acknowledgment of your ACQR recognizes your formal commitment to ongoing conformance to the CARF International standards throughout your accreditation term as a means of maintaining quality services.

You are encouraged to stay up to date with changes in the standards and to be prepared for the next survey by paying special attention to the section titled Accreditation Policies and Procedures in the standards manual. This section outlines your continuing responsibilities as an accredited organization, including the requirements that you: (1) keep us informed of significant changes and events in your organization as they occur; and (2) maintain your operations in conformance to the standards as changes and revisions are made to the standards. If you need additional assistance concerning the interpretation of specific standards, please contact me at ehosea@carf.org or 888-281-6531, extension 7193.

We appreciate the opportunity to be of service to your organization. We recognize your ongoing efforts to provide quality services to persons you serve and look forward to a continuing relationship working with you to support your efforts.

Enclosure

Survey # 59313

CARF INTERNATIONAL
6951 East Southpoint Road
Tucson, AZ 85756 USA
Toll-free/TTY 888 281 6531 ■ Fax 520 318 1129

CARF-CCAC
1730 Rhode Island Avenue, NW, Suite 209
Washington, DC 20036-3120 USA
Toll-free 866 888 1122 ■ Fax 202 587 5009

CARF CANADA
10665 Jasper Avenue, Suite 1400A
Edmonton, AB T5J 3S9 CANADA
Toll-free 877 434 5444 ■ Fax 780 426 7274



To: Marie B. Hughes, M.A.
Chief Administrative Officer
The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka

From: Emily Hosea
Resource Specialist
Behavioral Health

Date: March 27, 2013

Re: Annual Conformance to Quality Report (ACQR)

*filed
done 4/1/13*

We have reviewed the ACQR for The Alcoholic Rehabilitation Services of Hawaii dba Hina Mauka. Enclosed, please find your organization's annual conformance seal(s) that is to be placed on the certificate(s) of accreditation that was received at the beginning of the term of accreditation. This acknowledgment of your ACQR recognizes your formal commitment to ongoing conformance to the CARF International standards throughout your accreditation term as a means of maintaining quality services.

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We appreciate the opportunity to be of service to your organization. We recognize your ongoing efforts to provide quality services to persons you serve and look forward to a continuing relationship working with you to support your efforts.

Enclosure

Survey # 59313

Attachment C
Articles of Incorporation

FILED 07/21/2008 02:42 PM
 Business Registration Division
 DEPT. OF COMMERCE AND
 CONSUMER AFFAIRS
 State of Hawaii

I.COM

STATE OF HAWAII
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 Business Registration Division
 335 Merchant Street
 Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810
 Phone No. (808) 586-2727

FORM DNP-5
 12/2006



AMENDED AND RESTATED ARTICLES OF INCORPORATION

(Section 414D-104, Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

The undersigned, duly authorized officers of the corporation submitting these Amended and Restated Articles of Incorporation, certify as follows:

1. The name of the corporation is:
The Alcoholic Rehabilitation Services of Hawaii, Inc.

2. The Amended and Restated Articles of Incorporation adopted is attached.

3. The Amended and Restated Articles of Incorporation was adopted on: June 26, 2008
(Month Day Year)

(Check one)

at a meeting of the *members*:

| Designation (class) Of membership | Total Number of Memberships (votes) outstanding | Total Number of Votes Entitled to be Cast By each Class | Number of Votes Cast by each class For Amendment | Number of Votes Cast by each class Against Amendment |
|--------------------------------------|----------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|
| Board | Thirteen (13) | Thirteen (13) | Five (5) | None (0) |

OR

by written consent of the *members* holding at least eighty per cent of the voting power.

OR

by a sufficient vote of the *Board of Directors* or *Incorporators* because member approval was not required.

4. Check one:

The written approval of a specified person or persons named in the articles of incorporation was obtained.

The written approval of a specified person or persons is not required.

5. The attached Amended and Restated Articles of Incorporation supersedes the original Articles of Incorporation and all amendments thereto.

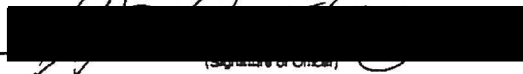
The undersigned certifies under the penalties of Section 414D-12, Hawaii Revised Statutes, that the undersigned has read the above statements and that the same are true and correct.

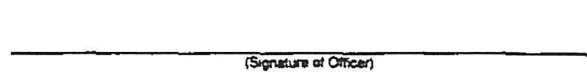
Signed this 15th day of July, 2008

Alan Van Etten, Board President

(Type/Print Name & Title)

(Type/Print Name & Title)


(Signature of Officer)


(Signature of Officer)

SEE INSTRUCTIONS ON REVERSE SIDE. The articles must be signed by at least one officer of the corporation.

07/22/200820002

AMENDED AND RESTATED ARTICLES OF INCORPORATION

I. Name

The name of the corporation shall be THE ALCOHOLIC REHABILITATION SERVICES OF HAWAII, INC.

II. Principal Office

The principal office of the corporation shall be at such location determined by the Board of Directors.

III. Purposes

The corporation shall be organized exclusively for the following purposes:

- (1) To provide prevention, treatment and supportive recovery services to individuals, families and communities touched by alcoholism, chemical dependency, and related challenges.
- (2) To be organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any corresponding section of any future Internal Revenue law.

The corporation shall have all powers, rights, privileges and immunities permitted or provided to nonprofit corporations under Chapter 414D, Hawaii Revised Statutes, as amended, and all other applicable laws.

Notwithstanding any provision to the contrary herein contained, the corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 510(c)(3) of the Internal Revenue Code of 1986, as amended or by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

The corporation is not organized for profit and will not issue any stock and will pay no dividends. No part of the assets, income or earnings of the corporation shall inure to the benefit of, or be distributable to, its directors or officers. Notwithstanding the foregoing, the corporation

shall be authorized and empowered to pay reasonable compensation for services rendered, to make reimbursements for expenses actually incurred in service to the corporation and to make payments and distributions in furtherance of the purposes of the corporation.

IV.
Duration

The duration of this corporation shall be perpetual.

V.
Officers and Directors

(1) The business and affairs of the corporation shall be managed by a Board of Directors consisting of not less than five (5) persons and no more than twenty (20) persons. The initial directors of the corporation and their residence addresses are as follows:

| <u>Name</u> | <u>Residence Address</u> |
|-------------------|--------------------------|
| June Boranian | [REDACTED] |
| Ken Burtness | [REDACTED] |
| Rev. Ford Coffman | [REDACTED] |
| Allen E. Kaufman | [REDACTED] |
| Mary Lake | [REDACTED] |
| Carl Muller | [REDACTED] |

The qualifications and manner of election of the directors shall be as set forth in the Bylaws of the corporation.

(2) The officers of the corporation shall consist of such officers as shall be provided for in the Bylaws, with such qualifications, duties and powers as are provided for therein. The initial officers of the corporation and their residence addresses are as follows:

| <u>Title</u> | <u>Name</u> | <u>Address</u> |
|-------------------------|------------------|----------------|
| President | June Boranian | [REDACTED] |
| Vice President | Allen E. Kaufman | [REDACTED] |
| Secretary- Treasurer | Mary Lake | [REDACTED] |

VI.
Members

The corporation shall have no members.

VII.
Dissolution

Upon the dissolution or winding up of the corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation, shall be distributed to a non-profit fund, foundation, or corporation, which is organized and operated exclusively for charitable, education, religious and/or scientific purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

VIII.
Limitation of Liability

(1) No director of the corporation shall be personally liable to the corporation for any monetary loss or damage suffered by it on account of a breach of any of the director's duties to the corporation; provided, however, that such director's liability shall not be limited for: (a) any breach of the director's duty of loyalty to the corporation; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) any transaction from which the director derived an improper personal economic benefit; or (d) any violations of the Hawaii Nonprofit Corporations Act relating to director conflicts of interest, loans to or guaranties for directors and officers, or director liability for unlawful distributions.

(2) No person who serves as a director or officer of the corporation without remuneration or expectation of remuneration shall be liable for damage, injury or loss caused by or resulting from the director or officer's performance of, or failure to perform duties of, the position to which the person was elected or appointed, unless the director or officer was grossly negligent in the performance of, or failure to perform, such duties. For purposes of this section,

remuneration does not include, and is not limited to, payment or reimbursement of reasonable expenses or the provision of indemnification or insurance for actions as a director or officer.

(3) The limitation of liability provided in subsections (1) and (2) of this Article shall be cumulative and not exclusive, and shall be independent of and in addition to each other and any other limitation of liability provided by law or in any other agreement. Any repeal, amendment or modification of this Article shall not affect the limitation of liability provided in this Article for any acts or omissions occurring prior to such repeal, amendment or modification. The limitation of liability provided for in this Article shall continue as to any person who has ceased to be a director or officer of the corporation and shall inure to the benefit of such person's heirs, personal representatives, executors and administrators.

Attachment D
Amended Bylaws

AMENDED BYLAWS
DATED: MARCH 23, 2010

THE ALCOHOLIC REHABILITATION SERVICES OF HAWAII, INC.

ARTICLE I

PURPOSES AND NONPROFIT CHARACTER

Section 1. Purposes. The purposes of the corporation shall be as specifically set forth in the Articles of Incorporation.

Section 2. Nonprofit Character. The corporation shall be a nonprofit corporation, and any net income or earnings which may be derived from its operation shall not be distributed to any director or officer of the corporation except to pay reasonable compensation for services rendered to the corporation, to make reimbursements for expenses actually incurred in service to the corporation, and to make payments and distributions in furtherance of the purposes to the corporation.

Section 3. Nondiscrimination. The corporation shall admit, care, treat and counsel all persons without regard to race, gender, sexual orientation, age, religion, color, ancestry, disability, marital status, political affiliation, or arrest and court record.

ARTICLE II

OFFICES

Section 1. Principal Office. The principal office of the corporation shall be located within or without the State of Hawaii, as the board of directors shall determine. The corporation may have such other offices, either within or without the State of Hawaii, as the board of directors may designate or as the business of the corporation may so require.

Section 2. Registered Agent and Office. The corporation shall maintain a registered office and a registered agent in the State of Hawaii. The registered office may, but is not required to, be identical with the principal office.

ARTICLE III

MEMBERS

The corporation shall have no members.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the corporation shall be managed by its board of directors.

Section 2. Number and Tenure. The authorized number of directors shall be not less than five (5) persons and not more than twenty (20) persons. The number of directors for the ensuing year shall be fixed by the directors of the corporation at each annual meeting. Each director shall hold office for a term of three (3) years and thereafter until his or her successor shall have been duly elected and qualified. Notwithstanding the foregoing, directors may be elected to terms of less than three (3) years in order to achieve, as nearly equal as possible, the expiration of the terms of one-third (1/3) of the directors each year. A director may not be elected to more than three (3) consecutive terms of three (3) years, unless otherwise approved by two-thirds (2/3) of the directors present at a meeting. Upon reaching such term limit, a director may be reelected if such director has not been a member of the board of directors for at least one (1) year.

Section 3. Composition and Election. The board of directors shall recruit members who are representative of the specific cultures and populations being served by the corporation and/or who reflect a wide range of community interest groups related to alcoholism and other forms of substance abuse. The directors shall be elected by the board of directors at the annual meeting of the directors or at a special meeting of the directors held for that purpose.

Section 4. Meetings. The board of directors may hold regular or special meetings at the principal office of the corporation or such other place within or without the state of Hawaii as may be designated by the board of directors. Meetings may be called by the chairperson of the board or a majority of the other directors. Any meeting of the board of directors, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can communicate with one another, and all such directors shall be deemed to be present in person at the meeting.

Section 5. Notice. Regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting. Special meetings shall be preceded by at least five (5) days written notice of the agenda, date, time, and place of meeting. The written agenda for the special meeting shall be provided in detail and the special meeting shall be limited to the agenda items specified in the notice. Such notice shall be given by or at the direction of the chairperson of the board or other persons calling the meeting. Such notice shall be delivered in person, by telephone, by mail or by electronic transmission to each director. Oral notice is effective when communicated. If mailed, notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the director at the director's address as it appears on the records of the corporation. Notice given by electronic transmission shall be deemed given (i) when directed to an electronic mail address provided by the director, if transmitted by electronic mail, (ii) when directed to a number provided by the director, if transmitted by facsimile telecommunication, and (iii) when directed to the director, if transmitted by any other form of electronic transmission. Any director may waive notice of any meeting

provided such waiver is made in writing and signed by the director entitled to the notice or is transmitted by electronic transmission, and delivered to the corporation for inclusion in the minutes or corporate records. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director at the beginning of the meeting or prior to the vote on any matter not noticed in conformity with law, these Bylaws, or the Articles of Incorporation, objects to lack of notice and does not thereafter vote or assent to the objected to action.

Section 6. Quorum. At any meeting of the board of directors, one-third (1/3) of the number of directors in office immediately before the meeting shall constitute a quorum for the transaction of business at such meeting, provided that the Chairperson, one of the Vice Chairpersons or the Secretary is one of the directors constituting the quorum. The affirmative vote of the majority of the directors present at any meeting at which there is a quorum shall be valid as an act of the board of directors, except as otherwise provided by law, these Bylaws, or the Articles of Incorporation.

Section 7. Action Without a Meeting. Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if all directors (i) execute a consent in writing setting forth the action to be taken, or (ii) transmit an electronic transmission consenting to the action to be taken. The consent shall be included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this Section is effective when the last director signs the consent or gives consent by electronic transmission, unless the consent specifies a different effective date.

Section 8. Proxies. Voting by proxy shall not be permitted at any meeting of the board of directors or of any committees or bodies created by the board of directors.

Section 9. Removal and Resignation. The entire board of directors or any individual director may be removed from office, with or without cause, by a two-thirds (2/3) vote of the entire board of directors at a meeting called for that purpose, provided, however, that any director may be removed by a majority of the board of directors present at a meeting if a director fails to attend at least fifty percent (50%) of the board meetings in any calendar year. Any director may resign at any time by giving written notice to the board of directors or to the chairperson of the board or secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice; or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Vacancies. Any vacancy occurring in the board of directors may be filled by the board of directors or, if the directors remaining in office constitute less than a quorum, by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall serve until the next election of directors.

Section 11. Compensation. The directors shall not receive any salary or other compensation for their services as directors of the corporation, provided, however, that the foregoing shall not prohibit the payment of any salary or compensation to a director for services other than as a director.

ARTICLE V

COMMITTEES

Section 1. Board Committees. There shall be three (3) standing committees of the board: Internal Affairs, External Affairs and Governance consisting solely of directors. By resolution adopted by a majority of the directors in office, the board of directors may designate and create additional board committees and appoint members of the board of directors to serve on them with a minimum of two (2) directors serving on each committee. A committee shall have such powers and authority as the board of directors shall delegate to it, except that no such committee shall have the power to do any of the following:

- (a) Authorize the payment of a dividend or the distribution of any part of the income or profit of the corporation to the directors or officers;
- (b) Approve the dissolution or merger of the corporation or the sale, pledge, or transfer of all or substantially all of the corporation's assets;
- (c) Elect, appoint, or remove directors or fill vacancies on the board or any of its committees; or
- (d) Adopt, amend, or repeal the Articles of Incorporation or Bylaws.

The designation of a committee and the delegation to it of authority shall not relieve the board of directors, or any member of such, of any responsibility imposed by law.

Section 2. Advisory Committees. By resolution adopted by a majority of the directors in office, the board of directors may designate and create one or more advisory committees, each of which shall consist of at least one director and such other persons appointed by the board. Such advisory committees shall provide advice to the board of directors but shall have no power or authority to act on behalf of the corporation.

ARTICLE VI

OFFICERS

Section 1. Designation. The volunteer officers of the corporation shall be a chairperson of the board, a vice chairperson of the internal affairs committee of the board, a vice chairperson of the external affairs committee of the board, a vice chairperson of the governance committee, a secretary and such other volunteer officers the board shall from time to time appoint. The staff officers of the corporation shall be a chief executive officer, a chief financial officer, a chief administrative officer and such other staff officer positions as the board shall from time to time approve. Any two (2) or more offices may be held by the same person.

Section 2. Election and Term of Office. The volunteer officers of the corporation shall be appointed by the board of directors at the annual meeting of the board of directors or at such other times as the board of directors may deem appropriate. Each volunteer officer shall

hold office for a term of one (1) year or until his or her successor shall have been duly appointed, until his or her death, or until he or she shall resign or shall have been removed by the board of directors. The chief executive officer shall be appointed by the board of directors. The remaining staff officers shall be appointed by the chief executive officer. Each staff officer shall hold office until his or her successor shall have been duly appointed, until his or her death, or until he or she shall resign or shall have been removed.

Section 3. Removal and Resignation. The chief executive officer and any volunteer officer may be removed by the board of directors at any time, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any staff officer (other than the chief executive officer) may be removed by the chief executive officer at any time. Appointment of an officer shall not of itself create contract rights. Any officer may resign at any time by delivering written notice to the board of directors or the chief executive officer. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein.

Section 4. Vacancies. Any vacancy in the office of any volunteer officer or chief executive officer because of death, resignation, removal, disqualification, or otherwise may be filled by the board of directors for the unexpired portion of the term, in a manner consistent with any succession plan approved by the board of directors. Any vacancy in the office of any staff officer (other than the chief executive officer) because of death, resignation, removal, disqualification, or otherwise may be filled by the chief executive officer.

Section 5. Chairperson of the Board. The chairperson of the board when present shall preside at all meetings of the board of directors. The chairperson of the board shall perform all duties incident to the office of chairperson of the board and such other duties as may be prescribed by the board of directors from time to time.

Section 6. Vice Chairpersons of the Board. In the absence of the chairperson of the board or in the event of his or her death, inability, or refusal to act, any of the standing vice chairpersons of the board shall perform the duties of the chairperson of the board and when so acting shall have all the powers of and be subject to all the restrictions upon the chairperson of the board. The standing vice chairpersons of the board shall perform such duties as from time to time may be assigned to him or her by the board of directors.

Section 7. Secretary. The secretary shall prepare and keep the minutes of the proceedings of the board of directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the corporate records, be responsible for authenticating records of the corporation, and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the chairperson of the board or by the board of directors. In the absence of the chairperson of the board or any of the vice chairpersons of the board for any meeting of the board of directors, or their inability or refusal to act, the secretary shall perform the duties of the chairperson of the board and when so acting shall have all the powers of and be subject to all the restrictions upon the chairperson of the board.

Section 8. Chief Executive Officer. The chief executive officer shall be the principal executive officer of the corporation and shall, subject to the direction of the board of directors, have general supervision and control of the business and affairs of the corporation. The chief executive officer may sign contracts, agreements or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution of such shall be expressly delegated by the board of directors to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed.

Section 9. Chief Financial Officer. The chief financial officer shall have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories.

Section 10. Chief Administrative Officer. The chief administrative officer shall be responsible for administrative aspects of the corporation, and shall otherwise perform such duties as may be assigned by the chief executive officer.

Section 11. Other Officers. The board of directors may from time to time create such additional officer positions, and the chief executive officer may fill such positions (except for volunteer officer positions), as the business of the corporation may require.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The board of directors may authorize the chairperson of the board, the chief executive officer and/or any other officer or officers, agent or agents of the corporation to enter into any contract or to execute and deliver any document, instrument, or writing of any nature in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, letters of credit, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the chairperson of the board, the chief executive officer and/or such other officers or agents of the corporation and in such manner as shall be determined from time to time by the board of directors. In the absence of such determination by the board of directors, the instruments shall be signed by the chief executive officer.

Section 3. Deposits. All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

Section 4. Gifts. The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII

BOOKS AND RECORDS

Section 1. Corporate Records. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its board of directors, and committees having any of the authority of the board of directors. The corporation shall keep a copy of the following records at its principal office:

- (a) Articles of Incorporation and all amendments currently in effect;
- (b) Bylaws and all amendments currently in effect;
- (c) Minutes of all meetings of directors and records of all actions approved by the board of directors for the past three years;
- (d) Annual financial statements for the past three years;
- (e) A list of the names and addresses of its current directors and officers; and
- (f) The most recent annual report filed with the Director of the Department of Commerce and Consumer Affairs.

Section 2. Inspection of Corporate Records. The records required to be kept at the corporation's principal office set forth in Section 1 of this Article, and any other records as required by law, shall be open to inspection at a reasonable time upon written demand of any director providing notice of five (5) business days or more.

ARTICLE IX

INDEMNIFICATION

Section 1. Indemnification. To the fullest extent permitted by Hawaii law, the corporation shall indemnify each director and officer of the corporation who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, because such person is or was a director or officer of the corporation, against all expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding. The corporation may indemnify current and former employees and agents of the corporation to the extent permitted by Hawaii law.

Section 2. Advances for Expenses. The corporation shall advance funds to pay for or reimburse the reasonable expenses and attorneys' fees incurred by a director or officer before final disposition of an action, suit or proceeding, provided that such person delivers a written affirmation of such person's good faith belief that such person has met the requisite standard of conduct for indemnification and delivers a written undertaking to repay such amount if it is ultimately determined that such person did not meet the standard of conduct. The board of directors may authorize payment in advance of final disposition of an action, suit or proceeding for the reasonable expenses and attorneys' fees incurred by an employee or agent seeking indemnification under this Article, provided that such employee or agent delivers the affirmation and undertaking described in the previous sentence.

Section 3. Continuing Indemnification. The indemnification provided for in Sections 1 and 2 of this Article shall be cumulative and not exclusive, and shall be in addition to any other indemnification provided by law or by any other agreement. Any repeal, amendment or modification of this Article shall not affect the indemnification provided in this Article for any acts or omissions occurring prior to such repeal, amendment or modification. The indemnification provided for in this Article shall continue as to any person who has ceased to be a director, officer or employee of the corporation and shall inure to the benefit of such person's heirs, personal representatives, executors and administrators.

ARTICLE X

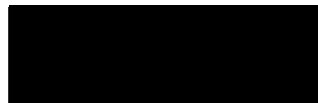
AMENDMENTS

These Bylaws may be altered, amended, or repealed and new bylaws may be adopted by the board of directors at any regular or special meeting.

CERTIFICATION

The undersigned, being the duly elected, qualified and acting secretary of the corporation, does hereby certify that the foregoing bylaws were duly adopted by board of directors of the corporation on March 23, 2010, and are in full force and effect as of the date hereof.

Dated: March 23, 2010

A solid black rectangular box redacting the signature of the secretary.

Secretary

Attachment E

**Internal Revenue Service 501(c)(3) Determination
Letter**

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: JUL 10 2007

Person to Contact:
Vaida Singleton
[REDACTED]

ALCOHOLIC REHABILITATION SERVICES OF HAWAII
INC
% HINA MAUKA
45-845 POOKELA ST
KANEEOHE HI 96744

Toll Free Telephone Number:
877-829-5500
Employer Identification Number:
[REDACTED]

Dear Sir or Madam:

This is in response to your request of May 15, 2007, regarding your address. We have updated our records to reflect the address as indicated above.

Our records indicate that a determination letter was issued in July 1977 that recognized you as exempt from Federal income tax. Our records further indicate that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

[REDACTED]
Cindy Westcott
Manager, Exempt Organizations
Determinations

JUL 19 2007

Attachment F

Board of Directors Roster

Hina Mauka Board of Directors

| | First Name | Last Name | Office | Affiliation |
|----|-------------------|------------------|------------------------------------------------|-------------------------------------|
| 1 | Karen | Schultz | Chair | Queen's Medical Center |
| 2 | Kendall | Wong | Vice Chair, Internal Affairs Committee | First Hawaiian Bank |
| 3 | Michael | Matsumoto | Vice Chair, External Affairs Committee | SSFM International, Inc. |
| 4 | Colin | Lau | Vice Chair, Governance Committee and Secretary | Imperial Associates |
| 5 | Alan | Johnson | CEO | President & CEO, Hina Mauka |
| 6 | Signe | Godfrey | | Olsten Staffing Services |
| 7 | Debbie | Apolo | | American Lung Association of Hawaii |
| 8 | Celia | Ona | | Tripler Army Medical Center |
| 9 | Curtis | Harada | | Hawaiian Electric Industries |
| 10 | Wendell | Murakawa | | Public Safety Department (Ret.) |
| 11 | Theresa | Spottswood | | Servco Pacific, Inc. |
| 12 | Robert | Iopa | | WCIT Architecture |

Attachment G
Evidence of Insurance

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID AN
HINAM-1

DATE (MM/DD/YYYY)
01/28/14

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| PRODUCER Jerry Hay, Inc. 650 Iwilei Road, Suite 206 Honolulu HI 96817 Phone: 808-521-1841 Fax: 808-457-4780 | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. | |
| | INSURERS AFFORDING COVERAGE | NAIC # |
| INSURED Alcoholic Rehabilitation Services of Hawai'i Inc. dba Hina Mauka 45-845 Po'okela Street Kaneohe HI 96744 | INSURER A: RIVERPORT INSURANCE COMPANY | |
| | INSURER B: | |
| | INSURER C: | |
| | INSURER D: | |
| | INSURER E: | |

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR ADD'L LTR | INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS |
|--------------------------------------------------------------------------------------------------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| A | | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Prof. Liability | [REDACTED] | 10/18/13 | 10/18/14 | EACH OCCURRENCE \$ 1000000 |
| | | DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500000 | | | | |
| | | MED EXP (Any one person) \$ 5000 | | | | |
| | | PERSONAL & ADV INJURY \$ 1000000 | | | | |
| GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | | | | | GENERAL AGGREGATE \$ 3000000 PRODUCTS - COMP/OP AGG \$ 1000000 |
| | | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$ |
| | | EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$ | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$ |
| | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below | | | | WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$ |
| | | OTHER | | | | |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 ***** PROOF OF INSURANCE *****

CERTIFICATE HOLDER

HOUSE-4
 27th Legislature House
 Committee on Finance
 Senate Comm. on Ways & Means
 State Capitol Rm 306 & Rm 308
 Honolulu HI 96813

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

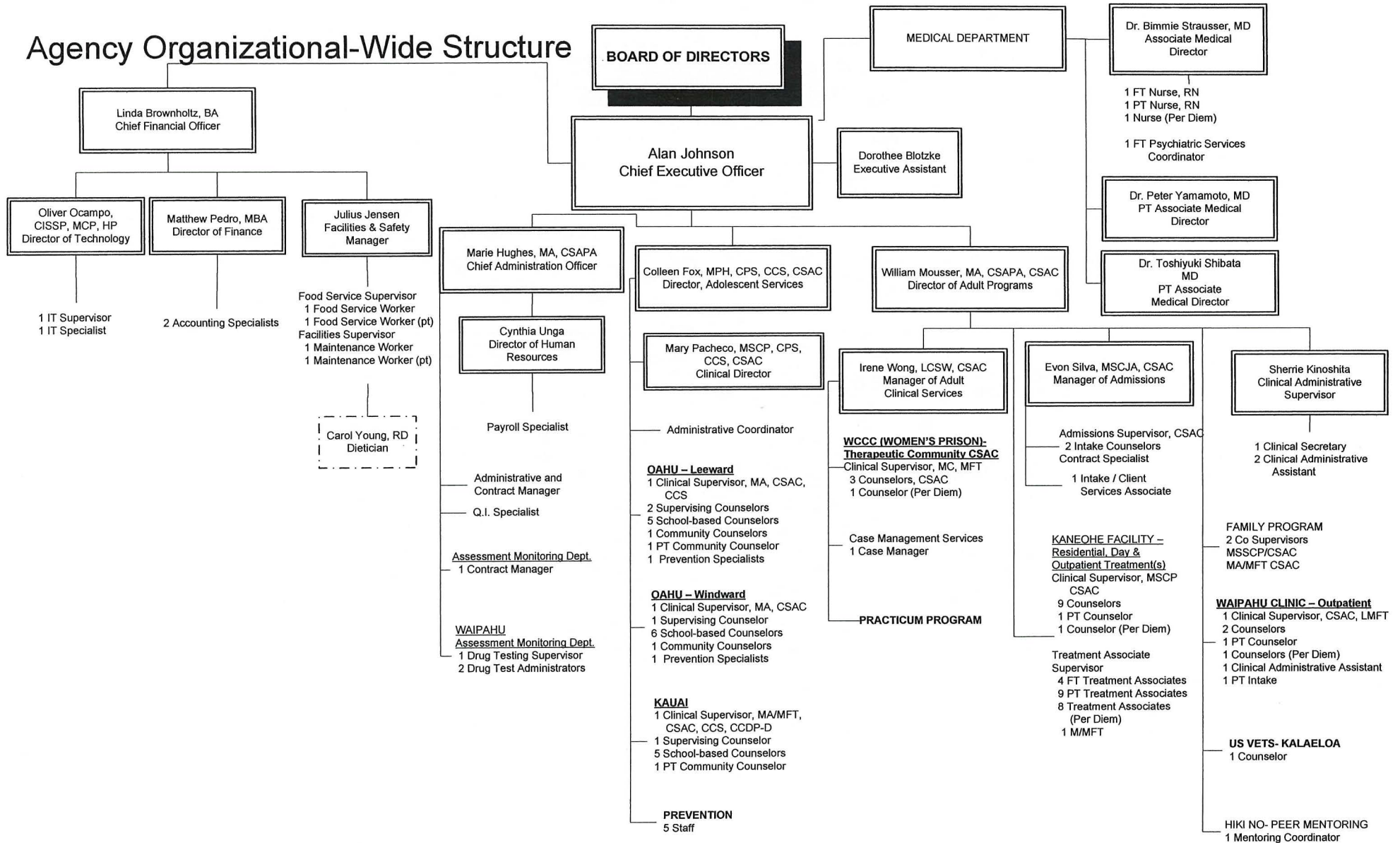
JERRY HAY, INC. President
 AUTHORIZED REPRESENTATIVE [REDACTED]

Attachment H

Organization & Project Specific Organizational Charts

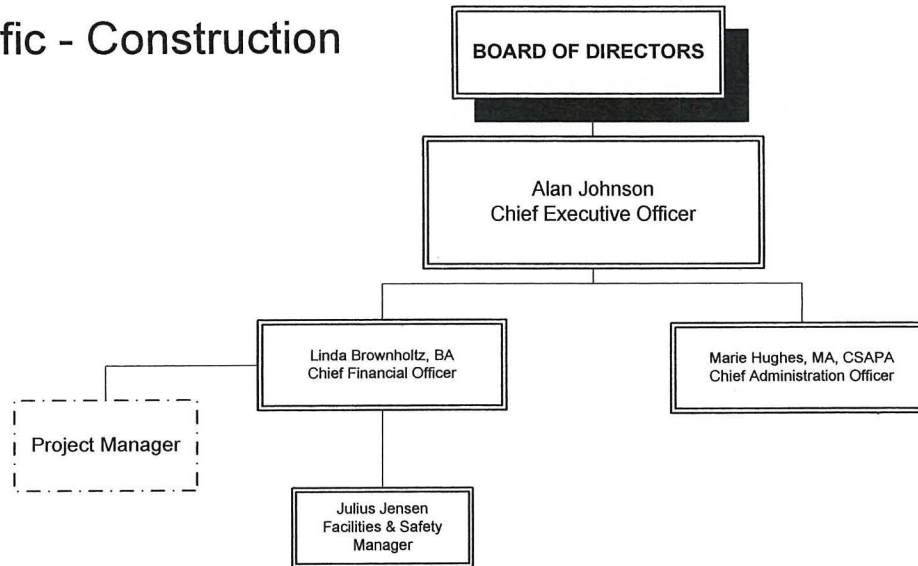
Hina Mauka Organizational Structure

Agency Organizational-Wide Structure



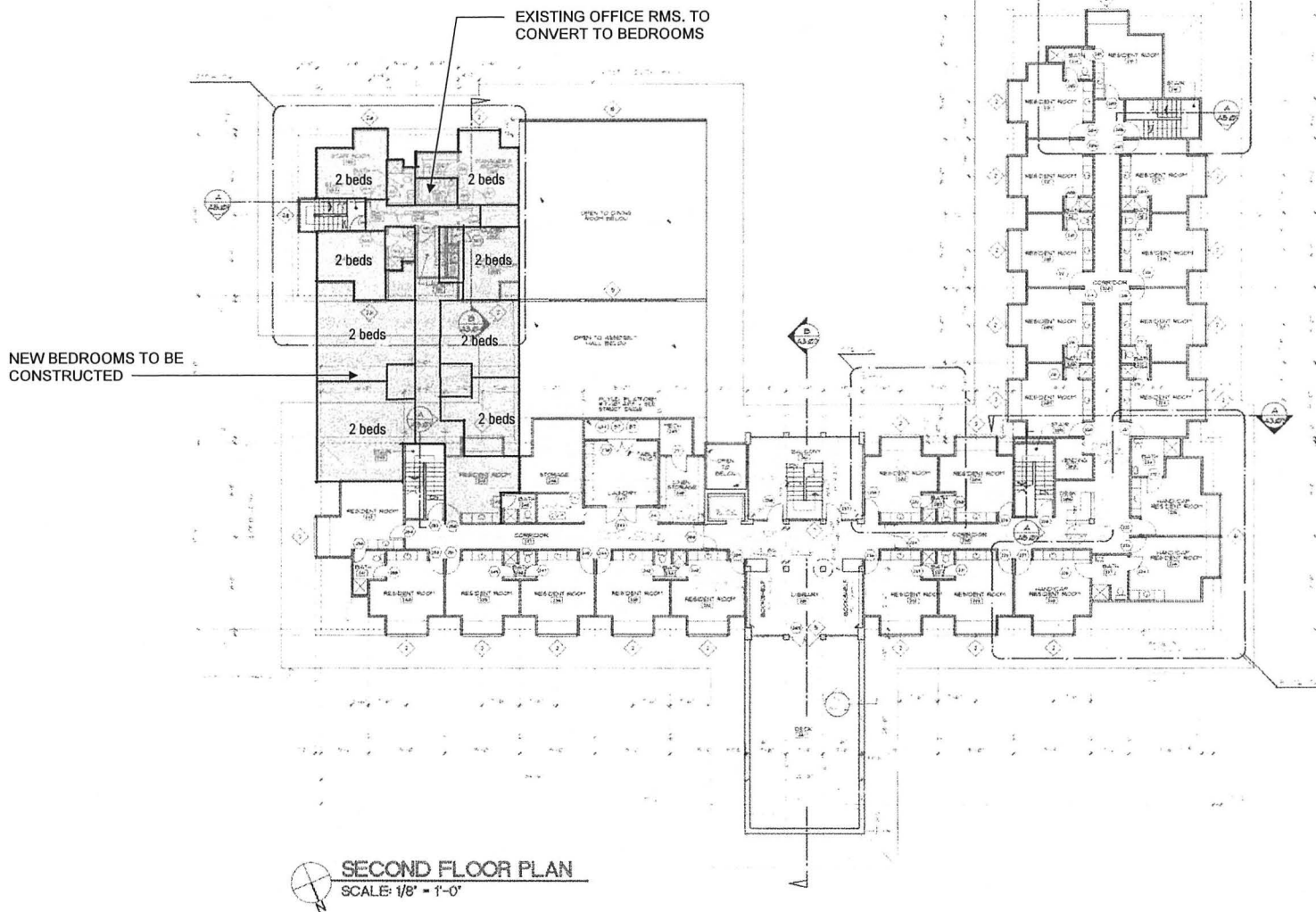
Hina Mauka Organizational Structure

Project Specific - Construction



Attachment I

Proposed Floor Plan for Expansion



HINA MAUKA CLINIC EXPANSION

Kane'ohe, O'ahu, Hawai'i