

GRANTS REVIEW COMMITTEE MEETING
November 14, 2006

Members Present: Stephen Kealoha, Kent Stewart, Kenneth Rothman, Carl Shelton,
Susan Bendon, Albert Nyberg

Excused: Lee Stein, Christina Paleka, Cynthia Arruiza

Staff: Wendy Stebbins, Acting Grants Management Administrator
NaniLei Busby, Grants Management Clerk Typist
Edward Kushi, Deputy Corporation Council

MINUTES

I. CALL TO ORDER – 8:35 a.m.

II. APPROVAL OF MINUTES

- A. July 11, 2006 – approved
- B. September 12, 2006 – approved

III. PUBLIC TESTIMONY – none

IV. NEW BUSINESS – Vote on Subcommittee Recommendations

A. Item #1: Grant applications to be sent to applicants from beginning to mid-November, grant application submittals back to Grants Management Division by mid January, and GRC grant application reviews and applicant interviews completed and recommendations sent to mayor via Dept of Housing and Human Concerns by end of March.

- 1. Motion to accept made by Kent and seconded by Carl.
- 2. Discussion:
 - a) Susan asked when the county budget reviews would be done and suggested if it might be better to set a completion date of March of 15th. Stephen replied that they could if she wanted to, but by the end of March would be okay.

b) Wendy added that the GMD's internal goal is to get the application out by November 1st.

3. Vote to motion carried unanimously.

B. Item #2: GRC supports the Department of Housing and Human Concerns consideration of a 3-year funding cycle.

1. Motion to accept by Susan and seconded by Al

2. Discussion:

a) Kent queried on mechanisms that could be put into place in considering new groups that emerge and deserve consideration.

b) Wendy explained that when new groups come to the GMD they're informed of the application process and are guided to other sources of funding. There may be possibilities that the GMD could pull small amounts if there are discretionary funds available.

c) Susan commented that there already seems to be organizations to cover almost everything and if a new group comes along there are organizations that have an umbrella that they can participate under. To discourage duplication she encourages promotion and blending of the agencies that are already in existence rather than the creation of new ones.

d) Stephen said the subcommittee discussed the pros and cons of the 3-year funding cycle and the reasons to support the proposal heavily outweighed the need to consider new applicants.

e) Kenneth said that while they all agree that the pros of the 3-year cycle outweigh the cons the system needs to incorporate the ability to deal with change in terms of new things that come up.

3. Vote to the motion carried unanimously

C. Item #3: Submit letter to the Mayor and Department of Housing and Human Concerns immediately restating GRC's recommendation to include at least a 5% increase in CPG funds in the Mayor's FY 2008 budget.

1. A draft of the proposal was prepared by Stephen and copies distributed with an attached spreadsheet to show an across the board 5% increase to all agencies currently receiving grant funds through Community Partnership Grants, Culture and Arts, Youth Centers, and Youth Programs.
2. Motion to accept made by Ken and seconded by Susan
3. Discussion:
 - a) Wendy commented that it would mean amending 57 grants with increases ranging from \$400 to \$10,000 and that it would take months to process.
 - b) Ken asked if it would be easier to double it up for the next grant cycle and asked Wendy what she recommended.
 - c) Wendy said the best way would be to request an increase for the next grant cycle and suggested another way would be to recommend that the increase go to a certain category or to let the department make that decision.
 - d) Kent asked if she had an internally streamlined process for grants that an agency could apply for—using discretionary funds for new or emerging needs that they can apply for on top of their existing grant.
 - e) Wendy said that it would have to be amended and that a new budget and possibly a new project description would have to be submitted.
 - f) Kent said he's aware of several agencies that work through OED where they seem to have a greater degree of flexibility and simplicity in their application process.
 - g) Ed explained that grants under the GRC's purview are separate items in the county's budget. OED's process is similar, however, they don't have a grants review committee or publicize applications for grants, but once they decide that the grant is going to be awarded it goes through the same process... The two year cycle for grants just approved are assured that they have funding

for two years, but the grant specifically says that it's subject to the availability, appropriation and approval of funds by the Maui County Council. Contracts are guaranteed specified amounts for two years, but still subject to change, and could be increased also.

h) Kent noted the risk present for agencies is that funding might be cut if council fails to approve and would like see if a mechanism could be developed so if council deems that there are increased needs in certain areas, or if an adjustment needs to be made funds could be increased without having to redo the entire agreement.

i) Ed explained that in allocating funds to the various agencies the GRC in most cases allocates less than what was requested which in it self is basis for a significant amount of extra money. If the budget increases, agencies that did not receive total amounts requested may have their grants amended without having to go through the hearing process again.

j) Stephen stated that they should continue asking for a 5% increase for the fiscal year 2008 budget and put it all into the discretionary fund category. If the increase is approved the committee can work with grants management in figuring out how to allocate any additional funding.

4. Al moved to amend the letter to read that 5% increase be placed in a discretionary fund. Ken seconded.

5. Discussion on amendment to the main motion.

a) Wendy asked for clarification.

b) Stephen said that they would be asking for a 5% increase of the total fiscal year 2007 amount to be put into this discretionary category. The 5% increase request would be from the total of FY 2007 CPG, Youth Centers, Youth Programs and Culture and Arts and would not be particular to any one category.

6. Vote to the amendment carried unanimously.

7. Vote to the main motion as amended carried unanimously.
8. Stephen will rewrite the letter and send it to DHHC Director Alice Lee and email copies to the GRC.

D. Item #4: Submit letter to the mayor to establish a list of potential candidates' ready to serve on the GRC in the event of term expirations or early resignations.

1. Motion to accept made by Kent and seconded by Susan.
2. Discussion:
 - a) Susan commented that the process is already supposed to be occurring, that it serves as a reminder, and pointed out the importance having a list of potential candidates ready to serve as committee members terms expire.
 - b) Stephen explained that the mayor had a group of people who were looking at all the boards and commissions—to review applicants and make recommendations to him.
 - c) Ken suggested one of the possibilities is being aware of individuals out there that would serve well on this committee.
 - d) Susan suggested for someone whose term will be expiring and chooses not to reapply can go out in their community and find people who could replace them.
 - e) Ken said that he is one in four committee members from upcountry and noted that there was nobody from Kihei. He said he doesn't mind continuing but Kihei needs to be represented.
 - f) Kent asked Wendy if it were possible to send an internal memo stating that the GRC is interested in trying to get broad representation from around the county pointing out one area of lack is Kihei.
3. Kent moved amended the letter to request attention be paid to geographical representation of the committee. Susan seconded.
4. Vote to amendment carried unanimously.

5. Vote to accept the main motion as amended carried unanimously. Stephen and Susan will develop a letter to submit via Director Lee.

V. OLD BUSINESS

A. Audit Updates

1. Wendy reported that Hana Arts, Maui Dance Council, and Kihei Youth Center had recently completed their audits. All audits were reviewed by the county's finance department. Hana Arts and Maui Dance Council have some minor concerns which the GMD will be discussing with the agencies and following-up on. Kihei Youth Center's overall financial assessment needs improvement. Wendy read the following comments from the Finance Dept:

Although 2006 has improved over the 2003 loss the grantee should plan to eliminate heavy reliance on the county which provides 85% of the funding. The plan should be detailed and maintainable on a long term basis... Financials indicate \$20,000 temporary loan from a program director. Although the loan was temporary it is an indication that reserves and cash is inadequate for contingencies. Loans from Directors could indicate an unstable financial capacity which should be strengthened with reserves... He suggested a reserve of 3-month working capital—a cash saving account of about \$60,000. Wendy will be following up with them on these issues.

2. Concerns regarding Kihei Youth Center's financial status and ability to adequately provide youth center services to the broad and increasing population of Kihei were brought up. Possible means of having a new administration and central location for the youth center was discussed. Stephen suggesting putting more priority on monitoring and making sure services are being provided. Carl is scheduled to conduct a site visit but has been waiting for an update on their audit.

B. Subcommittee reports—Grants Review Process Subcommittee Report (Hand-outs distributed)

1. Susan gave a presentation on the grant review process covering what was distributed in the hand-out (see attachment A). While concerns as well as practicable solutions were discussed the proposal received overall support to proceed from committee members present.

VI. SITE VISIT REPORTS – Deferred

VII. NEXT MEETING

A. Upcoming meetings for 2007 are scheduled from 8:30-10:30 @ Hospice Maui on the following dates.

1. January 16
2. March 13
3. June 19
4. September 11
5. November 13

VIII. MEETING ADJOURNED – 10:52 a.m.

Submitted by: NaniLei Busby, Grants Management Clerk Typist