

October 15, 2015

MEMO TO: KIRC Commissioners

FROM: Michael K. Nāho‘opi‘i, Executive Director

SUBJECT: Approval of Pacific American Foundation as a Fiscal Sponsor Agency (FSA)

---

**RECOMMENDED MOTION:**

To authorize the use of the Pacific American Foundation (PAF) as a Fiscal Sponsor Agency (FSA) for the purposes of soliciting grants and other funding sources.

**BACKGROUND & SUMMARY:**

The PAF is a non-profit 501c3 organization incorporated in 1993. Its mission is to “improve the lives of all Pacific Americans.” Pacific Americans are defined as encompassing citizens of the United States who can trace their ancestry to the indigenous settlers of the State of Hawaii, Territory of American Samoa, Territory of Guam, and Commonwealth of the Northern Marianas Islands, Fiji, New Zealand, Tahiti, and Tonga. PAF's core competencies are curriculum development, professional development for educators, youth mentorship, leadership development, parent involvement, career planning, job readiness, college readiness, research and evaluation in culture-based education, and community partnership development.

Over the years, PAF has formed many community partnerships to advance its mission in reaching a broad spectrum of its target community with unique and innovative educational programs. *Why Education?* In the 21<sup>st</sup> century, one’s level of educational attainment is directly proportional to good health, career advancement, employability, and stewardship of both individual and collective resources (community) in the places we choose to live. Further, Hawaii’s unique and isolated geographic conditions have provided the native and indigenous Hawaiian people of the islands with a rich cultural and sustainable method of living that is unmatched throughout the world. Thus the merging of traditional knowledge that is still practiced today with 21<sup>st</sup> century skills has catalyzed a new formula for how children are taught in the modern age.

In 1998, the National Pacific American Leadership Institute (NAPALI) was formed to identify and train “emerging leaders” aged 25 to 50 to navigate this new way to educate and lead. Since 2000, PAF has been successful in developing unique culture-based curricula, rigorously adhering to national and state standards that cover all of the core academic areas of study including math, science, social studies and language arts. Its specific intent was to provide more relevant curricula for native Hawaiian students throughout the State of Hawaii to help them increase their motivation as engaged learners while also providing a new framework in which to advance student achievement.

In 2000, PAF partnered with the Waikalua Loko Fishpond Preservation Society to embark on a journey that would begin to re-set the paradigm of how children are educated in Hawaii.

**MEMORANDUM:** KIRC Commissioners

October 15, 2015

Page Two

From 2005 through 2014, PAF has received numerous awards and recognition by the Native Hawaiian Educational Council, the Hawaii Department of Education, and the Hawaii Historic Foundation, for its work in developing a “new model” for culture-based education, preservation and stewardship of the environment in Hawaii. Since then PAF has received opportunities to expand its curriculum development to Hawaii’s coral reef systems, other ahupua’a throughout the state, the island of Kaho‘olawe, the science of tsunamis, global climate change and sea level rise.

PAF has also been proactive in developing these partnerships so that students would also have a “community classroom” experience outside of the traditional school campus to learn, apply knowledge and help solve real world problems in their own communities. To date PAF has developed: (1) over 200 partners throughout the State of Hawaii, the Pacific and the U.S. continent to help support its mission; (2) enrolled over 21,000 students in its career planning system; (3) trained over 4,000 teachers statewide; (4) approaching 100,000 students, parents, teachers and community members who learn about and steward the fishpond since 1995; and (5) provided fiscal sponsorship services for 15 community organizations.

PAF has prided itself in creating and building upon small successes that have firm foundations. These foundations in education, earning the trust and respect of the community have led to bigger successes and huge opportunities to reach more children, youth and adults.

In 2011, PAF was selected to be a fiscal sponsor for the Hawaii Department of Education Castle – Kahuku Complex of 31 schools. This was an unprecedented step and honor for PAF as part of the first State “Re-design” of a local high school. In 2012, PAF was also selected by the same complex of public schools to lead the transformation of Castle High School and its complex of schools as part of a new community mandate to employ a “Community School” concept. The mandate was to develop a culture, place and project based curriculum that creatively utilizes the resources of the surrounding community as the “new” community school. PAF’s history was perfectly situated to provide the technical expertise to help guide the school in the “paradigm shift”.

In October 2013, PAF was successful in signing an agreement to purchase the Waikalua Loko Fishpond utilizing federal HUD dollars. It is the first ancient Hawaiian fishpond to return to “Hawaiian hands” since the Great Mahele in 1848.

In 2015, the State legislature approved grant-in aid to help build supplemental educational facilities at the site to further advance the ongoing mission of community –based environmental and cultural education.

**OTHER DICUSSION:**

The KIRC currently uses Tri-Isle as a FSA for its Maui County – Office of Economic Development Grants (OED Grants) and a Hawaii Community Foundation – Honokanai’a Coastal Restoration Grant (HCF Grants). Both grants require that the funding be awarded to a 501(c)(3) Non-profit corporation. The KIRC has previously partnered with the PAF in 2004 for a Native Hawaiian Education Act (NEA) Grant – Malama Kaho‘olawe Curriculum Development and Teacher Training Project.

**MEMORANDUM:** KIRC Commissioners

January 8, 2015

Page Three

As a FSA, PAF would act as the grant recipient on behalf of the KIRC only for those grant applications that require a 501(c)(3) Non-profit corporation. We intend to continue our use of Tri-Isle for some Maui County and Maui-based grants, but having a second FSA, especially an Oahu-based FSA, would allow the KIRC to increase the number of grant applications as well as expand our applications into new fields in which PAF already has an established track record. such as federal funding through the U.S. Department of Education (USDOE) and the Administration for Native Americans (ANA). Additionally, PAF currently has grant and funding awards through large institutional funders and is willing to mentor us in seeking these types of funding opportunities.

PAF also has a very robust fiscal management program that could greatly accelerate our grant reimbursements and payments as our FSA. As a Federally approved and audited grant recipient, they are able to electronically draw their funds and quickly reimburse KIRC. Under our current FSA relationships, hardcopy invoices and backup documentation must be submitted to the FSA which then repackages them in hardcopy to the funder and awaits payment before dispersing the reimbursement.

Currently, PAF has an approved federal overhead rate of 11% that would be applied to all of our grant applications as our FSA.

**RELEVANT LAW:**

KIRC Executive Policy Manual, Appendix F: Grant Approval Policy, Section 2.6 Grant Agreement with Fiscal Sponsors: all grant agreements using a Fiscal Sponsoring Agency (FSA) must be approved by the Commission. .... The information contained in the Action Item presented to the Commission shall include, but are not limited to the items listed in Section 2.1 (Not applicable since no grant application is being made at this time), and the following:

- The requirements of the FSA, including any fees or cost that the FSA may charge the KIRC; and
- The background and history of the FSA

**RECOMMENDATION:**

To authorize the use of the Pacific American Foundation (PAF) as a Fiscal Sponsor Agency (FSA) for the purposes of soliciting grants and other funding sources.