

House District 13
Senate District 7

THE TWENTY-NINTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST -- OPERATING

GRANT REQUEST -- CAPITAL

"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.

"Recipient" means any organization or person receiving a grant.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Molokai Arts Center
Dba:
Molokai Arts Center
Street Address:
1630 Farrington Ave.
Mailing Address:
PO Box 116
Kualapuu, HI 96757

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name BRANDON JONES
Title Executive Director
Phone # 808-658-9045
Fax # not applicable
E-mail molokaiartsed@gmail.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
 FOR PROFIT CORPORATION INCORPORATED IN HAWAII
 LIMITED LIABILITY COMPANY
 SOLE PROPRIETORSHIP/INDIVIDUAL
 OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

OPERATIONAL AND PERSONNEL SUPPORT FOR ONGOING ARTS PROGRAMS ON MOLOKAI.

4. FEDERAL TAX ID #: [REDACTED]
5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 33,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

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

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

STATE \$33,000
FEDERAL \$0
COUNTY \$0
PRIVATE/OTHER \$85,900

TY

GREG KAHN BOARD PRESIDENT
NAME & TITLE

1-19-17
DATE SIGNED



RECEIVED
1/20/17 MJD

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Appl

Molokai Arts Center

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries	27,500			27,500
2. Payroll Taxes & Assessments				9,900
3. Fringe Benefits	5,500			5,200
TOTAL PERSONNEL COST	33,000			42,600
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				700
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				7,200
5. Staff Training				
6. Supplies				12,000
7. Telecommunication				1,700
8. Utilities				10,500
9. Marketing				1,500
10. Repairs and Maintenance				1,200
11. Office supplies/shipping				500
12. Accounting				6,000
13. Visiting Artist Program				2,000
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				43,300
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	33,000			85,900
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	33,000	Brandon Jones (808) 658-9045		
(b) Total Federal Funds Requested	0	N [REDACTED] Phone		
(c) Total County Funds Requested	0	[REDACTED] 1-19-17		
(d) Total Private/Other Funds Requested	85,900	Signature of Authorized Official Date		
TOTAL BUDGET	118,900	Greg Kahn Board President Name and Title (Please type or print)		

Application for Grants

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. Please include the following:

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

The Molokai Arts Center (MAC) has been in operation since 2010. We are a 501c3 nonprofit, and our mission is to bring outstanding arts education and experiences to the people of Molokai. We hold regular classes in pottery for all ages, as well as classes and workshops in various art forms, from painting to creative writing. We are responsible for the island's only after school music program, and we are developing a Native Hawaiian Arts program. We inhabit a 1000 square foot studio, with 10 pottery wheels, 2 kilns, 2 pugmills, as well as various other artmaking tools and supplies.

2. The goals and objectives related to the request;

The MAC is in a state of growth to meet the needs of our community. To do this effectively, we must increase our staff—until last year we were run primarily by volunteers. We recently added a part time Executive Director in an effort to better create and manage programs, as well as to source and secure funding. We also have a part time Studio Manager who maintains and regulates our facility. One of the biggest hurdles nonprofits face is in finding funds to cover operating costs, and especially salaries; but without the human resources to implement the work, nonprofits cannot provide the services they set out to do. It is not realistic for us to support a full time Executive Director position at this time, but there is currently more to manage than can be expected of a single part time Director. We are requesting funds to cover 50% of the salaries of our Executive Director and Studio Manager, as well as to hire a ¼ time Program Assistant. The Program Assistant will cover certain operational duties in order to free up the Executive Director to focus on fundraising and other efforts to make the MAC sustainable into the future.

3. The public purpose and need to be served;

Molokai is an economically challenged community, with the highest unemployment rate of all the islands—7.1%, which is more than double the rate

for the rest of the state. For this reason we keep our class fees low, and often free, to ensure the people of Molokai are served by the arts. The MAC is the only arts center on Molokai, and the only organization which provides ongoing arts education. We also aim to help promote and preserve Native Hawaiian arts through our Hawaiian Arts Program.

4. Describe the target population to be served; and

The MAC serves all ages and backgrounds, from children to seniors. We primarily serve residents of Molokai, but we reach some of the visitor population as well.

5. Describe the geographic coverage.

We reach out to the entire island of Molokai, with the exception of Kalaupapa.

II. Service Summary and Outcomes

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

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

The MAC holds ongoing weekly scheduled pottery classes for children, college students, adults and seniors. We also host workshops on painting, mosaics, print making, creative writing, glass arts and drawing. We have a Hawaiian Arts Program, which focuses on offering traditional Hawaiian arts free of charge. We run an after school stringed instrument class, which is open to all ages in the public, free of charge and with instruments to loan. We host occasional musical events and book readings. We also act as fiscal sponsor, from time to time, for local arts projects.

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

On an ongoing basis, we provide 2 children's classes every Saturday (with holiday exceptions), adult pottery every Wednesday and Saturday, weekly college classes (TBA), and one seniors' pottery class every month. Our Hawaiian Arts Program will provide six lectures and six hands-on workshops over the year, with the plan of doubling that number in 2018. We will offer a life drawing class once weekly on Sundays beginning in July, 2017. We have workshops in printmaking, slumped glass, design concepts and creative writing in the planning phase, with exact dates to be announced (contingent on instructor availability). We will host one classical music event from off island toward the end of 2017, and another in the first half of 2018.

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

We track numbers of participants in our programs and events, and we aim for a 10% increase in participation over the next year. In programs where there is a limited number of possible participants, we gauge our success by whether or not the program is filled, and if not, by how much. As an example, we recently brought a well-known painter from Kauai to teach a workshop. The class sold out within 24 hours of announcing it, so we quickly added another session, which also sold out. This gave us a 100% increase over our projected reach. We have recently implemented a membership program, and by tracking the increase in total membership, we get a sense of our growth as an organization.

We will be able to measure how effective it was to hire a Program Assistant by counting how many more programs and events we are able to launch than in previous years. Simply having the extra human resource power to focus on program implementation will enable us to create a greater number of more effective programs. Where a certain number of these programs yield income, this should propel us toward greater sustainability.

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

We will count the increase in membership numbers, participation numbers and numbers of added programs and compare them to previous years as measures of effectiveness.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2018.
- 3.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
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\$8,250	\$8,250	\$8,250	\$8,250	\$33,000
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- The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018.

- \$12,000 from Hawaii Tourism Authority
- \$25,000 Flex Grant
- \$12,000 from the Atherton Foundation
- \$10,000 McInerny Grant
- \$8,000 Friends of Hawaii
- \$1,500 Friendly Isle United Fund
- \$20,000 Private Donations
- \$10,000 Fundraisers

- 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 a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding.

Not Applicable

- The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016.

See Attached Balance Sheet (Balance sheet reflects balance as of November, 2016. Our accountant is awaiting information and has yet to compile the balance sheet from December, and I can forward that information when it comes available.)

IV. Experience and Capability

A. Necessary Skills and Experience

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

The Molokai Arts Center has been in continuous operation since 2010, and since that time has maintained ongoing classes, workshops and events.

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 Molokai Arts Center has a dedicated 1000 square foot studio which is equipped with 10 pottery wheels, 2 kilns, 2 pugmills plus various artmaking tools in various media. In it we have held workshops in painting, mosaics and other art forms, as well as poetry readings and other small events. For programs and events not suited for our space, we have partnered with Kaunakakai School, Molokai Public Library, Molokai Community Health Center, Kalele Bookstore, the Catholic church and other entities which have appropriate space. We are well known and connected in the community, and always look for opportunities to share our space with others as well.

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.

We currently employ a part time Executive Director and a part time Studio Manager. Our Executive Director, Brandon W. Jones, has been on staff for eight months. He comes from a wide background in the arts, being an internationally bestselling novelist, and having studied music and art extensively in college. Our Studio Manager, April Maddela, began as a student, then as a volunteer at the MAC. She took the job of Studio Manager just over two years ago. Our Program Assistant will be one who is well versed in the arts, highly organized and have some experience coordinating events.

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 organization chart that illustrates the placement of this request.

Executive Director: Answers directly to the Board of Directors and oversees all operations and funding.

Studio Manager: Answers to Executive Director to ensure smooth operation of facility and classes

Program Assistant: Answers to Executive Director to ensure programs run smoothly.

C. Compensation

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

Executive Director works 19 hours per week at \$25 per hour, making \$25,000 per year (rounded).

Studio Manager works 19 hours per week at \$20 per hour, making \$20,000 per year (rounded).

Program Assistant will work 10 hours per week at \$20 per hour, making \$10,000 per year (rounded).

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.

Not Applicable

B. Licensure or Accreditation

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

Not Applicable

C. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

Not Applicable

D. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2017-18 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2017-18, but
- (2) Not received by the applicant thereafter.

The MAC holds two successful fundraisers every year, the “Soup R Bowl” and the “Plant N Pot Sale”. We will continue these events beyond fiscal year 2017–2018. Also every year we participate in the Aloha for Hawaii Charities (AHC) matching donation fundraising drive, and we generate revenue through private donations. We will continue looking into the feasibility of being more profitable with our paid classes; but this is tricky as our goal is to make the arts available to an economically challenged community. Ceramicists in the community pay a monthly fee to use our supplies and facility. Our board members donate to the MAC every year, and we make use of hundreds of willing volunteers who jump in to lend a hand at our events. Keeping low overhead is one key to sustainability, and we are good at keeping our costs minimal. This year’s very successful AHC fundraising drive is a testament to the power of having an Executive Director who personally reaches out to charity-minded members of the community, and we expect to see more such relationships being forged in the coming years. We have a fledgling membership program, and as we grow, we anticipate seeing that program cover an ever greater amount of our costs.

To date, we have always relied somewhat on grants to keep our operations going, and complete sustainability from such funds in the very near future is unlikely, considering the importance of keeping our services within financial reach of our community. That said, with our increased human resources we will be able to increase the efficacy of the income streams we already have in place.

E. Certificate of Good Standing (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2016.

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2017 to June 30, 2018

Molokai Arts Center

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Executive Director	0.5	\$25,000.00	50% OF TIME	\$ 12,500.00
Studio Manager	0.5	\$20,000.00	50% OF TIME	\$ 10,000.00
Contract Program Assistant	0.25	\$10,000.00	50% OF TIME	\$ 5,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				27,500.00
JUSTIFICATION/COMMENTS:				
We are asking the GIA Grant to cover 50% of our personnel salaries, as we're confident we can find the remaining 50% from other sources.				

Molokai Arts Center Inc
Balance Sheet
 As of November 30, 2016

	Nov 30, 16
ASSETS	
Current Assets	
Checking/Savings	
Bank of Hawaii Checking	52,676.39
Total Checking/Savings	52,676.39
Accounts Receivable	
Accounts Receivable	4,705.50
Total Accounts Receivable	4,705.50
Other Current Assets	
Deposits Refunds Reservations	481.22
Logowear (tshirts etc)	516.61
Total Other Current Assets	997.83
Total Current Assets	58,379.72
Fixed Assets	
ART EQUIPMENT	
Extruder	
Acc Dep Extruder	-51.00
Extruder - Other	215.00
Total Extruder	164.00
Kilns	
2016KenKangRakuKiln	395.99
Gas Kiln 2014	
Acc Dep Gas Kiln 2014	-4,266.00
Gas Kiln 2014 - Other	15,581.20
Total Gas Kiln 2014	11,315.20
LargeElectricKiln2014	
Acc Dep LargeElectricKiln2014	-677.00
LargeElectricKiln2014 - Other	3,791.80
Total LargeElectricKiln2014	3,114.80
Raku Kiln 2012	
Acc Dep Raku Kiln 2012	-511.00
Raku Kiln 2012 - Other	1,022.93
Total Raku Kiln 2012	511.93
SmallElectricKiln2014	
Acc Dep SmallElectricKiln2014	-259.00

Molokai Arts Center Inc
Balance Sheet
As of November 30, 2016

	Nov 30, 16
SmallElectricKiln2014 - Other	1,447.78
Total SmallElectricKiln2014	1,188.78
Wood Kiln 2014	
Acc Dep Wood Kiln 2014	-1,849.00
Wood Kiln 2014 - Other	6,752.96
Total Wood Kiln 2014	4,903.96
Total Kilns	21,430.66
Potters Wheels	
Acc Dep Potters Wheels	-4,411.00
Potters Wheels - Other	8,632.76
Total Potters Wheels	4,221.76
Pugmills	
Pugmill 2012	
Acc Dep Pugmill 2012	-2,490.00
Pugmill 2012 - Other	4,861.87
Total Pugmill 2012	2,371.87
Pugmill 2013	
Acc Dep Pugmill 2013	-1,423.00
Pugmill 2013 - Other	4,784.43
Total Pugmill 2013	3,361.43
Total Pugmills	5,733.30
Slabroller	
Acc Dep Slabroller	-1,080.00
Slabroller - Other	2,265.37
Total Slabroller	1,185.37
Total ART EQUIPMENT	32,735.09
Furniture and Equipment	
Acc Dep FurnitureEquipment	-779.00
Furniture and Equipment - Other	1,611.88
Total Furniture and Equipment	832.88
Leasehold Improvements	
Acc Amort LH Improvements	-31,080.00
Leasehold Improvements - Other	40,793.48

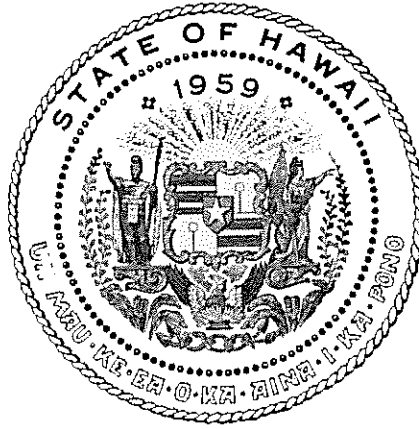
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12/20/16

Accrual Basis

Molokai Arts Center Inc
Balance Sheet
As of November 30, 2016

	Nov 30, 16
Total Leasehold Improvements	9,713.48
MIME-MolokaiInstrumentalMusicEd	
Acc Dep MIME	-249.00
MIME-MolokaiInstrumentalMusicEd - Other	468.12
Total MIME-MolokaiInstrumentalMusicEd	219.12
Shipping Container	
Acc Dep Shipping Container	-56.00
Shipping Container - Other	166.80
Total Shipping Container	110.80
Total Fixed Assets	43,611.37
TOTAL ASSETS	101,991.09
LIABILITIES & EQUITY	
Equity	
Opening Balance Equity	71,718.85
Unrestricted Net Assets	-19,099.40
Net Income	49,371.64
Total Equity	101,991.09
TOTAL LIABILITIES & EQUITY	101,991.09



Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

MOLOKAI ARTS CENTER, INC.

was incorporated under the laws of Hawaii on 08/06/2010 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 17, 2017

Director of Commerce and Consumer Affairs

