



January 18, 2013

Dear Friend,

Over this past year we have learned several things about what it means to be a partner that I thought I would share in this, our annual letter of reflection and highlights. Because as we see it, and in keeping with the spirit of the Foundation's benefactor, the relationships we have with the organizations to which we provide funding are partnerships.

Wikipedia, The Free Encyclopedia, describes partnership in the following way: "*A **partnership** is an arrangement where parties agree to cooperate to advance their mutual interests.*" It goes on to say that partnerships are commonplace and exists across all sectors. While they may be commonplace, to be effective, we know the partnerships we are engaged in require attention, care and a real willingness to work together. The need to put attention and effort into the partnership goes both directions – from our Partners and from the Foundation.

In conducting a satisfaction survey with our Partners in late 2011, one of the things we learned is that we need to do a better job of understanding both the issues that they face and the communities in which they work. With our Hawai'i Partners, we've begun asking questions specifically to deepen our knowledge in this regard. The same survey feedback also helped us to conclude that we should schedule visits with our Partners who are working outside Hawai'i, including Doctors Without Borders and Global Greengrants Fund in Kenya and Save the Children in Mozambique. By visiting these programs – on the ground and in the field – we gained considerable knowledge about the work they perform, the communities in which they are working and the issues they face. We saw the value of the work being carried out and the people who are benefitting. What we gained by our visits was a different understanding and appreciation than we had in reading reports and seeing pictures. As a result, we feel like we are better positioned to partner with them.

This past year we completed the first three-year cycle of our Hope for Kids Initiative with nine nonprofit agencies serving children and youth throughout Hawai'i and had the opportunity to reflect with them on what we accomplished and learned over the first three years. <http://hauolimauloa.org/ourpartners/hope-for-kids/>. We agreed there is more work to be done by the Partners in further developing and strengthening their programs and by the Foundation in learning about and communicating the value of the work these Partners are doing within the framework of the Hope for Kids Initiative. Therefore, we decided to extend the Initiative for another three years. The Foundation also expanded the partnership by adding a 10th Partner, Hui Mālama o Ke Kai, working with children and their `ohana in the Waimānalo community on O`ahu. In deciding to extend the Initiative for an additional three years, we determined that the question of financial sustainability needs to be more carefully considered. How do the ten Partners ensure their financial sustainability when the funding relationship with the Foundation is completed? We know there is

no simple or single answer to this question, but the Foundation and the Partners are committed to working on developing answers that fit each Partner's situation. In this case, being an effective partner means thinking about the long term viability of the programs and providing opportunities for each of the Partners to develop capacity that will extend beyond the term of the grant the Foundation provides.

The last reminder of what it takes to be a good partner is the need to listen and be willing to make compromises. As a funder it is easy to assume you know best – since feedback to the contrary does not often get verbalized directly. But our Partners regularly take risks and express ideas that cause us to rethink positions and plans. While not always easy, finding common ground and being willing to change directions when there is good reason to do so is a critical aspect of being an effective partner. It is something we are practicing regularly at the Foundation.

Again, while Wikipedia may be correct in stating that partnerships are commonplace, I would add that they do not exist without considerable effort. As partners, we struggle to find candor and trust in a relationship which is inherently imbalanced with respect to perceived power. We weigh what we can ask of each other and fear we sometimes are asking too much. The Foundation is, however, learning how to be a more effective partner and we see our Partners learning as well. By developing partnerships with those organizations to which we provide funding, we believe the Foundation's impact is amplified as is that of each of the Partners. Despite the challenges of partnership, we believe this is the right path for the Foundation, and we are grateful to have such a remarkable group of Partners take this journey with us.

I end with recognition of a milestone reached in 2012: Our total grants made since inception, in 1991, now exceeds \$20 million. We think the Foundation's benefactor would be pleased to hear that news and to know of the impact of her contribution. From all of us on the board and staff of the Foundation, mahalo for your interest in our work and may you find joy and good work to do, each and every day.

Regards,

A handwritten signature in black ink that reads "Janis A. Reischmann". The signature is written in a cursive, flowing style.

Janis A. Reischmann
Executive Director