



March, 2011

Dear Friends,

Ralph Waldo Emerson said, "The ancestor of every action is a thought." In what we intend to be the first of a series of annual messages that give us a chance to reflect, I would like to share with you, on behalf of all of us at the Foundation, some of the actions we have taken over the past months and the thoughts that were their "ancestors" :

10th Anniversary Celebration of Hau`oli Mau Loa Village

In August, 2010, we celebrated 10 years of successful homeownership by the seven families who created the Hau`oli Mau Loa Village in Waimea on Kaua`i. This is a project the Foundation initiated while our benefactor was still alive and it therefore holds special meaning to us. (You can read more about the project online at <http://www.hauolimauloa.org/docs/HML-VillageDescription.pdf> .

Preparing for the celebration, we reminisced, looking at the pictures taken of the overgrown site when the project was begun. We remembered our goal then was to create homes that families proudly could call their own. We also hoped a sense of community would emerge as a result of the shared efforts in constructing their homes. What struck us as we looked at the Village 10 years later is how much those expectations have been met. Families have changed: children have grown, babies have been born and loved ones have passed away, but the sense of community among the families is strong and it is being passed to the next generation. Based on this success, we plan that in the year 2011 we will be able to launch a second village project on Kaua`i.

Grantmaking Strategies

When the Foundation Directors hired the staff in April, 2008, we began a focused effort to understand our history in order to begin to determine our future. What resulted from this was a conscious decision that much of our grantmaking would be "strategic," meaning that it would focus on the external context in which the Foundation works, and provide resources for the achievement of a particular goal based on a theory of change.

We launched our first strategic grantmaking initiative, Hope for Kids, in May, 2009. You can read more about the initiative at <http://hauolimauloa.org/images/docs/overview%20h4k.pdf> . We invited a small group of nonprofit organizations to work with us, and together we are testing theories to create a greater sense of hope for Hawai`i's children. Today, the Foundation has nine remarkable partners who are helping us implement this initiative.

In launching the Hope for Kids initiative, we made choices that opened some doors and closed others. For example, the initiative is focused and, by design, limits the number of partner organizations with which we can engage. We believe that by focusing our resources we can develop more meaningful relationships and a deeper knowledge base and, over time, will have greater impact through our efforts. Recognizing the limitations but also the benefits of these choices, we have determined that, as we develop our environmental grantmaking strategies for Hawai'i for the next decade, we will again employ a similar approach of focusing our efforts and engaging in deeper ways with a few organizations who are working in areas that we think will move our goals forward.

While most of our grantmaking follows a strategic path, we made an exception to this practice in 2009 as we watched our state struggle with an unprecedented economic downturn. We began tracking economic indicators for the counties in Hawai'i in late 2008 and also listened to advice offered by peers nationally and locally about how a grantmaker might structure funding during the economic crisis. By mid-2009 we made a decision to provide funding to support access to basic needs such as housing, food and health care, and we reached out to six nonprofit organizations working in these areas in Maui County, Hawai'i Island and on Kaua'i. The grants we made for what we dubbed "safety net" funding were generally unrestricted to provide maximum flexibility to the organizations receiving the funding. We got feedback from the organizations that received our safety net grants about how the funding was deployed and also about continuing demands for their services. In late 2010 we renewed our safety net grants to these six organizations and in 2011 we will assess whether these unusual needs continue.

Similarly, while continuing our long-term partnership with two humanitarian relief organizations, Save the Children and Doctors Without Borders, we recognized the overwhelming human suffering following the devastation from the January 2010 earthquake in Haiti, and supported the work of these two organizations in Haiti with additional funding.

Office Renovations

As the Foundation began to add staff in 2008 it became clear that we would need offices in which to do business. After a long search we found a space in the historic Dillingham Transportation Building in downtown Honolulu that we thought would be ideal as the Foundation's long-term home. With a mission that includes promoting stewardship, preservation and protection of the environment, we decided the renovation of our office space should be as environmentally responsible as possible. We engaged an architectural firm that shared our interest and committed to pursuing the highest possible LEED (Leadership in Energy Efficient Design) Certification for the project. Sustainability, coupled with functionality, became our primary consideration in the renovation project, from the recycling of deconstructed materials to the selection of energy efficient fixtures and sustainable materials.

For our entrance area we considered a number of options that would serve as a welcoming statement to those who entered our offices. We asked one of our Hope for Kids partners, Ma Ka Hana Ka `Ike, if they would design and construct two wood murals for us. We knew that the young people engaged in the building skills program of Ma Ka Hana Ka `Ike have a talent for turning local woods into artistic expressions. We also knew that as one of our Partners, Ma Ka Hana Ka `Ike had a keen sense of, and

could therefore develop a design that would reflect, the Foundation's values and interests. The two wood murals they created from eleven varieties of wood found on Maui are remarkable. They reflect the Foundation's commitment to working in Hawai'i, our concern for the environment, and they are a testament to the craftsmanship and creativity of the participants of Ma Ka Hana Ka `Ike.

We are eager to share what we learned through our renovation process and welcome visitors to the space who would like to learn about the LEED-based design choices we made.



Hawaiian Islands wood mosaic from *Ma Ka Hana Ka `Ike* (Hāna, Maui)

The Foundation's mission begins with "In Partnership with others..." and this is not a coincidence. We know that the actions we have taken, the results we have achieved and the lessons we have learned along the way have all come about working hand-in-hand with others. We are grateful to all who have joined with us in our work over the past several years. We look forward to the future and to the promises and challenges that it holds.

Aloha,

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

Janis Reischmann