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HAWAIIAN HOMES COMMISSION

--Procedural Manual--

Volume I: Procedures Other Than Accounting

HAWAIIAN HOMES COMMISSION

--Procedural Manual--

Volume I: Procedures Other Than Accounting

(March, 1953)

(Note: Upon change in manual content, and preparation of new or additional pages, this front piece will be replaced with another bearing the date of such last change.)

PREFACE

The administration of the Hawaiian Homes Commission was surveyed by the Legislative Reference Bureau, at the request of the Commission and the Bureau of the Budget, during the last quarter of 1952. Following this study, again at the instance of the Commission, this manual was prepared to provide a written framework for the routine operations of the agency.

The manual is prepared in two sections. Volume I deals with phases of administration other than accounting procedures: the latter are set forth in Volume II.

Both volumes outline administrative duties in terms of specific jobs to be performed by the existing and contemplated staff of the Commission. The personnel titles used, however, are, figuratively, the building blocks of administrative functions, descriptive of the capacity in which the several jobs are to be done. They are not necessarily the titles actually used in an organization chart of the Commission.

Actual assignments of tasks to be performed may combine in one staff member two or more of the descriptive titles used in the Manual. The Assistant Executive Officer, Finance Officer, and Personnel Officer, for example, may be one and the same person, depending on the job assignments made by the Executive Officer. Similarly, the functions shown herein as being performed by the Interviewer, Insurance Purchasing Clerk, Personnel Clerk, and File Clerk might conceivably be assigned to a single staff member. In each assignment, good administration requires that the staff member knows his job, whom he reports to and who reports to him. Each staff member should have authority to take action which is equal to the responsibility he bears within the Commission.

This method of referring to descriptive personnel titles when assigning duties and responsibilities--rather than to existing staff members--permits flexibility in allocating and reassigning such duties and responsibilities as the staff is increased or reduced. There is no necessity that the staff be enlarged so that a separate staff member perform the duties of one and only one descriptive personnel title.

The present volume assumes this basic organizational structure under the Commission:

- a.) An Executive Officer with authority over all staff members;
- b.) An Office Manager in charge of the operations and personnel of the Honolulu office; and
- c.) Project Managers responsible for the functioning of the settlements on the outer Islands.

The manuals embody suggestions made in the Legislative Reference Bureau's administrative survey of the Hawaiian Homes Commission, published in February 1953. Like the survey report, they embody many suggestions made by officers and staff members of the Hawaiian Homes Commission. The Manuals are prepared to be used and modified as experience indicates need for change in procedures. To indicate this purpose and make modifications easy, these materials are bound in loose leaf form.

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PART A. DEALING WITH HOMESTEADERS

I. Leases

The granting of leases to eligible Hawaiians is a primary function of the Hawaiian Homes Commission. All other activities and functions of this agency are supplementary to this function.

Eligibility requirements for receiving leaseholds are set by law, while priorities for the granting of leases are set by Commission policies. The function of the staff members of the Hawaiian Homes Commission in this connection is to facilitate the Commission's making awards of leases to eligible Hawaiians according to predetermined policies. (See Policy Manual, Section III-c).

PROCEDURES IN GRANTING LEASES

Application for Lease

The Interviewer shall:

1. Accept all applications for leases.
 - a. Hand Application for Lease form (Form 1) to applicant.
 - b. Instruct and assist applicant in filling out the application form.
 - c. Point out to applicant that if any information given in the form changes at some later date, it will be necessary for him to correct the form.
2. Advise applicant by:
 - a. Telling him of probable waiting period.
 - b. Giving him an information booklet outlining methods of awarding leases. (When booklet prepared).
 - c. Explaining priorities, as necessary.

Interview

The Interviewer shall interview the applicant, ascertaining unusual circumstances such as emergency need, or possession of adequate financial resources, which may affect priority, and:

- a. Prepare a summary of pertinent information affecting priority.
- b. If the applicant is in emergency need within the terms set by the Commission, and where his blood qualifications indicate a relatively high priority for assignment of a lease, refer the applicant to the Executive Officer for further interview, forwarding application to him.

Investigation

An investigation in connection with awarding leases may be ordered by the Executive Officer, when deemed necessary.

HAWAIIAN HOMES COMMISSION

Application No. _____

APPLICATION FOR LEASE OF HAWAIIAN HOMES COMMISSION LOTS

To the Hawaiian Homes Commission,
Honolulu, T. H.

I, _____, the undersigned, do hereby make application to the Hawaiian Homes Commission for a lease of a Hawaiian Homes Commission Residence Lot at _____ and in support of said application I do hereby make the following statements under oath, namely:

1. That I am a male, female (cross out one), citizen of the United States of America and the Territory of Hawaii, residing at _____ County of _____, Territory of Hawaii.

(THIS IS FORM ALREADY IN USE.)

19. That to the best of my knowledge and belief I am in all respects qualified and eligible under the law and the rules and regulations of the Hawaiian Homes Commission to lease and occupy a tract of Hawaiian Homes Lands, and in support of this application my affidavit is attached hereto and made a part thereof.

Signature of Applicant

Judicial Circuit)
County of _____) ss.
Territory of Hawaii)

I, _____, being first duly sworn, do depose and say that I am the applicant named in and who signed the foregoing application; that I have read (or have had read and interpreted to me) the foregoing application; that I know and understand the contents thereof and that the same is true to the best of my knowledge and belief.

Subscribed and sworn to before me this

_____ day of _____, A. D. 19____

Notary Public, _____ Judicial Circuit,
Territory of Hawaii.

The Investigator shall, as required by circumstances:

1. Record proposed investigation on General Investigation form (Form 2).
2. Investigate applicant, ascertaining
 - a. eligibility of applicant
 - b. accuracy of statements made on application
 - c. accuracy of statements made in interview
3. Record findings on General Investigation form.

Recording Data

The Interviewer shall, after the application is filled out, or after the necessary investigation has been made:

1. Transcribe pertinent information on application, and investigation report if any, to key-sort card.
2. Have Assistant Executive Officer, or staff member designated by him, check correctness of work in preparing key-sort card.

Filing

The File Clerk shall:

1. File key-sort cards, alphabetically, by name of applicant.
 - a. Placing all cards of applicants who do not exceed the Commission's maximum as to available finances in the active file.
 - b. Placing all cards of applicants who do exceed the maximum in the deferred file.
2. File application in application file alphabetically.

Selection of Homesteader

The Executive Officer shall, when a lot becomes available, recommend the applicant with the highest priority to receive the lease award.

- a. If two or more applicants have the same priority under the Commission's policy, and any of the applicants seem to have an emergency need for a homestead, all necessary data relating to the emergency shall be submitted to the Selection Committee prior to placing matter on the Commission agenda.
- b. In any event, all necessary data shall be submitted to the Commission.

Award

The Commission shall:

1. Receive the Executive Officer's recommendation in regard to making the award of a lease, and the report of the Selection Committee, if any.

FORM 2

HAWAIIAN HOMES COMMISSION

GENERAL INVESTIGATION

Lot No. _____ Area _____ Name _____

Purpose of Investigation _____

Deadline Date _____

Investigation Made on _____ By _____

Findings _____

Final Action _____

Date of Action _____

2. Approve or disapprove the recommended selection.
3. Formally, by motion and majority vote of quorum, award the lease to the applicant.

Legal Document

The Secretary shall, upon the award of a lease by the Commission:

1. Fill out two copies of the necessary Hawaiian Homes Commission lease form.
2. Have both copies signed by the Chairman of the Commission, the Executive Officer, and the lessee.
3. Distribute copies of the lease.
 - a. Original to office file, via Accountant for his information.
 - b. Duplicate to lessee - through the Homestead Construction Advisor.*

Interview

The Homestead Construction Advisor shall, upon giving lease document to the new lessee:

1. Interview the lessee, ascertaining, if possible:
 - a. The lessee's plans for construction.
 - b. The approximate time of construction.
2. Record information on General Investigation form for follow-up to check on the use of the leasehold within the required one year period.

Filing

The File Clerk shall:

1. File all materials pertaining to the award of the lease in an individual folder in the homesteader's file - application key-sort card, investigation report, and lease document.
2. Prepare card for homesteaders' cross-reference file. (See Section 17)

*Outside Oahu, the Project Manager serves as Homestead Construction Advisor.

II. Loans

The loan program of the Hawaiian Homes Commission is designed to help homesteaders to establish residences and to develop agricultural or pastoral leaseholds. Loans may be made to a lessee to build a new house, buy an existing house and move it to his land for renovation, or to renovate or remodel an existing house on his land. When adequate funds are available, loans to develop agricultural or pastoral leaseholds may include those made to purchase tools, equipment and livestock with certain exceptions as prescribed by law and Commission policies. Priorities for the granting of loans to lessees are set by Commission policies.

Loans are made from the Hawaiian Homes Loan Fund, a revolving fund, and are repaid to the fund. Because the maximum amount in the Loan Fund is prescribed by law it is important to have loans repaid as quickly as possible and to encourage the use of loans as quickly as possible. Observing these guides will enable the Hawaiian Homes Commission to serve the maximum number of homesteaders within the limit set by law.

PROCEDURES IN MAKING LOANS

Application

The Interviewer shall:

1. Accept all applications for loans.
 - a. Hand Application-for-Loan form (Form 3) to the applicant.
 - b. Instruct and assist the applicant in filling out the application form.
2. Make initial entries (first 6 lines) on Loan Application Status Form (Form 4.)
3. Interview the applicant--ascertaining
 - a. The purpose for the loan-in detail when repairs or remodeling is the reason.
 - b. For a pastoral or agricultural loan, the plan of operation.
4. Refer applicant to information booklet and explain priorities, if necessary.
5. File Application for Loan in loan application folder and Loan Status form on proper file board, filing chronologically, in order of application.

Investigation

The Homestead Construction Advisor* shall:

1. Investigate at the site, ascertaining

*Project Manager, outside Oahu.

FORM 3

APPLICATION FOR LOAN

_____ 19_____
Home _____
Telephone No. Bus. _____

Present Address

Lot No. Located at

Hawaiian Homes Commission
Honolulu, Hawaii

Dear Madam and Sirs:

I am interested in obtaining a. a loan _____
of \$ _____, for the purpose of b. an additional loan _____ in the amount

- a. Building a home _____
- b. Sanitary fixtures _____
- c. Electrical fixtures _____
- d. Cesspool digging _____
- e. Renovate home _____
- k. Seedlings _____
- l. Equipment _____
- m. Others _____

(THIS IS FORM ALREADY IN USE.)

14. Give credit references:

I solemnly swear that the above statements are true and correct to
the best of my knowledge and belief.

Signature

- a. Feasibility of proposed construction in relation to topography of land, noting any difficulties that may be encountered.
 - b. If repairs or remodeling--the amount of work necessary, the feasibility of repairing or remodeling.
 - c. Estimate of cost and amount of loan necessary.
2. Record observations on Loan Application Status form.
 3. Submit written report, with recommendations, to the Executive Officer.

Placing on Agenda

The Executive Officer, considering the availability of funds and the priorities set by the Commission, shall place the request on the Commission's agenda.

- a. Summarizing the needs, plans and the financial ability of the applicant.
- b. Recommending approval or disapproval of the application.

Action by Commission

The Commission shall act on the request to:

1. Approve, specifying the maximum loan to be granted; or
2. Defer, requesting additional information; or
3. Disapprove.

Legal Documents

Upon approval, the Secretary shall:

1. Record the Commission's action on the Loan Status form.
2. Notify Accountant that loan has been approved.
3. For construction loans--after the construction contract has been let and signed, fill out two copies of the Hawaiian Homes Commission contract of loan.
 - a. Amount of loan to be governed by the contract, within the maximum fixed by the Commission.
 - b. Have both copies signed by the Chairman of the Commission and Executive Officer.
 - c. Have the lessee sign both copies (through the Homestead Construction Advisor*)
 - d. Distribute copies - duplicate to lessee, original to office file.
4. For other loans--draw contracts immediately after Commission action, as authorized by the Commission and have loan contracts executed as above.

*Project Manager, outside Oahu.

FORM 4

HAWAIIAN HOMES COMMISSION

LOAN APPLICATION STATUS

Lot No. _____ Area _____ Name _____

Date of Application _____ Amount \$ _____

Purpose of Loan _____

(property class: _____)

Interviewed By _____

Preliminary Plans Received On _____ By _____

Investigation By _____

Comments _____

Sent to Honolulu on _____

Received in Honolulu on _____ By _____

Deferred, due to _____

Placed on Commission agenda on _____

Commission Action 1) Date _____

2) Approved, Disapproved, Deferred Until _____

3) Reason for Deferral _____

4) Further Action _____

Loan Contract Drawn _____ By _____

Contract Sent to _____ for signature on _____

Signed, and returned to Honolulu Office on _____

Distributed on _____ By _____

Office Copy Filed on _____ By _____

5. Record completion of transactions on Loan Application Status form.

NOTE: Assignments shall be drawn at the same time, if necessary.
(See Section III.)

Filing

The File Clerk shall:

1. File the original of the contract in the homesteader's file.
2. Record completion of transaction on Loan Status form.
3. File Loan Status form in homesteader's file.
4. Prepare Construction Status form (Form 5) for followup, on use of loan, by Homestead Construction Advisor.*

Project Manager, outside Oahu .

FORM 5

HAWAIIAN HOMES COMMISSION
HOMESTEAD CONSTRUCTION STATUS

Lot No. _____ Area _____ Name _____

Date Loan Approved _____ Amount \$ _____

Preliminary Plans Received on _____ Approved on _____

Size of Home (if new construction) _____ sq. ft. _____ Bedrooms

Repairs or Remodelling planned _____

Estimated Cost of Construction \$ _____

Bids Out on _____ Received on _____

Contractor Selected _____ Phone _____

Address _____

Finals Plans Agreed Upon on _____ Spec. Approved _____

Lessee and Contractor Interviewed on _____

Cost of Construction \$ _____ Contract Signed _____

Construction Period: Begin _____; Complete _____

Excess Payment Notice Given on _____

Excess Payment Received on _____

Insurance Purchased on _____ By _____

First Inspection Due on _____ Made on _____

Comments _____

By _____

Second Inspection Due on _____ Made on _____

Comments _____

By _____

Third Inspection Due on _____ Made on _____

Comments _____

By _____

III. Assignments

After a loan has been made to a lessee it becomes the duty of the lessee to repay the loan. It is the duty of the staff of the Hawaiian Homes Commission to see to it that all necessary actions are taken to insure that the loan is repaid.

Assignment by a lessee of part of his wages or moneys to be received under a Molokai pineapple contract to meet his monthly payments to the Hawaiian Homes Commission is one method of payment. This method is advantageous to both the lessee and the Hawaiian Homes Commission since payments by assignment are automatic and regular.

PROCEDURES IN MAKING ASSIGNMENTS

Assignment Agreement

The Secretary shall:

1. Upon Commission action approving a loan to a lessee who has indicated (on his loan application) that he desires to repay the loan through assignments, or, upon the demand of the Commission when a loan is approved, draw an assignment agreement.
 - a. Five copies where a pineapple contract assignment is made.
 - b. Two copies when an assignment of wages is made by a lessee working for some other private firm.
 - c. Three copies when the lessee is an employee of the Territory or a county.
2. Have each copy of the assignment agreement signed by the lessee.
3. For pineapple contract assignments, also have Chairman of the Commission and Executive Officer sign.
4. Have the employer or pineapple company, as the case may be, sign - if necessary.
5. Record completion of steps on Assignment Status form (Form 6.)

Distribution of Assignments

The Secretary shall:

1. Distribute copies of the assignment agreement as necessary.
 - a. Pineapple contract assignment agreements.
 - Original to company - with copy, if required.
 - One to Hawaiian Homes Commission Project office.
 - One to homesteader.
 - One to Hawaiian Homes Commission file.
 - b. Territorial or County assignment agreements.
 - Original to Auditor.
 - Duplicate to Hawaiian Homes Commission file.
 - Triplicate to department.

FORM 6

HAWAIIAN HOMES COMMISSION

ASSIGNMENT STATUS

Lot No. _____ Area _____ Name _____

Loan Approved \$ _____ on _____

Assignment Each Month \$ _____

Employer or Buyer _____

Assignment Agreement Drawn on _____ By _____

Sent to _____ for signature on _____

Signed, and Returned to Honolulu Office on _____

Distribution of Assignments made on _____ By _____

Office Copies Filed on _____ By _____

Assignment Card made on _____ By _____

- c. Private employers.
Original to employer.
Duplicate to Hawaiian Homes Commission file.

- 2. Record completion of step on Assignment Status form.

Filing

The File Clerk shall:

- 1. File office copy of assignment agreement in the homsteader's file.
- 2. Make card for Assignment Card File (filing according to name of assignor), showing amount and date of assignment, assignor, and his employer.
- 3. Record completion of steps on Assignment Status form.
- 4. File Assignment Status form in Homsteader's file.

IV. Loan Payment Adjustments

Occasionally homesteaders, for various reasons, find themselves in financial difficulties and cannot fulfill their obligations on the terms upon which the loan contract was drawn. Under these circumstances a reduction in monthly loan repayments may be necessary. If the financial condition of the homesteader improves subsequently an upward adjustment of the monthly payment may be made.

PROCEDURES IN MAKING LOAN PAYMENT ADJUSTMENTS

Interview

The Interviewer shall:

1. Upon the order of the Commission, or at the request of the homesteader, interview the homesteader, ascertaining
 - a. Reasons for the difficulty in making the monthly payments contracted for.
 - b. Present financial status.
 - c. Future financial plans.
 - d. Equitable solution to problem.
2. Record information on General Investigation form.

Investigation

The Investigator shall, when necessary to substantiate data gathered during the interview:

1. Investigate the financial affairs of the homesteader, ascertaining
 - a. Salary or wages of homesteader.
 - b. Other income of homesteader.
 - c. Income of immediate family on homestead.
 - d. Other assets of homesteader.
 - e. Indebtedness of homesteader to other individuals and agencies.
 - f. Possible solution to problem.
2. Record information on General Investigation form.

Report

The Investigator shall:

1. Immediately upon completion of his interview or investigation, make a summary written report of his findings to the Executive Officer.
2. Record fact on General Investigation form.

Placing on Agenda

The Executive Officer shall:

1. Review the report submitted by the Investigator.

2. Interview the homesteader, if necessary to amplify information on report.
3. Place the matter on the Commission meeting agenda.
 - a. Summarized.
 - b. With his recommendations to approve or disapprove, specifying the amount of the reduction and the period for which the adjustment should be approved.

Action by Commission

The Commission shall act on the request, considering the Executive Officer's recommendations, to:

1. Approve or disapprove.
2. Set the adjusted payment.
3. Set the period for which the adjustment is approved.

Amendment of Loan Contract

The Secretary shall:

1. Prepare a Loan Contract Amendment in duplicate. (Form 7).
2. Have the homesteader, Executive Officer, and Chairman of the Commission sign the amendment. For homesteaders on an island other than Oahu, the Project Manager of that island shall be requested to obtain the homesteader's signature.
3. Distribute copies of the amendment.
 - a. Copy to homesteader.
 - b. Original to homesteader's file - routed through the Chief Accountant for his information. (The Chief Accountant shall maintain a card file of amendments filed by expiration date, to facilitate resumption of billing for original payments in those cases in which payments have been reduced for a period shorter than the life of the loan.)
4. Record transaction on General Investigation form.

Filing

The Filing Clerk shall:

1. File the original of the Loan Contract Amendment in the homesteader's file.
2. File the General Investigation form in the homesteader's file.

HAWAIIAN HOMES COMMISSION

LOAN CONTRACT AMENDMENT

Loan Contract No. _____, by and between the Hawaiian
Homes Commission and _____, lessee of
Hawaiian Homes Commission, Lot No. _____, Area _____
_____, is by mutual consent amended
to read "_____ each month" instead of "_____ each
month."

This agreement shall be effective only for the period
_____ to _____ and shall be deemed cancelled at the
end of the above period, at which time the terms of the original
contract shall be renewed.

Approved by Hawaiian Homes Commission on _____.

Signed:

For Hawaiian Homes Commission

Lessee

Executive Officer

Chairman, Hawaiian Homes Commission

(Subject to approval as to
form by Attorney General.)

V. Homestead Construction; Purchasing for Construction

After a home loan has been made to a homesteader, the next step in the rehabilitation program of the Hawaiian Homes Commission is assisting the homesteader in constructing, repairing, or remodeling his home.

The Commission's interest in this phase of rehabilitation is to enable the homesteader to receive the maximum value for the money available and to maintain or improve housing standards of the settlements. To this end the Commission assists the homesteader in planning his home, negotiating with contractors, and in certain cases buying materials at a discount for homesteaders. It should be remembered also that the Commission has an equity in each house it helps finance until the loan has been repaid.

a. PROCEDURES IN HOMESTEAD CONSTRUCTION

Construction Plans

The Homestead Construction Advisor* shall:

1. Receive homesteader's construction plans. If necessary, assist homesteader in making plans.
2. Study the plans for
 - a. Basic construction soundness
 - b. Approved construction procedures.
 - c. Compliance with applicable building codes.
 - d. Size of construction and adequacy for homesteader's family.
 - e. Materials necessary and possible cheaper equivalents.
 - f. Estimated cost in relation to loan and homesteader's available cash.
3. Consult, as necessary, with homesteader on plans.
4. Make sure the estimated cost of the structure will not exceed the maximum allowable under Commission rules.
5. Record necessary information on Homestead Construction Status form. (Form 5).

Contract Negotiation

The Home Construction Advisor* shall:

1. Make arrangements for placing contract out on bid, if bids are required by Commission policy, and selecting successful bidder according to rules prescribed by Commission.
2. Consult with contractor selected, or in absence of bids, picked by homesteader, or with contractor he has suggested with the approval of the homesteader. (The homesteader's choice shall be accepted unless good reason exists for not doing so; if not

*Project Manager, outside Oahu.

accepted, the name of the contractor and the reasons for not honoring the homesteader's choice shall be recorded on the back of the Homestead Construction Status form).

3. Following consultation, record on Construction Status form the:
 - a. Plans agreed on.
 - b. Specifications agreed on. A standard specification form shall be used by the Hawaiian Homes Commission.
4. Review final bid and plans submitted by contractor - per previous discussion.
5. Interview contractor and homesteader, and explain to both the responsibilities of each party, including:
 - a. Final plans.
 - b. Final specifications.
 - c. Cost of construction.
 - d. Construction period.
 - e. Purchase of insurance (see Purchasing Insurance, below).
6. Record status on Homestead Construction Status form.

Drawing Contract

The Homestead Construction Advisor* shall:

1. Draw up a building contract in duplicate.
2. Draft specifications, per agreement, in duplicate.
3. Require homesteader to deposit with Hawaiian Homes Commission moneys in excess of loan, if necessary.
4. Have contracts signed by homesteader and contractor.
5. Notify the Secretary that contract is executed.
6. Notify Insurance Purchasing Clerk that insurance should be purchased effective on day construction is to begin.
7. Record status on Homestead Construction Status form.

Purchasing Insurance

The Homestead Construction Advisor* shall consult with the homesteader to determine his financial status (checked against statements on loan application form) and; on basis of Commission policy, determine if

1. Homesteader will pay for home insurance premium directly, or
2. If Hawaiian Homes Commission will advance premium.

*Project Manager, outside Oahu.

The Insurance Purchasing Clerk upon notification by the Homestead Construction Advisor* shall:

1. Purchase insurance to cover the amount of the Hawaiian Homes Commission loan to the homesteader.
2. Record purchase date on Homestead Construction Status form.

NOTE: (See Section VI for procedures).

Inspections

The Homestead Construction Advisor* shall:

1. Visit each construction site periodically to ascertain whether construction is progressing satisfactorily and according to specifications. A check list shall be used as a guide.
 - a. Where a contractor is involved, the visits shall coincide with the method of payment specified in the contract.
 - b. Where a homesteader only is concerned, as often as necessary.
 - c. In any case, visits shall be made when construction begins and when construction ends.
2. Record observations after each visit on Homestead Construction Status form.
3. Notify Voucher Clerk whether payments specified in contract are approved.

Filing

The File Clerk shall, upon the completion of the contract, file the Homestead Construction Status form in the homesteader's folder.

*Project Manager, outside Oahu.

b. PROCEDURES IN PURCHASING FOR HOMESTEAD CONSTRUCTION

The Hawaiian Homes Commission, in its endeavor to assist lessees, authorizes its staff to make certain purchases for homesteaders in constructing or improving their homes. Materials and supplies may be purchased on purchase orders issued by the Hawaiian Homes Commission, provided that the purchased items are to be used for approved construction purposes. The homesteader receives the benefit of a government discount when he purchases through this office and the Commission also benefits by being able to control purchases from the homesteader's loan account to ascertain that they are appropriate to the purpose for which the loan was granted. Purchases of this nature may be made only when a homesteader does his own work, the arrangement has been approved by the Commission, and the particular purchase has been approved by the Homestead Construction Advisor.*

Authorization to Purchase

The Homestead Construction Advisor* shall:

1. Determine if the Commission, in approving the loan, has authorized the homesteader to purchase through the Hawaiian Homes Commission; if so
2. Notify the Finance Officer that purchases may be made for the homesteader.
3. Notify the Purchase Order Clerk that the homesteader may purchase through this office.

Purchase Order

See Accounting Manual for procedures.

Delivery of Goods

See Accounting Manual for procedures.

Invoices

See Accounting Manual for procedures.

Vouchers

See Accounting Manual for procedures.

Approval of Vouchers

See Accounting Manual for procedures.

*Project Manager, outside Oahu.

VI. Insurance of Homesteads

All improvements on a homestead must be insured to the extent of the unpaid balance of the loan made to the homesteader.

Insurance on homestead improvements protects both the Hawaiian Homes Commission and the homesteader. The Hawaiian Homes Commission must be protected to the extent of its equity in the improvements. The homesteader should be protected to the extent of the improvement's residual value. Homesteaders are therefore encouraged to carry full insurance. The Hawaiian Homes Commission Act authorizes the Commission to advance premiums for insurance on homesteads in which it has an equity.

PROCEDURES IN PURCHASING INSURANCE

Original Insurance

The Insurance Purchasing Clerk shall:

1. Upon notification by the Homestead Construction Advisor* that construction is to begin, determine amount of insurance required:
 - a. To cover amount of loan outstanding, plus
 - b. Additional amount requested by homesteader, if any.
2. Determine from Homestead Construction Advisor* if homesteader is to be billed for premium, or if it will be advanced by the Hawaiian Homes Commission.
3. Communicate with insurance company.
 - a. By form letter - indicating lot number, area, and name of homesteader, amount of coverage, and improvements to be covered.
 - b. Prepare and include purchase order to cover premium.
 - c. Insurer to be selected according to existing selection policy (as it may be modified by the Commission or Executive Officer).
4. Record transaction on Homestead Construction Status form.

Insurance Policies

The Insurance Purchasing Clerk shall:

1. Upon receipt of the insurance policy, distribute copies of policy.
 - a. Original to File Clerk.
 - b. Duplicate to homesteader.
2. Record information in Insurance Card Files (see Section 17). Prepare cards in duplicate, showing lot number, name of insured, insurer, amount of coverage, period of coverage, and filing

*Project Manager, outside Oahu.

- a. Original in Insurance Purchase Card file, by name of insured.
 - b. Duplicate in Insurance Expiration Card File, by expiration date.
3. Notify Accountant of amount of premium, if premium has been advanced by the Hawaiian Homes Commission, so that the account of the homesteader may be charged.

Charging Homesteaders for Premiums

The Accountant, upon notification by the Insurance Purchasing Clerk, shall increase the homesteader's outstanding loan balance by the amount of premium advanced.

Filing

The File Clerk shall file the insurance policy in the homesteader's file.

Renewals

The Insurance Purchasing Clerk shall:

1. Two months in advance of expiration date, ascertain all policies to be renewed - by consulting Insurance Expiration Card file.
2. Ascertain coverage required when policies are renewed - by consulting with Finance Officer.
3. Ascertain whether additional coverage is desired - by communicating, via form letter, with homesteaders concerned.
4. Communicate with insurer by letter, one month in advance of expiration date, requesting renewal of policies. (Form 8).
 - a. Indicate lot number, area, and name of insured, amount requested, and improvements to be covered.
 - b. Insurer to be selected according to existing policy.

Renewed Policies

Distribution, recording, and filing same as for original policies.

Endorsement Requests

The Insurance Purchasing Clerk shall, when the Commission grants an additional loan, or at a homesteader's request that the coverage be increased, communicate with the insurer by form letter, requesting an endorsement to cover the additional amount. (Form 9).

Endorsed Policies

Distribution, recording, and filing same as for original policies.

FORM 8

HAWAIIAN HOMES COMMISSION
REQUEST FOR INSURANCE COVERAGE

(Date)

Dear Sir:

Please make out a new policy for each of the following individual(s), for the amounts indicated. Our purchase order No. _____ is enclosed herewith to cover the cost of the premium(s).

<u>Name</u>	<u>Address</u>	<u>Improvements to be Covered and Amount of Coverage</u>	<u>Date Coverage Starts</u>
-------------	----------------	--	---------------------------------

Very Sincerely Yours,

HAWAIIAN HOMES COMMISSION

FORM 9

HAWAIIAN HOMES COMMISSION
REQUEST FOR INSURANCE ENDORSEMENT

Dear Sir:

Please make endorsement(s) as noted below for the following individual(s). Our purchase order No. _____ is enclosed herewith to cover the cost of the change(s).

<u>Policy Number</u>	<u>Name</u>	<u>Address</u>
----------------------	-------------	----------------

Change requested:

Very sincerely yours,
HAWAIIAN HOMES COMMISSION

VII. Transfers of Leases

A transfer is one method of relinquishing all interest in an homestead. It is distinguishable from a surrender in that the latter requires that the lease be returned to the Hawaiian Homes Commission while a transfer is a direct negotiation between the lessor and his designated transferee: Commission action is limited to approval or rejection of the transfer. It is distinguishable from a will made out in favor of a designated individual in that the beneficiary of the will must be a relative and the provisions of the will go into effect only when the maker dies.

PROCEDURES IN TRANSFERRING LEASES

Application for Transfer

The Interviewer shall:

1. Inform applicant for transfer of the Commission's rules and priorities in regard to transfers.
2. Require the applicant to fill out an Application for Transfer (Form 10).
3. Interview the applicant, ascertaining
 - a. Period of applicant's residence on homestead.
 - b. Reasons for transfer.
 - c. Name of proposed transferee.
 - d. Relationship of applicant to proposed transferee.
 - e. Asking price for sale of improvements.
4. Record information on Transfer Status form (Form 11).

Investigation and Report

The Investigator shall:

1. Ascertain if proposed transferee is an applicant for a lease.
2. Ascertain relative priority of proposed transferee, considering amount of Hawaiian blood, need, or other factors established by policy of the Commission.
3. Check correctness of facts involved in transfer (reasons for transfer, relationship of transferor and proposed transferee, etc.)
4. Advise homesteader of relative priority of proposed transferee.
 - a. Permit homesteader to withdraw request if he desires.
5. Record information on Transfer Status form.
6. Report findings, in writing, to Executive Officer.

HAWAIIAN HOMES COMMISSION

Application To Transfer Leasehold

I, _____, lessee of Hawaiian Homes Commission, Lot No. _____ Area _____ hereby request permission to transfer my leasehold to _____ address _____, an eligible Hawaiian. The proposed transferee is, (is not) related to me (if related, indicate relationship _____).

In consideration for the transfer I will receive the sum of \$ _____ for all improvements on the leasehold.

I will, (will not) consider any other transferee and will, (will not) consider any other price for the improvements on the leasehold.

Date of Application:

Signed:

Lessee

FORM 11

HAWAIIAN HOMES COMMISSION

TRANSFER STATUS

Lot No. _____ Area _____ Name _____

Date of Application _____

Name of Proposed Transferee _____

Relationship to Transferor, if any _____

Eligibility of Transferee _____

Reason for Transfer _____

Consideration for Transfer _____

Investigation Comments _____

Sent to Honolulu on _____ Received in Honolulu on _____

Transfer Approved Disapproved by Commission on _____

Transfer Document Drawn on _____ By _____

Signed on _____

Distributed on _____ By _____

Transferor's Account Cleared on _____ By _____

Name of Transferee _____

New Account Set Up on _____ By _____

Office Copy of Document Filed on _____ By _____

Ascertaining Interest of Other Applicants

1. The Executive Officer shall, upon receipt of the Investigator's report, determine if the transferee is among those who have first priority. If not, he shall direct the Interviewer to poll applicants who may have higher priorities and who have indicated interest in buying a homestead for the asking price.
2. The Interviewer shall, upon receiving instructions from the Executive Officer, send out postcard forms to all applicants who have priorities higher than the proposed transferee and who have indicated interest in buying a homestead for the asking price to ascertain if they are still interested.
 - a. Using key-sort card file to ascertain names of applicants to be polled.
 - b. Notifying potential applicants of deadline for their reply.
3. The Interviewer shall interview all persons who indicate that they are still interested in obtaining a homestead for the asking price and inform each one of:
 - a. Location and size of homestead.
 - b. Type and condition of house on homestead.
 - c. Number of years remaining for lease.
 - d. Asking price.
 - e. Their probable priority.
 - f. Other pertinent information.

Selection of Transferee

The Executive Officer shall select from the list of applicants who have indicated interest and who have been interviewed the person having the highest priority.

Notification of Transferor

The Executive Officer shall inform the transferor that an applicant who is willing to pay the asking price for the homestead has been selected and, if requested, inform him of the identity of the person selected.

Negotiation between Principals

The Executive Officer shall, if desired by the transferor, arrange a conference between the transferor and the proposed transferee for final negotiations.

Placing on Agenda

The Executive Officer shall place the request for transfer on the Commission's agenda:

1. Summarizing all pertinent information, including data relating to the proposed transferee's relative priority.
2. Making recommendations.

TERRITORY OF HAWAII

TRANSFER OF HAWAIIAN HOMES COMMISSION RESIDENCE LOT LEASE

No. _____

THIS INDENTURE MADE THE _____ day of _____ 19____, between
 _____ of _____
 Island of _____, Territory of Hawaii, (hereinafter
 called the "Assignor") and _____ of said
 _____ (hereinafter called the "Assignee"), and
 the HAWAIIAN HOMES COMMISSION (hereinafter called the "Commission"),

(THIS IS FORM ALREADY IN USE.)

TERRITORY OF HAWAII)
) ss.
 _____)

On this _____ day of _____ A.D. 19____
 personally appeared before me _____
 to me known to be the person described in and who executed
 the foregoing instrument and acknowledged that _____
 executed same as _____ free act and deed.

 Notary Public, _____ Judicial Circuit
 Territory of Hawaii

- a. To transfer.
- b. To make a loan to proposed transferee, if requested and if funds are available.

Action by Commission

The Commission shall, considering the recommendation of the Executive Officer, act on the request to:

1. Approve or disapprove the transfer.
2. Approve or disapprove any financial arrangement proposed.
3. Formally, by motion and majority vote of quorum, award the lease to the transferee.

Legal Document

The Secretary shall, upon the approval of the transfer by the Commission:

1. Record the information on the Transfer Status form.
2. Make out Transfer-of-Lease form in duplicate (Form 12).
3. Obtain signatures of transferor, transferee, Executive Officer, and the Chairman of the Commission.
4. Distribute copies of transfer document.
 - a. Original to transferee.
 - b. Copy to homesteader's file, via Accountant for his information.
5. Record completion of transactions on Transfer Status form.
6. Advise the Project Manager of the transfer.

Filing

The File Clerk shall:

1. File office copy of Transfer of Lease document in homesteader's file.
2. Change name on homesteader's folder.
3. Change name on insurance card files, if insurance is transferred.
4. File Transfer Status form in homesteader's file.
5. Note transfer on transferor's card in homesteader's cross-reference file.
6. Prepare transferee's card for homesteader's cross-reference file.

VIII. Surrendering of Leases

Another method of relinquishing interest in a leasehold, besides transferring to a third party, is by surrendering the lease to the Hawaiian Homes Commission. A surrender may be voluntary, when a lessee chooses to give up his homestead for reasons of his own. It may be involuntary, when the Commission revokes a lease for cause.

Normally the lessee is paid for the improvements on the homestead and has no voice in the disposition of the homestead when he surrenders it to the Hawaiian Homes Commission. An exception to this rule is when a lessee wishes to subdivide his homestead and give a portion to a person eligible to inherit the homestead, retaining the remainder himself. In cases of this nature the Commission may accept the surrender and have the homestead subdivided according to the wishes of the lessee.

PROCEDURES IN MAKING SURRENDERS

Application to Surrender

The Interviewer shall:

1. Accept all applications to surrender.
 - a. Provide application form (Surrender of Lease, Form 13).
 - b. Assist lessee in filling form, to be prepared in duplicate.
 - c. Ascertain if lessee wishes an independent appraisal.
2. Record information on Surrender Status form (Form 14).

Request for Appraisal

The Executive Officer shall, if necessary:

1. Request, by form letter, the territorial tax office to appraise the improvements on the homestead, or
2. Arrange for the appraisal of the improvements by a three-man appraisal board, the costs to be borne by the applicant, unless otherwise determined by Commission policy.
 - a. One man to be selected by lessee.
 - b. One man to be selected by Executive Officer.
 - c. Third man to be selected by the first two.
3. Have transactions recorded on Surrender Status form.

Appraisal

The Executive Officer shall:

1. Upon receipt of the appraisal, notify the lessee by form letter or telephone of appraised value.
2. Request acceptance or rejection of appraisal; if by territorial tax office, determine if reappraisal is requested by three-man board.

HAWAIIAN HOMES COMMISSION

Surrender of Lease

I, _____ lessee of HAWAIIAN
HOMES COMMISSION, Lot No. _____, Area _____, do hereby
surrender all interests in the above leasehold. In consideration
thereof I accept the sum of \$ _____, representing the
appraised value of all improvements on said leasehold less any
and all amounts I owe to the Hawaiian Homes Commission.

Accepted by Hawaiian Homes Commission

on _____.

Signed:

Executive Officer, Hawaiian
Homes Commission

Lessee

Chairman, Hawaiian Homes
Commission

3. Have appraisal and decision of homesteader recorded on Surrender Status form.

Determining Homesteader's Indebtedness

The Finance Officer shall:

1. Determine, from all available records, the indebtedness of the homesteader to the Hawaiian Homes Commission.
2. Report findings to the Executive Officer:
3. Record information on Surrender Status form.

Placing on Agenda

The Executive Officer shall

1. Review all findings and reports on the request.
2. Place the matter on the Commission meeting agenda.
 - a. Summarized.
 - b. With recommendations.

Action by Commission

The Commission shall:

1. Accept or reject the surrender, considering the Executive Officer's recommendations.
2. If it desires, specify conditions upon which acceptance is made.
3. Permit or refuse any proposed subdivision of the homestead area.

Request for Survey

The Executive Officer shall, if necessary:

1. Request the Territorial Surveyor to survey and replot the homestead according to the wishes of the lessee.
2. Record completion of step on Surrender Status form.

Survey Report

1. The Executive Officer shall, upon receipt of the survey report and new plat, have fact noted on Surrender Status form.

Legal Documents

The Secretary shall:

1. Complete Surrender Document (Form 13) in duplicate--including financial settlement if any.

FORM 14

HAWAIIAN HOMES COMMISSION

SURRENDER STATUS

Lot No. _____ Area _____ Name _____

Date of Application _____

Purpose of Surrender _____

Received by Honolulu Office on _____ By _____

Appraisal Requested on _____ By _____

Appraisal Made by _____

Appraisal, \$ _____ received on _____ By _____

Appraisal ^{Accepted} by Applicant on _____
_{Rejected}

Reappraisal requested on _____ By _____

Reappraisal Made by _____

Reappraisal, \$ _____, received on _____ By _____

Applicant's Accounts Checked on _____ By _____

Findings _____

Survey and Replot Requested on _____ By _____

Survey Report and Plat Received on _____ By _____

Surrender Approved by Commission on _____

Surrender Document Drawn on _____ By _____

Signed on _____

Surrender Document Distributed on _____ By _____

Applicant's Account cleared on _____ By _____

New Leases Drawn on _____ By _____

Leases Signed on _____

Surrender Document Filed on _____ By _____

Leases Filed on _____ By _____

2. Draw new leases, if surrender was made to subdivide.
3. Have documents signed by lessee and witnessed.
4. Distribute copies of documents.
 - a. Duplicates to lessees concerned.
 - b. Originals to office files--via Accountant for his information.
5. Inform Project Manager of surrender.

Authorizing Payment to Homesteader

The Finance Officer shall, where the conditions of the surrender require:

1. Authorize payment to the homesteader of net amount due him according to the terms specified by the Commission.
2. Note authorization on Surrender Status Form.

Settlement of Homesteader's Account

Payment of surrender value less homesteader's obligation to the Hawaiian Homes Commission shall be made as soon as practicable after the homesteader has left the homestead.

(See procedures for disbursements in Accounting Manual.)

IX. Wills

A lessee may designate a successor to his interest in a homestead. Under the Hawaiian Homes Commission Act, only the following persons may be named as successors: the spouse, children, widows or widowers of the children, grandchildren, brothers and sisters, widows or widowers of the brothers and sisters, or nieces and nephews. A will, providing for a successor, may be drawn for a lessee by the Hawaiian Homes Commission at the request of the lessee. Approval by the Commission is required before a will is considered valid.

PROCEDURES IN MAKING A WILL

Drawing the Will

The Interviewer shall at the request of the lessee:

1. Interview the lessee.
 - a. Determine the name of the successor.
 - b. Determine relationship of successor to lessee.
 - c. Determine eligibility of successor to be granted the leasehold.
 - d. Determine age of successor.
2. Draw the will, in duplicate (Form 15).
 - a. Include name of successor.
 - b. Relationship of successor to lessee.
 - c. Age of successor, and if a minor, person to serve as guardian.
 - d. Occupation and address of successor.
3. Have will executed.
 - a. Have lessee sign will.
 - b. Obtain signature of two witnesses.

Placing on Agenda

The Executive Officer shall place the matter on the Commission meeting agenda for approval.

Action by Commission

1. The Commission shall approve or disapprove the will
2. The Executive Officer shall inform the homesteader of the Commission's action.

Distribution of Documents

The Secretary shall:

1. Note date of Commission approval on both copies of the will.
2. Distribute copies of the will.

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THE HAWAIIAN HOMES COMMISSION
HONOLULU, HAWAII

LADIES AND GENTLEMEN:

In accordance with the provisions of Section 209 (1) of
the Hawaiian Homes Commission Act, amended to date, I hereby
designate the following as my successor to the lease and
improvements on Lot No. _____.

NAME

RELATIONSHIP

PERCENTAGE OF HAWAIIAN BLOOD

AGE

PRESENT OCCUPATION AND ADDRESS

NAME OF LESSEE

WITNESS: _____

APPROVED AT MEETING HELD

_____ 19 _____.

- a. Original to lessee.
- b. Copy to file.

Filing

The File Clerk shall file the office copy of the will in the homesteader's file.

X. Service Charges

The Hawaiian Homes Commission performs many varied services for homesteaders. Some, such as agricultural advice to homesteaders, are done without charge. Others, such as plowing and hauling, are performed on a fee or service charge basis, as determined by the Commission. It is essential that where charges are made that adequate records be kept. The Hawaiian Homes Commission and the homesteader depend upon the records to keep the individual accounts accurate.

At present services for which charges are made are performed on only Molokai and Hawaii. Original records of services rendered and charges made are kept at the project offices. For accounting and management purposes, the Honolulu office maintains records of charges owing by homesteaders and of payments made by them.

PROCEDURES IN MAKING SERVICE CHARGES

Requests for Services

The Homesteader shall make all requests, personally or by telephone, through the communication channels established for the area specifying:

1. Kind of service.
2. Quantity, where feasible.
3. Time service is necessary or desired.

Performing Services

A Clerk designated to handle service requests shall:

1. Fill out work order form.
2. If emergency service, record request on work schedule and have Project Manager approve emergency service.
3. If routine, put on work schedule as approved by Project Manager at weekly staff meeting.

The Staff Member in charge of rendering the service shall:

1. Perform requested service.
2. Where appropriate have homesteader certify service rendered, showing service rendered, and time or units of service on work order--in duplicate.
 - a. Original left with homesteader.
 - b. Duplicate kept for project office.
3. Note on work schedule that work was accomplished.

Charging for Services

The Project Billing Clerk shall enter charges on service charge form, in triplicate, computing charges according to rate schedules established by the Finance Officer, with the approval of the Executive Officer and the Commission.

For procedure, see Accounting Manual.

Distribution of charge Forms.

See Accounting Manual.

Accounting for Charges

See Accounting Manual.

XI. Complaints and Problems of Homesteaders

Any government agency serving a large group of individuals may expect to receive a number of complaints from its clientele. The Hawaiian Homes Commission is no exception. Further, the special services that the Hawaiian Homes Commission render to homesteaders result in a relationship between this agency and the clientele it serves that is unique among territorial agencies. This relationship in turn necessitates an additional service to the homesteaders--the handling of homesteaders' individual problems.

Complaints and problems of homesteaders should be handled with dispatch and tact by the staff of the Hawaiian Homes Commission. The reasons are obvious. This does not necessarily mean that the staff should cater to every whim and fancy of homesteaders. Assistance should be given only to the extent reasonable to devote Commission time and resources to it. Where indicated, the homesteader should be referred to the proper governmental or private agency for a solution to his problem.

PROCEDURES IN HANDLING COMPLAINTS AND PROBLEMS

Interview

The Interviewer shall:

1. Take all complaints or problems by homesteaders made in person by homesteader, noting
 - a. Lot number, area, name of complaining homesteader.
 - b. Nature of complaint.
2. Advise homesteader of possible solution.
3. Record information on General Investigation Record Form.
4. When necessary, refer matter to
 - a. Construction Advisor, if matter deals with construction.
 - b. Finance Officer, if matter deals with financial affairs involving the Hawaiian Homes Commission.
 - c. Executive Officer, if matter deals with personal problems of homesteaders which Executive Officer has indicated he wishes to handle personally, or
 - d. Assistant Executive Officer, in latter case, if Executive Officer is not available, or
 - e. Project Manager, when homesteader comes to project office.

Investigation

The Investigator shall:

1. Investigate complaint, or problem, to
 - a. Determine accuracy of complaint or problem.
 - b. Gather additional information.
2. Attempt reconciliation of difficulty.

3. When necessary, refer matter to proper staff member or outside agency.
4. Record information on General Investigation form.

Follow-up

The staff member concerned (Project Manager, Construction Advisor, Finance Officer, Assistant Executive Officer or Executive Officer) shall:

1. Make any further investigation necessary.
2. Reconcile discrepancies, if possible.
3. When necessary, report, in writing.
 - a. Project Manager, Construction Advisor, Finance Officer, or Assistant Executive Officer to Executive Officer.
 - b. Executive Officer to Commission.
4. Record information on General Investigation form.

Filing

The staff File Clerk shall file the General Investigation form in the Homesteader's file.

PART B. INTERNAL OPERATIONS

XII. Budgeting and Allotment Procedures

A budget is, properly, a plan of an agency's activities, expressed in terms of expenditures. It reflects the scope of the activities to be engaged in and the equipment, materials, supplies, services, and personnel needed to attain the goals set by the agency.

"Allotment", when used in connection with budgeting, means that portion of the total budget which is authorized to be expended during a specified period within the total budget period. Normally, allotments are made for quarterly periods.

Procedures for both budget preparation and allotments are outlined below. The schedule indicated for the preparation of the budget (the budget calendar) assumes that budget requests must be submitted to the Bureau of the Budget by October 15. Should this date be changed it may be necessary to rearrange the schedule. Changing from a biennial to an annual budget, as contemplated by the proposed State constitution, would necessarily change the time, but not the sequence, of the steps shown here.

a. PROCEDURES IN BUDGET PREPARATION

Originating Budget Requests

The staff member in charge of each activity shall submit to the Project Manager by June 10 of each even numbered year:

1. A detailed work plan for the next biennial period (showing data on Hawaiian Homes Commission Budget Form A).
2. A detailed estimate of materials and supplies necessary to carry out the work plan (showing data on Hawaiian Homes Commission Budget Form B).
3. An estimate of the equipment necessary to carry out the work plans (showing data on Hawaiian Homes Commission Budget Form C).
4. An estimate of the personnel necessary to carry out the work plan (showing data on Hawaiian Homes Commission Budget Form D).

Consolidation of Project Requests

The Project Manager shall, by July 1 of each even numbered year:

1. Review with each activity head the work plan and estimates submitted to him.
2. Coordinate and consolidate the activity requests.
3. Submit to the Finance Officer:
 - a. A detailed work plan for each activity on Hawaiian Homes Commission Budget Form A.

- b. Details of materials and supplies, services, equipment and personnel for each activity on Hawaiian Homes Commission Budget Forms B, C, and D.
- c. A summary estimate of expenditures for the next biennium on Hawaiian Homes Commission Budget Form E.

Review of Project Requests

The Finance Officer and the Executive Officer shall, by August 1 of each even numbered year:

1. Review all project requests.
2. Consult with each project manager.
3. Revise project requests, as necessary.

Preparation of Hawaiian Homes Commission Budget.

The Finance Officer and the Executive Officer shall, by September 1 of each even numbered year.

1. Prepare a budget for the Hawaiian Homes Commission on basis of project requests, using forms supplied by the Bureau of the Budget.
2. Submit the budget to the Commission for review.

Review and Approval of Budget

The Commission shall, by October 1 of each even numbered year:

1. Review the proposed budget.
2. Revise the proposed budget, as necessary to reflect Commission policies.
3. Approve the revised budget.

Revision and Submission of Budget.

The Finance Officer and the Executive Officer shall, by October 15 of each even numbered year, or as otherwise directed by the Governor or the Bureau of the Budget:

1. Revise the proposed budget according to the Commission's instructions.
2. Submit the revised budget request for the next biennium to the Territorial Bureau of the Budget on forms supplied by the Bureau. (Only Administrative Account requires legislative approval, but entire budget may be examined in process.)

/Consideration of budget by Bureau of the Budget, Governor and Legislature/

Report to Commission

The Executive Officer shall, within one week of receiving notice of the approval of the Hawaiian Homes Commission's budget:

1. Inform the Commission of the Legislature's action in modifying or approving the budget without change.
2. Ascertain if Commission wishes to review modified budget.
3. Inform Finance Officer of any directives of Commission as to execution of approved budget.

Notification of Approved Budget

The Finance Officer shall, within one month after receiving notice of the approval of the budget for the Hawaiian Homes Commission:

1. Notify each Project Manager of additions, deletions, or revisions made in the final budget, using Hawaiian Homes Commission Budget Form F.
2. Request each Project Manager to make revised estimates of work plans and expenditures for his project on basis of approved budget.

Revised Project Estimates

Each Project Manager shall, within two weeks after such notification by the Finance Officer shall:

1. Submit to the Finance Officer, a revised work program according to the funds made available--on Hawaiian Homes Commission Budget Form A.
2. Submit to the Finance Officer, a revised estimate of expenditures according to the work program--on Hawaiian Homes Commission Budget Forms B, C, and D.

Allocation and First Quarter Allotments

The Finance Officer shall, by July 1 of each odd numbered year:

1. Make and notify each Project Manager of allocations of funds for each activity within the project for each year of the biennium on Hawaiian Homes Commission Budget Form H.
2. Make and notify each Project Manager of the allotments for each activity within the project for the first quarter of the ensuing fiscal year on Hawaiian Homes Commission Budget Form H.
3. Make and notify each Project Manager of the tentative allocation of funds for the last three quarters of the ensuing year on Hawaiian Homes Commission Budget Form H.

Budget Review

Reports on the status of budgetary accounts for each quarter and year shall be submitted to the Executive Officer by the Finance Officer.

The Executive Officer and the Finance Officer shall, at the end of each quarter, review the activities of each project, using the monthly and quarterly reports submitted by the project managers to ascertain whether the work program established by the Commission is being followed and whether or not any changes in the ensuing quarterly or annual budgets are necessary.

By the end of the first eleven months of the biennium the Executive Officer shall report to the Commission on the execution of the budget during that fiscal year. On the basis of this report the Commission may modify the budget for the second year of the biennium, within any limits which may have been prescribed by the Legislature.

Preparation of Budget for Second Year of Biennium

1. Each Project Manager shall, by May 15 of each even numbered year, submit a work program and estimates of expenditures for the second fiscal year of the biennium. (Only a summary is necessary if work program and estimates are identical with those made at the start of the biennium. If changes are made, details shall be furnished as required for preparation of the biennial budget.)

2. The Finance Officer shall, by June 15 of each even numbered year, consolidate the project requests, incorporating any directives from the Commission made during the course of the annual review.

3. The Finance Officer shall, by June 15 of each even numbered year, make and notify each project manager of the budget for each project for the second fiscal year of the biennium, including the allotment for the first quarter and tentative allocation of funds for the last three quarters of the fiscal year--by activities and character of expenditures.

b. PROCEDURES IN MAKING ALLOTMENTS

Revision of Allotment Requests

Each Project Manager, by the first day of September, December and March of each year, respectively, shall:

Submit to the Finance Officer a revised request for the next quarterly period, if directed by the Executive Officer, showing

1. Revised allotment request for each activity.
2. Revised total allotment request by category of expenditure (personal services, equipment, etc.), for each activity.
3. Revised total allotment request for project.
4. Revised work program for each activity.

Revision will be directed when the tentative allocation for the quarter is changed by the Commission or by the Executive Officer.

Notification of Project Manager and Honolulu Office Manager

The Executive Officer, through the Finance Officer, shall, by the first day of October, January and April of each year:

1. Notify each Project Manager of the approved allotments for each project for the ensuing quarter--on Hawaiian Homes Commission Budget Form No. G showing
 - a. Approved total allotment for the project.
 - b. Approved total for each activity.
 - c. Approved total by category of expenditure for each activity.
2. Notify each Project Manager of the approved work program for the ensuing quarter.
3. Similarly notify the staff member directly responsible for management of the Honolulu Office with respect to the allotment for that office.

HAWAIIAN HOMES COMMISSION
BUDGET PREPARATION CALENDAR

When	Who	What
A. Even-numbered years.		
June 10	Activity heads	Submit work program and expenditure estimates for ensuing biennium to Project Manager.
July 1	Project Manager	Submit project work program and expenditure estimates to Finance Officer.
Aug. 1	Finance Officer and Executive Officer	Review and revise project work programs and expenditure estimates.
Sept. 1	Finance Officer and Executive Officer	Prepare and submit to Commission a proposed budget for the agency.
Oct. 1	Commission	Review, approve or revise proposed budget for agency.
Oct. 15	Finance Officer and Executive Officer	Revise proposed budget according to Commission orders and submit to Bureau of Budget.
	Bureau of Budget Governor	Consider agency budget: transmit to Legislature for approval.
B. Odd-numbered years.		
One week after approval	Executive Officer	Inform Commission of approval and modifications, ascertain Commission's instructions.
One month after approval	Finance Officer	Notify Project Manager of approved project budget, request revised work and expenditure estimates within approved budget.
Two weeks after notice	Project Manager	Submit to Finance Officer revised estimate within funds available.
By July 1	Commission	Review, approve, or revise, portions of budget affected by changes made by Bureau of Budget, Governor, or Legislature.
By July 1	Executive Officer	Notify Project Manager of allocation of funds for coming biennium and allotments for coming fiscal year.

HAWAIIAN HOMES COMMISSION
ANNUAL BUDGET ALLOTMENT CALENDAR

WHEN	WHO	WHAT
July 1	Finance Officer	Make allotments for fiscal year, by quarters, total project, activities, character of expenditures based on Hawaiian Homes Commission Budget Form No. G.
Sept. 1	Project Manager	If necessary, submit revised allotment requests for project showing activities, and character of expenditures and work program for the second quarter of the fiscal year on Hawaiian Homes Commission Budget Forms A, B, C and E. (If tentative allocation shown on Form G is requested by Project Manager and approved by the Finance Officer and Executive Officer, detailed request is not necessary.)
Oct. 1	Finance Officer	Notify Project Manager of approved allotment for project, activities and character of expenditures for second quarter of fiscal year.
Dec. 1	Project Manager	If necessary, submit revised allotment requests for third quarter. (As before, not necessary if tentative allocation is sufficient and approved.)
Jan. 1	Finance Officer	Notify Project Manager of approved allotments for third quarter.
March 1	Project Manager	If necessary, submit revised allotment requests for fourth quarter. (As before, not necessary if tentative allocation is sufficient and approved.)
April 1	Finance Officer	Notify Project Manager of approved allotments for fourth quarter.
June 1	Project Manager	Submit proposed work program, total project expenditure, total activity expenditure, total by character of expenditures for next fiscal year, also by quarters.

HAWAIIAN HOMES COMMISSION

HHC Budget Form A
(Illustration)

PROJECT MOLOKAI

ACTIVITY PASTURE

WORK PROGRAM FOR PERIOD BIENNIUM 1955-57

Functions	Number or Amount	Comments	Period of Function
Hauling Cattle	5,400	Cattle hauled by truck from one pasture to another - to prevent overgrazing in areas. Number of cattle hauled - 900 head 6 times.	January, May, September of each year.
Repairs to Corrals	6	Corrals in bad shape - extensive repairs necessary. Present corrals 8 years old.	August 1955
Patrolling	6,000 mi.	Patrol boundaries for fence breaks, looking for lost cattle, roundup for count and cutting.	2 times a week, annually
Fencing (new)	11 mi.	Construction of boundary fences between Kapaakea pasture and Molokai Ranch - 9 mi.	June to November, 1955
		Construction of boundary fences between Kalamaula pasture and Molokai Ranch - 2 mi.	November to December, 1955
Fencing (repair)	10 mi.	Repair of old fences. Kalamaula pasture - 4 miles Kapaakea pasture - 6 miles	Periodic, 1955-56 Periodic, 1956

From each project to Hawaiian Homes Commission Finance Officer, in duplicate.
(One set for each activity of project, including administration.)

HAWAIIAN HOMES COMMISSION

HHC Budget Form B
(Illustration)

PROJECT MOLOKAI

BUDGET REQUEST FOR PERIOD BIENNIUM 1955-57

OTHER CURRENT EXPENSE

Activity	Estimated Work for Period	Materials and Supplies Required	Materials and Supplies on hand	Materials and Supplies To be Bought for Period	Estimated Cost
Pasture	Fencing - 11 miles (new)	Wire - 142,560 ft. (____ rolls) Posts - 1584 Staples - 3 kegs	Wire - 20,000 ft. (____ rolls) Posts - 100 Staples - 3 kegs	Wire 122,560 ft. (____ rolls) Posts - 1484 None	\$ _____ \$ _____ None
Agronomy	Fencing - 6 miles (Repair)	_____	_____	_____	Total _____
	Planting Grass- 15 Acres	Guinea Grass Seed - 500 lbs.	Guinea Grass Seed - 100 lbs.	Guinea Grass Seed - 400 lbs.	\$ _____
Water	New Laterals - 400 ft.	2½" Pipe - 20 lengths Elbows 2½" - 25	2½" Pipe - 10 lengths Elbows 2½" - 15	2½" Pipe - 10 lengths Elbows 2½" - 10	\$ _____ _____
Shops	Overhaul 1-2½ ton truck 1-¼ ton truck 1 - Sedan	Gaskets - 3 Pistons - 8 Carburetor - 3	None None None	- 3 - 8 - 3	\$ _____ \$ _____ \$ _____ Total _____

From each project to Hawaiian Homes Commission Finance Officer in duplicate.
(To encompass each activity of project, including administration.)

HAWAIIAN HOMES COMMISSION

HHC Budget Form C
(Illustration)

PROJECT _____

BUDGET REQUEST FOR PERIOD BIENNIUM 1955-57

EQUIPMENT

Activity	Request	Purpose	To Be Bought In	Comments
Pasture	1 - $\frac{1}{4}$ ton truck	Patrolling pastures	1957	Present jeep 6 yrs. old - condition bad, chassis loose and rusted, springs bad, axle slightly cracked, motor overhauled 6 times.
Agronomy	none			Car bought last year - good condition.
Water	1 - 1 ton truck	Transportation of workers to job site. Transportation of materials and supplies to job site.	1955	Present truck unserviceable - 10 years old, repairs uneconomical.
Shops	1 - 1 h.p. compressor	Use in shops for servicing vehicles.	1955	Operating without compressor for 2 years. Using compressor belonging to C.P.C. for past two years.
	1 - $\frac{1}{4}$ ton truck	Use by shop personnel errand, field servicing.	1955	Have one jeep serviceable, need two. Using jeep belonging to shop foreman now.

From each project to Hawaiian Homes Commission Finance Officer in duplicate.
(To encompass each activity of project, including administration.)

HAWAIIAN HOMES COMMISSION

HHC Budget Form D
(Illustration)

PROJECT MOLOKAI

BUDGET REQUEST FOR BIENNIUM 1955-57

PERSONAL SERVICES

Activity	Present Complement	Request	Comments
Home and Farm Loan	1 Account-Clerk 1 Clerk 1 Stenographer	2 Account-Clerk 1 Clerk 1 Stenographer	Increases in present biennium to 500 homesteaders in this jurisdiction resulted in overloading account clerk. Further increase to 750 homesteaders in coming biennium foreseeable--present plans call for opening Kapaakea area. An additional account-clerk necessary.
Pasture	2 Cowboys	2 Cowboys	No increase in personnel necessary--same level of activity to be maintained.

From each project to Hawaiian Homes Commission Finance Officer, in duplicate.
(To encompass each activity of project, including administration.)

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HAWAIIAN HOMES COMMISSION
SUMMARY ESTIMATE OF EXPENDITURES

HHC Budget Form E
(Illustration)

PROJECT MOLOKAI

-55-

Activity	Actual 1951 - 1952	Actual and Estimate 1953 ---1955	Requested 1955 - 1957	Recommended by Executive officer
Home and Farm Loan Program	\$80,000.00	\$94,000.00	\$100,000.00	
Recreation and Settlement	9,187.00	10,010.00	11,000.00	
Agronomy	10,017.00	11,000.00	11,000.00	
Upkeep and Maintenance				
Shops and Mechanical Repairs				
Community Pasture				
Water Project				
Heavy Equipment				
Total				

From each project to Hawaiian Homes Commission Finance Officer, in duplicate.
(To encompass each activity of project, including administration.)

HAWAIIAN HOMES COMMISSION

HHC Budget Form F
(Illustration)

PROJECT _____

FOR BIENNIUM 1955-57

APPROVED BUDGETS FOR PROJECT

-56-

Activity	Actual and Estimate 1953-55	Budget Request	Comments	Approved Budget
PASTURE				
A. Personal Services		\$60,000.00	Commission feels that new fencing in Kalamaula may well wait until biennium 1957-59. All other items in program outlined are approved.	\$55,000.00
B. Other Current Expenses		_____		_____
C. Equipment		_____		_____
E. _____		12,000.00		7,000.00
F. _____		_____		_____
M. _____		_____		_____
AGRONOMY		\$30,000.00	Item in program, nursery operations, was increased by Commission. Additional personnel authorized (1-nursery man). Agronomy activities otherwise are to be kept at the same level as in previous biennium.	\$30,000.00
A.		7,000.00		10,000.00
B.		15,000.00		13,000.00
C.		6,000.00		5,000.00
E.		_____		2,000.00
F.		2,000.00		_____
WATER DEPARTMENT		\$11,000.00	Total for this activity has been cut by the legislature to \$10,000.00 No specific item has been picked out for reduction. A revised program for this activity for the coming biennium is necessary.	\$10,000.00
A.		_____		_____
B.		_____		_____
C.		_____		_____
E.		_____		_____
F.		_____		_____

From Hawaiian Homes Commission Finance Officer to Each Project.
(To Encompass each activity of project, including administration.)

HAWAIIAN HOMES COMMISSION

HHC Budget Form G
(Illustration)

PROJECT MOLOKAI

BUDGET ALLOCATION AND ALLOTMENT

	For Biennium 195_-5_	For Year 195_-5_	Allotment 1st Quarter 195_-5_	T E N T A T I V E A L L O C A T I O N			
				2nd Quarter 195_-5_	3rd Quarter 195_-5_	4th Quarter 195_-5_	
Home and Farm Loan Program	\$100,000.00	\$51,250.00	\$13,900.00	\$12,000.00	\$12,000.00	\$12,000.00	
A.	_____	_____	_____	_____	_____	_____	
B.	_____	_____	_____	_____	_____	_____	
C.	_____	_____	_____	_____	_____	_____	
M.	_____	_____	_____	_____	_____	_____	
Recreation and Settlement	10,000.00	6,750.00	3,500.00	1,000.00	1,000.00	1,250.00	
A.	_____	_____	_____	_____	_____	_____	
B.	_____	_____	_____	_____	_____	_____	
C.	_____	_____	_____	_____	_____	_____	
M.	_____	_____	_____	_____	_____	_____	
Agronomy	10,117.00	5,058.50	1,458.50	1,200.00	1,200.00	1,200.00	
A.	_____	_____	_____	_____	_____	_____	
B.	_____	_____	_____	_____	_____	_____	
C.	_____	_____	_____	_____	_____	_____	
M.	_____	_____	_____	_____	_____	_____	
Upkeep	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	_____	

From Hawaiian Homes Commission Finance Officer to Each Project.
(To encompass each activity of project, including administration.)

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HAWAIIAN HOMES COMMISSION

HHC Budget Form H
(Illustration)

PROJECT _____

PROGRESS REPORT FOR PERIOD 3rd QUARTER 195_-5_

Activity	Estimated Work For Period Year 195 -5	Percent Completed Up To This Period	Amount Completed This Period	Total Completed End Of This Period	Comments
Pasture	Fencing - 9 mi.	10%	5.4 miles	70%	Customary fencing season from June to November. Fencing to be completed by November 15, 1953.
Agronomy	Planting grass 15 acres	0	1.5 acres	10%	Planting done after rains.
Water	New laterals - 400 ft.	75%	none	75%	Scarcity of 2½" elbows - back order promised by October 30.
Shops	Repair and Maintenance Overhaul 2- 1½ ton truck 1- ¼ ton truck 1- sedan	75%	overhaul - 2 trucks	90%	Underestimated repairs necessary. Breakdowns of truck # # unforeseen.

From each project to Hawaiian Homes Commission Finance Officer in duplicate each quarter.
(To encompass each activity of project, including administration.)

XIII. Project Visits

With settlements scattered among several islands, periodic visits by staff members of the Honolulu office to the outer islands are often necessary. Personal inspections and surveys to supplement written and oral reports from project managers enable the central office staff members better to understand and coordinate the activities of the several projects.

PROCEDURES IN MAKING PROJECT VISITS

Arranging for Visit

The Investigator (Staff Construction Advisor, Finance Officer, Assistant Executive Officer, or Executive Officer, as the case may be) shall:

1. Record reasons for proposed visit on General Investigation form (Form 2), stating
 - a. Each reason on a separate form.
 - b. Lot number, area, name of homesteader, if necessary.
 - c. Purpose of investigation.
2. Through the Executive Officer, request permission from the Commission to make the visit, specifying
 - a. Reasons for visit.
 - b. Approximate time of visit.
 - c. Period of absence from central office.

Preparation for Visit

The Investigator shall:

1. Communicate with Project Manager of the settlement to be visited, notifying him of
 - a. Time of arrival and estimated period of stay.
 - b. Purpose of visit, showing
 - 1) Homesteaders to be called, if necessary.
 - 2) Reports to be completed, if necessary.
 - 3) Areas to be visited, if necessary.
2. Assemble materials for visit.
 - a. Documents, if necessary.
 - b. Reports, if necessary.
 - c. General Investigation forms.

Visit

The Investigator shall:

1. Record information on General Investigation form as the information is gathered.

Report on Visit

The Investigator, shall, upon return, and, as necessary:

1. Report, in writing when necessary, to the Executive Officer on findings and recommendations.
2. If appropriate, report in writing to the Commission, through the Executive Officer, on findings and recommendations.
3. Send copy of written reports to Project Manager of project visited.

Filing

The Filing Clerk shall, upon completion of all necessary entries on General Investigation form, file form in appropriate file (homesteader's file, vendor's file, project file, etc.).

XIV. Staff Field Trips

"Field trip", as used in this section refers to trips made by staff members to settlements on the island on which their office is located. Procedures for visits made by staff members of the Honolulu office to outer island settlements are covered in the preceding section titled "Project Visits".

PROCEDURES IN MAKING FIELD TRIPS

Record of Proposed Field Trip

The Investigator (Staff Construction Advisor, Finance Officer, Assistant Executive Officer, or Executive Officer as the case may be) shall record need and purpose of field trip on General Investigation form (Form 2), showing

1. Lot number, area, and name of homesteader, if necessary.
2. Purpose of trip.
3. Deadline, if any.

Field Trip

The Investigator shall:

1. Take General Investigation form on trip.
2. Record findings on General Investigation form as information is gathered.

Report

The Investigator shall, if necessary or appropriate, report in writing on findings with comments and recommendations to the Executive Officer, with copy to Project Manager.

Filing

The File Clerk shall file the General Investigation form in the homesteader's file.

XV. Correspondence

A large volume of correspondence is inevitable in an agency which deals with a clientele as large as the Hawaiian Homes Commission's. To minimize the work going into such correspondence, form letters and informal inter-office letters that require the minimum amount of writing should be used whenever possible. Routine correspondence, such as letters of transmittal between offices, and correspondence with homesteaders about insurance, and delinquencies may well be done on forms.

Form Letters

Forms to be used for routine correspondence are listed below. Illustrations of forms not previously referred to are shown on the following pages.

1. Letter of transmittal (Form 16).
2. Inter-office Correspondence (Form 17).
3. Purchase of insurance (Form 7).
4. Request for homesteader to appear at Hawaiian Homes Commission office (Form 18).
5. Notice of delinquency to homesteader (Form 19).
6. Notice of absence to homesteader (Form 20).
7. Notice of non-use of lot to homesteader (Form 21).

FORM 16

HAWAIIAN HOMES COMMISSION
INTER-OFFICE MEMORANDUM

From: _____ Number _____
To: _____ Date _____
Subject: _____

FORM 17

HAWAIIAN HOMES COMMISSION
INTER-OFFICE CORRESPONDENCE

From _____

Number _____

To _____

Date _____

Enclosed please find (see left column); status forms attached where necessary. Explanation presented here when necessary.

- Lease Applications
- Loan Applications
- Loan Payment Adjustments
- Surrender Applications
- Transfer Applications
- Assignments
- Contracts
- Requisitions
- Purchase Orders
- Invoices
- Charges
- Monthly Report
- Quarterly Report

FORM 18

HAWAIIAN HOMES COMMISSION
REQUEST FOR APPEARANCE

Dear _____:

You are hereby requested to call at the _____ (area)
office of the Hawaiian Homes Commission (specify time or period) _____.
The purpose of this request is

Very sincerely yours,

HAWAIIAN HOMES COMMISSION

HAWAIIAN HOME COMMISSION

DELINQUENCY NOTICE

Dear _____:

Our records indicate that you are delinquent in your payments to the Hawaiian Homes Commission. A summary of your accounts is shown here.

	<u>No. Months Delinquent</u>	<u>Amount Delinquent</u>
Rent		
Payments on Loan		
Payments on Interest		
Service Charges		_____
	Total	=====

Any questions on the above can be answered if you call at this office. If there are no questions it is requested that you take immediate steps to make payment of the amount delinquent.

Very sincerely yours,

HAWAIIAN HOMES COMMISSION

HAWAIIAN HOMES COMMISSION

NOTICE OF ABSENCE

Mr. _____

(Lot _____)

Dear Mr. _____:

The Hawaiian Homes Commission has reason to believe that a condition of Section 2 of Lease No. _____ covering Lot No. _____ (area) _____ is being violated by you as lessee. Said section prohibits any lessee from being absent from his homestead for sixty (60) days or more in any one year without the approval of the Hawaiian Homes Commission. Conditions of your lease also require that any absence of more than ten (10) days be reported to the Commission's local representative, notifying the Commission of the dates of departure and return.

Please regard this letter as a warning that a violation has been noted by the Commission and a request that you take immediate steps to return to your homestead.

Very sincerely yours,

HAWAIIAN HOMES COMMISSION

FORM 21

HAWAIIAN HOMES COMMISSION
NOTICE OF NON-USE OF LEASEHOLD

Dear Sir:

Our records indicate that Lease No. _____ was awarded to you on _____. One of the conditions of the lease specifies that you shall make your home on the leasehold within one year after the lease is awarded.

Our records further indicate that you have yet to construct a house on the lot awarded.

This letter is a notice to you and a request that you take immediate steps to use the leasehold. If you do not intend to reside on your leasehold, please notify this office so that the lease may be cancelled and the lot awarded to someone else.

Very sincerely yours,

HAWAIIAN HOMES COMMISSION

XVI. Records and Reports

The budget, even though properly prepared, has only limited value if not properly utilized by the Commission, Executive Officer, and Project Managers. To be of full value to the administration, the budget must be scrutinized periodically in terms of the goals established at the start of the biennium. To aid in the tasks of administration, as well as to check upon the effectiveness with which the department is carrying out the goals embodied in the budget, data on departmental operations must be continuously available. Records and reports are two chief sources of these data.

RECORDS

1. There shall be maintained in the Honolulu office for each project quarterly, yearly, and biennial financial records, showing
 - a. Amounts authorized for expenditure by the budget, according to activity and character of expenditure.
 - b. Expenditures charged against the amounts authorized, by activity and character of expenditure.
2. There shall be maintained in each project office, under the direction of the Project Manager, work records including:
 - a. Daily work records, by activity and function.
 - b. Monthly work summaries, by activity and function.

REPORTS

Each Project Manager, including the Assistant Executive Officer for the island of Oahu, shall:

1. Monthly, within five days after the end of the month, submit to the Executive Officer a report on work accomplished (Form 22).
2. Quarterly, within a week of the end of the quarter, submit a progress report. (Budget Form H).

The Executive Officer, or Assistant Executive Officer if so designated, shall review the monthly and quarterly reports and any special reports received from the Project Managers. Significant trends shall be reported by him to the Commission.

FORM 22

HAWAIIAN HOMES COMMISSION
 REPORT ON ACTIVITIES BY FUNCTIONS
 PROJECT _____

ACTIVITIES	LAST MONTH	THIS MONTH	ACTIVITIES	LAST MONTH	THIS MONTH
PASTURE CATTLE: BEGINNING OF MONTH CATTLE HAULED FROM _____ TO _____ CATTLE DISPOSED OF SLAUGHTERED SOLD DIED CATTLE ADDED NEW CALVES FOUND IN PASTURE BOUGHT BY HOMESTEADERS CATTLE: END OF MONTH			LEASES LOTS AVAILABLE LEASE APPLICATIONS LEASES AWARDED LOANS LOAN APPLICATIONS LOANS GRANTED CONSTRUCTION LOANS GRANTED BUT NO ACTIVITY PLANS SUBMITTED CONTRACTS DRAWN CONSTRUCTION IN PROGRESS CONSTRUCTION COMPLETED		
AGRONOMY PLOWED, IN PASTURE--ACRES DISKED, IN PASTURE--ACRES SUB-SOILED, IN PASTURE--ACRES GRASSED, IN PASTURE--ACRES HOMESTEADER REQUESTS: PLOWED (ACRES) DISKED (ACRES) PLANTED-CROP (ACRES) PLANTED-WINDBREAK (ACRES) HARVESTED (ACRES) ADVISED (NO.)			ABSENTEES DELINQUENT ACCOUNTS REPAYMENT OF LOANS 1 - 3 MONTHS 4 - 6 MONTHS OVER 6 MONTHS		
			ACTIVITIES	NUMBER TIMES	NUMBER PARTICIPATING
NURSERY (INVENTORY) NUMBER PLANTS: WINDBREAK FRUITS ORNAMENTAL			RECREATION SCOUT MEETINGS CLUB MEETINGS CLASSES HELD EXCURSIONS, PIGNICS, SOCIALS, ETC. ATHLETIC GAMES		
WATER TANKS: BEGINNING MONTH--GALS. (IN MILLIONS) OUTFLOW--GALS. INTAKE--GALS. TANKS: END OF MONTH--GALS. (IN MILLIONS) MAINS-NEW--FT. --REPAIR--FT. HOMESTEADERS SERVED LATERALS-NEW --REPAIR METER-NEW --REPAIR			NURSERY SCHOOL	AVERAGE DAILY ATTENDANCE	
			HAULING FOR HOMESTEADERS	NUMBER SERVED	TOTAL LOADS

XVII. Files

Materials are kept to maintain a record of an agency's activities, correspondence, and transactions. Files must be maintained so that necessary papers and documents are readily accessible.

An agency with functions as numerous as those of the Hawaiian Homes Commission finds it necessary to have several different kinds of files to operate efficiently. Standard procedures for filing are necessary to avoid confusion. A description of the filing system and procedures for filing is presented here. They are to be amplified by the Assistant Executive Officer and Project Managers, who are ultimately responsible for the filing systems of the Honolulu and settlement offices, respectively.

a. Primary Files

Homesteaders' (Lot) Files

These are the most important files maintained by the Hawaiian Homes Commission. In them are filed all legal documents, insurance policies, records of transactions, and correspondence pertaining to an individual leasehold. Individual folders are kept for each leasehold, including both present and past lessees. Folders are identified by lot number and area: the name of the current lessee also appears on the folder but it is of secondary importance.

Correspondence Files

Correspondence files are kept by the Hawaiian Homes Commission. In these files are kept all correspondence between this agency and vendors, government agencies, private agencies, and individuals. Correspondence between the Honolulu office and the project offices of the Hawaiian Homes Commission are also kept in these files.

Correspondence files are identified by years (by file cabinets) and correspondent's name, alphabetically.

Lease Application File

Applications for leases must be kept in the office so that a record may be maintained and leases may be awarded according to priorities set by the Commission.

Original copies of applications are filed alphabetically for the record.

Key-sort Application File

A card file of all applications for leases is kept by the Hawaiian Homes Commission. Individual cards on which are punched all pertinent data affecting an applicant's priority are kept in alphabetical order in this file.

Cards may be selected from this file according to any single priority factor by inserting a "needle" in the proper hole through the card file and raising the needle.

Personnel File

A file where all transactions affecting the working conditions of each employee of the Hawaiian Homes Commission is necessary and is kept by this agency. Individual folders in which are kept all papers pertaining to the classification, reclassification, promotion, leave, suspension, demotion, dismissal, resignation, and efficiency rating for each employee are maintained in the Honolulu office.

b. Subsidiary Files

Subsidiary files are kept to facilitate the transaction of business by this office. The use of the following files are intended to make certain operations easier and faster than would be possible by using the primary files.

Homesteaders' Cross-Reference File

This card file will facilitate the identification of a homesteader's lot number when only his name is known. Individual cards showing the name of a lessee, his lease number, his lot number and district in which the lot is located are filed in alphabetical order.

Insurance Card Files

To facilitate the gathering of information on insurance on homesteads and to enable the Hawaiian Homes Commission to renew policies systematically and regularly, two sets of insurance card files are maintained.

An Insurance Purchase Card File is maintained to make available immediately all pertinent information on insurance purchased through the Hawaiian Homes Commission for lessees. Individual cards showing for each such lessee his name, the insurer's name, the amount of coverage, the date of purchase, and the expiration date of the insurance policy make up this file. The cards are filed alphabetically by the lessee's name.

An Insurance Expiration Card File that enables the Hawaiian Homes Commission systematically to renew policies as they expire is also kept. Individual cards prepared as duplicates of the cards placed in the Insurance Purchase Card File are kept in this file. This file, however, is arranged chronologically by year and month of expiration of insurance policies.

Pending Matters

The Secretary, under the direction of the Executive Officer, shall maintain a central file for applications awaiting Commission action. This file contains all pending leases, loans, transfers, surrenders and approvals of wills. After action is taken by the Commission the applications are filed in the Homesteader's (Lot) File.

Materials necessary to make up the agenda for commission meetings are also kept in this file and are filed in the appropriate files when action is taken by the Commission.

While papers are in this central file, a charge-out slip shall be placed in the files from which they have been temporarily removed.

Minutes

The Secretary, under the direction of the Executive Officer, shall maintain files of Commission minutes, necessary for a permanent record of the Commission's actions. Minutes are filed chronologically--by year, month and day.

c. Procedures in Filing

Original Filing

The File Clerk shall:

1. Be in charge of all files and filing except for those files kept by the Secretary (agenda, minutes, and pending applications for loans, loan contract amendments, transfers, surrenders, and wills).
2. Be responsible for filing all necessary materials.
3. Be responsible for cross-indexing of materials. As a standard practice, materials are placed in the file of the homesteader to whom they apply and a notation of the filing placed in the other files (vendor, contractor, Department of Public Instruction, Department of Public Welfare, etc.) where reference is desirable.

Charge-Outs

Each staff member shall:

1. Upon removing any paper, document or folder from the file cabinets, record such removal upon a charge-out card, indicating
 - a. What was removed.
 - b. Who removed it.
 - c. Date of removal.
2. File charge-out card in place of material removed.
3. Return, as soon as possible, the material to the File Clerk.

Refiling

The File Clerk shall:

1. Upon the return of the material
 - a. Refile.
 - b. Remove charge-out card.
 - c. Indicate date of return on charge-out card.
2. Periodically check file cabinets for materials removed.
3. Trace material to person who removed material.
4. Verify entries on charge-out file.

XVIII. Personnel Practices and Records

Management's ultimate responsibility is to see that the agency operates with maximum efficiency. The employees' responsibility is to see that they collectively and individually contribute to that goal. Both management and employees have the joint responsibility of helping each other to attain their common purpose.

The following paragraphs describe certain aspects of overall personnel practices intended to enable this agency to operate with maximum efficiency and minimum irritation.

a. Leaves and Compensatory Time-Off

The Hawaiian Homes Commission abides by the rules and regulations promulgated by the Governor, and administered by the Department of Civil Service, in matters concerning the granting of leaves and compensatory time-off.

PROCEDURES IN GRANTING LEAVES AND COMPENSATORY TIME-OFF

Request

The employee shall:

1. Request the Personnel Officer for permission to go on leave sufficiently in advance of the starting date to permit processing, using standard territorial application for leave of absence, specifying
 - a. Kind of leave.
 - b. Starting and ending dates of leave.

Action on Request

The Personnel Officer shall approve or disapprove the request, in whole or in part, taking into consideration

1. Amount of leave time accrued to employee.
2. Work load of employee.
3. Replacement provisions.

Appeals

The employee shall have the privilege of appealing the Personnel Officer's decision to the Executive Officer.

Recording of Leave.

The Personnel Clerk shall upon approval of a leave:

1. Record the leave on the employee's daily attendance record.
2. File all forms in the employee's personnel folder.

Sick Leave

Sick leaves must, of necessity, be handled differently from ordinary leaves and compensatory time-off. Ordinarily no advance notice can be given by an employee.

PROCEDURES IN GRANTING AND ACCOUNTING FOR SICK LEAVES

Notification.

The Employee shall notify the Personnel Officer, or Personnel Clerk, of his illness.

1. Before 9:00 A. M. of the first day he cannot report to work.
2. Include in the notification, the probable date of his return to work.
3. If sickness is extended, keep the Hawaiian Homes Commission advised of his physical condition and probable date of return.

Recording of Sick Leave

The Personnel Clerk shall, when notified by the Personnel Officer or the Employee, record the absence and reason on the employee's daily attendance record.

Accounting for Sick Leave

The Employee shall:

1. Immediately after his return to work report to the Personnel Clerk.
2. Within five days fill out an application for leave of absence.
3. If absence exceeded two days, present a certificate of illness signed by a licensed physician or surgeon.

Approval of Sick Leave

The Personnel Officer shall, if the illness is proved to his satisfaction:

1. Approve the application for leave of absence.
2. Route application to the Executive Officer for his signature.

Filing

The Personnel Clerk shall file the application in the employee's personnel folder.

Attendance Record

The Personnel Clerk shall keep a daily attendance record of each employee.

b. Other Personnel Practices

Break Periods

The Hawaiian Homes Commission, through its Executive Officer, authorizes break periods for its employees, once in the morning and once in the afternoon. Break periods are to last for a maximum of fifteen minutes and are to be arranged so that the operation of the office is not impaired.

This privilege may be withdrawn if it is abused.

Staff Conferences

Staff conferences to acquaint the employees of the problems confronting the agency, to apprise management of the individual and collective problems of the employees, are recognized as a tool to promote efficiency and good employer-employee relations.

Procedures for conferences

The Executive Officer, or his designated representative, shall not less than once each month call a conference of his staff members.

1. Regular conferences on a scheduled day and time.
2. Special conferences may be called as necessary.

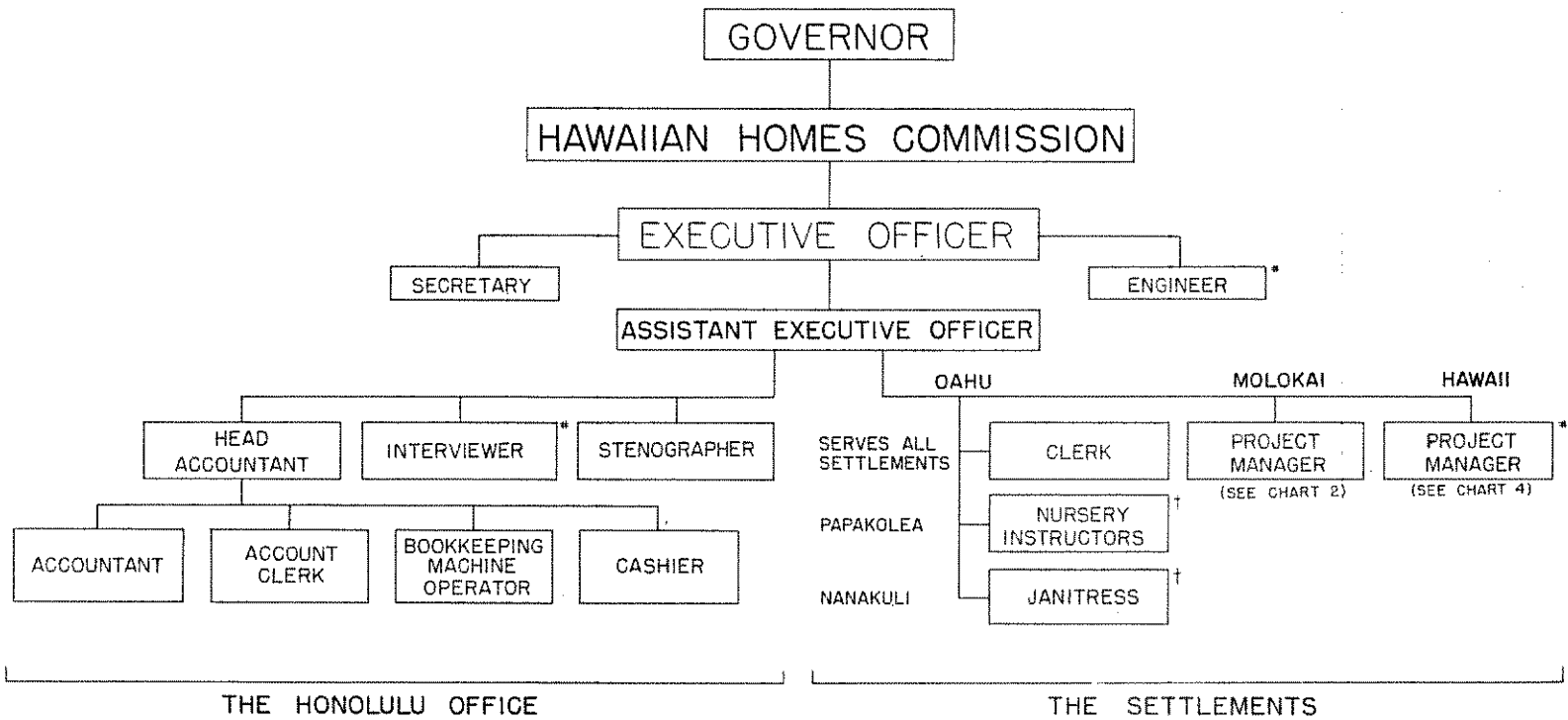
Discussion at Conference.

The Executive Officer, or his designated representative, shall:

1. Lead the discussion, including
 - a. Problems of the agency.
 - b. Anticipated office work load for the next period.
 - c. Work schedule for next period.
 - d. Collective employee problems.
 - e. Individual employee problems.
2. Encourage employee participation.

CHART 5

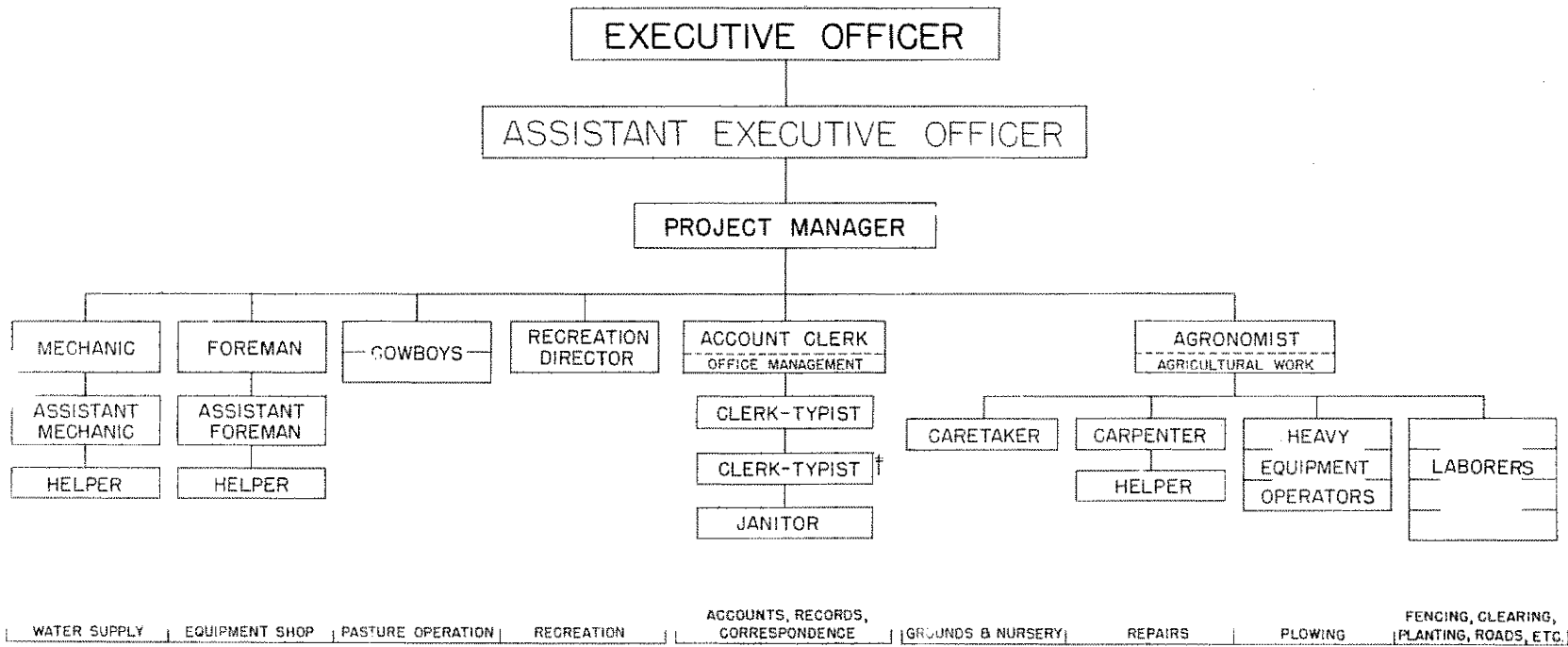
SUGGESTED ORGANIZATION OF THE HAWAIIAN HOMES COMMISSION



† PART-TIME POSITION

* NEW POSITION

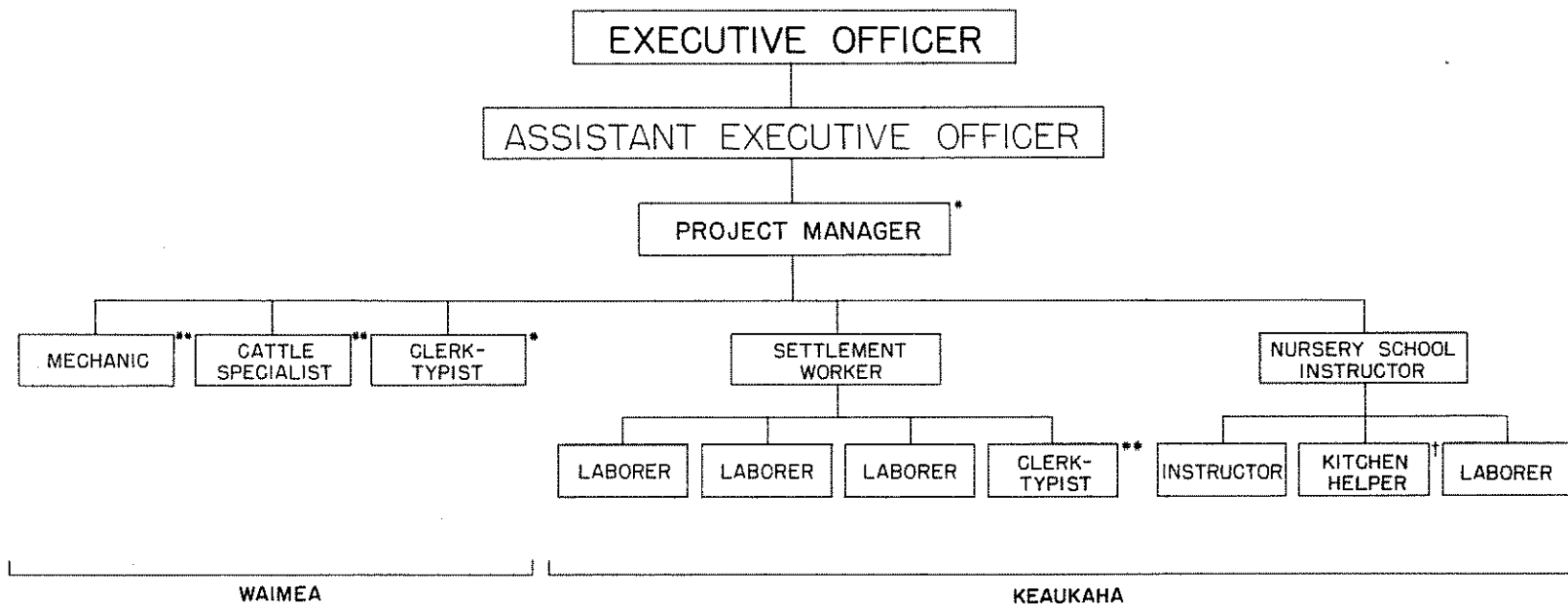
CHART 2
**ORGANIZATION OF THE
 HAWAIIAN HOMES COMMISSION
 FOR MOLOKAI PROJECT**



† VACANCY PREVIOUSLY FILLED BY CLERK

CHART 4

SUGGESTED ORGANIZATION OF THE HAWAIIAN HOMES COMMISSION FOR THE ISLAND OF HAWAII



WAIMEA

KEAUKAHA

† PART-TIME POSITION

* NEW POSITION

** IF NECESSARY (SEE REPORT)