

# MCC Molokai Business Plan

July 2007

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**MCC on Molokai**  
**Business Plan for the Molokai Education Center**  
**Executive Summary**

Maui Community College has been offering post-secondary instruction to the people of Molokai for over 35 years. During the course of that time, we have seen the infrastructure and programs change dramatically to support increasing demand by Molokai residents to receive a college education right here at home. As our community population continues to grow, so do the training and workforce development needs of our residents. Each time Maui Community College has invested in the Molokai Education Center to expand its facilities and programs we have seen enrollment increase as a direct result. Over the past five years we have seen enrollment plateau at around 200 and it is now beginning to slightly drop. This can be partially attributed to our inability to offer a wider variety of classes, especially in the science and technology areas, due to facility constraints. Expansion is a necessary factor to meet the current and future needs of the community. Expansion is also required to realize increased enrollments and educational attainment of Molokai residents which in turn will improve the socio-economic conditions on the island.

To decide whether expansion is feasible, a MCC Molokai Business Plan was created in January 2007. The plan illustrates what types of facilities will be added to the current Molokai Education Center plus projections on enrollment to support expansion. It also highlights activities that will occur in the new facilities that will generate income. The results from the MCC Molokai Business Plan reveal that the Molokai Education Center will be able to operate at a profit with the growth in its facilities due to new sources of income. The results of the business plan, in addition to the strong community support, solidify the idea that the University of Hawaii Maui Community College should move forward on this project.

**MCC on Molokai**  
**Business Plan for the Molokai Education Center**  
**Narrative**  
 June 28, 2007

Characterized by many as the most Hawaiian island, Molokai sits in the middle of the Hawaiian island chain. Firmly grounded in its rich culture and history, the people of this island have learned to utilize and make the best of their resources to get by. Satisfied with a simple lifestyle, this tight knit community is fighting to preserve the qualities that make this island so unique while trying to develop a course for the future.

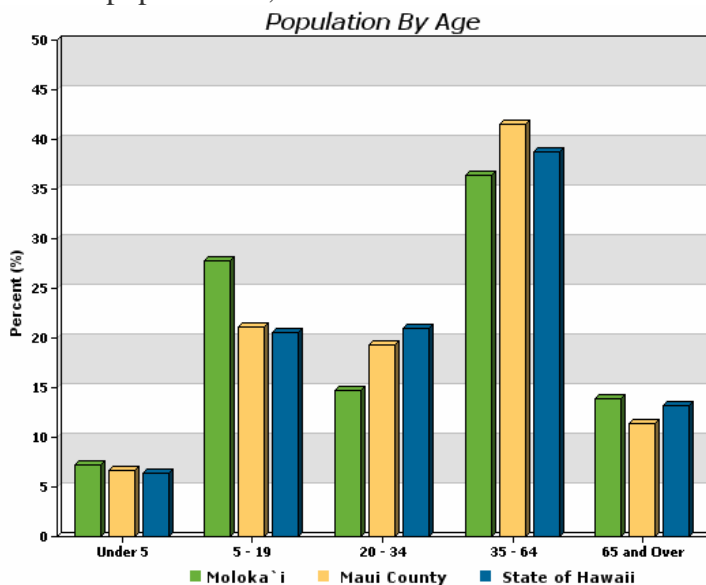
The Molokai Education Center, a subsidiary of Maui Community College, will serve an integral role in helping the community to realize their future goals. It is our hope that any college improvement initiatives will remain consistent with the goals of the community as outlined in various community based plans. The people of Molokai are the lifeline of our institution and we must work as partners and maintain good relationships to be successful.

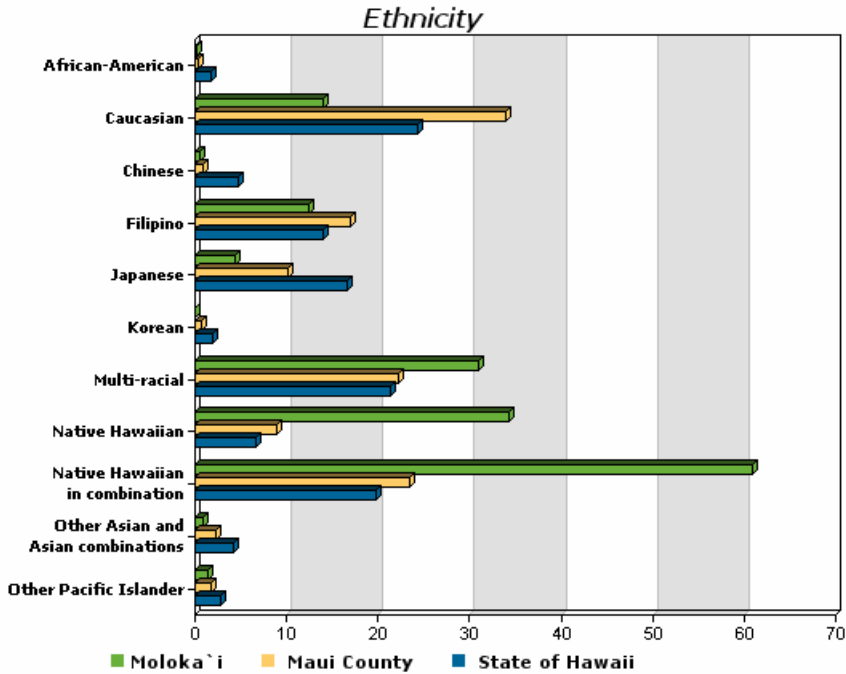
The college sits on two acres of land and includes classrooms, a computer lab, a library resource center, and offices. The main course offerings are centered on certificates and associates degrees in Liberal Arts, Agriculture, Business Careers, Human Services, and Nurse Aide Training. Students who are attending the Molokai Education Center report to be satisfied with their educational experience as illustrated by the results of a current student needs assessment survey in Spring 2007.<sup>1</sup> Enrollment numbers continue to hold at around 200 students per semester.

Below you will find brief details of the current demographic, economic, and educational conditions on Molokai.

**Demographics**

- Total population 7,404.<sup>2</sup>



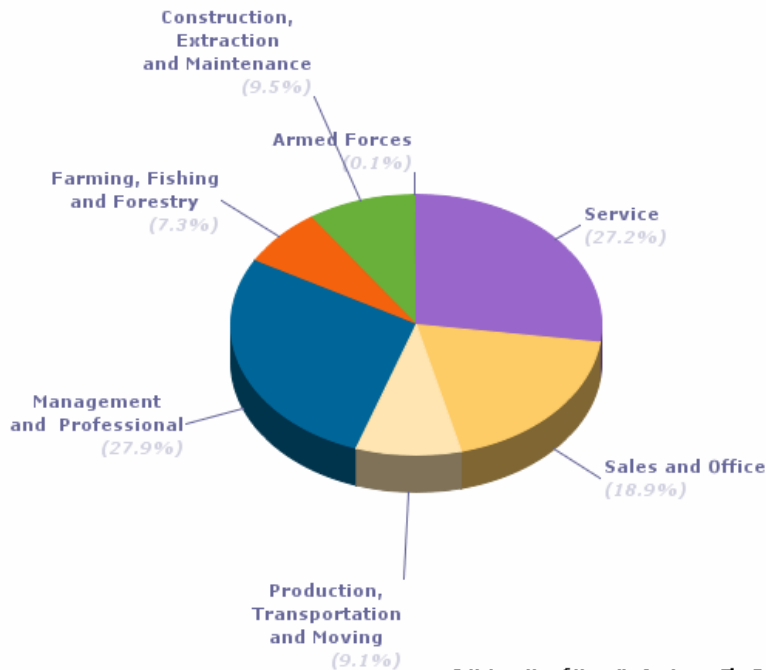


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## Economy

- Per capita income \$15,220.<sup>3</sup>
- Home ownership-owner occupied housing units 61.1%.<sup>4</sup>
- Civilian unemployment 8.3%.<sup>5</sup>
- Persons needing Temporary Assistance to Needy Families (TANF) 15.8%.<sup>6</sup>
- Families receiving food stamps 32.7%.<sup>7</sup>

### Your Neighbors At Work



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## Education

- Adults with high school diploma or higher 76.7%.<sup>8</sup>
- Adults with bachelor's degree or higher 13.6%.<sup>9</sup>

With an agriculturally based economy, a small population, no large industry of which to speak, and with less reliance on tourism as a base, economic challenges on Molokai are much harder to solve than elsewhere in the state. Education, therefore, can play a large role in improving and diversifying the economy on Molokai by providing the appropriate training consistent with current and future industries.

The Community Based Master Land Use Plan developed by the Molokai EC (Ke Aupuni Lokahi) and Molokai Properties Limited could provide avenues for economic growth on Molokai. The Community Basted Master Land Use Plan seeks to provide aide to our economy by re-opening Kaluakoi Resort on the west side of the island. According to projections by Molokai Properties Limited, this will result in the creation of more than 100 permanent jobs. It will also provide over 100 temporary construction positions for the renovation of the hotel, the building of the Maunaloa Community Center, and the creation of new housing units; however, there is no guarantee that these positions will be filled by Molokai residents. Historically, large construction projects on Molokai have been contracted out to outer-island companies who bring their existing workforce and sub-contractors as opposed to hiring local talent. Molokai Properties Limited plans to outsource the Kaluakoi Hotel's laundry service, hotel cleaning, spa/massage/hairdressing, gift shop/sundries store, golf retail outlet, and to contract services for luau events and native practices such as net and pole fishing which could allow more job opportunities for Molokai residents. As mentioned in the plan, key components to the hotel's success will be to "ensure local labor is trained to assist in the construction of the hotel and ensure farmers are geared to maintain the quantity and quality of products needed."<sup>10</sup>

This is a very controversial plan, however, which is still pending many approvals at all levels of government. The planned large, upscale development of La'au Point as a condition of the re-opening of Kaluakoi is not widely accepted by the community. Because of its indefinite nature, the College should be weary of developing educational pathways that are consistent with the projects involved in this proposal. A premature focus of educational programs in relation to the Community Based Master Land Use Plan could result in a certain amount of withdrawal of community support.

The Community Based Master Land Use Plan fails to outline the College's role in providing opportunities for the Molokai community. It does not indicate which jobs will require a credit based education. It repeats how the Molokai workforce is under trained, but fails to acknowledge the Molokai Education Center as the place where residents can obtain the proper training to fill the job positions that would be made available. This illustrates that although the implementation of the plan would increase economic activity, it would not necessarily mean the Molokai Education Center would play a significant role in making that happen.

Furthermore, the Community Based Master Land Use Plan has a few items that could hurt the College immeasurably. These can be found on page 66 and 70 of the plan which refer to having a swimming pool and gymnasium as part of the College complex and infer that these facilities

would be housed on the three acre parcel set aside by previous agreement for future College expansion. The College cannot support the plan with these two references in place.

The County of Maui Molokai Community Plan 2001 proposes many potential areas of future economic growth. Those that relate to educational opportunities that the Molokai Education Center can provide include:

- Maintain agriculture as an important economic activity on the island.<sup>11</sup>
- Support expansion and diversified agriculture, by establishing agricultural marketing cooperatives and agriculture parks and by providing technical and financial assistance.<sup>12</sup>
- Maximize the use of agricultural lands through educational efforts and establishment of programs aimed at optimizing marketing and production.<sup>13</sup>
- Support the expansion of aquaculture and fishponds as a major economic opportunity.<sup>14</sup>
- Promote cooperative agricultural and aquaculture ventures to assist small scale operators and maximize the effectiveness of marketing and other available resources.<sup>15</sup>
- Support small businesses and community based-economic development.<sup>16</sup>
- Provide technical and financial support to existing and potential small businesses, including entrepreneurship training programs.<sup>17</sup>
- Allow expansion of the visitor industry within the existing tourist destination area at the West End to the extent that it does not infringe upon the traditional, social, economic and environmental qualities of the island.<sup>18</sup>
- Promote collaboration between government, labor, and industry to encourage the hiring and training of Molokai residents before importing off-island management and personnel.<sup>19</sup>

Based on the above goals it is evident that the people of Molokai would like to see a continual growth in the agriculture industry. This is a good indication that the Molokai Education Center is on track by providing the types of programs consistent with the residents' goals for the future. With growing support for farmers on Molokai we see Agriculture as a program that will continue to thrive and attract more participants.

The U.S. Department of Housing and Urban Development has also supported the Agriculture program by awarding us with a HUD grant to build a new classroom and resource center. This is a welcomed addition to the Molokai Farm as the facilities there had fallen into disrepair. In order to preserve and maintain the greenhouse, grounds, and facilities, the reinstatement and filling of a vacant half time position is required. Presently, the Molokai Farm Manager is the only MCC employee responsible for administration, instruction, and maintenance of the entire 28 acre property.

In addition to agriculture, there is a push for growth in aquaculture. While qualified lecturers are available, due to facility limitations and our ability to offer only those credit programs within our current curriculum, we do not see this as something the College will be immediately able to provide. It is an area, however, that has been deemed a priority for economic growth on

Molokai, which gives us an incentive to look into the types of training opportunities that may be needed as the aquaculture industry develops.

Entrepreneurs are a driving force in Molokai's economy. Kaunakakai town is filled with small businesses that have been family owned and operated for years. Molokai grown entrepreneurs are ideal because they have a strong sense of social responsibility and always remember to give back to their community. It is the risk taking adventures of these people that keep Kaunakakai alive, but there is definitely room for more good ideas and businesses. This is why the development of new businesses and support of existing of small businesses has been recognized as important to our islands economy. The College can continue to offer our Business Careers certificates and associate degree programs, along with a new emphasis towards entrepreneurial programs. With the recent introduction of the Kuhao Small Business Resource Center funded by the County of Maui, there may also be opportunities to partner in the recruitment of students.

Although residents do not expect tourism to lead our future economy, it will continue to be an area of revenue. Initial efforts to offer classes in Hospitality and Tourism in Spring 2007 met with very low enrollment even when coupled with a "tuition-free" course which was meant to be a carrot to draw students into the other credit courses. The College will, however, continue to monitor the pulse of the community and reschedule these courses as needed for those looking to pursue careers in the hospitality industry.

The Molokai Community Plan 2001 focuses on moving Molokai towards sustainability. As a part of the plan, it also supports research on renewable energy. The Molokai Education Center can increase its Science, Technology, Engineering, and Math (STEM) education to prepare people for the future. With the development of Hawaii 2050, an initiative by the State of Hawaii to create community plans on becoming sustainable, it will provide residents with the proper education to generate and implement these plans. A necessary component of STEM is a science classroom which was not included in Phase I of the Molokai Education Center complex. The addition of a science lab as part of the Phase II build out of the Molokai Education Center project will facilitate this effort.

In regards to education, the first goal of the Molokai Community Plan 2001 is to "develop and maintain an educational system and facilities which will offer the youth and adults of the region the opportunities and choices for self- and community- improvement."<sup>20</sup> More specifically, however, it states that in relation to post-secondary opportunities on Molokai, it will "encourage the establishment of a Molokai Community College."<sup>21</sup> It's implementing actions for achieving the above goals is to "Seek funding to construct a new campus for Maui Community College on Molokai at the Public/Quasi-Public site east of Kaunakakai Elementary School where the existing College facilities already exist. Fifteen acres of the site should be considered for the new campus."<sup>22</sup> The direct nature of the plan clearly indicates that the expansion of the college is essential to the future of Molokai. Its references to the necessary growth of post-secondary educational facilities show a commitment from the community that illustrates, "if you build it they will come."

Focus Maui Nui is a series of focus groups that have been brought together to discuss the future direction of Maui County. Through these focus groups it has been resolved that the number one concern for all Maui County is to "strengthen education from K-College for all students."<sup>23</sup> This

outcome illustrates that residents appreciate and see the need to build upon current educational offerings and facilities, including those provided by Maui Community College.

On Molokai specifically, needs in the area of health and social services were more frequently highlighted than those on other islands. Molokai participants also proposed more vocational training opportunities for youth and greater support for local teachers.<sup>24</sup> This shows a clear desire from the community for the Molokai Education Center to provide more educational opportunities in vocational training, health, social services, and human services. Vocational training is clearly underrepresented in our current curriculum partly due to the lack of facilities and resources on Molokai for such programs as Auto Body Repair & Painting, Automotive Technology, Building Maintenance, Carpentry Technology, Drafting Technology, Electronic & Computer Engineering Technology, Fashion Technology, Food Service, Sustainable Technology and Welding. A similar situation holds true for all of the Allied Health programs, except Nurse Aide training, which are available off island at the main campus but are unavailable on Molokai. These include such needed certificates and programs such as Community Health Worker, Dental Assisting, Medical Assistant, Practical and Registered Nursing. In the areas of social and human services, the College has offered very successful and fully enrolled certificates and associate degree program in Human Services with separate focus areas in Early Childhood Education and Social Services. The College will continue this curricula as the interest and needs are very high among residents and the graduates are moving into many employment opportunities because of their training in human and social services.

Hawaii's Workforce Development 2007 Report to the Governor addresses two significant issues in relation to post-secondary education. The first is Hawaii's need to address the inadequate preparation of high school graduates for post-secondary education and the second, is the inadequate training occurring to keep incumbent workers current.<sup>25</sup>

In regards to the first issue, the state Department of Education is trying to work closer with the University of Hawaii to determine how they can better prepare Hawaii high school graduates for post-secondary curriculum. For community colleges, this is especially important as we have adopted an open admissions policy and serve as a place where the under-prepared can get caught up and transition into a 4-year college or university. The fact that our Hawaii students are coming up short of University admission requirements out of high school, shows that there will be a consistent need for community colleges in Hawaii until the problems at the K-12 level can be addressed.

The State of Hawaii has recognized the need to focus on ways to fund and encourage Hawaii's large incumbent workforce to pursue additional training. These facts have been provided to support this concept:

- People need to replace 20% of their knowledge every year.<sup>26</sup>
- The shelf life of technological knowledge is about 18 months. The demand for courses to upgrade skills in information technology is constant at the community colleges.<sup>27</sup>
- When jobs are eliminated, displaced workers need to redirect their talent in another direction, preferably toward expanding and higher-value economic occupations and entrepreneurship.<sup>28</sup>

- Any labor shortage prompts job placements and promotion with little preparation. Learning a lot of information on-the-job must take place at all job levels. Hawaii employers and the University of Hawaii Community Colleges (“UHCC”) determined that the most significant need across all industries is training for first-time supervisors, including how to train and coach employees on-the-job.<sup>29</sup>
- To close the gap for the “working poor,” additional training could enable them to advance into higher-paying jobs and economic self sufficiency.<sup>30</sup>
- When entry-level workers advance, they create vacancies for new entrants who are inexperienced or currently underrepresented in the workforce. These brand new incumbent workers may call for different training techniques, such as Vocational English as a Second Language whereby they are trained for a specific job, using and learning job-specific English at the same time. They generally require training in fundamental entry level skills; i.e., work attitude, dress and appearance, eight grade math, communication, relationships, and team participation.<sup>31</sup>

Community colleges in Hawaii will play a huge role in training Hawaii’s incumbent workforce. At this level, most students will need a limited number of short-term courses to provide the “just-in-time training” required by their employer. The Molokai Education Center will conduct a community needs assessment survey to find out what types of training are of the highest demand and are most relevant to our current workforce. It will be interesting also to ascertain whether these training needs fall within the credit or non-credit side of the house. If the needs are non-credit, then additional staff and resources will be required to facilitate the training as there is currently no one on staff with these responsibilities.

The Workforce Development 2007 Report to the Governor also speaks of preparing Hawaii residents for High-Skill jobs. “On the basis of the DLIR’s projections, the WDC estimates that about 63% or nearly two-thirds of the openings in 2014 will likely require some post-secondary education. WDC estimates that 24% of those openings will require completion of formal academic programs at the university or community college level.”<sup>32</sup> With many high skill industries entering Hawaii and a future outlook that encourages even more high skilled industries, the Hawaii workforce community needs to support this growth. We are already experiencing a critical shortage of the following high skilled workers: educators, health care practitioners, and Information Technology workers.

The Molokai Education Center can do its part to bring Molokai up to speed by providing Liberal Arts education and then assisting students who matriculate to higher degree programs. Being the University of Hawaii presence on Molokai, the Molokai Education Center has worked extremely well with the University Center at MCC to move students from the associate to the bachelor’s degree level and beyond. Especially in the area of education, Molokai has been producing an average of five certified Department of Education elementary or secondary teachers per year. Because these teachers already live and work on the island, they are moving directly into the local schools immediately upon graduation and their retention and long term employment are both excellent. However, due to the nature of the cohort programs, many students have to wait until open enrollment to participate. They are also subject to higher tuition fees as they are students of the University of Hawaii as opposed to the Molokai Education Center. The Molokai Education Center can help to relieve these issues by providing all pre-requisite courses that will

help students on their path to becoming educators and assist them in taking the most cost effective approach.

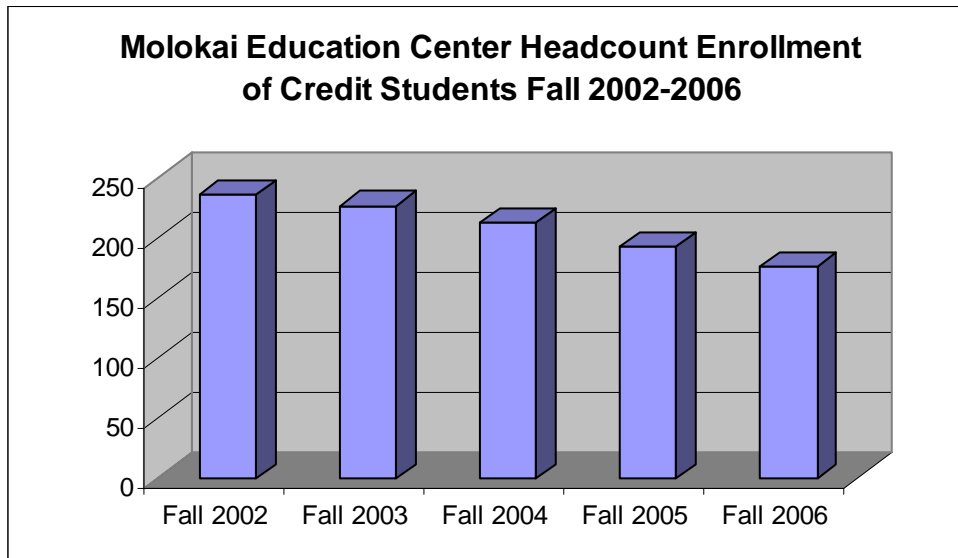
Molokai students have earned bachelors degrees from UH Hilo in English and Hawaiian Studies and some are currently working towards their degree in Psychology. Our students have earned bachelors degrees from UH West Oahu in Business Administration and in Social Sciences. And, our students have also received masters' degrees from UH Manoa in Kinesiology, Special Education, Interdisciplinary Masters in Education, Library Science and lastly, five students are now pursuing their masters in Social Work. Taken together, Molokai students have accepted the higher education challenge and are succeeding in their efforts if and when the programs are delivered to their home island.

Additional programs in the allied health area will continue to be out of reach for Molokai based students. As previously mentioned, the College is currently only able to offer Nurse Aide Training although many of our students who have succeeded in this program would prefer to continue earning higher level health training. Furthermore, when current students at the Molokai Education Center and Molokai High School juniors and seniors were asked what employment area on Molokai will have the most job opportunities within the next 5 years, both groups' number one response was health and medical.<sup>33</sup> Clearly, the need and desire is apparent but the College cannot deliver higher certification and allied health training due to the lack of a science lab and other resources. As we develop future plans for the Molokai Education Center we need to take into account the growing need for health care providers and the growing demand by Molokai residents to receive the proper certification to allow them to fill these vacancies.

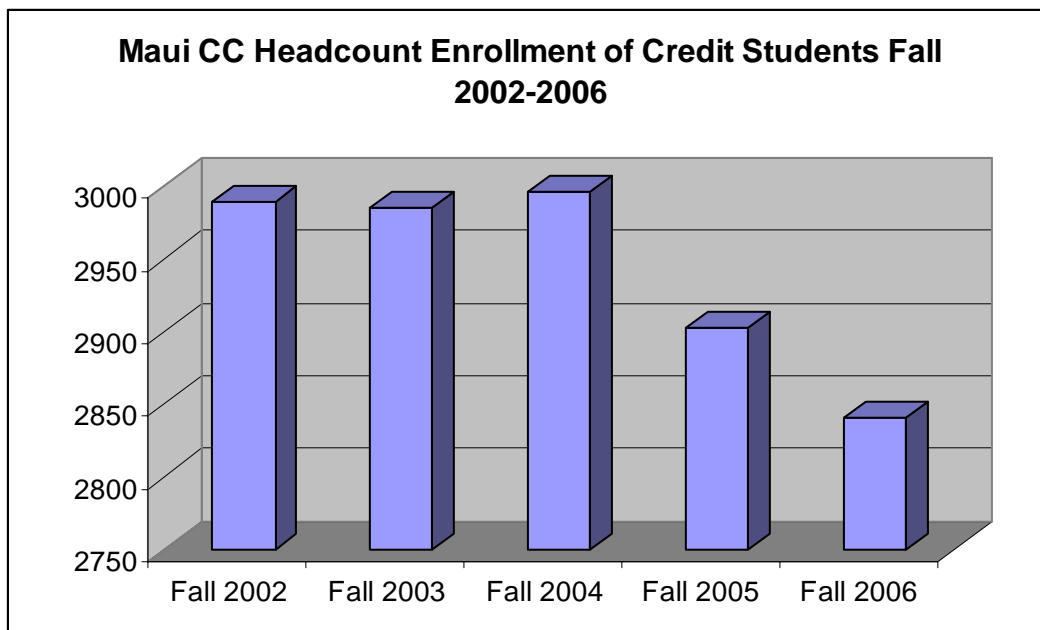
In order to determine what we can do to better serve our current student base, we issued a Needs Assessment Survey in the Spring 2007 semester. We were pleased to receive 53% response rate on the survey. The results provided insights as to how our students felt we were doing and what they perceived to be the most important priorities for the future. When students were asked what their main motivation for attending school was, the majority answered, "I am working towards a degree or certificate to open up more career opportunities."<sup>34</sup> This confirms that our students would like to receive an education that is parallel to the types of jobs that are available within the community. Most of our students are trying to obtain an associate degree.<sup>35</sup> If we are able to attain the additional acreage to expand, our students ranked a student center/café, a vocational training area, and a science lab as the most important facilities they would like to see added.<sup>36</sup>

Shortly after, a second survey was administered to the Molokai High School juniors and seniors. Again we achieved a high response rate at 64%. 69% of respondents answered that they would be interested in taking a college course while in high school.<sup>37</sup> Attracting more high school early admit students is a potential area of growth for the Molokai Education Center and is an avenue that will be further explored to increase our reach into the community. In addition, 96% of respondents answered that their immediate plans after high school is to attend a college, university, or trade school.<sup>38</sup> Almost half of the students said they considered applying to MCC Molokai as one of their options.<sup>39</sup> The top five post-secondary subject areas that students were most interested in studying are Auto Body Repair & Painting, Business Careers, Liberal Arts, Auto Tech, and Nursing.<sup>40</sup> Unfortunately, we are only able to offer classes in two out of the five subject areas. This may explain why we have struggled with attracting Molokai students directly out of high school. To solve this, the creation of new programs and facilities is necessary.

Enrollment trends at the Molokai Education Center have been fairly consistent with that at Maui Community College. Unfortunately, all community colleges within the UH system have been seeing little to no growth within the past 5 years. This can be attributed to the growing amount of competing post-secondary institutions within the state as well as the low unemployment rates. The graphs below illustrate that both the Molokai Education Center and Maui Community College suffered decreases in enrollment in Fall 2006.



Source: Molokai Education Center Enrollment Report Fall 2006

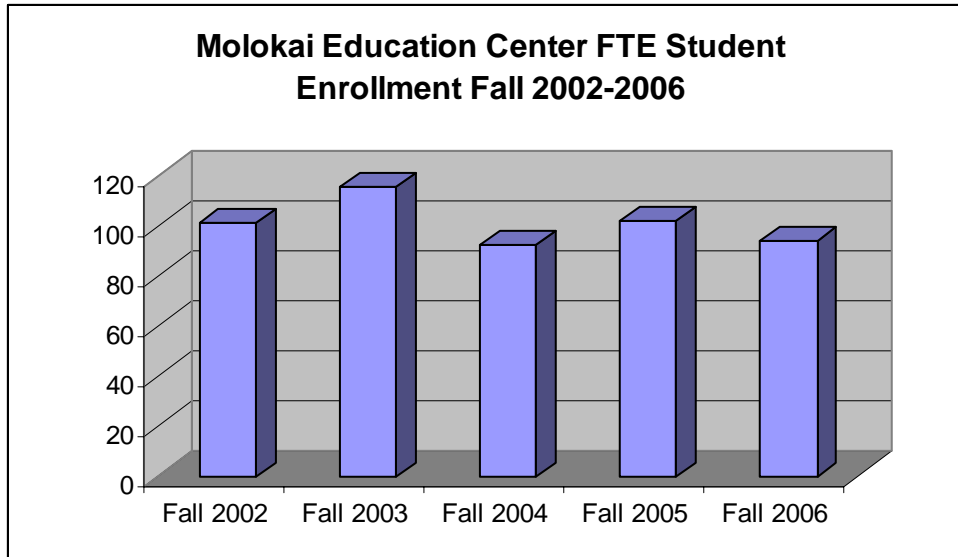


Source: Fall Enrollment Report University of Hawaii Community Colleges Fall 2006

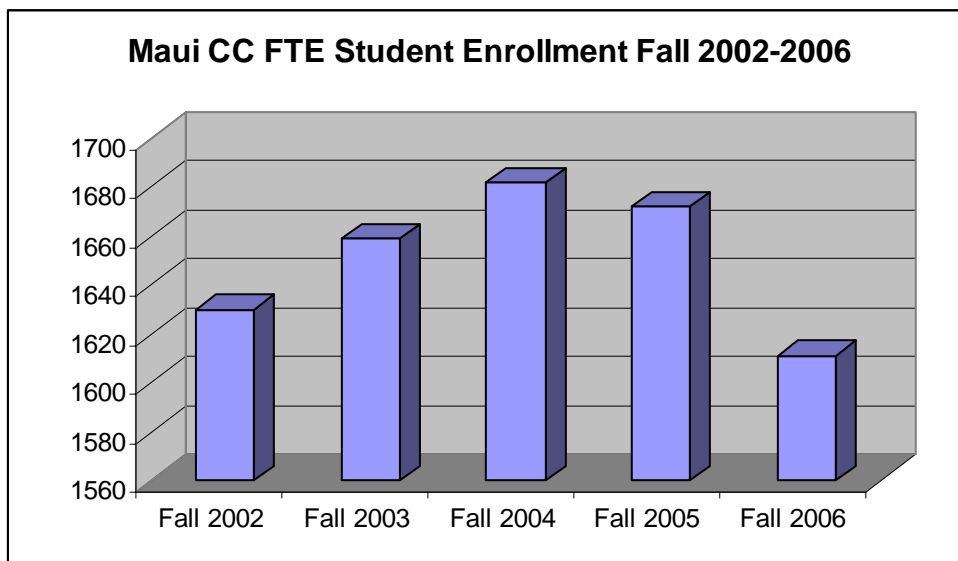
We believe that part of the explanation as to why we are experiencing a decline in enrollment is our inability to offer certain programs due to insufficient facilities. Because of our limited resources we are restricted in the types of courses that we provide to the community. If we are

able to expand our educational offerings we firmly believe that we will in turn see increased enrollment numbers.

Also worth mention, however, is that the number of full time equivalent (FTE) students at the Molokai Education Center has not followed a steady downward trend consistent to what the enrollment graph illustrates. Instead, we have seen an increase in FTE students this semester when compared to that of 2004, even though enrollment numbers in 2004 were higher. Maui Community College's FTE graph is better aligned with their enrollment graph as they suffered a decrease in both areas in 2006. Please see graphs below.



Source: Fall Enrollment Report University of Hawaii Community Colleges Fall 2006



Source: Molokai Education Center Enrollment Report Fall 2006

The Molokai Education Center is doing the best it can with its current facilities, resources, and certificate and degree focus areas to provide educational opportunities that are consistent with the islands current economic conditions. In order to diversify our islands economy we must also

diversify the educational opportunities. Without the proper training, Molokai residents will not be equipped for the entrance of future and current high skilled industries that will provide living wage jobs. Diversification of the educational programs at the Molokai Education Center, including more vocational training, higher skilled computer training, and delivery of some of the allied health certificates, will require a commitment from Maui Community College to support such efforts through added resources. Diversification will also allow for increased enrollment as the College will be able to service new groups of students whose interests extend beyond what we are currently able to offer.

The acquisition of additional acreage on which the Molokai Education Center can expand is in the community's best interest and is aligned with the goals and missions outlined in the various community based plans, studies, and focus groups mentioned above. The ability to expand is also the only issue of concern consistently voiced by the MCC Molokai Advisory Committee and is listed as vital in the College Program Review documents. Its current existence on the limited two acre lot is not enough to cater to this growing community and its current economic needs. According to the Maui Community College website, the Kahului campus has an enrollment of around 3,000 students on its 78 acre campus. That equates to approximately .026 acres per student and the actual number is even smaller when students residing on Molokai and Lanai are subtracted from the original amount. The Molokai Education Center serves around 200 students on 2 acres of land. That equates to about .01 acres per student. The residents of Molokai are underserved and deserve a greater access to educational opportunities in order to thrive in their personal lives and within their community.

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<sup>1</sup> Molokai Education Center Current Student Needs Assessment Survey, Spring 2007.

<sup>2</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>3</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>4</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>5</sup> County of Maui. Office of Economic Development. Maui County Databook 2006. Kihei: County of Maui, 2006.

<sup>6</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>7</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>8</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>9</sup> Center on the Family. University of Hawaii at Manoa. 20 June 2007 <[www.uhfamiliy.hawaii.edu](http://www.uhfamiliy.hawaii.edu)>.

<sup>10</sup> Land Use Committee Molokai Enterprise Community. Community-Based Master Land Use Plan. Townscape, 2005.

<sup>11</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001.

<sup>12</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>13</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>14</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>15</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>16</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>17</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>18</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>19</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>20</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>21</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>22</sup> County of Maui. Molokai Community Plan 2001. County of Maui, 2001

<sup>23</sup> County of Maui. Focus Maui Nui. Executive Summary. 2003.

<sup>24</sup> County of Maui. Focus Maui Nui. Executive Summary. 2003.

<sup>25</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.

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- <sup>26</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>27</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>28</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>29</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>30</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>31</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>32</sup> State of Hawaii. Workforce Development Council. Hawaii's Workforce Development for 2007 Report to the Governor. 2006.
- <sup>33</sup> Molokai Education Center Current Student and Molokai High School Needs Assessment Survey, Spring 2007.
- <sup>34</sup> Molokai Education Center Current Student Needs Assessment Survey, Spring 2007.
- <sup>35</sup> Molokai Education Center Current Student Needs Assessment Survey, Spring 2007.
- <sup>36</sup> Molokai Education Center Current Student Needs Assessment Survey, Spring 2007.
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- <sup>40</sup> Molokai Education Center Molokai High School Needs Assessment Survey, Spring 2007.

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**Community Impact Statement**

**Business**

- Computer Classes – Fall 2007/Spring 2008. Molokai RDP and MCC Molokai are partnering to bring 9-10 courses in Word, Excel, Photoshop, QuickBooks, etc. to the community using brand new computers purchased by Molokai RDP. Community members have not been attending these classes since the computers were so old. The effort to bring Molokai “up to par” on computer technology is needed for workforce development and personal enrichment as well as for credit seeking students.
- MCC Molokai will also be partnering with the County of Maui to train their employees in late fall.
- HOST 90V- Customer Service Excellence - Spring 2007, RDP paid for the lecturer for the 1-credit course. Students from Hotel Molokai, Coffees of Hawaii, Molokai Shores, Molokai Ranch, Friendly Market Center and a car rental company plus others attended.

**Health**

- NURS 16 – Nurse Aide Training. Four sections scheduled in the past 3 years. Partnered with the Molokai Community Service Council to create the Charlotte Damaso Scholarship with a donation \$15,000 to support the tuition for 28 students. Roughly 36/40 passed the course and 17 of them just became State of Hawaii CNA’s in Spring 2007. Most are employed by Care Resources, Molokai General Hospital, Na Puuwai, or the Molokai Community Health Clinic.
- HMSA completed its Health Pass Screening and Health Care Retirement Planning consultations at our facility this Spring 2007.
- Oihana Ola Kino – Careers in Health is a summer class for youth made possible by a partnership between the MCC Molokai Education Center and the Huli Au Ola Maui County Area Health Education Center (AHEC.)

**Agriculture**

- AG Cohort Program, Po’okela Program and MCC Molokai Partnership  
MCC Molokai offered the 15 credit Certificate of Completion in Sustainable Tropical Crop Production. Po’okela “wrapped around” these credits with 6 additional credits of work practicum and culturally relevant activities to retain students. RDP targeted some of these same students with the AG cohort program. Five students, all homestead farmers, successfully completed the CC.

- USDA Farm Service Agency of Maui County made a \$3743 donation to fund a Farm Business Recordkeeping course which will be available tuition free to Molokai farmers and those interested in farming. Also supplied with the course will be Farm Business Record Book from the USDA Farm Service Agency and an introduction to Quickbooks.
- Molokai Language Institute, created through a partnership with Molokai RDP and the Maui Language Institute trained 10 students in intensive English-immersion style. Monsanto employs all 10 trainees and supported the students with tuition. RDP paid for supplies and the instructor for the first class. If continued, student tuition covers the instructor's costs and the program is sustainable.
- The receipt of a HUD grant allowed for the construction of a new classroom and resource center at the Molokai Ag farm. A formal blessing and opening ceremony is scheduled for August 2007.

### **Human Services**

- HSER- Human Services Associate in Science Degrees or Liberal Arts AA degrees were needed by 2006 for all Educational Assistants (EA's) to retain their employment. MCC Molokai trained 25-30 EA's who have completed the coursework and kept their jobs.
- 10 aspiring counselors' participated in courses arranged for them by RDP and MCC Molokai that would help them earn their Substance Abuse Counselor Certification. Most participants are employees of the Kahua Ola Hou Wellness Center. The center addresses the needs of young substance abusers in recovery and those identified as high risk.
- Molokai Rural Development Project, Hawaii Primary Care Association, UHM John A Burns School of Medicine's Health Education Training Center (HETC), and the Molokai Education Center partnered in 2006 to offer a Certificate in Case Management for Health & Human Services. The certificate was offered at no cost to students.

### **Education**

- MCC Molokai rented its classroom to Kamehameha Schools for summer school instruction again this year.
- Na Pua Noeau hosted a "Survivor Molokai" training course this summer that was partly based at MCC Molokai. Na Pua Noeau programs served 200 Hawaiian youth on the island this year and all staff are housed at the Molokai Education Center.
- Molokai Education Center's Hawaiian 201/202 students hosted Hawaiian Language Speech Recitals both Fall 06 and Spring 07. Students were able to demonstrate their ability to olelo as well as share their classroom experiences with the public.
- GEAR UP in partnership with the Molokai Education Center and Molokai High School provided workshops to students to prepare them for the Compass test.

- College Exploration workshops were conducted with Molokai Education Center counselor and Ho'o Mana Hou, a private high school, throughout the year.
- Career and College Exploration workshops, in partnership with Alu Like, were offered to youth this summer as part of their classroom training component.
- Educational Opportunity Center (EOC) staff spends each Tuesday and Thursday at Molokai High School to assist students in preparing for college and help them find financial aid opportunities.
- Molokai High School hosted a future fest this Spring where our counselors and EOC attended to represent the Molokai Education Center as an option for post-secondary education.
- Molokai Education Center offers Praxis and other required testing from the Educational Testing Service to residents six times per year.
- Financial Aid Night was an event open to the public, and held in partnership with Frank Green representative from the Pacific Financial Aid Association (PacFAA). This is a free Financial Aid Workshop every December.
- The Molokai Education Center has formed a close partnership with the local workforce development office that helps to pay for student's tuition if they do not qualify for federal financial aid. They also provide referrals and help circulate information on educational offerings and financial aid opportunities.
- Our local vocational rehab office provides tuition waivers and some supplies for students eligible for their program. .
- The Upward Bound program at MCC Kahului provides college opportunities and help to first generation, low income students. Each school year our Molokai Upward Bound staff typically enrolls 10 Molokai High School students.

## **Organizations**

- CARP 90V- Safety & Use of Hand and Power Tools  
RDP and MCC Molokai partnered with MCSC to deliver the course to youth and young adults at a private high school.
- Currently RDP and MCC Molokai are working with Molokai HOME to expand on the employment opportunities in the construction trades after basic training is completed.
- The Molokai Chamber of Commerce routinely brings guest speakers to tour the College and to learn what programs, majors, certificates and degrees are available to Molokai residents.

## **Environment**

- Compu-swap, the first ever Molokai computer recycling day, was an initiative sponsored by Maui County and supported by MCC Molokai this Spring semester. Students from MCC Molokai's LSK 110 class served as volunteers for the event and one lucky student walked away with a refurbished lap top as incentive for his efforts.

## **Other**

- The Maui County Fire Department continues to hold ongoing training programs at our facility.
- Staff from the Molokai Education Center serve on many boards, commissions, committees, and community groups including but not limited to: the Molokai Planning Commission, Ka Molokai Makahiki, Inc., Local Advisory Committee for Kualapuu School, Molokai High School Advisory Board, Wa`akapaemua Canoe Club Board, Governor's Council of Advisors Committee, Molokai Filipino Council, Molokai Irrigation System Advisory Board, Molokai Island Burial Council, Molokai Bowhunters Archery Club, Molokai Occupation Center Board, Friends of the Molokai Library, Nature Conservancy Docents, LDS Church Song Leader and Young Adult Teacher, Molokai Community Scholarships Committee, Molokai General Hospital and Health Foundation Scholarship Committee, Pat Kawano Scholarship Committee, Hawaii 2050 Working Group, Halawa Valley Land Trust, Kalamaula Homesteaders Association, Native Hawaiian Education Council for Molokai Island, Kamehameha Schools Molokai Association of Teachers and Parents, Ka Honua Momona, Malama O Mo`omomi, Molokai/Maui Invasive Species Committee, Manae Yankees T-Ball, Molokai/Lanai Soil & Water Conservation District, Hoolehua Homesteaders Association, LDS High Priest Leader Group, and Boy Scouts of America.

**MCC on Molokai**  
**Business Plan for the Molokai Education Center**  
REVISED - 01/12/2007

Prepared by Donna Haytko-Paoa (with assistance from Robyn Klein)

**Financial Assumptions:**

**1. The Business Plan covers 36 months from July 2009 – June 2011. The purpose of beginning in July of 2009 is the assumption that if additional acreage was acquired, then this would be the earliest that we could project growth for the Molokai Education Center beyond its current parameters as the growth is dependent on the additional classrooms and theater/auditorium.**

- The current facility was built on program specifications based on room utilization in 1996. Fully 10 years later, the Molokai Education Center cannot grow using 1996 room usage. Basically, the Molokai Education Center was already using six classrooms at that time and we now have six classrooms. The only added features now are the Learning Resource Center, a conference room, and two small offices which were planned for lecturers but are being used to house federally-funded programs.
- The Business Plan assumes that July of 2009 would be the earliest that the additional acreage could be acquired and growth could be projected using the identified additional components in the Program Review 2005/06. They include the following:
  - One wet science lab with storage for 24 students
  - One computer classroom for 24 students
  - Two general use classrooms
  - One large lecture/presentation hall for 75 students
  - 12-14 offices to house lecturers and federally funded staff
  - One theater/auditorium cultural arts center to serve the needs of the College and entire community.

If the above components were available, then the classroom space would essentially double from what now exists, would produce double the FTE and double the unduplicated student enrollments. It would also allow for the lecturers to have offices and also insure adequate office space for the seven federally funded programs and their staff.

**2. Unduplicated student enrollments will increase with an increase in the number of courses offered.**

- Example: With one computer classroom, only one course can be taught each evening from 6:00 – 9:00 PM. Max enrollment is 24 students. If a student has already taken the course or is not interested in the course, then we lose the enrollment. With two computer classrooms, two classes could be taught offering two choices instead of one, max enrollment would increase to 48 students, and the unduplicated student count would double.

**3. The FTE enrollments will double with the increase in the number of courses offered.**

- The average student FTE enrollment for the academic years 04/05 and 05/06 was 95. Two of the four semesters saw FTE's of 100 and 102. For this business plan, an FTE of 100 will be used.
- The FTE will increase to 200 with additional classrooms to house the increase in courses offered giving current and potential students more options during prime time frames (e.g. 4:30 – 5:45 PM and 6:00 – 9:00 PM.)

**4. Real data if known, such as the UH Tuition Schedule 2006-2012, will be used as much as possible.**

- The tuition revenue shown in the Income Category, Line 1 of the Business Plan is based on **projected increase** of an additional 100 FTE student enrollment with the new classrooms added.

**5. Increase in student enrollments coming directly out of Molokai High School will double as the UH tuition increases will force many Molokai families to consider community college at home for the first two years.**

- Marketing efforts, GEAR UP partnerships, strong EOC and Upward Bound program and other efforts to link to Molokai High School will help facilitate this effort.
- As most of the Molokai schools are tagged as “failing” and are under restructuring by the DOE, students coming out of these schools will be less apt to qualify for the four-year universities right out of high school and will be better suited to begin their higher education at the community college.

**6. As the UH presence on Molokai, the Molokai Education Center houses all UH systemwide course at the upper division and graduate level. Course offerings are expected to increase dramatically in the coming years via all distributed education which will in turn mean a doubling in the near term in upper division and graduate students utilizing the facility.**

- Upper division enrollments have consistently been between 20-30 unduplicated students with an FTE of between 8-12 students. However, these students may be enrolled in as many as 20 different courses from the three bachelors and masters granting institutions.
- With a doubling of undergraduate enrollment, there will be a doubling of liberal arts graduates and a doubling of students continuing on to pursue higher degrees.

**7. Large increases in the overall population of Molokai are not required to realize the above increases in enrollment. More choices of classes, more flexibility in room usage, and greater efficiency in credit and non-credit class scheduling will ensure that the current moderate rate of population growth is sufficient in the short.**

- The Business Plan does not address the twenty to fifty year time frame and beyond where larger increases in island population will require additional acreage for expansion.

**8. Current g-funded salaries, which are already state-supported, will not be used as expenses. Only new salaries, if any, as needed with the additional classrooms will be shown in expenses.**

- The Molokai Education Center is lecturer-based. Current lecturer costs at \$50,000 per semester. **Projected lecturer costs** are shown in the Expense Category, Line 5 of the Business Plan and they are shown as equal the current costs with the addition of an equal number of classes. The projected lecturer costs have considered lecturer pay increases but are shown as level due to the possibility that the costs can come down with better utilization of existing state supported faculty or the addition of Molokai based faculty

**9. Current facility income from rentals and expenses for operating costs, such as electricity, water, etc. will be used for projection purposes. Only new income projections and operating costs will be shown in the Business Plan as a result of the facility expansion.**

- Electricity costs annually are based on the average monthly charge of \$5320 for fiscal year 2006. Water/sewer costs annually are based on the average monthly charge of \$950 for fiscal year 2006.
- **Projected costs** for electricity and water with the new classrooms, etc. are doubled the current amounts and are shown in the Expense Category, Lines 1 and 2 respectively. Increases in billing from the vendors was taken into account but was considered to be level based on the assumption that solar/photovoltaic and other sustainable construction techniques on the new facilities would zero them out.
- Current income for facility rentals in expected to continue at the present rate of about \$3000 per year. **Projected income** from general classroom, lecture hall, meeting rooms, and computer classrooms only is shown in the Income Category, Line 4. For projected income from the theater/auditorium and cultural center, see item # 12 below.

**10. The cost of the 3-13 additional acres is priced between \$500,000 based on comparable land sales for similar use. The cost will not be shown as a business expense as it is not recouped in monetary terms but in educating the citizenry of the island.**

**11. The cost of construction of new classrooms, offices, and a theater/auditorium/cultural arts center will not be shown as a business expense as it is essential to the mission and vision of the educational institution and the expense is not meant to be recouped dollar for dollar.**

**12. One new 1.0 FTE APT, PBA position would be required at the estimated cost of \$40,000/yr with 3% wage increases in each year thereafter as shown in the Expense Category, Line 4 of the Business Plan. This position would be responsible for three very important income generating duties: first, to develop a strong, non-credit program with a variety of income producing courses; second, to serve as the UH Foundation – Molokai contact person to seek additional funding through charitable giving; and third, to publicize, recruit, schedule, and promote income generating events and programs for the new theater/auditorium and cultural arts center.**

**13. The income from the theater/auditorium/cultural arts center will be extremely high because there is no other facility of its kind on Molokai and therefore, will be in constant demand and in constant use.**

- In the month from Nov 15, 2006 – Dec 15, 2006, six large scale events were held on Molokai which could have used such a facility and which would have produced income, for example:
  - a healthy baby contest paid Molokai High School \$1500 for one night's use of the gym
  - a film festival, held outside in a park, had to deal with windy weather and slight rain
  - a musical performance by a group from Rapa Nui had to use the public library lawn
- The **projected income from the theater/auditorium/cultural arts center** will be estimated to conservatively to be \$2000/month in the first year, \$3000/month in the second year and \$4000/month in the third year. This income is shown in the Income Category, Line 5 of the Business Plan.

#### **Guide to Business Plan – Income Categories by Lines for 2010, 2011, 2012**

1. Projected additional tuition revenue with new classrooms (based on current 100 FTE)
2. Projected additional non-credit tuition revenue with new classrooms and 1.0 FTE position responsible for building the non-credit program
3. Projected additional income from charitable giving based on 1.0 FTE position to fundraise
4. Projected facility rental income with new classrooms and lecture hall (based on the last two years – continued through time)
5. Projected Theater/Auditorium and Cultural Center income
6. Projected Verizon income from agreement for tower rental

#### **- Expense Categories by Lines for 2010, 2011, 2012**

1. Projected electricity costs for new classrooms and facilities (based on the current costs of actual bill, monthly average for fiscal 2006- continued through time)
2. Projected water/sewer costs for new facilities (based on current water/sewer costs of actual bill, monthly average for fiscal 2006- continued through time)
3. Projected new contracts for air conditioning maintenance, etc. in new facilities (based on current costs of contracts for the AC service, pay phone rental, rubbish pick-up etc. continued through time)
4. Projected cost of 1.0 FTE APT PBA for non-credit, fundraising, and theater scheduling at \$40,000 in the first year with 3% increases thereafter
5. Projected lecturer costs with new courses offered in new facilities (based on current costs)

#### **NOTE: What is not shown in the Business Plan:**

- **The real savings in the rental of office space in Kaunakakai for Molokai RDP.**
- **The tuition increase to the UH system as a whole due to increase Molokai students enrolling in additional upper-division and graduate level degree programs.**
- **The real socioeconomic costs of NOT planning for and meeting the higher educational needs of Molokai residents.**

**MCC Molokai**  
**Income Projection**  
 For year ending June, 2010

| Income Category            | Jul          | Aug            | Sep          | Oct          | Nov          | Dec          | Jan            | Feb          | Mar          | Apr          | May          | Jun          | Year 1         |
|----------------------------|--------------|----------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|----------------|
| Projected Tuition Revenue  | 0            | 106,500        | 0            | 0            | 0            | 0            | 106,500        | 0            | 0            | 0            | 0            | 0            | 213,000        |
| Non-Credit Tuition Revenue | 0            | 3,000          | 3,000        | 3,000        | 0            | 0            | 3,000          | 3,000        | 3,000        | 0            | 5,000        | 5,000        | 28,000         |
| Foundation Revenue         | 1,000        | 0              | 0            | 0            | 1,000        | 1,000        | 0              | 0            | 0            | 1,000        | 0            | 0            | 4,000          |
| Projected Facility Rental  | 1,000        | 0              | 500          | 500          | 0            | 0            | 0              | 500          | 0            | 500          | 0            | 1,000        | 4,000          |
| Theater/Aud Rental Income  | 2,000        | 2,000          | 2,000        | 2,000        | 2,000        | 2,000        | 2,000          | 2,000        | 2,000        | 2,000        | 2,000        | 2,000        | 24,000         |
| Verizon Rental of Tower    | 1,250        | 1,250          | 1,250        | 1,250        | 1,250        | 1,250        | 1,250          | 1,250        | 1,250        | 1,250        | 1,250        | 1,250        | 15,000         |
| <b>Total Income</b>        | <b>5,250</b> | <b>112,750</b> | <b>6,750</b> | <b>6,750</b> | <b>4,250</b> | <b>4,250</b> | <b>112,750</b> | <b>6,750</b> | <b>6,250</b> | <b>4,750</b> | <b>8,250</b> | <b>9,250</b> | <b>288,000</b> |

**MCC Molokai**  
**Income Projection**  
 For year ending June, 2011

| Income Category            | Jul          | Aug            | Sep          | Oct          | Nov          | Dec          | Jan            | Feb          | Mar          | Apr          | May          | Jun           | Year 2         |
|----------------------------|--------------|----------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|---------------|----------------|
| Projected Tuition Revenue  | 0            | 118,500        | 0            | 0            | 0            | 0            | 118,500        | 0            | 0            | 0            | 0            | 0             | 237,000        |
| Non-Credit Tuition Revenue | 0            | 3,500          | 3,500        | 3,500        | 0            | 0            | 4,000          | 4,000        | 4,000        | 0            | 5,000        | 5,000         | 32,500         |
| Foundation Revenue         | 1,500        | 0              | 0            | 0            | 1,500        | 1,500        | 0              | 0            | 0            | 1,500        | 0            | 0             | 6,000          |
| Projected Facility Rental  | 1,000        | 0              | 500          | 500          | 0            | 0            | 0              | 500          | 0            | 500          | 0            | 1,000         | 4,000          |
| Theater/Aud Rental Income  | 3,000        | 3,000          | 3,000        | 3,000        | 3,000        | 3,000        | 3,000          | 3,000        | 3,000        | 3,000        | 3,000        | 3,000         | 36,000         |
| Verizon Rental of Tower    | 1,250        | 1,250          | 1,250        | 1,250        | 1,250        | 1,250        | 1,250          | 1,250        | 1,250        | 1,250        | 1,250        | 1,250         | 15,000         |
| <b>Total Income</b>        | <b>6,750</b> | <b>126,250</b> | <b>8,250</b> | <b>8,250</b> | <b>5,750</b> | <b>5,750</b> | <b>126,750</b> | <b>8,750</b> | <b>8,250</b> | <b>6,250</b> | <b>9,250</b> | <b>10,250</b> | <b>330,500</b> |

MCC Molokai  
 Income Projection  
 For year ending June, 2012

| Income Category            | Jul          | Aug            | Sep           | Oct           | Nov          | Dec          | Jan            | Feb           | Mar           | Apr          | May           | Jun           | Year 3         |
|----------------------------|--------------|----------------|---------------|---------------|--------------|--------------|----------------|---------------|---------------|--------------|---------------|---------------|----------------|
| Projected Tuition Revenue  | 0            | 132,000        | 0             | 0             | 0            | 0            | 132,000        | 0             | 0             | 0            | 0             | 0             | 264,000        |
| Non-Credit Tuition Revenue | 0            | 4,500          | 4,500         | 4,500         | 0            | 0            | 5,000          | 5,000         | 5,000         | 0            | 7,500         | 7,500         | 43,500         |
| Foundation Revenue         | 2,000        | 0              | 0             | 0             | 2,000        | 2,000        | 0              | 0             | 0             | 2,000        | 0             | 0             | 8,000          |
| Projected Facility Rental  | 1,000        | 0              | 500           | 500           | 0            | 0            | 0              | 500           | 0             | 500          | 0             | 1,000         | 4,000          |
| Theater/Aud Rental Income  | 4,000        | 4,000          | 4,000         | 4,000         | 4,000        | 4,000        | 4,000          | 4,000         | 4,000         | 4,000        | 4,000         | 4,000         | 48,000         |
| Verizon Rental of Tower    | 1,250        | 1,250          | 1,250         | 1,250         | 1,250        | 1,250        | 1,250          | 1,250         | 1,250         | 1,250        | 1,250         | 1,250         | 15,000         |
| <b>Total Income</b>        | <b>8,250</b> | <b>141,750</b> | <b>10,250</b> | <b>10,250</b> | <b>7,250</b> | <b>7,250</b> | <b>142,250</b> | <b>10,750</b> | <b>10,250</b> | <b>7,750</b> | <b>12,750</b> | <b>13,750</b> | <b>382,500</b> |

MCC Molokai  
Expense Projection  
For year ending June, 2010

| Expense Category           | Jul           | Aug           | Sep           | Oct           | Nov           | Dec           | Jan           | Feb           | Mar           | Apr           | May           | Jun           | Year 1         |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Projected Electricity      | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 63,840         |
| Projected Water Costs      | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 11,400         |
| New Misc. Contracts        | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 6,000          |
| New 1.0 FTE APT-Non Credit | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 3,333         | 39,996         |
| New Lecture Expenses       | 50,000        | 0             | 0             | 0             | 0             | 0             | 50,000        | 0             | 0             | 0             | 0             | 0             | 100,000        |
| <b>Total Expenses</b>      | <b>60,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>60,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>10,103</b> | <b>221,236</b> |

MCC Molokai  
Expense Projection  
For year ending June, 2011

| Expense Category           | Jul           | Aug           | Sep           | Oct           | Nov           | Dec           | Jan           | Feb           | Mar           | Apr           | May           | Jun           | Year 2         |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Projected Electricity      | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 63,840         |
| Projected Water Costs      | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 11,400         |
| New Misc. Contracts        | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 6,000          |
| New 1.0 FTE APT-Non Credit | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 3,433         | 41,196         |
| New Lecture Expenses       | 0             | 50,000        | 0             | 0             | 0             | 0             | 50,000        | 0             | 0             | 0             | 0             | 0             | 100,000        |
| <b>Total Expenses</b>      | <b>10,203</b> | <b>60,203</b> | <b>10,203</b> | <b>10,203</b> | <b>10,203</b> | <b>10,203</b> | <b>60,203</b> | <b>10,203</b> | <b>10,203</b> | <b>10,203</b> | <b>10,203</b> | <b>10,203</b> | <b>222,436</b> |

MCC Molokai  
Expense Projection  
For year ending June, 2012

| Expense Category           | Jul           | Aug           | Sep           | Oct           | Nov           | Dec           | Jan           | Feb           | Mar           | Apr           | May           | Jun           | Year 3         |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Projected Electricity      | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 5,320         | 63,840         |
| Projected Water Costs      | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 950           | 11,400         |
| New Misc. Contracts        | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 6,000          |
| New 1.0 FTE APT-Non Credit | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 3,639         | 43,668         |
| New Lecture Expenses       | 0             | 50,000        | 0             | 0             | 0             | 0             | 50,000        | 0             | 0             | 0             | 0             | 0             | 100,000        |
| <b>Total Expenses</b>      | <b>10,409</b> | <b>60,409</b> | <b>10,409</b> | <b>10,409</b> | <b>10,409</b> | <b>10,409</b> | <b>60,409</b> | <b>10,409</b> | <b>10,409</b> | <b>10,409</b> | <b>10,409</b> | <b>10,409</b> | <b>224,908</b> |

**MCC Molokai**  
**Profit & Loss Statement**  
For year ending June, 2010

|                            | Jul      | Aug     | Sep     | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May     | Jun    | Year 1  |
|----------------------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|
| Income                     | 5,250    | 112,750 | 6,750   | 6,750   | 4,250   | 4,250   | 112,750 | 6,750   | 6,250   | 4,750   | 8,250   | 9,250  | 288,000 |
| Gross Profit               | 5,250    | 112,750 | 6,750   | 6,750   | 4,250   | 4,250   | 112,750 | 6,750   | 6,250   | 4,750   | 8,250   | 9,250  | 288,000 |
| Operating Expenses:        |          |         |         |         |         |         |         |         |         |         |         |        |         |
| Projected Electricity      | 5,320    | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320  | 63,840  |
| Projected Water Costs      | 950      | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950    | 11,400  |
| New Misc. Contracts        | 500      | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500    | 6,000   |
| New 1.0 FTE APT-Non Credit | 3,333    | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333   | 3,333  | 39,996  |
| New Lecturer Expenses      | 50,000   | 0       | 0       | 0       | 0       | 0       | 50,000  | 0       | 0       | 0       | 0       | 0      | 100,000 |
| Total operating expenses   | 60,103   | 10,103  | 10,103  | 10,103  | 10,103  | 10,103  | 60,103  | 10,103  | 10,103  | 10,103  | 10,103  | 10,103 | 221,236 |
| Operating income           | (54,853) | 102,647 | (3,353) | (3,353) | (5,853) | (5,853) | 52,647  | (3,353) | (3,853) | (5,353) | (1,853) | (853)  | 66,764  |
| Net Income                 | (54,853) | 102,647 | (3,353) | (3,353) | (5,853) | (5,853) | 52,647  | (3,353) | (3,853) | (5,353) | (1,853) | (853)  | 66,764  |

**MCC Molokai**  
**Profit & Loss Statement**  
For year ending June, 2011

|                            | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May    | Jun    | Year 2  |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|--------|---------|
| Income                     | 6,750   | 126,250 | 8,250   | 8,250   | 5,750   | 5,750   | 126,750 | 8,750   | 8,250   | 6,250   | 9,250  | 10,250 | 330,500 |
| Gross Profit               | 6,750   | 126,250 | 8,250   | 8,250   | 5,750   | 5,750   | 126,750 | 8,750   | 8,250   | 6,250   | 9,250  | 10,250 | 330,500 |
| Operating Expenses:        |         |         |         |         |         |         |         |         |         |         |        |        |         |
| Projected Electricity      | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320   | 5,320  | 5,320  | 63,840  |
| Projected Water Costs      | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950     | 950    | 950    | 11,400  |
| New Misc. Contracts        | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500     | 500    | 500    | 6,000   |
| New 1.0 FTE APT-Non Credit | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433   | 3,433  | 3,433  | 41,196  |
| New Lecturer Expenses      | 0       | 50,000  | 0       | 0       | 0       | 0       | 50,000  | 0       | 0       | 0       | 0      | 0      | 100,000 |
| Total operating expenses   | 10,203  | 60,203  | 10,203  | 10,203  | 10,203  | 10,203  | 60,203  | 10,203  | 10,203  | 10,203  | 10,203 | 10,203 | 222,436 |
| Operating income           | (3,453) | 66,047  | (1,953) | (1,953) | (4,453) | (4,453) | 66,547  | (1,453) | (1,953) | (3,953) | (953)  | 47     | 108,064 |
| Net Income                 | (3,453) | 66,047  | (1,953) | (1,953) | (4,453) | (4,453) | 66,547  | (1,453) | (1,953) | (3,953) | (953)  | 47     | 108,064 |

MCC Molokai  
Profit & Loss Statement  
For year ending June, 2012

|                            | Jul     | Aug     | Sep    | Oct    | Nov     | Dec     | Jan     | Feb    | Mar    | Apr     | May    | Jun    | Year 3  |
|----------------------------|---------|---------|--------|--------|---------|---------|---------|--------|--------|---------|--------|--------|---------|
| Income                     | 8,250   | 141,750 | 10,250 | 10,250 | 7,250   | 7,250   | 142,250 | 10,750 | 10,250 | 7,750   | 12,750 | 13,750 | 382,500 |
| Gross Profit               | 8,250   | 141,750 | 10,250 | 10,250 | 7,250   | 7,250   | 142,250 | 10,750 | 10,250 | 7,750   | 12,750 | 13,750 | 382,500 |
| Operating Expenses:        |         |         |        |        |         |         |         |        |        |         |        |        |         |
| Projected Electricity      | 5,320   | 5,320   | 5,320  | 5,320  | 5,320   | 5,320   | 5,320   | 5,320  | 5,320  | 5,320   | 5,320  | 5,320  | 63,840  |
| Projected Water Costs      | 950     | 950     | 950    | 950    | 950     | 950     | 950     | 950    | 950    | 950     | 950    | 950    | 11,400  |
| New Misc. Contracts        | 500     | 500     | 500    | 500    | 500     | 500     | 500     | 500    | 500    | 500     | 500    | 500    | 6,000   |
| New 1.0 FTE APT-Non Credit | 3,639   | 3,639   | 3,639  | 3,639  | 3,639   | 3,639   | 3,639   | 3,639  | 3,639  | 3,639   | 3,639  | 3,639  | 43,668  |
| New Lecturer Expenses      | 0       | 50,000  | 0      | 0      | 0       | 0       | 50,000  | 0      | 0      | 0       | 0      | 0      | 100,000 |
| Total operating expenses   | 10,409  | 60,409  | 10,409 | 10,409 | 10,409  | 10,409  | 60,409  | 10,409 | 10,409 | 10,409  | 10,409 | 10,409 | 224,908 |
| Operating income           | (2,159) | 81,341  | (159)  | (159)  | (3,159) | (3,159) | 81,841  | 341    | (159)  | (2,659) | 2,341  | 3,341  | 157,592 |
| Net Income                 | (2,159) | 81,341  | (159)  | (159)  | (3,159) | (3,159) | 81,841  | 341    | (159)  | (2,659) | 2,341  | 3,341  | 157,592 |

MCC Molokai  
 Balance Sheet  
 For year ending June, 2010

|                                | Jul      | Aug    | Sep    | Oct    | Nov    | Dec    | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Year 1 |
|--------------------------------|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Assets:</b>                 |          |        |        |        |        |        |        |        |        |        |        |        |        |
| Current assets:                |          |        |        |        |        |        |        |        |        |        |        |        |        |
| Cash                           | 0        | 47,794 | 44,441 | 41,088 | 35,235 | 29,382 | 82,029 | 78,676 | 74,823 | 69,470 | 67,617 | 66,764 | 66,764 |
| Total current assets           | 0        | 47,794 | 44,441 | 41,088 | 35,235 | 29,382 | 82,029 | 78,676 | 74,823 | 69,470 | 67,617 | 66,764 | 66,764 |
| Total assets                   | 0        | 47,794 | 44,441 | 41,088 | 35,235 | 29,382 | 82,029 | 78,676 | 74,823 | 69,470 | 67,617 | 66,764 | 66,764 |
| <b>Liabilities and equity:</b> |          |        |        |        |        |        |        |        |        |        |        |        |        |
| Current liabilities:           |          |        |        |        |        |        |        |        |        |        |        |        |        |
| Line of credit                 | 54,853   | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
| Total current liabilities      | 54,853   | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
| Total liabilities              | 54,853   | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
| Equity                         | (54,853) | 47,794 | 44,441 | 41,088 | 35,235 | 29,382 | 82,029 | 78,676 | 74,823 | 69,470 | 67,617 | 66,764 | 66,764 |
| Total liabilities and equity   | 0        | 47,794 | 44,441 | 41,088 | 35,235 | 29,382 | 82,029 | 78,676 | 74,823 | 69,470 | 67,617 | 66,764 | 66,764 |

# MCC Molokai

## Balance Sheet

For year ending June, 2011

|                                | Jul    | Aug     | Sep     | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May     | Jun     | Year 2  |
|--------------------------------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Assets:</b>                 |        |         |         |         |         |         |         |         |         |         |         |         |         |
| Current assets:                |        |         |         |         |         |         |         |         |         |         |         |         |         |
| Cash                           | 63,311 | 129,358 | 127,405 | 125,452 | 120,999 | 116,546 | 183,093 | 181,640 | 179,687 | 175,734 | 174,781 | 174,828 | 174,828 |
| Total current assets           | 63,311 | 129,358 | 127,405 | 125,452 | 120,999 | 116,546 | 183,093 | 181,640 | 179,687 | 175,734 | 174,781 | 174,828 | 174,828 |
| Total assets                   | 63,311 | 129,358 | 127,405 | 125,452 | 120,999 | 116,546 | 183,093 | 181,640 | 179,687 | 175,734 | 174,781 | 174,828 | 174,828 |
| <b>Liabilities and equity:</b> |        |         |         |         |         |         |         |         |         |         |         |         |         |
| Current liabilities:           |        |         |         |         |         |         |         |         |         |         |         |         |         |
| Line of credit                 | 0      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Total current liabilities      | 0      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Total liabilities              | 0      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Equity                         | 63,311 | 129,358 | 127,405 | 125,452 | 120,999 | 116,546 | 183,093 | 181,640 | 179,687 | 175,734 | 174,781 | 174,828 | 174,828 |
| Total liabilities and equity   | 63,311 | 129,358 | 127,405 | 125,452 | 120,999 | 116,546 | 183,093 | 181,640 | 179,687 | 175,734 | 174,781 | 174,828 | 174,828 |

MCC Molokai  
 Balance Sheet  
 For year ending June, 2012

|                                | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May     | Jun     | Year 3  |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Assets:</b>                 |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Current assets:                |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Cash                           | 172,669 | 254,010 | 253,851 | 253,692 | 250,533 | 247,374 | 329,215 | 329,556 | 329,397 | 326,738 | 329,079 | 332,420 | 332,420 |
| Total current assets           | 172,669 | 254,010 | 253,851 | 253,692 | 250,533 | 247,374 | 329,215 | 329,556 | 329,397 | 326,738 | 329,079 | 332,420 | 332,420 |
| Total assets                   | 172,669 | 254,010 | 253,851 | 253,692 | 250,533 | 247,374 | 329,215 | 329,556 | 329,397 | 326,738 | 329,079 | 332,420 | 332,420 |
| <b>Liabilities and equity:</b> |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Current liabilities:           |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Line of credit                 | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Total current liabilities      | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Total liabilities              | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       |
| Equity                         | 172,669 | 254,010 | 253,851 | 253,692 | 250,533 | 247,374 | 329,215 | 329,556 | 329,397 | 326,738 | 329,079 | 332,420 | 332,420 |
| Total liabilities and equity   | 172,669 | 254,010 | 253,851 | 253,692 | 250,533 | 247,374 | 329,215 | 329,556 | 329,397 | 326,738 | 329,079 | 332,420 | 332,420 |