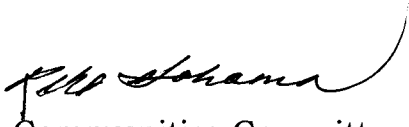


September 30, 2020

MEMO TO: HFC-74 File

F R O M: Riki Hokama, Chair 
Healthy Families and Communities Committee

SUBJECT: **TRANSMITTAL OF TESTIMONY RELATING TO LA'AKEA
VILLAGE** (HFC-74)

The attached testimony pertains to Item 74 on the Committee's master agenda.

hfc:ltr:074afile02:ljcm

Attachments

2020 OCT -1 PM 11:00
OFFICE OF THE
COMPTROLLER
OF THE
TREASURY

RECEIVED

From: Laakea Maui <friendsforlaakea@yahoo.com>

Sent: Monday, August 31, 2020 7:17 AM

To: huelosrg@gmail.com; apells@aol.com; kristina@lyons-lambert.com; hwanddw@aol.com; mauiautism@gmail.com; triisle@hotmail.com; sarasmith808@me.com; jcirclewoodburn@gmail.com; davidspee@aol.com; cherylkaupa@gmail.com; betsybergevin808@gmail.com

Cc: Alice L. Lee <Alice.Lee@mauicounty.us>; Keani N. Rawlins <Keani.Rawlins@mauicounty.us>; Tasha A. Kama <Tasha.Kama@mauicounty.us>; Riki Hokama <Riki.Hokama@mauicounty.us>; Kelly King <Kelly.King@mauicounty.us>; Mike J. Molina <Mike.Molina@mauicounty.us>; Tamara A. Paltin <Tamara.Paltin@mauicounty.us>; Shane M. Sinenci <Shane.Sinenci@mauicounty.us>; Yukilei Sugimura <Yukilei.Sugimura@mauicounty.us>; director.hhc@mauicounty.gov; J. Kalani English <senenglish@capitol.hawaii.gov>; Lynn DeCoite <repdecoite@capitol.hawaii.gov>; Daintry.Bartoldus@doh.hawaii.gov; sandra.kakugawa@doh.hawaii.gov; jennifer.laa@doh.hawaii.gov; Justin.Lam@doh.hawaii.gov; cwilson@honoluluadvertiser.com; leeimada@mauinews.com

Subject: La'akea Village

To the board of directors of La'akea Village:

President, Susan Root Graham
Vice President, Andrew Pells
Secretary, Kristina Lyons Lambert
Secretary, David Wittenberg, PsyD
Treasurer, Cheryl Kaupalolo

Past President, Donna Ting

Betsy Bergevin
Sara Smith
David Spee
Josh Circle-Woodburn

We the undersigned would like to make you aware of some of our concerns about La'akea management and our suggestions for potential remedies. Current management presided over by executive director Sarah Menzies has been woefully inept, fraudulent, and negligent to the needs of Laakea's special needs participants.

We urge you to review the complaints made against La'akea management and call for the resignation of Ms. Menzies and Ms. Kohler.

Numerous official complaints have been filed with state agencies including the Department of Health, Office of Healthcare Assurances State Licensing Division, Department of Labor and Industrial Relations, Adult Protective Services and Disability Rights regarding malfeasance, neglect, alleged fraud, improprieties and violations of code and behavior at both La'akea Village and Mele House. Copies of these complaints are available.

Malfeasance - Many staff members have expressed concerns that the safety, welfare and dignity of the clients was in fact a secondary if not a tertiary priority at La'akea but have been afraid to speak out for fear of reprisal, reduction in work hours or termination. Questions from staff about policies, quality of care, and record keeping have been dismissed and disregarded. Management has been intentionally dishonest. This can be verified by staff.

Lack of transparency for future plans - The County lease says the land is "to be used solely for the purpose of developing a farm village for developmentally disabled adults." The housing development/private community long range plan is not supported by the Department of Health or the neighboring Skill Village neighborhood. Current management is not focused on building a therapeutic environment. If they are no longer allowed to build segregated housing for people with disabilities what are they really planning to build? There is no farm and have lost their agriculture water meter.

Nepotism and inadequate staff training - Many La'akea employees are friends or extended family members of the executive director and have no previous experience working with participants with intellectual and physical disabilities. For example, Isabelle Kohler, residential manager, has a close family relationship to Ms. Menzies. Staff are provided little to no training to support participants with intellectual and physical disabilities. The program is focused more on the entertainment of the staff rather than the needs of special needs participants. Participants have been neglected and allowed to roam around unsupervised and unchecked while La'akea staff participated in yoga or ad hoc dance parties that are not appropriate and overstimulating for autistic participants. Adults with intellectual and physical disabilities need consistent providers. There have been five service supervisors in less than two years. Staff retention is dismal and seems to be of little concern to management. This can be verified by staff.

Fraud - You, the board, abrogated your fiduciary responsibility by not firing Ms. Menzies in 2019 when she misappropriated thousands of dollars from the Department of Health through fraudulent billing. We have the documentation. Staff have asked about accurate recording of services, for example, hours of service provided to a client, and have been told to sign off on documentation, even when it was false. There is ongoing misappropriation of government funds. We have documentation.

Violations of code – The executive director has ignored standards and requirements as set forth in the Medicaid Waiver contract for the past 20 months including training requirements, data collection, mandatory supervision, reporting requirements and falsifying records despite the Department of Health's oversight and subsequent warnings. We have documentation. This has resulted in many skilled employees leaving La'akea.

Violations of Behavior - Despite the fact there are three female residents at Mele House, Ms. Kohler has refused to employ female staff at the licensed group home for far too long. Even the accusation of inappropriate touch by a male staff working alone with a female client was ignored. No one will ever know what really happened. Current management allow men to regularly work alone with female special needs participants

As board members of a non-profit you must be aware that you have a fiduciary responsibility to oversee what is going on especially when it comes to neglect and allegations of fraud. It might be quite embarrassing to you if an investigation of La'akea were to reveal improprieties you were unaware of yet responsible for.

According to the principles and state functions of board members as found in the handbook of the Hawaii Alliance for Non-Profit Organizations, (HANO) "An organization's governing board is ultimately responsible for overseeing and ensuring that the organization complies with all of its legal obligations and for detecting and remedying wrongdoing by management"

As stated above, we urge you to review the complaints made against La'akea management and call for the resignation of Ms. Menzies and Ms. Kohler.

It is time to set a new course, get competent management in place and design a program that protects the dignity and safety of participants while also providing appropriate, treatment based life skills modalities based on best practices and research on serving adults with intellectual and physical disabilities. The board should also take the time to make sure staff are properly trained as outlined in the Medicaid Waiver contract, understand how to read and implement their client's individual service plan and collect data relevant to their participants.

Please be advised that copies of this letter will be shared with relevant oversight agencies and other concerned parties. We thank you for your time.

Respectfully submitted, the undersigned:

Joanne Hopper, Mother of Hannah, La'akea participant 2012-March 2020
Rosie Prieto, Homeowner, Skill Village Neighbor
Maelina Tavares Araneta, La'akea employee 2018-August 2020
Delia Browning, La'akea employee 2015-March 2020
Andy Gross, La'akea employee 2019-May 2020
Gage Nischke, La'akea residential staff 2019-March 2020
Mark Slonim, La'akea's first employee 2010-present

Contact information is available upon request



September 15, 2020

Aloha, Concerned Parties:

The La'akea Village Board of Trustees acknowledges receipt of the 'Friends for La'akea' letter dated August 31, in which strong opinions and accusations were shared. As custodians of this organization, and in some cases parents/ guardians for the developmentally disabled Maui citizens for which it serves, we take these matters to heart.

First, we'd like to reassure utmost faith and confidence in our current administrative team, led by executive director Sarah Menzies and business manager Brian Kakiara. In full transparency, we share that the La'akea Board currently stands at thirteen, with four new members this year, Charlie Buckingham, Effie Cameron, Joe Earlmann, and Mitzi Toro.

Change is hard on a growing, maturing organization. We are barely on the heels of an embattled executive transition that has spanned a tumultuous two years. The impetus of this transition stemmed primarily from the board's unrelenting insistence that the organization implement and execute to a higher operational standard of documentation, procedure, and protocol.

The goal of accountability united us to the extent that one of our longstanding board members, Brian Kakiara, upon retiring as VP at First Hawaiian Bank in 2019, stepped into a sorely needed administrative role of business manager. His primary objective early on was getting La'akea Village up to the best practices of a non-profit. We hired Carbonaro CPAs & Management Group to conduct ongoing financial audits. We completed and approved the first ever employee handbook native to La'akea and have consistently implemented its policies and procedures. The affect changes of this maturation process has naturally been a transition for staff, but in our view, completely worth it for La'akea's organizational health and the benefit of our participants and families.

With this in mind, we address each accusation of 'Friends for La'akea' letter below.

The letter hints to an alarming level of formal complaints filed against the organization. Fortunately, as the records the will show, all complaints have been investigated with Developmental Disabilities Division's Community Resource Branch and none have resulted in any action against La'akea. Unfortunately, as a close look at the records will show, most if not all of these complaints were made a single disgruntled individual, her significant other, and a close friend. To the best of our knowledge, there is no ground swell of disgruntled constituents aside from this small group triggered by by an executive transition.

Most of the letter's egregious assertions occurred during the previous administration—further reinforcing the board's decision to pursue new leadership. Since Ms. Menzies' promotion to executive director, we have systematically been working to address these issues.

Malfeasance - Quite to the contrary, we have had no verbal or written grievances from current La'akea employees. In her new leadership role, Ms. Menzies doubled down on improving communication by implementing the new Employee Handbook (which clearly states the grievance process), hosting weekly staff meetings, and contracting with a non-violent communications consultant to facilitate weekly meetings for both staff and participants to share their concerns and requested improvements.

Current management encourages transparency in order to support a harmonious work environment. Mr. Kakihara is working on a comprehensive Safety Protocol Plan for all of La'akea's activities. Ms. Menzies has an open-door policy. La'akea contracts Hawaii Employers Council (HEC) which offers guidance and support for any HR concerns. Ms. Menzies and the board both consult with HEC whenever there is an HR question.

Nepotism and inadequate staff training - Accusation of nepotism is simply false as Ms. Menzies has no extended family members as employees, and both Ms. Menzies and Ms. Kohler, who was specifically mentioned, were hired by the previous administration.

Staff retention is of high importance to La'akea management. As with our peer agencies, retention is an ongoing challenge due to low wages, high demand, and caregiver burnout. The current board and administration have made a concerted effort to give holiday bonuses and host appreciation parties in the hopes of building greater alliance. In our January strategic planning, Ms. Menzies advocated for greater employee benefits. Due to a tight budget we were unable to deliver vacation benefits, but were able to provide better medical benefits. This is something both Ms. Menzies and the board will continue to address as funding allows.

Lack of transparency for future plans - Nothing has changed in our Master Plan since the original negotiations with the County of Maui in 2006. Our recent focus to complete the Environmental Assessment process speaks to our commitment to be in compliance with all rules and regulations. Since we began in 2017 we have felt tremendous support from all the agencies in the county and have received comments, recommendations, and guidance from each department throughout our EA process. To this end, the 'Friends for La'akea' claim that the our master plan is not supported by the DOH simply has no basis in reality.

As a part of our EA process, we held our community meeting in July. The Zoom conference call was led by Raymond Cabebe of Chris Hart and Partners and was virtually attended by several inquisitive Paia and Skill Village residents. We were able to explain that our goal is to meet the affordable housing needs of the Maui community, which in our view is inclusive to people with developmental disabilities. We felt very pleased with the outcome of the community meeting. By the end, neighbors were discussing different ways to partner with us in support of the development and expressing admiration for the La'akea program.

Furthermore, the assertion that there is no farm activity on our 12 acres is preposterously untrue. Since Ms. Menzies took the helm, La'akea has completed the permit for our animal husbandry building and procured farm animals; she has secured a three-year partnership grant with Maui United Way for our farm and garden program; and helped La'akea Farm kick off a new, income-producing CSA program (Community Supported Agriculture) from our gardens. The food we grow on campus supports our community lunch program, sales in our Country Store, and continues to feed our residential DOM home in Skill Village. Two volunteers continue to move the orchard project forward, and additional volunteers help in the garden on a weekly basis.

The unfortunate negligence of our previous administration resulted in the loss of our agricultural water meter. Please be assured, Ms. Menzies and Mr. Kakihara are keeping detailed records of our agricultural activity and sales so we can resubmit the form with the proper figures.

Fraud - We take this charge very seriously, and can confidently assure you that our efforts in the last 18 months have this addressed already. Thanks to Ms. Menzie's and Mr. Kakihara's administration, La'akea now is undergoing annual financial audit by Carbonaro CPAs & Management Group. One of Mr. Kakihara's first initiatives was to refine and reassess our billing structure to ensure proper and accurate billing. Our recent audit confirmed 80% of La'akea's operational budget is funded through DOH Medicaid Waiver; the auditors were pleased to see the procedural changes Mr. Kakihara had implemented. We strongly object to the empty claim of misappropriation of government funds.

Violations of code – Training is a top priority for La'akea and continues to be at the forefront of our strategy for supporting the community we are here to serve. Ms. Menzies and her team are creating a systematic framework that ensures compliance is met on all levels. As funding allows, we continue to utilize every opportunity available. Since her administration beginning February 2019, the following have been implemented:

- 15-point service standard training at staff onboarding,
- Working with Maui Developmental Disabilities Council and hosting Roxann Kehus for training sessions for all Direct Support Workers—three so far, and a fourth this month,
- a five-week deep listening and community training for all staff,
- Weekly staff meetings are now mandatory, and include a training focus in trauma stewardship,
- Scheduled one-on-one observation and follow-up training with service supervisor,
- Implementation of/ training on new data collection software, Therap, to help accurately track client activities and goals related to their ISP.

The DOH DDD supports La'akea Village's services with the community. Ms. Menzies and board president Susan Graham recently met with multiple staff members to discuss reporting requirements and seek guidance on how to keep current with the ever-changing compliance requirements. La'akea is in-compliance to date for all of 2020.

Violations of Behavior - We find the letter's casual innuendo of inappropriate touch at Mele House especially disconcerting. We have had no complaints or reports of inappropriate touching, verbally or in writing, giving this accusation no context at all. Anyone working at La'akea is a 'mandated reporter,' required to report any neglect or abuse. Furthermore, while staffing Mele House, as with most DOM homes, can be a challenge, we just welcomed a new female residential coworker.

The core mission and values of La'akea Village speaks about the dignity of all people. For the record, just last year a Hawaii Community Foundation executive transition grant allowed us to purposefully revisit our mission and core values, resulting in a comprehensive collaboration with families, participants, staff, management, and the board of directors before it was adopted. We are confident this transparent and collaborative exercise provided recent and meaningful engagement with our core community.

The La'akea Village board of trustees is an experienced and diligent group of volunteers that takes its fiduciary and oversight responsibilities seriously. Though undoubtedly not the intention, the 'Friends for La'akea' letter has put into focus why we felt the dire need for new leadership—and given us perspective on how far we've come since.

In closing, we want to reiterate our stance in support of Ms. Menzies and her leadership team. Her ability to stay the course in the face of a challenging transition, is exactly the leadership our organization needs.

With Aloha,

Susan Graham
on behalf of the La'akea Village Board of Trustees

- - -

Susan Graham - President
Andrew Pells - Vice President
Cheryl Kaupalolo - Treasurer
Kristina Lyons - Secretary
David Wittenberg - Secretary

Betsy Bergevin
Charles Buckingham
Frances Cameron
Josef Erlemann
David Spee
Sara Smith
Mitzi Toro
Josh Woodburn