

Kamehameha Schools Strategic Plan 2000-2015



KAMEHAMEHA SCHOOLS

*“I desire my trustees to provide first and chiefly
a good education in the common English
branches, and also instruction in morals and
in such useful knowledge as may tend to make
good and industrious men and women...”*

Excerpt from the Will of Bernice Pauahi Bishop

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Commitment Letter

The individuals named below constitute the Education and Endowment Core Planning Teams that were formed to help produce a Strategic Plan for Kamehameha Schools. We are broadly representative of the organization and include teachers and administrators, asset managers and attorneys, neighbor islanders and O'ahu residents, alumni and students, parents of current beneficiaries and parents of those whose needs we have not addressed, staff of Hawaiian organizations and members of the larger community.

The range of representation on the core planning teams is telling of the underlying philosophy that guided our work. The strategic planning process is more than merely plotting a course. It is also about building relationships and integrating our individual efforts. We refer to this process as "wayfinding."

Consistent with this philosophy, we engaged a wide spectrum of the Kamehameha *'ohana* and Hawaiian community in the development of this plan. The Values, Vision, Mission, Guiding Principles and Strategic Goals are informed and inspired by the input we received from:

- over 1,200 participants in 24 community meetings during Phase I;
- 386 individuals who submitted a completed survey of Hawaiian educational needs;
- 29 community leaders who agreed to be interviewed;
- 2,010 respondents to a Phase II telephone poll of the opinions of a representative sample of the Hawaiian community;
- 427 volunteers who served on our 16 work groups;
- 92 individuals who shared thoughts by letter, internet, phone or fax;
- over 1,000 attendees of 43 community meetings in Hawai'i and the continental United States during Phase III, and
- 944 respondents to a survey circulated to elicit comments on a draft of the plan.



We, the undersigned members of the Education and Endowment Core Planning Teams join with the Chief Executives, the Chief Executive Officer and the Board of Interim Trustees to endorse this Strategic Plan for Kamehameha Schools. Furthermore, we accept our *kuleana* and commit ourselves to make every reasonable effort to support the implementation of Kamehameha Schools' Strategic Plan for the benefit of Pauahi's children, the people of Hawaiian ancestry.

I mua Kamehameha!

**Kamehameha Schools
Interim Board of Trustees**



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Ronald D. Libkuman

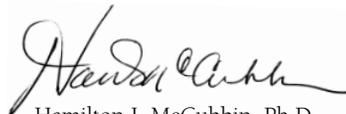


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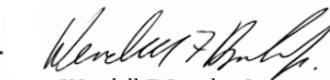
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Chief Executives



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Dwight Kealoha
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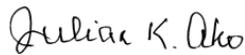
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Chief Financial Officer



Nathan Aipa
Chief Administrative Officer
Strategic Plan Coordinator
Education Core Planning Team
Endowment Core Planning Team
Executive Planning Leadership Group



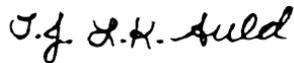
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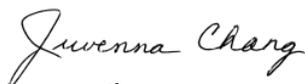
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Juvenna Chang
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Endowment Core Planning Team



Robert Lindsey
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Rodney Park
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Endowment Core Planning Team
Executive Planning Leadership Group



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Executive Planning Leadership Group



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Executive Planning Leadership Group



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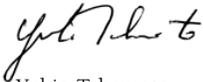
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Human Resources Division
Endowment Core Planning Team



Karen Wilkinson
Policies & Procedures
Endowment Core Planning Team



Livingston "Jack" Wong
Legal Group
Endowment Core Planning Team

Introduction

Ke Ali'i Pauahi, founder of Kamehameha Schools, exemplified the strengths of both her Hawaiian heritage and her Christian beliefs. Kamehameha Schools' identity as a Hawaiian institution takes its inspiration from her example and vision.

In many ways, the process of developing this plan has been a voyage, with many metaphors drawn from Polynesian wayfinding. We have rediscovered that vision and careful preparation are critical to the success of any journey. We have rediscovered, as have other wayfinders before us, that the process and quality of the voyage are as important as achieving the destination. We have rediscovered that what may appear to be adversity actually hones and prepares us for what lies ahead.

This document is a journal of our voyage. It begins with Stipulation 13, the court order that served as a catalyst for this landmark planning effort. The Planning Process section highlights the major activities that comprised our journey. We have included pertinent excerpts from Ke Ali'i Pauahi's Will and the related Findings of Fact and Conclusions of Law that guided our way. The *mana'o* from our *'ohana* filled our sails, and inspired and informed the statements of Kamehameha's Values, Vision, Mission, Guiding Principles, Goals and Priorities. The Implementation Framework will take us through the final stages of planning in preparation for the next journey, the launch of an exciting new era for Kamehameha Schools.

Each component of this document is critical to understanding the whole. Readers are asked to take the time to read and reflect on this document in its entirety. Finally, the order of the goals is not intended to reflect their relative priority.



Stipulation

Kamehameha Schools submits this Strategic Plan to the Probate Court in response to Stipulation 13 of the October 2, 1998 Stipulations Concerning Master's Recommendations (109th, 110th, and 111th Annual Accounts) and Order.

Stipulation 13 states in pertinent part that:

“The scope of the strategic planning project should involve the development of an educational plan in conjunction with an investment plan. The educational plan should take into account the future potential of the financial resources of the Trust Estate. The investment plan should be fashioned to meet projected educational program needs. The principal focus of this interrelated planning process should be the educational mission of the Trust Estate.

“The investment plan should take into full account diversification (including thoughtful goal-oriented asset allocation), risk (including income volatility), cost-conscious administration, the perpetual nature of the Trust, and preservation of the corpus of the Trust Estate consistent with the terms of the Will.

“The strategic planning process shall include input concerning the educational plan component of the Strategic Plan from appropriate persons, including but not limited to, administrators, teachers, staff, parents, students, and alumni. The trustees, in the prudent exercise of their discretion, shall act upon the proposed strategic plan within 90 days after it is presented to them and shall present a report to the Court and the Attorney General, as *parens patriae*, regarding their decision.”



Planning Process

The Executive Planning Leadership Group and the Education and Endowment Core Planning Teams were formed to produce an integrated Strategic Plan for Kamehameha Schools in compliance with Stipulation 13. The groups were broadly representative of the organization and included teachers and administrators, asset managers and attorneys, neighbor islanders and O’ahu residents, alumni and students, parents of current beneficiaries and parents of those whose needs we have not addressed, staff of Hawaiian organizations and members of the larger community.

In compliance with the stipulation and to broaden our base of planning expertise, we also engaged KPMG Consulting, LLC, as our strategic planning consultant.

KPMG brought to this work a cadre of professionals with expertise in education, investments, and financial planning. The KPMG staff supported our work, however, process and content decisions were the purview of Kamehameha’s strategic planning teams.

The planning process engaged a wide spectrum of the Kamehameha ‘ohana and Hawaiian community in the development of this plan. The plan was developed in three phases.

Phase I: Conducting Internal and External Scans and Defining Strategic Issues

In this phase, we:

- gathered input from Kamehameha Schools stakeholders;
- developed a fuller understanding of stakeholder perceptions of the educational needs of the native Hawaiian population;
- communicated our spending and investment policies, the status of current programs and new educational initiatives, and
- formed the Education and Endowment Core Planning Teams and the Executive Planning Leadership Group who were responsible for processing this information and drafting the plan.



The planning process engaged a wide spectrum of the Kamehameha ‘ohana and Hawaiian community.





Among our specific activities in Phase I, we:

- conducted 22 outreach meetings throughout Hawai'i, and two on the continental United States, in which more than 1,200 persons participated and collectively provided over 3,000 suggestions regarding:
 - the pressing educational needs of the Hawaiian people
 - the strengths of the Hawaiian community
 - the role Kamehameha Schools should play in addressing those educational needs
 - our role as stewards of Pauahi's legacy
- distributed surveys at community meetings and through publications of Kamehameha Schools and the Office of Hawaiian Affairs which resulted in 386 responses;
- interviewed 29 community leaders;
- requested input via national and statewide print ads and local broadcasts on public access television, and
- held 20 sessions with 38 resource people who provided information and stimulated our thinking on relevant trends and best practices in the areas of:
 - economics
 - leadership
 - demographics
 - Hawaiian culture
 - education
 - the futurist perspective



*We identified
16 strategic issues.*

From the results of the internal and external scans we identified 16 strategic issues that were used to organize our work in Phase II. Those issues were:

- early childhood education
- outreach: special needs
- community empowerment
- research and development
- Hawaiian culture and language
- resource development
- kindergarten through grade 12 campus based programs
- stewardship
- literacy
- supporting and engaging families
- outreach: enrichment programs
- teacher training and staff development
- outreach: isolated communities
- Hawai'i land retention and acquisition
- outreach: lifelong learning criteria
- measures of return, values, and investment



Twenty issues were identified that had potential implications for all areas of the organization and for how we addressed all 16 strategic issues. Working groups were asked to consider these issues in the development of their reports. These “embedded issues” were:

- accountability
- admissions
- alternative learning environments
- assessment
- building on community strengths
- communication
- community service
- curriculum and assessment
- facilities
- integration of Christian values
- integration of Hawaiian culture
- integration and role of technology
- leadership and leadership development
- literacy
- partnerships
- quality education
- stewardship
- shared decision making
- target audience
- (addressing the needs of the) whole child

Phase II: Study Issues, Formulate Strategies, and Draft a Plan

During this phase, working groups, drawing on the voluntary efforts of 427 staff and community members, addressed the 16 strategic issues. As part of their assignment, working group members reviewed all of the Phase I community commentary, consulted secondary sources, and tapped their own experience and expertise to develop reports including recommended strategies. Their reports were presented at a retreat attended by the members of the Education and Endowment Core Planning Teams, the Executive Planning Leadership Group, the Chief Executives, and the Board of Trustees.

While the working groups were studying the issues, a statewide telephone survey was conducted with a representative sample of 2,010 Hawaiians. The survey asked respondents to rate the importance of selected strategic issues in relation to the needs of the Hawaiian community. They were also asked to identify those issues they thought were within the realm of responsibility of Kamehameha Schools.

The input from the Phase I activities, the working groups, and the telephone survey were brought together in a four-day retreat of the Executive Planning Leadership Group. Out of this retreat came an initial draft that was shared with the Education and Endowment Core Planning Teams and Trustees. Through an iterative process of review and revision, a Draft Plan was prepared for public review and comment.



We held 43 community meetings, with over 1,000 attendees, in Hawai'i and the continental United States.

Phase III: Public Review and Comment and Completion of the Final Strategic Plan

In Phase III, we reached out to the public through direct mail, mass media, and community meetings. Our goal was to share the Draft Plan, to solicit their feedback, and gauge the level of their support.

Our outreach activities included:

- Mailing over 18,000 copies of the Draft Plan to staff, alumni, parents, and friends of the Kamehameha Schools;
- Placing print ads in publications with national and local circulation;
- Broadcasting the plan presentation on public access television;
- Holding 43 community meetings, with over 1,000 attendees, in Hawai'i and the continental United States, and
- Posting the Draft Plan and survey on the Kamehameha Schools website.

Overall, more than 90 percent of the nearly 1,000 survey respondents agreed or strongly agreed with the Values, Vision, Mission, Guiding Principles and seven Goals contained in the Draft Plan.

Repeating the iterative process of review and revision established in Phase II, the Executive Planning Leadership Group utilized the input from the meetings, surveys, and correspondence to refine the draft and arrive at the final plan included in this document.



Ke Ali'i Pauahi's Will

The Will and Codicils of Bernice Pauahi Bishop established Kamehameha Schools. They grant broad powers to the trustees to determine the character of the education offered and to manage the schools and endowment.



Bernice Pauahi Bishop

The Will and Codicils in pertinent part state:

“Thirteenth: I give, devise and bequeath all of the rest, residue and remainder of my estate real and personal, wherever situated unto the trustees below named, their heirs and assigns forever, to hold upon the following trusts, namely: to erect and maintain in the Hawaiian Islands two schools, each for boarding and day scholars, one for boys and one for girls, to be known as, and called the Kamehameha Schools.

“I direct my trustees to expend such amount as they may deem best, not to exceed however one-half of the fund which may come into their hands, in the purchase of suitable premises, the erection of school buildings, and in furnishing the same with the necessary and appropriate fixtures furniture and apparatus.

“I direct my trustees to invest the remainder of my estate in such manner as they may think best, and to expend the annual income in the maintenance of said schools; meaning thereby the salaries of teachers, the repairing buildings and other incidental expenses; and to devote a portion of each years income to the support and education of orphans, and others in indigent circumstances, giving the preference to Hawaiians of pure or part aboriginal blood; the proportion in which said annual income is to be divided among the various objects above mentioned to be determined solely by my said trustees they to have full discretion.

“I desire my trustees to provide first and chiefly a good education in the common English branches, and also instruction in morals and in such useful knowledge as may tend to make good and industrious men and women; and I desire instruction in the higher branches to be subsidiary to the foregoing objects.

“For the purposes aforesaid I grant unto my said trustees full power to lease or sell any portion of my real estate, and to reinvest the proceeds and the balance of my estate in real estate, or in such other manner as to my said trustees may seem best.

“I also give unto my said trustees full power to make all such rules and regulations as they may deem necessary for the government of said schools and to regulate the admission of pupils, and the same to alter, amend and publish upon a vote of a majority of said trustees.

“I also direct that my said trustees shall annually make a full and complete report of all receipts and expenditures, and of the condition of said schools to the Chief Justice of the Supreme Court, or other highest judicial officer in this country; and shall also file before him annually an inventory of the property in their hands and how invested, and to publish the same in some Newspaper published in said Honolulu; I also direct my said trustees to keep said school buildings insured in good Companies, and in case of loss to expend the amounts recovered in replacing or repairing said buildings.

“I also direct that the teachers of said schools shall forever be persons of the Protestant religion, but I do not intend that the choice should be restricted to persons of any particular sect of Protestants.” (Will of Bernice Pauahi Bishop, paragraph 13)

“17th. I give unto the trustees named in my will the most ample power to sell and dispose of any lands or other portion of my estate, and to exchange lands and otherwise dispose of the same; and to purchase land, and to take leases of land whenever they think it expedient, and generally to make such investments as they consider best; but I direct that my said trustees shall not purchase land for said schools if any lands come into their possession under my will which in their opinion may be suitable for such purpose; and I further direct that my said trustees shall not sell any real estate, cattle ranches, or other property, but to continue and manage the same, unless in their opinion a sale may be necessary for the establishment or maintenance of said schools, or for the best interest of my estate... And I give unto my executors named in my said will full power to sell any portion of my real estate for the purpose of paying debts or legacies without obtaining leave of Court; and to give good and valid deeds for the same, the purchasers under which are not to be responsible for the application of the purchase money.” (Codicil 1, paragraph 17)

“4th. Of the two schools mentioned in the thirteenth article of my said will, I direct the school for boys shall be well established and in efficient operation before any money is expended or anything is undertaken on account of the new school for girls. It is my desire that my trustees should do thorough work in regard to said schools as far as they go; and I authorize them to defer action in regard to the establishment of said school for girls, if in their opinion from the condition of my estate it may be expedient, until the life estates created by my said will have expired, and the lands so given shall have fallen into the general fund. I also direct that my said trustees shall have power to determine to what extent said school shall be industrial, mechanical, or agricultural; and also to determine if tuition shall be charged in any case.” (Codicil 2, paragraph 4)



Charles Reed Bishop

At the first Founder’s Day ceremony in December, 1889, Charles Reed Bishop, Pauahi’s husband and a member of Kamehameha’s first Board of Trustees, elaborated on her intentions.

“Bernice Pauahi Bishop, by founding the Kamehameha Schools, intended to establish institutions which should be of lasting benefit to her country... The founder of these schools was a true Hawaiian. She knew the advantages of education and well directed industry. Industrious and skillful herself, she respected those qualities in others. Her heart was heavy, when she saw the rapid diminution of the Hawaiian people going on decade after decade and felt it was largely the result of their ignorance... The hope that there would come a turning point, when, through enlightenment, the adoption of regular habits and Christian ways of living, the natives would not only hold their numbers, but would increase again, like the people of other races, at time grew faint, and almost died out... And so, in order that her own people might have the opportunity for fitting themselves for such competition, and be able to hold their own in a manly and friendly way, without asking any favors which they were not likely to receive, these schools were provided for, in which Hawaiians have the preference, and which she hoped they would value and take the advantages of as fully as possible.” (Handicraft, Vol. I, No. 1, January, 1889. Honolulu H.I.)

Findings of Fact and Conclusions of Law

The findings of fact and conclusions of law rendered in response to the Bill for Instructions submitted to Circuit Court of the First Circuit by the Kamehameha Schools Trustees in 1962 (Civil No. 9360) clarified the breadth of programs and services that can be offered in fulfillment of the intentions of the founder.

The pertinent conclusions of law include:

“The court concludes that the primary purpose of Bernice Pauahi Bishop was to leave her estate to trustees of a perpetual charitable trust for the education of the youth of Hawaii which would tend to make them ‘good and industrious men and women.’ Nothing in the will forbids education of students elsewhere than on the campus of the Kamehameha Schools or any of the proposed expanded educational programs. The will does not limit the age of students to minors. It grants broad powers to the trustees in the government, administration and regulating of the schools and contemplates that the trustees exercise judgment and discretion in the establishment of educational programs at the schools and determining the character of the education offered. (Paragraph 13)

“The proposed extension program while not specifically mentioned in the will is in harmony with Mrs. Bishop’s primary objective and is not contrary to any provisions in the will. The extension program would provide instruction for far more students than could be accommodated on the campus of Kamehameha Schools, and in the opinion of the court, the trustees may, in their discretion, establish such a program. (Paragraph 14)

“The proposed scholarship program which would grant financial assistance to worthy students for education and training beyond the high school level and would carry out the intention of the testatrix to provide instruction for young people tending to make them ‘good and industrious men and women.’ The court concludes that it is within the powers of the trustees to establish. (Paragraph 15)

“Insofar as any of the programs proposed by the trustees may constitute a deviation from a literal interpretation of the will, this court concludes that the effective carrying out of Mrs. Bishop’s primary intent requires that her trustees be granted the authority and power requested and the establishment of the proposed programs should be left to the sound judgment and discretion of the trustees, subject to the right of the Attorney General to inquire into the conduct and administration thereof from time to time and subject also to all the other powers of the Attorney General as *parens patriae* of the charitable trust.” (Paragraph 19, as modified by that Stipulation filed January 4, 1963)

(All of the above excerpts are from the Findings of Fact and Conclusions of Law, Civil No.9360, Circuit Court of the First Circuit, October 23, 1962)



...the primary purpose of Bernice Pauahi Bishop was to leave her estate to trustees of a perpetual charitable trust for the education of the youth of Hawai'i...





Values Statement

Kamehameha Schools is grounded in the Christian and Hawaiian values embraced by Ke Ali'i Pauahi.

Aloha Ke Akua

Nui ke aloha o Pauahi i ke Akua, kona po'e Hawai'i, ka 'imi na'auao 'ana a me ka mālama 'ana i nā mea pono o kona lāhui.

Ua 'ike pono 'o Pauahi i ka nui o kona waiwai ma ka honua a me ke kuleana i kau 'ia ma luna ona. 'O kēia ka mana'o pono no ka 'ohana Kamehameha e ho'omau i ko Pauahi kuleana me ka ha'aha'a a me ka hana pono.

'Ihi ihi ke aloha o Pauahi i ke Akua a me Kona mea e piha ai.

Great was Pauahi's love for God and the Hawaiian people, whom she served. Because she valued the pursuit of knowledge, she believed that education would be the key to their well-being. Pauahi was blessed with much worldly wealth and understood that this blessing was accompanied by profound responsibility. Therefore, it is fitting for the Kamehameha Schools 'ohana, called upon to carry her legacy forward, to humbly do so through good thoughts and deeds that reflect the values of stewardship in her Will.

Kamehameha Schools is grounded in the Christian and Hawaiian values embraced by Ke Ali'i Pauahi. *Aloha*, love and respect for the Lord, our natural world, and one another, is our foundation. *'Imi na'auao*, the quest for knowledge and enlightenment, is essential for an educational institution such as Kamehameha. *Mālama*, caring for one another and all aspects of Pauahi's legacy, will enable our institution to flourish. *'Ike pono* urges us to integrate our intellect and our intuition. *Kuleana* denotes the responsibilities, which accompany our blessings. Let us *ho'omau*, persevere, with *ha'aha'a*, humility, in all that we do.

Vision

Kamehameha Schools is a dynamic and nurturing learning community committed to educational excellence. We assist people of Hawaiian ancestry to achieve their highest potential as “good and industrious men and women.” We do so by contributing to their development as people who are:

- grounded in spiritual and Christian values;
- intellectually, emotionally, and socially self-reliant;
- resourceful, resilient, life-long learners;
- equipped with the skills they need to succeed in endeavors of their choosing;
- responsible, ethical, contributing members of their multi-cultural and diverse communities, and
- prepared to practice and perpetuate the Hawaiian values and traditions of Ke Ali'i Pauahi.

Mission

Kamehameha Schools' mission is to fulfill Pauahi's desire to create educational opportunities in perpetuity to improve the capability and well-being of people of Hawaiian ancestry.



Guiding Principles



- **Kamehameha Schools will honor Pauahi's sacred trust.** Ke Ali'i Pauahi established this institution on the foundation of her Christian beliefs, cultural pride and love for her Hawaiian people. The values of our Founder will guide our policies, programs, and behavior.
- **Kamehameha Schools will think inclusively as we serve people of Hawaiian ancestry.** Pauahi's love and concern for the well-being of her people knew no bounds. We will extend our geographic reach and serve a wider spectrum of educational needs.
- **Kamehameha Schools will develop and operate our educational programs and services as a system.** Our educational initiatives will address the multiple learning needs of students of all ages. Programs and resources will be integrated and managed to achieve maximum benefits.
- **Kamehameha Schools will establish alliances to address the educational needs of people of Hawaiian ancestry.** We recognize that more can be achieved by working with others and will do so in a manner that respects and builds upon their unique and profound strengths. We will partner with those who share our values and goals.
- **Kamehameha Schools will regard our 'ohana as a precious resource.** We will treat each other with respect, nurture expertise and talents, and recognize the contributions of all.
- **Kamehameha Schools will stand accountable for our words and deeds.** All those touched by Pauahi's legacy have special responsibilities. We will maintain respectful, two-way communication at all levels. Inclusive decision-making will be practiced.



*The values of our Founder
will guide our policies,
programs and behavior.*



Summary of Goals and Priorities

Goal 1: Kamehameha Schools will provide and facilitate a wide range of integrated, quality educational programs and services to serve more people of Hawaiian ancestry.

Goal 2: Kamehameha Schools will work with families and communities in their efforts to meet the educational needs of people of Hawaiian ancestry.

Goal 3: Kamehameha Schools will cultivate, nurture, perpetuate, and practice *‘Ike Hawai‘i* (which includes Hawaiian culture, values, history, language, oral traditions, literature, and *wahi pana* – significant cultural or historical places – etc.).

Goal 4: Kamehameha Schools will foster the development of leaders who focus on service to others.

Goal 5: Kamehameha Schools will optimize the value and use of current financial and nonfinancial resources and actively seek and develop new resources.

Goal 6: Kamehameha Schools will *mālama i ka ‘āina*: practice ethical, prudent and culturally appropriate stewardship of lands and resources.

Goal 7: Kamehameha Schools will continue to develop as a dynamic, nurturing, learning community.



Kamehameha Schools will continue to develop as a dynamic, nurturing, learning community.

All programs and services will be consistent with the primary purpose of the Will. All goals will be addressed over the next five- to ten-year period. Initially, Kamehameha Schools will concentrate on the areas identified as high priority in stakeholder surveys, needs assessment, and strategic planning discussions. These early priorities are identified below.

- Education
 - quality kindergarten through grade 12 education
 - quality educational programs and services from the prenatal period through pre-kindergarten
 - literacy skills in English and Hawaiian among people of Hawaiian ancestry
 - Hawaiian culture and language
 - quality diverse career development opportunities
- Endowment
 - stewardship of lands and resources
 - balancing educational and cultural values with economic returns
 - protecting our land legacy
 - developing new resources
 - establishing business alliances to create learning opportunities and scholarships



Goals

Goal 1: Kamehameha Schools will provide and facilitate a wide range of integrated, quality educational programs and services to serve more people of Hawaiian ancestry.

1.1 – Support greater access to quality:

- educational programs and services from the prenatal period through pre-kindergarten;
- kindergarten through grade 12 education;
- post-high school education and training;
- diverse career development opportunities;
- alternative learning experiences for those with a wide variety of learning styles, aptitudes, and interest, and
- programs and services that meet the requirements of those with special learning needs.

1.2 – Support and strengthen the development of good moral character in all programs.

1.3 – Strengthen literacy skills in English and Hawaiian among people of Hawaiian ancestry.

- Support instructional programs to promote literacy development.
- Make literacy resources accessible to people of Hawaiian ancestry.

1.4 – Support the improvement of educational services delivered to people of Hawaiian ancestry.

- Support the professional development of Kamehameha Schools' faculty and staff.
- Support efforts to enhance the effectiveness of educators of Hawaiian youth.
- Conduct on-going assessments of Hawaiian educational needs.
- Conduct applied research that impacts the quality of education for Hawaiians.
- Promote development of curriculum and programs that meet Hawaiian educational needs.



Kamehameha Schools will provide and facilitate a wide range of integrated, quality educational programs and services to serve more people of Hawaiian ancestry.

(At right, groundbreaking ceremony for Hawai'i campus.)



Goal 2: Kamehameha Schools will work with families and communities in their efforts to meet the educational needs of people of Hawaiian ancestry.

2.1 – Support families’ efforts to acquire skills and knowledge to meet their educational needs and support the optimal development of their children.

- Provide and facilitate educational services to strengthen parenting skills and understanding of child development.
- Identify, develop and disseminate resources to support education and literacy.

2.2 – Work with communities to develop and maintain their own programs and services to meet the educational needs of people of Hawaiian ancestry.

- Facilitate community-based educational needs assessment, planning and networking.
- Explore opportunities that increase community capacity to meet the educational needs of people of Hawaiian ancestry.



Goal 3: Kamehameha Schools will cultivate, nurture, perpetuate, and practice 'Ike Hawai'i (which includes Hawaiian culture, values, history, language, oral traditions, literature, wahi pana, etc.).

3.1 – Develop an institutional framework to support an on-going process of exploration and education to deepen the understanding of 'Ike Hawai'i.

- Coordinate, share, and make more accessible existing cultural informational resources.
- Conduct research and training on 'Ike Hawai'i.

3.2 – Increase the integration of 'Ike Hawai'i in all that we do and teach at Kamehameha Schools.

- Promote and nurture the growth of staff, students, and families in the knowledge and practice of 'Ike Hawai'i.
- Promote the integration and practice of 'Ike Hawai'i in individual and institutional performance.
- Assess the impact of larger cultural issues on Kamehameha's operations and ability to exist in perpetuity.



Kamehameha Schools will cultivate, nurture, perpetuate, and practice 'Ike Hawai'i .

3.3 – Promote and nurture 'Ike Hawai'i in our outreach.

- Develop and disseminate materials, curriculum and programs to further the understanding of 'Ike Hawai'i.
- Coordinate with other individuals and groups wherever possible, to support the perpetuation and practice of 'Ike Hawai'i.





Kamehameha Schools will foster the development of leaders who focus on service to others.

Goal 4: Kamehameha Schools will foster the development of leaders who focus on service to others.

4.1 – Practice servant leadership as an institution and as individuals.

- Engage in responsible stewardship; exercise social responsibility; and be active, positive contributors in our various communities.
- Serve as educational and cultural leaders.

4.2 – Provide and facilitate educational programs to develop people of Hawaiian ancestry as leaders who are lifelong contributors to their families, communities and organizations.

- Provide and facilitate instruction in leadership.
- Incorporate service learning in all programs.

Goal 5: Kamehameha Schools will optimize the value and use of current financial and nonfinancial resources and actively seek and develop new resources.

5.1 – Optimize the growth and ensure the perpetuity of the endowment and link education and endowment management to support the educational mission.

- Meet or exceed targets set in the investment policy to provide more resources for educational spending.
- Create an integrated investment plan to ensure the availability of resources to achieve educational goals.
- Improve systems to ensure operationally responsive and responsible spending and investing.
- Interact with our business partners and others in an ethical, prudent and culturally appropriate manner.
- Protect Kamehameha Schools' endowment by using sound ecological, cultural, educational, and investment practices.
- Develop and implement prudent investment policies and practices that are consistent with the Trustees' fiduciary duties and Kamehameha Schools' values.

5.2 – Develop new resources.

- Initiate a resource development program.
- Pursue additional grant funding for native Hawaiian educational programs.
- Institute a tuition and financial aid program that will enable Kamehameha Schools to serve more people of Hawaiian ancestry.
- Develop a network of those who have an affiliation with Kamehameha Schools for the benefit of people of Hawaiian ancestry.
- Pursue opportunities for business partners to participate in and contribute to the education of people of Hawaiian ancestry.



Goal 6: Kamehameha Schools will *mālama i ka ‘āina*: practice ethical, prudent and culturally appropriate stewardship of lands and resources.

6.1 – Manage lands and other resources to optimize their support of the educational mission.

- Manage the portfolio of resources to derive an overall balance of economic, educational, cultural, environmental and community returns.
- Develop and incorporate educational programs and curricula into resource stewardship programs.
- Develop and incorporate resource stewardship into educational programs and curricula.
- Inventory and manage Kamehameha Schools’ nonfinancial resources (e.g. historic, cultural, human, and intellectual).

6.2 – Manage lands to protect and enhance ecosystems and the *wahi kūpuna* (ancestral sites inclusive of all cultural resources and *iwi*) they contain.

- Integrate Hawaiian cultural values and knowledge into resource stewardship practices.
- Incorporate *ahupua‘a* – land division – management principles which recognize the interdependencies of ecosystems and create a synergy of uses in land use decisions.
- Promote a broad understanding of stewardship efforts and, as appropriate, cultural resource management programs.



Kamehameha Schools will mālama i ka ‘āina.





Kamehameha Schools will use technology and other strategies to enhance learning, performance, and the dissemination of knowledge.

Goal 7: Kamehameha Schools will continue to develop as a dynamic, nurturing, learning community.

7.1 – Build an environment that promotes learning.

- Use technology and other strategies to enhance learning, performance, and the dissemination of knowledge.
- Encourage initiative, creativity, responsible risk taking and teamwork.
- Provide staff development opportunities that build facilitative leadership, systems thinking, reflection, and inquiry.

7.2 – Optimize organizational performance.

- Establish performance assessment, staff development, and succession planning designed to maximize effectiveness.
- Support change management efforts to operate successfully in continuously changing environments.
- Practice decision making that is inclusive, data-driven, and informed by research and experience.
- Develop and nurture an organizational culture that values our human resources.

7.3 – Create an infrastructure to achieve the goals of the Strategic Plan.

- Develop systems, policies, and procedures that support effective information sharing and decision making.
- Develop action plans, objectives, and performance indicators for decision making.
- Align the organization and resources with strategic goals.
- Develop and implement accountability systems to monitor and improve upon achievement of the goals.



Implementation Framework

All goals identified in the Strategic Plan will be addressed over the next five- to ten-year period. The Implementation Framework includes the Governance Process, Spending and Investment Policies, Development of Operational Strategies, and Organizational Transformation.

Governance Process

The Role and Commitment of the Board of Trustees

- Preamble

“In accordance with the Will of Bernice Pauahi Bishop, the Board of Trustees (the Board) of the Kamehameha Schools (KS) is composed of five individuals who are equally vested with the responsibility and duty of collectively carrying out the testamentary wishes of Bernice Pauahi Bishop as set forth in her Will and two Codicils thereto, as construed by judicial decisions concerning KS.

“KS is a perpetual, charitable trust estate established for exclusively educational purposes, namely, ‘to erect and maintain...the Kamehameha Schools.’ All activities of KS must be consistent with and in furtherance of this purpose. Any activity of KS inconsistent with or that jeopardizes this primary purpose is to be avoided.

“The Trustees have the highest of fiduciary obligations recognized by the law...”

- The Trustees’ Role

“The Trustees’ role is to create, sustain and fulfill a vision whose primary focus is on the furtherance of education, while leaving the development and execution of the plan to fulfill the vision to the Chief Executive Officer (CEO). The Board sets policy, management implements policy; the Board is responsible for oversight of the Estate while the day-to-day management of the operations of the Estate is the responsibility of the CEO.”

- Governance Commitment

“The Board, on behalf of the persons intended to benefit from the purposes expressed in the Will, will govern the Trust Estate with a strategic perspective through a continually improved commitment to its vision, mission and values.”

(All of the above excerpted from the Kamehameha Schools Governance Policy, August 18, 1999 as revised June 1, 2000)

The Role and Commitment of the CEO

Kamehameha Schools’ CEO will direct implementation of the Strategic Plan.

The implementation process will be characterized by strategic decision making and organizational transformation.

Spending and Investment Policies

Kamehameha Schools has adopted policies that govern annual distributions from the endowment and investment performance. The objective of these policies is to maximize sustainable spending for educational purposes while ensuring the growth of the endowment into perpetuity.

The Spending Policy targets educational distributions at 4% of the average market value of Kamehameha's endowment. The Investment Policy establishes long- and intermediate-term investment objectives, asset allocation targets, and performance measurement guidelines. The overall long-term investment objective of the endowment is to earn an average annual net real return of 5%. The endowment growth necessary to assure perpetuity is achieved through the reinvestment of a portion of annual endowment returns.

These policies link educational plans with the earnings potential of the Trust's endowment.

Development of Operational Strategies

Kamehameha Schools will be proactive in the implementation of the Strategic Plan. Some changes to current operations will be undertaken by staff of existing programs as part of their ongoing review and improvement of their operations and services. Those projects that represent significant new endeavors will be referred to the Strategic Planning Enhancements Group (SPEG).

SPEG will support the implementation of the Strategic Plan by: processing working group recommendations; providing a forum to generate and hear new proposals; facilitating proposal development; and providing input and analysis to the CEO to optimize alignment of programs and services to achieve the strategic goals.

Teams charged with developing potential strategies for consideration by the Chief Executives will support the work of SPEG. The teams will include a cross-section of Kamehameha Schools staff, field experts, constituents, and potential strategic partners.



Each proposed implementation strategy will include objectives and measures of progress. Implementation strategies will be evaluated based on their:

- potential to enhance Kamehameha Schools' ability to meet the educational needs of people of Hawaiian ancestry;
- congruence with best practices or sound educational theory;
- availability of expertise to successfully implement the program or service;
- viable opportunities for partnerships to leverage our resources;
- cultural compatibility;
- measurability of outcomes;
- exportability of knowledge and programs, and
- sustainability within available and projected resources.

Organizational Transformation

Kamehameha Schools is in the process of restructuring to successfully implement the Strategic Plan. Through this process Kamehameha Schools will evolve as a system of quality campus-based and outreach educational programs supported by effective management of the endowment. This transformation involves:

- an organizational structure aligned with the strategic goals;
- system-wide policies and procedures aligned with the strategic plan;
- a resource allocation plan that reflects strategic priorities;
- redefinition of leadership roles to maximize productivity and effectiveness;
- institutionalization of shared governance;
- establishment of performance goals and measures;
- system-wide accountability;
- greater autonomy and independence in decision making for the major educational units, and
- cultivation of an environment characterized by openness and effective communication at all levels.



Letter from KPMG Consulting, LLC

September 18, 2000

Robert Kihune, Chairman
Interim Board of Trustees
The Kamehameha Schools
567 South King Street, Suite 200
Honolulu, Hawai'i 96813

Dear Trustee Kihune:

In accordance with Stipulation No. 13 of the October 2, 1998 Stipulations Concerning Master's Recommendations (109th, 110th, and 111th Annual Accounts) and Order, the Kamehameha Schools (KS) retained KPMG Consulting, LLC (KPMG) to assist KS in planning, developing and supporting its strategic planning process.

Stipulation No. 13 outlined the scope of the strategic planning for the Trust Estate, including: development of a comprehensive educational and financial strategic plan; development of an educational plan in conjunction with an investment plan, which takes into account the future potential of the financial resources of the Trust Estate, the principal focus of which is the furtherance of the educational mission of KS; and conduct of a strategic planning process that included input concerning the educational plan component of the strategic plan from appropriate persons, including, but not limited to, administrators, teachers, staff, parents, students and alumni.

KPMG has worked closely with KS to design and implement a comprehensive strategic planning process that satisfied Stipulation No. 13 and the related requirements of the Closing Agreement with the IRS. Based on the work performed by KS within the past year, KS has not only met, but exceeded the Court stipulation and IRS requirements for a comprehensive and integrated financial and strategic planning process that ensured the active involvement of key stakeholder groups in performing strategic planning to further the educational mission of KS. The strategic planning process carried out by KS has been open, objective, far reaching and creative. As a result, KS has developed a strategic plan that should serve it well over at least the next decade.

KPMG appreciates the opportunity to work with KS in this strategic planning process and commends KS for the spirit, tenacity and purposefulness it has demonstrated in the development of its strategic plan.

Very truly yours,
KPMG Consulting LLC



Robert T. O'Neill
Managing Director

cc: Dr. Hamilton McCubbin, CEO

*“...To fulfill Pauahi’s desire to create
educational opportunities in perpetuity
to improve the capability and well-being of
people of Hawaiian ancestry.”*

Mission Statement

Kamehameha Schools Strategic Plan, 2000-2015



KAMEHAMEHA SCHOOLS

Founded and Endowed by the Legacy of Princess Bernice Pauahi Bishop

567 South King Street, Suite 200 Honolulu, Hawai'i 96813

