SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into among (i) the United States of America, acting through the United States Department of Justice (the "Department of Justice") and on behalf of the Corporation for National and Community Service ("AmeriCorps"); (ii) the Hawaii Commission for National and Community Service ("HCNCS"); and (iii) the University of Hawaii (the "University") (the United States, HCNCS, and the University each a "Party" and collectively the "Parties"), through their authorized representatives.

RECITALS

A. The United States contends that it has certain civil and administrative claims against the University and HCNCS arising from the following alleged conduct. The actions, transactions, occurrences, and alleged wrongdoing set forth in this Paragraph A are herein collectively referred to as the "Covered Conduct."

i. Hawaii's AmeriCorps State programs are administered by HCNCS, which is "established within the University of Hawaii for administrative purposes only," in accordance with Haw. Rev. Stat. §90D-2. HCNCS has its own statutorily created board of directors (Haw. Rev. Stat. §90D-3), but the Executive Director and HCNCS staff have been University employees over whom the University has oversight, and the University is responsible for monitoring and certifying that AmeriCorps funds granted to the Commission are used properly.

ii. HCNCS received Commission Administration and Training & Technical Assistance grants from AmeriCorps valued at approximately $2,348,450 for Program Years 2016-2020. HCNCS was also responsible for disbursing and overseeing approximately $19,151,928 in AmeriCorps subgrants during that period.

iii. During Program Years 2016-2020, Stacy Higa was the Executive Director of HCNCS and personally directed payment of federal funds through the Commission to companies he owned, oversaw, or directed the creation of. Higa later pleaded guilty to the embezzlement (18 U.S.C. § 666(a)(1)(A)) of AmeriCorps funds. *United States v. Higa*, No. 21-cr-00557 (D.D.C.). The United States contends that Higa's actions resulted, in part, through insufficient oversight and supervision by the University.

iv. During the same period, Hanalei Aipoalani was Program Director for Olelo Community Media, an AmeriCorps subgrantee, and he pleaded guilty to embezzling AmeriCorps program funds (18 U.S.C. § 666(a)(1)(A)). *United States v. Aipoalani*, No. 20-cr-00286 (D.D.C.). Aipoalani's wife (Angelita Aipoalani) was fraudulently enrolled as a full-time AmeriCorps member (member) at an organization at which Higa served as full-time Chief Executive Officer (Na Leo). She pleaded guilty to conspiracy (18 U.S.C. § 371). *United States v. Aipoalani*, No. 20-cr-00290 (D.D.C.).

v. Another HCNCS subgrantee, FarmCorps, received $385,456 in Federal funds to operate its AmeriCorps program, and FarmCorps members received $208,561.63 in Segal Education Awards. A portion of those funds allegedly unlawfully compensated individuals for "service hours" spent tending to their own personal gardens or home farms, working their regular non-AmeriCorps jobs, and/or tending to school gardens while attending the schools as students.

vi. HCNCS and the University were required to submit semi-annual Federal Financial Reports to AmeriCorps certifying the grant and subgrant funds were used for authorized purposes and in compliance with grant and subgrant terms. In that regard, the United States contends that the Federal Financial Reports identified in Exhibit A to the Agreement were knowingly false. The United States contends that had the University properly supervised Higa and HCNCS spending and acted on AmeriCorps audit findings, the misappropriation of federal funds from AmeriCorps would have been prevented or halted more quickly.

B. This Agreement is made in compromise of disputed claims. This Agreement is not an admission of facts or liability by the University or HCNCS, and additionally the University and HCNCS deny that any conduct on their part gives rise to valid claims by the United States. Further, this Agreement is not a concession by the United States that its claims are not well founded.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Agreement, the Parties agree and covenant as follows.

TERMS AND CONDITIONS

1. The University shall pay to the United States the total sum of $499,950 (four hundred ninety-nine thousand nine hundred fifty dollars), of which all will be restitution (the "Settlement Amount"). The Settlement Amount shall be paid to the United States within 60 days of the Effective Date of the Agreement.

2. Subject to the exceptions in Paragraph 3 below (concerning excluded claims), and conditioned upon the University's full payment of the Settlement Amount, the United States releases the University and HCNCS from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Contract Disputes Act, 41

U.S.C. §§ 7101-7109; or common law theories of breach of contract, payment by mistake, unjust enrichment, negligent misrepresentation, or fraud.

1. Notwithstanding the releases given in Paragraph 2 above, or any other term of this Agreement, the following claims of the United States are specifically reserved and are not released:

a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);

b. Any criminal liability;

c. Any administrative liability (except administrative monetary claims noted in Paragraph 2 above), including the suspension and debarment rights of any federal agency;

d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;

e. Any liability based upon obligations created by this Agreement;

f. Any liability of individuals;

g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;

h. Any liability for failure to deliver goods or services due; and

i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

2. The University and HCNCS waive and shall not assert any defenses the University and/or HCNCS may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive

Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or civil action.

3. The University and HCNCS fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorney fees, costs, and expenses of every kind and however denominated) that the University and/or HCNCS have or has asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Covered Conduct and the United States' investigation and prosecution thereof.

3. The University of Hawaii and HCNCS agree to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of the University of Hawaii, HCNCS, and their present and former officers, directors, employees, shareholders, and agents in connection with:

(1) the matters and the investigation of the matters covered by this Agreement;

(2) the United States' audit(s) and civil and any criminal investigation(s) of the matters covered by this Agreement;

(3) The University's and HCNCS's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil and any criminal investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);

(4) the negotiation and performance of this Agreement; and/or

(5) the payments the University makes to the United States pursuant to this Agreement,

are unallowable costs for government contracting purposes (hereinafter referred to as "Unallowable Costs").

b. Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by the University and HCNCS, and the University and HCNCS shall not charge such Unallowable Costs directly or indirectly to any contract with the United States.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 days of the Effective Date of this Agreement, the University shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by the University or any of its subsidiaries or affiliates from the United States. The University agrees that the United States, at a minimum, shall be entitled to recoup from the University any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously submitted requests for payment. The United States, including the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine the University's books and records and to disagree with any calculations submitted by the University or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by the University, or the effect of any such Unallowable Costs on the amount of such payments.

4. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity.

5. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

6. Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

7. This Agreement is governed by the laws of the United States.

8. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of Columbia unless that Court determines that venue or jurisdiction is lacking over any such dispute.

9. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

10. This Agreement constitutes the complete agreement between the Parties.

11. This Agreement may not be amended except by written consent of the Parties.

12. The undersigned signatories represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

13. This Agreement is binding on the University's and HCNCS's successors, transferees, heirs, and assigns.

14. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

15. This Agreement is effective on the date of signature of the last signatory to the Agreement (the "Effective Date" of this Agreement).

16. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

17. Facsimiles of signatures and electronic signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

<REMAINDER OF PAGE LEFT BLANK; SIGNATURE PAGES TO FOLLOW>

FOR THE UNITED STATES OF AMERICA:

DATED: __________ BY: SEAN TEPE Digitally signed by SEAN TEPE Date: 2026.09.11 10:41:32 -04'00'

SEAN M. TEPE
Assistant United States Attorney
U.S. Attorney's Office for the District of Columbia

FOR UNIVERSITY OF HAWAII:

DATED: 9/8/26 BY: ______________________
WENDY F. HENSEL
President

DATED: 9/8/26 BY: Carrie K.S. Okinaga
CARRIE K. S. OKINAGA
Vice President for Legal Affairs & University General Counsel

FOR HAWAII COMMISSION FOR NATIONAL AND COMMUNITY SERVICE:

DATED: 9/8/2026 BY: ______________________
KEALA MONACO
Executive Director

DATED: 09/09/2026 BY: ______________________
JOHN PRICE
Deputy Attorney General

EXHIBIT A

University of Hawaii Federal Financial Reports:

Grant	Submission Date	Authorized Certifying Official
13ACHHI00 1	3/6/2017	Evelyn Akiona
13AFHHI001	4/13/2017	Evelyn Akiona
15CAHHI00 1	8/14/2018	Evelyn Akiona
15CAHHI00 1	1/26/2018	Evelyn Akiona
15CAHHI00 1	7/13/2017	Evelyn Akiona
15CAHHI00 1	1/31/2017	Evelyn Akiona
16ACHHI00 1	2/4/2020	Evelyn Akiona
16ACHHI00 1	10/23/2019	Evelyn Akiona
16ACHHI00 1	4/5/2019	Evelyn Akiona
16ACHHI00 1	10/16/2018	Evelyn Akiona
16ACHHI00 1	4/25/2018	Evelyn Akiona
16ACHHI00 1	10/16/2017	Evelyn Akiona
16ACHHI00	5/4/2017	Evelyn Akiona

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16AFHHI001	2/7/2020	Evelyn Akiona
16AFHHI001	10/23/2019	Evelyn Akiona
16AFHHI001	4/5/2019	Evelyn Akiona
16AFHHI001	10/16/2018	Evelyn Akiona
16AFHHI001	4/25/2018	Evelyn Akiona
16AFHHI001	5/4/2017	Evelyn Akiona
16AFHHI001	11/29/2017	Evelyn Akiona
16TAHHI00 1	8/28/2020	Evelyn Akiona
16TAHHI00 1	1/22/2020	Evelyn Akiona
16TAHHI00 1	7/29/2019	Evelyn Akiona
16TAHHI00 1	1/22/2019	Evelyn Akiona
16TAHHI00 1	7/25/2018	Evelyn Akiona
16TAHHI00 1	1/26/2018	Evelyn Akiona
16TAHHI00 1	7/13/2017	Evelyn Akiona
16TAHHI00 1	1/25/2017	Evelyn Akiona
18CAHHI00 1	7/17/2020	Evelyn Akiona
18CAHHI00 1	1/17/2020	Evelyn Akiona
18CAHHI00	7/29/2019	Evelyn Akiona

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18CAHHI00 1	1/22/2019	Evelyn Akiona
18CAHHI00 1	7/25/2018	Evelyn Akiona
19ACHHI00 1	4/20/2020	Evelyn Akiona
19AFHHI001	4/20/2020	Evelyn Akiona
19TAHHI00 1	7/17/2020	Evelyn Akiona
19TAHHI00 1	1/17/2020	Evelyn Akiona
19TAHHI00 2	9/30/2019	Evelyn Akiona