

OFFICE OF PUBLIC SCHOOL CONSTRUCTION
STAKEHOLDER MEETING
August 28, 2018
Ziggurat Auditorium

Application and Funding Criteria for the Full-Day Kindergarten Facilities Grant Program

PURPOSE

To discuss proposed criteria for determining the eligibility and funding of Full-Day Kindergarten Facilities Grant Program applications.

DESCRIPTION

Assembly Bill (AB) 1808, adds Article 7 (commencing with EC Section 17375) to Chapter 3 of Part 10.5 of Division 1 of Title 1 of the Education Code (EC) to create the Full-Day Kindergarten Facilities Grant Program (FDKFGP). The FDKFGP allows school districts that lack the facilities to provide full-day kindergarten to apply for one-time grants to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms. AB 1808 requires the State Allocation Board (SAB) to adopt regulations to administer the grant program.

AUTHORITY

See Attachment A.

BACKGROUND

In a recent survey performed by the California Department Education (CDE), districts cited lack of facilities as the main reason for not offering full-day kindergarten instruction. AB 1808, the Education Finance: Education Omnibus Trailer Bill, was approved by the Governor and Chaptered on June 27, 2018. This bill appropriated \$100,000,000 General Fund from the 2018/2019 fiscal year to the SAB to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms. A "full-day kindergarten classroom," for purposes of this bill, must satisfy the design requirements required for new kindergarten classrooms as specified in paragraph (2) of subdivision (h) of Section 14030 of Title 5 of the California Code of Regulations (CCR).

STAFF ANALYSIS

Staff has developed a proposal to administer the FDKFGP using the following guidelines and requirements:

Who May Apply

School districts serving kindergarten pupils may apply to the FDKFGP. County Offices of Education (COEs), Local Education Agencies (LEAs) and charter schools may not apply.

EC Section Reference

17375(a) For the 2018–19 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the State Allocation Board to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms pursuant to Section 8973. Funds appropriated pursuant to this subdivision shall be deposited in the Full-Day Kindergarten Facilities Account, hereby created in the State Treasury, administered by the State Allocation Board. The grant program shall be administered by the State Allocation Board.

COEs, and charter schools are not included in EC Section 17375(a). Under the School Facility Program (SFP), EC Sections 17070.15(m) expressly defines “school district” as a school district or COE and 17073.25 expressly defines “school districts” as a school district or COE, or CDE (for modernization projects for facilities of the California School for the Deaf and the California School for the Blind). However, Article 7 of Chapter 3 of Part 10.5 of Division 1 of Title 1 will not fall within SFP statute (Article 1 of Chapter 12.5 of Part 10). Since COEs and charter schools are not expressly identified in statute, they may not apply.

The district must provide full-day kindergarten and submit a school board certification at the completion of the project, that makes a formal declaration as required by EC Section 8973. If a district is currently approved by their school board to provide full-day kindergarten, they must submit a copy of the declaration adopted by the school board as required by EC Section 8973 with their application.

Fund Availability

\$100 million will be appropriated from the General Fund to the SAB and deposited in the Full-Day Kindergarten Facilities Account. EC Section 17375(j) allows the Department of General Services (DGS) to charge its administrative costs against the Full-Day Kindergarten Facilities Account for an amount not to exceed 2.5 percent.

The following amount of funding will be available to applicants for the FDKFGP:

Funds Deposited into the Full-Day Kindergarten Facilities Account	\$100.0
Less: DGS Administrative Costs	2.5
Funding Available for FDKFGP Applications	\$ 97.5

OPSC proposes that the \$97.5 million available for FDKFGP applications will be split between two rounds in the following manner:

Round	Available Funds
First Round: January 2, 2019 - January 31, 2019	\$37.5
Second Round: May 1, 2019 – May 30, 2019	\$60.0

A two-round system will account for any districts that were not ready to submit an application during the first round. Any funds that return to the program after the first round is awarded will be included in the amount available for the second round. The second round will then be left open after the remaining funding is awarded for 18 months to allow for the SAB to continue providing apportionments should funds return to the program. If necessary, a third funding round may be considered. Any funds that remain as of July 1, 2021 will return to the General Fund.

Applications that do not receive an award during the first round will be returned to the district. The district may then re-file the application during the second round. Applications that do not receive an award during the second round by the end of the 18 months will be recycled by OPSC.

Project Criteria

The proposed FDKFGP project must increase the number of kindergarten classrooms meeting current design requirements at the site by either an addition to an existing school site or retrofit of an existing facility that is not a kindergarten classroom. The project may not retrofit an existing kindergarten classroom that meets the current design requirements in statute or that met the design requirements for a kindergarten classroom when it was built.

FDKFGP projects shall meet the following criteria:

A. Located at a site that lacks the facilities to provide full-day kindergarten

Per EC Section 17375(b)(1), grants shall only be awarded to districts that lack the facilities to provide full-day kindergarten or that lack facilities that satisfy the design requirements required for new kindergarten classrooms as specified in CCR Section 14030(h)(2). The latter is intended to address situations where a district may be providing full-day kindergarten instruction, but in a non-kindergarten facility such as an administrative building or classroom intended for use by grades other than kindergarten. For the purpose of this grant, a kindergarten classroom that met the design requirements for a kindergarten classroom at the time it was built but does not meet the new design requirements would not qualify for funding.

To support that a site is lacking full-day kindergarten facilities, districts must submit documentation to identify the current kindergarten enrollment and kindergarten classroom inventory at a site. Districts may use either current enrollment data posted on California Department of Education's (CDE) website at the time the application is submitted, registration lists, or classroom rosters to support enrollment. Districts must also submit a current site map identifying all classrooms currently being used for kindergarten instruction to support classroom inventory. A narrative should accompany the map that describes if the kindergarten classrooms are used for half-day or full-day kindergarten and if they meet the design requirements outlined above. The narrative should also explain the type of kindergarten instruction the district currently provides and intends to provide at the completion of the project as it relates to facility usage.

A project site will be considered lacking full-day kindergarten facilities if the kindergarten enrollment at the site exceeds the kindergarten classroom capacity at the site using the SFP loading standard of 25 (K-6) pupils per classroom. For purposes of determining existing classroom capacity, all kindergarten classrooms will be loaded for full-day instruction unless the district intends to continue to use any classrooms for non-full-day kindergarten instruction.

Example:

Current kindergarten enrollment at site	=	100
Current Kindergarten classrooms at site	=	2
Current full-day kindergarten capacity at site	=	50
Unhoused full-day kindergarten capacity at site	=	50
Number of classrooms eligible for FDKFGP funding	=	2

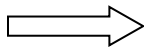
Before FDKFGP project

Original
Kindergarten
CR #1

50 pupils:25
AM/25 PM

Original
Kindergarten
CR #2

50 pupils:
25 AM/25 PM



After FDKFGP Project

Original
Kindergarten
CR #1

25 pupils
(Full-day)

Original
Kindergarten
CR #2

25 pupils
(Full-day)

New
Kindergarten
CR #3

25 pupils
(Full-day)

New
Kindergarten
CR #4

25 pupils
(Full-day)

B. Construct or retrofit classrooms for full-day kindergarten use

Projects funded by the FDKFGP must either construct new kindergarten classrooms or retrofit existing non-kindergarten facilities into kindergarten classrooms. Kindergarten classrooms must satisfy the design requirements for new kindergarten classrooms in CCR Section 14030(h)(2) at the completion of the project.

The purpose of this program is to provide full-day kindergarten classrooms for existing kindergarten students; not to provide classrooms for projected kindergarten students (growth). Because of that, SFP new construction eligibility is not required and districts are not required to update their new construction eligibility prior to submitting an FDKFGP application. However, an adjustment to the new construction baseline will be made for any new classrooms in a new construction project as required by statute. EC Section 17071.75(b)(1) requires that an adjustment to the new construction baseline eligibility must be made for facilities that are provided from any state or local funding source after the existing school building capacity is determined. Modernization eligibility at the site is also not required and an adjustment will not be made.

Project Types

The FDKFGP provides funding for the following project types:

A. New Construction

Projects may consist of the construction of a new facility or the acquisition and conversion of an existing building for public school use. Projects may not consist of purchasing a portable classroom building. Projects must be on or adjacent to existing sites; new school projects are not allowed. Projects should provide classrooms to house existing kindergarten students, not add capacity to the school site.

EC Section Reference

17375(f)(1) A school district may use grant funds awarded for new construction on costs necessary to adequately house kindergarten pupils in an approved project, which may include only the following:

(A) The costs of design, engineering, testing, inspections, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing school site, demolition, construction, landscaping, necessary utility costs, utility connections and other related fees, equipment including telecommunication equipment to increase school security, furnishings, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) The costs of acquiring an existing government-owned or privately owned building, or a privately financed school building, and the necessary costs of converting the government-owned or privately owned building for public school use.

B. Retrofit

Projects may consist of retrofitting an existing school facility, including a portable facility, to meet the design requirements for a new kindergarten classroom. Projects may not consist of replacing a portable facility, retrofitting an existing kindergarten classroom that met the design requirements for a kindergarten classroom at the time it was built, or costs associated with site acquisition, site development, routine maintenance or promoting energy efficiency.

EC Section Reference

17375(f)(2)(A) A school district may use grant funds awarded for a retrofit project to retrofit an existing school facility to adequately house kindergarten pupils, which may only include the costs of design, engineering, testing, inspection, plan checking, construction management, demolition, construction, necessary utility costs, utility connection and other related fees, the purchase and installation of air-conditioning equipment and insulation materials and related costs, furniture and equipment, including telecommunication equipment to increase school security, fire safety improvements, playground safety improvements, the identification, assessment, or abatement of hazardous asbestos, seismic safety improvements, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) Grant funds awarded for a retrofit project shall not be used for costs associated with acquisition and development of real property or for routine maintenance and repair.

District Match

Districts are required to provide 50 percent of the cost of a new construction project and 40 percent of the cost of a retrofit project. Districts that qualify for financial hardship under EC Section 17075.10 for their FDKFGP application(s) may request funding for all or a portion of their match.

Application Types

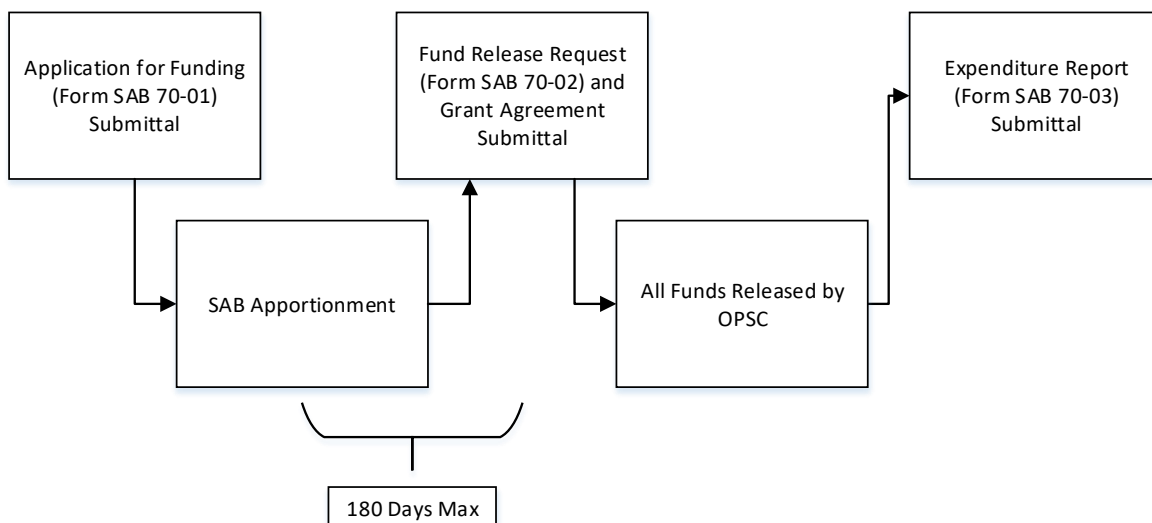
The FDKFGP is funded from the state's General Fund; therefore, all Apportionments will result in cash proceeds being immediately available for the project. Fund releases will vary dependent on the application type.

There will be two possible application types:

A. **Apportionment (all funds released at once)**

Districts that have all of the required supporting documentation, including Division of the State Architect (DSA) approved plans, (see **Application Submittal Requirements**) at the time the application is submitted may request an apportionment based on the funding formula described later in this report. For new construction projects, the district's SFP new construction baseline eligibility will be adjusted at the time an apportionment is approved by the SAB.

Application/Funding Process – Apportionment (all funds released at once)



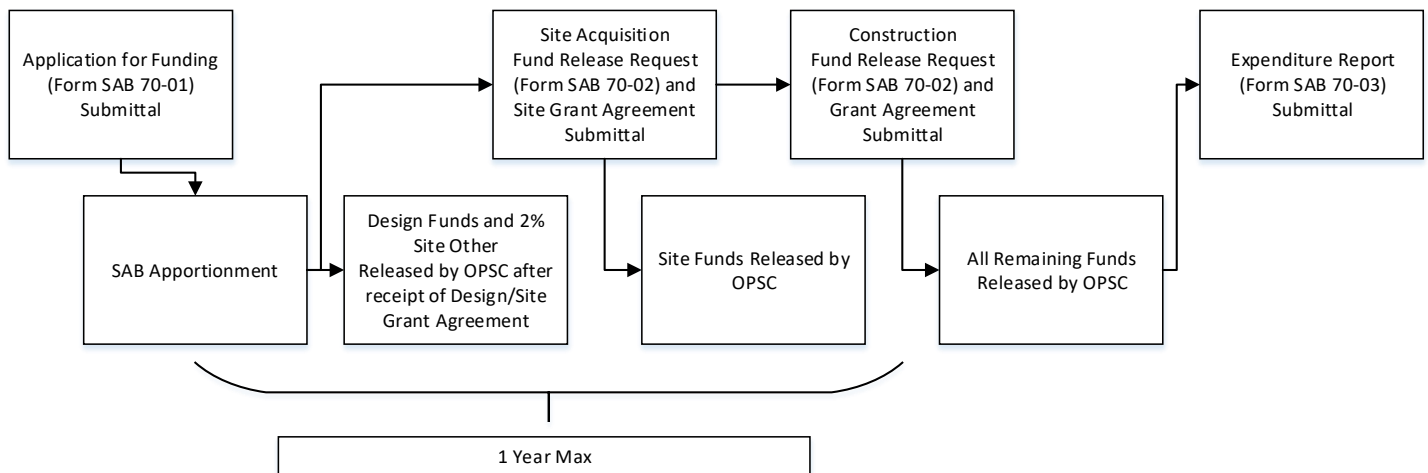
B. Apportionment with Advanced Design and/or Site (funds released in phases)

Districts that have none or only a portion of the required supporting documentation may request advance funding for design and site acquisition costs. The design grant will be 25 percent of the new construction base grant (see ***Calculating the FDKFGP***) and the site acquisition grant will be the amount of the submitted preliminary appraisal. Districts must submit a *Fund Release Request* (Form SAB 70-02) with all required supporting documentation within one-year of receiving the apportionment.

When a fund release for site acquisition or full grant is submitted, the only grants that will be re-verified are the grants for site acquisition. The amount originally approved for site acquisition may be adjusted and increased if it is supported by the application and there are sufficient funds available in the Full-Day Kindergarten Facilities Account to fund the increase. If funds are not available, funding for the project will be capped at the original amount reserved. If the application supports a lower cost than what was originally reserved, the excess funding will be returned to the Full-Day Kindergarten Facilities Account. If all funds are not requested to be released within one year of apportionment, the apportionment will be rescinded and the funds will be returned to the Full-Day Kindergarten Facilities Account. Any eligibility adjustments will be returned.

Prior to the submittal of final fund release documents, districts that previously qualified for financial hardship will not be subject to a re-review.

Apportionment with Advanced Design and/or Site (funds released in phases)



Application Submittal Requirements

To be eligible for funding, a district must physically submit a complete and valid *Application for Funding* (Form SAB 70-01) with all required supporting documentation to OPSC by 5:00 p.m. on the application submittal deadline. The following items are required for an application to be considered complete:

- *Application for Funding* (Form SAB 70-01)
 - The form will include a section for the applicant to provide the DSA application number, date of final DSA plan approval letter, and the date of the final CDE plan approval letter, if available. Applicants will not be required to submit hardcopies of the DSA approved plans, specifications, or DSA/CDE approval letters.
- District's Full-Day Kindergarten declaration (or certification of future declaration)

- Site Map
 - Label all current kindergarten classrooms
 - Identify any facilities that will be retrofitted in the project
 - Label any kindergarten facilities that will not provide full-day kindergarten
- Enrollment documentation
- Narrative
 - Explain the current kindergarten classroom usage at site
 - Explain what the district plans to do with the project
 - Explain the resulting kindergarten usage at the completion of the project
- DSA application number and plan approval date must be provided on *Fund Release Request (Form SAB 70-02)* if not available when original application is submitted
- CDE final plan approval letter date must be provided on the *Fund Release Request (Form SAB 70-02)* if not available when original application is submitted
- Financial Hardship application package (if applicable)

Additional items if requesting site acquisition (new construction only)

- CDE final/contingent site approval letter date must be provided on the *Fund Release Request (Form SAB 70-02)* if not available when original application is submitted
- Preliminary Appraisal (or final appraisal with Form SAB 70-02)
- Escrow opening/closing statement if available (must submit with Form SAB 70-02 if not available when original application is submitted)
- Department of Toxic Substances Control (DTSC) invoices, if applicable (must submit with Form SAB 70-02 if not available when original application is submitted)
- Hazardous waste removal invoices, if applicable (must submit with Form SAB 70-02 if not available when original application is submitted)

Calculating the FDKFGP Grant

The methodology for calculating the FDKFGP grant will be similar to existing SFP criteria for new construction or modernization projects, as applicable. The FDKFGP grant will consist of a base grant and any applicable supplemental grants provided for in EC Section 17375.

Base Grant

Per EC Section 17375(d), the SFP grade K-6 new construction pupil grant will be used to calculate the new construction base grant and the SFP modernization grade K-6 pupil grant will be used to calculate the retrofit base grant. The SFP loading standard of 25 pupil grants per K-6 classroom will be applied.

Example #1: 2 Classroom new construction project using 2018 pupil grant amounts

2 CRs X 25 pupil grants		50
(K-6) new construction pupil grant	X	\$11,567
New construction base grant (state share)		\$578,350

Example #2: 2 Classroom retrofit project using 2018 pupil grant amounts

2 CRs X 25 pupil grants		50
(K-6) modernization pupil grant	X	\$4,404
Retrofit base grant (state share)		\$220,200

Supplemental Grants

The base grant may be increased by the following grants supported by the project:

Grant	Retrofit Projects	New Construction Projects	Authority
Site Development		X	Provided per EC Section 17375(f)(1)(A)
Site Acquisition		X	
DTSC Fees		X	
Hazardous Waste Removal		X	
Fire Alarm	X	X	EC Section 17074.56 allows the Board to adjust the pupil grant amount to account for fire alarm and sprinkler. These grants are an adjustment to the base grant; not a supplemental grant.
Fire Sprinkler		X	
Project Assistance (Districts with less than 2,500 pupils)	X	X	Provided per EC Section 17375(d) (included in EC Section 17072.10(e))
Multilevel Construction		X	Provided per EC Section 17375(d) (included in EC Section 17072.10(d))

Site Development

The new construction base grant for all new construction projects will be increased by 35 percent for site development costs (Service Site, Offsite, Utilities and General Site). The retrofit base grant will be increased by 15 percent for 50 year-old utilities for projects that retrofit 50 year-old buildings.

Site Acquisition Cost

To be eligible for site acquisition, the proposed site must be adjacent to the existing elementary school site that is lacking full-day kindergarten classrooms. While districts may be approved by CDE to acquire additional acreage, site acquisition, general site, DTSC fees and hazardous waste removal funding under this program will be prorated to account for only the students to be housed in the kindergarten classroom(s).

Site acquisition is the only grant that will be funded based on actual costs. The requirements for requesting site acquisition funding will be similar to what is required under the SFP and provided for in EC Section 17375(f)(1)(A).

If the district has final CDE site approval and has entered into escrow for the site, funding for the acquisition of the site will be the lesser of the actual cost or the appraised value of the site. The documentation to justify the site acquisition cost will be similar to what is required for site acquisition under the SFP new construction program, as outlined in SFP Regulation Sections 1859.74 and 74.1. The site acquisition cost will be increased by two percent, but not less than \$25,000, to provide funding for costs associated with the appraisal, escrow, survey, site testing, CDE review/approvals and the preparation of the Phase One Environmental Site Assessment and the Preliminary Environmental Assessment. The school district may also request funding for DTSC fees and hazardous waste removal costs meeting the requirements outlined in SFP Regulations Sections 1859.74.2 and 74.3. OPSC will conduct an analysis to determine the approvable site acquisition costs.

If the district has not received CDE final site approval nor entered into escrow, site acquisition costs will be based on a preliminary appraisal for the site to be acquired. The appraisal amount will be increased by two percent, but not less than \$25,000. Additionally, the district may request that 15 percent of the appraised value be reserved for costs associated with DTSC fees and may request a specified amount be reserved for hazardous waste removal. These amounts will then be adjusted based on actual costs at the time an updated application is submitted.

As previously stated, the amount provided for site acquisition, DTSC fees and hazardous waste removal will be prorated to account for only the students housed by the kindergarten classroom(s) in the project.

Multilevel Construction

It is anticipated that most FDKFGP projects will not contain multilevel construction due to kindergarten facility requirements in Title 5, Section 14030, of the CCR and the California Building Code Section 452.1.4.

Project Grant Calculation Examples

Example #1: 2 Classroom new construction project

New construction base grant	\$578,350
Site development (35% of base grant)	202,423
Fire alarm (\$14 X 50 pupil grants)	700
Fire sprinkler (\$194 X 50 pupil grants)	9,700
Project Assistance	+
	7,074
Total state grant (50%)	\$798,247
District match (50%)	\$798,247
Total project cost	\$1,596,494

Example #2: 2 Classroom retrofit project

Retrofit base grant	\$220,200
Fire alarm (\$143 X 50 pupil grants)	7,150
Project Assistance	+
	3,772
Total state grant (60%)	\$231,122
District match (40%)	\$154,081
Total project cost	\$385,203

Ineligible Grants

The following supplemental grants that are provided under the SFP new construction and modernization programs will not be provided, as there is no statutory basis to support them for FDKFGP:

- **50-year or older building:** Modernization eligibility will not be used for retrofit projects. Districts may not request 50-year old pupil grants.
- **Relocation:** It is anticipated that applications will not consist of site acquisition through eminent domain, which is a requirement to receive funding for relocation costs.
- **New School:** EC Section 17375(f) states that new construction grant funds may be used for costs to adequately house kindergarten pupils. It does not state that these may be new pupils. Projects must house existing students and not provide for growth.
- The following grants are not provided for in EC Section 17375:
 - **Urban/Security/Impacted Site**

- **Small Size Project**
- **Geographic Percent Factor**
- **Accessibility/Fire Code (includes 2-stop elevator)**

Priority Points (maximum of 80 points)

If there are sufficient funds to apportion all submitted valid and complete applications, projects will be funded in date order based on the OPSC application receive date. Per EC Section 17375(b)(2), if funds are insufficient to fully fund all of the applications, priority will be given to school districts that meet either of the following criteria:

A. Financial Hardship

To receive priority for financial hardship, a district must meet both of the following criteria:

- Financially unable to contribute a portion of, or all of, the local matching share required pursuant to EC Section 17375(b)(3).
- Meet the requirements for financial hardship pursuant to EC Section 17075.10.

Projects that meet both of these criteria will receive 40 points.

B. Underserved Community

To receive priority for being an underserved community, the school district must have a high population of pupils who are eligible for Free and Reduced-Price Meals (FRPM) as defined by EC Section 42238.01. The FRPM percentages published on CDE's website at the time the application is submitted will be used to determine the points received for this category. If the FRPM percentages on CDE's website are updated prior to the deadline to submit an application, applicants must revise their application to reflect the most current data. Applications will not be revised to reflect data updated after the deadline in order to submit applications has passed.

Because a high FRPM percentage is required to receive priority, districts must have at least 60 percent FRPM to receive priority points. Decimal percentages with an amount of .5 or higher will be rounded to the next highest full percentage. Points will be provided on the following sliding scale based on the district's current FRPM percentage posted on CDE's web page:

Percentage Eligible Free/Reduced Lunch	Preference Points Assigned
60-65%	4
66-70%	8
71-75%	16
76%	17
77%	18
78%	19
79%	20
80%	21
81%	22
82%	23
83%	24

Percentage Eligible Free/Reduced Lunch	Preference Points Assigned
84%	25
85%	26
86%	27
87%	28
89%	29
90%	30
91%	31
92%	32
93%	33
94%	34
95%	35
96%	36
97%	37
98%	38
99%	39
100%	40

Tie Breakers

After the initial priority point system has been determined, OPSC will bring back a discussion item if needed to address a potential tie breaker system.

Fund Release

Funding for the FDKFGP has been transferred from the General Fund to the Full-Day Kindergarten Facilities Account. Applicants will not need to participate in the SFP priority funding process to receive funding. The following outlines the fund release process by approval type:

A. Design and 2 percent for "Site Other"

Funds will be automatically released after an apportionment and upon receipt of executed design/site grant agreement. A *Fund Release Request* (Form SAB 70-02) does not need to be submitted.

B. Site

- Remaining site acquisition funds will be released after an apportionment upon receipt of an executed site acquisition grant agreement and a *Fund Release Request* (Form SAB 70-02) has been submitted with the following:
 - Appraisal
 - Evidence the district has entered into escrow (such as escrow instructions)

C. Full Adjusted Grant

Applicants may request a fund release after an apportionment once the following requirements are met:

- A Form SAB 70-02 has been submitted with all required information and documentation (if applicable).
- The district's matching share has been deposited in the County School Facility Fund or has already been expended by the district for the project; or the district met the

requirements for financial hardship. The district has entered into binding contracts for completion (100 percent) of the project.

- The district has executed a grant agreement for the full adjusted grant.

The district must submit the following documents to request funds for the full adjusted grant:

- Complete and valid *Fund Release Request* (Form SAB 70-02)
- Copy of all executed contracts
- Executed full adjusted grant, grant agreement

For projects approved without DSA-approved plans, all phases of fund release requests must be submitted within one-year of apportionment or the apportionment will be rescinded. If design and/or site funds are not released separately, they will be released as part of the full adjusted grant request. For projects with DSA-approved plans, a complete and valid Form SAB 70-02 and supporting documentation for a full adjusted grant must be submitted within 180 days of receiving an apportionment or the apportionment will be rescinded.

Eligible/Ineligible Expenditures

Statute states that FDKFGP funds shall be used on specified costs. These costs are identified in EC Section 17375(f)(1) and (2) and will be discussed at a future meeting.

Audit

Per EC Section 17375(h), districts will need to conduct an audit pursuant to EC Section 41024.

DISCUSSION

To ensure that the FDKFGP provides funding as intended by statute, Staff is requesting stakeholder feedback on topics outlined as part of this item.

CLOSING REMARKS/NEXT STEPS

ATTACHMENT A

Education Code (EC) Section 17375.

(a) For the 2018–19 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the State Allocation Board to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms pursuant to Section 8973. Funds appropriated pursuant to this subdivision shall be deposited in the Full-Day Kindergarten Facilities Account, hereby created in the State Treasury, administered by the State Allocation Board. The grant program shall be administered by the State Allocation Board.

(b) (1) The State Allocation Board shall award grants to school districts that lack the facilities to provide full-day kindergarten as required for eligibility pursuant to Sections 17071.25 and 17072.10 or that lack facilities that satisfy the design requirements required for new kindergarten classrooms as specified in paragraph (2) of subdivision (h) of Section 14030 of Title 5 of the California Code of Regulations.

(2) Priority for grants shall be given to school districts that meet either of the following criteria:

(A) The school district is financially unable to contribute a portion of, or all of, the local matching share required pursuant to paragraph (3), and meets the requirements for financial hardship pursuant to Section 17075.10.

(B) The school district is located in an underserved community with a high population of pupils who are eligible for free or reduced-price meals pursuant to Section 42238.01.

(3) Except for school districts that meet the requirements for financial hardship pursuant to Section 17075.10, a school district that applies for a grant pursuant to this section for new construction shall provide 50 percent of the cost of the project, and a school district that applies for a grant pursuant to this section for a retrofit project shall provide 40 percent of the cost of the project.

(c) (1) The State Allocation Board shall release disbursements of grant funds to school districts with approved applications for new construction, to the extent funds are available for the state's 50 percent matching share, if the school district has provided its 50 percent local matching share, unless the school district meets the requirements for financial hardship pursuant to Section 17075.10, and upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

(2) The State Allocation Board shall release disbursements of grant funds to school districts with approved applications for retrofit projects, to the extent funds are available for the state's 60 percent matching share, if the school district has provided its 40 percent local matching share, unless the school district meets the requirements for financial hardship pursuant to Section 17075.10, and upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

(d) The State Allocation Board shall allocate funds to school districts using the same maximum grant eligibility amounts that are used for purposes of the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10), as set forth in Sections 17072.10 and 17072.11 for new construction, and as set forth in Section 17074.10 for retrofit projects.

(e) As a condition of receiving grant funds pursuant to this section, and before the release of those funds, the school district shall execute and submit a grant agreement consistent with the applicable sections of the grant agreement specified in Section 1859.90.4 of Title 2 of the California Code of Regulations.

(f) (1) A school district may use grant funds awarded for new construction on costs necessary to adequately house kindergarten pupils in an approved project, which may include only the following:

(A) The costs of design, engineering, testing, inspections, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing schoolsite, demolition, construction, landscaping, necessary utility costs, utility connections and other related fees, equipment including telecommunication equipment to increase school security, furnishings, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) The costs of acquiring an existing government-owned or privately owned building, or a privately financed school building, and the necessary costs of converting the government-owned or privately owned building for public school use.

(2) (A) A school district may use grant funds awarded for a retrofit project to retrofit an existing school facility to adequately house kindergarten pupils, which may only include the costs of design, engineering, testing, inspection, plan checking, construction management, demolition, construction, necessary utility costs, utility connection and other related fees, the purchase and installation of air-conditioning equipment and insulation materials and related costs, furniture and equipment, including telecommunication equipment to increase school security, fire safety improvements, playground safety improvements, the identification, assessment, or abatement of hazardous asbestos, seismic safety improvements, the upgrading of electrical systems, and the wiring or cabling of classrooms in order to accommodate educational technology.

(B) Grant funds awarded for a retrofit project shall not be used for costs associated with acquisition and development of real property or for routine maintenance and repair.

(g) The State Allocation Board may adopt regulations to implement this section. Any regulations adopted pursuant to this section may be adopted as emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Title 2 of the Government Code). The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.

(h) Notwithstanding any other law, a school district shall be subject, with regard to this section, to audit conducted pursuant to Section 41024.

(i) The Office of Public School Construction shall report to the Director of Finance, and shall post on its Internet Web site, information regarding the use of grant funds that have been made available to school districts during the fiscal year pursuant to this section.

(j) The Department of General Services may charge its administrative costs against the Full-Day Kindergarten Facilities Account, which shall be subject to the approval of the Department of Finance and which shall not exceed 2.5 percent of the account.

(k) Funds made available to school districts pursuant to this article shall supplement, not supplant, existing funds available for school facilities construction.

EC Section 8973.

Notwithstanding any other provision of law, the kindergarten schoolday in an early primary program conducted pursuant to Section 8972 may exceed four hours, exclusive of recesses, provided that both of the following conditions are met:

- (a) The governing board of a school district declares that the extended-day kindergarten program does not exceed the length of the primary schoolday.
- (b) The extended-day kindergarten program takes into account ample opportunity for both active and quiet activities within an integrated, experiential, and developmentally appropriate educational program.

CCR Section 14030**(h) Specialized Classrooms and Areas.**

Specialized classrooms shall be designed to reflect the function planned for that portion of the educational program. If any of the following classrooms are needed, these standards apply:

(1) Small-Group Areas.

(A) Small-group instruction areas are not included in the computation of classroom size unless the area is an integral part of the classroom and can be visibly supervised by a teacher from the classroom.

(B) Small-group instruction areas are designed to allow for collaborative learning opportunities where appropriate to support the regular education program and are located in the vicinity of classrooms.

(2) Kindergarten Classrooms.

(A) Kindergarten classroom size for permanent structures is not less than 1350 square feet, including restrooms, storage, teacher preparation, wet and dry areas.

(B) Kindergarten classrooms are designed to allow supervision of play yards (unless prevented by site shape or size) and all areas of the classroom.

(C) Play yard design provides a variety of activities for development of large motor skills.

(D) Classrooms are located close to parent drop-off and bus loading areas.

(E) Storage, casework, and learning stations are functionally designed for use in free play and structured activities; e.g., shelves are deep and open for frequent use of manipulative materials.

(F) Windows, marking boards, sinks, drinking fountains, and furniture are appropriate heights for kindergarten-age students.

(G) Restrooms are self-contained within the classroom or within the kindergarten complex.