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APPEARANCES: REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT: BRIAN LaPASK, Supervisor, Program Services JOSHUA POTTER, Supervisor, Program Services LINDSEY GORDON ALEXANDRA RUILOBA JUSTIN NG

PROCEEDINGS

MR. LaPASK: I'm Brian LaPask. I with the Office of Public School Construction. Today is our second stakeholder meeting for the full-day kindergarten facilities grant program. This is a follow-up to the meeting we had about two weeks ago to cover all the changes that are resulting from Senate Bill 75 -- changes to the program.

We also have the Department of Education here today and we will be taking questions online via email. There's a few folks here and then in addition, if you're watching on the webcast, you'll be able to email questions to OPSC communications dgs.ca.gov. That's OPSCcommunications@dgs.ca.gov. We'd be happy to entertain any questions you have, answer them to the best of our ability.

In addition to the full-day kindergarten portion of our meeting today, the Department of Education is here to discuss the kind of future changes to what can and can't count as a classroom in an attempt to kind of provide flexibility in what your design can be.

So as soon as we're done with our full-day kindergarten portion, we're going to roll into that. We'll go back at the end of that and answer any questions that we receive in the meantime. So if you have any questions at

the conclusion of the full-day kindergarten portion and would like to submit those, we'll review those during the CDE portion and then we'll go back and answer those at the end.

So today with me, again, I'm Brian LaPask. We have Alexandra Ruiloba with the team, Justin Ng with the team, Lindsey Gordon, and Joshua Potter, the supervisor of the full-day kindergarten team.

With that, I'll turn it over to Josh.

MR. POTTER: So good morning. As Brian said, this is to go over the full-day kindergarten facilities grant program changes for the budget year of 2019-2020.

Senate Bill 75 in the omnibus trailer bill included an additional 300 million to the program and with that came some additional statutory changes. Some of those include program eligibility, state and district share division, savings retention, and the implications to the SFC program eligibility. So all of those will be discussed by the team.

MS. RUILOBA: Hello. Good morning. I am going to be talking about the details of which the statute has amended the eligibility criteria for the program. So as Joshua has mentioned, we got an additional 300 million to extend the program and like our first phase of the 100 million, all 300 million has to be apportioned within

three years.

So statute has restricted funding for the first two fiscal years, so the 2019-2020 and the 2020-2021 fiscal years, only to districts applying for application sites where full-day kindergarten instruction was not offered as of July 1st, 2019, and also the districts must only use full-day kindergarten facilities grant program funds to convert a part-day kindergarten program to a full-day kindergarten program.

And should funding remain, the third year of the program, which is the 2021-2022 fiscal year, will be opened to all districts that simply lack the facilities for full-day kindergarten instruction, so it'll be closer to how the first and second funding rounds were conducted.

There's also some updates made to the documents that the districts have to submit when they are applying for program funds. Mostly everything is the same. Districts still need to provide us an application for funding form, the Form 70-01, and approvals from the Division of State Architect and California Department of Education only to be provided for full funding requests.

But the difference that statute implemented as that we need more detailed information regarding enrollment and facility usage at the application sites.

So in terms of the enrollment, like with the first

go around, the districts will need to provide the enrollment for the current year in which they are being processed — the applications — because the program is not intended for growth. It's only for current enrollment, but in addition to that, districts will also need to provide the enrollment for three immediately preceding years and the enrollment needs to be for the entire school site, not just kindergarten enrollment.

And although it says that in the item that we have here today, it will actually not be on the 70-01 form.

Districts can just simply submit that -- such documents like CBEDS reports in their application submittal package.

And in terms of facility usage, districts will need to supply us with more detailed site maps and project narratives. In particular with the site maps, we are going to need the districts to note the current usage of all facilities on the site, not just those that are currently housing kindergarten pupils.

And this will be important because statute has required our office to work alongside with the California Department of Education to determine whether or not an application will be eligible for new construction project scope or limited to retrofit.

And so we will be using the enrollment data and the site map in order to verify what the needs are for

full-day kindergarten funding based off of enrollment patterns as well as the capacity and the layout of the site and determinations will be made on a project-by-project basis.

So now onto funding. As Joshua mentioned, we have an additional 300 million for the program less administrative costs needed to run the program and additionally a little bit less money from the 300 million will be used to offset the cost of applications approved in the first and second funding rounds because there is going to be a new 75 state/25 district matching share requirement which we'll get into in a little bit. But this will only apply for projects in the first and second round where they were converting a part-day program to a full-day kindergarten program.

And so the around 292.5 million less to offset costs will be available for funding new projects. So we are proposing the establishment of three potential funding rounds and we will not be restricting funding available for these rounds.

So for the third round, which we are proposing to take place in April 2020, all money will be on the table.

And so at the conclusion of that round, if any funding remains, all remaining funds will be available for the fourth round which will take place January to beginning of

February 2021, and then again if funding remains at the conclusion of the fourth round, a fifth round will take place in July of 2021.

And applications that aren't funded during each round will be returned to the district with the exception that staff is proposing that applications submitted in the fifth round remain — that we keep them until we have to return program funds back to the state, which would be June 30th, 2022, in order to allow the Board to continue to fund down the funding determination list if any funds do return to the program such as unused savings or things of that nature.

So with that, I will pass off to Justin Ng.

MR. NG: All right. So getting into the matching share requirement, statute did call for a change to this requirement. So instead of a 50 percent state share and 50 percent district share, matching share requirement, and 60 percent state share for a retrofit and 40 percent district share for retrofit, all projects will be on a 75 percent state share/25 percent district share requirement if the district is converting a part-day kindergarten program to a full-day kindergarten program.

If the district is not converting a part-day to the full-day kindergarten program, then the matching share basis will remain the same at 50/50 for new construction and

60/40 for retrofit.

As mentioned earlier, the program eligibility for the third and fourth round will be restricted to those who are converting to a full-day kindergarten program. So all projects in those two rounds will be at that 75/25 state share basis.

And as also mentioned by Alexandra, we will be going back and adjusting projects from the first and second round who are converting to a full-day kindergarten program to that 75/25 split and we'll be using the funds from the 292.5 million to do that.

So calculating the full-day kindergarten grant, it's pretty much the same process. We would calculate it how we've been calculating it except that we would take 75 percent of the total project cost to get the total state grant and we'll take 25 percent of the total project cost to get the total district share.

So at the bottom of page 4, you can see that there's an example here for a two classroom new construction project using 2019 pupil grant amounts. On the left-hand side, we have a chart for if the district is not converting a part-day to a full-day kindergarten program and on the right, we have the same project but with the district converting the part-day to full-day kindergarten program.

So starting with the left, the new construction

base grant is around 609,000 and we've added in a couple supplemental grants here, site development, fire alarm, fire sprinkler, and project assistance, and if you sum those up with the new construction base grant, we get a total 50 percent state share of about 841,000.

Since it is a new construction project, the total district share is the same amount and we get a total project cost of about 1.68 million.

On the right-hand side, it's the same project, so the total project cost is the same. The 50 percent state grant total cost is 841,000 again and from the total project cost, we can take 75 percent of that amount to get what the district -- or what the state will be paying for the 75 percent amount which is about 1.26 million and the 25 percent for the district would be about 420,000.

Going onto the next page, we have another example. This is for a retrofit project, two classrooms again and using the 2019 pupil grant amounts. On the left, we have a district not converting a part-day to a full-day kindergarten program and the right is if the district is converting a part-day to a full-day kindergarten program.

We run through the base grant and the supplementals again to get a total state share of about 328,000 which is the 60 percent amount and the total district share which is the 40 percent amount at 218,000.

This gives us the total project cost of about 547,000 and on the right-hand side, the process is mirrored. Again, we'd take 75 percent of that amount to get about 410,000 and the 25 percent amount for the district which is roughly 136,000.

The emphasis of this to note is that the total project cost won't change. It's simply what the district and state will contribute to what that total project costs.

One change that wasn't mentioned in statute that we made is the tiebreaker concept to determine funding order. In the first and second round, if we had two districts with the same amount of preference points, we would actually be holding a lottery to determine who would get funded if it came down to only one of those projects being able to get funded.

So for example, if we had two projects, neither of them receiving financial hardship preference points, one with an FRPM percentage of about 85.3 percent and the other with an FRPM of 85.2 percent, both of those districts would round to 25 preference points and would have to be entered into a lottery to determine who would be funded first.

Our change is to make it so that in that scenario we would actually take the district with the higher FRPM to the first decimal place. So in that scenario, the district with the 85.3 FRPM would be funded first.

This is consistent with the program's intent of

trying to give preference to those with the higher FRPM percentage and it would also result in less tiebreakers.

For the after project completion process, the districts who are not receiving financial hardship will be able to retain their savings as well as districts who are receiving financial hardship, whereas in the first and second round, districts who were receiving financial hardship were not able to retain their savings.

This would apply for third, fourth, and fifth round and additionally, the eligible expenditures have been expanded to include professional development to build capacity for the implementation of full-day kindergarten as well as instructional materials to build capacity for the implementation of the full-day kindergarten program.

Moving onto the next page, the last thing to mention from the cover item is that full-day kindergarten funds will not have an effect on a district's SFP new construction eligibility and we've actually gone back and reversed the adjustments made to the districts on the first funding round who received full-day kindergarten funds and we'll make sure to not make an adjustment to those in the future rounds who will receive full-day kindergarten funds.

And with that, I'm going to pass it on to Lindsey to discuss the changes in regulations as well as the forms.

MS. GORDON: Okay. Good morning, everyone. So

looking at page 7 of the packet we have, we're going to go over some of the highlights in our regulations forms and the grant agreement.

So on page 8 of your packet, you'll see we've added a full-day kindergarten program definition. We did get a lot of questions in our first and second rounds on what made a full-day kindergarten and that's based on Ed Code Section 8973. We've also added a part-day description. They are basically the same. There's a little difference.

Looking on page 11 of your packet, in

Section 1860.3, general, we have split up the delineation of
the money. So 1860.3(a) references the 100 million for the
first two rounds and 1863.B references the 100 million.

That way we can delineate throughout the regulations and
forms which monies are available and plus when money does
come back, we'd have to delay in who gets what.

So flipping to page 13 of your packet, in 1860.5, there's more of a description on your site map like

Alexandra stated, if you have any questions on that, and that discusses the specifics of what we will be looking at.

1860.6 on that same page lays out the rounds for the third, fourth, and fifth rounds and their dates. So Alexandra said, the first and the third rounds, there will be no cap to the available money from the 300 million will

be inputted into that. And that will be running fromApril 1st, 2020, to April 30th, 2020.

And the fourth round will round will run from January 4th, 2021, to February 2nd, 2021. And our fifth round, which allows any program that is converting or not to apply, will be July 1st, 2021, to July 30th, 2021.

Flipping -- going to page 16 of your packet where we start 1860.11 and this just reiterates the matching share for districts and state. If you are converting -- again for new construction, it's a 50/50. If you are converting, it's a 75/25 split for new construction. Not converting is still the 50/50.

And then in 1860.13 is the retrofit matching share. So if you are not converting again, you have the 60/40 split as usually and then if you are converting, the 75/25.

Okay. And then page 19 in your packet, looking at 1860.15, this just reiterates what Justin had said about tiebreakers and how we will use the highest FRPM to the first decimal to determine who will be funded first if there is a tie.

Page 21, again we have our savings for those school districts coming in in the third, fourth, and fifth where they may use savings on professional development, instructional materials and then still be high priority

capital outlay projects.

And then now we're on to page 23 which starts our 70.01 instructions. So in here we've added a couple of things to the form itself. So this is page 26 of your packet and we're looking at the application.

In item 1, type of application, we have added a dual scope option since we noticed that in the first and second rounds, districts did come in wanting to have both a new construction and retrofit project, since not all sites have the capacity to do one or the other. So you may do a dual scope for advance or without advance.

And then over in our certifications, which is item 11 on your 70.01, the right-hand column on that page, we have added a couple of things. So about five bullets up from the bottom, you'll see a certification where the district will indicate how many classrooms were constructed or previously altered to meet requirements for kindergarten classrooms and in that blank space, you would put the number of classrooms that are there, so whether it be zero or however many they may have.

Then below that, we have another certification for if a district was offering full-day or part-day kindergarten and that will just help us determine their matching share as well as what funding rounds they can be applicable for.

And we're now on the 70-02 which is page 28 of

your packet. The real changes we added here was just new instruction which is number 3 above your specific instructions. It's just to indicate that you must -- if you do have a -- if you received an advance grant, when you come back in for your full fund release, you must submit an updated 70-01 with all the required dates and documents that would be on there for full funding.

Okay. So now on page 31 of the packet, looking at the 70-03 which is the expenditure report, here we just updated the changes that address the changes in the statute for savings and what they may be used on.

And then moving on to page 40 of your packet which is within your grant agreement, we have just added blurbs in here to discuss the expenditure reports as we've discussed, the savings, what you may use it on as well, and then if you would like a more descriptive section of expenditures for the savings, you can look at page 60 of the grant agreement where we have laid out for you. And that's it.

Any questions?

MR. LaPASK: Yes, we did have one question come in and the question was will financial hardship eligibility for the program -- for the full-day kindergarten program be based off of current rules or AB-48 rules.

We're continuing to monitor AB-48. At this time, the criteria has not changed. If there is future changes,

we'll be monitoring that, but for now it's the current rules. And one again, if you do have questions you want to send in, you can send them to OPSCcommunications@dgs.ca.gov.

Is there any questions from the folks that are here today? Okay. Seeing none. I think we could probably roll into the CDE portion then. So I will turn this over to Fred from CDE.

MR. YEAGER: Good morning. It's good to have a chance to come to West Sacramento and collaborate with our colleagues at OPSC on a telecast.

So information that I am going to be talking about is available on the CDE school facilities page What's New. It has both the current and the proposed language there, so for those in the room, there are some copies on the table, but online take a look at our What's New page.

As background, about ten years ago, the Department created a definition of what is a classroom when we review plans and indicate on our approval letter how many classrooms there are which is then taken to OPSC for funding.

So working with stakeholders, we came up with that classroom definition policy dated March 19th, 2009, and there was a small amendment in April 2009. So that's on our webpage and then the other link on our webpage is what we are looking for input on today.

And so if you can take a look at that, have that available. So the genesis for the definition policy was largely in response to as districts were seeking ways to increase the flexibility in how they provided instruction in schools, whether they wanted to build a maker space or have a music and science room dedicated at an elementary school. How is that counted by CDE and that sometimes created some discussion as to whether that is a capacity generating space.

From CDE's perspective, it's great that every elementary school can have a science or a dedicated music room, but it does not add capacity to the school. For example, if the kids in classroom A go to the science room to have science, 30 kids don't backfill behind those kids.

So it is -- performs more as an essential support facility such as a library, a cafeteria, and the like that is great if a school can have it. Now, that's contrast with departmentalized setting more common at secondary schools where, as you remember, we went from classroom to classroom and got up and left for English class and went to science. So someone was always backfilling behind that. So in that case, it does create capacity.

As districts continue to look at ways to provide more flexible and collaborative spaces, it was time to reevaluate and refresh its policy. So that is where we are

today and you can see on the section 3, it says a district (indiscernible) may request at the time of preliminary plan approval -- and that's a preliminary plan, so that these discussions can happen early on and that is there's a discussion as to how your ed specs and other documents support that -- that CDE may identify certain spaces as able to be used in the future as classrooms.

So this maker space that is serving the elementary school may be in future enrollment growth be converted to a classroom and it has all the features and accountrements of a Title 5 standard classroom.

Now, what we will not be indicating is that that is in the capacity calculation. So, for example, if we say there are 15 classrooms -- let's do 16, makes the math easier at an elementary -- the capacity is 400. We will put in a statement along the lines of that there are also a science room and an art room and a maker space and other spaces that could in the future be used for classrooms at the district's discretion.

We will include those spaces in your master plan calculation. Okay. That follows. So it's not counting as capacity for the project, but in the master plan for the project, you are planning the rest of your facilities to accommodate kids being in that.

So your library is right sized. Your cafeteria is

right sizes. The site is right sized for those additional kids. Okay.

OPSC -- you can then take that to OPSC and they will process it through their process and do their plan review and identify how many grants the district may be eligible for.

In greater detail, you can see the four bullets there that -- referring back to the section 1 for that maker space, it must meet these criteria of 1 through 9. So take a look at those -- and that it's consistent with the square footage in Title 5, 960 or larger depending on if it's a specialized classroom or kindergarten.

It is accessed from the common circulation hallway or a corridor. It has adequate lighting that is controlled within the classroom. It was designed to be acoustically appropriate for a classroom and has a phone as required by Ed Code, a phone connected to school communication system.

So take a look at those. That would be how CDE would look at that and make that determination.

We're looking for any input. You can email me, call me as if there's any suggestions or clarity or other comments on the draft policy. And the email, that was communications@opsc. You can also send comments to us directly now and they'll get to me if you want to do it that way. Any questions, folks in the room, or otherwise? Oh,

1 here we go.

MR. ERBIE: Hello, my name is Hayden Erbie. I'm with School Facility Consultants. I just want to say thank you all for hosting this this morning and giving us an opportunity to provide feedback and ask questions.

My question is pertaining to the classroom definition. If we go through the CDE review process for a project and CDE determines that a particular space is not a classroom, will OPSC just agree with that or will they do their own review and possibly identify classrooms if CDE did not?

MR. LaPASK: That's a good question. We would take a look at it, but I think our rules haven't changed. We would like to help provide flexibility for these spaces, but we still have our rules in place. So if it is a classroom -- a classic kind of classroom space, I think we would still count it at this point as a classroom. We would count it as capacity.

MR. ERBIE: Okay. Is that something that we can then go back to CDE to discuss further.

MR. LaPASK: You could. I don't know if you would need to or not. I mean depending on how that worked out for you and your project. You know, at the same time, we would count it. You'd be able to request funds for that.

So it kind of depends on what your goal is, if

you -- you know, what you want to do with the space.

MR. YEAGER: So, Hayden, take a look at the part where we said in your preliminary plans this has all been identified by your ed spec.

So your preliminary plans are being done probably three, four years before OPSC funding. So your preliminary plans will have already presented that case. Where they're coming back to CDE if you're changing your ed spec after you build it may not be procedurally a way to do it. But as OPSC counts classrooms in their plan review, there may be an opportunity for discussion. I realize this is sort of a newer area, so I expect some conversations back and forth as we hammer it out.

But the -- from CDE's perspective, these spaces were designed to be primarily a maker space, a support space that schools should have. They have libraries. They should have maker spaces. They should have cafeterias.

So whether you're changing that justification after the fact with OPSC, that may be -- from CDE's perspective, that may be problematic that the entire basis of how we reviewed and the district designed it is changing. Yeah. Sure. Okay.

MR. ERBIE: I'm sorry. I just want to make sure that we would be able to receive funding on anything identified as a classroom. I don't want to go back and

change anything that's defined by the CDE review
necessarily.

- MR. LaPASK: Yes. You would be able to. We just ask that, you know, once a classroom, always a classroom.

 But yeah, if it's identified a classroom, we'll provide funding for it if you have the eligibility.
- 7 MR. ERBIE: Okay. Thank you. I appreciate it.
 - MR. YEAGER: So thanks. That sort of encapsulates a discussion of districts who want to provide that flexibility. Is there a fiscal incentive for them to not do that and maybe this is a way to bridge that understanding of using those grants in a different way. You know, because, yes, it does require eligibility to do that.
 - MR. LaPASK: That's a really good question. Thank you. Anyone else have any questions? Have we received any more? Okay. I guess we could kind of leave it open for a couple minutes to see if any come in. So this is your last chance. OPSCcommunications@dgs.ca.gov.
 - We'll also -- if questions do come in after the meeting's over, if you're watching this later and have some questions, you know, as always submit them to us and we'll definitely help you out with them.
 - MR. YEAGER: One last unrelated pitch on for districts that may be experiencing the power outages, we do have some frequently asked questions and guidelines on the

CDE webpage for things you might want to start planning for maybe in the next few days or in the future as to how go about planning at the district for the power shutoffs, so what do you do about food storage, medicines, plumbing, mechanical, all those issues.

So that's on our CDE home page and you can take a look at that. So I think that's it, so send questions.

MR. LaPASK: Okay. I think with that, unless there's any other questions in the room, we're going to wrap this up. Thank you for your interest in our topics today. And again, if you have any questions or concerns, please feel free to contact us as always. Thank you.

(Whereupon, at 9:37 a.m., the proceedings were adjourned.)

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