

Frequently Asked Questions

Grant Agreements

Q. *What is a Grant Agreement?*

A Grant Agreement is an agreement between the Office of Public School Construction (OPSC) and an applicant who is approved by the State Allocation Board to receive grants from the School Facility Program. An agreement is required for each approved funding application.

Q. *What is the purpose of a Grant Agreement?*

The Grant Agreement was developed as a way to address audit findings by the state Office of Statewide Audits and Evaluation to improve oversight and accountability. It also includes changes that align with the Governor's 2017-18 Budget related to closeout audits. It serves as a binding document that defines the responsibilities of districts and the state from the determination of the amount of eligible state funding to the reporting of all project funds, including any savings achieved. It is designed as a useful tool to ensure that districts receiving funds have a thorough understanding of the requirements in receiving the funds.

Q. *Who is required to enter into a Grant Agreement?*

All applicants who have submitted a funding application to the School Facility Program that is approved for placement on the Unfunded List (Lack of AB 55 Loans) on or after June 5, 2017 are required to enter into a Grant Agreement.

Exception: Applicants with funding applications on the Unfunded List presented to the State Allocation Board at its June 5, 2017 meeting are not required to enter into a Grant Agreement for those funding applications.

Q. *I have submitted multiple applications for funding from different School Facility Programs on the same site for the same set of project plans. Will I enter into more than one Grant Agreement?*

Yes. A Grant Agreement is required for every funding application that is approved for funding.

Q. *I'm a district with Financial Hardship approval. Do I have to enter into more than one Grant Agreement per project?*

A Grant Agreement is required for every funding application. For example, if a district with financial hardship approval requests funding on three different occasions – for advance design, advanced site, and the adjusted grant – it must enter into a Grant Agreement for each phase of the project funding received.

Q. *Does the Grant Agreement include a section on the new law governing document retention?*

Yes. Consistent with Education Code Section 41024, the Grant Agreement includes language requiring districts to maintain satisfactory financial records at a project-specific level of detail that are necessary for an audit. Those records may be retained electronically.

Q. *Have there been any recent changes to what I can and cannot spend on my project?*

The Grant Agreement includes lists that detail eligible project expenditures and ineligible project expenditures with the accompanying relevant statutory and regulatory authority. Please note that when approving the Grant Agreement, the State Allocation Board determined that expenditures for computers and printers would be ineligible for projects subject to a Grant Agreement.

Q. *When will I receive a Grant Agreement for my project?*

OPSC will provide a district with its Grant Agreement after its funding application has been placed on the Unfunded List (Lack of AB 55 Loans). An authorized District Representative must sign and date the Grant Agreement before it is returned to OPSC.

Q. *When is the signed Grant Agreement required to be submitted to OPSC?*

After an authorized District Representative signs the Grant Agreement, it may be submitted to OPSC at any time. At the latest, the signed Grant Agreement must accompany the Fund Release Authorization (Form SAB 50-05)* for the project.

*Districts with Financial Hardship approval are not required to submit a Form SAB 50-05 in order to receive advance design funds but are required to submit a Grant Agreement in order for OPSC release the advance design funds.

Q. *Where do I send a signed Grant Agreement?*

OPSC accepts signed Grant Agreements via e-mail at: OPSCGrantAgreements@dgs.ca.gov