

House District 1

Senate District 2

**THE TWENTY-SIXTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 16-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): LABOR AND INDUSTRIAL RELATIONS

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Community Based Education Support Services

Dbn:

Street Address: **174 Kamehameha Ave**

Mailing Address: **Hilo, Hawaii 96720**

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JOHN THATCHER

Title Member, CBESS BOD

Phone # (808) 961-3664

Fax # (808) 961-2665

e-mail john_thatcher@hawaii.ir.com

3. TYPE OF BUSINESS ENTITY:

NON PROFIT CORPORATION

FOR PROFIT CORPORATION

LIMITED LIABILITY COMPANY

SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

COMMUNITY BASED EDUCATION SUPPORT SERVICES (CBESS) SEEKING A \$1.5 MILLION GRANT IN AID TO ASSIST IN THE RENNOVATION OF THE KRESS BUILDING IN DOWNTOWN HILO, HAWAII.

RENNOVATIONS WILL INCLUDE ROOF REPAIR, AIR CONDITIONING, CREATION OF A S.T.E.M. TRAINING CENTER, AN AGRICULTURAL SCIENCES CHEMISTRY LAB, AN AFTERHOURS YOUTH RECREATION AND SKILLS TRAINING CENTER, AND VARIOUS OTHER SMALLER STRUCTURAL REPAIRS AND UPGRADES.

THE CBESS MISSION IS TO PROMOTE AND CONDUCT ECONOMIC AND EDUCATIONAL PROGAMS DESIGNED TO STRENGTHEN AND EXPAND THE ECONOMIC BASE OF AND EDUCATIONAL EMPLOYMENT OPPORTUNITIES WITHIN THE COUNTY OF HAWAII. RENNOVATION OF THE KRESS BUILDING IS A KEY COMPONENT FOR THIS MISSION.

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$1,500,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

NEW SERVICE (PRESENTLY DOES NOT EXIST)

EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ _____

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$1,200,000

MR. JOHN THATCHER, MEMBER, CBESS BOD
NAME & TITLE

JANUARY 30, 2012
DATE SIGNED

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

Community Based Education Support Services-Friends of Connections (CBESS) is a nonprofit organization with a mission to "promote and conduct economic and educational programs designed to strengthen and expand the economic base of and educational and employment opportunities within the County of Hawaii." CBESS hopes to create viable options for Hawaii Island residents who want to continue to live and work at home on the Big Island.

In December 2006 CBESS purchased the 40,000 square-foot Kress Building through a Raza Development Loan. Built in 1932, the building underwent \$2 million in renovations in 1995, with four movie theaters operated by Wallace Theaters opening on the second floor of the building soon afterward. The Kress Building currently houses the Elementary and Middle Schools of Connections Public Charter School.

CBESS is seeking a Chapter 42 Capital Project Grant in Aid for \$1.5 million – for renovation of the KRESS Building.

Community Based Education Support Services – CBESS (CBESS), a 501c3 nonprofit organization, was established as an affiliated support organization for Connections Public Charter School (CPCS). Connections received its charter in 2000 and opened with 184 students in grades K-6. By August 2001 the charter school had expanded to a K-12 program with a total of 360 students. It's current enrollment is about 350 students, with 22 FTE teachers.

Connections is currently located on two sites: the elementary and middle schools are located in the Kress building on Kamehameha Ave in Hilo. The Kress building is owned by CBESS. The high school is presently located in leased facilities at the Nani Mau Gardens just outside Hilo Town.

Connections has undergone an innovative S.T.E.M. audit. The purpose was to assess the degree to which S.T.E.M. has been a feature of the school's curriculum; collect baseline and comparable data to assess the status of S.T.E.M. knowledge, attitudes, and education throughout the system; and suggest ways in which the various assets and strengths of individual schools can be partnered and leveraged to improve S.T.E.M. education in Hawai'i, and to understand and improve the S.T.E.M. capacity of the school and its faculty.

Connections is currently a participant in The MAKERY project. The MAKERY is a sophisticated multi-dimensional computer controlled fabrication mill that, using computer aided designs by students, can fabricate products made of wood, plastic, metal, etc. Among its capabilities is to produce high quality Hawai'ian steel guitars, environmental sensors, and, The MAKERY can make...A MAKERY.

1. The goals and objectives related to the request;

CBESS is requesting a \$1,500,000 capital grant from the State of Hawai'i to assist in the immediate THE KRESS BUILDING RENNOVATION PROJECT will support:

- A youth/education and workforce training project focusing on Science, Technology, Engineering, and Mathematics (S.T.E.M.) initiatives through the University of Hawai'i's Curriculum Research and Development "Makery Cloud" project (sophisticated computer numerically controlled fabrication mills) and the University of Hawai'i at Hilo's Art Department;
- 21st century agriculture, forestry, and conservation related projects;
- Green Construction Academy featuring high-quality curriculum on LEED rating systems and strategies, innovation and best practices from real-life projects, and stories of green building from around the world
- Media production focusing on video and music; and
- The study of foreign languages and cultures with an emphasis on eco-tourism and the teaching of English as a second language.

All of these represent opportunities for expanding the local economic base while fostering workforce development and new sources of revenue for CBESS.

Specifically, Chapter 42 funded renovations of the KRESS Building will include

- (1) Roof repair - \$500,000
- (2) Air Conditioning - \$100,000
- (3) Other structural repairs and upgrades - \$300,000
- (4) STEM Training Center - \$250,000
- (5) Agricultural Sciences Chemistry Wet Lab - \$250,000
- (6) An Afterhours Youth Drop In Recreation Center with a Computer Lab - \$100,000

Ongoing discussions with Hawaii County Planning Department officials have gained their support for the development of this after-hours Youth Center that will provide needed productive engagement for Hilo's youth.

3. State the public purpose and need to be served;

There are four public purposes to be served. First, the KRESS RENNOVATION PROJECT fits into the State's initiative to utilize historically low interest rates to fund shovel-ready projects that can support the construction sector of the economy. This project is ready to go upon the immediate release of funds.

Second, the KRESS RENNOVATION PROJECT supports the need for vocational and job training in 21st century agricultural sciences, manufacturing, "green" building principles and technology, media production, and educational tourism. The elements planned for KRESS not only link students to hands-on engagement with skill development, they also will be available to the larger adult

community through programs designed to strengthen and expand the economic base of and educational and employment opportunities within the County of Hawaii

Third, the central location of the KRESS BUILDING with three spacious levels provides an opportunity to create an important community resource for youth living on the east side of the Big Island. The need for youth engagement and training programs is supported by recent data. The U.S. Census Bureau's 2010 survey found 18.3% of all Hawaii County residents living in poverty - and nearly one-quarter (24.5%) of Hawaii County's children living in poverty. The Census Bureau estimated that 22.1% of school-aged children, from 5 to 18 years old, lived in poverty in Hawaii County compared to 13% statewide.

Fourth, the KRESS BUILDING will contribute to the education of students at Connections Public Charter School and other public schools. Hawaii's 31 Public Charter Schools, 13 of which are on the Big Island, serve as an important alternative and choice for Hawaii's parents and students. Charter schools are public schools, with public funding, public employees covered by Hawaii's collective bargaining law (HRS Chapter 89), and cannot charge tuition. Charter schools are bound by the same Statewide academic standards, and take the same state-developed tests as public Department of Education schools. With greater flexibility in governance and curriculum, schools such as Connections Public Charter School have had the freedom to innovate and create applied learning models that contribute to the movement for meaningful reform and innovations throughout Hawaii's public school system.

The choice of an alternative, hands-on, S.T.E.M. related education on the eastern side of the Big Island is clearly in the public interest to preserve and expand this alternative for the parents, students and community. KRESS educational facilities and programs will be made available to all public school students.

4. Describe the target population to be served;

The KRESS RENNOVATION PROJECT will serve any youth in the Hilo area who are interested in learning new 21st century skills. It will serve aspiring artists, especially those who desire to learn media production. It will serve Hawaii's desire to offer our educational expertise for visiting students, especially those from the Asia Pacific region.

It will also serve the students of Connections. Connections' current K-12 enrollment is about 350. The school serves a diverse student population. It is a Title I school, with a high percentage of Special Education students. The high school has well over 20% of its students receiving special education services. Ethnically the student population is as follows in descending order: 35% Hawaiian or Part Hawaiian, 32% White, 9% - Mixed or other, 5% Filipino, 4% Japanese, 4% Portuguese, 3% Black 1% Hispanic, 1% Chinese. The remaining 6% include students of Asian or Pacific Islands making up less than 1% of the total population.

Connections currently has about 60 students, in grades kindergarten through grade 12, receiving special education services under the Individuals with Disabilities in Education Act (IDEA) and six students receiving 504 accommodations. Under an inclusion model the school has adopted, all IDEA students are expected to participate fully with their regular education peers with modifications and accommodations as outlined in their Individualized Education Plan (IEP). The school also has a growing English Language Learner (ELL) population. While they currently

represent a small portion of the population, accommodations are being made to support these students in full inclusion classrooms. The 12 identified ELL students are in grades K-9. Their classroom teachers and a literacy coordinator provide direct assistance or classroom support as needed.

5. Describe the geographic coverage.

The U.S. Census Bureau 2010 survey found 18.3% of all Hawaii County residents living in poverty, compared to 11.1% statewide. Almost one-quarter (24.5%) of Hawaii County's children lived in poverty. This was the highest rate in the state, and a 6% increase over the previous five years. The Census Bureau estimated that 22.1% of school-aged children, from 5 to 18 years old, lived in poverty in Hawaii County compared to 13% statewide. Nationwide, about one-third of counties had school-age poverty rates significantly above the national poverty rate of 19.8%.

It has been well documented that approximately one in four school-aged children are alone and unsupervised after school and that the hours of 3:00 pm until 6:00 pm are the most dangerous hours for these students. They are the peak hours for juvenile crime. The Afterschool Alliance found that "parents of 15 million children would sign up for an afterschool program if one were available." They also found that more than 80% of parents believe that children need a place to go after school and over 70% of parents want Congress and/or state and local officials to increase afterschool program funding. These parents indicated that they would even support a tax increase if it went to afterschool programs.

In October, 2009, the Afterschool Alliance released America After 3PM. The report noted that 28% of Hawaii schoolchildren were enrolled in afterschool programs, down from 35% in 2004 (the national enrollment figure average is 15%). The researchers also found that for every Hawaii parent who had a child in an afterschool program, there was another parent who couldn't find a program for their child. Programs either weren't available, parents couldn't afford the fees, or transportation issues made it impossible. The report also found that 33% of the state's schoolchildren were on their own in the afternoons, and another 12% were in the care of their brothers or sisters. In addition, the parents of 39% of children not already in afterschool said that they would enroll their kids in a program if one were available.

Affordable housing prices have led to an enormous increase in developments in Puna, and have made this district the fastest growing area on the Big Island. In the last 20 years the population has grown by nearly 20,000 people and it is estimated that Puna will have a higher population than Hilo by 2020. However, between 2002 and 2006 the price of houses more than doubled and the price of vacant land increased over fivefold, as increasing numbers of people from outside the district (often from the mainland U.S.) bought into the last affordable market in the state.

Recent analysis of the most current census data on incomes indicate that the project will qualify for New Market Tax Credits.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

CBESS's KRESS PROJECT is being managed by a Renovation Committee and a Capital Fundraising Team. The project involves hiring a Project Manager (recently selected), and selecting design specialists for the various specialized elements of the renovation. Comparative pricing has been done in accordance with the CBESS and Connections procurement policies. Some contractors have already been contacted for the most important structural repairs, such as the roof. Expertise is being identified for design of selected elements, such as the multi-media recording studio and the Agricultural Sciences chemistry lab. Equipment for the STEM Training Center such as The Makery, has already been purchased.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

PHASE I of the current renovations, for which Grant in Aid Capital funds are requested, will include the following.

- Roof repair - \$500,000
- Air Conditioning - \$100,000
- S.T.E.M. Training Center - \$250,000
- Agricultural Sciences Chemistry Wet Lab - \$250,000
- An Afterhours Youth/Drop- Drop In Recreation Center with a Computer Lab - \$100,000
- Other structural repairs and upgrades - \$300,000

3. The applicant shall describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results;

CBESS' Board, as well as Connections' Local School Board have established a Renovation Coordination Committee. This Committee, following adopted procurement policies, will review the contractor proposals and make final recommendations to the CBESS Board regarding the selection of the general and subcontractors and to provide oversight of all phases and aspects of the project. Connections executive staff will meet regularly with the general contractor to keep abreast of progress, and ensure that any difficulties, both anticipated and unanticipated, will be resolved optimally to assure that project continues on schedule.

CBESS has developed a number of important partnerships to implement its vision of a renovated KRESS BUILDING, including Universities (UH Manoa College of Education, UH Hilo Pacific Aquaculture & Coastal Resources Center, the Maunakea Astronomy Center, and East West Center). Government agencies include the Hawaii DLNR, the County of Hawaii Planning Department, the U.S. Department of Education, PREL, NASA, and NOAA. Other helpful partners include the Raza Development Fund; Federation of American Natives; Wiraqocha Foundation; Hawai'i Community Foundation; Private Schools with a Public Purpose at Punahou School; Olweus Bullying Prevention Program; Hawai'i Island Chamber of Commerce; Kohala Center, Phi Delta Kappa International; National Indian Education Association; and the U.S. Green Building Council.

The KRESS RENOVATION PROJECT will be working with the following team members: Connections Public Charter School; the Curriculum Research and Development Group, University of Hawaii, Manoa; Private Schools with a Public Purpose, Punahou School's Partnerships in Unlimited Educational Opportunities (PUEO) Program; Punahou School's After School Program; Phi Delta Kappa International, Hawaii Chapter; International Holistic Tourism Education Centre; Hawaii Charter Schools Network; Green Charter Schools Network; Wiraqocha Foundation; KidsClub, Jeonju, Korea; Cyril and Chelle Pahinui; Dr. Neil Scott; Dr. James Shon; Mr. Dewey Kim.

4. **The applicant shall list the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.**

Success and achievement will be measured substantively by CBESS's ability to adhere to the prospective timeline regarding the fundraising, renovation contracting, and construction of PHASE I. The Marketing and Feasibility Study, prepared by The Shain Group, has laid out a detailed timeline for fundraising for this and other related projects.

III. Financial

Budget

1. **The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**

2. **The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2012-2013.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$1,500,000				

3. **The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2012-2013.**

CBESS has recently commenced an ambitious but achievable capital campaign to raise funds for renovations of the Kress Building. A Capital Fundraising Campaign Team has been established. A Marketing and Feasibility Study has been prepared which includes a detailed strategic fundraising plan which includes use of the innovative New Market Tax Credits. The Project qualifies for these credits. CBESS and Connections Public Charter School have already invested substantial sums for preliminary planning, design, and successful efforts to secure loans.

Requests for capital grant funding will be made to:

- The State of Hawai'i
- Federal Agencies
- Private Organizations and Foundations
- Individual Gifts
- New Market Tax Credits

4. **The applicant shall provide a listing of all state and federal tax credits that have been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.**

No tax state or federal tax credits have been applied for or received.

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

CBESS has retained the services of an experienced fundraising firm, The Shain Group, which has long and successful record raising capital funds for nonprofit organizations in Hawaii and on the U.S. Mainland. CBESS has also selected an experienced Project Manager and Chair of the Capital Fundraising Campaign Cabinet.

Mr. John Thatcher and his administrative team continue to provide experienced support for the effort, building on their involvement in the securing of innovative financing to purchase the Kress Building in Hilo. Charter school administrators are routinely required to provide fiscal and administrative oversight of all aspects of school governance, including facilities leases, loans, and maintenance.

CBESS has selected as its Project Manager Michael R. Gangloff, President of MIRA Image Construction, who will review the proposals and make final recommendations to the board regarding the selection of the contractors and to provide oversight of all phases and aspects of the project. He is used to labor negotiations and managing projects of millions of dollars on a routine basis.

CBESS has utilized the professional planning services of Wil Chee. Urban Works Architecture has also provided services as needed in the conceptual development.

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

The KRESS Building currently houses the administrative offices for both CBESS and Connections Public Charter School. Located in KRESS are both the elementary and middle school classrooms for Connections. The facility is currently ADA compliant and will continue to be upon completion of the renovations. Connections also leases facilities at Nani Mau Gardens for its high school programs.

Ultimately, CBESS and Connections will be constructing a new campus. on 72 acres in the Kaumana area above Hilo. The KRESS Building's new learning facilities will be an integral part of a future two campus learning environment. While KRESS will initially house an agricultural sciences lab, the new campus will offer many opportunities for applied agricultural sciences.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training **The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.**

CBESS is a nonprofit organization governed by an independent Board of Directors. Connections is governed by a Local School Board. Both have adopted formal procurement policies incorporating key features of the State's Procurement code. The powers and duties of the Local School Board are provided by law, specifically:

"Local school board" means the autonomous governing body of a charter school that:

- (1) Receives the charter and is responsible for the financial and academic viability of the charter school and implementation of the charter;
- (2) Possesses the independent authority to determine the organization and management of the school, the curriculum, virtual education, and compliance with applicable federal and state laws; and
- (3) Has the power to negotiate supplemental collective bargaining agreements with exclusive representatives of their employees.

The Local School Board is a "stakeholder" board, whose membership includes required representation from the administration, administrative support staff, teachers, students, and members from the community. This membership ensures that a wide range of perspectives and expertise is brought to bear on the governance and management of the school. The Local School Board has authority to select the principal.

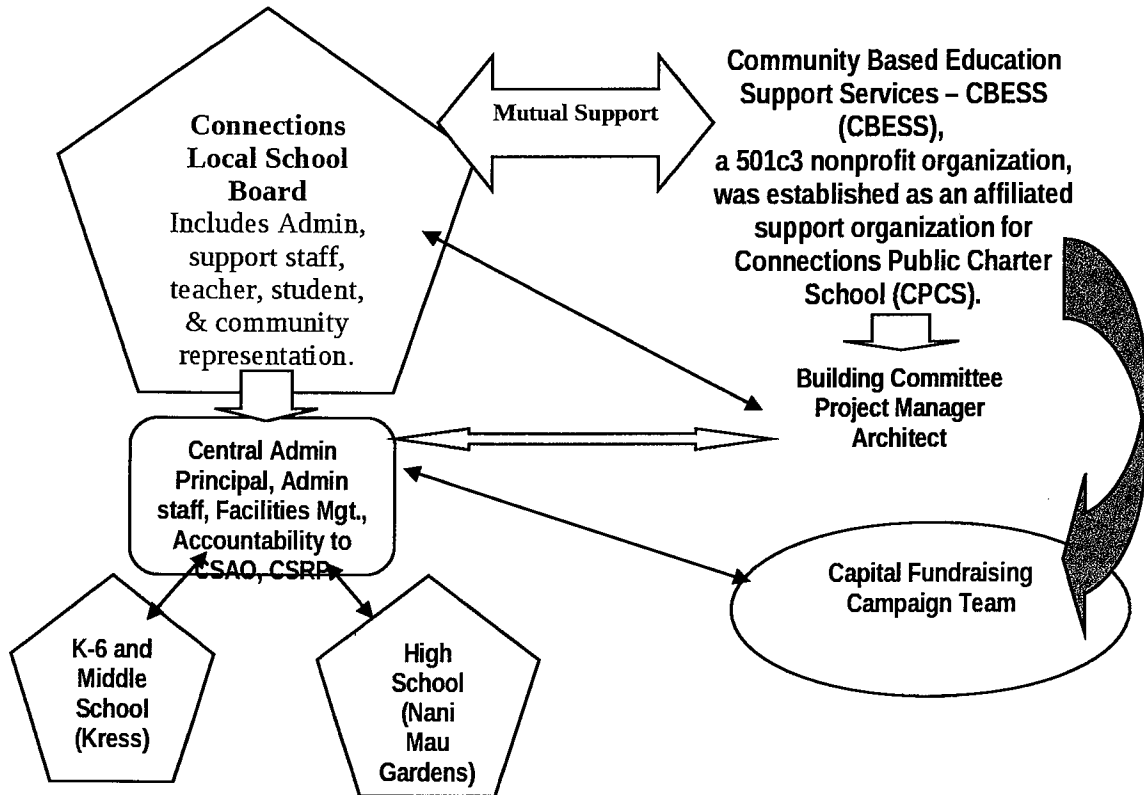
It is relevant to note that charter schools in Hawai'i receive their funds in lump sum increments, based on an annual per pupil legislative allocation that is multiplied by the number of students enrolled. The school administration is responsible for annual audits, meeting State academic standards, securing facilities, and a wide variety of sophisticated accounting and accountability rules. Thus, the leadership for the proposed Capital project is prepared to exercise appropriate fiscal and administrative oversight of the project. These two governing bodies have routinely managed their financial resources to secure and maintain a school facility. The responsibilities for management of the per pupil allocation to a charter school is much more akin to the management of a nonprofit organization than a traditional public school.

In 2006 CBESS secured a low interest loan from the Raza Development Fund to purchase and renovate the iconic Kress Building in Hilo. This is currently the location of the Middle and Elementary schools. Connections has moved forward in its plans by retaining the

services of planning and architectural firms to prepare the Environmental Assessment and an experienced consultant to prepare a marketing and feasibility study and raise funds for the project.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

CBESS has no litigation pending or outstanding judgments.

B. Licensure or Accreditation

Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

Connections has a charter received from the State Board of Education, and has also in the process of seeking accreditation.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2012 to June 30, 2013)

Applicant: Community Based Education Support Services (CBESS)

BUDGET CATEGORIES	Total State Funds Requested (a)	Previous Non Government (b)	Prospective Fundraising (c)	New Market Tax Credits (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9. Years 2001-2011 initial renovations		2,000,000		
10. Renovation: roof repair	500,000			
11. Renovation: air conditioning	100,000			
12. Renovation: Other structural	298,000			
13. Renovation: STEM Training Ctr	250,000			
14. Renovation: Ag Science Chem lab	250,000			
15. Renovation: Youth Training ctr	100,000			
16. Misc Planning & design	2,000			
17. Recording Studio				1,000,000
18. Multimedia classrooms				500,000
19				
20				
TOTAL OTHER CURRENT EXPENSES	1,500,000	2,000,000		1,500,000
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. OTHER				
TOTAL (A+B+C+D+E)	1,500,000	2,000,000		1,500,000
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	1,500,000	John Thatcher	(808) 961-3664	
(b) Non Government	2,000,000		Phone	
(c) Prospective Fundraising				1/30/12
(d) New Market Tax Credits	1,500,000			Date
TOTAL BUDGET	5,000,000	John Thatcher, Member, CBESS BOD Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Community Based Education Support Services

Period: July 1, 2012 to June 30, 2013

Not Applicable

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETE
			\$-	
			\$-	
			\$-	
			\$-	
			\$-	
TOTAL:				

JUSTIFICATION/COMMENTS:

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETE
			\$-	
			\$-	
			\$-	
			\$-	
			\$-	
TOTAL:				

JUSTIFICATION/COMMENTS:

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: Community Based Education Support Services

Period: July 1, 2012 to June 30, 2013

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2010-2011	FY: 2011-2012	FY:2012-2013	FY:2011-2012	FY:2012-2013	FY:2013-2014
PLANS			1000			
LAND ACQUISITION						
DESIGN			1000			
CONSTRUCTION			1498000			
EQUIPMENT						
TOTAL:			1,500,000			
JUSTIFICATION/COMMENTS: This capital project will assist in the renovation and expansion of key workforce & training programs at the KRESS Building. It will include roof repair, air conditioning, STEM Center, Ag sciences lab, youth center.						

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

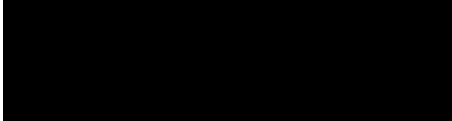
- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Community Based Education Support Services

(Type Name of Individual or Organization)



1/30/12
(Date)

John Thatcher Member, CBESS B.O.D.
(Typed Name) (Title)