

House District 46 eaa

Senate District 24

THE TWENTY-SEVENTH LEGISLATURE
APPLICATION FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

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):

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Kai Loa Inc.

Db/a: n/a

Street Address: 46-500 Kuneki Street, Kaneohe, HI 96744

Mailing Address: 46-500 Kuneki Street, Kaneohe, HI 96744

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name DR. IVY KELLING

Title Executive Director of KAI LOA INC

Phone # 808-235-9175

Fax # 808-235-9173

e-mail meahilahila@kamakau.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:

KAI LOA, INC. requests \$193,952 to complete renovations on two modular buildings – a preschool and a computer lab at Ke Kula 'o Samuel M. Kamakau LCPS. The scope of work includes installation of aluminum stairs, walkways, eaves/soffit, gutters/downspouts, installation of wiring for communications and internet, paving of parking areas, and concrete walkways, design fees and retrofitting a restroom and kitchen in the preschool modular.

4. FEDERAL TAX ID #:

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$193,952

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 \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 0

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[Redacted Signature]

ELIZABETH AULSEBROOK, KAI LOA INC. CHAIRMAN
NAME & TITLE

01/29/2014
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:

The mission of Kai Loa Inc (also referred to herein as KAI LOA) is to help ensure the quality and long-term success of Ke Kula 'o Samuel M. Kamakau, LPCS (also referred to herein as Kamakau), a Preschool-Grade 12 Hawaiian Immersion public charter school. KAI LOA supports Kamakau and fulfills its mission by focusing on three major goals-

1. Build capacity for the school's increasing number of qualified teachers and support personnel and strengthening the school's curriculum to meet the growing needs of its students.
2. Develop and maintain a planned approach to financial growth to ensure a sustainable source of income.
3. Promote parent and community involvement as stakeholders in the school's success.

Ke Kula 'o Samuel M. Kamakau Laboratory Public Charter School is a family-based, Hawaiian language immersion and WASC accredited school offering a comprehensive multi-level (PreK through Secondary) educational program. Kamakau was initially established in January 2000 in response to the expressed needs of Native Hawaiian families to increase student achievement through cultural-based education while addressing the educational needs of multi-generations of learners. As an indigenous language laboratory school program, Ke Kula 'o Kamakau is committed to the ongoing development of Hawaiian language education through research, teacher training, and resource development.

2) The goals and objectives related to the request:

The goal of this request is to complete the renovation of 2 modular buildings – a designated preschool and a computer lab at Ke Kula 'o Samuel M. Kamakau LCPS. Kai Loa is completing the work in 2 phases. The anticipated completion date of Phase I is February 2014. Phase I consisted of the transporting and re-installation of the modular buildings, site work clearing and utilities. This project request is to complete Phase II of the work (final phase), whereby the moduars will be ADA compliant and operational to serve the students, families and staff at Kamakau. This request includes

the installation of aluminum stairs, ADA compliant ramps, walkways, eaves/soffit, and gutters/downspouts, the wiring of communications and data, and paving parking areas and signage and the fencing around the preschool modular. Additionally, architects will be contracted to design a new restroom and kitchen space in the preschool modular and to submit for permits. These additions are necessary to meet the state licensing requirements for preschool classrooms.

The first objective of the request is to decrease the barriers of the community to access affordable quality preschool education at Kamakau and to serve more families in the community. Currently, Kamakau may be the only public PreK-12 school in the state, which creates an advantage of seamless education rooted in the Hawaiian language and cultural practices. The second objective is to maintain Kamakau's 100% graduation and college acceptance rates by continuing to build 21st Century skills for all students in the program as well as to provide computer and internet access to families and the community to broaden their ICT (information and communications technology) literacy skills.

3) The public purpose and need to be served:

Ke Kula 'o Samuel M. Kamakau, LPCS is a public charter school, established to increase student achievement through cultural-based education while addressing the educational needs of multi-generations of learners. It aims to prepare students for success in a global society, to involve families and community as equal partners and perpetuates cultural tradition, knowledge and the Hawaiian language. As a school of choice, Kamakau serves the need of families to be reconnected to the native language of the state and through a curriculum that places extreme value in self-identity, stewardship and a sense of place.

4) Describe the target population to be served:

The target group include Native Hawaiian and other community families and their children who are dedicated to preserving the Hawaiian culture and language through a comprehensive cultural educational experience. The funds being sought are intended to benefit the target group, specifically those with young children, desiring an early education experience designed to develop a strong association with their cultural heritage and the Hawaiian language.

Statistically, the school-community populations are disadvantaged individuals. The current student population at Kamakau include students who are 95% Native Hawaiian and 50% qualify for free-reduced meals. Kamakau's K-12 program is a Title I school, and thus carries extra state requirements to provide these at-risk students additional academic opportunities, qualifying for free or reduced meals.

5) Describe the geographic coverage: Students of Ke Kula 'o Samuel M. Kamakau, LPCS reside in districts throughout the island of O'ahu. A majority of students (66%) reside in Ko'olaupoko while others travel from Honolulu, Ka'a'awa, and the Leeward districts.

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. The applicant shall:

Describe the scope of work, tasks and responsibilities;

Scope

The scope of this work is to complete the detailed finish work on two modular classrooms, one a preschool and the other a computer lab, for Ke Kula 'o Samuel M. Kamakau. Kamehameha Schools (KS) used them as temporary classrooms and donated these buildings to Kamakau in 2012. The work to be performed includes the following tasks-

- installation of aluminum stairs
- installation of ADA-compliant aluminum ramps
- addition of exterior walkways
- addition of eaves/soffit
- addition of gutters/downspouts
- wiring of communications and data (internet)
- paving parking areas
- fencing around preschool modular
- installation of signage
- design of the preschool restrooms and kitchen
- retrofitting preschool modular with restrooms and kitchen

Tasks and responsibilities

Contracted Architects will complete the design of the preschool restrooms and kitchen space in the project being requested in Phase II and will submit for permits. A licensed general contractor will provide the finish work. The KAI LOA's finance and facilities committees will control the work and the Executive Director will manage the project.

The Honolulu City and County Department of Planning and Permitting has issued the building permits and will confirm project completion. The Department of Hawaiian Home Lands, as the leaseholder requires copies of all plans. Philadelphia Insurance Companies provides commercial general liability, flood and fire insurance.

KAI LOA's Executive Director will coordinate the work schedule with the contractors and will conduct notifications and make insurance arrangements. The contractor will install the stairs, ramps, walkways and will connect the plumbing to the preschool building. Contractors will also be secured to install the wiring of communications and the data networking system to both modulares. The contractor has already leveled the parking lot site and will coordinate the paving and sidewalk construction.

2. **Provide a projected annual timeline for accomplishing the results or outcomes of the service;**

Quarter 1: Process grant receipt and acknowledgment; bidding process; schedule finish work, finalize and sign contract with contractors; complete the design of the restroom and kitchen and submit for permits; provide notifications to DHHL, plan for least disruptive work schedule; plan for safety during work; notify Kamakau staff and parents; obtain certificates of insurance. Discuss project with insurance agent to provide appropriate insurance for new classrooms.

Quarter 2: Coordinate the building and the wiring of communications and data. Monitor costs and scheduling, manage unforeseen changes. Review work.

Quarter 3: Coordinate the sidewalks and parking lot paving. Monitor costs and scheduling, manage unforeseen changes.

Quarter 4: Coordinate the connection of plumbing to the preschool modular, including renovation work to install the restroom and kitchen space. Monitor costs and scheduling, manage unforeseen changes. Complete building inspections. Make final payments to contractors.

Move furniture and equipment into classrooms. Coordinate and conduct building and grounds cleaning and planting.

Schedule formal opening of both classrooms with cultural protocol.

Initiate occupancy. Provide overview presentation and tour of the facility to designated staff, parents, and students. Provide operation of appropriate building components, the location of emergency equipment and exits, etc. Turn over the operational and maintenance responsibility to the appropriate staff. Coordinate responses to warranty and post-occupancy construction issues.

Prepare closeout report for grant. Conduct administrative closing for grant.

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

The KAI LOA facilities committee will visit the work site at least every week to monitor the quality and completion of the work. They will work directly with the Executive Director to initiate discussions with the contractor if there are any concerns or issues. The facilities committee and the Executive Director will report progress to the board.

4. **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.**

The contractor will provide a copy of certificate of completion. KAI LOA will provide copies of receipts for all expenditures and purchases including proof of payment to subcontractors to the expending State agency.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
See Budget Justification Capital Project Details Template and attached budget forms.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$17,395	\$79,790	\$38,488	\$58,279	\$193,952

Anticipated quarterly amounts above are based on the anticipated annual timeline as described in section II.

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.

KAI LOA is seeking funding from local private foundations such as the Cooke Foundation, and Atherton Family Foundation to support capital improvement projects on campus. As KAI LOA serves as the fiscal sponsor for funds designated to Kamakau, funding will also be accepted from the Kamehameha Schools and OHA to directly support the school's programming.

4. The applicant shall provide a listing of all state and federal tax credits it has 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.

Not Applicable

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013.

KAI LOA's balance of unrestricted current assets as of December 31, 2013 is \$169,448.

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.

KAI LOA's Administrative staff has managed various phases in the development of KAI LOA's facilities for Kamakau. KAI LOA has leveraged its private, federal and public partnerships to raise over \$2.02 mil in private and public funds for capital improvements of Kamakau's new campus, \$140,000 of which was raised in the last three years. KAI LOA was also granted a \$2.47 mil USDA Rural Development loan, which allowed for the school to move to its new campus in August 2012. KAI LOA's staff and board have successfully managed the development and construction phases of construction thus far and have annually completed an A-133 single audit since 2012. A list of verifiable experiences of related projects or contracts for the most recent three years are included below-

CONTRACT COMPLETION DATE	CONTRACT AMOUNT	FUNDING SOURCE	GENERAL CONTRACTOR-TASK
Oct 2012	\$2,020,729	USDA- RD	Goto Construction- connecting power, communications, sewage, plumbing, fire
Oct 2012	\$166,136	USDA- RD	Erskine Architects, Inc- (Lead Architect) schematic design, design development, construction documents, bidding and permitting, construction administration
Ongoing	\$324,731	Cooke Foundation, Atherton Family Foundation, Minami Foundation, KAI LOA	Mouse Builders, Inc- Phase I: site work clearing, transport and reinstallation of 2 modular buildings (floors, walls, ceiling), utilities

Ongoing	\$78,501	Cooke Foundation, Atherton Family Foundation, Minami Foundation, KAI LOA	Erskine Architects, Inc- Phase I schematic design, design development, construction documents, bidding and permitting, construction administration
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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. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

Kai Loa Inc holds a 55-year license at 46-500 Kūneki St in Kāne‘ohe on 10 acres of lands owned by the Department of Hawaiian Home Lands (State land) for the operation of Ke Kula ‘o Samuel M. Kamakau, LPCS. Current facilities were completed in July 2012, when Kamakau moved to this new school campus. All current facilities in use are ADA compliant.

In December 2012, Kai Loa transported 2 donated modular buildings to the campus. The modulars remain unoccupied and await the completion of renovations. An outcome of this project is completing 2 ADA compliant modular buildings with the installation of aluminum stairs and ramps.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

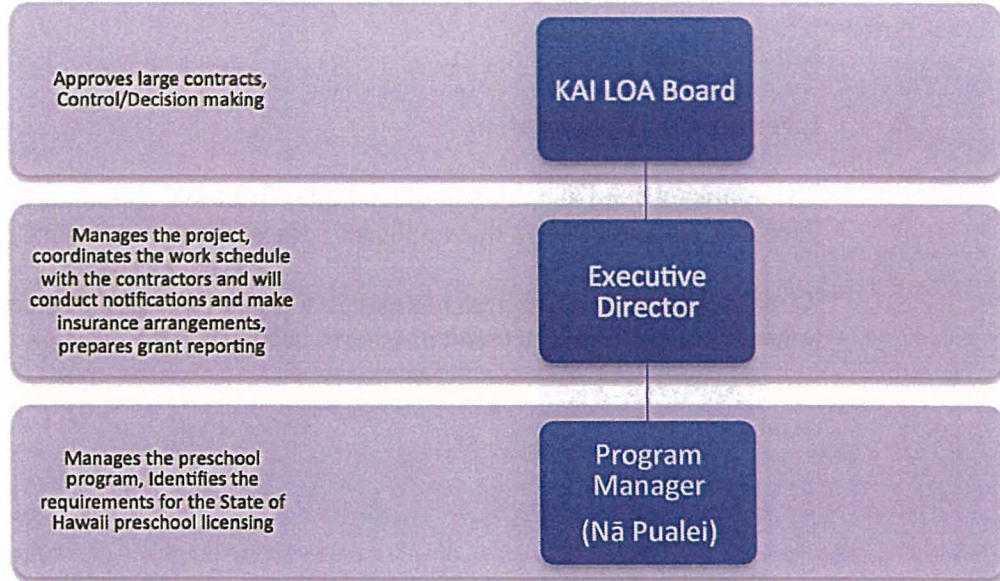
The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

KAI LOA’s Administrative staff has recently managed a \$2.47 mil construction project on campus and has managed the transportation and installation of the two modular buildings as completed in Phase I. Staff will continue to have oversight of the facilities and its use once construction has been completed, as it does for existing facilities. Maintenance of the facilities will be the shared responsibility of KAI LOA’s Administrative staff and Kamakau’s maintenance staff. No GIA State funding is being requested to compensate staff or the board for the completion of this 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.

KAI LOA’s Organization Chart is provided below-



C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

Although no staff will be compensated with GIA State funds for this project, the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position are as follows –

Position	FTE	Annual Salary
Preschool Program Manager	1.0 FTE	\$45,000
Preschool Project Director	0.25 FTE	\$20,636
Financial Manager	0.125 FTE	\$7,803

VI. Other

A. Litigation

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

Not Applicable

B. Licensure or Accreditation

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

Kamakau's PreK-12 program has earned a 6-year WASC (Western Association of Schools and Colleges) accreditation term in May 2013.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: Kai Loa Inc.

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(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				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	193,952			
TOTAL (A+B+C+D+E)	193,952			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	193,952	Ivy K. Kelling	808 235-9175	
(b)		Name (Please type or print)	Phone	
(c)		[Redacted Signature]	1/30/14	
(d)			Date	
TOTAL BUDGET	193,952	Ivy K. Kelling Kai Loa Inc, Executive Director		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Kai Loa Inc

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS: No Equipment or Motor Vehicles will be purchased in this project.				

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: Kai Loa Inc

Period: July 1, 2014 to June 30, 2015

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: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
	PLANS	2,460.00	6,060.00	\$0.00		
LAND ACQUISITION			\$0.00			
DESIGN	106,187.00	9,421.00	\$30,000.00			
CONSTRUCTION	729,725.00	110,148.00	\$163,952.00	\$20,000.00		
EQUIPMENT	42,132.00		\$0.00			
TOTAL:	\$880,504.00	\$125,629.00	\$193,952.00	\$20,000.00		

JUSTIFICATION/COMMENTS: Kai Loa Inc, the non-profit support organization of Ke Kula 'o Samuel M. Kamakau, LPCS is applying for the State GIA funds to complete renovations on two donated modular buildings currently on campus. Kai Loa is completing the work in 2 phases. The anticipated completion date of Phase I is Feb 2014. GIA State funds are being requested to complete Phase II of the work, whereby the moduars will be prepared to open 2 new preschool classrooms and a computer lab for the PreK-12 Hawaiian Immersion program at Kamakau.

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) 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;
 - b) Complies 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;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows 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.
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) 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.
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants or subsidies 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.

Kai Loa Inc
(Typed Name of Individual or Organization)


(Signature)

January 31, 2014
(Date)

Elizabeth Aulsebrook
(Typed Name)

Kai Loa Inc.. Chairman
(Title)