

MINUTES OF THE CHARTER SCHOOL GOVERNANCE, ACCOUNTABILITY, AND
AUTHORITY TASK FORCE (ACT 130, SESSION LAWS OF HAWAII 2011)

December 7, 2011

Conference Room 225, State Capitol

I. Members Present

Senator Jill Tokuda, Hawaii State Senate
Della Au Belatti, Hawaii State House of Representatives
Tammi Chun, Office of the Governor
Robert Campbell, Department of Education (Superintendent of Education's Designee)
Lianne Ebesugawa for Don Horner, Chair Board of Education
Megan McCorriston, Ho'okako'o Corporation
Roger McKeague, Charter School Administrative Office
Lisa Okinaga, Kamehameha Schools
Steve Sullivan, Hawaii Charter Schools Network
Ruth Tschumy, Charter School Review Panel
Gene Zarro, Hawaii Charter Schools Network

Also present: Senator Michelle Kidani
Stephanie Shipton, Policy Analyst, National Governors Association

II. Adoption of Minutes

Ms. Tsuchmy moved that the minutes of the November 2, 2011 Task Force meeting be approved. Mr. Zarro seconded the motion.

The Task Force unanimously adopted the motion and the minutes were adopted.

III. Overview of Task Force Recommendations

Senator Tokuda presented the Final Recommendations for Charter School Task Force (Attachment A). Discussion centered on the following items:

A. Change in Selection Process for Governing Board (Local School Board), pp 17-19.

The Task Force noted that many of the specific membership requirements for the local school boards were replaced with broader competencies for the proposed governing boards, and the question was raised regarding how the governing boards will ensure community involvement under the broader requirements. Discussion centered on the roll of the Authorizer in ensuring community involvement, and in particular community meetings, during the application process. It was also noted that the proposed changes provide more autonomy for individual schools to determining what governing board competencies are most critical for their success.

The Task Force also recommended further changes regarding who may serve as chair of the governing board (p. 18). Discussion centered on the issue of whether any employee or relative of an employee may serve as the chair, and the impact this change may have on small, rural public charter schools. The Task Force agreed that this might be a strong consideration in some cases, and proposed an amendment to prohibit any employee of a school or relative of an employee from serving as the governing board chair, provided that the Authorizer may exempt a governing board from this prohibition on a case by case basis. Ms. Shipton pointed out that the Authorizer must develop extremely clear and specific guidelines to allow for these exemptions, to avoid uncertainty at the school level, and the Task Force agreed to this recommendation as well.

The Task Force also requested clarification in the language about the posting of minutes of a governing board (p. 19), to ensure that the agenda and minutes will be posted in at least two locations, as the Legislature intended in SB1174.

B. Changes to Application Process for Start Up Charter Schools), pp 19-21.

The Task Force requested minor amendments to clarify that the application process requirements are for one cycle, rather than one year. The current procedures begin in early December, and there may be some confusion on the part of applicant schools regarding when the year begins.

C. Recommendations for Authorizer Staff, pp 25-28.

In a working group meeting on December 6, 2011, members requested further information on appropriate titles for authorizer staff. The recommendation from the Administration is to retain the Executive Director title, and to change the titles of the rest of the staff to specialist, i.e., Applications Specialist.

Further discussion centered on how best to establish these new positions to ensure an orderly transition from the current staffing of the Charter School Administrative Office (CSAO), which will sunset at an unspecified date. Senator Tokuda reported that she would continue discussion with the Legislature and the Administration regarding the positions establishment and would work to create sufficient overlap to facilitate smooth transition.

D. Reauthorizations/Authorizations, p 31.

Transition is key to the success of the Task Force recommendations, particularly for the current 2% funding and the proposed FTE funding, and the to-be-determined sunset date of the CSAO. Schools are concerned that they may be paying twice for comparable services during the transition, and currently the CSAO provides many services that will be the responsibility of the individual governing boards after the transition. A transitional funding plan was one suggestion, and the Task Force acknowledged that this area will definitely need further work and careful monitoring to make sure schools are not paying more than two percent per year.

The Task Force also suggested that given the importance of performance contracts under the proposed model, that samples would need to be created for use by the schools and their governing boards.

Senator Tokuda stressed that not all questions would be resolved prior to the legislative process and that further changes could be expected during the coming months.

Senator Tokuda then requested a motion to approve the Final Recommendations for Charter School Task Force. The motion was made by Mr. Zarro and seconded by Mr. Campbell.

The Task Force unanimously adopted the motion and the Final Recommendations, as amended, were adopted.

IV. Next steps and timelines

The Task Force will submit a report to the 2012 Legislature, and work is well underway on the report. Senator Tokuda will transmit the draft of the report to Task Force members for review and comment within the next few weeks.

The Charter School Network will be conducting web-based community outreach meetings to share the work of the Task Force and HCSN will be hosting roundtable meetings on Oahu, Kauai, and Big Island. Details to be determined.

The charter school annual meeting will be held January 10-11, 2012, and the Legislature will be holding an Informational Briefing on the Task Force Report in early January.

V. Adjournment

Senator Tokuda and Representative Belatti thanked the members of the Task Force, the working groups, and all participants for their commitment and diligence in attending the 20 meetings held by the Task Force and working groups during the past six months. Senator Tokuda urged their continued support and input during the 2012 Legislature.

The meeting was adjourned.

**Final Recommendations for Charter School Task Force
December 7, 2011**

Area of Discussion	Recommendation
<p>Eligible Authorizing Entities</p> <p><i>Most Notable: Allows for Multiple Authorizers. Based on model law.</i></p>	<p><u>Model Law Section 5(1):</u></p> <p>"§302B-D Eligible authorizing entities. (a) <u>The state public charter school commission created under section 302B-A may authorize public charter schools anywhere in the state; provided that the commission fulfills the requirements of all public charter school authorizers under this chapter.</u></p> <p style="padding-left: 40px;"><u>(b) Governing boards of accredited public and private postsecondary institutions, including community college, technical colleges, and four-year universities may apply to the commission, pursuant to section 302B-C, for statewide, regional, or local chartering authority, in accordance with each institution's regular operating jurisdiction.</u></p> <p style="padding-left: 40px;"><u>(c) A county or state agency may apply to the commission , pursuant to section 302B- , for chartering authority:</u></p> <p style="padding-left: 40px;"><u>(d) Governing boards of non-profit or charitable organizations, which are exempt from federal taxes under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code, may apply to the commission , pursuant to section 302B- , and may be granted state wide chartering authority. Nonpublic sectarian or religious organizations and any other charitable organization which in their federal IRS Form 1023, Part IV, describe activities indicating a religious purpose, are not eligible to apply to become an authorizer under this chapter."</u></p>
<p>Chartering Authority Application for Eligible Entities</p> <p><i>Most Notable: Identifies process by which BOE will allow for multiple authorizers. Based on model law.</i></p>	<p><u>Model Law Section 5(4):</u></p> <p>"§302B-E Chartering authority application for eligible entities. (a) <u>The board of education shall establish, through administrative rules, the annual application and approval process for all entities eligible to apply for chartering authority pursuant to sections 302B-D(b) through (d). By June 30 of each year, the board of education shall</u></p>

make available information and guidelines for all eligible entities concerning the opportunity to apply for chartering authority under this chapter. The application process shall require each interested eligible entity to submit an application that clearly explains or presents the following elements:

- (1) Written notification of intent to serve as a charter authorizer in accordance with this chapter;
- (2) The applicant entity's strategic vision for chartering;
- (3) A plan to support the vision presented, including explanation and evidence of the applicant entity's budget and personnel capacity and commitment to execute the responsibilities of quality charter authorizing, in accordance with this chapter;
- (4) A draft or preliminary outline of the request for proposals that the applicant entity would, if approved as a charter authorizer, issue to solicit public charter school applicants;
- (5) A draft of the performance framework that the applicant entity would, if approved as a charter authorizer, use to guide the establishment of a charter contract and for ongoing oversight and evaluation of public charter schools, consistent with the requirements of this chapter;
- (6) A draft of the applicant entity's renewal, revocation, and non-renewal processes, consistent with section 302B-C;
- (7) A statement of assurance that the applicant entity seeks to serve as a charter authorizer in fulfillment of the expectations, spirit, and intent of this chapter, and that if approved as a charter authorizer, the entity will fully participate in any authorizer training provided or required by the State; and
- (8) A statement of assurance that the applicant will ensure public accountability and transparency in all matters concerning their charter-authorizing practices, decisions, and expenditures.

(b) By June 30 of each year, the board of education shall decide whether to grant or deny chartering authority to each applicant. The board shall make its decisions on the merits of each applicant's proposal and plans.

(c) Within ___ days of the board of education's decision, the board shall execute a renewable authorizing contract with each entity it has approved for chartering

	<p><u>authority. The initial term of each authorizing contract shall be six years. The authorizing contract shall specify each approved entity's agreement to serve as a charter authorizer in accordance with the expectations of this chapter, and shall specify additional performance terms based on the applicant's proposal and plan for chartering. No approved entity shall commence charter authorizing without an authorizing contract in effect."</u></p>
<p>Authorizer Powers, Duties and Liabilities</p> <p><i>Most Notable: Clear delineation of authorizer responsibilities. Based on model law.</i></p>	<p><u>Model Law Section 5(5):</u></p> <p><u>"§302B-F Authorizer powers, duties, and liabilities.</u> (a) <u>Authorizers are responsible for executing, in accordance with this Act, the following essential powers and duties:</u></p> <ol style="list-style-type: none"> <u>(1) Soliciting and evaluating charter applications;</u> <u>(2) Approving quality charter applications that meet identified educational needs and promote a diversity of educational choices;</u> <u>(3) Declining to approve weak or inadequate charter applications;</u> <u>(4) Negotiating and executing sound charter contracts with each approved public charter school;</u> <u>(5) Monitoring, in accordance with charter contract terms, the performance and legal compliance of public charter schools; and</u> <u>(6) Determining whether each charter contract merits renewal, nonrenewal, or revocation.</u> <p><u>(b) An authorizing entity may delegate its duties to offices, employees, and contractors.</u></p> <p><u>(c) Regulation by authorizers shall be limited to these powers and duties, and consistent with the spirit and intent of this chapter.</u></p> <p><u>(d) An authorizing entity, members of the board of an authorizer in their official capacity, and employees of an authorizer are immune from civil and criminal liability with respect to all activities related to a public charter school they authorize."</u></p>
<p>Additions to Authorizer Powers, Duties & Liabilities (as result of recent structure changes made).</p>	<p>(b) An authorizer shall be the point of contact between the department and a public charter school it authorizes and shall be responsible for the administration of all applicable state and federal laws.</p>

<p><i>Most Notable: Establishes clear lines of authority for authorizer; specifies that authorizer will not provide technical support.</i></p>	<p>(c) An authorizer shall be responsible for and shall ensure compliance of a public charter school it authorizes with all applicable state and federal laws, including all reporting requirements.</p> <p>(d) An authorizer shall be responsible for the receipt of applicable federal funds from the department and the distribution of applicable federal funds to the public charter school it authorizes.</p> <p>(e) An authorizer shall be responsible for the receipt of per pupil funding from the department of budget and finance and distribution of the funding to the public charter school it authorizes.</p> <p>(g) Technical support to charter schools shall not be provided for by an authorizer.</p>
<p>Principles and Standards for Charter Authorizing</p> <p><i>Most Notable: Based on model law.</i></p>	<p>Model Law Section 5(6):</p> <p>"§302B-G Principles and Standards for charter authorizing. All authorizers shall be required to develop and maintain chartering policies and practices consistent with nationally recognized principles and standards for quality charter authorizing in all major areas of authorizing responsibility including: organizational capacity and infrastructure; soliciting and evaluating charter applications; performance contracting; ongoing public charter school oversight and evaluation; and charter renewal decision-making. Authorizers shall carry out all their duties under this chapter in a manner consistent with such nationally recognized principles and standards and with the spirit and intent of this chapter. Evidence of material or persistent failure to do so shall constitute grounds for losing charter authorizing powers."</p>
<p>Authorizer Reporting</p> <p><i>Most Notable: Requires annual report from each authorizer. Based on model law.</i></p>	<p>Model Law Section 5(7):</p> <p>"§302B-H Authorizer reporting. Every authorizer shall be required to submit to the board of education and the legislature an annual report summarizing:</p> <ol style="list-style-type: none"> (1) The authorizer's strategic vision for chartering and progress toward achieving that vision; (2) The academic and financial performance of all operating public charter schools overseen by the authorizer, according to the performance expectations for public charter schools set forth in this chapter; (3) The status of the authorizer's public charter school portfolio, identifying

	<p>all public charter schools in each of the following categories: approved (but not yet open), operating, renewed, transferred, revoked, not renewed, voluntarily closed, or never opened;</p> <p>(4) <u>The authorizing functions provided by the authorizer to the public charter schools under its purview, including the authorizer’s operating costs and expenses detailed in annual audited financial statements that conform with generally accepted accounting principles;</u></p> <p>(5) <u>The services purchased from the authorizer by the public charter schools under its purview, including an itemized accounting of the actual costs of these services, as required in section 302B-K."</u></p>
<p>Conflict of Interests</p> <p><i>Most Notable: Based on model law.</i></p>	<p><u>Model Law Section 5(9):</u></p> <p>"§302B-I Conflict of interests. <u>No employee, trustee, agent, or representative of an authorizer may simultaneously serve as an employee, trustee, agent, representative, vendor, or contractor of a public charter school authorized by that entity."</u></p>
<p>Exclusivity of Authorizing Functions and Rights</p> <p><i>Most Notable: Based on model law.</i></p>	<p><u>Model Law Section 5(10):</u></p> <p>"§302B-I Exclusivity of authorizing functions and rights. <u>No governmental or other entity, other than those expressly granted chartering authority as set forth in this chapter, may assume any charter authorizing function or duty in any form, unless expressly allowed by law."</u></p>
<p>Services Purchased from Authorizer</p> <p><i>Most Notable: Does not require purchase of services from authorizer. Based on model law.</i></p>	<p><u>Model Law Section 5(11):</u></p> <p>"§302B-K Services purchased from Authorizer; itemized accounting. (a) <u>No public charter school shall be required to purchase services from its authorizer as a condition of charter approval or of executing a charter contract, nor may any such condition be implied.</u></p> <p>(b) <u>A public charter school may, at its discretion, choose to purchase services from its authorizer. In such event, the public charter school and authorizer shall execute an annual service contract, separate from the charter contract, stating the parties’</u></p>

	<p><u>mutual agreement concerning any services to be provided by the authorizer and any service fees to be charged to the public charter school. An authorizer may not charge more than market rates for services provided to a public charter school.</u></p> <p><u>(c) Within days after the end of each fiscal year, each authorizer shall provide to each public charter school it oversees an itemized accounting of the actual costs of services purchased by the public charter school from the authorizer. Any difference between the amount initially charged to the public charter school and the actual cost shall be reconciled and paid to the owed party. If either party disputes the itemized accounting, any charges included in such accounting, or charges to either party, the disputing party is entitled to request a third-party review at its own expense. The review shall be conducted by board of education whose determination shall be final."</u></p>
<p>Oversight of Public Charter School Authorizers</p> <p><i>Most Notable: Specifically tasks BOE with authorizer oversight responsibilities. Based on model law.</i></p>	<p><u>Model Law Section 5(12):</u></p> <p><u>"§302B-L Oversight of public charter school authorizers.</u> (a) <u>The board of education shall be responsible for overseeing the performance and effectiveness of all authorizers established under this chapter.</u></p> <p><u>(b) In accordance with section 302B-H, every authorizer shall be required to submit to the board of education and the legislature an annual report. The board shall, by [INSERT DATE] of each year, communicate to every authorizer the requirements for the format, content, and submission of the annual report.</u></p> <p><u>(c) Persistently unsatisfactory performance of an authorizer's portfolio of public charter schools, a pattern of well-founded complaints about the authorizer or its public charter schools, or other objective circumstances may trigger a special review by the board of education. In reviewing or evaluating the performance of authorizers the board shall apply nationally recognized principles and standards for quality charter authorizing. If at any time the board finds that an authorizer is not in compliance with an existing charter contract, its authorizing contract with the board, or the requirements of all authorizers under this chapter, the board shall notify the authorizer in writing of the identified problems, and the authorizer shall have reasonable opportunity to respond and remedy the problems.</u></p> <p><u>(d) If an authorizer granted chartering authority persists, after due notice from the board of education, in violating a material provision of a charter contract or its</u></p>

	<p><u>authorizing contract with the board, or fails to remedy other identified authorizing problems, the board shall notify the authorizer, within a reasonable amount of time under the circumstances, that it intends to revoke the authorizer’s chartering authority unless the authorizer demonstrates a timely and satisfactory remedy for the violation or deficiencies.</u></p> <p><u>(e) In the event of revocation of any authorizer’s chartering authority, the board of education shall manage the timely and orderly transfer of each charter contract held by that authorizer to another authorizer in the state, with the mutual agreement of each affected public charter school and proposed new authorizer. The new authorizer shall assume the existing charter contract for the remainder of the charter term."</u></p>
<p>Performance Contract</p> <p><i>Most Notable: Replaces the Detailed Implementation Plan. Calls for annual performance targets. Based on model law.</i></p>	<p><u>Model Law Section 7(1):</u></p> <p><u>"§302B-M Performance framework.</u> (a) <u>The performance provisions within the charter contract shall be based on a performance framework that clearly sets forth the academic and operational performance indicators, measures and metrics that will guide the authorizer’s evaluations of each public charter school. The performance framework shall include indicators, measures and metrics for, at a minimum:</u></p> <ol style="list-style-type: none"> <u>(1) Student academic proficiency;</u> <u>(2) Student academic growth;</u> <u>(3) Achievement gaps in both proficiency and growth between major student subgroups;</u> <u>(4) Attendance;</u> <u>(5) Recurrent enrollment from year to year;</u> <u>(6) Postsecondary readiness (for high schools);</u> <u>(7) Financial performance and sustainability; and</u> <u>(8) Performance and stewardship, including compliance with all applicable laws, regulations, and terms of the charter contract.</u> <p><u>(b) Annual performance targets shall be set by each public charter school in conjunction with its authorizer, and shall be designed to help each school meet applicable federal, state, and authorizer expectations.</u></p> <p><u>(c) The performance framework shall allow the inclusion of additional rigorous, valid, and reliable indicators proposed by a public charter school to augment external</u></p>

	<p><u>evaluations of its performance, provided that the authorizer approves the quality and rigor of such school-proposed indicators, and they are consistent with the purposes of this chapter.</u></p> <p><u>(d) The performance framework shall require the disaggregation of all student performance data by major student subgroups (gender, race, poverty status, special education status, English Learner status, and gifted status).</u></p> <p><u>(e) For each public charter school it oversees, the authorizer shall be responsible for collecting, analyzing, and reporting all data from state assessments in accordance with the performance framework.</u></p> <p><u>(f) Multiple schools operating under a single charter contract or overseen by a single governing board shall be required to report their performance as separate, individual schools, and each school shall be held independently accountable for its performance."</u></p>
<p>Ongoing Oversight and Corrective Action</p> <p><i>Most Notable: Based on model law.</i></p>	<p><u>Model Law Section 7(2):</u></p> <p><u>"§302B-N Ongoing oversight and corrective actions.</u> <u>(a) An authorizer shall continually monitor the performance and legal compliance of the public charter schools it oversees, including collecting and analyzing data to support ongoing evaluation according to the charter contract. Every authorizer shall have the authority to conduct or require oversight activities that enable the authorizer to fulfill its responsibilities under this Act, including conducting appropriate inquiries and investigations, so long as those activities are consistent with the intent of this chapter, adhere to the terms of the charter contract, and do not unduly inhibit the autonomy granted to public charter schools.</u></p> <p><u>(b) Each authorizer shall annually publish and provide, as part of its annual report to the board of education and the legislature, a performance report for each public charter school it oversees, in accordance with the performance framework set forth in the charter contract and section of this Act. The authorizer may require each public charter school it oversees to submit an annual report to assist the authorizer in gathering complete information about each school, consistent with the performance framework.</u></p> <p><u>(c) In the event that a public charter school's performance or legal compliance</u></p>

	<p><u>appears unsatisfactory, the authorizer shall promptly notify the public charter school of the perceived problem and provide reasonable opportunity for the school to remedy the problem, unless the problem warrants revocation in which case the revocation timeframes will apply.</u></p> <p><u>(d) Every authorizer shall have the authority to take appropriate corrective actions or exercise sanctions short of revocation in response to apparent deficiencies in public charter school performance or legal compliance. Such actions or sanctions may include, if warranted, requiring a school to develop and execute a corrective action plan within a specified timeframe."</u></p>
<p>School Closure and Dissolution</p> <p><i>Most Notable: Based on model law.</i></p>	<p><u>Model Law Section 7(4):</u></p> <p><u>"§302B-0 School closure and dissolution.</u> (a) <u>Prior to any public charter school closure decision, an authorizer shall have developed a public charter school closure protocol to ensure timely notification to parents, orderly transition of students and student records to new schools, and proper disposition of school funds, property, and assets in accordance with the requirements of this chapter. The protocol shall specify tasks, timelines, and responsible parties, including delineating the respective duties of the school and the authorizer. In the event of a public charter school closure for any reason, the authorizer shall oversee and work with the closing school to ensure a smooth and orderly closure and transition for students and parents, as guided by the closure protocol.</u></p> <p><u>(b) In the event of a public charter school closure for any reason, the assets of the school, excluding facilities, shall be distributed first to satisfy outstanding payroll obligations for employees of the school, then to creditors of the school, and then to the state treasury to the credit of the general fund. If the assets of the school are insufficient to pay all parties to whom the school owes compensation, the prioritization of the distribution of assets may be determined by decree of a court of law.</u></p> <p><u>(c) In the event of a public charter school closure for any reason, other public charter schools shall have the right of first refusal for the closed public charter school's facilities. If no other public charter school exercises the right of first refusal, the facilities shall revert back to the department and the State."</u></p>

<p>Charter Transfers</p> <p><i>Most Notable: Based on model law.</i></p>	<p><u>Model Law Section 7(5):</u></p> <p>"§302-P Charter transfers. <u>Transfer of a charter contract, and of oversight of that public charter school, from one authorizer to another before the expiration of the charter term shall not be permitted except by special petition to the board of education by a public charter school or its authorizer. The board shall review such petitions on a case-by-case basis and may grant transfer requests in response to special circumstances and evidence that such a transfer would serve the best interests of the public charter school's students."</u></p>
<p>Annual Reporting Requirements for the BOE</p> <p><i>Most Notable: Requires BOE to do an annual report with comparative data and recommendations for improvement. Based on model law.</i></p>	<p><u>Model Law Section 7(6):</u></p> <p>"§302B-Q Annual report. <u>On or before [INSERT DATE] of each year beginning in the first year after the state will have had public charter schools operating for a full school year, the board of education shall issue to the governor, the legislature, and the public at large, an annual report on the state's public charter schools, drawing from the annual reports submitted by every authorizer as well as any additional relevant data compiled by the board, for the school year ending in the preceding calendar year. The annual report shall include a comparison of the performance of public charter school students with the performance of academically, ethnically, and economically comparable groups of students in non-charter public schools. In addition, the annual report shall include the board's assessment of the successes, challenges, and areas for improvement in meeting the purposes of this chapter, including the board's assessment of the sufficiency of funding for public charter schools, the efficacy of the state formula for authorizer funding, and any suggested changes in state law or policy necessary to strengthen the state's public charter schools."</u></p>
<p>Renewals, Revocations & Non-renewals</p> <p><i>Most Notable: Would change term to 5 years vs. current HRS at 6 years.</i></p>	<p><u>Model Law Section 7(3):</u></p> <p>§302B-C Renewals, revocations, and nonrenewals. <u>(a) A charter contract may be renewed for successive five-year terms of duration, although an authorizer may vary the terms based on performance, demonstrated capacities, and particular circumstances of</u></p>

Based on model law.

each charter school. An authorizer may grant a renewal of a charter contract with specific conditions for necessary improvements to a charter school.

(b) No later than _____, the authorizer shall issue a charter school performance report and charter contract renewal application guidance to any charter school whose charter contract will expire the following year. The performance report shall summarize the charter school's performance record to date, based on the data required by this chapter and the charter contract, and shall provide notice of any weaknesses or concerns perceived by the authorizer concerning the charter school that may jeopardize its position in seeking renewal if not timely rectified. The charter school shall have _____ days to respond to the performance report and submit any corrections or clarifications for the report.

(c) The renewal application guidance shall, at a minimum, provide an opportunity for the public charter school to:

- (1) Present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
- (2) Describe improvements undertaken or planned for the school; and
- (3) Detail the charter school's plans for the next charter term.

(d) The renewal application guidance shall include or refer explicitly to the criteria that will guide the authorizer's renewal decisions, which shall be based on the charter contract and be consistent with this chapter.

(e) No later than _____, the governing board of a charter school seeking renewal shall submit a renewal application to the authorizer pursuant to the renewal guidance issued by the authorizer. The authorizer shall decide whether or not to renew the charter no later than _____ days after the filing of the renewal application.

(f) In making charter renewal decisions, every authorizer shall:

- (1) Ground its decisions in evidence of the school's performance over the term of the charter contract in accordance with the performance framework set forth in the charter contract;
- (2) Ensure that data used in making the renewal decisions are available to the charter school and the public;
- (3) Provide a public report summarizing the evidence and basis for each decision.

(g) A charter contract may be revoked at any time or not renewed if the

	<p><u>authorizer determines that the charter school did any of the following or otherwise failed to comply with the provisions of this chapter:</u></p> <ul style="list-style-type: none"> <u>(1) Commits a material and substantial violation of any of the terms, conditions, standards, or procedures required under this chapter or the charter contract;</u> <u>(2) Fails to meet or make sufficient progress toward performance expectations set forth in the contract;</u> <u>(3) Fails to meet generally accepted standards of fiscal management; or</u> <u>(4) Substantially violates any material provision of law from which the charter school is not exempted.</u> <p><u>(h) An authorizer must develop revocation and non-renewal processes that:</u></p> <ul style="list-style-type: none"> <u>(1) Provide the charter holders with a timely notification of the prospect of revocation or non-renewal and the reasons for such possible closure;</u> <u>(2) Allow the charter holders a reasonable amount of time in which to prepare a reasonable amount of time in which to prepare a response;</u> <u>(3) Provide the charter holders with an opportunity to submit documents and give testimony challenging the rationale for closure and in support of the continuation of the school at an orderly proceeding held for the purpose;</u> <u>(4) Allow charter holders access to representation by counsel and to call witnesses on their behalf;</u> <u>(5) Permit the recording of such proceedings; and</u> <u>(6) After a reasonable period for deliberation, require a final determination to be made and conveyed in writing to the charter holders.</u> <p><u>(i) If an authorizer revokes or does not renew a charter, the authorizer shall clearly state the reasons for the revocation or nonrenewal.</u></p> <p><u>(j) Within days of taking action to renew, not renew, or revoke a charter, the authorizer shall report to the board of education the action taken, and shall provide a copy of the report to the charter school at the same time the report is provided to the board. The report shall set forth the action taken and reasons for the decision and assurances as to compliance with all the requirements set forth in this chapter."</u></p>
<p>Changes to the Charter School Review Panel (CSRP)</p>	<p><u>Potential language from Model Law Section (5)(2) and Working Group:</u></p>

Most notable: Name change to the Public Charter School Commission and significant changes to the composition of the commission being based on qualifications versus constituency based.

"§302B-A State public charter school commission; establishment; appointment.

(a) There is established the state public charter school commission with statewide chartering jurisdiction and authority. The commission shall be placed within the department of education for administrative purposes only. Notwithstanding section 302B-9 and any law to the contrary, the commission shall be subject to chapter 92.

(b) The mission of the commission shall be to authorize high-quality charter public charter schools throughout the State.

(c) The commission shall consist of nine members to be appointed by the board of education. The board shall appoint members who will be tasked with authorizing public charter schools that serve the unique and diverse needs of public school students. The board shall consider the combination of abilities, breadth of experiences, and characteristics of the commission, including but not limited to reflecting the diversity of the student population, geographical representation, and a broad representation of education-related stakeholders.

(d) Understanding that the role of the commission is to ensure a long-term strategic vision for Hawaii's public charter schools, each nominee to the commission shall meet the following minimum qualifications:

- (1) Record of integrity, civic virtue, and high ethical standards. Each nominee shall demonstrate integrity, civic virtue, and high ethical standards and be willing to hold fellow commission members to the same;
- (2) Availability for constructive engagement. Each nominee shall commit to being a conscientious and attentive commission member;
- (3) Knowledge of best practices. Each nominee shall have an understanding of best practices in charter school educational governance or shall be willing to be trained in such; and
- (4) Commitment to education. Each nominee's record should demonstrate a deep and abiding interest in education, and a dedication to the social, academic, and character development of young people through the administration of a high performing charter school system.

(e) Each nominee to the commission shall ideally meet the following recommended qualifications:

- (1) Experience governing complex organizations. Each nominee should possess experience with complex organizations, including but not limited

to performance contract management, and a proven ability to function productively within them; and

- (2) Collaborative leadership ability. Each nominee should have substantial leadership experience that ideally illustrates the nominee's ability to function among diverse colleagues as an effective team member, with the ability to articulate, understand, and help shape consensus surrounding board policies.

(f) Five members of the commission shall constitute a quorum to conduct business and a concurrence of at least five members shall be necessary to make any action of the commission valid.

(g) Commission members shall serve not more than three consecutive three-year terms, with each term beginning on July 1; provided that the initial terms that commence after June 30, 2012 shall be staggered as follows:

- (1) Three members to serve three-year terms;
(2) Three members to serve two-year terms;
(3) Three members to serve one-year terms.

(h) Commission members shall receive no compensation. When commission duties require that a commission member take leave of the members duties as a state employee, the appropriate state department shall allow the commission member to be placed on administrative leave with pay and shall provide substitutes, when necessary, to provide that member's duties. Members shall be reimbursed for necessary travel expenses incurred in the conduct of official commission business.

(i) The commission shall establish operating procedures that shall include conflict of interest procedures for any member whose school of employment or governing board is before the commission.

(j) The commission shall operate with dedicated resources and staff qualified to execute the day-to-day responsibilities of the commission pursuant to this chapter."

Session law language:

"Notwithstanding any law to the contrary, the members of the charter school review panel serving on the day of the effective date of this Act shall serve on the state public charter school commission until the appointment of no fewer than five members

	<p>to the state public charter school commission pursuant to this Act, at which time all members of the charter school review panel shall be discharged from and the members of the state public charter school commission shall begin their service; provided that any vacancy in charter school review panel occurring between the effective date of this Act and the discharge from office of all charter school review panel members shall remain vacant until appointed to the state public charter school commission by the board of education pursuant to this Act."</p>
<p>Amendments to the Definition Section of Statute.</p> <p><i>Most notable: replacing the Detailed Implementation Plan with Application and Contract</i></p>	<p>"302B-1 Definitions Whenever used in this chapter, unless the context otherwise requires:</p> <p><u>"Application" means a proposal from an applicant to an authorizer to enter into a charter contract whereby the proposed school obtains public charter school status.</u></p> <p><u>"Authorizer" means an entity authorized under this chapter to review applications, decide whether to approve or reject charter applications, enter into charter contracts with applicants, oversee public charter schools, and decide whether to authorize, reauthorize, or reject charter contracts. The term may include the commission when appropriate.</u></p> <p><u>"Charter contract" means a fixed-term, renewable contract between a public charter school and an authorizer that outlines the roles, powers, responsibilities, and performance expectations for each party to the contract.</u></p> <p>"Charter school" or "<u>public charter school</u>" refers to those public schools holding charters to operate as charter schools under this chapter, including start-up and conversion charter schools, and that have the flexibility and independent authority to implement alternative frameworks with regard to curriculum, facilities management, instructional approach, virtual education, length of the school day, week, or year, and personnel management.</p> <p>["Charter school review panel" or "panel" means the panel established pursuant to section 302B-3 with the powers and duties to issue and revoke charters, approve</p>

	<p>detailed implementation plan revisions, and conduct charter school evaluations.] <u>"Commission" means the state public charter school commission established pursuant to 302B-A."</u></p> <p>["Detailed implementation plan" means the document that details the charter school's purpose, focus, operations, organization, finances, and accountability, and becomes the basis for a performance contract between the panel and the charter school.]</p> <p>"Executive director" means the executive director of the state public charter school [administrative] <u>commission.</u></p> <p>"[Local school] Governing board" means the [autonomous governing body] independent board of a public charter school [that:] that is party to the charter contract with the authorizer that:</p> <ol style="list-style-type: none"> (1) [Receives the charter and is] Is responsible for the financial, organizational, 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[:]; and (4) Ensures compliance with applicable state and federal laws.
<p>Uniform Education Reporting System</p> <p><i>Most Notable: Does not dictate a specific system, but rather a common output of data.</i></p>	<p><u>"§302B-R Uniform education reporting system.</u> <u>The board of education shall establish a uniform education reporting system that shall include requirements for reporting fiscal, personnel, and student data, by means of electronic transfer of data files from charter schools to the department. All charter schools shall comply with the requirements of the uniform education reporting system by the beginning of the 2012-2013 school year."</u></p> <p>Recommendation: Request that HCSN facilitate communications with the Department</p>

	<p>(David Wu) to address this issue and identify what changes need to take place in both practice and policy; what needs to be placed in the contract. Have discussion as to how the financial audit is created-should be together or separate?</p> <p>Key Stakeholders to be included but not limited to: David Wu, Business Managers/Fiscal Administrators, Executive Directors; DOE CFO; DOE HR; etc.</p>
<p>Board as Final Arbitrator</p> <p><i>Most Notable: Clearly establishes BOE as final arbitrator.</i></p>	<p>"§302B-S Board as final arbitrator. (a) <u>The board of education shall serve as the final arbitrator of any dispute between a charter school, governing board, and the department.</u></p> <p>(b) <u>A party shall not be entitled to a hearing before the board under this section until it has exhausted all available administrative remedies.</u></p> <p>(c) <u>The board shall adopt applicable rules and procedures pursuant to chapter 91 for implementing this section.</u>"</p>
<p>Purposed definition change as a result of appellate court interpretation</p>	<p>Recommended Change to 302B-1: "Charter school" or "public charter school" [refers to] means those public schools and their respective governing board, as defined in this section, that are holding charters to operate as charter schools under this chapter...</p>
<p>Change in Selection Process for Governing Boards</p> <p><i>Most Notable: Moving from constituency based composition to a focus on qualifications; selection vs. election process; sets 30% cap on employees or relatives of employees; does not allow head of school or relative may be Chair.</i></p> <p><i>In other sections, removed interim status of governing boards.</i></p>	<p>"302B-7 Charter school [local school] governing boards; powers and duties</p> <p>(a) All [local school] governing boards, with the exception of those of conversion charter schools that are managed and operated by a nonprofit organization pursuant to section 302B-6(e), shall be composed of [at a minimum, one representative from each of the following participant groups:</p> <ul style="list-style-type: none"> (1) Principals; (2) Instructional staff members selected by the school instructional staff; (3) Support staff selected by the support staff of the school; (4) Parents of students attending the school selected by the parents of the school; (5) Student body representatives selected by the students of the school; and (6) The community at large.] <u>No more than thirteen members; provided that no more than thirty per cent of the members shall be employees of a school or</u>

relatives of employees of a school. For purposes of this subsection, "employees" shall include the chief executive officer, chief administrative officer, executive director, or otherwise designated head of a school. In selecting members, consideration shall be given to persons who:

(1) Demonstrate an understanding of best practices of non-profit governance;

(2) Possess strong financial management, academic oversight, human resources, and fundraising experience; and

(3) Provide the governing board with a diversity of perspective and a level of objectivity that accurately represent the interests of the charter school students and the surrounding community.

(b) No chief executive officer, chief administrative officer, executive director, or otherwise designated head of school, or relative of chief executive officer, chief administrative officer, executive director, or otherwise designated head of a school, may serve as the chair of the [local school] governing board.

(c) The [local school] governing board shall be the [autonomous] independent governing body of its charter school and shall have oversight over and be responsible for the financial and academic viability of the charter school, implementation of the charter, and the independent authority to determine the organization and management of the school, the curriculum, virtual education, and compliance with applicable federal and state laws. The [local school] governing board shall have the power to negotiate supplemental collective bargaining agreements with the exclusive representatives of their employees.

(d) [Local school] Governing boards shall be exempt from chapter 103D, but shall develop internal policies and procedures for the procurement of goods, services, and construction, consistent with the goals of public accountability and public procurement practices. Charter schools are encouraged to use the provisions of chapter 103D wherever possible; provided that the use of one or more provisions of chapter 103D shall not constitute a waiver of the exemption from chapter 103D and shall not subject the charter school to any other provision of chapter 103D.

(e) Charter schools and their [local school] governing boards shall be exempt from the requirements of chapters 91 and 92. The [local school] governing boards shall:

(1) Make available the notices and agendas of public meetings:

	<p>(A) At a publicly accessible area in the [local school] governing board's office or and the [charter school administrative] <u>commission's office</u> so as to be available for review during regular business hours; and</p> <p>(B) On the [local school] governing board's or and charter school's internet website and the [charter school administrative office's] <u>commission's</u> internet website not less than six calendar days prior to the public meeting, unless a waiver is granted by the [executive director] <u>chair of the commission</u> in the case of an emergency; and</p> <p>(2) Make available the minutes from public meetings on a timely basis and maintain a list of the current names and contact information of the [local school] governing board's members and officers:</p> <p>(A) In the [local school] governing board's office or the [charter school administrative office] <u>commission's office</u> so as to be available for review during regular business hours; and</p> <p>(B) On the [local school] governing board's or charter school's internet website and the [charter school administrative office's] <u>commission's</u> internet website.</p> <p>(f) Charter schools and their [local school] governing boards shall develop internal policies and procedures consistent with ethical standards of conduct, pursuant to chapter 84.</p> <p>(g) The State shall afford the [local school] governing board of any charter school the same protections as the State affords the board."</p>
<p>Changes to Application Process for Start Up Charter Schools</p> <p><i>Most Notable: Based on NACSA recommendations to tighten application process. Would allow an applicant only one submittal per year.</i></p>	<p>§302B-5 Start-up charter schools; establishment. (a) New start-up charter schools may be established pursuant to this section.</p> <p>(b) Any community, group of teachers, group of teachers and administrators, or nonprofit organization may submit a letter of intent to the office to form a charter school, establish an interim [local school] governing board as its governing body, and develop [a detailed implementation plan] <u>an application</u> pursuant to subsection (d).</p> <p>(c) The start-up charter school application process and schedule shall be determined by the [panel] <u>commission</u>, and shall provide for and include the following elements:</p> <p>(1) The submission of a letter of intent to operate a start-up charter school;</p> <p>(2) The timely transmittal of the application form and completion guidelines</p>

to the interim ~~[local school]~~ governing board;

(3) The timely submission to the ~~[panel]~~ authorizer of a completed application;

(4) The timely review of the application by the ~~[panel]~~ authorizer for completeness, and notification of the interim ~~[local school]~~ governing board if the application is complete ~~[or, if the application is insufficient, a written statement of the elements of the application that require completion];~~

~~[(5) The timely resubmission of the application;]~~

~~[(6)]~~ (5) Upon receipt of a completed application, the convening of the ~~[panel]~~ commission, if applicable, by the ~~[panel]~~ commission chairperson to begin review of the application;

~~[(7) The timely notification of the applicant of any revisions the panel requests as necessary for a recommendation of approval;]~~

~~[(8)]~~ (6) Following the submission of an application, issuance of a charter or denial of the application by the ~~[panel]~~ authorizer by majority vote; ~~[provided that if the panel does not approve the application and issue a charter, provisions requiring the panel to:~~

(A) Clearly identify in writing its reasons for not issuing the charter, which may be used as guidelines for an amended plan; and

(B) Allow the interim local school board to revise its plan in accordance with the panel's guidelines, and resubmit an amended plan within ten calendar days;]

~~[(9)]~~ (7) A provision for a final date on which a decision must be made, upon receipt of an amended ~~[plan;]~~ application; and

~~[(10)]~~ (8) A provision that no start-up charter school may begin operation before obtaining ~~[panel]~~ authorizer approval of its ~~[charter.]~~ charter and charter contract.

(d) An application to become a start-up charter school shall ~~[include a detailed implementation plan that meets]~~ meet the requirements of this subsection and section 302B-9. The ~~[plan]~~ application shall include the following:

(1) A description of employee rights and management issues and a framework for addressing those issues that protects the rights of employees;

(2) A plan for identifying, recruiting, and retaining highly-qualified

	<p>instructional faculty;</p> <p>(3) A plan for identifying, recruiting, and selecting students that is not exclusive, elitist, or segregationist;</p> <p>(4) The curriculum and instructional framework to be used to achieve student outcomes, including an assessment plan;</p> <p>(5) A plan for the assessment of student, administrative support, and teaching personnel performance that:</p> <p>(A) Recognizes the interests of the general public;</p> <p>(B) Incorporates or exceeds the educational content and performance standards developed by the department for the public school system;</p> <p>(C) Includes a system of faculty and staff accountability that holds faculty and staff both individually and collectively accountable for their performance, and that is at least equivalent to the average system of accountability in public schools throughout the State; and</p> <p>(D) Provides for program audits and annual financial audits;</p> <p>(6) A governance structure for the charter school that incorporates a conflict of interest policy and a plan for periodic training to carry out the duties of [local school] governing board members;</p> <p>(7) A financial plan based on the most recent fiscal year's per-pupil charter school allocation that demonstrates the ability to meet the financial obligations of one-time, start-up costs and ongoing costs such as monthly payrolls, faculty recruitment, professional development, and facilities costs; and</p> <p>(8) A facilities plan.</p> <p>(e) Any applicant whose charter application is denied by the authorizer shall not be allowed to amend or resubmit the application to the authorizer during a given cycle; provided that an applicant shall have the right to appeal the authorizer's denial of its application pursuant to section 302B-3.5."</p>
<p>Changes to Application Process for Conversion Charter Schools</p> <p><i>Most Notable: Based on NACSA recommendations to tighten</i></p>	<p>"§302B-6 Conversion charter schools; establishment. (a) A conversion charter school may be established pursuant to this section.</p> <p>(b) Any department school, school community council, group of teachers, group of teachers and administrators, or nonprofit organization may submit a letter of intent to the office to convert a department school to a charter school, establish an interim</p>

<p><i>application process. Would allow an applicant only one submittal per year.</i></p>	<p>[local school] governing board as its governing body, and develop [a detailed implementation plan] an application pursuant to subsection (d).</p> <p>(c) The conversion charter school application process and schedule shall be determined by the [panel] <u>commission</u>, and shall provide for and include the following elements:</p> <p>(1) The submission of a letter of intent to convert to a charter school;</p> <p>(2) The timely transmittal of the application form and completion guidelines to the interim [local school] governing board;</p> <p>(3) The timely submission to the [panel] <u>authorizer</u> of a completed application; provided that the application shall include certification and documentation that the application [and the proposed detailed implementation plan] was approved by a majority of the votes cast by existing administrative, support, teaching personnel, and parents of students at the proposed conversion charter school;</p> <p>(4) The timely review of the application by the [panel] <u>authorizer</u> for completeness, and notification of the interim [local school] governing board if the application is complete[or, if the application is insufficient, a written statement of the elements of the application that require completion];</p> <p>[(5) The timely resubmission of the application;]</p> <p>[(6)] (5) Upon receipt of a completed application, the convening of the [panel] <u>commission</u>, if applicable, by the [panel] <u>commission</u> chairperson to begin review of the application;</p> <p>[(7) The timely notification of the applicant of any revisions the panel may request as necessary for a recommendation of approval;]</p> <p>[(8)] (6) Following the submission of an application, issuance of a charter or denial of the application by the [panel by majority vote;] <u>authorizer</u>; [provided that if the panel does not approve the application and issue a charter, provisions requiring the panel to:</p> <p>(A) Clearly identify in writing its reasons for not issuing the charter, which may be used as guidelines for an amended plan; and</p> <p>(B) Allow the interim local school board to revise its plan in accordance with the panel's guidelines, and resubmit an amended plan within ten calendar days;</p> <p>[(9)] (7) A provision for a final date on which a decision must be made upon</p>
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receipt of an amended ~~[plan;]~~ application; and

~~[(10)]~~ (8) A provision that no conversion charter school may begin operation before obtaining ~~[panel]~~ authorizer approval of its ~~[charter.]~~ charter and charter contract.

(d) An application to become a conversion charter school shall ~~[include a detailed implementation plan that meets]~~ meet the requirements of this subsection and section 302B-9. The ~~[plan]~~ application shall include the following:

(1) A description of employee rights and management issues and a framework for addressing those issues that protects the rights of employees;

(2) A plan for identifying, recruiting, and retaining highly-qualified instructional faculty;

(3) A plan for identifying, recruiting, and selecting students that is not exclusive, elitist, or segregationist;

(4) The curriculum and instructional framework to be used to achieve student outcomes, including an assessment plan;

(5) A plan for the assessment of student, administrative support, and teaching personnel performance that:

(A) Recognizes the interests of the general public;

(B) Incorporates or exceeds the educational content and performance standards developed by the department for the public school system;

(C) Includes a system of faculty and staff accountability that holds faculty and staff both individually and collectively accountable for their performance, and that is at least equivalent to the average system of accountability in public schools throughout the State; and

(D) Provides for program audits and annual financial audits;

(6) A governance structure for the charter school that incorporates a conflict of interest policy and a plan for periodic training to carry out the duties of ~~[local school]~~ governing board members;

(7) A financial plan based on the most recent fiscal year's per-pupil charter school allocation that demonstrates the ability to meet the financial obligations of one-time, start-up costs and ongoing costs such as monthly payrolls, faculty recruitment, professional development, and facilities costs; and

(8) A facilities plan.

(e) A nonprofit organization may submit a letter of intent to the office to convert a department school to a conversion charter school, operate and manage the school, establish a ~~[local school]~~ governing board as its governing body, and develop ~~[a detailed implementation plan]~~ an application pursuant to subsection (d); provided that:

(1) As the governing body of the conversion charter school, the ~~[local school]~~ governing board shall be composed of the board of directors of the nonprofit organization and not representatives of the participant groups specified in section 302B-7. The nonprofit organization may also appoint advisory groups of community representatives for each school managed by the nonprofit organization; provided that these groups shall not have governing authority over the school and shall serve only in an advisory capacity to the nonprofit organization;

(2) The ~~[detailed implementation plan]~~ application for each conversion charter school to be operated by the nonprofit organization shall be formulated, developed, and submitted by the nonprofit organization, and shall be approved by a majority of the votes cast by existing administrative, support, and teaching personnel, and parents of the students of the proposed conversion charter school;

(3) The board of directors of the nonprofit organization, as the governing body for the conversion charter school that it operates and manages, shall have the same protections that are afforded to the board in its role as the conversion charter school governing body;

(4) Any conversion charter school that is managed and operated by a nonprofit organization shall be eligible for the same federal and state funding as other public schools; provided that the nonprofit organization makes a minimum annual contribution of \$1 per pupil toward the operation of a conversion charter school for every \$4 per pupil allocated by the office for the operation of the conversion charter school; provided that in no event shall the nonprofit organization be required to contribute more than the total required contribution per pupil per year. As used in this section, "total required contribution" means:

(A) \$1,500 for school years 2006-2007 through 2010-2011;

(B) \$1,650 for school years 2011-2012 through 2015-2016; and

(C) \$1,815 for school years 2016-2017 through 2020-2021; and

(5) If, at any time, the board of directors of the nonprofit organization governing the conversion charter school votes to discontinue its relationship with the

	<p>charter school, the charter school may submit an a revised application [with a revised implementation plan] to the [panel] authorizer to continue as a conversion school without the participation of the nonprofit organization.</p> <p>(f) Any nonprofit organization that seeks to manage or operate a conversion charter school as provided in subsection (e) shall comply with the following at the time of application:</p> <ol style="list-style-type: none"> (1) Have bylaws or policies that describe the manner in which business is conducted and policies that relate to the management of potential conflict of interest situations; (2) Have experience in the management and operation of public or private schools or, to the extent necessary, agree to obtain appropriate services from another entity or entities possessing such experience; (3) Comply with all applicable federal, state, and county laws, including licensure or accreditation, as applicable; and (4) Comply with any other requirements prescribed by the department to ensure adherence with applicable federal, state, and county laws, and the purposes of this chapter. <p>(g) Any public school or schools, programs, or sections of existing public school populations that are part of a separate Hawaiian language immersion program using existing public school facilities may submit a letter of intent to the office to form a conversion charter school pursuant to this section.</p> <p>(h) In the event of a conflict between the provisions in this section and other provisions in this chapter, this section shall control.</p> <p>(i) Any applicant whose charter application is denied by the authorizer shall not be allowed to amend or resubmit the application to the authorizer for a period of one year, except as provided in subsection (e); provided that an applicant shall have the right to appeal the authorizer's denial of its application pursuant to section 302B-3.5."</p>
<p>Recommendations for Authorizer Staff</p> <p><i>Most Notable: Recommends separate line item funding vs. 2%.</i></p>	<p>Recommend line item funding (not 2%) in budget with delineation of FTE's as suggested by NACSA:</p> <p>Executive Director implements state charter school policies as established in law and by the Commission. The Executive Director:</p>

<p><i>Establishes FTE's based on NACSA recommendations.</i></p> <p><u>Follow Up Work to Include in Report:</u></p> <p>-Tammi: research titles as it relates to Director. Perhaps similar to HTSB.</p> <p>-Make sure there is no overlap of positions and doubling of costs. Perhaps build in slight overlap for transition (ie. ED).</p> <p>-Ask NACSA if possible to merge accountability and compliance directors?</p>	<ul style="list-style-type: none"> • Serves as the primary contact to the Commission, • Ensures the efficient and effective operation of all Commission functions, • Manages Commission staff, including hiring, evaluating and compensating staff, and • Allocates and manages Commission resources. <p>Applications Director designs and manages the processes for new charter school applications and existing charter school renewals. The Applications Director:</p> <ul style="list-style-type: none"> • Facilitates outreach and communication to potential charter school applicants that enables applicants to understand the application process and criteria, • Produces the annual application documents, and • Manages the evaluation of applications and produces recommendations for the Commission. <p>Accountability Director manages the processes for executing, monitoring, renewing and revoking a school's charter after the application is approved by the Commission. The Accountability Director:</p> <ul style="list-style-type: none"> • Manages the process for executing each school's legal contract and acts as the custodian of the office's legal records, • Manages the process for notifying schools of any failures to meet the terms of their charter and the process for intervening at or revoking a charter, and • Manages the process for evaluating charter school renewals and produces recommendations for the Commission. <p>Academic Performance Director establishes and manages systems for defining, collecting and evaluating charter schools' academic performance. The Academic Performance Director:</p> <ul style="list-style-type: none"> • Works with the Commission and schools to establish objective, measurable and multiple academic performance standards that apply to all charter schools; • Stays current on all applicable state and federal public school accountability laws and ensures that all charter schools are participating appropriately in the state's standardized testing system, • Evaluates each school's academic performance data in comparison to the established performance standards, and
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- Provides an annual report on each school's performance to each school, the Commission and the public.

Compliance Director monitors each charter school's compliance with applicable laws and programmatic requirements. The Compliance Director:

- Monitors the start-up of new schools and assess each school's readiness to open, and
- Establishes and manages systems for collecting, evaluating and acting upon data on school's compliance with a wide variety of laws and regulations.

Finance Director evaluates a variety of documents to continuously assess the financial viability of charter schools. The Finance Director:

- Reviews schools' annual budgets at the beginning of each year to determine if the budget presents a viable plan for school operations that is based on realistic income and expense assumptions,
- Reviews quarterly or mid-year school financial reports to determine each school managing its finances in accordance with the annual budget,
- Reviews each school's annual audit to determine if appropriate financial management systems are in place and if the school is a financially viable, and
- Manages disbursement of funds to charter schools.

Administration Director brokers interactions between charter schools and divisions and programs within state departments. The most significant of these are likely to be with the Department of Education and special education and Title programs. The Administration Director:

- Works with charter schools and DOE staff to establish appropriate reporting systems from charter schools to the DOE and appropriate services and funding from the DOE to charter schools, and
- Because a good Administration Director must have skills to listen, evaluate and act diplomatically in a wide range of situations, the Administration Director should also be skilled at and responsible for managing parent questions and complaints about charter schools.

Four additional administrative support staff positions.

<p>Sections of 302B to keep “as is” with language changes as needed for consistency purposes</p> <p><i>Most Notable: Recommends removal of caps; sunset of CSAO to allow for transition to authorizer staff.</i></p> <p><i>*italicized sections indicate possible modifications or deletions for task force to consider.</i></p>	<p>302B-1: Retain definitions that were not amended or specifically deleted or eliminated.</p> <p>302B-2 Existing Charter Schools (<i>can this be eliminated or still required for legal purposes?</i>)</p> <p>302B-3.6 Occupancy and use of facilities or public schools</p> <p>302B-4 Encouraging the growth of successful charter schools (<i>recommend caps be removed as a result of tightening of application process and instituting performance contracts</i>)</p> <p>302B-8 Charter School Administrative Office (<i>will need to phase out as part of 12 month implementation and transition period and redistribute duties to authorizer staff. May want to consider sunset of section with recommendation for Implementation & Transition Coordinator to develop new statutory language for authorizer staff as appropriate.</i>)</p> <p>302B-9 Exemption from state laws.</p> <p>302B-10 Civil service status; employee rights</p> <p>302B-11 Administration of workers’ compensation</p> <p>302B-12 Funding and financing. (<i>Note: Section indicating that the department shall provide notification of all state-level federal grant proposals and awards shall now go to the authorizer. Likewise sections relating to per-pupil funding and enrollment now the responsibility of authorizer.</i>)</p> <p>302B-13 Weighted student formula</p> <p>302B-14 Accountability; Probationary Status. (<i>Note: May want to consider inserting the following section from the current statute into the proposed model law. (g) If there is an immediate concern for student or employee health or safety at a charter</i></p>
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	<p><i>school, in consultation with the Commission, may adopt an interim restructuring plan that may include the appointment of an interim governing board, an interim governing board chairperson, or a principal to temporarily assume operations of the school; provided that if possible without further jeopardizing the health or safety of students and employees, the charter school's stakeholders and community are first given the opportunity to elect a new local school board which shall appoint a new interim principal. The board shall have the authority to direct the commission to take appropriate action to immediately address serious health and safety issues that may exist at a charter school in order to ensure the health and safety of students and employees and mitigate significant liability to the State.)</i></p> <p>302B-15 Responsibilities of department of education; special education services</p> <p><i>*Clarify with DOE about 302B-15(a). Specifically in regards to technical assistance.</i></p> <p>302B-16 Sports</p>
<p>CSAO Distribution of Responsibilities</p> <p><i>Most Notable: Gives schools more autonomy and flexibility by designating functions to the governing boards or they may contract to 3rd party entities.</i></p>	<p>See attached sheet developed with help from NGA.</p>
<p>Implementation and Transition Efforts</p> <p><i>Most Notable: Responsibility of the BOE to award and oversee contract.</i></p>	<p>(Draft coordinator scope of work as developed with help from NGA)</p> <p>The Central Responsibility of the Implementation and Transition Coordinator shall be to facilitate implementation of the recommendations of the Hawaii Charter School Governance, Accountability and Authority Task Force.</p> <p>The coordinator will be contracted by the BOE for a period of approximately 12 months.</p>

	<p>1. <u>Required skills, knowledge and experience</u></p> <ul style="list-style-type: none"> a. Knowledge of “best practices” in educational governance and accountability, with a strong emphasis on charter schools. b. Extensive experience in public policy and administration, specifically working with state policy-makers and community stakeholders. c. Strong demonstrated written and oral communication skills. <p>2. <u>Scope of Work:</u></p> <ul style="list-style-type: none"> a. Develop a comprehensive plan for implementation of the Task Force recommendations, including but not limited to the development of a communications plan, a plan for engaging key stakeholders, and a strategy for monitoring and evaluating implementation for review by BOE. b. Draft policies and procedures, including but not limited to administrative rules, required for implementation of recommendations made by the Task Force and adopted into law. c. Assist in the development of position description and recruitment for authorizer staff as recommended by NACSA, as well as commission members. d. Prepare communications and coordinate collaboration between schools, governing boards, the authorizer, the state board of education, the department of education, state departments and the legislature. <p>*Would also recommend that as part of implementation and transition efforts, an inventory of all FTE’s within the DOE dealing with charter schools be identified, and recommendations made for re-purposing or re-directing staffing based upon statutory and structural changes being made.</p>
<p>Reauthorizations/Authorizations</p> <p><i>Most Notable: Recommends pushing back reauthorization for a year until a performance contract framework in place.</i></p>	<p>-Reauthorizations: Recommend that the task force adopt NACSA recommendations to push back reauthorization for a year until performance contracts in place.</p> <p>-Authorizations: Recommend that December 2011 applicants are well aware that the DIP is their charter application and that at the end of the process should they be authorized, there will be an official performance contract between CSRP and their LSB.</p>

CSAO Duties to New "Home"

Category	CSAO Task	New "Home"	NGA Notes
<i>Department of Education - Administrative</i>	Negotiate and prepare contracts between charters and the DOE for centralized services	Governing Boards	Schools must work with staff at the DOE or hire a 3rd party
	Negotiate and prepare contracts between the CSAO and DOE	N/A	No longer needed
	Act as the Risk Management Coordinator for charter schools	Governing Boards	Schools may want to set this up as an in-school position, work together to hire 1 coordinator for multiple schools, or work with a 3rd party.
	Liaison with the AG, Comptroller, Governor, and counties for use of facilities	Governing Boards	Schools must work with staff at the DOE or hire a 3rd party
	Host meetings and trainings for charter school administrators, business managers, registrars, LSB members, and others.	3rd parties	We strongly recommend that the authorizer NOT provide TA.
<i>Department of Education - Business and Finance</i>	Negotiate and prepare contracts between the charter schools and other agencies for financial or personnel services	Governing Boards	Schools must work with staff at the DOE or hire a 3rd party
	Allocate and distribute state appropriations to charter schools	Authorizer	The authorizer will receive funds from the DOE for distribution to schools.
	1. CIP Requests, including each school's need-based priority projects; 2. All Means of Financing Budget Request.	Schools Prepare; Authorizer compiles and submits	
	Report projected and official charter school enrollments to the Commission	Governing Boards	School governing boards should be reporting this data to meet federal reporting requirements.
	Report projected and official charter school enrollments to the BOE, Legislature	Authorizer	
	Process and disseminate DOE payroll data	Governing Boards	
	Collect and distribute DOE payroll reimbursements	Governing Boards	
<i>Department of Education Duties and Tasks - Collective Bargaining</i>	Negotiate collective bargaining supplemental agreements	Governing Boards	Governing boards retain the autonomy to work with, if needed, a 3rd party. This would not be an appropriate role for the DOE or authorizer

CSAO Duties to New "Home"

Category	CSAO Task	New "Home"	NGA Notes
<i>Department of Education Duties and Tasks - Communications</i>	Answer routine questions about charter schools and the charter school system from the public, media, government agencies, legislature, charter school community, and other interested parties	DOE/Authorizer/Schools	It makes sense for the Department of Education website to include information on the state's charter system, state data on charters, official forms/applications, etc... 3rd parties, like the charter school network will remain in place. They are also good resources.
	Keep charter schools, LSBs, Commission, DOE, BOE, legislature, Governor, media, and other parties up to date on CSAO activities	N/A	No longer needed
	Maintain a CSAO website for public information, posting of LSB and CSRP agendas and minutes, posting of LSB members and contact info, and other charter school info	N/A	No longer needed. Website should
	Represent charter schools to the BOE, governor, and legislature	Governing Boards	3rd parties, such as the charter network, would be appropriate actors for lobbying
	Establish a dispute resolution and mediation process	Parents, students & teachers: Governing Boards; Problem w/Governing Boards: Authorizer; Problem w/Authorizer: BOE	
	Provide letters of support to individuals and organizations seeking to conduct studies in charter schools and have previously been given permission from school administrators	N/A	
<i>Department of Education Duties and Tasks - Human Resources</i>	Oversee the Ceridian payroll system (used by 27 charter schools, the CSAO and the CSRP)	Governing Board	

CSAO Duties to New "Home"

Category	CSAO Task	New "Home"	NGA Notes
	Process benefit payments and reports for charter school Ceridian employees	Governing Boards	
	Liaison between the charter schools and ERS and EUTF regarding health and retirements benefits	Governing Boards	
	Forward health enrollment and state retirement forms	Governing Boards	
	Answer questions regarding additional individual retirement and flex plans	ERS/EUTF	
	Answer questions regarding temporary disability	EUTF	
	Send benefit deduction reports to charter schools under Ceridian for reconciliation purposes	Governing Boards	
	Reconcile payroll discrepancies with ERS for charter school employees under Ceridian	Governing Boards	
	Verify personnel information for ERS for former charter school employees under Ceridian	Governing Boards	
	Serve as the central point of contact for EUTF	Governing Boards	
<i>Department of Education Duties and Tasks - Information Management</i>	Provide technical support to all charter schools on school level technology planning, school level SIS support	Governing Boards	Charter schools retain autonomy to determine their technology and TA needs. However, all charters with federal funds must report data back to the state SIS.
	Disseminates and consolidates data for charter reporting.	Governing Boards	Schools should provide the necessary data to the authorizer.
<i>Department of Education Duties and Tasks - Information Technology</i>	Provide TA supports to all charter schools	Governing Boards	Charter schools have the autonomy to determine their technology and TA needs. The 3rd parties could provide TA options. We recommend that the authorizer not provide TA.
	Provide school level technology recs and support	Governing Boards	Charter schools have the autonomy to determine their technology and TA needs. We recommend that the authorizer not provide TA.

CSAO Duties to New "Home"

Category	CSAO Task	New "Home"	NGA Notes
	Provide CSAO office support	N/A	No longer needed
	Technology budgeting	Governing Boards	LSBs should be able to handle their own budgeting. They do have the autonomy to work with a 3rd party
	CSAO servers	N/A	No longer needed
<i>Department of Education Duties and Tasks - Legislative</i>	Provide advocacy for the development, growth, progress, and success of charter schools and the charter school system	Governing Boards/3rd parties	
<i>Authorizer Duties and Tasks - Administrative</i>	provide independent analysis and recommendations on charter school issues	Authorizer via Annual Report	
	Provide assistance and support for the development, growth, progress, and success of charter schools and the system	3rd parties	Charter schools have the autonomy to determine their technology and TA needs. We recommend that the authorizer not provide TA.
	Provide guidance and assistance to charter applicants and charter schools to enhance the competency and accuracy of CSRP for review	N/A	
	Assist the CSRP to coordinate with charter schools in CSRP investigations and evaluations	N/A	
<i>Authorizer Duties and Tasks - Business and Finance</i>	Review charter school budgets and report any concerns to CSRP	N/A	
	Monitor the financials of charter schools that the CSRP has concerns with	N/A	
	Provide CSRP back-office functions	N/A	
<i>Authorizer Duties and Functions - Communications</i>	Report to the CSRP every panel meeting on matters that pertain to CSRP	N/A	
	Assist charter applicants and schools in coordinating their interactions with the Commission	Authorizer staff	Schools should not need an intermediary to communicate with the staff of the authorizer

CSAO Duties to New "Home"

Category	CSAO Task	New "Home"	NGA Notes
	Receive complaints from charter school parents, employees, community members, and others and direct them through the complaint process	Authorizer	Should no longer need if the authorizer is fully staffed
Federal Programs	Technical Assistance	3rd Parties	Not to be provided by authorizer
	Develop and disseminate procedures for use of federal funds	DOE as SEA via authorizer	
	Collection of required data	Schools provide to authorizer, who then provides to DOE	
	Monitors schools for compliance	Authorizer via Performance Contract. DOE as SEA to identify schools for corrective action.	
	Implement School Improvement/Corrective Action	Authorizer via performance contract; BOE monitors via annual report.	
	Provide information on all applicable federal grant applications that charter schools may be eligible for.	DOE to Authorizer	

***Note: All References to Governing Boards Includes Possibility for 3rd Party Entities**

<p>Discussion of Distribution of Federal Funds</p> <p><i>Most Notable: Requires annual conversation regarding distribution and access to federal funds. If concerns come up prior to annual report, can always go to BOE .</i></p>	<p>Include in proposed 302B-H Authorizer reporting & proposed 302B-Q Annual report sections a requirement to discuss access to and dissemination of federal funds to charter schools and any concerns or recommended changes to consider.</p> <p>-Annual reports shall include all pots of funds that were given to the authorizer with justification and breakdown for the funds given.</p>
<p>Changes to Organizational Chart</p> <p><i>Most Notable: Removal of the Charter School Liaison Office and Direct Interaction Between DOE (SEA) with Authorizer</i></p>	<p>See Attached</p>

Plan B – NUCLEAR MODEL (11-09-11)

