

Linda Lingle
Governor



Vanelle Maunalei Love
Executive Director

Charter School Administrative Office

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FOR: SB 2586 SD1 Relating to Charter Schools and
DATE: Monday, February 22, 2010
TIME: 10:20 a.m.
COMMITTEE(S): Ways and Means (WAM)
ROOM: Conference Room 225
FROM: Maunalei Love, Executive Director

Written testimony in **support** of S.B. No. 2586 S.D.1

Senate Ways and Means Committee
Honorable Chair Donna Mercado Kim
Honorable Vice-Chair Shan Tsutsui
Esteemed Senators Suzanne Chun Oakland, J. Kalani English, Carol Fukunaga,
Brickwood Galuteria, Clayton Hee, Gary L. Hooser, Michelle Kidani, Russell S.
Kokubun, Jill N. Tokuda, Fred Hemmings

Aloha, I am Maunalei Love, executive director of the Hawaii Charter School Administrative Office (“CSAO”). I want to thank the chair and the entire committee for the time and effort being spent to remedy the issue of adequately providing needed resources to all public schools and making Hawaii more competitive for the Race to the Top (RTT) grant.

The CSAO supports SB 2586 SD1 requiring the Charter School Review Panel (CSRP) to determine a clear process with rigorous criteria for charter schools to be reauthorized on a regular basis. We support allowing the Charter School Administrative Office (CSAO) to directly withhold funds from the EDN 600 allocation for its operational expenses, including salaries for staff and the executive director. The CSAO also supports providing transparent accountability for charter schools and repealing the cap on the number of charter schools. The CSAO particularly supports ensuring that charter school students receive equitable funding along with facilities funding and access. We support having multiple public charter school authorizers as reflected in the National Alliance’s Model law.

We also support changes towards providing equitable funding and a supportive environment for all DOE and public charter schools to better position Hawaii in competition for U.S. Department of Education’s Race to the Top (RTT) initiative. States with policies in place supporting equitable funding and facilities for all public school students are at greater competitive advantage to qualify for RTT and other federal grant programs.

The CSAO is ready, willing, and able to help with any revisions and to clarify the details in these drafts. Thank you for this opportunity to testify.



In addition, 22 of the 31 public charters perform self-initiated public audits, and all 31 file annual reports with the CSAO and CSR. The contract proposal within SB2586 is a good one that follows best practices across the country. The four year terms currently as provided are adequate, although we note that such terms vary dramatically across the country. Hawaii should continue to discuss which contract terms serve the true purpose of public education—great results for kids.

SB2586 also addresses a key RTT criterion which is to eliminate barriers to the expansion of high quality public charter schools by removing limits on new charter schools. HCSN embraces this move, and points out that this is not the same as opening the floodgates to a rush of new public charter schools. Rather, it simply allows more communities to investigate such schools as an alternative to boosting excellence in public education options without having the potential roadblock of "no room at the inn".

HCSN supports processes that ensure that every public charter school be held to high standards of student achievement and prudent transparent operations. The biggest flaw in SB2586 vis-a-vis RTT is the fact that it does not address the broadest shortcoming in the current charter schools system: equitable support.

Public charter schools have unfairly been branded as always wanting "more money". That is simply untrue. All we have ever asked is that the public school kids in our public schools be provided with their fair share of resources. Over the years, the issue of whether or not charter schools should receive an equitable amount of funding for each child has not been debated openly. Recently, in Hawaii's RTT application, HDOE stated, "the HDOE believes in equitable funding for all public school students, including public charter school students." This is, as far as we know, the first official inclusive statement where charter school children are concerned.

We realize that given the current economic situation, legislators must look to programs to make up the looming deficit. And we understand that everyone in Hawaii must chip in. We ask you humbly to please look at the facts and you will see that your public charter school students have given up well beyond their fair share over the last three years.

Alapaki Nahale-a
Executive Director
Hawaii Charter Schools Network

Curtis Muraoka
VP of Legislative Affairs
Hawaii Charter Schools Network

Community ♦ Choice ♦ Quality

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To: Senator Donna Mercado Kim, Chair

Senator Shan Tsutsui, Vice Chair

Committee on Ways and Means

From: Lynn Fallin, Ho'okako'o Corporation

Date: February 22, 2010 at 10:20 am

Subject: SB 2586 SD1 Proposed SD 2

SUPPORT FOR THE INTENT OF SB 2586 SD 1 Proposed SD2 Relating to Charter Schools: Ho`okāko`o Corporation supports the intent.

► HC agrees that accountability is important for all of Hawaii's public schools including charter schools.

●HC and its' partner conversion schools are committed to being fiscally responsible and achieving the goals leading to positive changes in student outcomes, increased parent and community involvement and quality teaching and effective school leadership. HC works closely with the schools to guide, monitor and support each of the schools .

Examples of fiscal accountability:

- School s hire School Business Managers and work closely with the HC Administrative Services Manager and a CPA firm(Ikeda and Wong) to receive guidance and technical assistance and support.
- An annual financial audit by a CPA firm (Nishihama and Kishida) is required of each of all schools

Examples of academic innovation and change:

- Expanded learning time
- PreK
- A new teacher evaluation program

► **Concerns About Amendments to Section 4 302B-12**

HC is concerned about the implications of the amendments to Section 4 302B-12 because we have not had the opportunity and time to understand the implications of the amendments to this 302B-12 to conversion charter schools. As conversion charter schools, like their DOE counterparts, the schools continue as the public community feeder school for the students living in the geographical area. Conversions also serve the broader public as emergency shelters, election voting locations and other

public facility services that state DOE facilities may need to provide. We hope that the implications of the amendments to Section 4 302B-12 will not jeopardize or diminish the schools role and capacity to serve as the public community school.

HC and other stakeholders such as the state DOE, Kamehameha Schools and the Hawaii Charter Schools Network and the Charter School Administrative Office and the Charter School Review Panel have been working together on reviewing charter school funding on a committee convened and facilitated by HK Castle Foundation. The proposed amendment may be premature as this committee is just getting underway.

► **Background About the Ho'okako'o Corporation:** HC's mission is to help schools reinvent themselves for the purpose of improving the academic achievement and personal growth of their students. The Ho'okako'o Corporation(HC) is implementing Act 2 (2002) that enables a Hawaii based nonprofit corporation to operate and manage conversion charter schools and the nonprofit board to serve as the local school board of the school. HC collaborates with communities, educators, and families to provide conversion charter schools with expertise and resources to improve student success.

● HC was established in late 2002 and began operating in 2003. Three partner schools converted with HC - Waimea Middle School on the Island of Hawaii in 2003, Kualapu`u School on Molokai in 2004 and Kamaile Academy in Leeward Oahu in 2007. The three schools are located in communities of significant socio-economic need and are Title 1 schools. The total enrollment of the three schools is about 1500 students. As conversion charter schools, like their DOE counterparts, the schools continue as the public community feeder school and also serving the broader public as emergency shelters, election voting locations and other public facility services that state DOE facilities may need to provide.

Thank you for the opportunity to testify on SB 2586 SD2.



Kanu o ka 'Aina Learning 'Ohana
Natives of the Land from Generations Back

FEBRUARY 19, 2010

TESTIMONY OF: Taffi Wise, Executive Director

REGARDING THE FOLLOWING MEASURE: SB2586, S.D. 1

BEFORE THE: Committee on Ways and Means

DATE: Monday, February 22, 2010 TIME: 10:20 A.M.

LOCATION: Conference Room 211

ALOHA Chairperson and members of the committee, my name is Taffi Wise and I am testifying in support of Kanu o ka 'Aina New Century Public Charter School and Na Lei Na'auao Alliance of Hawaiian Charter Schools.

I appreciate the intent of SB2586 with comments:

1. Criteria for Reauthorization:
Reauthorization done through an accreditation process would provide school quality opportunities and accountability via a proven process as demonstrated with the HAIS model, while honoring the autonomy and unique characteristic of the schools.
2. Four year charter authorization term:
A short four year authorization will cripple the schools; accreditation would provide the same accountability measures and normally runs in six year cycle.
3. Aggregate financial reporting:
Internal control over financial reporting required by generally accepted auditing standards (GAAS) will achieve the same level of compliance and internal controls the current language looks for in a widely recognizable standard. The process recognizes and tests compliance requirements and regulated funding sources that have a direct and material effect on the program. It also produces standardized financials which include, Statement of Net Assets, Statement of Revenue and Expenses, Statement of Changes in Net Assets, Statement of Cash flows with notes to the Financial Statements.
4. Per pupil allocation check procedures:
Daily operational decisions should remain at the discretion of the departments.

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Thank you for the opportunity to testify, respectfully submitted requested amendments to SB2586.

Kanu o ka 'Aina Learning 'Ohana grows womb-to-tomb models of education that advance Hawaiian culture for a sustainable Hawai'i.

Education with Aloha: honors the past, addresses the present, serves the future

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the future*