

**SB2587**

**Date:** 02/08/2010

**Committee:** Senate Education and Housing

**Department:** Education

**Person Testifying:** Kathryn Matayoshi, Interim Superintendent of Education

**Title of Bill:** SB 2587 RELATING TO CHARTER SCHOOLS.

**Purpose of Bill:** Establishes a task force to clarify sources of funding for the per-pupil funding formula for charter schools, identify discrepancies in the calculation of the formula for charter schools and non-charter schools, and recommend the portion of certain expenses that should be allocated to charter schools. Requires report to the legislature.

**Department's Position:** The Department supports Senate Bill 2587. There have been previous informal attempts to develop an equitable funding methodology. The issue of equity of funding is very complex and requires in-depth analysis. The probability of reaching agreements regarding equitable funding is much greater with the key decision-makers who would be members of this task force. However, there should be funding provided for staff personnel to support the task force and for reimbursement of reasonable expenses since both the Charter School Administrative Office (CSAO) and the Department of Education has sustained significant budget cuts. If there is no funding, this task force will be an unfunded mandate and cannot be absorbed with existing budget cuts. We also recommend that there be a designation of the CSAO as the lead agency to direct the efforts and to ensure that the report to the Legislature is prepared.

Senator Norman Sakamoto, Chair

Senator Michelle Kidani, Vice Chair

Committee on Education and Housing

Ho'okako'o Corporation (HC)

February 8, 2010

### **SUPPORT FOR THE INTENT OF SB 2587 Relating to Charter Schools**

**HC supports the intent of SB 2587 that establishes a task force to clarify sources of funding for the per pupil funding formula for charter schools.**

HC is a member of a charter funding working committee convened by the Harold K. L. Castle Foundation. The committee includes representatives from the charter school community such as Hawaii Charter School Network, Charter Non Profit Management (Act 2 - HSL 2002), conversion and start up schools, Kamehameha Schools, the state Department of Education and Charter School Administrative Office and Review Panel. The group has worked well together and progress has been made.

The goal of the committee is to determine fair and equitable funding for charter schools. As the public feeder schools for their geographical community like their DOE counterparts, conversion charter schools should receive fair and equitable funding to meet the educational needs of the regular and special education students they serve.

**Recommendations:** Should SB 2587 be enacted, HC recommends that the work of the committee be acknowledged and continue and that members of the SB 2587 task force include stakeholders from the working committee and charter school community. HC also recommends that the Department of Budget and Finance be included in the SB 2587 task force.

**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 or about 17% of the charter school enrollment. 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 2587.



# HAWAII TECHNOLOGY ACADEMY<sup>SM</sup>

Hawaii Public Charter School #551

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February 8, 2010

Honorable Norman Sakamoto, Chair  
Senate Committee on Education and Housing

**Re: SB2587, Relating to Charter Schools - Support Intent, Expressing Concerns**  
EDH Committee – February 8, 2010, Conference Room 225, 1:45 PM

Aloha Chair Sakamoto, Vice Chair Kidani and Committee members:

On behalf of the Hawaii Technology Academy (HTA), a public charter school which serves students in Oahu, Kauai, Hawaii Island and parts of Maui, thank you for the opportunity to offer comments and to express our concerns on this bill.

We support the intent of the bill and the goal to provide greater accountability, parity and transparency that clarify sources of funding for the per-pupil formula for charter schools, identify discrepancies in the calculation of the formula for charter and non-charter schools, and recommend the portion of certain expenses that should be allocated to charter schools.

We recommend this endeavor be undertaken not by legislation, but by pulling together a broader group of stakeholders to include representatives from the Charter Schools Review Panel, Start-Up and Conversion Charter Schools, and other parties, including an independent auditing or accounting firm, to conduct a comprehensive review.

However, if it is the committee's goal to establish such a taskforce by statute, then we strongly recommend that the membership be broadened to include the aforementioned group of stakeholders and that a comprehensive review occur each year to provide its report before the convening of each legislative session.

HTA is one of Hawaii's 31 public charter schools that are part of the state public school system. Like Hawaii DOE schools, charters comply with federal and state education standards. We support efforts to improve Hawaii's public education system.

Most of all, we endorse changes that create 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 for all public school students are at greater competitive advantage to qualify for RTT and other federal grant programs.

For these reasons, we respectfully urge members to carefully consider our concerns and defer action on this bill.

Sincerely,

Jeff Piontek  
Hawaii Technology Academy Head of School

## sakamoto2 - Erin

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Saturday, February 06, 2010 4:34 PM  
**To:** EDH Testimony  
**Cc:** director@whea.net  
**Subject:** Testimony for SB2587 on 2/8/2010 1:45:00 PM

Testimony for EDH 2/8/2010 1:45:00 PM SB2587

Conference room: 225  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Curtis Muraoka  
Organization: Individual  
Address: 73-4460 Queen Kaahumanu Hwy #105 Kailua Kona, Hawaii  
Phone: 808-987-2522  
E-mail: [director@whea.net](mailto:director@whea.net)  
Submitted on: 2/6/2010

Comments:  
Oppose current form, but support intent with reservations on SB2587

Dear Chair Sakamoto, Vice Chair Kidani, and Esteemed Senators Chun-Oakland, Galuteria, Tsutsui and Hemmings of the Senate EDH Committee,

The Hawaii Charter Schools Network expresses unwavering support for the notion of fairness for all public school students regardless of the type of public school they attend.

However, we raise strong concerns about the limited membership of the task force SB2587 seeks to create. Including stakeholders like Hawaii Charter Schools Network, Charter School Review Panel, leaders of a start-up public charter and a conversion public charter, plus a disinterested fiscally trained third party would help provided a more definitive array of perspectives to an issue that is intimately tied to social justice under the terms of Race to the Top (RTT).

We note in particular the lack of any public charter school operator whatsoever. We are also somewhat alarmed by the language implications of phrases like "the precise determination of which moneys are included", which seems to denote subtraction as a primary goal, clearly implying that some moneys will certainly NOT be included even before discussions have commenced.

We note here that HCSN has never advocated for MORE, and has always requested THE SAME.

We have always held that the fairness already extant in HRS 302B-12 has been inconsistently and sometimes capriciously implemented, and therefore, although we agree with the intent behind establishing a funding task force, we have strong concerns that it may not yield the results expected by the Obama Administration's educational reforms.

Today, 48 states, 48 governors, and 48 state school chiefs are working toward the goals of the Race to the Top (RTT) program. In the first round, 40 states (including Hawaii) plus the District of Columbia have applied for the first round of RTT funding. In the process, a number of states have eliminated the legal barriers in line with the RTT competition, including such tough issues like tying together teacher evaluation with student performance.

The toughest issue facing Hawaii's charter school children is gaining equitable support in resource allocation. Under RTT, this is also now an issue facing the State Educational Agency. To be perfectly candid, since 2007, there has been a definite subtractive approach to EDN600 that has resulted in our per pupil funding being pegged at under \$6,000 per pupil (state funding allocation), down from \$8,149 in 2007, with no per pupil facilities support.

By comparison, Washington DC has long used a base “uniform per student allocation” of about \$8,000 per child, and also ties to each public charter school child a \$2,800 “facilities allowance” to balance support against the bricks-and-mortar facilities built into traditional district public schools. Further, their Special Education students are weighted and funded by a separate appropriation. Since Washington DC sets itself up as a national leader in judicious best practices, perhaps a task force on overall funding across all public education would be more suitable, rather than one that singles out funding methods for public charter school children only.

There has been remarkable progress on just the promise of RTT funding. States have begun serious soul searching under its terms. On the grassroots level, schools themselves have begun to embrace accountability reform as “good for kids”.

HCSN is always supportive of measures with that primary goal. Therefore, if the task force as conceptualized will seek to minimize funding for charter school students, we cannot support it.

Sincerely,

Curtis Muraoka, Vice President  
Hawaii Charter Schools Network

The Unified Voice of Hawaii's 31 Public Charter Schools