

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

August 31, 2011

Conference Room 225, State Capitol

I. Members Present

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

II. Adoption of Minutes

Mr. McKeague moved that the minutes of the August 10, 2011 Charter School Governance, Accountability, and Authority Task Force (Task Force) be approved. Mr. Zarro seconded the motion.

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

III. Remarks by the National Association of Charter School Authorizers (NACSA)

Representatives from NACSA attended the last Working Group meeting. NACSA reported that they are here to conduct a review of the Charter School Review Panel, among other aspects of Hawaii's Charter School System, and will be sharing their recommendations with the Task Force in September.

IV. Report of Working Group #2

Senator Tokuda presented the report from Working Group #2 which focused on identifying how the charter school governance structure connects and relates to the state education agency. Specifically, Working Group #2 focused on three overarching themes:

- (1) Need for transparency and access to discretionary funds when it comes to federal dollars;
- (2) Need for elevated status for charter schools when it comes to federal grant applications and propels; consultation requirements for both the applications and in the development of accountability work plans; and
- (3) Access to federal grant opportunities limited in having only on LEA.

Working Group #2 recommended that a Charter School Local Educational Agency be established in statute for the purpose of handling federal funding disbursements. The Working Group #2 Report which further highlights the Task Force's discussion on this issue is attached hereto.

Mr. Campbell provided a comparison between the roles and responsibilities of a Local Education Agency and State Education Agency for various federal title fund moneys and IDEA funds. The comparison is attached as Attachment "A" to the Working Group #2 Report.

Working Group #2 also provided some draft language for Chapter 302B, Hawaii Revised Statutes, to define the "Charter School Local Education Agency" and to provide some guidance on roles and responsibilities with regard to special education services and the exemption from certain state laws. Detailed notes of the Task Force's discussion on this issue are attached as Attachment "B" to the Working Group #2 Report.

The suggestion to establish a designated complex area and complex area superintendent was raised and the Task Force discussed the possibility of creating either:

- (1) A Charter School Local Educational Agency;
- (2) A Charter School Complex Area Superintendent; or
- (3) A hybrid of (1) and (2).

The Task Force discussed the opportunities, responsibilities, and liabilities of each of the three options and determined that further evaluation was required. The Task Force recommended that Working Group #2 and #3 meet together to discuss both objectives and to consider the LEA or CAS models as weighed against the three overarching themes identified.

V. Working Groups #2 and #3

Working Groups #2 and #3 will meet on September 7, 2011 at 1:00 p.m. in Room 225 to continue the discussions relating to a Charter School LEA, Charter School CAS; or hybrid. Working Group #3 will focus on identifying the oversight and monitoring responsibilities of the Charter School Review Panel, the Charter School Administrative Office, and the local school boards and develop a process for enforcement.

VI. Adjournment

The meeting was adjourned. The next Task Force meeting is scheduled for September 21, 2011 at 9:00 a.m. at the Capitol in conference room 211.

SEA/LEA Comparison

<i>Title</i>	<i>SEA</i>	<i>LEA</i>	<i>School</i>
Title I	<p>Part A State Plans (Sect 1111) -Consultation Plan -Accountability Framework (Standards, Assessments, Accountability) -Technical Assistance to LEA -Dissemination of effective parental involvement strategies -Annual state report card -Approve LEA plans -Allocations to LEA (or PCS under certain circumstances) -Determine LEA Maintenance of Effort (MOE) 1% for SEA – up to 4% for School Improvement</p> <p>Part D Allocations to state agencies that are providing education in institutions, day programs for neglected, adult corrections. provide USDOE state-wide data Participate in Monitoring and Single Audits</p>	<p>Local Plan (Sect 1112) -Determine Comparability -additional Assessments (if any) -description of how the Title I program will be implemented and coordinated and integrated with other programs. -work in consultation with schools to implement targeted assistance and school wide programs -comply with HQT requirements -review of school plans and improvement plans Allocations to schools per LEA plan</p> <p>Local plan (Sect 1423) Provide to the SEA the LEA USDOE required data</p>	<p>-School improvement plan</p> <p>-Use of funds according to school improvement plan, EDGAR, and regulations</p> <p>-Participation in SEA accountability system</p>
Title II, Part A	<p>5% for State Administration – 95% to LEA(s) State HQT and Equity Plan which includes listing of Core Subject classes and HQT criteria Monitoring for use of funds and improvement</p>	<p>LEA Equity Plan</p> <p>LEA funds used according to LEA plan Submittal of required data Monitoring for use of funds and school by school improvement</p>	<p>May or may not have funds</p> <p>Must report HQT numbers based on criteria in SEA plan</p>

<i>Title</i>	<i>SEA</i>	<i>LEA</i>	<i>School</i>
Title II, Part D	SEA Strategic Technology Plan (2413) 5% for SEA activities Of the remaining amount, 50% to eligible LEAs based on Title I allocation, and 50% to LEAs on competitive basis. Monitoring Submittal of required data (CSPR and EDFACTS)	LEA Application with Strategic Tech Plan (2414) Monitoring for use of funds Submittal of required data	If schools get funds then they must - use funds appropriately - provide required data
Title III	SEA Plan (Sect 3113) 5% (\$175K) for SEA activities 95% to LEAs Monitoring and hold accountable Provide data to USDOE (CSPR and EDFACTS)	LEA (eligible entity) Plan Monitor and hold schools accountable Provide data to SEA Parent notification of results	Proper use of funds (no supplanting) and participation in SEA accountability plan Parent notification of program NOTE: It is a civil rights obligation for schools to identify and provide English language instruction for those students who require it.
IDEA	SEA Plan to ensure FAPE to eligible students MOE \$800K plus inflation for SEA (monitoring, enforcement, complaints monitoring) State Advisory Panel General Supervision of LEAs Reporting data to USDOE	LEA plan assuring FAPE will be provided to eligible students MOE Child find activities	Provide FAPE

CHARTER SCHOOL LOCAL EDUCATION AGENCY BILL FOR WORKING GROUP #2

CHARTER SCHOOL LOCAL EDUCATION AGENCY	NOTES
<p>SECTION 1. Chapter 302B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows: <u>§302B- Charter school local educational agency; role.</u> <u>(a) When used in this chapter, "charter school local educational agency" means the public authority within the State with administrative control over federal funding disbursements to charter schools.</u> <u>(b) The charter school local educational agency shall represent the charter schools in the role of a local educational agency in interacting with the department as the state educational agency. For purposes of this subsection:</u> <u>(1) "Local educational agency" shall have the same meaning as in Title 34 Code of Federal Regulations section 300.28; and</u> <u>(2) "State educational agency" shall have the same meaning as in Title 34 Code of Federal Regulations section 300.42.</u></p>	
<p>SECTION 2. Section 302B-9, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows: <u>(b) Charter schools, the local educational agency, and the office 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 and the office are encouraged to use the provisions of chapter 103D where 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 or the office to any other provision of chapter 103D. Charter schools, the local educational agency, and the office shall account for funds expended for the procurement of goods and services, and this accounting shall be available to the public."</u></p>	
<p>SECTION 3. Section 302B-12, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:</p>	

CHARTER SCHOOL LOCAL EDUCATION AGENCY	NOTES
<p>(c) Charter schools shall be eligible for all federal financial support to the same extent as all other public schools. [The department shall provide the office with all state-level federal grant proposals submitted by the department that include charter schools as potential recipients and timely reports on state-level federal grants received for which charter schools may apply or are entitled to receive.] <u>The department shall consult with the charter school local educational agency in all state-level federal grant applications and proposals submitted by the department and in the distribution of all Individual with Disabilities Education Act and federal title funds.</u> <u>The charter school local educational agency shall be responsible for data collection and ensuring compliance with all federal reporting requirements.</u> Federal funds received by the department for charter schools shall be transferred to the [office] <u>charter school local educational agency</u> for distribution to charter schools in accordance with the federal requirements. If administrative services related to federal grants and subsidies are provided to the charter school by the department, the charter school shall reimburse the department for the actual costs of the administrative services in an amount that shall not exceed six and one-half per cent of the charter school's federal grants and subsidies.</p> <p>Any charter school shall be eligible to receive any supplemental federal grant or award for which any other public school may submit a proposal, or any supplemental federal grants limited to charter schools; provided that if department administrative services, including funds management, budgetary, fiscal accounting, or other related services, are provided with respect to these supplemental grants, the charter school shall reimburse the department for the actual costs of the administrative services in an amount that shall not exceed six and one-half per cent of the supplemental grant for which the services are used.</p> <p>All additional funds generated by the local school boards, that are not from a supplemental grant, shall be held separate from allotted funds and may be expended at the discretion of the local school boards."</p>	

CHARTER SCHOOL LOCAL EDUCATION AGENCY	NOTES
<p>SECTION 4. Section 302B-15, Hawaii Revised Statutes, is amended to read as follows:</p> <p>"§302B-15 Responsibilities of department of education; special education services.</p> <p>(a) The department shall collaborate with the [office] <u>charter school local educational agency</u> to develop a system of technical assistance related to compliance with federal and state laws and access to federal and state funds. The department and the [office] <u>charter school local educational agency</u> shall collaborate to develop a list of central services that the department may offer for purchase by a charter school at an annual cost to be negotiated between an individual charter school and the department. The department shall enter into a contract with a charter school to provide these services, which shall be renegotiated on an annual basis.</p> <p>(b) The department shall be responsible for the provision of a free appropriate public education. Any charter school that enrolls special education students or identifies one of its students as eligible for special education shall be responsible for providing the educational and related services required by a student's individualized education program. The programs and services for the student shall be determined collaboratively by the student's individualized education program team and the student's parents or legal guardians.</p> <p>If the charter school is unable to provide all of the required services, then services to the student shall be provided by the department according to services determined by the student's individualized educational program team. The department shall collaborate with the [office] <u>charter school local educational agency</u> to develop guidelines related to the provision of special education services and resources to each charter school. The department shall review all of the current individualized education programs of special education students enrolled in a charter school and may offer staff, funding, or both, to the charter school based upon a per-pupil weighted formula implemented by the department and used to allocate resources for special education students in the public schools.</p>	<p>302B-Definition section, be clear that Department means SEA.</p> <p>Instead of SPED positions, institute policy of schools receiving cash for said positions.</p> <p>"The state shall pay directly to a public charter school any federal and state aid attributable to a student with a disability attending the school." Bob's homework.</p> <p>"The state <u>department</u> shall pay directly to a public charter school any federal and state aid <u>funds</u> attributable to a student with a disability attending the school."</p> <p>Bob's explanations:</p> <ol style="list-style-type: none"> 1) used "department" and "funds" to be consistent with the rest of 302B-15. 2) Practically speaking, the Department will need to devise a way of determining the cost of related services so that a 'buy back" MOA can be negotiated in order to allow for those department staff delivered related services (OT, PT, speech, etc) to continue to be made available. It would be very helpful if the MOA were something the "office" did rather than 32 different schools.