



**STATE OF HAWAII  
BOARD OF EDUCATION**  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**House Committee on Finance**

Thursday, February 21, 2019  
12:30 p.m.  
Hawaii State Capitol, Room 308

**House Bill 622, House Draft 1, Relating to Public Charter Schools**

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Board of Education (“Board”) would like to provide comments on HB 622 HD1, which would require authorizers to establish a purchase order system to pay charter school expenses, require charter schools to be subject to an annual financial audit, and require authorizers to select the independent auditors that are to perform the audits on charter schools.

The Board supports legislation that requires charter school authorizers to hold charter schools accountable to academic, financial, and organizational outcomes, including compliance with applicable laws. To that end, the Board supports the intent of the provisions of this measure that require annual financial audits by independent auditors selected by the authorizer and that require charter school employees under federal investigation to inform the authorizer of the investigation.

However, the Board opposes legislation that increases charter school accountability at the expense of the operational autonomy necessary for charter schools to fulfill their missions and act as independent public schools. The provisions establishing a purchase order system and requiring authorizer approval for any charter school expenditures infringe upon the core autonomies charter schools need to be high-quality public schools and conflict with existing statute and national principles and standards for quality authorizing.

Section 302D-6, Hawaii Revised Statutes, states, in pertinent part, “All authorizers shall be required to follow nationally recognized principles and standards for quality charter authorizing in all major areas of authorizing responsibilities[.]” The mostly widely recognized national principles and standards for quality authorizing are the National Association of Charter School Authorizers’ *Principles & Standards for Quality Charter School Authorizing*,<sup>1</sup> which includes upholding school autonomy as one of its three core principles. This principle states, among

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<sup>1</sup> See the National Association of Charter School Authorizer’s *Principles & Standards for Quality Charter School Authorizing, 2018 Edition*, here: <https://www.qualitycharters.org/wp-content/uploads/2018/10/NACSA-Principles-and-Standards-2018-Edition.pdf>.

other relevant things, that a quality authorizer “honors and preserves core autonomies crucial to school success” and “minimizes administrative and compliance burdens on schools.” The aforementioned provisions would prevent authorizers from meeting this principle and section 302D-6, HRS.

**Therefore, the Board respectfully requests that the Committee amend this measure by removing the provisions that establish a purchase order system for charter school expenditures and require authorizers to approve purchase orders before charter schools can expend funds.** Specifically, the Board requests the Committee to remove the proposed new statutory section entitled “Legislative appropriations; state treasury” under Section 1 of the measure (page 1, line 14 to page 2, line 2) and remove Section 3 from the measure (page 2, line 15 to page 4, line 17), which would amend section 302D-28, HRS.

The Board’s position and comments on this measure are in regards to matters of public policy only, and the Board defers to the State Public Charter School Commission on operational and implementation matters affecting authorizers and to each charter school on operational and implementation matters affecting their respective schools.

Thank you for this opportunity to testify on behalf of the Board.

Very truly yours,

Catherine Payne  
Chairperson, Board of Education  
Chairperson, 2019 Legislative Ad Hoc Committee

DAVID Y. IGE  
GOVERNOR



JOHN S.S. KIM  
CHAIRPERSON

STATE OF HAWAII  
**STATE PUBLIC CHARTER SCHOOL COMMISSION**  
**(‘AHA KULA HO‘ĀMANA)**

<http://CharterCommission.Hawaii.Gov>  
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813  
Tel: (808) 586-3775 Fax: (808) 586-3776

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FOR: HB 622 HD1 RELATING TO PUBLIC CHARTER SCHOOLS  
DATE: February 21, 2019  
TIME: 12:30 P.M.  
COMMITTEE: Committee on Finance  
ROOM: Conference Room 308  
FROM: Sione Thompson, Executive Director  
State Public Charter School Commission

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Chair Luke, Vice Chair Cullen, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony with **COMMENTS on HB622 HD1 with a suggested amendment**. The Commission is grateful for the support of the committee in supporting and strengthening the Commission’s oversight role and appreciates the intent of the bill to provide more accountability and transparency for state funds.

The Commission would appreciate the opportunity to discuss the bill’s requirement to establish a purchase order system to pay charter school expenses with the committee and the Legislature. The establishment and operations of a purchase order system would require additional funding and additional personnel in order to develop, implement, and administer this system that would service all 37 charter schools in the State. The Commission looks forward to any guidance and assistance from the committee and Legislature in determining available funding for this requirement.

The Commission would also request that the committee consider an amendment to Section 4 of this measure which would clarify an authorizer’s ability to request and receive records from charter schools that it authorizes by inserting the following language:

- (a) Each charter school shall provide access to all records to its authorizer.
- (b) The authorizer may cause search to be made from any records in the custody of any charter school without payment of any fee.

- (c) Each charter school shall search and furnish its records, or any portion thereof, upon the request of its authorizer.
- (d) As used in this section, "records" means financial accounts, accounting systems, book, files, papers, and documents.

This language was included in HB 1347 HD1, which was heard and passed out of the House Committee on Lower and Higher Education this legislative session.

Thank you for the opportunity to provide this testimony.



**Hālau Kū Māna**  
New Century Public Charter School

Before the House Committee on FINANCE

RE: **HB 622, HD1 - Relating to Public Charter Schools**

February 21, 2019, 12:30P, Rm 308

Chair Luke, Vice Chair Cullen, and members of the Committee

**IN OPPOSITION**

Hālau Kū Māna Public Charter school OPPOSES HB 622, HD1 which would amend Chapter 302D, Hawaii Revised Statutes by adding the following:

- 1) Requires authorizers to establish a purchase order system to pay charter school expenses;
- 2) Requires charter schools to be subject to an annual financial audit; and
- 3) Requires authorizers to select the independent auditors that are to perform the audits on public charter schools

While I can understand the State's desire for additional layers of accountability this bill, if passed, will create unnecessary hardship for small schools, like Hālau Kū Māna. The language in this bill is unclear regarding the purchase order system being proposed. It is highly unrealistic to expect school leadership to request funding from a purchase order system, especially when the authorizer does not have the capacity to carry out such a system. While the Hawaii State Department of Education is moving towards more school-level decision making and authority the scale continues to be unfairly tipped in the other direction for the charter schools. The current process with our authorizer provides sufficient checks and balances via quarterly financial reporting. If necessary, the authorizer has established intervention, as well as monitoring, protocols for schools who fail to maintain established financial benchmarks or fall below (or above) acceptable thresholds.

Hawaii public charter schools are already being subjected to inequitable funding. A requirement for an annual audit (approximately \$13,000/year) in lieu of a financial review should be additionally funded by the State to prevent placing an undue financial burden on the schools. Further, requiring that the authorizer select an auditor for all of the State's charter schools seems to be a bit of a conflict of interest. The selection of a qualified auditor should remain a school-level governance decision. As charters are held to these higher standards, I also welcome the same requirements for all public Department of Education schools and State agencies as a consistent measure across the State.

For these reasons, we are opposed to HB 622, HD1 as it is currently written. I would encourage and welcome dialogue between our government official, the State Public Charter School Commission, and school leaders to find agreements with regard to the issues that HB 622, HD 1 is seeking to address.

Mahalo nui,

Brandon Keoni Bunag, Ed.D.  
Po'ō Kumu (Principal)

**HB-622-HD-1**

Submitted on: 2/20/2019 9:56:41 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b>              | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|----------------------------------|---------------------------|---------------------------|
| Erik Swenson        | West Hawaii Explorations Academy | Oppose                    | No                        |

Comments:

Educators cannot apply a one-size fits all approach to educating, students learn in different manners and require open approaches to educating in order to reach every student. Similarly, educational settings differ in approach in order to deliver curriculum per student need.

Charter schools have been awarded the right to approach education through various approaches under the DOE, and have been doing so for some time with positive results. This bill would eliminate our school's ability to educate as we have, Project Based Learning (PBL) effectively. The freedom to purchase school and project materials locally and via local vendors outside the DOE approved vendor list has allowed our charter to increase community relationships and save money.

Bundling all schools into a bunch and expecting the same result is not diplomatic, reasonable, or beneficial to schools thinking differently than public DOE schools. If you wish to derail and impede different approaches to education such as PBL, then vote yes. In doing so you will pressure charter schools out of existence due to our inability to control efficient spending and force us to close ending jobs and educational progress in our small community.

If you wish to end charter schools propose a bill to do so, don't cripple the institutions with non-applicable approaches to education.



*'A'ole pau ka 'ike i ka hualau ho'okahi*

## **Connections Public Charter School**

*A Community, Business & Education Learning 'Ohana*

### **TESTIMONY IN STRONG OPPOSITION TO HB 622 HD1**

Chair Luke, Vice Chair Cullen, and members of the House Committee on Finance:

Citizens of the United States are governed by the “rule of law,” not by individuals. Our Constitution is the supreme law of the land. All other laws must be consistent with the Constitution of our country. New laws that are not consistent with our Constitution can be challenged and declared unconstitutional. The fifth and fourteenth amendments of the Constitution guarantee “due process of law.” Orderly legal procedures must be followed to establish guilt before punishment is doled out. The first section of HB 622 not only presumes guilt before an investigation of a charter school employee, it punishes a legally established school for the actions of one person... before he/she is found guilty!

While the first section of this bill, if passed, may affect a small portion of the charter school community, the second section of HB 622 HD1 will send a tidal wave of confusion and strife throughout the entire system. All of the charter schools' contracts with the Commission will have to undergo major modifications. This would place a huge burden on the Commission's staff in itself. But to have to implement a brand new comprehensive financial management system added to this, will be overwhelming. The organizational viability of all charter schools and the Commission will be undermined. Where will the funding for the infrastructure needed to implement such a comprehensive system of financial micromanagement come from? Who will pay for the new staff that will be needed by the Commission?

This bill challenges the legally mandated autonomy of all of the charter schools. While the bills author may feel that charter schools have not been accountable, the real attack is on our autonomy. We would like to suggest that autonomy and accountability are not different forces that need to be balanced. They should tightly support each other. If the schools understand (and agree with) what we are accountable for, and we have a level of trust between us, we can work autonomously to ensure accountability. Without trust, autonomy cannot exist.

The key to a culture of autonomy and accountability is not just clear desired outcomes but structured expectations. Structured expectations can be linked with innovation. Autonomous vehicles are seen by most as a future oriented innovation. An autonomous vehicle must operate well within its overall environment. The car needs to follow the rules of the road and be predictable for other drivers. Autonomous doesn't mean being allowed to do anything. It means that we need to work well within a clearly defined environment. Autonomous vehicles will become more “trusted” as they become more common. The Commission and its portfolio of charter schools can build increasing levels of trust if we can both maintain transparency in our work and seek to understand the rules and expectations of our charter environment. Operating frameworks need to be strong enough to reinforce expectations but loose enough to allow autonomy.

**HB-622-HD-1**

Submitted on: 2/19/2019 12:00:23 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Olani Lilly         | Ka Umeke Kaeo       | Oppose                    | No                        |

Comments:

Aloha Honorable Chair and Members of the House Committee on Finance.

We are not in support of this bill. It will hamper a school's ability to do business and holds both the school and its employees to a higher standard and harm than any other State agency including the Department of Education.

While the Commission tries to work with the schools and does its best it would not be able to handle the load of financial transactions and this strategy does not get the State or commission anywhere closer to dealing with the issue of financial accountability.

What schools need is concerted support from the State and Commission to be prepared and plan for circumstances and situations that Department of Education schools do not need to deal with including lack of facility funding.



**HB-622-HD-1**

Submitted on: 2/19/2019 4:34:52 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Kaia Anderson       | WHEA PCS            | Oppose                    | No                        |

Comments:

Oppose HB622 HD1.

**HB-622-HD-1**

Submitted on: 2/20/2019 4:45:40 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b>                         | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---|---------------------------|---------------------------|
| Jessell Tanaka      | Kawaikini New Century Public Charter School | Oppose                    | No                        |

Comments:

**HB-622-HD-1**

Submitted on: 2/19/2019 5:17:36 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Susan Osborne       | Kua O Ka La NCPCS   | Oppose                    | No                        |

Comments:

We are concerned that the Charter office has the ability to manage the proposed purchase order system for all charter schools. This proposal would take many more positions and funding for those positions for the Charter office. Does the bill support this extra funding needed for the Charter office? This seems to strike at the heart of the schools' ability to respond to its program needs in a timely manner also.

We are not sure how this new system would impact the fiscal compliance measures currently in place by the Commission for the schools also.

We do not have an issue with the Charter Office determining who conducts the schools' annual audits.

**HB-622-HD-1**

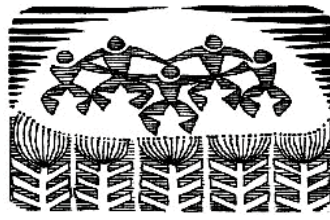
Submitted on: 2/20/2019 4:50:35 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Steve Hirakami      | HAASPCS             | Oppose                    | No                        |

Comments:

For obvious reasons, I strongly oppose this legislation. How is it that one employee under investigation (not yet convicted) could affect twelve thousand students? Please reconsider.



## The Volcano School of Arts & Sciences, PCS

PO Box 845, Volcano, Hawai'i 96785

Phone: (808) 985-9800 Fax: (808) 985-9898 [www.volcanoschool.net](http://www.volcanoschool.net)

February 20, 2019

Aloha Representative Luke and members of the House Finance Committee,

We are writing in strong opposition to HB 622. Although we fully support steps to protect the State from liabilities, we believe that it is possible to more strategically and directly address risk without suppressing the growth and sustainment of successful charter schools, which form the majority. Centralized practices such as those delineated in HB 622 are contrary to the core principle that charter schools will retain autonomy from bureaucratic burdens and constraints in order to implement innovative practices and respond nimbly to the needs of our students.

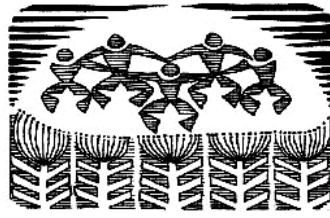
Already in existence, the Charter School Financial Performance Framework developed by the State Public Charter School Commission serves as a viable tool to assess financial risk. The Financial Performance Framework includes stringent measures for assets to liabilities ratio, unrestricted cash days on hand, debt to asset ratio, cash flow, total margin, and budget variance. Schools that do not meet the rigorous criteria of the Financial Performance Framework are put on financial monitoring and must submit detailed monthly reports to the Charter School Commission. All charter schools are already required to submit quarterly financial reports to SPCSC and to conduct annual audits with qualified auditors. Schools are also required to submit annual budget and cash flow projections.

Implementation of the purchase order system described in HB 622 will gravely inhibit charter schools including prohibiting many schools from their ability to operate effectively. Moreover, the State Public Charter School Commission does not have the capacity to administer the systems called for in HB 622.

The opening section of HB 622 that requires the State to withhold funds from a school with an employee under federal investigation could be a reasonable with modifications. This measure is concerning in that it implements a guilty until proven innocent practice. Furthermore, withholding funds during a lengthy investigation could result in a school's inability to remain open, thus sealing the fate of the school irregardless of the actual circumstances underlying the investigation. One possible step before withholding of funds may be to require the school to implement procedures to protect the State from risk during an investigation to the satisfaction of the authorizer (e.g. remove employee access such as through change in duties or administrative leave, initiate a school-level investigation, revise policies and procedures, etc.).

We urge legislators not to stifle the entrepreneurial leadership that has served as a cornerstone of success for many charter schools. We urge legislators to identify strategies that will enable the

*Learning through Volcano's unique natural and cultural resources to become creative global citizens.*



State to protect itself from liabilities without suppressing the growth and sustainment of successful charter schools. We encourage legislators to engage the assistance of charter school leaders to identify more appropriate and effective strategies to mitigate risk and protect the State from liabilities rather than implementing cumbersome, centralized systems such as those described in HB 622.

Mahalo for your service and dedication to public education.

Kalima Kinney  
Principal

**HB-622-HD-1**

Submitted on: 2/20/2019 12:13:53 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b>    | <b>Organization</b>            | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|------------------------|--------------------------------|---------------------------|---------------------------|
| Kehaulani Aipia-Peters | Ke Kula O<br>Nawahiokalaniopuu | Oppose                    | No                        |

Comments:

On behalf of the Governing Board of Ke Kula 'O NÄ• wahÄ«okalani'Ä• pu'u, I am submitting this testimony in **opposition** of HB622 HD1. This bill lacks clarity and has the possibility of negatively impacting the operations of charter schools and the education of charter school children.

**HB-622-HD-1**

Submitted on: 2/20/2019 5:24:44 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Katie Benioni       | Na Lei Na'auao      | Oppose                    | No                        |

Comments:



**HB-622-HD-1**

Submitted on: 2/20/2019 10:33:03 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Leoni               | Individual          | Support                   | No                        |

Comments:

**HB-622-HD-1**

Submitted on: 2/19/2019 1:53:47 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Heather Nakakura    | Individual          | Oppose                    | No                        |

Comments:

To Whom It May Concern - HB622 is very detrimental to the charter school's autonomy regarding the use of a Purchase Order system. Charters would not be able to take advantage of lower prices offered online if they were required to use State vendors. This would be more costly for the schools which are already underfunded. This process would also cost a lot of time and energy for the Charter Commission who would have to take this responsibility on. Charters are already required to submit an annual audit - why the need for more restrictions? Don't penalize all the schools based on the mistakes of a few.

**HB-622-HD-1**

Submitted on: 2/19/2019 2:43:28 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Nina Buchanan       | Individual          | Oppose                    | No                        |

Comments:

Aloha,

Thank you for the opportunity to testify AGAINST HB 622. As an advocate for parental school choice and a founder of a successful charter school, I believe that the proposed legislation is part of an effort to re-regulate charter schools and will inhibit flexibility and innovation, the reasons for their existence. Charter schools already received less per pupil than other public schools and must spend what little funds they have to pay for facilities. This bill would require them to spend more money on unnecessary oversight. Charter schools already submit annual fiscal audits. Enough is enough!!

I support fiscal responsibility and good stewardship but writing rules for all charter schools because one person in one school was irresponsible unduly punishes all charter schools and burdens the Commission with unwanted tasks.

**HB-622-HD-1**

Submitted on: 2/19/2019 2:48:07 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Sheila Gallien      | Individual          | Oppose                    | No                        |

Comments:

I am the parent of a child at a charter school, and a community member of the governing board, but my testimony is personal, not on behalf of the school. Charter Schools already operate at a bare minimum, fueled by the passion of its teachers, staff and parents. The implication in this bill that there is padding in the allocations or anything nefarious in the process is absurd. Charters have to fight twice as hard for even the most basic supplies. Is there a pile of pens somewhere that seems too lavish? An extra bus? Implementing this laborious process, creating layers of bureaucracy for each purchase, will only further burden the system and inhibit the efficiency of a machine that needs no leaning. Each school has an operating budget and internal procedures to monitor its spending. More than anything it has the COMMUNITY'S VETO if it is not operating as is appropriate. We live on islands, in small communities. Word travels. We don't need more layers of restraints. We need more funding, and more support. Thank you.

**HB-622-HD-1**

Submitted on: 2/20/2019 10:53:45 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Burgandy Singleton  | Individual          | Oppose                    | No                        |

Comments:

Please allow outer charter schools the autonomy regarding spending, they continue to do an excellent job without this unnecessary oversight, taking needed funds away from our school systems.

**HB-622-HD-1**

Submitted on: 2/20/2019 12:02:19 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Kauanoë Kamana      | Individual          | Oppose                    | No                        |

Comments:

There's a principle of "innocent until proven guilty"...this bill violates that principle.

Mahalo

**HB-622-HD-1**

Submitted on: 2/20/2019 12:27:49 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| kir klein           | Individual          | Oppose                    | No                        |

Comments:

**HB-622-HD-1**

Submitted on: 2/20/2019 2:55:22 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b>                               | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---|---------------------|---------------------------|---------------------------|
| Kristin Wolfgang-Volcano School of Arts and Scien | Individual          | Oppose                    | No                        |

Comments:

There are several parts to this bill bundled together. I don't oppose the requirement to notify the authorizer of criminal investigation, etc. That is reasonable.

What is not reasonable is cenralization of financial ordering. Charter schools have autonomy and these tryes of practices make it harder for the schools to operate. The Charter Commission doesn't have the manpower or skill to make this happen.

It doesn't make sense to make things harder for the many high quality charter schools in the state. If the state needs to protect itself from liabilities, can we look at other ways to do that?

Thank you for all the work you do.



**HB-622-HD-1**

Submitted on: 2/20/2019 3:26:55 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Dimitri Nikolai     | Individual          | Oppose                    | No                        |

Comments:

This Bill will negatively effect Charter schools in Hawaii both academically and fiscally.

**HB-622-HD-1**

Submitted on: 2/20/2019 3:35:51 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Brandie Kealoha     | Individual          | Oppose                    | No                        |

Comments:

Withholding funds and waiting on auditors could further impact the operation of the charter school. The schools should be trusted to select their own auditors and have access to funds so operations run smoothly.

**HB-622-HD-1**

Submitted on: 2/20/2019 3:49:11 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Terri York          | Individual          | Oppose                    | No                        |

Comments:

**HB-622-HD-1**

Submitted on: 2/20/2019 4:08:09 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Laurence Scott      | Individual          | Oppose                    | No                        |

Comments:

I am opposed to this bill as essentially you are penalizing all charter schools for the action of one individual some time in the past.

**HB-622-HD-1**

Submitted on: 2/20/2019 4:57:32 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Nicole Yoshimoto    | Individual          | Oppose                    | No                        |

Comments:

**HB-622-HD-1**

Submitted on: 2/20/2019 4:57:40 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Courtney Mattson    | Individual          | Oppose                    | No                        |

Comments:

**LATE**

**HB-622-HD-1**

Submitted on: 2/20/2019 7:01:34 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b>              | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|----------------------------------|---------------------------|---------------------------|
| Ivy Kelling         | Ke Kula o Samuel M Kamakau, LPCS | Oppose                    | No                        |

Comments:

**LATE**

**HB-622-HD-1**

Submitted on: 2/20/2019 9:09:24 PM  
Testimony for FIN on 2/21/2019 12:30:00 PM

| Submitted By  | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Jennifer Hiro | Individual   | Oppose             | No                 |

Comments:

I strongly oppose the intent of this Bill. Charter Schools **ARE** held accountable and have audits conducted **annually** at a great expense to the already limited school funding received. Innovations has proven to be financially responsible and received clean audits for all years of operation - **18 years**. Those who have visited our campus and reviewed our program and community support will verify the tremendous program we have built, the extreme service we provide to our community through our school curriculum and the amazing facility, staff, resources, program, learning environment and exemplar performance we have been able to develop on significantly less funding than our neighborhood public schools.

There already exists guidelines, policies, frameworks and checks and balances that all charter schools must comply with as a public school. The measures in this bill are unnecessary, punitive and extremely restrictive to programs that are and have been fiscally responsible, in compliance and prudent in their fiscal management. Charter Schools have demonstrated great fiscal management of funds and provided examples of ways to improve fiscal management and funds that the greater education department could benefit from.

The Charter School Commission, already has within its power the ability to impose the restrictions indicated in this bill upon a school/organization who may be in violation of fiscal management and under federal audit of funds - this bill is not necessary and is punitive and restrictive to well-established, responsible, creative and innovative charter schools who are truly fulfilling the mission of providing innovation, excellence and alternative options in curriculum in the State of Hawaii. Please do not pass this bill.



**LATE**

**HB-622-HD-1**

Submitted on: 2/20/2019 10:39:49 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b>                        | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|--|---------------------------|---------------------------|
| LYDIA TRINIDAD      | Kualapu'u Public Conversion Charter School | Oppose                    | No                        |

Comments:

I would like to bring to your attention that Kualapuu PCCS DOES NOT support HB 622. We do not support HB 622, especially the section about the Charter School Commission establishing a Purchase Order System.

At Kualapuu, having a centralized PO system will inhibit our flexibility purchasing abilities in the most timely and efficient manner for our rural school.

The Charter School Commission does not have the capacity to manage a Centralize PO system, and this process will add an additional, and unnecessary layer of bureaucracy and inefficiency.

Please DO NOT Support HB 622.

Lydia Trinidad,

Principal, Kualapuu Public Conversion Charter School

Kualapuu, Molokai

Please call or email if you have any questions.

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 2:02:50 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| T. Noelani Perreira | Individual          | Oppose                    | No                        |

Comments:

**Aloha,**

**I am Noelani Perreira. I am a makua / parent of students at Halau Ku Mana Public Charter School located at 2010 Makiki Heights Drive. Please note that I OPPOSE HB622, HD1.**

**This bill could potentially adversely impact the operations of our school by withholding school funds and requiring our authorizer, the Charter School Commission, to establish a purchase order systems to pay for charter school expenses. Further, the bill would require the authorizer to select independent auditors to perform audits on schools. Currently, schools have the authority to select their auditor(s). These measures will likely slow the process of funding crucial aspects of school operations that our students and families depend upon for access to safe, free and appropriate education.**

**Thank you for reading my testimony in OPPOSITION of HB622 HD1. Mahalo for your time and consideration.**

**Sincerely,**

**T. Noelani Perreira**

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 9:48:54 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Trevor Atkins       | Ke Ea Hawaii        | Oppose                    | No                        |

Comments:

Aloha members of the House,

The Charter School Commission does not have the fiscal capacity, the human resources, the technology, or the authority to administer charter school funding through this proposed purchase order system.

This undermines the very point of charter schools in Hawaii and would render this highly successful project no longer useful to our State.

Please kill this bill.

Ke aloha,

Trevor Atkins, Advisor, Ke Ea Hawaii

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 11:32:30 AM  
Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Allyson Tamura      | Individual          | Oppose                    | No                        |

Comments:

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 11:41:06 AM  
Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Stephen Schaeffe    | Individual          | Oppose                    | No                        |

Comments:

Charter schools are non-profit businesses and should be able to manage their own funds unless shown to be incapable or unscrupulous.

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 11:53:21 AM

Testimony for FIN on 2/21/2019 12:30:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Joanna Howard       | Individual          | Oppose                    | No                        |

Comments:

**LATE**

**HB-622-HD-1**

Submitted on: 2/21/2019 5:00:03 PM

Testimony for FIN on 2/21/2019 12:30:00 PM

| Submitted By         | Organization | Testifier Position | Present at Hearing |
|----------------------|--------------|--------------------|--------------------|
| Kapua Keliikoa-Kamai | Individual   | Support            | Yes                |

Comments:

Aloha Finance Committee Chair Luke, Vice Chair Cullen and Members,

HB 622 RELATING TO PUBLIC CHARTER SCHOOLS Requires authorizers to establish a purchase order system to pay charter school expenses. Requires charter schools to be subject to an annual financial audit. Requires authorizers to select the independent auditors that are to perform the audits on charter schools..

I'm a Halau Ku Mana PCS makua and stand in **OPPOSITION of HB622 HD1**. PCS's already complete annual audits. Neither the authorizer nor the PCS have the staffing or resources for this POS system, so this would just be another unnecessary burden on both entities. Furthermore, this type of scrutiny is not required of DOE schools, why is that? Both DOE and PCS have had incidences of financial mismanagement sometimes resulting in fines, prison time and even a PCS closure. Upsetting and sad yes; but we don't need to go overboard, especially when it's only being inflicted upon PCS's. Defer this bill and try to work with the entities for the best result without incurring more undue unfunded burdens on the authorizer and PCS's.

Yes, PCS's like HKM are schools of choice and we chose HKM because we know our children will learn how to successfully overcome obstacles, be innovative, recognize & speak the truth, and much more. Despite financial challenges, we continue to be impressed by HKMs education, social, governmental and community engagement that extends far beyond their facilities.

While we're appreciative for the legislature's approval of PCS education twenty (20) years ago, we're hopeful that unreasonable requirements like this POS be deferred and killed on the spot. I look to THIS legislature to step up for our keiki o ka aina, our future leaders. Mahalo for the opportunity to express my **OPPOSITION of HB622 HD1**.

Mahalo,

Kapua Keliikoa-Kamai,

Concerned Waianae makuahine

