

FINAL

Understanding Public School Funding Fiscal Year 2009-2010

Information collected in a series of
meetings led by Senator Dwight Takamine
12/16/09 – 5/3/10



Kanu o ka 'Āina Learning 'Ōhana
Grows womb-to-tomb models of education that advance Hawaiian culture for a sustainable Hawaii

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- This presentation is a compilation of documents received from the Department of Education and analyzed in a series of meetings with Senator Dwight Takamine.
 - Only a portion of the original documents are presented here, copies in their entirety are available upon request.
 - After each document is a summary of findings and graph comparing DOE and Charter funding for fiscal year 2009-10.



Charter School Facts:

- Public schools including charters cannot charge tuition
- Charters are bound by collective bargaining
- Charters are subject to NCLB and all State testing requirements
- Charters operate like a small business
- Charters must abide by state “health and safety standards”
- Principals are accountable for SPED/IDEA compliance yet have no authority over the distribution of resources
- Charter School Review Panel mandated to issue charters by the Attorney General, despite funding



GOALS

- Clarify the distribution of funding for K-12 education in Hawaii
- Identify any areas of inequity
- Develop solutions to ensure equity to all public school students
- Collaborate with the DOE to increase funding for all public schools in Hawaii



HB 2200 State Budget

Data from FY 2009-10
Budget used in this report

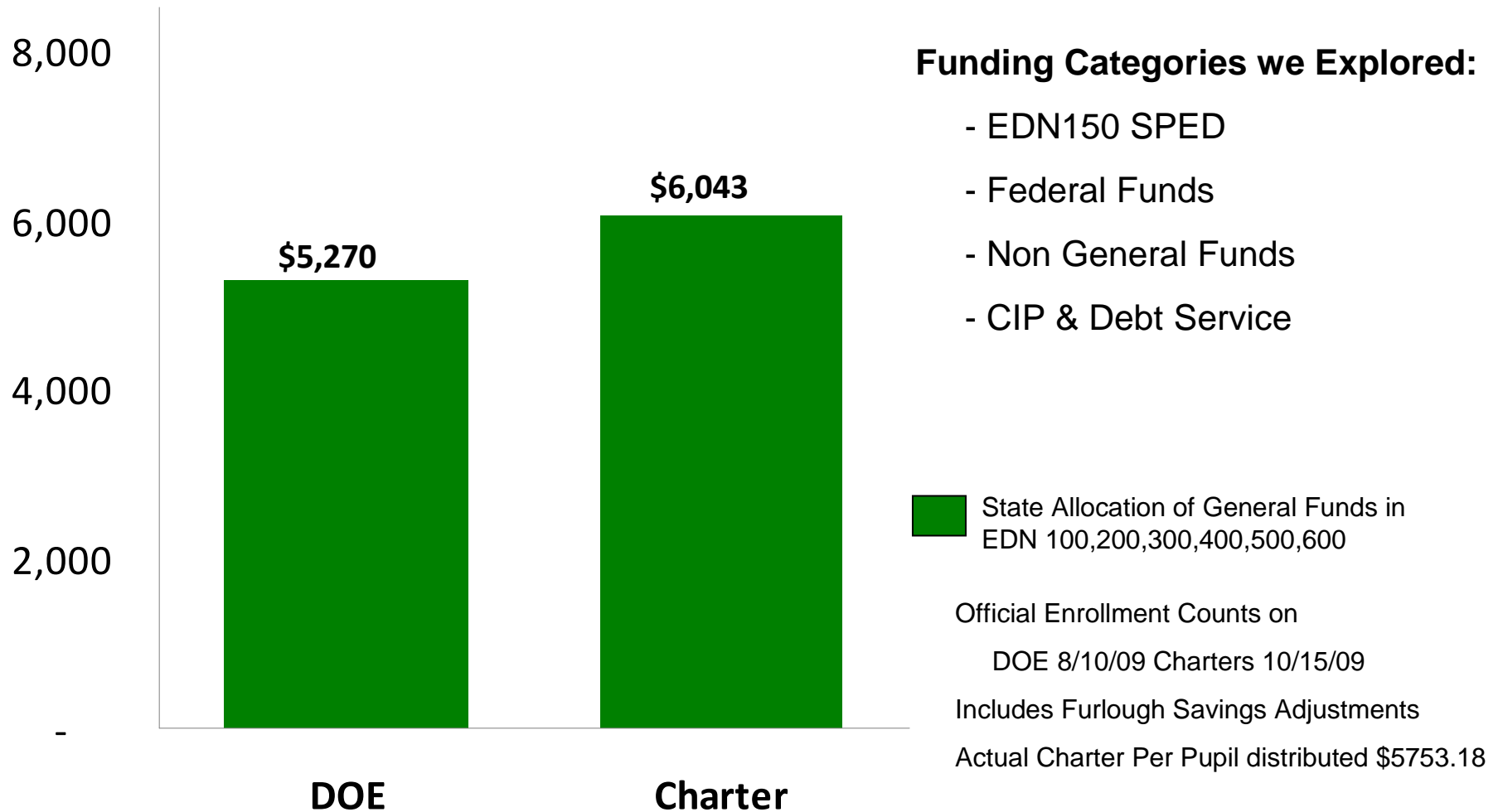
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STATE OF HAWAII		PROGRAM APPROPRIATIONS					
ITEM NO.	PROGRAM	PROGRAM ID	EXPENDING AGENCY	FISCAL YEAR	APPROPRIATIONS FISCAL YEAR	M OF	M OF
				2009-10	2010-11	F	F
EDN100	School Based Budgeting			12,375.60*	12,375.60*		
EDN150	Student Support Services (SPED)			753,950,947A	[753,950,947A]		
EDN200	Instructional Support			6,780,000B	6,780,000B		
EDN300	State & Complex Area Admin			171,325,264N	[171,325,264N]		
EDN400	School Support			13,750,000T	13,750,000T		
EDN500	School Community Services			4,500,000U	4,500,000U		
EDN600	Charter Schools			97,308,342V	97,308,342V		
BUF745	Retirement Benefits			3,398,000W	3,398,000W		
BUF765	Health Premium Payments			235,051,000B	235,051,000B		
BUF725	Debt Service Payments			5,639.00*	5,639.00*		
				368,188,673A	[368,188,673A]		
				100,000B	100,000B		
				2.00*	2.00*		
				2,205,121W	2,205,121W		
				1,900,000B	1,900,000B		
				800,000U	800,000U		
				51,432,190A	51,432,190A		
				841.00*	841.00*		
				184,814,106A	[184,814,106A]		

A – General Funds
N – Federal Funds
B - Special Funds
W – Revolving Funds
T – Trust Funds
U – Interdepartmental
V – ARRA Federal Funds

H.B. NO. 2200

Per Pupil Base Comparison of all EDN General funds (A)



Findings from EDN150 SPED Analysis

Alloc To	Prog ID	Program Description	FTE	Appropriation
Cent. Services	16204	Home/Hospital Instruction		1,266,792
Cent. Services	47284	Families Helping Students		100,000
State Offices	15497	Athletics Administration	4	305,447
Complex Area	15673	CSSS Resource Teachers	40	2,590,395
Complex Area	16764	Primary Prevention/Intervention	7	511,842
School	25040	School Health Aides	270.8	6,399,603
State Offices	25045	Student Support Services – Group Admin	3	365,191
			9	657,445
				272,857
			7	273,994

Of the \$437 million in EDN150 funding \$12 million was identified as Non SPED \$41 million with inconsistent access to SPED programs by PCS students

Total Non SPED Funding Identified 12,743,566

Cent. Services	15620	Social Workers	69	3,818,412
Cent. Services	15686	School Based Behavioral Health	496	35,400,725
Cent. Services	15698	School Based Mental Health Services	30	2,588,277
State Offices	28178	Section 504 Implementation	1	421,899

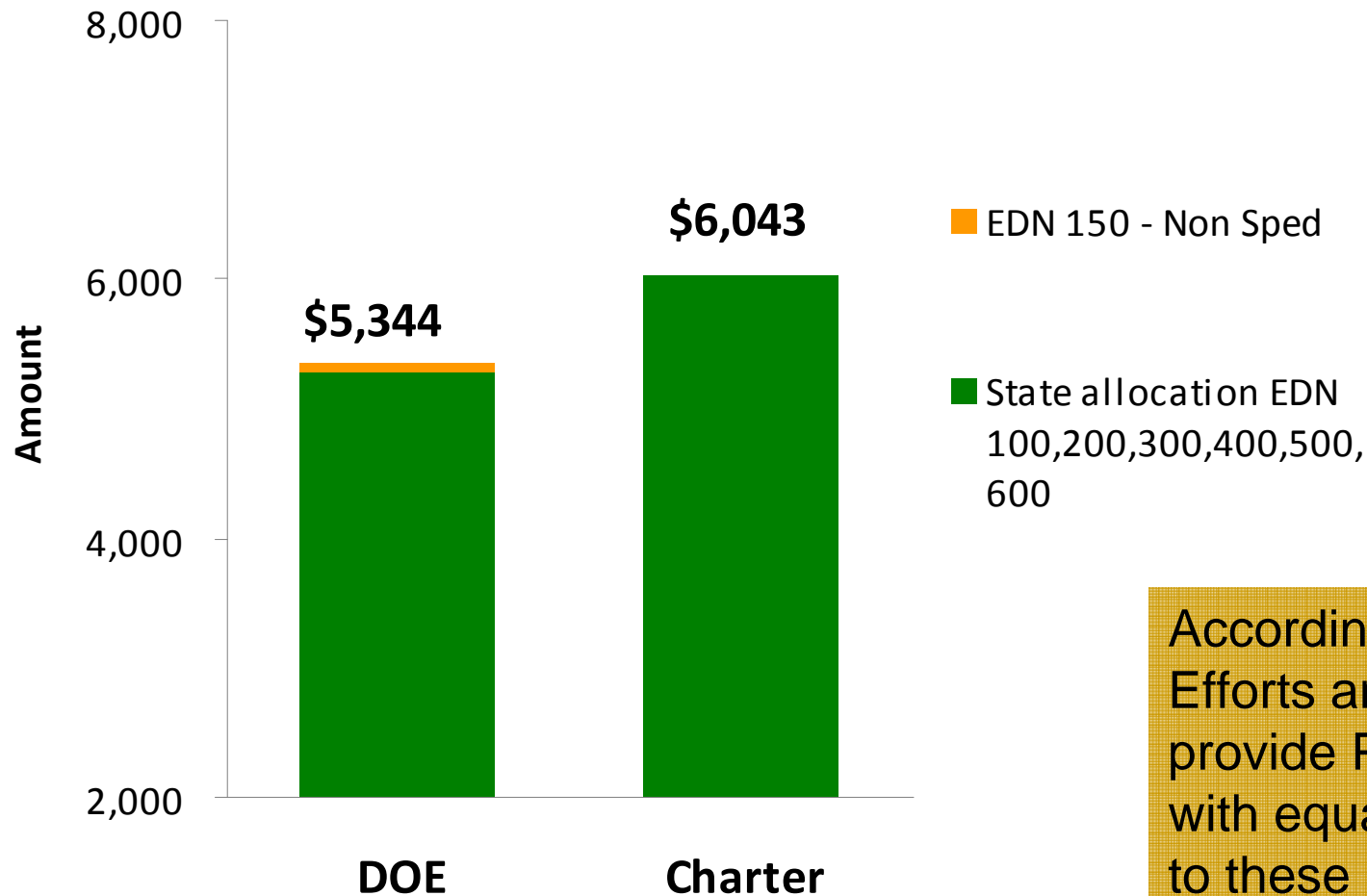
SPED programs with inconsistent access by PCS students 41,229,313

Total Funding Identified 53,972,879



Per Pupil Comparison

Adding EDN150 – Identified “Non SPED” \$ only



Findings from Federal Funding Analysis (not including SFSF)

-Indirect cost rates: 2.1% to the SEA on Federal Formula Funding
13.3% to the SEA on Discretionary Grants

Grant No	Grant Title	Grant Period	Grant Award	Grant Type
650045	NCLB Teacher and Principal Training Recruiting Fund (Title IIA) Teacher Quality State Grants	7/1/09-9/30/10	13,622,554	Formula
650111	NCLB Enhancing Education through Technology (Title II-D)	7/1/09-9/30/10	1,305,643	Formula
	ARRA Ed Tech Grant	2/17/09-9/30/10	3,209,375	Formula
280000	NCLB Safe Local Progr		1,138,678	Formula
	Impact Aid		55,515,943	Application
	Department		3,135,473	Application

Of \$208 million in Federal funding

\$ 72 million is for “eligible” students

\$ 64 million is for ALL students

\$ 63 million is EDN150 SPED

\$ 8 million is School Specific

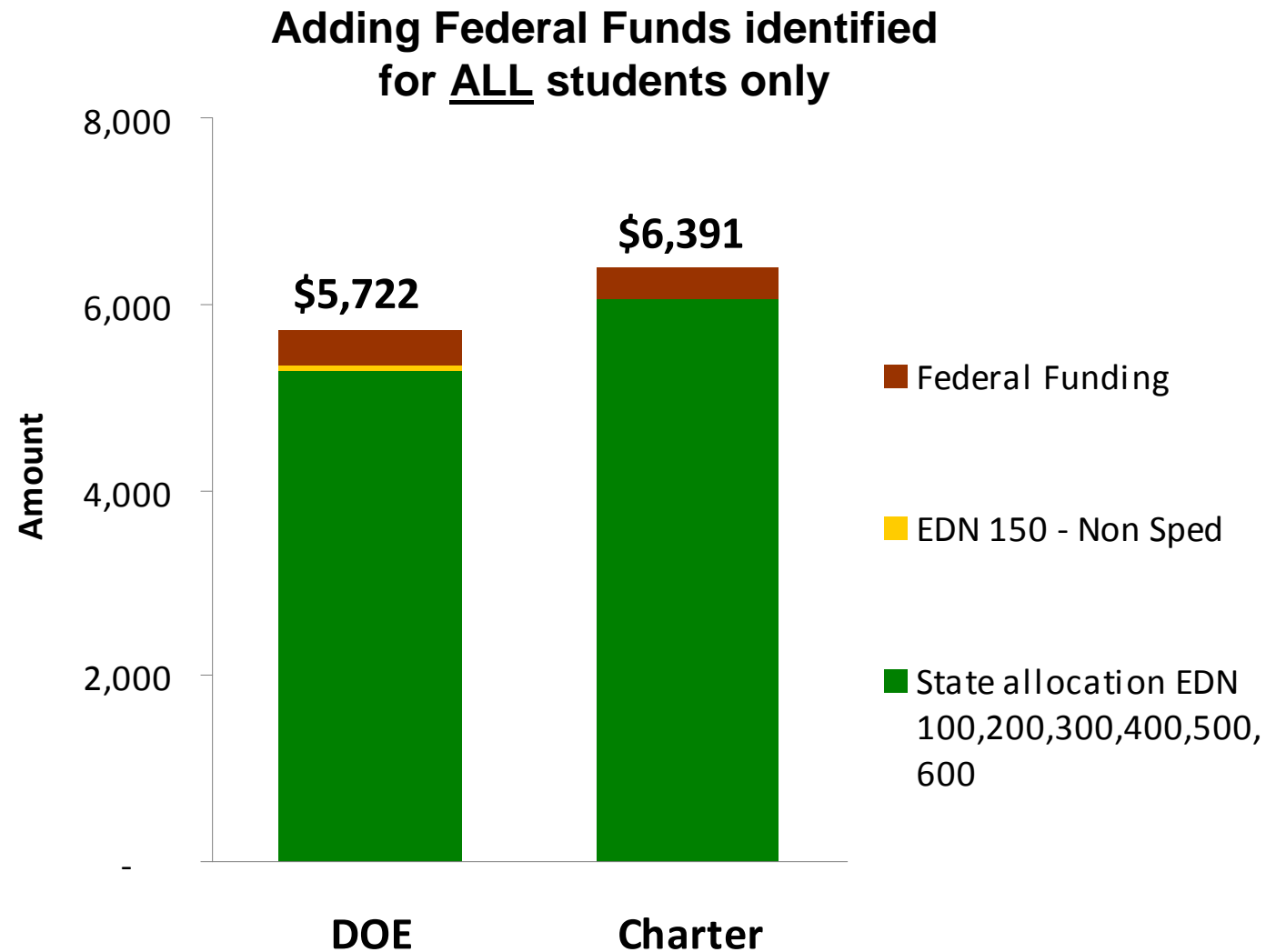
No consistent system in place to distribute formula funds to charters or notify them of competitive grants.

64,486,005

20000	NCLB Title		43,230,443	Formula
510000	NCLB Ever		305,688	Formula
550200	NCLB Migr		957,584	Formula
	NCLB Migr		153,846	Formula
110100	Carl Perkin		2,562,592	Formula
	Carl Perkin		160,000	Formula
	Career Pat		41,586	Formula
40000	NCLB Neglect & Delinquent Children (Title I-B)	7/1/09-9/30/10	289,304	Formula
650901	ARRA- Title I Grants	2/17/09-9/30/10	16,585,937	Formula
650048	NCLB English Language Acquisition, Enhancement, Achievement (Title III-A)	7/1/09-9/30/10	266,216	Formula
09KSPHI001	Learn and Serve America	7/1/09-6/30/12	57,146	Formula
09KSHI002	Stewards of the Islands	9/28/09-9/27/12	900,000	Application

Federal Funding for “eligible” students: 71,943,471

Per Pupil Comparison



Findings from Non General Fund Analysis

Name of Fund	EDN	MOF	Amount	Source
Driver Education Fund	100	U	3,401,667	Insurance Fee
Federal Grants Search, Development, and Application Revolving Fund	100	W	3,316,774	Federal Indirect Overhead
Hawaii School-Level Minor R&M Special Fund	400	B	221,081	State Individual Tax Returns

Non General Funds eligible for Charters: 6,939,522

Donations & Gifts	100	T	5,583,215	Impact Fees
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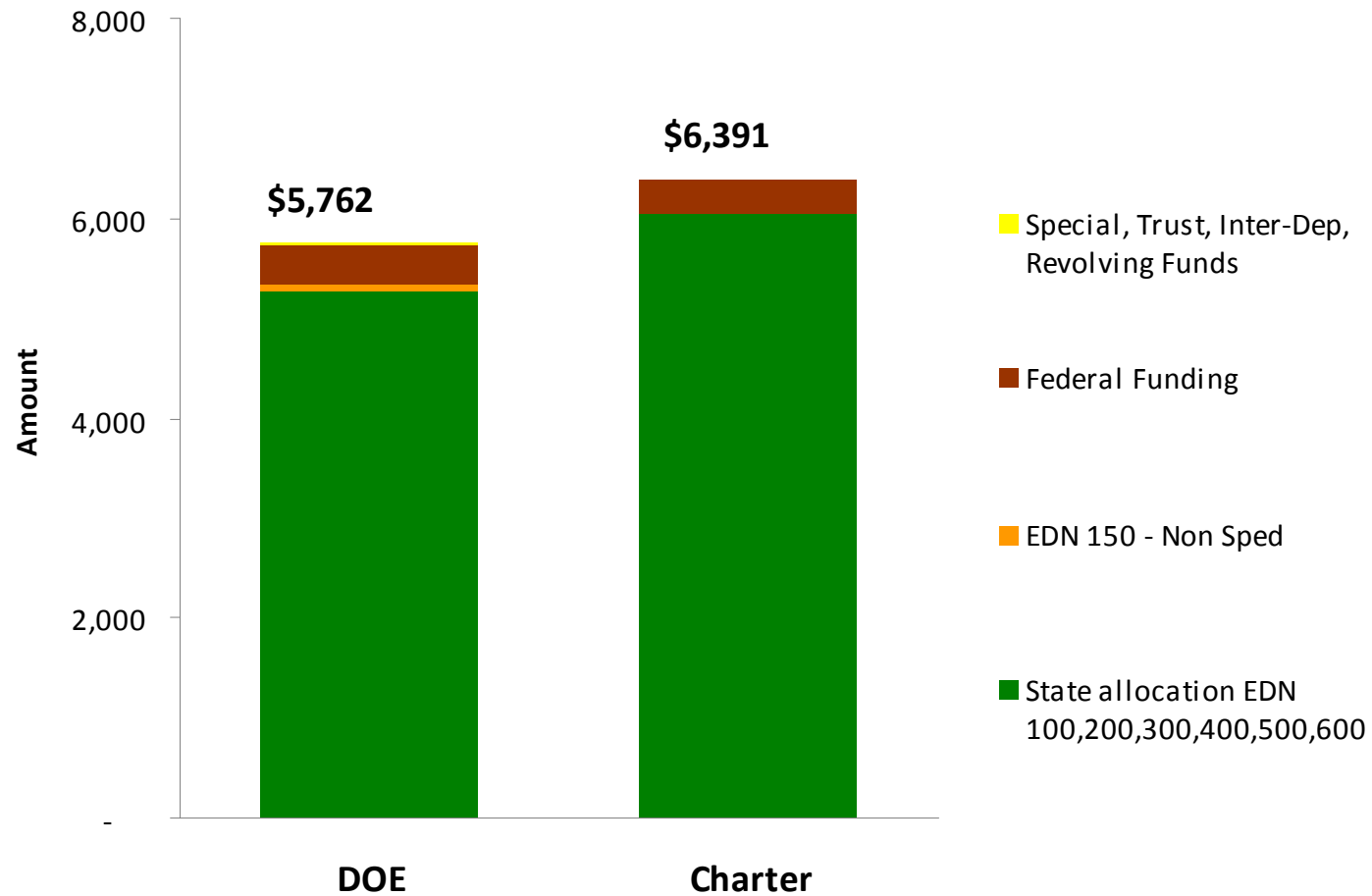
No system in place to access programs or funding

How can Impact Fees be made available to charters when their student populations are affected by developments?



Per Pupil Comparison

Adding Non General Funds Identified



Construction in Progress (CIP) Detail & Debt Service

2009-2011 CIP Appropriations
HB 2200 HD1
March 8, 2010

CIP Projects	FY 2009-2010
Lump sum School Building Improvements Statewide	140,000,000
Lump sum Classroom renovations	30,000,000
Land acquisition, Design, Construction, and Relocate/Construct Temporary Facilities, Statewide	2,000,000
Architectural Barrier Removal, Statewide	10,000,000
Public Accommodations transition plan, statewide	2,000,000
Asbestos/lead Removal, statewide	2,000,000
Special Education Renovations, Statewide	1,000,000
Gender Equity, Statewide	1,000,000
Fire Protection, Statewide	500,000
Health and Safety	500,000
Benjamin Parker Retaining wall	125,000
Castle High All weather track, Athletic field	5,000,000
Dole Middle Restroom Renovations	250,000
Ewa El construct eight classroom bldg	750,000
Fern El Roof and carpet Replacement	575,000
Hilo High New Gym	1,000,000
Kailua High Natural Science Classroom	800,000
Kalani High Security screens	50,000
Kapolei El New Elementary School	3,520,000
Keaukaha El new Cafeteria	8,000,000
King Kekaulike High New Auditorium	800,000
Kipapa El Parking lot	500,000
Makawao El Expand Cafeteria	400,000
Manana El Retaining wall, Drainage	450,000
Mano El Play court cover	500,000
Mauka Lani El Evacuation Route Ramp	450,000
McKinley High Renovate Bldg W	700,000
Mililani Uka El Stabilize eroding Slope	600,000
Mililani Waena El Parking lot expansion	100,000
Salt Lake El Renovation Classrooms	1,000,000
Stevenson Inter Multi pupose gym	4,000,000
Waialea High All weather track	300,000
Waipahu El 8 Classroom bldg	100,000
DOE Project Positions, Statewide	4,800,000
Total all DOE CIP	225,570,000
BUF725 Debt Service	194,793,118

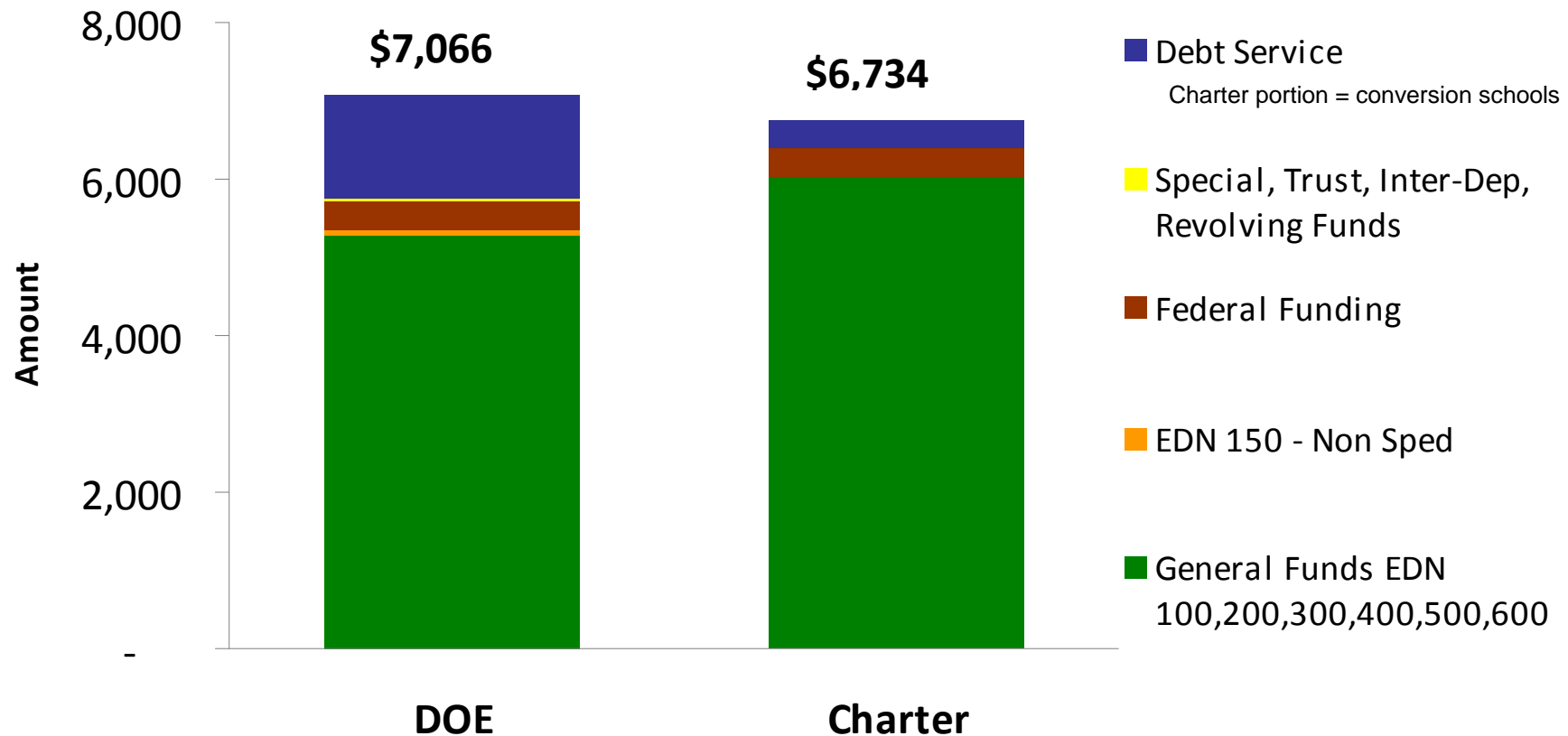
3/15/09 –Discussion with:
Legislature
Dwight Takamine
DOE
Randy Moore
CSAO
Maunalei Love
Bob Roberts
KALO
Taffi Wise
Katie Benioni
HCSN
Steve Hirakami

DOE Appropriations FY09-10
CIP \$225 million
Debt Service \$194 million

Per Pupil Comparison

Adding Facilities Funding

Charters need a mechanism to access CIP funds



Graph does not include CIP



DOE & Charter Funding Comparison – FY 2009-10

Final Summary

Total Per Pupil
difference of \$332

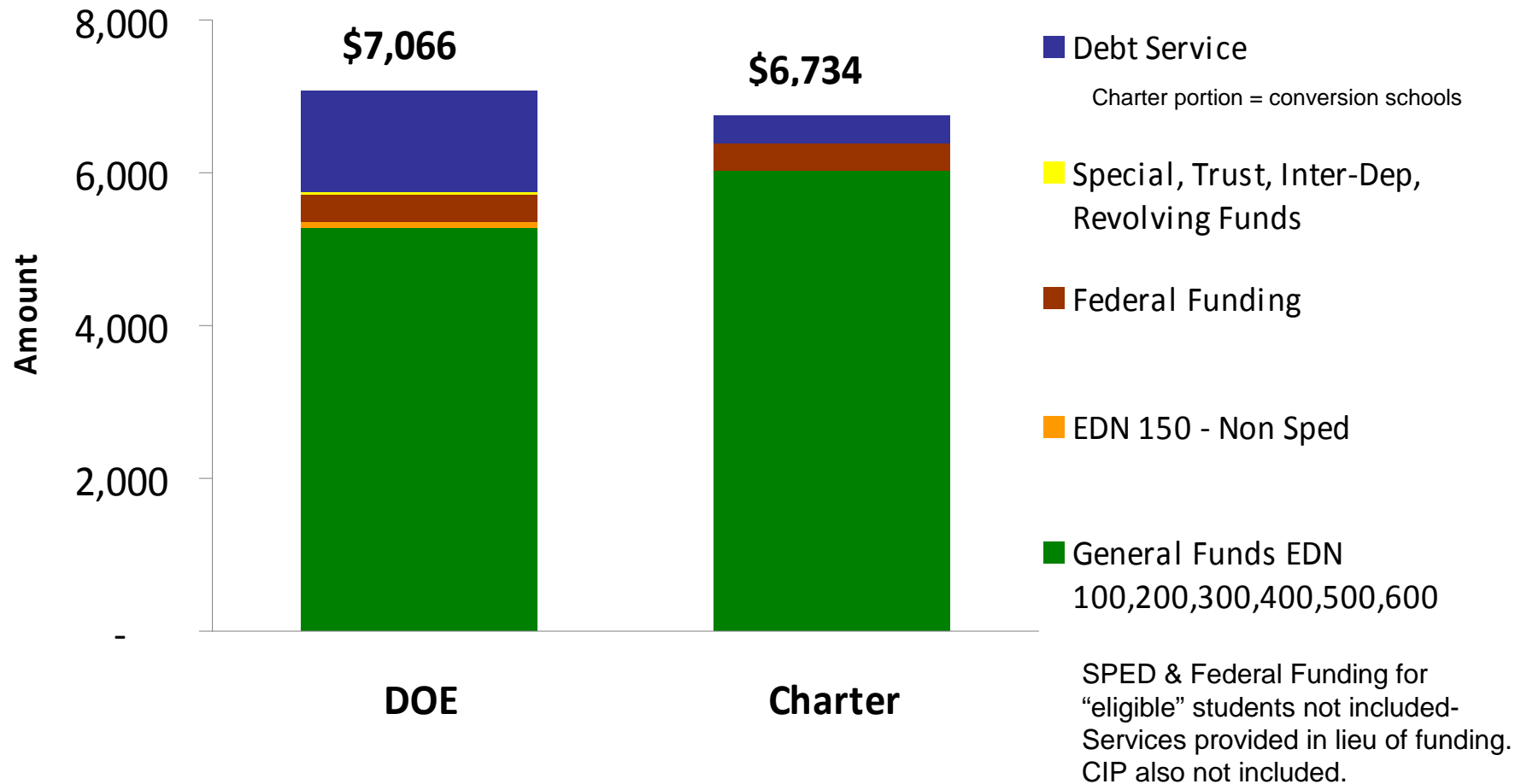


Table of Findings for FY 2009-10

DOE Enrollment 170,830
 Charter Enrollment 8,098

	Appropriation		Per Pupil	
	DOE	Charter	DOE	Charter
EDN (General Funds excluding ARRA \$)				
100 School Based	753,950,947		4,413	0
200 Instructional Support	29,037,169		170	0
300 State/Complex Admin	51,432,191		301	0
400 School Support	184,814,106		1,082	0
500 School Community Services	8,674,528		51	0
600 Charter Schools		52,732,012		6,512
Furlough Savings	(127,702,886)	(3,791,952)	-748	-468
Subtotal	900,206,055	48,940,060	<u>5,270</u>	<u>6,043</u>
150 NonSped included in EDN150	12,743,566		75	0
(N) Federal Funding to all students	64,486,005	2,812,141	377	347
(B,T,U,W,) Special, Trust, Inter-dep, Rev. Funds	6,939,522		41	0
CIP/Debt Service	222,786,956	2,783,044	1,304	344
TOTAL FUNDING	1,207,162,104	54,535,245	<u>7,066</u>	<u>6,734</u>

EDN150 – services provided in lieu of funding 404,000,994
 (N)Federal Funds – services provided in lieu of funding 138,983,703
 (B,T,U,W) Special, Trust, Inter-dep, Revolving Funds 79,884,812

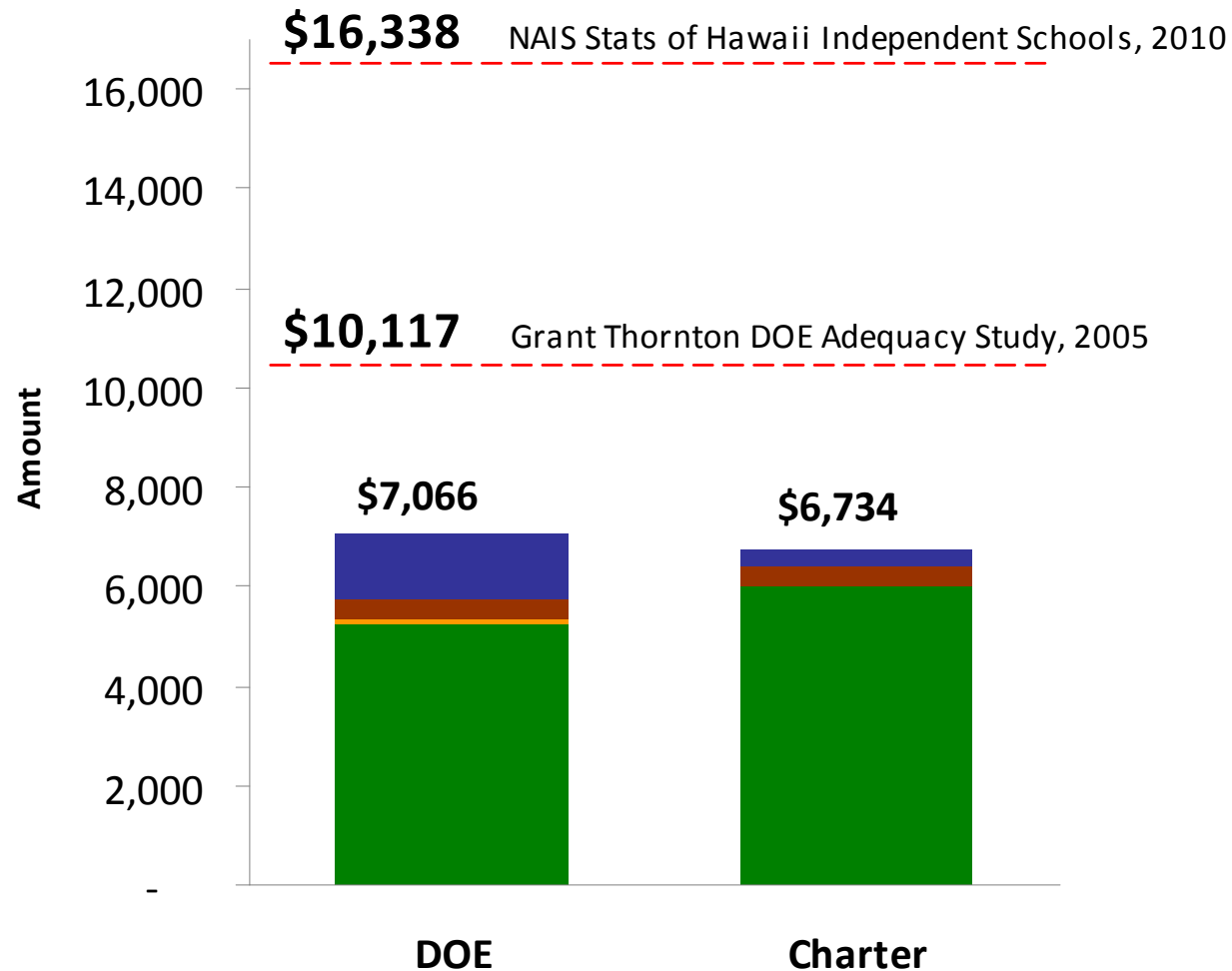


Summary of Fact Finding Effort

- Equity was not achieved with \$547 million in Federal & EDN150 funding. Access to services & grant notification inconsistencies were identified.
- A \$332 per pupil difference existed between the DOE and PCS.
- Charters need access to Impact Fees.
- Charters had no mechanism to access \$225 million in facilities financing (CIP).



How much is adequate per pupil funding?



Recommendations

- Create a reliable system to allow Charters access to federal competitive grant opportunities.
- Ensure that services provided in lieu of funding are equitable.
- Move Non-SPED funding within EDN150 to EDN100.
- Establish Charters as an LEA to access federal funding.
- Give Charters a proportionate share of facilities funding.
- Create a mechanism for post school opening funding adjustments.
- Educate Legislators and B&F on how the funding formula functions in relation to the budget appropriation.
- Collaborate with the DOE in advocating for adequate per pupil funding.



Acknowledgements

Mahalo to the following for their support in this effort:

- Senator Dwight Takamine and staff
- Department of Education
- Charter School Administrative Office
- Hawaii Charter Schools Network
- Charter School Review Panel
- Kamehameha Schools Ho'olako Like
- Office of Hawaiian Affairs

