

# Overview of Chartering

The Big Picture: Chartering in Hawaii 2015  
Hawaii's Legal Framework for Charter Schooling  
Context for High Expectations



# The Big Picture: Chartering in Hawaii 2015

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# History

- \* 1994: DOE schools can convert to “Student-Centered Schools”
- \* 1999: “New Century Charter Schools” – including start-ups
- \* 2001: Charter School Review Panel established as authorizer
- \* 2003: Charter School Administrative Office (CSAO) established
- \* 2010: Act 144 imposes new accountability requirements

# History (continued)

- \* 2011: Act 130 (of 2011) creates Task Force on Charter School Governance, Accountability, and Authority
- \* 2011: Legislative Auditor Performance Audit of the Hawaii Public Charter School System
  - \* No outside oversight
  - \* Unethical and illegal spending of public funds
- \* 2012: Legislative Task Force Report issued
  - \* Sets in motion Act 130 (of 2012)

# History (continued)

- \* 2012: Act 130 passes
  - \* Charter School Review Panel replaced by Commission
  - \* CSAO set to sunset June 30, 2013
  - \* Commission to focus primarily on accountability
  - \* Central: charter school performance contracts
  - \* Law sets forth performance framework
  - \* Law requires charter applications to address elements of performance framework

# History (continued)

- \* 2013: CSAO transitions to Commission staff and sunsets
- \* 2013: Existing charter schools enter into 1-yr Charter Contract 1.0, with no non-renewal for poor performance
- \* 2013: Commission adopts new calendar for application cycle to allow for longer start-up period
- \* 2014: Commission executes first full application cycle
- \* 2014: Existing charters enter into new three-year Charter Contract 2.0

# This Moment

- \* Accountability and rigor are themes of the day
  - \* Proposed contract renewal criteria in discussion
- \* Emphasis on rigor on the front end: application stage
- \* High expectations for high-performing schools
- \* Governance expectations
- \* Leadership expectations
- \* Staffing expectations
- \* KEY: Application is not just a “bar” but a helpful tool

# Some Unique Features

- \* Creating new state agencies (not 501 (c)(3)s with contracts)
- \* Hawaii's statewide SEA/LEA
- \* Employees not only unionized but in same bargaining units—and under same master collective bargaining agreements—as DOE employees
  - \* Charter school supplemental agreements
- \* Two official state languages
- \* Conversion schools that retain attendance districts
- \* Direct provision of some services (SPED), funding (benefits)

# Continuing Challenges

- \* Funding
- \* Facilities needs, especially for start-ups
- \* Need for collective system supports / capacity augmentation not the function of the authorizer
- \* Longstanding unresolved system questions

# Opportunity

- \* Increasing confidence in charter school system
- \* Improved BOE/DOE - charter school relations
- \* Need and desire for system-wide improvement, educational options—and some notable progress
- \* Huge potential for charter schools to make more constructive contributions to Hawaii's public education system
- \* Opportunities for new schools

# Some Big Picture Questions

- \* How will our proposed school contribute to the public school system as a whole?
  - \* Address recognized system needs or challenges?
  - \* Communities with gap between enrollment and school capacity
    - \* Urban version
    - \* Rural version

# Some Big Picture Questions (continued)

- \* Student populations the system has struggled to serve
  - \* Micronesian populations
  - \* Male students (address learning styles, middle school)
- \* Workforce opportunities and challenges
  - \* “Pipeline” issues, growth areas for high-skill employment
    - \* STEM, high-skill trades
  - \* Note: opportunities for strategic partnerships

# Some Big Picture Questions (continued)

- \* Where parental confidence could be stronger
  - \* Middle schools?
- \* Have we thoughtfully considered whether serving high school (e.g., K-12 model) is feasible?
- \* Our perspective on questions of socioeconomic diversity?
- \* What can we learn from other jurisdictions?
- \* What do we need to learn about Hawaii?

# Some Big Picture Questions (continued)

- \* What skill sets and institutional players does founding group need?
- \* Is our focus on the institution we envision, not on individuals?
  - \* You need individual instigators, but there are weaknesses to the model of an individual visionary founder with an idea who then recruits friends to help out
  - \* Think in terms of the institution first; what if none of the individuals currently part of applicant team were there?
  - \* Think about potential of forging strategic collaboration with high-capacity institutions

# Hawaii's Legal Framework for Charter Schooling

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# The Performance Contract

- \* Protects a school's autonomy while holding it accountable for results.
- \* Act 130: Requires that charter schools enter into a performance contract with the Commission and requires the Commission to establish a performance framework.
- \* Almost identical for each school, with some exceptions that recognize the unique missions of individual schools.

# Performance Frameworks

- \* Establishes the expectations of the schools in three frameworks: academic, financial, and organizational.
- \* Set clear expectations for schools and help define the rights and responsibilities for both the schools and the Commission.
- \* Schools receive ratings (such as meets or does not meet) on indicators within the Organizational and Financial Performance frameworks.

# Academic Performance Framework

## **Is the educational program successful?**

- \* Indicators look at student academic proficiency; achievement gaps in proficiency; growth; and other measures.
- \* Encompasses both statewide and school-specific measures.
- \* Both the state accountability system and the charter contract recognize there are multiple ways of determining success.

# Financial Performance Framework

## Is the school financially viable?

- \* Evaluate a school's near term and sustainable financial health.
- \* Examples of indicators: Total margin ratio (whether you have more money than you spend); current ratio (total current assets divided by total current liabilities).
- \* Charters need an annual external audit and must submit quarterly financial statements.

# Organizational Performance Framework

## **Is the organization transparent and accountable?**

- \* Charter schools have responsibilities to students, but also to the State, and ultimately, the public at large.
- \* Ensures that schools are in compliance by meeting applicable legal obligations and that they are good stewards of the public trust.
- \* Areas include governance and reporting; education program; financial management and oversight; students and employees; and school environment.
- \* Proposed single annual rating for both organizational and financial

# Organizational Performance Framework (continued)

- \* Intersects with the academic and financial frameworks but looks more at process and less at outputs.
- \* Looks at whether the school has its policies and procedures on its website—it does not evaluate or approve the policies (except Admissions).
- \* “Catch all” for the other terms in the contract.

# The Three Frameworks

Academic

Is the  
educational  
program  
successful?

Financial

Is the school  
financially  
viable?

Organizational

Is the  
organization  
transparent  
and  
accountable  
?

# How the Frameworks are Used

Provide the foundation for the Commission's work, from **monitoring** to **intervention** to **renewal decisions**.

# Monitoring

- \* State law requires the Commission to continually monitor performance and legal compliance.
- \* Provide an annual report to the Legislature, which must include a performance report on each charter school based on the performance frameworks.

# Intervention

- \* If a school's performance or legal compliance appears unsatisfactory, the Commission shall notify the school and provide a chance for the school to respond and/or remedy the problem.
- \* Most deficiencies will be readily addressed.
- \* Drastic concerns may prompt drastic measures, ranging from the school adopting an interim restructuring plan to revocation.

# Renewal Decisions

- \* Performance in each of the three framework will help the Commission make high-stakes decisions about whether to renew, non-renew, or revoke a charter contract.
- \* There is no rigid formula—a school that does not perform well in one framework may still be renewed. But a school that does poorly on one indicator may also be non-renewed.

# Context for High Expectations

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Executive Director



# High-Quality Charter School

- \* Commission was pursuing having DOE apply for federal Charter School Programs grant for State Educational Agencies
- \* In the end we could not (Note: grants for non-SEA grant states are available!)
- \* But the grant provides useful context for considering aspirations and expectations of charter schools
- \* Purposes of grant include providing funds for start-ups to expand availability of “high-quality charter schools” nationwide

# High-Quality Charter School

Federal definition of “high-quality charter school”:

- \* Shows evidence of strong academic results over past three years (or lifetime of school if younger). Factors:
- \* Increased student academic achievement and attainment of all students
  - \* Includes students with disabilities, migrant students, English language learners, neglected or delinquent students, homeless students
  - \* For high schools, includes graduation rates and postsecondary education enrollment rates

# High-Quality Charter School

- \* Demonstrated success in closing achievement gaps for:
  - \* Economically disadvantaged students;
  - \* Students from major racial and ethnic groups;
  - \* Students with disabilities; and
  - \* English language learners; OR
- \* No significant achievement gaps between any of those subgroups of students and significant gains in student academic achievement for all populations of students served

# High-Quality Charter School

- \* Results for low-income students, economically disadvantaged students, students with disabilities, migrant students, English language learners, neglected or delinquent students, or homeless students served by the school that are above the average academic achievement results for such students in the state

# High-Quality Charter School

- \* Results on the Commission's performance framework
- \* No significant compliance issues (violations that could, if unaddressed or a pattern, lead to revocation), particularly in the areas of student safety, financial management, or equitable treatment of students

# Strategic Vision

- \* Not just about another school choice
- \* Not just about an individual's or group's dream for a school
- \* Not just about community empowerment
- \* Not even just about the children the school envisions serving

# Strategic Vision

From Commission's 2013-2014 Annual Report:

“The strategic vision for the chartering of these high-quality schools is that they not only provide excellent and diverse educational options for Hawaii's families but that they also contribute meaningfully to the continued improvement of Hawaii's public education system as whole.”

- \* That vision, and the public confidence needed to support it, require high-performing charter schools

# The Application Process

- \* Challenges applicants may encounter:
  - \* Overcoming challenges with limited resources
  - \* Finding solutions
  - \* Building collaborative vision and coalition with high-capacity partners and institutions
  - \* Meeting deadlines
  - \* Maintaining high aspirations, high expectations
- \* This is a pretty good preview of the challenges of starting and operating a highly successful school

# Questions?

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