



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

December 6, 2018

TO: Student Achievement Committee

FROM: Margaret Cox  
Chairperson, Student Achievement Committee

AGENDA ITEM: Update on status of multiple charter school authorizer system

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I. BACKGROUND

At its August 2, 2016 general business meeting, the Board of Education (“Board”) adopted a general timeline as guidance for the promulgation of the administrative rules for multiple charter school authorizers and the development of the multiple authorizer system.<sup>1</sup> The Board also authorized the Student Achievement Committee (“Committee”) Chairperson to adjust the timeline as necessary and provide notification as appropriate.

The Board’s new administrative rules for a multiple authorizer system—Chapter 8-515, Hawaii Administrative Rules (“HAR”), entitled “Establishment and Oversight of Charter School Authorizers,”<sup>2</sup> and Chapter 8-517, HAR, entitled “Charter Contract Transfers”<sup>3</sup>—became effective on February 18, 2017, on track with the Board’s timeline. The rules require the Board to develop, among other things, the following:

- An application form, process, and processing schedule for eligible entities to apply to become authorizers, including policies, criteria, or guidelines for evaluating applications for chartering authority (HAR §8-515-5);
- An authorizing contract that shall be executed with each entity the Board approves for chartering authority (HAR §8-515-6); and

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<sup>1</sup> The approved timeline is attached as Exhibit A to Board Member Jim Williams’ memorandum dated August 2, 2016, available here: [http://boe.hawaii.gov/Meetings/Notices/Documents/2016-08-02%20SAC/SAC\\_20160802\\_Action%20on%20multiple%20charter%20school%20authorizers%20timeline.pdf](http://boe.hawaii.gov/Meetings/Notices/Documents/2016-08-02%20SAC/SAC_20160802_Action%20on%20multiple%20charter%20school%20authorizers%20timeline.pdf).

<sup>2</sup> Chapter 8-515, HAR, is available here: <http://boe.hawaii.gov/policies/AdminRules/Pages/Chapter515.aspx>.

<sup>3</sup> Chapter 8-517, HAR, is available here: <http://boe.hawaii.gov/policies/AdminRules/Pages/Chapter517.aspx>.

- A performance evaluation system to assess the effectiveness of all authorizers (HAR §8-515-10).

The Board’s August 2016 timeline projected that Board staff would develop and bring these important multiple authorizer system documents to the Board for adoption by June 2017. Board staff made some progress in developing draft documents, but they had to delay completion due to other Board priorities taking precedent. Further, Board staff ran into some complications in developing the system for multiple authorizers due to the current structure of the charter school system, specifically the lack of centralized support for charter schools provided by a non-authorizing entity.<sup>4</sup>

At its April 5, 2018 meeting, the Committee directed Board staff to research solutions to the centralized support structure issues and propose an organizational structure that provides appropriate centralized support to charter schools. The Committee also directed Board staff to expedite the solicitation of parties interested in becoming an authorizer. At the time, I did not recommend an adjusted timeline for the overall development and adoption of the multiple charter school authorizer system because I felt a new timeline was dependent upon when and how the Board would address some of the structural issues that inhibit the charter school system from effectively integrating any other authorizers besides the State Public Charter School Commission (“Commission”).

## II. UPDATE

In May 2018, Board staff gathered initial feedback on a few centralized support structure options from the Superintendent and Commission Executive Director. While the initial feedback was helpful, Sione Thompson, the Commission’s Executive Director, requested a delay in exploring the options until October 2018 because the Commission was in the midst of its strategic planning and restructuring its staff. Board staff agreed that waiting until the Commission completed its restructuring would be beneficial to understanding the separation between the Commission’s authorizing functions and support functions.

On April 10, 2018, Board staff released a request for information (“RFI”) on behalf of the Committee to gauge which parties are interested in becoming new charter school authorizers.<sup>5</sup> Five interested parties, three nonprofit organizations and two postsecondary institutions, submitted responses to the RFI. The interested parties are:

- ‘Aha Pūnana Leo, Inc.;
- Kanu o ka ‘Aina Learning ‘Ohana;
- Lei Ho‘olaha Community Development Finance Institution;
- Ka Haka ‘Ula O Ke‘elikōlani, University of Hawai‘i, Hilo; and
- University of Hawai‘i, West O‘ahu.

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<sup>4</sup> Student Achievement Committee Chairperson Margaret Cox’s memorandum dated April 5, 2018, explains the structural issues in more detail. The memorandum is available here: [http://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/SAC\\_20180405\\_Action%20on%20charter%20school%20support%20structure.pdf](http://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/SAC_20180405_Action%20on%20charter%20school%20support%20structure.pdf).

<sup>5</sup> The RFI is available here: <http://boe.hawaii.gov/Documents/2018%20Request%20for%20Information.pdf>.

The interested organizations gave estimated dates of when they would be ready to begin the application process for chartering authority that ranged from December 2018 to Fall 2019. The interested organizations also gave estimated dates of when they would be ready to commence authorizer operations that ranged from December 2019 to Fall 2021.

The creation of a Board policy establishing the purpose of charter schools also relates to the development of the documents needed for the multiple charter school authorizer system. The authorizer performance evaluation system must “[a]ssess the effectiveness of an authorizer or the commission in carrying out its duties **in a manner consistent with the purpose of charter schools, as determined by the board**, and the spirit and intent of chapter 302D, Hawaii Revised Statutes,” pursuant to HAR §8-515-10(a)(1) (emphasis added). At its February 21, 2017 general business meeting, the Board requested—in connection to the outcome of a special review of the Commission<sup>6</sup>—that the Commission work with the charter school community to develop a purpose of charter schools and propose a Board policy codifying the purpose.

At the Board’s March 1, 2018 general business meeting, Mr. Thompson requested that the Board provide guidance regarding the development of a Board policy on the purpose of charter schools. In response, then-Board Chairperson Lance Mizumoto directed Board staff to work with and provide support and guidance to the Commission as to the development of the Board policy and to coordinate efforts with the Superintendent and the Department of Education. Board staff developed and released a survey on April 27, 2018, left it open through May 18, 2018, and received 2,639 responses from various education community members.

As of this writing, a panel of education policy and data experts are reviewing the data analysis, findings, and policy proposal. After this review, the Board Chairperson will send the analysis and policy proposal to the Commission for review. The Commission will then consider the Board Chairperson’s proposal and make a recommendation for a Board policy to the full Board.

The Board has a legal obligation to establish a system that permits the creation of multiple charter school authorizers. In addition to the administrative rules requirements, state statute requires the Board to release information on the application for chartering authority by June 30 of each year.<sup>7</sup> Even though the Board has other priorities and issues to address, it should continue to make a good-faith effort to meet its obligations related to the oversight of multiple charter school authorizers. The Board and its staff have put forward such effort on work related to the multiple charter school authorizer system, but the development of the key documents (application for chartering authority, authorizing contract, and authorizer

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<sup>6</sup> More information about the special review findings and recommendations is available here: [http://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/GBM\\_20170221\\_Board%20Action%20on%20Special%20Review%20recommendations.pdf](http://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/GBM_20170221_Board%20Action%20on%20Special%20Review%20recommendations.pdf).

<sup>7</sup> Hawaii Revised Statutes (“HRS”) §302D-4(e) states, in pertinent part, “By June 30 of each year, the board shall make available information and guidelines for all eligible entities concerning the opportunity to apply for chartering authority under this chapter.”

performance evaluation system) has taken a backseat to this other work as well as other Board priorities.

Therefore, I am issuing a new general timeline, pursuant to the authority the Board previously gave to the Committee Chairperson, for the development of the multiple authorizer system attached as **Exhibit A**. This memorandum serves as public notice. I realize that some important issues relevant to a multiple authorizer system will remain outstanding before the development of the system is completed, particularly the centralized support issues. However, the Board should work to have the system in place by the time each of the known parties interested in becoming authorizers anticipate to be ready to apply for chartering authority. I will work with the Board Chairperson to endeavor to allocate enough of the Board's staff time to meet the new timeline. If the Board Chairperson determines there is not enough time for staff to meet the new timeline because of other Board priorities, I will inform the Committee.

**Exhibit A**

**Multiple Charter School Authorizers Estimated Timeline (revised as of December 6, 2018)**

## Multiple Charter School Authorizers Estimated Timeline

Major Areas
Development of Multiple Authorizer System
Application process for chartering authority
Execution of authorizing contracts
Charter transfer process

*Dates are approximate, based on various assumptions, and subject to change.*

*Note: Not included on the timeline but of impact to the multiple authorizer system are the Board policy on the purpose of charter schools and the centralized support system for charter schools.*

Estimated Date	Activity
Mid-December 2018 to late January 2019	Board of Education ("Board") staff develop initial drafts of application for chartering authority, authorizing contract, and authorizer performance evaluation system (collectively, "Multiple Authorizer System Documents")
Late January 2019	Board staff receives feedback from Student Achievement Committee ("SAC") Chairperson drafts of Multiple Authorizer System Documents and finalize drafts based on the foregoing
Early February 2019	Drafts of Multiple Authorizer System Documents posted online with SAC agenda
February 7, 2019	SAC approves draft Multiple Authorizer System Documents for public comment
Early February to early March 2019	Public comment period for Multiple Authorizer System Documents
Mid-March 2019	Board staff revise Multiple Authorizer System Documents based on public comments
Late March to Late April 2019	Board staff receives feedback from Student Achievement Committee ("SAC") Chairperson and deputy attorney general ("AG") on revised drafts of Multiple Authorizer System Documents and finalize drafts based on the foregoing
Late April 2019	Revised drafts of Multiple Authorizer System Documents posted online with SAC agenda
May 2, 2019	SAC recommends approval Multiple Authorizer System Documents
May 16, 2019	Board approves Multiple Authorizer System Documents
May 2019	Board releases the notice inviting applications for chartering authority
June 2019	Deadline for prospective applicants to submit intent to apply
Late June 2019	Prospective applicants are notified of their eligibility to submit an application
August 2019	Deadline for eligible applicants to submit application
September through October 2019	Application initial evaluation window
October through November 2019	Evaluation team interviews applicants
December 2019	Applicants receive recommendation reports
December 2019 through February 2020	Board staff develop drafts of charter transfer application and process, receives feedback from SAC Chairperson and deputy AG on drafts of charter transfer application and process, and finalize the drafts based on the foregoing
Early February 2020	Student Achievement Committee Meeting on application decisions
Mid-February 2020	Board General Business Meeting on application decisions
Mid-February 2020	Applicants are notified of the Board's decision
February through March 2020	Pre-contracting phase (anything that needs to be done before the Board will execute a contract with any approved entities would happen during this time)
March 2020	Board receives feedback from SAC Chairperson and deputy AG on drafts of authorizing contracts and finalize the drafts based on the foregoing
Mid-March 2020	Drafts of charter transfer application and process posted online with SAC agenda
Early April 2020	SAC recommends approval of charter transfer application and process

<b>Estimated Date</b>	<b>Activity</b>
Early April 2020	SAC recommends to Board whether to execute authorizing contracts
April 2020	Board approves charter transfer application and process
April 2020	Board decides to execute authorizing contracts
Late April 2020	Deadline to execute authorizing contracts with any approved new authorizers
April to June 2020	Existing charter schools may transfer to new authorizers effective for the 2020-2021 School Year
2020-2021 School Year	New authorizers initiate first charter school application processes
2021-2022 School Year	Start-up year for any charter school applicants approved by new authorizers
July 2022	Opening of first new charter schools authorized by new authorizers