

Update on Ka`u Learning Academy

January 29, 2018



Hawai'i State Public Charter School Commission
(‘Aha Kula Ho‘āmana)

Introductions

- Commissioner John Kim
- Commission staff:
 - Sione Thompson, Executive Director
 - Yvonne Lau, Chief Operations Officer
 - Sheryl Turbeville, Communications Director

Agenda

- I. Introductions
- II. What is the Commission and what does it do?
- III. What action did the Commission take and why?
- IV. Next steps
- V. Contacting the Commission and Avenues for Feedback

What is the Commission?

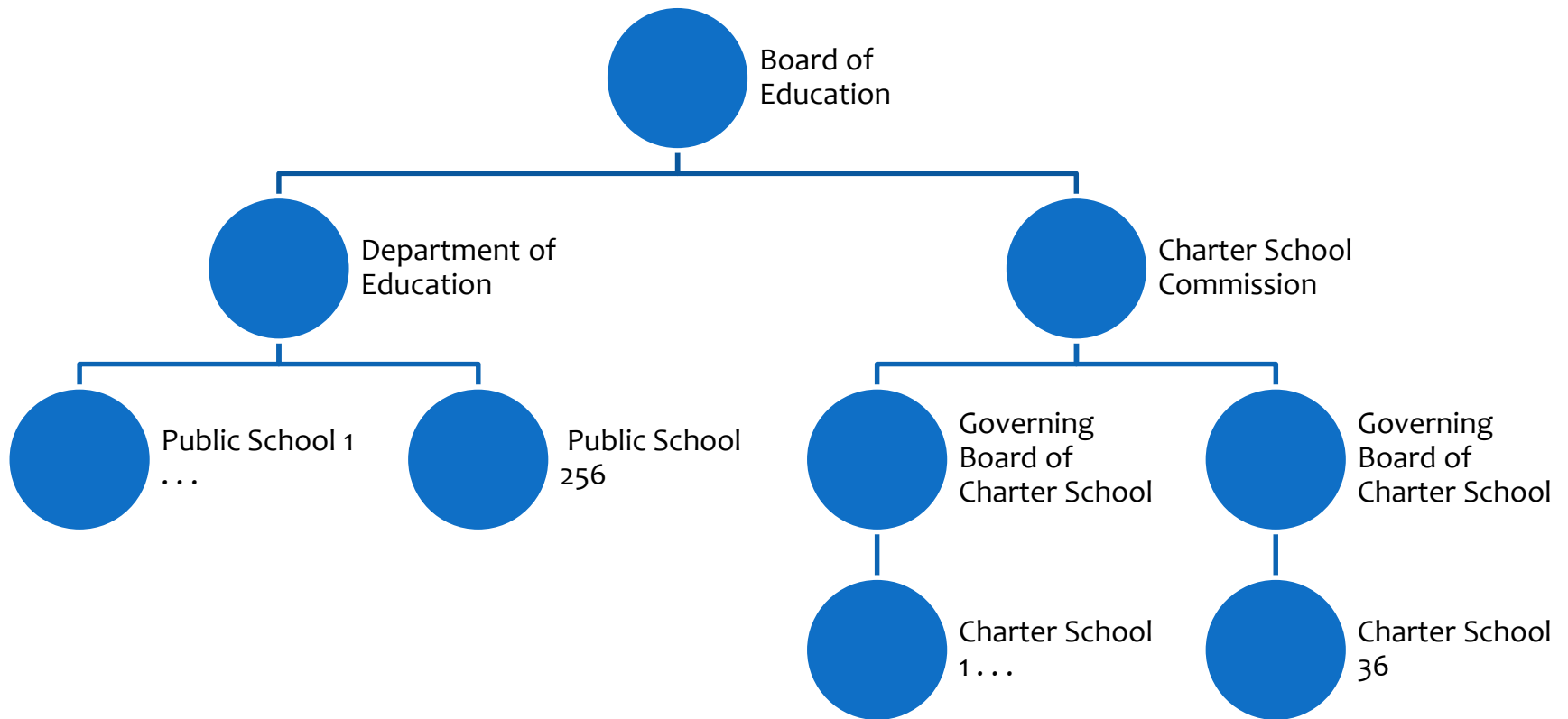
- The State Public Charter School Commission is a state agency that is the State of Hawaii's statewide charter school authorizer.
- An authorizer is the entity that contracts with a governing board to operate a charter school that provides free public education for our K-12 students.
- The State of Hawaii Board of Education oversees all K-12 public education and the Commission.



What does the Commission do?

- By state law, the mission of the Commission is "to authorize high-quality public charter schools throughout the State".
- The Commission is charged by state law Chapter 302D to oversee all public charter schools and ensure that each charter school is meeting the terms of the charter contract.

Public Schools in Hawaii



Who are the Commissioners?

- The Commission is made up of nine members, all of whom by law, must have following qualifications:
 - Commitment to education. Each member's record demonstrates a deep and abiding interest in education, and a dedication to the social, academic, and character development of young people through the administration of a high performing charter school system.
 - Record of integrity, civic virtue, and high ethical standards. Each member demonstrates integrity, civic virtue, and high ethical standards and is willing to hold fellow Commission members to the same.
 - Availability for constructive engagement. Each member is committed to being a conscientious and attentive Commission member.
 - Knowledge of best practices. Each member has an understanding of best practices in charter school educational governance or is willing to be trained in such.

What is a Governing Board of a Public Charter School?

Each Hawaii public charter school is governed by a governing board, the independent board that contracts with the State Public Charter School Commission.

The governing board is responsible for the financial, organizational, and academic viability of the charter school and implementation of the charter and is the independent board of a public charter school that is party to the charter contract with the authorizer.

What is a Governing Board of a Public Charter School?

The governing board:

- Is responsible for the financial, organizational, and academic viability of the charter school and implementation of the charter;
- Possesses the independent authority to determine the organization and management of the school, the curriculum, and virtual education;
- Has the power to negotiate supplemental collective bargaining agreements with exclusive representatives of their employees and is considered the employer of charter school employees for purposes of Chapters 76, 78, and 89; and
- Ensures compliance with applicable state and federal laws.

The Governing Board . . .

- State law also imposes conflict of interest requirements
 - Current or recent employees or vendors, or their close relatives, cannot serve as governing board chair
 - And if they are board members, they cannot exceed one third of the governing board's membership

What are public charter schools?

- Charter Schools are public schools, they must have: open admissions, equal access, no tuition, subject to the same academic performance expectations as all public schools
- More autonomy for more accountability
 - Autonomy: Unique theme or mission and vision; independent governance and management; exemptions from many rules and regulations that apply to DOE; more flexibility in funding
 - Accountability: A charter school can be closed for poor performance

KLA's audit report findings:

- Concerns about KLA's financial process and procedures, as well as the governance of the school.
- Every year, every charter school is required to have their financial records audited by a CPA.
- Specifically, the 2016-2017 audit found a lack of internal controls and additional oversight.
 - use of school funds for school leader's personal travel costs
 - payment for school leadership's personal utility bill
 - lack of documentation for a dozen charges made on the school account
 - lack of internal controls cited in the audit for two years running

KLA's audit report findings:

- school did not follow generally accepted accounting principles calling into question the accuracy of the schools' reported financial condition
- Non-compliance with state labor laws and regulations regarding employee compensation, and hiring practices.

KLA's leaders provided explanations for the audit findings to the Commission.

However, after listening and asking questions of KLA's leaders, the Commission initiated a process of possible revocation of KLA's contract, as well as to withhold funding except for those necessary for the operations of the school.

Timeline of next steps:

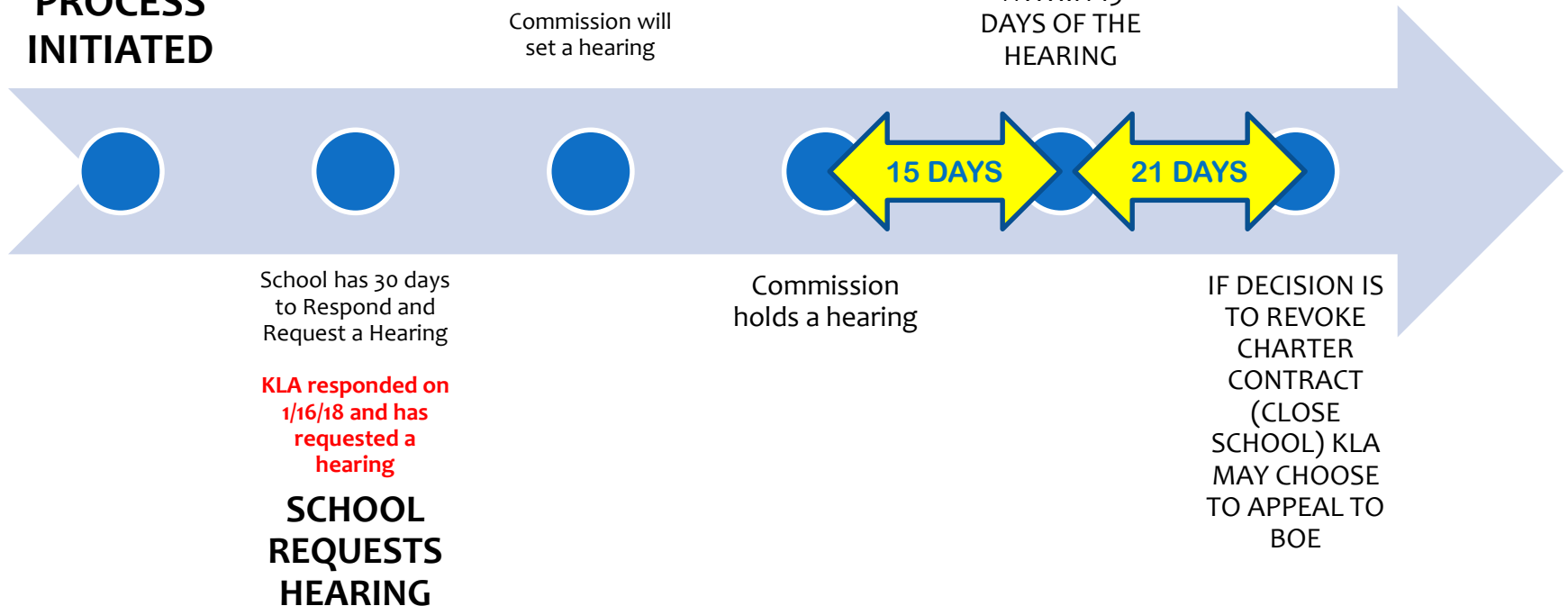
11/29/17 and 12/15/17
Commission issues
Notice of Prospect
of Revocation

**PROCESS
INITIATED**

**WE ARE
HERE**

Commission will
set a hearing

WRITTEN
DECISION
WITHIN 15
DAYS OF THE
HEARING



Contacting the Commission Avenues for feedback

- Find us online:
<http://www.chartercommission.hawaii.gov/>
- EMAIL: info@spcsc.hawaii.gov
- CALL: Telephone 808-586-3775
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