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

**MINUTES OF THE MAY 14, 2020 GENERAL BUSINESS MEETING
VIA ONLINE ZOOM MEETING**

PRESENT

Makalapua Alencastre
Harald Barkhoff
Shannon Cleary
Mitch D’Olier
Cathy Ikeda
John Kim (Chairperson)
Matthew Kodama
Roger Takabayashi (Vice Chairperson)

ALSO PRESENT

Yvonne Lau, Interim Executive Director
Danny Vasconcellos, Finance and Operations Director

I. Call to Order

Commission Chair John Kim called the meeting to order at 10:30 a.m. and conducted a roll call. No conflicts stated by Commissioners on any of the agenda items.

Commission Chair Kim stated there was written testimony submitted by several individuals on agenda item II. B. April 23, 2020 General Business Meeting minutes but were not related to the accuracy of the minutes and therefore were not accepted on those agenda items. He added that oral testimony will also be restricted to the agenda item stated.

Commission Chair Kim called for public testimony on the agenda items.

Tyler Dos Santos-Tam, consultant to an applicant, provided testimony on agenda item II. B. approval of the April 23, 2020 General Business meeting minutes. He referenced the minutes which the Commission expressed how to move forward in the process and review the applications submitted in the Applications Committee. He noted that the Applications Committee has not met and urged the Commission to convene a meeting to discuss the issues.

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He added that pressing the pause button, or suspending the process, does not correct the underlying problems that resulted in 11 of the 12 intents to apply applications rejected.

Rana Boone, Maui Academy of Arts and Sciences applicant, provided testimony on agenda item II. B. Approval of the April 23, 2020 General Business Meeting minutes. She referenced page 5 of the unapproved minutes to the section that Commissioner Makalapua Alencastre discussed whether the rejected applicants were aware of the reasons for being denied. She stated they were unclear as to why their application was rejected. She referenced the minutes where Commissioner Mitch D'Olier stated interest in the legal opinions. She stated they have submitted the opinions but was told it could not be forwarded to Commissioners as it would taint the entire process and felt confused by that response. Commission Chair Kim asked Boone if she is questioning an error or amendment to the minutes and that is what the testimony is authorized for. He reminded her to restrict comments to corrections to the minutes. Boone responded she is seeking clarification to the minutes and requested guidance on when they may submit to be reviewed by the Committee. Commission Chair Kim stated that can be addressed offline.

Trevor Ozawa, attorney for Maui Academy of Arts and Sciences and Lima No'eau Career Academy, provided testimony on agenda item II. B. Approval of the April 23, 2020 General Business Meeting minutes. He referenced page 4 of the unapproved minutes to the section that Commissioner Mitch D'Olier asked about the applicants. He disagreed with characterization of the conclusory statement that 11 were incomplete. Commission Chair Kim asked if Ozawa is questioning the accuracy of the minutes. Ozawa responded yes and discussed his assertion. Commission Chair Kim reiterated that the testimony on the agenda item is in response to the correction of the minutes and if the testimony does not pertain to that, will be muted. He asked if the testimony is pointing to an error. Ozawa responded to the disagreement of the characterization that 11 were incomplete. Commission Chair Kim asked if he was disputing that happened at the meeting. Ozawa stated in the next paragraph, Endo provided examples on the incomplete intents to apply and it was not an exhaustive list and should not be included. Commission Chair Kim stated that the testimony must be restricted to the accuracy of the minutes and if not will be muted. Following several comments from Ozawa, the chair exercised his discretion to mute the testifier for not restricting his comments to the accuracy of the minutes.

Dos Santos-Tam provided testimony on agenda item V. Executive Director's Report. He shared hope that the report relates to the concerns that have been brought up regarding the intent to apply. He shared hope for insight to the questions raised.

Commission Chair Kim shared the executive director's report is an oral presentation to the Commission and is uncertain what will be presented. He asked if there are any other testifiers. Executive Assistant Janelle Watson responded Trevor Ozawa has signed up for the executive directors' report agenda item. Commission Chair Kim stated since the content of the report is

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unknown he will not be accepting testimony on the agenda item. He asked if there are any other testifiers for the agenda items. No other testimony was provided.

II. Action on the Approval of the General Business Meeting Minutes:

- A. April 21, 2020
- B. April 23, 2020

Commission Chair Kim asked that the approval of the minutes be taken together. He noted the April 21, 2020 meeting was held in executive session and the minutes have no substance.

ACTION: Motion to approve the General Business Meeting minutes of April 21, 2020 and April 23, 2020 (Takabayashi/D'Olier). The motion passed unanimously.

III. Action on Assembling a Working Group on the Selection of the Charter School Auditors

Finance and Operations Director Danny Vasconcellos provided background on the statutory requirements for the selection of charter school auditors and annual charter school audits. He referenced his discussion with legislators and recent bill SB3037. He consulted with various agencies that included the State Procurement Office and State Office of the Auditor. A template document which developed in the Commission's Request for Qualifications resulted from the consultation with the State Auditor's office. He shared the Request for Qualifications (RFQ) was posted to the Commission website from April 15 to May 8, 2020 and notification was to charter schools and past auditors. He added that there were no questions or requests for clarifications received from auditors during the question and answer period. He highlighted the criteria which included experience and professional qualifications, past performance, capacity to accomplish the work, and any additional criteria. He listed the prospective auditors which included Carbonaro CPAs & Management Group, CW Associates, CPAs, Jay Miyake, CPA, LLC, and N&K CPAs, Inc. He shared the request is to assemble a working group of two Commissioners to assist Commission staff members to review the submission and create the list of auditors for charter schools.

Commissioner Roger Takabayashi asked if the four auditors are available for the neighbor island charter schools. Vasconcellos responded yes and believes that the auditors have conducted past audits for charter schools on the different islands. Commissioner Mitch D'Olier asked if the Commission staff has been happy with the auditors. Vasconcellos responded that the auditors have completed the work and referenced the RFQ question regarding issues with past audits.

Commission Advisor Lydia Trinidad asked if the process for bidding or assignment of the auditors has been determined. Vasconcellos responded that the Commission creates the list of auditors and charter schools will follow its procurement process in selecting the auditor. Commission Advisor Trinidad asked what if the charter school does not like an auditor for various reasons

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such as a conflict. She asked if there is a process for that. Vasconcellos responded that this can be discussed at a future Administration & Operations meeting if a situation comes up where a school has conflicts with the list. Commissioner Chair Kim shared agreement. Commission Advisor Trinidad said that charter schools are used to finding their own auditor and limiting to a list takes away a school's usual process. Commissioner D'Olier shared that the requirement was done by the Legislature due to the concern around charter school spending. Commission Chair Kim asked if the schools selected one auditor, could there be a package deal that would result in cost savings. Vasconcellos responded that it would be up to the charter schools. Vasconcellos shared that the four auditors have past history with the charter schools and are aware of the financial issues for charter schools and the state in general.

Commission Advisor Trinidad asked if the information can be included in the minutes for reference. Lau responded that the information is listed in the RFQ that was posted on the website which included the requirements. She stated they can share that document out. Commission Advisor Trinidad stated that schools run on a tight budget and asked if it's possible that the Legislature would allow an audit every other year. She stated with COVID-19, is it possible to consider schools with strong audits to be required to conduct an audit every other year.

Commission Chair Kim asked for volunteers to serve on the working group.

ACTION: Motion to create a working group of Commissioners Mitch D'Olier and Matthew Kodama on the selection of charter school auditors (Takabayashi/Cleary). The motion passed unanimously.

IV. Action on Assembling a Working Group to facilitate feedback on the Draft Performance Framework

Interim Executive Director Yvonne Lau recalled at the last Commission meeting, the timeline for the performance framework and next charter contract was discussed. She shared that Commission staff wanted to solicit more input and understanding from the charter schools. She stated the request is to have two Commissioners work with the performance team on the performance framework.

Commission Advisor Trinidad suggested including a school representative on the working group. Lau reminded that the framework is the Commission's framework for the charter contract. Commission Chair Kim added that the work is ultimately the responsibility of the staff and Commission.

Commissioner Alencastre shared appreciation for the update and proposal for the working group as the Commission moves forward. She asked if the timeline can be expanded to start in the summer. Lau shared agreement that the more opportunity that can be provided the more

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helpful it will be. She addressed Commission Advisor Trinidad's comment regarding school participation and the importance in having all schools participate. She shared concern that not all schools will be represented and having multiple opportunities will allow all schools to participate. She understands that not everyone will be satisfied but there will be a better understanding of the framework and expectation of charter schools. She stated there has been adjustments to the draft. She recalled the presentation from WINHEC from the previous Commission meeting. Commissioner Cathy Ikeda thanked Lau for the update and shared interest in volunteering. She did note concern for the timeline and appreciation for having more feedback opportunities.

ACTION: Motion to form a working group of Commissioners Makalapua Alencastre and Cathy Ikeda to facilitate feedback on the draft performance framework (Takabayashi/D'Olier). The motion passed unanimously.

V. Executive Director's Report

Lau provided an update on COVID-19 and communication with charter schools. She shared she continues to be in coordination with the Hawaii Department of Education (HIDOE) and Superintendent Dr. Kishimoto. She shared that Dr. Kishimoto has included her in the leadership meetings that occur biweekly. She clarified that her role is to share the information provided at those meetings to the schools and she does not make any decisions. She stated other than under emergency events related to health and safety, how schools choose to operate are under the authority of the governing board and school leadership. She shared information and disseminated on a weekly and sometimes multiple times a week. She helps provide guidance on the DOE memos. She noted it is an usual role for an authorizer to have but under the circumstances of a one system, felt it was important to have someone coordinate the information to the schools. She stated schools are focusing on the end of the school year and moving forward for the summer and fall.

Lau shared her recent meeting with the Governor, four Mayors, Superintendent and the Executive Director for the Hawaii Association of Independent Schools to begin the discussion on opening for the Fall. She stated Department of Health Director Bruce Anderson was also there. She stressed the importance of coordination and communication. She shared that the conversation has started and will find ways to engage with the schools with their feedback and take their concerns on a statewide level.

Lau referenced a letter received by the Hawaiian focused charter schools regarding the CARES ACT funding. She shared clarification with the schools on who is making the decisions, how the funds are received and how it is expended. She clarified that the Commission is not involved in that process. She stated the funds are allocated to the state education agency who then distributes to its local education agency which for the State of Hawaii is HIDOE. She stated it is the Superintendent's decision on how to best utilize those funds. She sent out a survey to the

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charter schools and received responses from 27 out of the 37 charter schools on their priorities and needs. The information has been shared with the Superintendent.

She responded to the second question addressed in the letter regarding the possible pay cuts. She stated the Governor had responded yesterday that it is off the table. She does not believe it will happen but should it happen is uncertain how charter schools would deal with that since it's not something charters have dealt with before.

Lau stated the CARES Act has specific priorities that can be funded. She used the different categories and asked schools to indicate their needs and priorities based on the categories. She highlighted the top three areas schools indicated were priorities 1) 92.% Maintain the continuity; 2) 88.5% Purchase education; and 3) 75.9% Software. She shared at the last BOE meeting, the Superintendent and Budget Chair presented on HIDOE's priorities. She asked charter schools to react to the priorities and indicate their top three which included 71.4% on operations, 66.7% on devices and 66.7% staffing differentials. She reminded that charter schools did not receive funding for the differentials and it was a concern that the charter schools were not included in that. She added that the Commission advocated for it during the legislative session but uncertain where it is now as it continues to be an issue for the charter schools.

Lau thanked Kamehameha Schools and Everyone Hawaii for providing masks to our charter schools, approximately 17,950 masks. She stated Commission staff is working on getting the masks out to the schools throughout the islands. She shared appreciation for the organizations.

Lau congratulated Hawaii Technology Academy and Ka Waihona o ka Na'auao Public Charter School on winning awards in their categories at the 'Ōlelo's 17th annual Youth Xchange Student Video Competition. She stated there were over 960 entries. She shared amazement of all the great things the students are doing despite what is going on.

Lau shared the importance in communication and her commitment to meeting with the charter schools weekly.

Commissioner Harald Barkhoff thanked Lau for the update. He asked if we could send a thank you letter from the Commission for the masks. Lau responded yes.

Commissioner Shannon Cleary noted that she will be attending the NACSA envision in the fall and will share the information to the group.

Commission Advisor Trinidad referenced the letter submitted to the Commission. She asked if the schools can support Lau in her conversations with the DOE and BOE. Commissioner D'Olier responded that charter schools can go to the BOE and Legislature. He shared since the network disappeared the presence is gone. Commission Advisor Trinidad asked if there are specific areas

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for advocacy. Lau suggested discussing it further at the next meeting with governing board chairs and school leaders.

VI. Adjournment

Commission Chair Kim adjourned the meeting at 11:36 a.m.