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RECOMMENDATION SUBMITTAL

DATE OF SUBMITTAL: August 8, 2016

DATE OF MEETING: August 11, 2016

TO: Catherine Payne, Chairperson

FROM: Yvonne Lau, Acting Executive Director

AGENDA ITEM: XII. Action on Charter Application for Proposed Charter School, The Kapolei Charter School by Goodwill Hawaii

I. DESCRIPTION

Recommendation that the Commission deny the charter school application for The Kapolei Charter School by Goodwill Hawaii.

II. AUTHORITY

Charter School Applications: Pursuant to §302D-5(a), Hawaii Revised Statutes, "[a]uthorizers are responsible for executing the following essential powers and duties: . . . (1) Soliciting and evaluating charter applications; (2) Approving quality charter applications that meet identified educational needs and promote a diversity of educational choices; [and] (3) Declining to approve weak or inadequate charter applications[.]"

III. APPLICANT PROFILE

Proposed School Name: The Kapolei Charter School by Goodwill Hawaii

Mission: "The Kapolei Charter School by Goodwill Hawaii (KCS) will interrupt generational poverty by providing customized, meaningful, and alternative educational opportunities to students who may not be successful in the traditional educational system. With high academic standards, KCS will assist 9th - 12th grade students to graduate with a high school diploma, while providing enriching wrap around services to help them navigate challenges and overcome barriers, allowing them to reach academic success. Students will also graduate with a post-secondary certification and/or

community college credits to ensure a smooth transition into the workforce and become contributing citizens of their local communities through the power of education and work."

Vision: "Interrupt generational poverty through the opportunity for gaining meaningful education and employment to achieve personal fulfillment and self-sufficiency."

Geographical Area: The proposed location for KCS is Goodwill Industries of Hawaii's Ohana Career and Learning Center (OCLC), located at 2140 Lauwiliwili Street, Kapolei, HI, 96707. The OCLC was constructed in 2010 and is 2 stories and 30,000 square feet. It has classrooms, conference rooms, computer rooms, offices, and a cafeteria space. Goodwill's OCLC currently houses employment and training programs for the communities of West Oahu.

Program Synopsis: KCS is modeled after The Excel Centers, which were founded in Indianapolis, Indiana. The Excel Centers in Central Indiana have demonstrated this model is effective in engaging young adults who have dropped out of school and leading them to earn high school diplomas and beyond. There are now eleven Excel Centers, serving approximately 3,500 students in five cities in Indiana. Since the school opened in 2010, nearly 82% of the 1,658 graduates have earned an industry certification, and 26% have earned at least three college credits at the time of graduation.

The Excel Center's academic plan has three main pillars: (1) an academic philosophy that meets the goals and needs of at-risk students, (2) a concentrated focus on College and Career Readiness, and (3) a coaching platform designed to address barriers that impede a student's continued educational success. These three main pillars are also foundational to the KCS school model.

Every student at KCS will have a unique education plan. The environment within KCS is designed to meet students' learning needs by encouraging them to see the relevance and importance of their education while providing a mature environment for learning and discussion. The school is designed to reflect the characteristics of educational environments that benefit young adult learners, including open discussion, self-directed learning and personal accountability. KCS will mirror The Excel Center's learning environment that meets students where they are academically. Students participate in fixed-time classes where they cover key academic subjects in language arts, mathematics, social studies and science. These courses are designed to build skills, learn material, and engage with students.

Technology features in the design and delivery of academic content in KCS. Coursework is presented in multimedia formats, reaching different personalities and groups. In addition, students are able to participate in computer-based instruction, facilitated by teachers, for credit recovery, diagnostic assessment, and for tutoring-based work.

Enrollment Summary

Grade Level	Number of Students											
	Year 1 2017		Year 2 2018		Year 3 2019		Year 4 2020		Year 5 2021		Capacity 2021	
Brick & Mortar/ Blended vs. Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual
K												
1												
2												
3												
4												
5												
6												
7												
8												
9	30		27		45		63		80		80	
10	28		45		42		60		78		78	
11	24		42		59		56		74		74	
12	18		36		54		71		68		68	
Subtotals	100		150		200		250		300		300	
Totals	100		150		200		250		300		300	

IV. BACKGROUND

The Evaluation Team assigned to the KCS application was comprised of Danny Vasconcellos Jr., Beth Bulgeron, Ben Cronkright, and Jeff Poentis. In conjunction with the application, the Evaluation Team interviewed applicant group members and reviewed the applicant's responses to the Request for Clarification. The applicant group members that attended the interview were: Wanda Villareal, Katy Chen, Laura Smith, Christina Enoka, and Kim Reier.

After evaluating the information presented in the application, capacity interview, and Request for Clarification response, the Evaluation Team published its Recommendation Report. The applicant exercised its option to write a response to the recommendation report, and the Evaluation Team submitted a rebuttal to that response. The Recommendation Report (**Exhibit A**), Applicant Response (**Exhibit B**), and Evaluation Team Rebuttal (**Exhibit C**) make up the Recommendation Packet.

In addition, the Commission held a public hearing on the application on May 12, 2016. Two applicant group members provided oral testimony in support of KCS. No written testimony was submitted for this applicant.

Further, staff solicited comments from the Department of Education ("DOE")—particularly the Campbell-Kapolei Complex Area Superintendent, Heidi Armstrong—on the application. However, no comments were submitted by Ms. Armstrong.

Final Application Recommendation Report

The Evaluation Team recommends that the application for KCS be denied due to overall concerns regarding the academic capacity of the applicant. The Recommendation Report states that the academic plan and evidence of capacity did not meet the standard for approval.

The report finds that the academic plan does not meet the standard since it has substantial gaps and lacks needed details. It should be noted that some of the academic plan weaknesses can be attributed to KCS's intended mission of serving older students who are no longer eligible under State law to receive a K-12 public education. According to Section 302A-1134(c), HRS no person twenty years of age or older on the first instructional day of the school year shall be eligible to attend a public school. Knowing this, the Evaluation Team asked KCS if they would be willing to change their mission to meet the law's requirement. The KCS team agreed to this change, however, what results is an academic plan that is more appropriate for an older (adult) student who dropped out of school and did not receive a high school diploma. Among the key concerns about the academic plan were:

- Instructional materials were not adequately described, and thus the Evaluation Team was unable to evaluate them;
- Specific academic goals and targets for students were not identified;
- The plan for instruction relies heavily on a virtual curriculum which may not be effective for at-risk students since it lacks the interaction and hands-on learning experiences to actively engage students;
- Coursework credit may not align to the Board of Education graduation requirements since KCS is proposing a trimester schedule which is abbreviated when compared to DOE schedules/courses; and
- The proposed academic plan does not incorporate essential best practices and research proven methods that have been demonstrated to help academically disadvantaged students achieve success.

The report notes that the application meets the standard for the organizational plan and that it "adequately met the criteria for the various components of the organizational section." Highlights regarding the organizational plan were:

- KCS will be associated with, and enter into a Management Agreement with Goodwill Hawaii Industries which is an established 501c3 corporation;
- The governing board is made up of individuals who have experience in key skill areas such as academics, financial management, human resources, fund raising and fund development;
- The governing board has a clearly defined governing philosophy of creating and supporting an infrastructure that will insure adherence and compliance to the requirements; and
- The startup plan is logical and easy to follow and assigns the appropriate individuals to the appropriate tasks.

The report notes that the application meets the standard for the financial plan because it provides specific information that shows clear, realistic plans of operations and inspires confidence in the applicant's capacity to carry out the manageable plans effectively. Highlights regarding the financial plan were:

- The financial plan provides reasonable assurance that the proposed school will have sound systems, policies and processes for financial planning, accounting, purchasing and payroll; and

- KCS will utilize the financial management and accounting systems of its parent organization, Goodwill Industries of Hawaii, which complies with standards set by the Financial Accounting Standards Board.

The report found that the applicant does not meet the standard for evidence of capacity since the academic program includes academic goals that are not adequately addressed or developed, and fails to describe or incorporate evidence-proven strategies that have been successful with the intended target student population.

Applicant Response.

The Applicant Response attempts to clarify key concerns brought forth in the Recommendation Report relating to the academic plan and the evidence of capacity sections failing to meet the standard of approval.

KCS asserts that the main issue it had with the Recommendation Report was the Evaluation Team's conclusion that KCS intended to serve older students who, according to State law, are ineligible to receive a public education. KCS believes that this assertion was "made in error" and was a "strong contributing factor" in the application's denial. KCS is disputing that they intended to serve those that are not eligible for a public education, stating that "a careful review of our application will demonstrate that nowhere in the narrative, or any of the materials provided in our application does Goodwill Hawaii propose to serve any student that is not legally eligible for a free and public education under State law." They believe that, "there may have been some confusion with a separate and independent advocacy issue that we were engaged in, unrelated to this charter school application, which was to explore the benefits of raising the age-cap for graduation to include adults, a successful strategy that Goodwill has used in several other states." KCS is requesting that the recommendation report be revised to remove the "comments made in error" regarding the student population that it would serve, and to reevaluate "criterion which resulted in a 'Does Not Meet the Standard'" to "determine if this would alter the outcome of the recommendation from a deny to an approved application."

Evaluation Team Rebuttal.

The Evaluation Team submitted a rebuttal to the Applicant Response and identifies the language used throughout the application such as "continued education" and "having previously dropped out of high school" that would lead them to believe that KCS intended to serve older students. The Evaluation Team also reiterated their concern that the curriculum that is being proposed is "designed for an older, more engaged student rather than the at-risk students that are KCS' target population."

Applications Committee Meeting.

At the July 28, 2016 Applications Committee meeting, four applicant group members provided oral testimony in support of the application. No written testimony was submitted. Although the evaluation team recommended that the application be denied due to the academic plan not meeting the standard, the Committee noted that it could support the application if KCS would conform to the Hawaii DOE's student age/eligibility requirements. Following discussion, the Committee took action to recommend the approval of the application to the full Commission. The Committee voted unanimously to approve KCS's application and recommend its approval to the full Commission.

V. DECISION MAKING STATEMENT

Introduction.

Scope of Commissioner Review.

Applicants were advised at the beginning of the application process that the Application should be a complete and accurate depiction of their proposed plans and that no new information would be accepted after the Recommendation Report is issued. Applicants had the opportunity to provide clarifying information through the Request for Clarification responses. However, applicants may not provide any new information beyond the information provided to the Evaluation Team in the Application, capacity interview, or responses to the Request for Clarification because such new information would not have been completely evaluated by the Evaluation Team. Further, the Request for Proposals states that the Commission shall not consider new information that was not available to the Evaluation Team. As such, when conducting their review of the application, and during decision-making, Commissioners should not consider any new information submitted by the applicant.

Staff Recommendation Focuses on Key Points.

While the Recommendation Report and Applicant Response cover a variety of issues, staff has attempted to focus on the few issues that appear to be the most significant and would have the biggest impact on an applicant's ability to successfully start and operate a high-quality charter school. The omission of an issue from this review is not meant to indicate that the staff believes that the issue was resolved one way or another, only that it is not a major point of contention or is not a critical point that warrants further analysis here. For each key point staff reaches a conclusion for the Committee's and Commission's consideration, but at a minimum the inclusion of these points in this submittal are intended to draw out the key points for an approval or denial of the application.

The Academic Plan did not meet standard.

The Evaluation Team found that the academic plan did not meet the standard for approval.

The Applicant's Academic Plan has substantial gaps and lacks needed details. Despite the Applicant's assertion that the Evaluation Team misunderstood their intention to open a charter high school, what is clear is that the model in which KCS has adapted for this Application is based upon Goodwill Excel Center's adult education model that serves older students. This model has been applied to a high school setting in Indiana and the results have been mixed. Additionally, Applicant's plan did not provide sufficient information about their instructional materials, nor were their specific academic goals and targets for students identified. The other areas of concern articulated by the Evaluation Team, further evidence that the plan does not meet the standard for a high-quality charter high-school aimed towards at-risk students.

Staff concurs with the Evaluation Team's findings.

The Organization Plan met standard.

The Evaluation Team found that the application meets the standard for the organizational plan and that it "adequately met the criteria for the various components of the organizational section."

Staff concurs with the Evaluation Team's findings.

The Financial Plan met the standard.

The report notes that the application meets the standard for the financial plan because it provides specific information that shows clear, realistic plans of operations and inspires confidence in the applicant's capacity to carry out the plans effectively.

Staff concurs with the Evaluation Team's findings.

The Evidence of Capacity does not meet standard.

The report found that the applicant does not meet the standard for evidence of capacity since the Applicant presented an academic program that includes academic goals that are not adequately addressed or developed, and fails to describe or incorporate evidence-proven strategies that have been successful with the intended target student population, namely at-risk 9-12 graders. No doubt, the Applicant possesses strong organizational and financial capacity to operate a charter school. However, without an appropriate, high-quality academic program, the Evaluation Team cannot recommend its approval.

Based upon all of the documents and information presented, staff concurs with the Evaluation Team's findings.

Conclusion.

In conclusion, Staff agrees with the Evaluation Team that applicant has not met standards in two of the four areas. Although the Committee voted to recommend the approval of KCS's application to the full Commission on condition that they conform their application to the Hawaii DOE's student age/eligibility requirements, staff is still concerned that the Academic Plan does not adequately address the target population of students KCS seeks to serve. The evidence from the only High School program that the Excel Center model operates in Indiana shows that it is not producing the student outcomes that evidence a high-quality charter school.

KCS's Application contains key pieces, but needs more work. KCS will need to demonstrate a fully integrated Academic, Organizational and Financial plan that demonstrates their capacity to implement a high-quality charter school.

Staff recommends the denial of the Kapolei Charter School by Goodwill Hawaii application.

VI. RECOMMENDATION

Motion to the Commission:

"Moved to deny the charter school application for the Kapolei Charter School by Goodwill Hawaii."

Exhibit A

Recommendation Report for the Kapolei Charter School by Goodwill Hawaii

State Public Charter School Commission
2015-2016 Recommendation Report

Charter Application for
The Kapolei Charter School by Goodwill Hawaii

Evaluation Team
Team Lead: Danny Vasconcellos, Jr.
Evaluators: Beth Bulgeron
Ben Cronkright
Jeff Poentis

Introduction

In 2012, the Hawaii State Legislature passed Act 130, replacing the state's previous charter school law, Hawaii Revised Statutes ("HRS") Chapter 302B, with our new law, codified as HRS Chapter 302D. Act 130 instituted a rigorous, transparent accountability system that at the same time honors the autonomy and local decision-making of Hawaii's charter schools. The law created the State Public Charter School Commission ("Commission"), assigned it statewide chartering jurisdiction and authority, and directed it to enter into State Public Charter School Contracts ("Charter Contract") with every existing charter school and every newly approved charter school applicant.

The 2015-2016 Request for Proposals and the resulting evaluation process are rigorous, thorough, transparent, and demanding. The process is meant to ensure that charter school operators possess the capacity to implement sound strategies, practices, and methodologies. Successful applicants will clearly demonstrate high levels of expertise in the areas of education, school finance, administration, and management as well as high expectations for excellence in professional standards and student achievement.

Evaluation Process

Building off of the advice and training from national experts and experience gained in the last application cycle, the Commission's Operations Section created standardized evaluation forms, provided evaluator training, and assembled the Evaluation Team based on the national best practices, policies, and standards needed to authorize high-performing charter schools. The highlights of the process are as follows:

Proposal Evaluation. The Evaluation Team conducted individual and group assessments of completed applications. The Commission's Operations Section conducted a completeness check to ensure the Evaluation Team only reviewed complete submissions.

Capacity Interview. After the initial review, the Evaluation Team conducted an in-person or virtual assessment of the applicant's capacity. The interview also served to clarify some areas of the application.

Request for Clarification. After receiving initial clarification through the capacity interview, the Evaluation Team identified any areas of the application that required further clarification. Applicants had the opportunity to respond to the Evaluation Team's Request for Clarification in writing to address these issues.

Due Diligence. The Evaluation Team considered any other available information relevant to each application.

Consensus Judgment. The Evaluation Team came to consensus regarding whether to recommend the application for approval or denial.

The duty of the Evaluation Team is to recommend approval or denial of each application based on its merits. The Commission's Executive Director, with assistance from the Operations Section, is charged with reviewing this recommendation report, the testimony at public hearings, comments from the Department of Education, and other information obtained during the application process in making his final recommendation to the Commission. The authority and responsibility to decide whether to approve or deny each application rests with the Commissioners.

Report Contents

This Recommendation Report includes the following:

Proposal Overview
Basic information about the proposed school as presented in the application.

Recommendation
An overall judgment regarding whether the proposal meets the criteria for approval.

Evaluation Summary
A summary analysis of the proposal based on four primary areas of plan development and the capacity of the applicant to execute the plan as presented:

1. Academic Plan
2. Organizational Plan
3. Financial Plan
4. Evidence of Capacity

Rating Characteristics

Rating	Characteristics
Meets the Standard	The response reflects a thorough understanding of key issues. It addresses the topic with specific and accurate information that shows thorough preparation; presents a clear, realistic picture of how the proposed school expects to operate; and inspires confidence in the applicant's capacity to carry out the plan effectively.
Does Not Meet the Standard	The response meets the criteria in some respects but has substantial gaps, lacks detail and/or requires additional information in one or more areas and does not reflect a thorough understanding of key issues. It does not provide enough accurate, specific information to show thorough preparation; fails to present a clear, realistic picture of how the school expects to operate; and does not inspire confidence in the applicant's capacity to carry out the plan effectively.
Falls Far Below the Standard	The response does not meet the criteria in most respects, is undeveloped or significantly incomplete; demonstrates lack of preparation; raises substantial concerns about the viability of the plan; or the applicant's capacity to carry it out.

Evaluation Report
A report, attached as **Appendix A**, detailing the strength(s) and weakness(es) of the proposal based on evaluation criteria.

Proposal Overview

Proposed School Name
The Kapolei Charter School by Goodwill Hawaii

Mission and Vision
Mission: The Kapolei Charter School by Goodwill Hawaii (KCS) will interrupt generational poverty by providing customized, meaningful, and alternative educational opportunities to students who may not be successful in the traditional educational system. With high academic standards, KCS will assist 9th - 12th grade students to graduate with a high school diploma, while providing enriching wrap around services to help them navigate challenges and overcome barriers, allowing them to reach academic success. Students will also graduate with a post-secondary certification and/or community college credits to ensure a smooth transition into the workforce and become contributing citizens of their local communities through the power of education and work.

Vision: The Vision Statement of KCS is to "Interrupt generational poverty through the opportunity for gaining meaningful education and employment to achieve personal fulfillment and self-sufficiency."

Geographic Location
The proposed location for KCS is Goodwill Industries of Hawaii's Ohana Career and Learning Center (OCLC), located at 2140 Lauwiliwili Street, Kapolei, HI, 96707. Goodwill's OCLC houses valuable employment and training programs for the communities of West Oahu. Programs range from a day center for adults with disabilities, a positive youth development program that helps at-risk youth get their GED and go to college, and workforce development programs for low income individuals and families. The proposed school will supplement these programs. All of Goodwill's programs help people with employment barriers reach their full potential and achieve self-sufficiency. The OCLC, constructed in 2010, is 2 stories and 30,000 square feet. It contains classrooms, conference rooms, computer rooms, offices, and a cafeteria space. Goodwill's OCLC has all the requirements needed to house a public charter school, including ample space, high-level technology, transportation access, central air conditioning, and an array of support programs.

The City of Kapolei has a diverse and growing population. From 2009-2013, nearly one in five residents (19.1%) were foreign-born, while almost 25% (24.5%) of residents ages 5 and over spoke a language other than English at home. Only 30% had a Bachelor's degree or higher (persons age 25+). Projections indicate Oahu's population will grow 9% over the next 20 years; while Kapolei's population is projected to grow by 53%.

Anticipated Student Population
Goodwill Hawaii proposes to serve the communities of West Oahu through its KCS. Composite data for West Oahu show a total population of over 255,000; with more than 1 in 5 residents (21.7%) aged 5-19 years old. Only 21% of residents are a college graduate, while 35% have attended some college. One in ten residents (10.7%) have less than a high school diploma.

Data from the ARCH Hawaii educational database regarding the student population of the Leeward District Department of Education schools indicate the anticipated student population pool is low-income (51.2% Free or Reduced Lunch) and has special education needs (13.8% Special

Education); approximately 5% need English as a Second Language support (4.7% English Language Learner). Thus, the school is likely to encounter challenges affiliated with low socioeconomic status (i.e. need to provide support for basic needs), and a student population wherein approximately 14% will have a disability and 5% will not speak English as their primary language. Through its array of Mission Services programs, Goodwill has extensive experience serving lowSES populations, individuals with disabilities, and English Language Learners.

As a public charter school, all students will be welcome to enroll in KCS. It is anticipated KCS will strongly appeal to students who have dropped out of high school and are seeking to reengage in their education, are at-risk of dropping out of high school, or would otherwise benefit from a non-traditional education setting, including those students who are severely under-credited compared to their cohort. Many students struggle to complete their education because skill deficits and life challenges impede their progress. Many alternative education settings focus on remediating skill deficits, but do not strategically work to address the many non-academic barriers that hinder many at-risk students from completing their high school education. To be effective, education programs must provide supports and flexibility to help students overcome the various challenges to their continued education. Below is a summary of barriers the Kapolei Charter School's anticipated student population will face – which may impact their success in earning a high school diploma – and the ways the proposed school will work to address and overcome those barriers.

Barrier: Low credit attainment and academic skill gaps. Students will have different levels of credit attainment and skill levels. In some cases, students may have a transcript that shows they earned certain course credits but, when assessed, their scores may indicate they do not have mastery over the material.

Solution: Meet students where they are. KCS will work with students at all levels, designing an educational program that meets students' needs. To ensure the school is fulfilling its top priorities – providing students with an opportunity to earn a high school diploma and preparing them for "what comes next" – KCS will dedicate considerable resources to helping students be prepared and successful. KCS will have dedicated remedial efforts for students who are not academically ready for high school-level coursework and will evaluate progress by regular assessment as well as case conferences (when appropriate).

Barrier: Lack of focus. Having previously dropped out of high school, or being at-risk of dropping out, may cause students to struggle to reengage in their education.

Solution: Addressing challenges outside of the classroom. Life Coaching in The Excel Center model, on which KCS is based, addresses the life barriers and issues that prevent students from being successful. KCS's coaches will be responsible for keeping students engaged in school and motivated to be successful. The relationships that coaches create with each student will be a critical factor in student success; those relationships will provide security, confidence, and encouragement for students to continue when the work becomes challenging and life barriers become difficult to manage. The life coaches work with students to identify potential barriers to students' continued education, whether short-term barriers (such as food assistance or transportation) or long-term challenges (including student self-efficacy and self-confidence).

Barrier: Identifying a career pathway and setting goals. For most of KCS's students, earning a high school diploma will be the primary reason to return to school, but few students will have thought about which career to enter after graduating.

Solution: Preparing students for "what comes next." KCS will spend a significant amount of time introducing students to high growth, high demand fields where there exist good prospects of finding stable employment and a career. KCS's goal is to prepare individuals for self-sufficiency. A high school diploma is an essential start, but a credential beyond a diploma is critical for ensuring long-term employability in the modern job market: Approximately 79% of all jobs in Hawaii require some postsecondary education.

Beyond the challenges the anticipated student population will face, as with any new venture, KCS anticipates some challenges associated with starting a new school. These include attracting and recruiting the best talent to staff the school and navigating the educational environment as a start-up charter school. Despite these anticipated challenges, the school team has been proactive and identified multiple ways it will address each of these challenges so the new school opens successful.

Contribution to Public Education System

As described above and below in Section II.A., Goodwill Hawaii anticipates its student population will consist of some high-need, under-represented student groups. Further, Goodwill Hawaii's proposed charter school will address both Priority Needs identified by the Commission. With respect to Priority Need 1, the average of the past 3 years' enrollment rates for West Oahu schools was nearly 91%. With respect to Priority Need 2, when the composite percentages of West Oahu schools are used, in multiple areas the schools are under-performing when compared to the State average.

There is a clear need for a school like KCS. In Honolulu County, 2012 data shows only 83% of students graduated within four years of entering the 9th grade; recent data shows West Oahu schools have a drop-out rate of 18.6%. Although a significant number of youth do not complete high school, there are very few educational opportunities for them to reengage in their education. There remains a need to serve these high school-aged students who have either already dropped out or are at risk of dropping out of high school. KCS will be the first of its kind in Hawaii. It will be equipped to serve a largely underserved population, working to re-engage students in their education and provide them with meaningful opportunities to earn a high school diploma and industry certification or college credit to ensure a smooth transition into career success. Goodwill Hawaii will utilize communication channels available within both the Public Charter School Commission and the Public Charter Schools Network to disseminate any information gained on lessons learned and best practices. Additionally, Goodwill will maintain its network of partnerships to include; Ka Waihona o ka Naʻauoa Charter School as a feeder-school, other public schools in the area, University of Hawaii West Oahu, Leeward Community College, and local community businesses in the area.

Enrollment Summary

Grade Level	Number of Students											
	Year 1 2017		Year 2 2018		Year 3 2019		Year 4 2020		Year 5 2021		Capacity 2021	
Brick & Mortar/ Blended vs. Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual	B&M/ Blended	Virtual
K												
1												
2												
3												
4												
5												
6												
7												
8												
9	30		27		45		63		80		80	
10	28		45		42		60		78		78	
11	24		42		59		56		74		74	
12	18		36		54		71		68		68	
Subtotals	100		150		200		250		300		300	
Totals	100		150		200		250		300		300	

Executive Summary

The Kapolei Charter School by Goodwill Hawaii

Recommendation

Deny

Summary Analysis

The Evaluation Team recommends that the application for The Kapolei Charter School by Goodwill Hawaii (KCS) be denied at this time due to concerns with the academic plan and the overall academic capacity of the applicant. The Academic Plan does not meet the standard because it has substantial gaps, lacks detail, and in some instances does not provide enough accurate, specific information to show thorough preparation. Some of the weaknesses of the academic plan are due to the school's intended mission of serving older students who, under the law, are no longer eligible to receive a K-12 public education. The decision to propose a model that is contrary to current requirements under the law raised questions about the intentions or capacity of the applicants.

The Organizational Plan meets the standard as the applicant provides an effective governance structure that includes individuals with experience in key skill areas such as academics, financial management, human resources, fund raising and fund development, and legal matters. The Organizational Plan also provides a sound management plan for start-up activities and a clearly defined role for the associated non-profit that intends to support the school.

The Financial Plan meets the standard as the applicant provides reasonable assurance that the proposed school will have sound financial policies and procedures as the applicant intends to utilize the financial management and accounting systems of Goodwill Industries of Hawaii. While the applicant provides a realistic and viable operating budget, there were concerns with inaccurate information provided in the budget that needed additional clarification.

Summary of Section Ratings

Opening and maintaining a successful, high-performing charter school depends on having a complete, coherent plan and identifying highly capable individuals to execute that plan. It is not an endeavor for which strengths in some areas can compensate for material weakness in others.

Therefore, in order to receive a recommendation for approval, the application must receive a "Meets the Standard" rating in all areas.

Academic Plan	Financial Plan
Does Not Meet the Standard	**Meets the Standard**
Organizational Plan	Evidence of Capacity
Meets the Standard	**Does Not Meet the Standard**

Academic Plan

The Kapolei Charter School by Goodwill Hawaii

Rating

Does Not Meet the Standard

Plan Summary

The Kapolei Charter School (KCS) proposes to provide customized, meaningful, and alternative educational opportunities to students who may not experience success in the traditional educational system. KCS will assist 9-12th grade students ranging in age from 13-21 to earn a high school diploma and will provide enriching wrap around services to help them overcome barriers to success. Students will graduate with community college credits or workforce skills to ensure a smooth transition after high school.

Analysis

This proposal for this school has undergone a major shift ***during the application process***. Originally, the proposed school's mission was to serve students up to 21 years old, which would include students who are currently aged-out of the public school system according to HRS 302A-1134(c). The school was not able to carve out an exception to the law at the time of the application review, and even if it had, there was no discussion about how the older students' educational needs would be funded.

Knowing that the proposal raised policy issues concerning the role of charter schools in Adult Education in Hawaii, and would require a change in the law before it could be implemented, the Evaluation Team asked the applicants if they would change their mission to comport with the current law's requirements. The applicant said, yes they would, but at that stage in the application cycle, the applicant team could not change other aspects of the proposal. The result is an academic plan that seems more appropriate for an older student who has previously dropped out of school but elects to return, wiser to the world, to complete their education requirements.

In light of this change, the Evaluation Team analyzed the proposal ***in the light most favorable to the applicant as much as possible.*** However, the Academic Plan does not meet the standard because it has substantial gaps, lacks detail and in some instances does not provide enough accurate, specific information to show thorough preparation. The Evaluation Team has highlighted several areas below to illustrate where the Academic Plan does not meet the standard.

The Curriculum and Instructional Design section of the application requires the applicants to provide a description of the materials that have been selected and an explanation that clearly demonstrates how the materials support the Academic Plan. The response states that Goodwill Education Initiatives facilitated the development of the curriculum and instruction materials, and that those materials have proven success with the target population. However, these materials are not described and cannot be evaluated, making the response to this section significantly incomplete. Moreover, as described above, these materials were determined to be successful under an alternative performance accountability system and applied to a majority of older students who had been motivated to re-engage in school after dropping out.

Applicants are also asked to provide a list of clear academic goals and targets and a description of how the proposed school will assess the progress of individual students. The response lists several

assessments that will be used to assess student progress, however, there are no identified goals and targets provided. For example, students will take the ACT in 11th grade, and that will determine whether or not a student is ready for college dual-credit coursework but there is no minimum score or range provided. Providing a target range for this indicator would have been particularly important since it would reveal anticipated student baseline scores, anticipated growth, and would also reveal the applicant's estimate of the percentage of students that would be able to participate in the dual credit option, which is highlighted as an important piece of the overall academic plan and mission of the school. For earlier grades, the application states it will emphasize growth, but does not provide a clear list of growth goals and targets.

The application also requires a clear description of instructional strategies that will support the mission, vision, and academic philosophy of the proposed school and are well suited to the anticipated student population. The proposed wrap-around services seem well suited for the student demographic. However, the plan falls short when it comes to using instructional strategies in the classroom that have been proven to be effective with at-risk students. Outside of the wrap-around supports, the plan for instruction relies heavily on a virtual curriculum that lacks the interaction and hands on learning experiences that actively engage students in their learning.

Another concern is whether or not coursework credit will align to Board of Education graduation requirements. The trimester courses are only 60 minutes and award a full year's credit for a course. The applicant assumes that students who have struggled academically in the past can master the same content in a 60-minute 60-day course as other students master in a 50-55 minute, 180-day course, a difference of approximately 5,400 instructional minutes per course. Applicants also assume that the BOE would recognize these abbreviated courses as credit equivalents.

Finally, there is significant concern that the proposed academic plan is not tailored to provide effective engagement or deliver sufficient academic gains to the targeted student population. Overall, the academic plan feels like a missed opportunity. The plan uses some strategies that will foster success of students who are academically behind, but fails to incorporate essential best practices and research proven models that have demonstrated success in serving academically disadvantaged students. For example, the plan intends to expose students to industry partners and facilitate work experience opportunities for the 11th and 12th graders. However, there is substantial research that shows that students who are in programs that link learning to relevant work opportunities and industry mentors benefit the most from these partnerships in earlier grades when students develop higher academic aspirations and career goals that drive them to be responsible for their own academic careers.

Organizational Plan

The Kapolei Charter School by Goodwill Hawaii

Rating

Meets the Standard

Plan Summary

KCS provided an Organizational Plan that describes a governance structure made up of a governing board of five members with experience and expertise in academics, financial management, human resources, fund raising and fund development, and legal matters. The proposed school will be associated with and enter into a Management Agreement with Goodwill Hawaii Industries, an established 501c3 nonprofit organization.

The proposed school intends to operate from Goodwill Industries of Hawaii's Ohana and Career Leaning Center, located in Kapolei on the island of Oahu. This existing facility can accommodate up to 300 students from grades nine through twelve, which is the proposed school's intended target maximum enrollment.

Analysis

The Organizational Plan meets the standard for approval as KCS has adequately met the criteria for the various components of the organizational section. The Evaluation Team has highlighted the following items below to illustrate the adequacy of the Organizational Plan.

The applicant provides an Organizational Plan that describes an effective governance structure of the proposed school and a clear and concise description of the governance philosophy that will guide the proposed school governing board. The applicant governing board, which will transition to the school governing board, is made up of five, clearly identified individuals who have experience in key skill areas such as academics, financial management, human resources, fund raising and fund development, and legal matters. Members on the governing board include a vice-chancellor within the University of Hawaii system, a senior banking executive from a large, local bank, and the CEO of a large, non-profit organization.

The board has a clearly defined governing philosophy of creating and supporting an infrastructure that will insure adherence and compliance to the requirements while enabling the school's mission and vision. The applicant governing board has stated that it is the governing board that will oversee the agreement the school has with its educational service provider, Goodwill Education Initiatives, Inc. (GEI), and the school's management agreement with Goodwill Industries of Hawaii (GIH) which will provide the school with operational support. These duties are in addition to the oversight that the board would be providing to the school and the school director.

In the start-up plan section, the applicant has developed a comprehensive, reasonable, and sound management plan for the start-up period. The start-up plan identifies several groups and individuals who will be responsible for completing pre-opening school activities, such as the governing board, the school director, the executive team of GIH, and the educational service provider, GEI. The start-up plan is divided into three phases: planning, preparation for opening, and start-up. Within these three phases, tasks are then categorized into sections, such as governance, finance, outreach, and staffing.

Overall, the start-up plan, simply put, is logical, easy to follow, and assigns the appropriate individuals to the appropriate tasks. For example, tasks for governance include developing long term fiscal plans and goals and board development training and fall under the purview of the governing board. Finance related tasks such as finalizing and adopting internal controls and fiscal policies and implementing the accounting system are the responsibility of the governing board and the vice-president of finance for the associated non-profit.

In the area of non-profit involvement, the Organizational Plan provided a clear and comprehensive description of the proposed school's associated nonprofit organization which specifically identified the ways that the nonprofit organization would support the proposed school. Despite the close association between the proponents and founding members of the proposed school and Goodwill Hawaii Industries, the school would formalize its association with GIH through a Management Agreement. While this draft agreement would need to be reviewed by the Attorney General to ensure that the State's interests are protected in this agreement, the formal, written agreement can be taken as an indication of the commitment and support that GIH intends to provide to the proposed school. In addition, a resolution from the Board of Directors of GIH has been provided to further demonstrate the support for the proposed school.

Financial Plan

The Kapolei Charter School by Goodwill Hawaii

Rating

Meets the Standard

Plan Summary

KCS will enter into a Management Agreement which will allow GIH to be responsible for all financial performance, activities and evaluation of the school. The Management Agreement will include Accounting, Human Resources, Fund Development, Quality Assurance, Information Technology, Marketing and Facilities at a cost of the following:

YEAR	ANNUAL COST
Year 1	$33,990
Year 2	$41,976
Year 3	$57,552

The applicant will lease its facilities from GIH's Ohana Center and Learning Facilities Center in Kapolei, Hawaii at an annual lease rate of $24,000.

The following chart provides the budgeted revenues, expenses and operating gains or losses for years 1 through 3:

	Total Operating Revenues	Total Operating Expenses	Total Operating Gain/(Loss)
Year 1	$743,114	735,020	$8,094
Year 2	$1,087,119	$1,063,238	$23,881
Year 3	$1,493,046	1,443,030	$50,016

Analysis

The Financial Plan meets the standard, for approval because it provides specific information that shows clear, realistic plans of operations and inspires confidence in the applicant's capacity to carry out the manageable plans effectively.

The applicant's Financial Plan provides reasonable assurance that the proposed school will have sound systems, policies, and processes for financial planning, accounting, purchasing, and payroll. KCS will utilize the financial management and accounting systems of its parent organization, GIH. GIH complies with standards set by the Financial Accounting Standards Board and additionally must comply with guidelines set by the national office, Goodwill Industries International, that are intended to ensure that local Goodwill agencies remain fiscally solvent and responsible. KCS intends to have a formal management agreement with GIH that clearly explains the responsibilities and duties GIH will provide to the proposed school.

While the applicant did provide a realistic and viable three-year operating budget, there were issues with the budget that caused concern for the Evaluation Team. KCS used a per pupil amount of $6,846 when preparing the budgets for Years 1 through 3, however, at that applicant orientation, the applicants were advised to use $6,500 per pupil. This difference amounts to an overstatement of revenues in years 1 through 3 of $34,600, $51,900 and $69,200, respectively. Accordingly, the overstatement of revenues, if not generated by other means, would turn their annual operating income to operating losses. This question was presented at the capacity interviews, where the applicant responded that any financial shortfalls will be covered by the contingency plan in place.

KCS's contingency plan as originally presented in the application was to have GIH extend a line-of-credit to Kapolei Charter School. This was also brought up at the capacity interviews, and to the school's credit, recognized that the line-of-credit was not allowed without prior approval from the Attorney General. The school requested and was able to obtain $150,000 gifts from the GIH in lieu of the line-of-credit. The Evaluation Team is aware of the generous financial support that will be provided by GIH to the proposed school and acknowledges that this financial support should remedy the budgetary issues that were raised. However, the Evaluation Team would be remiss to not have reported on this issue.

Evidence of Capacity

The Kapolei Charter School by Goodwill Hawaii

Rating

Does Not Meet the Standard

Plan Summary

The applicant team for the proposed school includes individuals from Goodwill Industries of Hawaii, Inc. ("GIH"), the associated non-profit organization, and Goodwill Education initiatives, Inc. ("GEI"), which will serve as the educational service provider. The academic team consists of individuals from both GIH and GEI whose responsible include curriculum and instructional design, professional development, and instructional practices.

Responsibility for the organizational plan lies with the proposed school governing board which includes members chosen based on certain skill sets and the proposed school director, who currently serves as GIH's Vice-president of Mission Services. Financial management and other business services for KCS will be provided by GIH through a management agreement.

Analysis

The applicant team inspires confidence in their ability to start and manage a successful operation, and if this proposal was replicating the model used by GEI has launched and has been successful with in other states, the Evaluation Team would be more confident in the applicant's ability to open a successful charter school in Hawaii.

However, the model was adjusted during the application cycle, and the proposal now includes academic goals and student needs that are not evident in the other GEI programs. These goals and student needs are not adequately addressed and developed in the current proposal. The plan fails to describe or incorporate evidence-proven strategies successful with the intended target population.

While the Evaluation Team recognizes and appreciates the success of the outreach and support services provided by the parent organization, GIH, the changes to the mission and academic goals of the proposed school raise concerns for the academic program to such a level that it ultimately weakens the application as a whole and results in a determination that the applicant's evidence of capacity does not meet the standard for approval.

While the applicant's request for a charter cannot be supported at this time, the Evaluation Team strongly encourages the applicant team to work with GEI to develop a model that better fits the Hawaii public education system and to explore research-proven strategies that have been successful in serving the targeted demographic group that KCS looks to serve.

Evaluator Biographies

Beth Bulgeron

Ms. Bulgeron is currently the administrator of the school improvement section in the Hawaii Department of Education's Office of Curriculum, Instruction and Student Support. She served as the former Academic Performance Manager at the Commission. She has experience as an intermediate and high school administrator and was the founding principal of a Chicago high school. She has developed standards-based curriculum and assessments for public school districts and charter schools in several states and has served as a curriculum consultant. Prior to that, she taught for seven years. She earned her BA at the University of Wisconsin, Madison and her JD and LL.M. in Education Law and Policy at the University of the Pacific, McGeorge School of Law.

Ben Cronkright

Mr. Cronkright is currently a consultant with McREL International and formerly the Commission's Federal Programs Manager. He has wide-ranging experience in education having been a teacher in Tennessee and Michigan, and later serving as an assistant principal, and a principal in public schools in Michigan. He has experience in school improvement planning and design and instructional leadership. He earned a MA in Educational Leadership and a BA in Secondary Education from Saginaw Valley State University.

Jeff Poentis

Mr. Poentis is the Commission's Financial Performance Specialist. He has extensive accounting experience and is a Certified Public Accountant with over 18 years of experience in both the private and public sectors. He holds a Bachelor of Business Administration from the University of Hawaii at Manoa.

Danny Vasconcellos, Jr.

Mr. Vasconcellos is the Commission's Organizational Performance Manager. He previously worked at the State Office of the Auditor as an Analyst where he worked on or lead projects (such as the audit of Hawaii's charter schools and a study of the Hawaii Teacher Standards Board) where he analyzed agency effectiveness and efficiency and identified internal control weaknesses. He also served as a researcher for the Hawaii State Legislature's House Finance Committee and has extensive knowledge of Hawaii's legislative process and funding. He holds a Master of Public Administration from the University of Hawaii at Manoa.

Appendix A

2015-2016 Evaluation Report for The Kapolei Charter School by Goodwill Hawaii

Evaluation Criteria Overview

The Application Requirements and Criteria are the essential tools for the Evaluation Team, used in both their individual and team assessments of each application. The Evaluation Team presents both ratings on a scale and narrative analysis of each section of the application as compared to the Application Requirements and Criteria. Throughout the application evaluation process, evaluators will update their analysis to include additional information (due diligence, capacity interview, etc.) as it is presented. Within each section and subsection, specific criteria define the expectations for a response that "Meets the Standard." In addition to meeting the criteria that are specific to that section, each part of the application should align with the other sections of the application. In general, the following definitions guide evaluator ratings:

Rating	Characteristics
Meets the Standard	The response reflects a thorough understanding of key issues. It addresses the topic with specific and accurate information that shows thorough preparation; presents a clear, realistic picture of how the proposed school expects to operate; and inspires confidence in the applicant's capacity to carry out the plan effectively.
Does Not Meet the Standard	The response meets the criteria in some respects but has substantial gaps, lacks detail and/or requires additional information in one or more areas and does not reflect a thorough understanding of key issues. It does not provide enough accurate, specific information to show thorough preparation; fails to present a clear, realistic picture of how the school expects to operate; and does not inspire confidence in the applicant's capacity to carry out the plan effectively.
Falls Far Below the Standard	The response does not meet the criteria in most respects, is undeveloped or significantly incomplete; demonstrates lack of preparation; raises substantial concerns about the viability of the plan; or the applicant's capacity to carry it out.

Opening a successful, high-performing charter school depends on having a complete, coherent plan. It is not an endeavor for which strength in one area can compensate for material weakness in another. Therefore, in order to receive a recommendation for approval, the application must demonstrate evidence of capacity to implement the proposed plan, meet the criteria for all main sections of the application (Academic Plan, Organizational Plan, Financial Plan, and Applicant Capacity), and present an overall proposal that is likely to result in the successful opening of a *high-quality charter school*, as defined in the Request for Proposals ("RFP").

Note on Evidence of Capacity

Throughout the evaluation of the application, the Evaluation Team assessed the applicant's capacity to execute the plan as presented. In total, a high-quality application demonstrates evidence that the applicant has the capacity needed in all key areas in order to open and operate a *high-quality charter school* that improves academic outcomes for students. This evidence includes:

- Individual and collective qualifications (which may include, but is not limited to, documented and relevant credentials and experience reflected in the resumes of all members and an understanding, as demonstrated by the application responses, of challenges, issues, and

requirements associated with running a *high-quality charter school*, as defined in the RFP) to implement the Academic Plan successfully, including sufficient capacity in areas such as school leadership, administration, and governance; curriculum, instruction, and assessment; performance management; and parent or guardian and community engagement.

- Individual and collective qualifications for implementing the Organizational Plan successfully, including sufficient capacity in areas such as staffing, professional development, performance management, general operations, and facilities acquisition, development, and management.
- Individual and collective qualifications for implementing the Financial Plan successfully, including sufficient capacity in areas such as financial management, fundraising and development, accounting, and internal controls.

Evaluation Report

I. School Overview
The School Overview section is not separately rated by evaluators. However, the Evaluation Team will consider each section of the application to assess its alignment with the statements in the School Overview section, as it provides the foundation for the entire application.

II. Academic Plan
A strong Academic Plan is coherent overall and aligned internally with the proposed school's mission and vision; Organizational Plan; and Financial Plan.

Section II.A: Academic Plan Overview, Academic Philosophy, and Student Population
This section is not separately rated by the evaluators. However, a strong Academic Plan will demonstrate consistent alignment with the Academic Plan Overview, Academic Philosophy, and Student Population.

Section II.B: Curriculum and Instructional Design		
☐ **Meets the Standard**	☒ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion II.B.1		
Strengths: The applicant provides an overview of the courses that will be provided. **Weaknesses:** The applicant provides only broad description of expected outcomes in each course. For example, "students will become proficient in key writing types" rather than describing what grade level proficiency attainment will consist of.		
Criterion II.B.2		
Strengths: The applicant provides details of each course and the standards that align to the courses. **Weaknesses:** The applicant provides an academic plan that does not use Next Generation Science Standards or discuss adjustments that will be made to address new science standards or in the alternative, justify the use of staying with the HCPS III for science.		
Criterion II.B.3		
Strengths: None **Weaknesses:**		

The applicant states that the curriculum is developed by GEI and then edited to fit within the standards while also stating that it is proven effective with essentially all high school students. While the applicant lists the instructional resources for each course as GEI-developed materials and other commercial curriculum, the applicant does not provide a description of the GEI program itself.
Criterion II.B.4
Strengths: None **Weaknesses:** If a competency-based approach is used to measure student mastery of standards aligned curriculum, there is insufficient explanation of how credits will be awarded or how teachers will facilitate online classes if each student is progressing though material at different rates. If the school's model is based on a competency-based approach, it is not consistent throughout other sections of the application. The use of formative assessments for the use of determining student mastery is not explained and is inconsistent with national best practices around formative assessment.
Criterion II.B.5
Strengths: The applicant proposes indicators that will be tracked and a process which describes the method and frequency of data collection and review of the indicators that is very appropriate for the targeted student population. The plan to have students aware of their level of mastery of standards will help motivate students to complete mastery of standards. **Weaknesses:** The applicant does not explain how students will demonstrate proficiency through performance tasks in an on-line delivery of curriculum. In addition, the use of the mastery tracker and traditional grade book is not developed or explained.
Criterion II.B.6
Strengths: None **Weaknesses:** The applicant states that students will utilize a virtual, self-paced curriculum; however the applicant does not explain how the online learning components result in an effective and coherent instructional program.
Criterion II.B.7
Strengths: None **Weaknesses:** The applicant does not reconcile standards-based or competency-based education model with traditional report card and course requirements.
Criterion II.B.8 (sub-criteria a through j)
Not applicable as the proposed school does not contain a virtual or blended learning program.

Section II.C: Special Populations and At-Risk Students

☐ Meets the Standard	☒ Does Not Meet the Standard	☐ Falls Far Below the Standard

Criterion II.C.1

Strengths:

The applicant's parent organization, GIH, already provides support services and has an extensive network of service providers that provide comprehensive support services for student with special needs. GIH's experience with this student population serves as a strong foundation and resource for the proposed school.

Weaknesses:

The comprehensive support services the applicant intends to provide are geared to students with special needs and/or disabilities; the applicant does not provide an overall plan to assist educationally disadvantaged students, specifically, students whose issues are with academics and/or learning. The process described in this section does not address at-risk students which are the applicant's target student population.

Criterion II.C.2

Strengths:

None

Weaknesses:

None

Criterion II.C.3

Strengths:

None

Weaknesses:

The applicant does not provide a clear description of how the curriculum and Academic Plan will support students performing below grade level and/or underperforming and what supports and instructional strategies are available to these students. Again, as the applicant's target population is at-risk students, the absence of information in this section is problematic as it makes the Academic Plan incomplete and ineffective.

Criterion II.C.4

Strengths:

None

Weaknesses:

None

Section II.D: School Culture

☒ Meets the Standard	☐ Does Not Meet the Standard	☐ Falls Far Below the Standard

Criterion II.D.1

Strengths:

None

Weaknesses:

None

Criterion II.D.2
Strengths: None **Weaknesses:** None
Criterion II.D.3
Strengths: None **Weaknesses:** The lack of detail in this section is disappointing as the academic plan described partnerships that the proposed school would have with local businesses and industries to provide career opportunities for students. As the academic plan emphasizes career preparation, the lack of detail makes this section a weakness when it should be a strength.
Criterion II.D.4
Strengths: None **Weaknesses:** None
Criterion II.D.5
Strengths: The applicant provides a clear description of the student discipline plan which utilizes a program called Restorative Justice in which the goal is to repair harm and restore relationships between those impacted. The program utilizes a three-tiered model which ultimately stresses true accountability. **Weaknesses:** None

Section II.E: Professional Culture and Staffing		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion II.E.1.a		
Strengths: The applicant proposes a professional culture that will be modeled after GIH which emphasizes supportive relationships among students and staff, collaboration, and continuous quality improvement. **Weaknesses:** None		
Criterion II.E.1.b		
Strengths: The applicant intends to provide Life Coaching to students in order to keep students engaged and motivated in		

school.

Weaknesses:

The applicant does not provide a clear description of how the proposed school will address economically disadvantaged students. Again, as GIH provides assistance to economically disadvantaged families, the lack of detail is unexpected and weakens a section of the application that should be a strength.

Criterion II.E.1.c

Strengths:

None

Weaknesses:

None

Criterion II.E.2.a

Strengths:

None

Weaknesses:

None

Criterion II.E.2.b

Strengths:

The applicant proposes a 5 day mandatory induction period for teachers prior to the start of the school year. The induction period is comprehensive as it intends to provide education and training on the school mission and vision, Common Core Standards, the school culture and curriculum, assessment procedures, and community resources.

Weaknesses:

None

Criterion II.E.2.c

Strengths:

None

Weaknesses:

None

Criterion II.E.2.d

Strengths:

GIH's Human Resources and Fund Development Departments will assist the proposed school with professional development. The Huma Resources Department has developed extensive training topics and modalities that will be made available. The Fund Development Department will assist in identifying and submitting grant applications to fund professional development at the school.

Weaknesses:

None

Criterion II.E.3.a

Strengths:

The applicant provides a concise and reasonable staffing plan.

Weaknesses:

None

Criterion II.E.3.b

Strengths:

The applicant provides a staffing plan that sets a student-teacher ratio of 20:1.

Weaknesses:

None

Criterion II.E.3.c

Not applicable

Criterion II.E.4.a

Strengths:

The applicant intends to recruit high performing teachers from the Excel network of schools who are interested in relocating to Hawaii.

Weaknesses:

None

Criterion II.E.4.b

Not applicable

Criterion II.E.4.c

Strengths:

None

Weaknesses:

None

Criterion II.E.4.d

Strengths:

The applicant has adapted evaluation tools and rubrics used by the Excel Centers in Indiana. The applicant intends to transition to the Hawaii evaluation system in the future. The evaluation tools and rubrics were designed following a review of different teaching frameworks, including Charlotte Danielson, KIPP Academy, and the National Board's Professional Teaching Standards, to name a few.

Weaknesses:

None

Criterion II.E.4.e

Strengths:

The applicant proposes that the governing board will conduct 2 summative assessments of the school director each year. While a rating of highly effective may be rewarded, two consecutive unsatisfactory evaluations would result in the board taking steps to remove the school director.

Weaknesses:

None
Criterion II.E.4.f
Not applicable
Criterion II.E.4.g
Strengths: GIH's Employee Handbook will be used as a resource and adapted to meet the needs of the school. **Weaknesses:** None

Section II.F: School Calendar and Schedule		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion II.F.1		
Strengths: The applicant developed its own unique trimester schedule that incorporates two immersion weeks which allow students to participate in programs outside of school**.** **Weaknesses:** None		
Criterion II.F.2		
Strengths: None **Weaknesses:** None		

Section II.G: Supplemental Programs		
☐ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion II.G.1		
Not applicable		
Criterion II.G.2		
Not applicable		

Section II.H: Third-Party Service Providers		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion II.H.1.a		
Strengths: The applicant intends to use Goodwill Education Initiatives, Inc. (GEI) as the school's educational service provider.		

GEI founded the Excel Centers in Indiana, on which the proposed school is based.

Weaknesses:

None

Criterion II.H.1.b

Strengths:

The applicant conducted reference checks with other Goodwill organizations to determine whether GEI was a suitable candidate for the proposed school. It is indicated that the other Goodwill associations supported GEI and would partner with GEI again.

Weaknesses:

None

Criterion II.H.1.c

Strengths:

None

Weaknesses:

While the applicant provided evidence of the performance of the Excel Centers operated or associated with GEI, the Excel Centers are designed for young adults who have dropped out of traditional high school and have been out of school for one or more years. As such, the Excel Center model does not align with the applicant's proposed school program. The applicant needed to adjust its proposal as it initially looked to serve students that would be aged out of the public school system in Hawaii. Though the applicant adjusted its program to meet state law, the evidence provided does not align with this adjusted model.

Criterion II.H.1.d

Strengths:

GEI has not had any management contract terminations, charter revocations, non-renewals, or withdrawals for non-opening.

Weaknesses:

None

Criterion II.H.1.e

Strengths:

None

Weaknesses:

None

Criterion II.H.2.a

Strengths:

There are no potential or existing conflicts of interest between the proposed school governing board, potential employees, GEI, or any affiliated business entities.

Weaknesses:

None

Criterion II.H.2.b

Strengths:

None

Weaknesses:

None

Criterion II.H.2.c

Not applicable

Criterion II.H.2.d

Strengths:

None

Weaknesses:

The Service Agreements provided as evidence are the Service Agreements signed between GEI and GIH. There are no drafts or a sample of what agreements will need to be executed between the proposed school and GEI or GIH. Any service agreements will need to be reviewed the Attorney General.

Criterion II.H.2.e

Not applicable

Criterion II.H.3.a

Strengths:

None

Weaknesses:

The Service Agreement provided is an already executed agreement between GEI and GIH. The proposed school will need to execute separate agreements with either or both of those agencies. The proposed school's agreements will need to be reviewed by the Attorney General.

Criterion II.H.3.b

Strengths:

None

Weaknesses:

None

Criterion II.H.3.c

Strengths:

GEI has opened and operated charter schools in Indiana and has the capacity to deliver quality services to schools. GEI currently employs 2015 people in its Excel Centers.

Weaknesses:

None

Criterion II.H.3.d

Strengths:

None

Weaknesses: None
Criterion II.H.3.e
Strengths: GEI will not have an operational, managerial, or fiduciary role at the proposed school. **Weaknesses:** Click here to enter text.
Criterion II.H.3.f
Not applicable

Section II.I: Conversion Charter School Additional Academic Information		
☐ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
☒ **Not Applicable**		

III. Organizational Plan

A strong Organizational Plan is coherent overall and aligned internally with the school's mission and vision, Academic Plan, and Financial Plan.

Section III.A: Governance

The governing board's mission, vision, and philosophy are not separately rated by the evaluators. However, these mission and vision statements should align with the proposed school's mission and vision and other parts of the application.

☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion III.A.1

Strengths:

None

Weaknesses:

None

Criterion III.A.2

Strengths:

The applicant provides an organizational chart that clearly delineates the lines of authority.

Weaknesses:

None

Criterion III.A.3

Strengths:

The strength of the governance structure rests with the individuals that make up the applicant team/governing board. Members include a senior banking executive of a large, local bank, the CEO and Chief Administrative Officer for Goodwill Industries of Hawaii, and senior executives of other local organizations and agencies. The diverse skill sets and executive level administrative experience indicate that this will be an effective governing board.

Weaknesses:

None

Criterion III.A.4

Not applicable

Criterion III.A.5

Strengths:

The executive level administrative experience of the members of the applicant governing board, which will transition to the school governing board, demonstrate the capacity and commitment to effectively govern the school.

Weaknesses:

The applicant does not provide a plan for transitioning to a permanent governing board or for recruiting and

adding new members.
Criterion III.A.6
Strengths: The plan for recruiting and adding new members is provided in this section of the application and is based on an existing board policy for GIH. **Weaknesses:** None
Criterion III.A.7
Strengths: The applicant provides a Conflict of Interest policy that is clear and concise. **Weaknesses:** Though the applicant has developed a Conflict of Interest policy, the policy needs to acknowledge that governing board members are subject to the State Ethics Code.
Criterion III.A.8
Strengths: None **Weaknesses:** None
Criterion III.A.9
Not applicable

Section III.B: Performance Management		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion III.B.1 (including sub-criteria a through c)		
Strengths: The applicant will be provided data services through its educational service provider, GEI, which will include advanced analytics on school performance. The data collected will be available through system generated reports; school staff will be able to create their own reports to further analyze student data and performance. The applicant will utilize the services of GIH's Accounting Department for its financial management and services. **Weaknesses:** None		
Criterion III.B.2		
Strengths: None **Weaknesses:** **T**he applicant does not provide a clear description of the corrective actions that will occur if student achievement goals are not reached. Considering that the target student population is at-risk students, the applicant should		

have various intervention strategies and options available to this student population.
Criterion III.B.3
Strengths: The applicant has provided a school specific measure that aligns with the school mission and target population. **Weaknesses:** None

Section III.C: Ongoing Operations		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion III.C.1		
Not applicable		
Criterion III.C.2		
Strengths: The applicant already has security measures, such as surveillance cameras and a fire monitoring system, in place at the proposed school facility. The applicant will also provide crisis/security training for staff as a part of staff training and orientation. **Weaknesses:** None		
Criterion III.C.3		
Strengths: The applicant intends to contract with Sodexho School Food Services, a food service provider who already serves public schools and is a certified vendor for school meals. **Weaknesses:** None		

Section III.D: Student Recruitment, Admission and Enrollment		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion III.D.1		
Strengths: None **Weaknesses:** None		
Criterion III.D.2		
Not applicable		
Criterion III.D.3		

Strengths:

None

Weaknesses:

None

Section III.E: Parent Involvement and Community Outreach		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion III.E.1

Strengths:

None

Weaknesses:

None

Criterion III.E.2

Strengths:

None

Weaknesses:

None

Criterion III.E.3

Strengths:

None

Weaknesses:

None

Criterion III.E.4

Strengths:

The applicant already has an extensive network of community resources and partnerships. This network includes providers of support services such as Child and Family Service, the Waianae Coast Comprehensive Health Center, and the YMCA. Educational organizations and agencies, such as the university and community colleges, are additional resources.

Weaknesses:

None

Section III.F: Nonprofit Involvement		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion III.F.1

Strengths:

The applicant is supported by a strong, well-respected non-profit entity, GIH.

Weaknesses:

In the application, the applicant states that the proposed school would exist as a non-profit entity. During the capacity interview, there was some uncertainty among the applicant team of this status when told that the school as a public charter school is a state agency and cannot be a non-profit.

Criterion III.F.2

Strengths:

The applicant team is comprised of senior level executives from GIH; as such, the support of the associated non-profit, GIH, is clearly and substantially demonstrated.

Weaknesses:

None

Section III.G: Geographic Location and Facilities		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion III.G.1

Strengths:

The applicant has a site and a facility for the proposed school at the Goodwill Ohana and Career Center in Kapolei.

Weaknesses:

None

Criterion III.G.2

Strengths:

The facility for the proposed school already has the space and classrooms needed to operate a public charter school.

Weaknesses:

None

Section III.H: Start-Up Period		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion III.H.1

Strengths:

None

Weaknesses:

None

Criterion III.H.2

Strengths:

None

Weaknesses:
The applicant's start-up plan does contain reference to the line of credit in the Year 0 budget.

Section III.I: Conversion Charter School Additional Organizational Information		
☐ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
☒ **Not Applicable**		

IV. Financial Plan
A strong Financial Plan is coherent overall and aligned internally with the proposed school's mission and vision, Academic Plan, and Organization Plan.

Section IV.A: Financial Oversight and Management		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion IV.A.1		
Strengths: The applicant will utilize the accounting staff of Goodwill Industries of Hawaii, a well-established non-profit organization in Hawaii. The proposed school will have a formal Management Agreement with GIH. GIH already has in place accounting policies and procedures that will be applied to KCS' operations. **Weaknesses:** None		
Criterion IV.A.2		
Strengths: The GIH Vice-President of Finance will be responsible for generating the school's financial statements and projections that will identify any potential financial risk. **Weaknesses:** None		
Criterion IV.A.3		
Strengths: All financial activities will be conducted by GIH's Accounting Department. **Weaknesses:** None		

Section IV.B: Operating Budget		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion IV.B.1		
Strengths: The applicant provides a comprehensive budget that includes the start-up and three year operating budget**.** **Weaknesses:** See below for issue with the line of credit described in the contingency plan.		
Criterion IV.B.2		
Strengths: The applicant provides a comprehensive budget narrative that provides details of items in the start-up and three		

year operating budget.

Weaknesses:

The applicant's original contingency plan was to have Goodwill Industries of Hawaii extend a line of credit. The applicant subsequently reviewed the policies and realized that the line of credit was not allowed without approval from the Attorney General. The applicant subsequently revised their contingency plan to have the Boards of Goodwill Industries of Hawaii and Goodwill Contract Services approve gifts of $150,000 each to cover expenses should revenues not meet expectation. While this appears to address any budgetary issues, the application and budget still does refer to the line of credit.

V. Applicant Capacity
The applicant's capacity is evaluated based on the applicant's individual and collective qualifications (including, but not limited to, documented and relevant credentials and experience reflected in the resumes of all members) and the applicant's demonstrated understanding of challenges, issues, and requirements associated with running a high-quality charter school*, as defined in the RFP (including, but not limited to, the application and Capacity Interview responses).*

Section V.A: Academic Plan Capacity		
☐ **Meets the Standard**	☒ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**
Criterion V.A.1		
Strengths: The individuals identified as the academic team are qualified and accomplished individuals who inspire confidence in their ability to start and manage a successful charter school. **Weaknesses:** The applicant team originally proposed an academic program that would not be able to be implemented in the Hawaii public school system as the proposed school targeted young adults who statutorily would not be able to attend public school. Though the applicant adjusted the academic plan when learning of this, the modifications to the academic plan resulted in major deviations from the GEI Excel Center model on which the proposed school was based on. As a result, the academic plan for the proposed school contains academic goals and targets that are not found in other GEI programs. The issue then is that the applicant team did not submit a viable academic plan; as such the capacity of the applicant team, as demonstrated by a flawed academic plan, is in question and does not meet the standard for approval.		
Criterion V.A.2		
Strengths: The applicant's parent organization, GIH, is well respected and has been serving the people of Hawaii for many years. The Ohana Career and Learning Center, where the school intends to be located, has been open for 5 years. **Weaknesses:** None		
Criterion V.A.3		
Strengths: The applicant identifies GEI as an essential partner that assisted in the development of the school. GEI has demonstrated that it has the capacity to open and operate charter schools. **Weaknesses:** The service agreement provided is between GEI and GIH; the agreement is not with the proposed school, as mentioned in the application.		
Criterion V.A.4		
Strengths: The proposed school director has experience and expertise with the provision of support services, such as assistance to people with developmental disabilities that could assist students of the school.		

Weaknesses:

The proposed school director does not have experience in school administration nor does she have experience or expertise in the development and implementation of curriculum and instructional methods. As such, the applicant does not provide evidence that the proposed school director is well qualified to implement the Academic plan. This is further complicated by the flawed academic plan submitted by the applicant.

Criterion V.A.5

Strengths:

The management team of GIH intends to provide support to the proposed school director who, individually, will make up the school's management team.

Weaknesses:

None

Section V.B: Organizational Plan Capacity		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion V.B.1

Strengths:

The applicant proposes to have its governing board and school director implement the organizational plan. The governing board will be made up of members that have leadership experience and expertise as senior level administrators. The applicant also intends to use the GIH business services for organizational and operational services and functions.

Weaknesses:

None

Criterion V.B.2

Strengths:

None

Weaknesses:

None

Section V.C: Financial Management Capacity		
☒ **Meets the Standard**	☐ **Does Not Meet the Standard**	☐ **Falls Far Below the Standard**

Criterion V.C.1

Strengths:

The applicant will utilize the Accounting Department of GIH, a well-established non-profit organization in Hawaii, through a formal Management Agreement. GIH is a fiscally responsible organization with internal financial operating policies and controls. The Goodwill organization, as a whole, practices strong cash flow management.

Weaknesses:

None

Criterion V.C.2
Strengths: None **Weaknesses:** None

Exhibit B

Applicant Response for the Kapolei Charter School by Goodwill Hawaii

July 8, 2016

Kapolei Charter School by Goodwill Hawaii
Applicant Response to the 2015 – 2016 Applicant Recommendation Report

Thank you for the opportunity to provide a response to the recommendation report received June 24, 2016 for the Kapolei Charter School by Goodwill Hawaii in which the recommendation was to deny our charter school application.

Goodwill Hawaii is committed to continuing with the Charter School process through multiple applications cycles if needed, as we continue to pursue one of our strategic goals to promote high school graduation as a link to achieving better employment and career options for our youth.

Goodwill Hawaii's current work in this area is actively serving close to 300 youth annually through education (General Education Diploma or Competency-Based Community School Diploma), employment, or positive youth development program which has over 80% successful program completion rate. We seek to expand this work to operate a public charter school serving grades 9-12 in Kapolei. The vision statement of the proposed school is to "Interrupt generational poverty through the opportunity for gaining meaningful education and employment to achieve personal fulfillment and self-sufficiency."

The recommendation results indicated that out of the four required areas, I. Academic Plan; II. Organizational Plan, III. Financial Plan and IV. Evidence of Capacity, Goodwill Hawaii received a rating of meeting the standards in two areas; the Organizational Plan and the Financial Plan.

The two areas which we were rated as "Does Not Meet the Standards" was with the I. Academic Plan area and the IV. Evidence of Capacity.

In reviewing the recommendation report comments, we believe we have a valid concern that the recommendation report was mistaken in its conclusions about a key aspect of our application and as a result, this had a significant impact on the overall rating of two sections of the application resulting in a recommendation to deny our application.

At issue are the recommendation statements in regards to the application proposing to serve students who were not eligible to receive a K-12 public education. This theme is repeated several times in the recommendation report. The comments overshadow the remainder of the report and seem to be a strong contributing factor to the denial that we received.

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At issue are the recommendation statements in regards to the application proposing to serve students who were not eligible to receive a K-12 public education. This theme is repeated several times in the recommendation report. The comments overshadow the remainder of the report and seem to be a strong contributing factor to the denial that we received.

The recommendation report states that Goodwill Hawaii proposed to serve ineligible students "up to 21 years of age". Further, the report states "the proposal underwent a major shift during the application process and that in light of this change, the Evaluation Team analyzed the proposal in the light most favorable to the application as much as possible".

The recommendation report is mistaken that is what the application proposed. A careful review of our application will demonstrate that nowhere in the narrative, or any of the attachments and materials provided in our application does Goodwill Hawaii propose to serve any student that is not legally eligible for a free and public education under Hawaii State law.

As a result, we respectfully request that the recommendation report be revised to remove these comments made in error and that those criterion which resulted in a "Does Not Meet the Standard" be reevaluated to determine if this would alter the outcome of the recommendation from a deny to an approved application. (Specific Criterion include Section II.B. Curriculum and Instructional Design, II.C. Special Populations and At-Risk Students and Section V.A. Academic Plan Capacity)

To provide further detail, the comments made in the report regarding this issues and our response is as follows:

Statements at Issue in the Recommendation Report:

Statement 1:
Evaluation Team Statement: Executive Summary, Page 7:
"The Evaluation Team recommend that the application for The Kapolei Charter School by Goodwill Hawaii (KCS) be denied at this time due to concerns with the academic plan and the overall academic capacity of the application. The Academic Plan does not meet the standard because it has substantial gaps, lacks detail and in some instances does not provide enough accurate, specific information to show throughout preparation. Some of the weaknesses of the academic plan are **due to the schools intended mission of serving older students who under the law, are no longer eligible to receive a K-12 public education. The decision to propose a model that is contrary to current requirements under the last raised questions about the intention or capacity of the applicants."**

Statement 2:
Academic Plan, Page 8:
"The Kapolei Charter School (KCS) proposes to provide customized, meaningful, and alternative educational opportunities to students who may not experience success in the traditional educational system. **KCS will assist 9-12"' grade students ranging in age from**

13-21 to earn a high school diploma and will provide enriching wrap around services to help them overcome barriers to success. Students will graduate with community college credits or workforce skills to ensure a smooth transition after high school."

Analysis:

"This proposal for this school has undergone a major shift during the application process. Originally, the proposed school's mission was to serve students up to 21years old, which would include students who are currently aged-out of the public school system according to HRS 302A – 1134 (c). The school was not able to carve out an exception to the law at the time of the application review, and even if it had, there was no discussion about how the older student's education needs would be funded.

Knowing that the proposal raised policy issues concerning the role of charter schools in Adult Education in Hawaii and would require a change in the law before it could be implemented, the Evaluation Team asked the applicants if they would change their mission to comply with the current law's requirements. The applicant said yes they would, but at that stage in the application cycle, the application team could not change other aspects of the proposal. The result is an academic plan that seems more appropriate for an older student who has previously dropped out of school but elect to return, wiser to the world, to complete their education requirement.

In light of this change, the Evaluation Team analyzed the proposal in the light most favorable to the application as much as possible. However, the Academic Plan does not meet the standard because it has substantial gaps, lacks detail and in some instances does not provide enough accurate, specific information to show thorough preparation."

Statement 3:

Academic Plan Capacity, Page 37:

"The applicant team originally proposed an academic program that would not be able to be implemented in the Hawaii public school system as the proposed school targeted young adults who statutorily would not be able to attend public school. Thought the applicant adjusted the academic plan when learning of this, the modification to the academic plan resulted in major deviations from the GEI Excel Center model on which the proposed school was based on. As a result, the academic plan for the proposed school contains academic goals and targets that are not found in other GEI programs. The issue then is that the application team did not submit a viable academic plan; as such the capacity of the applicant team, as demonstrated by a flawed academic plan, is in question and does not meet the standard for approval."

Applicant Response:

At issue in the recommendation statements above is that Goodwill Hawaii proposed to serve students "up to 21 years old" who are ineligible to receive a public education

according to HRS 302A-1134 (c). The report erroneously states this as a fact. Goodwill Hawaii's application clearly states several times throughout the narrative that we will serve students from the 9-12th grades and that we will comply with both state and federal laws.

The first time Goodwill Hawaii was aware that our application had been misinterpreted was during the Applicant Capacity Interview. The interview panel stated that we had proposed to serve students who were not eligible to receive a public education. Surprised by this statement, and not understanding how the panel arrived at this conclusion, we asked for clarification during the interview. The panel responded that our application indicated that we were planning to serve students through age 21, which was not allowable by law. We responded back to the panel that we did not believe this was anywhere in our application, but, we would go back and check, and if it was, we wanted to assure the panel that we would comply with the law.

The second time, Goodwill Hawaii encountered this misunderstanding was in the written clarification phase of the application process. One of the clarification questions asked and our response is as follows:

Text from 2015-2016 Request for Clarification, Page 1

1. "Clarification Requested: If the school was not allowed to enroll 21 year old students under the current law, will the school limit enrollment to students 20 and younger? "

   Applicant Response: "The Kapolei Charter School by Goodwill Hawaii will abide by all current rules and regulations including those applying to age requirements to public school attendance. Goodwill Hawaii understands the current law limits public school attendance to those 20 years or younger. As such the Kapolei Charter School will limit enrollment to students age 20 years or younger; with the exception of students identified as having a disability and an Individualized Education Plan (IEP) under the IDEA. In this case, Goodwill understands students will be eligible to continue to receive educational services pursuant to their IEP through age 21."

The recommendation report seems to be interpreting these interactions to conclude that we were making a major shift in our application, when in fact, we were not. There was never any change to our application. We were simply clarifying our position in an oral interview, and again later in the written clarification question that was asked of us. In fact, after the interview, the Goodwill Hawaii team reviewed all application documents to attempt to locate any mistake on our part, but we found nothing.

Additionally , on **Attachment S, Page 1; entitled "Statement of Assurances";** we clearly completed this document to agree to the statement that the school "**will operate in compliance with all applicable state and federal laws including but not limited to, HRS Chapter 302D.**"

Also, in the submitted **Admission and Enrollment Policy: Attachment Y – Page 1**; we state "Eligible Students: It is the policy of the Kapolei Charter School by Goodwill Hawaii that attendance is open to all students in grade 9 through 12. **All students will be admitted in compliance with all applicable state and federal requirements and regulations".**

Since nowhere in the application does the school propose to serve ineligible students, Goodwill Hawaii looked to how the team incorrectly made this interpretation. We think there may have been some confusion with a separate and independent advocacy issue that we were engaged in, unrelated to this charter school application, which was to explore the benefits of raising the age-cap for graduation to include adults, a successful strategy that Goodwill has used in several other states.

We regularly take on many different issues that affect the people we serve in an effort to improve the options of our clients and their families. This advocacy work was never meant to impact our application, it was separate, and specifically targeted to improving the lives of adult learners, and is ongoing for the organization.

The charter school application, including all its materials is a separate strategy of Goodwill Hawaii and therefore should not have been a considered based on its own contents and merit, which does not include any proposal to serve students ineligible for a public education.

It is for these reasons that we are requesting removal of the comments regarding Goodwill Hawaii proposing to serve ineligible student from recommendation report and that a new review conducted based on the facts of our application.

Other Comments Regarding Criteria Rated as "Does Not Meet the Standard"

Aside from these comments, two criterion in application received a rating of "Does Not Meet the Standard" was given. The following is our response to those areas:

Applicant Response to Academic Plan Section II.B: Curriculum and Instructional Design:

Criterion II.B.1
Recommendation: *The applicant provides only broad description of expected outcomes in each course. For example, "students will become proficient in key writing types" rather than describing what grade level proficiency attainment will consist of.*

Response: The application process limits the amount of information allowed within the narrative response, so Goodwill Hawaii provided this information in Attachment D, the Course Maps. This document includes articulated alignment with all the course standards and essential understandings/lesson objectives for each lesson. For example Attachment D, pages 15-19 provides a complete description of expected outcomes specifically for writing proficiency. Attachment D, pages 61-79, outlines the expository writing I curriculum which indicates Key Concepts/Objectives/Common Core ELA Standards.

Criterion II.B.2
Recommendation: *The applicant provides an academic plan that does not use Next Generation Science Standards or discuss adjustments that will be made to address new science standards or in the alternative, justify the use of staying with the HCPS III for science.*

Response: KCS indicates that "all courses at KCS are aligned to Hawaii's Content and Performance Standards (HCPS), which include the Common Core State Standards (CCSS) for English language arts and mathematics courses and HCPS III for science courses. In addition to being Hawaii's adopted standards, these college and career readiness standards emphasize content knowledge as a means to an end: the content stimulates students to engage in deeper levels of thinking. HCPS are designed to represent a full range of knowledge and skills that students need to succeed in entry-level college courses, as well as in a wide range of majors and careers" (narrative, page 16). The corresponding RFP criterion for this item does not specify a need for the applicant to discuss any future standards nor does it ask applicants to address them. The application narrative further states that all curricula "undergo regular revision to ensure rigor and alignment to CCSS and HCPS" which indicates that all curricula will remain aligned to any of Hawaii's formal adopted standards. (Narrative, page 16). KCS believes that it has fulfilled the requirements of the application.

Criterion II.B.3
Recommendation: *The applicant states that the curriculum is developed by GEI and then edited to fit within the standards while also stating that it is proven effective with essentially all high school students. While the applicant lists the instructional resources for each course as GEI-developed materials and other commercial curriculum, the applicant does not provide a description of the GEI program itself.*

Response: KCS stated (page 16), "Goodwill Education Initiatives (GEI) facilitated the development of standards-aligned curricula and instructional materials that have proven success with traditionally-aged high school students, over-aged and under-credited students, and with students who have dropped out or are at risk of dropping out of high school. All curricula have been vetted by GEI curriculum experts and undergo regular revision to ensure rigor and alignment to CCSS and HCPS". The application further indicates multiple times that KCS is modeled after The Excel Center. It is further explained that the model has been demonstrated effective in engaging those who have dropped out of high school. Description of The Excel Center and the primary elements that have been replicated in KCS as explicitly described throughout the application. In fact, The Excel Center is referenced 60 times throughout the narrative, not including any tables or charts. KCS intends to serve students who are at-risk of dropping out of high school, so modeling the school after a proven high school designed to address the academic and non-academic barrier to success is highly appropriate.

Criterion II.B.4

Recommendation: *If a competency-based approach is used to measure student mastery of standards aligned curriculum, there is insufficient explanation of how credits will be awarded or how teachers will facilitate online classes if each student is progressing through materials at different rates. If the school's model is based on a competency-based approach, it is not consistent throughout other sections of the application. The use of formative assessments for the use of determining student mastery is not explained and is inconsistent with national best practices around formative assessment.*

Response: Applicant indicated (page 20), "Through a competency-based system, students demonstrate mastery of learning targets and standards and provide evidence of critical thinking, collaboration, effective communication and academic mindset. In addition to a traditional grade book, KCS teachers will maintain a mastery tracker for each of their classes. These mastery trackers will document students' level of mastery on the learning targets to which the course is aligned, and teachers, coaches, and students are always aware of progress toward target learning goals". A clear description of academic goals and targets for each student is identified in the course mapping for each subject which includes strategies for formative assessments. For example, in Attachment D (page 3-4), all courses indicate the level of mastery under each essential understanding that is related to the lesson objectives. Formative assessments are identified for each curriculum map, in the first course standards for developmental reading; the formative assessments include rBook Review and rBook assessment. The informal assessment is specifically identified by the teacher along with observations and discussion with students. Also included in the course mapping where each lesson is aligned to the CCSS as well as any resources used to determine measurement. Applicant also stated (page 32) that we will ensure all students participate in all other State assessments.

Criterion II.B.5
Recommendation: *The applicant does not explain how students will demonstrate proficiency through performance tasks in an on-line delivery of curriculum. In addition, the use of the mastery tracker and traditional grade book is not developed or explained.*

Response: As stated in the application (page 7), "students are able to participate in computer-based instruction, facilitated by teachers, for credit recovery, diagnostic assessment, and for tutoring-based work." KCS did not propose an online component for the school except for these very limited areas. Furthermore, the application states "students demonstrate mastery of learning targets and standards and provide evidence of critical thinking, collaboration, effective communication and academic mindset. In addition to a traditional grade book, KCS teachers will maintain a mastery tracker for each of their classes. These mastery trackers will document students' level of mastery on the learning targets to which the course is aligned, and teachers, coaches, and students are always aware of progress toward target learning goals" (page 20) As described, the mastery tracker and grade book are intended to demonstrate and track which standards students have mastered or have yet to master, based on their performance on assessments and assignments which, as previously stated, are all clearly aligned to standards.

Criterion II.B.6
Recommendation: *The applicant states that students will utilize a virtual, self-paced curriculum; however the applicant does not explain how the online learning components result in an effective and coherent instructional program.*

Response: As stated in the application (page 7), "students are able to participate in computer-based instruction, facilitated by teachers, for credit recovery, diagnostic assessment, and for tutoring-based work." These components are very limited options available to students. These courses, "Embed remediation into regular educational design, so students don't waste time before they start earning credits. Foundations Math and Competency English allow students to earn elective credits, helping students connect their remedial work to the goal of earning credits towards their high school diploma" (page 9).

Criterion II.B.7
Recommendation: *The applicant does not reconcile standards-based or competency-based education model with traditional report card and course requirement.*

Response: In this section, KCS outlines the credits required for students to graduate high school (page 24). KCS further outlines how grade point averages are calculated. KCS believes it responded to the requirements of the corresponding RFP item in the application narrative. KCS did not receive any further questions or concerns from the Evaluation Team in either the Capacity Interview, or the clarification phases of the application cycle.

Applicant Response to Academic Plan Section III.C: Special Populations and At-Risk Students:

Criterion II.C.1

Recommendation: *The comprehensive support services the applicant intends to provide are geared to students with special needs and/or disabilities; the applicant does not provide an overall plan to assist educationally disadvantaged students, specifically, students whose issues are with academics and/or learning. The process described in this section does not address at-risk students which are the applicant's target student population.*

Response: KCS application is filled with support services geared to students who are educationally disadvantaged. The model proposed specifically included life coaching was crafted to address the needs of the population KCS intend to educate in the Leeward area. In section C.1., page 25 included statistics on the schools in the proposed area with the drop out, free & reduced lunch, ELL, and special education percentages, first paragraph identifies, "These data depict an anticipated population for KCS that is low-income (51.2% Free or Reduced Lunch), has special education needs (13.8% Special Education), and will need English as a Second Language support (4.7% English Language Learner). Thus, the school is likely to encounter challenges affiliated with low socio-economic status (i.e. need to provide support for basic needs), and a student population wherein approximately 14% will have a disability and 5% will not speak English as their primary language. Students who have dropped out of high school or who are at risk of dropping out are often characterized by even higher rates of poverty and special education identification; thus, these subgroups may be overrepresented in KCS". The coaching pillar of the educational model is further designed to address barriers that impede a student's continued educational success. The role of the coach is articulated throughout the application and their role in ensuring that all students, particularly those who are at the highest risk of dropping out or needing support, are successful. Page 3 further outlines the barriers that disadvantaged student's likely face as well as solutions for assisting students to overcome these challenges.

Criterion II.C.3

Recommendation: *The applicant does not provide a clear description of how the curriculum and Academic Plan will support students performing below grade level and/or underperforming and what supports and instructional strategies are available to these students. Again, as the applicant's target population is at-risk students, the absence of information in this section is problematic as it makes the Academic Plan incomplete and ineffective.*

Response: KCS anticipates that the majority of students will enter the school performing below grade level or being academically behind (page 10). It is explicitly stated that "many students

come to KCS requiring significant remediation and special supports" (page7). The application further states that "Students needing remediation will find greater success when placed into remedial reading and/or math coursework during their first term" (page 21) and these remedial courses are described further throughout the application as well as in the required Attachment D. Further strategies are discussed as "KCS will offer individualized intensive remediation in the form of tutoring sessions before, during and after school" (page 21). Again, because KCS anticipates serving a majority of students who are underperforming, the application specifically calls out low credit attainment and skill gaps as a major barrier for students. In order to address this barrier, "KCS will work with students at all levels, designing an educational program that meets students' needs. To ensure the school is fulfilling its top priorities – providing students with an opportunity to earn a high school diploma and preparing them for "what comes next" – KCS will dedicate considerable resources to helping students be prepared and successful. KCS will have dedicated remedial efforts for students who are not academically ready for high school-level coursework and will evaluate progress by regular assessment as well as case conferences (when appropriate)" (page 3) Moreover, the school model incorporates best practice recommendations by "embed[ing] remediation into the regular educational design, so students don't waste time before they start earning credits. Foundations Math and Competency English allow students to earn elective credit, helping students connect their remedial work to the goal of earning credits towards their high school diploma" (page 9).

Applicant Response to Academic Plan Section V.A. Academic Plan Capacity:

Criterion V.A.1

Recommendation: *The applicant team originally proposed an academic program that would not be able to be implemented in the Hawaii public school system as the proposed school targeted young adults who statutorily would not be able to attend public school. Though the applicant adjusted the academic plan when learning of this, the modifications to the academic plan resulted in major deviations from the GEI Excel Center model on which the proposed school was based on. As a result, the academic plan for the proposed school contains academic goals and targets that are not found in other GEI programs. The issue then is that the applicant team did not submit a viable academic plan; as such the capacity of the applicant team, as demonstrated by a flawed academic plan, is in question and does not meet the standard for approval.*

Response: KCS does not and never intended to serve any student who statutorily would not be eligible to receive a public school education. KCS did not adjust the academic plan at all during the application process. This successful model was developed prior to the application process to ensure success with the particular population we intended to serve in the Leeward area along with the rich history and experience in serving the same population with Goodwill Hawaii's GED and youth services. Combining the successful model with Goodwill's experience resulted

in the model proposed for KCS application. This model is unique and innovative based on research, experience, and successful implementation in other states.

Criterion V.A.3
Recommendation: *The service agreement provided is between GEI and GIH; the agreement is not with the proposed school, as mentioned in the application.*

Response: As clarified during the interview phase of the application cycle, the service agreement is currently with Goodwill Hawaii as KCS is not yet a legal entity. Upon approval of the charter, and establishment of KCS the goal was to transfer the agreement to the proposed school.

Criterion V.A.4
Recommendation: *The proposed school director does not have experience in school administration nor does she have experience or expertise in the development and implementation of curriculum and instructional methods. As such, the applicant does not provide evidence that the proposed school director is well qualified to implement the Academic plan. This is further complicated by the flawed academic plan submitted by the applicant.*

Response: While the proposed school director does not have direct experience in public school administration, as evidenced in her resume, her extensive leadership experience which includes oversight of other large educational programs such as Goodwill's youth-at-risk- GED program, our Office of Hawaiian Affairs educational services programs and management of adult day health classroom settings serving over 300 adults with disabilities daily, provide her with transferable skills to oversee KCS.

Summary:

Goodwill Hawaii is committed to continuing the process of establishing the Kapolei Charter School.

It is our position that the recommendation report which concluded in error that Kapolei Charter School intended to serve students who are ineligible for a public education was a critical factor in the overall evaluation of our application. We believe that this overshadowed the evaluation of our application and impacted the outcome of our application, resulting in a denial determination.

To restate our request, we respectfully request that the recommendation report be revised to remove these comments made in error and that those criterion which resulted in a "Does Not Meet the Standard" be reevaluated to determine if this would alter the outcome of the recommendation from a deny to an approved application. (Specific Criterion include

Section II.B. Curriculum and Instructional Design, II.C. Special Populations and At-Risk Students and Section V.A. Academic Plan Capacity)

It has been our understanding that the RFP process allows for some back and forth between the applicants the evaluation team to assure clarity to the application. We hope that we are provided the opportunity to have this clarification of who we factually proposed to serve considered as part of this application cycle.

We know that as part of the process, Public Charter School Commission is committed to supporting new schools once they are approved. And that one of the purposes of the yearlong start up period is to provide the new school an opportunity to finalize its operations and curriculum to assure successful start-up.

Aside from the errors in the recommendation report, the remaining criterion comments in the recommendations provide valuable feedback which we can easily revise during the year-long start up period. Having met the standards for the Organizational and Financial Plan areas, including having a facility in place, strong financial backing and a long history of successfully starting and operation quality programming places Goodwill Hawaii in the position of easily addressing the remaining concerns during the startup period.

It is a well-known public fact that the Leeward schools on Oahu are over capacity, and relief is needed as soon as possible to provide students a quality education. Goodwill Hawaii clearly has the capacity to assist with this effort, and we have demonstrated time after time in the past to create quality programming that serves our community.

Denial of our application in this cycle, only serves the purpose to delay our ability to serve our community in which we believe we can make a critical difference through the establishment of with Kapolei Charter School. Denial of our application will delay many students who could benefit from this opportunity for a minimum of another 2 years, at least until 2018, when the next charter schools are able to become operational.

For these reasons, we urge the commission to reconsider the recommendation reports denial, and approve Kapolei Charter School by Goodwill Hawaii to move forward into the startup year period.

Sincerely,

Laura D. Smith

Laura D. Smith
President/CEO

Exhibit C
Evaluation Team Rebuttal

State Public Charter School Commission 2015-2016 Evaluation Team Rebuttal to the Applicant Response

Charter Application for
The Kapolei Charter School by Goodwill Hawaii

Evaluation Team
Team Lead: Danny Vasconcellos, Jr.
Evaluators: Beth Bulgeron
Jeff Poentis
Ben Cronkright

The Evaluation Team would like to express its appreciation for the hard work and effort that the Kapolei Charter School by Goodwill Hawaii ("KCS") applicant team has done throughout the charter application process, most recently in the applicant's response to the Evaluation Team's recommendation report. As such, the Evaluation Team would like to provide a few comments on the applicant's response.

The recommendation of the Evaluation Team in the Final Application Recommendation Report ("Recommendation Report") was to deny approval of the applicant's proposed charter school as the applicant failed to meet standards in two of the four areas of the charter application- the Academic Plan and Evidence of Capacity. The reason for this recommendation is that the Academic Plan does not meet the standard because it has substantial gaps, lacks detail and in some instances does not provide enough accurate, specific information to show thorough preparation. Specifically, due to the nature of the program that the proposed school is modeled after, the academic plan seems more appropriate for older students. As noted in the KCS charter application (pg. 9):

> *KCS is modeled after the Excel Centers, which were founded in Indianapolis, Indiana. The Excel Centers in Central Indiana have demonstrated this model is effective in engaging young adults who have dropped out of school and leading them to earn high school diplomas and beyond.*

In response to the applicant's response to the recommendation:

Applicant is concerned that the review team misinterpreted language used in the application to mean that the school intended to serve students over the age of 20. The application team did interpret language used throughout the application such as "**strongly appeal to students who have dropped out of high school seeking to re-engage**" (page 2), "**student who are severely under-credited**" (page 2), "**alternative education setting**" (page 2), "**continued education**" (page 2), "**having previously dropped out of high school**" (page 3), "**earning a high school diploma will be the primary reason to <u>return</u> to schools**" (page 3) and "**KCS will be the first of its kind in Hawaii**" to mean the school intended to serve older students who had previously dropped out of high school and would therefore serve students through age 21.

In addition, the applicant is relying on the curriculum and model of their Excel Centers in Indiana. Those programs have a GED and Competency Based Community School Diploma completion rate of 80%. In Hawaii, the applicant intends to award a BOE diploma, which has substantially different requirements from a GED or community school diploma. The Indiana Mayor's Office of Education Innovation (OEI) conducts a Mid-Charter Review of a charter school's performance, sustainability, and plans for improvement during the first four years of a charter term. In the 2014-2015 report for the Excel Center-Marion County, the review states, when evaluating the first Core question of whether the school's education program is a success, that the regular metrics for high schools under the OEI's performance framework do not provide an accurate picture of the Excel Center's performance due to the unique nature of the adult high school student population served. To address this inaccuracy, the OEI developed a framework specific to Adult High Schools, which it uses to evaluate the Excel Centers. An

“Adult High School”, as defined in Indiana law, is a high school that has at least sixty percent (60%) of enrolled students in Grades 11 and 12 who:

(i) Were previously assigned to a graduation cohort whose expected graduation year has already passed; or
(ii) Were 18 years of age or older at the time of first enrollment in the school.

The Evaluation Team’s concern and contention is not that the applicant is targeting students who have aged-out and are not eligible for a public school education. The concern is that the program design and model for KCS is based on the Excel Center model which is designed for an older, more engaged student rather than the at-risk students that are KCS’ targeted population.

New information not considered by the Evaluation Team

The applicant’s response contains little to no new information that would not be considered by the Evaluation Team.