



Charter School Administrative Office  
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*Weighted Student Formula Official Poll*

**DATE:** July 13, 2006  
**TO:** Charter Schools  
**FROM:** Jim Shon, Executive Director, CSAO  
**RE:** Official Poll on Weighted Student Formula: DUE August 30, 2006

**SB 2719 SD2 HD1 CD1 became law (ACT 298) at midnight, July 12, 2006.**

**ACT 298 requires** charter school local school boards to determine whether to receive allocations according to the department of education's weighted student formula. Together, we must accomplish this poll by September 1, 2006.

**ACT 298** also requires that local school boards follow basic open meeting and sunshine provisions.

The following is the specific language of the law that relates to this official poll:

**§302B-13 Weighted student formula.** (a) *Notwithstanding section 302B-11 and beginning September 1, 2006, charter schools shall elect whether to receive allocations according to the department's weighted student formula adopted pursuant to section 302A-1303.6; provided that:*

*(1) All charter schools, as a group, with each local school board being accorded one vote, shall elect, by **greater than two-thirds** agreement among the local school boards, whether to receive allocations through the department's weighted student formula; provided that the nonprofit that governs more than one conversion charter school may cast one vote representing each school it governs;*

*(2) Any election by charter schools to receive department allocations, or not to receive allocations, through the department's weighted student formula shall be made by September 1 of each even-numbered year, and the election shall apply to the fiscal biennium beginning July 1 of the following year; provided that the appropriate funds shall be transferred by the department to the charter school administrative office for distribution to the charter schools; and*

*(3) The election to receive allocations, or not to receive allocations, through the department's weighted student formula shall be communicated to the department through the office.*

*(b) The charter schools, through the office, may propose to the board an alternative weighted student formula, approved of by more than two-thirds of the local school boards, with each local school board being accorded one vote, to be administered by the office and to apply to the per-pupil allocation for charter schools.*

Note: The official LSB for Waimea Middle School and Kualapuu Elementary is the Hookakoo Board. In essence, this board has two votes. It is our hope, however, that the advisory boards for each school will be able to participate in this process.

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### **Discussion.**

According to this section of the law, nineteen (19) local school boards must elect to follow the department's WSF in SY 2007-8 and SY 2008-2009.

Currently, there are a number of unanswered questions regarding what the WSF will be for SY 2007. These include:

- **The funding issue.** It is unclear how this could be implemented. There are at least three possibilities.
  1. EDN 600 funds are transferred to the DOE, and then DOE allocates funds using their formula;
  2. DOE calculates amount due charters and transfers funds to EDN600 and CSAO allocates; or
  3. CSAO applies the same percentages to the EDN 600 fund and allocates to schools.

By some calculations, DOE personnel believe charter schools would end up receiving more funding than they now receive. However, CSAO is not able to confirm this because of the many unanswered questions.

- **The formula issue.** There are a number of not yet determined variables, including:
  1. The "weights" assigned to each student (this is mostly done, but may change)
  2. The foundation administration allocation – the current thinking is to take 25% of the discretionary funds in DOE and allocate them to all schools, thus assisting smaller schools in their administrative support.
  3. Other adjustments not yet known.

- The administrative control issue.

Should the charter schools elect to receive funds in accordance with the DOE's WSF, it is unclear what unforeseen administrative "strings" or regulations might come with this change.

- The charter school alternative proposal issue.

Per the law, charter schools may also propose their own WSF. Specific proposals for this have not yet been developed. However, should such a proposal simply reallocate the EDN 600 funds differently, it would not involve DOE funds or administration. Were this the case, charters could make such a proposal at any time in the future and do not have to decide this by September 1. Such a proposal would need to be ratified by 19 charter schools before submission to the Board of Education for approval.

### **CSAO Recommendation**

Because of the many uncertainties and unforeseen administrative impacts, CSAO does not at this time favor participation in the DOE's WSF. However, this decision is entirely up to each of the charter school boards.

### **Conclusion.**

CSAO has developed the attached form for use by each individual local school board. We are requesting that each LSB place this on their agenda and vote YES or NO and transmit this form signed by the LSB chair on or before August 30. If CSAO does not receive a minimum of nineteen signed forms indicating an affirmative vote for the DOE WSF, CSAO will report to the Board of Education that the charter schools did not elect to be funded in accordance with the DOE formula.

If a Local School Board fails to send in a form, in effect, this is registered as a NO vote, as we must have a minimum of 19 Yes votes to participate in the DOE WSF.

We are asking that these signed forms be received by our office no later than August 30, 2006 to give us time to compile them and issue a Memo to the Department and the Board.

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