



# HAWAI'I EDUCATIONAL POLICY CENTER

*Informing the Education Community*

---

## **Implementing the Reinventing Education Act of 2004**

### **Reinventing Education Report 1 September 2004**

**Ruth Tschumy**

#### **What is the State of Educational Reform in Hawai'i?**

Given the political nature of educational reform, is it possible to assess it objectively? The Hawaii Educational Policy Center plans to do so.

HEPC is an independent, non-partisan research organization operating out of the Research Corporation of the University of Hawaii. In addition to providing useful information to policy makers, the general public and other constituencies attempting to understand and improve educational policy, HEPC specifically will be observing and analyzing the implementation of Act 51 reforms, identifying factors that enable or inhibit the process, and documenting the impact of implemented reforms on educational improvement.

In the 2004 legislative session, the Reinventing Education Act of 2004 (Act 51, SLH 2004) was enacted into law over the Governor's veto (of Senate Bill 3238). In her veto message, Governor Lingle expressed concern that the reform package was flawed and would raise false hopes. She called for a bipartisan approach to achieving genuine reform and offered five counter-proposals (see [hawaii.gov/gov](http://hawaii.gov/gov)), including giving principals control over 90% of their operating budgets, setting standards for principals and holding them accountable, giving charter schools a fair share of funding, launching weighted student funding (a new methodology for allocating funds to schools) a year earlier, and making the School Community Council system (replacing School/Community-Based Management groups) advisory in nature. Allowing Hawaii's voters to decide whether to divide Hawaii's unitary school system into smaller units controlled by local school boards continues to be a major part of her educational reform plan.

In response, the Legislature amended Act 51 via House Bill 2002, CD2, allowing charter schools as a group to decide annually if they wish to receive allocations according to the weighted student formula and requiring the DOE to submit a report prior to the 2005 legislative session detailing programs and functions that would need to be run by individual schools if principals are given 80-90% control of the DOE's operating budget.

Of the \$11.4 million appropriated by the Legislature to fund Act 51 provisions, approximately \$7 million has been released to date.

Released funds support a major reform cluster that centers around the methodology for allocation of funds to individual schools and the mechanism for academic and financial decision-making at schools. Weighted Student Funding differs significantly from funding to schools based solely on

the school's total enrollment. WSF is based on the unique characteristics of each individual student. A Committee on Weights, whose composition is divided almost equally between DOE employees and community participants, is working to define which student characteristics will be given greater emphasis and the relative value or weight assigned to each of the characteristics. For example, students requiring special education services or English as a second language instruction will be assigned a greater weight and hence the school will receive more funding than it will receive for students without these characteristics. The Committee's recommendations on weights, which will be reviewed annually, is scheduled to go to the Board of Education for final action by the end of October, 2004.

Once a school receives its funding based on WSF, who will decide how the resources will be allocated? Elected boards called School Community Councils (SCC) will share academic and financial decision-making with principals. These councils will consist of an equal number of community stakeholders and school staff, including at least one teacher, parent, staff person and community member, each selected by their peers, a student representative selected by the student council, and the school principal.

Beginning with the 2006-2007 school year, principals and SCC at local schools will decide how 70% of the total DOE operating budget (excluding debt service and capital improvement programs) will be spent. At the present time, 58% of the 70% will be in lump-sum by weights funding to schools and 12% will be in other school funds which include categorical, federal, special, trust funds, etc. Weighting will follow students to whichever public school they attend, thus allowing principals to have a clearer idea of the resources available to them before the start of each school year.

Twenty-two schools are participating in the Phase I pilot program to provide models for all other schools, excluding charter schools, to establish School Community Councils by the 2005-2006 school year and adopt weighted student funding by the 2006-2007 school year.

Currently released funds for other Act 51 provisions include helping principals grow into their new and expanded roles through the establishment of a Hawaii Principals Academy, a program to train prospective principals called Administrator Certification for Excellence (ACE), and funding to provide additional training for the principals of Phase I pilot program schools and others. Also included is funding to reduce class size in grades K-2 by hiring 75 new teachers, funding to purchase mathematics textbooks, and funding to encourage Hawaii teachers to obtain National Board Certification.

HEPC updates on the implementation and impact of these and other Act 51 reforms will be forthcoming. A listing of Board of Education community meetings to discuss Act 51 reforms and other matters can be found at [www.boe.k12.hi.us](http://www.boe.k12.hi.us) and DOE reform effort updates are at <http://reach.k12.hi.us>. This and other reports can be found at [www.hawaii.edu/hepc](http://www.hawaii.edu/hepc).