

**Date:** 01/30/2008

**Committee:** House Education

**Department:** Education

**Person Testifying:** Patricia Hamamoto, Superintendent of Education

**Title of Bill:** HB 2457 RELATING TO EDUCATION.

**Purpose of Bill:** The purpose of this bill is to allow principals with the ability to establish and use a debit card system at the individual school level, for the purpose of purchasing school supplies and other related curriculum support supplies as deemed appropriate by the school's academic and financial plan. The intent is to streamline the purchasing process by allowing flexibility to teachers to make purchases, in order to take advantage of discounts and sales. This bill also aims to help in defraying out of pocket expenses by teachers. This bill requires the Board of Education to adopt rules, and also provides for an appropriation of an undetermined amount to implement this debit card system by the department.

**Department's Position:** The department appreciates the Legislature's support of principals and teachers; however, the department does not support this bill, since we already have a procurement card program in place for the purchase of classroom supplies. The procurement card can be utilized by teachers to place internet and phone orders. Debit cards would not provide proper fiscal accountability of funds by the principal. Our current procurement card allows charges to be reviewed by the principal prior to payment to the bank. This allows schools to meet goals of purchasing flexibility as well as financial accountability. Debit cards do not allow for this review by the principal. Additionally, schools currently have the option to utilize open purchase orders, which allow teachers to purchase items at their discretion within certain dollar amounts. Finally, if purchases by teachers are not subject to either pre-approval or post review by the principal, the debit card could be construed as an expense account and may be subject to personal tax liability for the teacher.

It should also be noted that the Department already has a weighted

student formula in its general fund appropriation, that results in allocation of funding to schools, reviewed annually by a Committee on Weights as required by State law. It is under the purview of each school's financial plan to determine how much in school supplies is apportioned to each teacher. This bill would be contrary to the spirit and intent of the weighted student formula allocation methodology.

Furthermore, the department has concerns about the implementation and on-going management and staffing of such a debit card program for approximately 13,000+ teachers who may be eligible for a debit card, and the workload it would add to our limited staff, when there are teacher transfers to different schools, retirements, resignations, reassignments to positions no longer in the classroom, lost cards, etc., as school procurement cards are school-specific and cannot be transferred with the teacher (or principal).

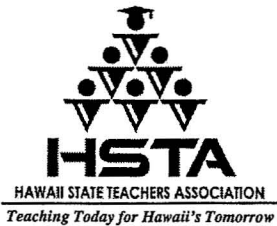
The department does recognize that teachers often use their own funds for special instructional supplies not typically provided in school. For example, food is often used in language arts, mathematics, science, social studies, or health lessons. Teachers often purchase their own additional reference books to enrich lessons. They often also provide specialty supplies such as colored pens, small rewards like stickers, and other art supplies for promoting and encouraging student achievement. In addition to food or other specialty supplies, schools and/or teachers may take it upon themselves to help needy students with basic living needs such as rubber slippers to be worn in the classroom, or other daily hygiene needs like deodorant, soap, shampoo, toothbrushes, and toothpaste in order for children to not be negatively singled out.

There are already procedures and mechanisms in place to reimburse teachers for expenses, once there is adequate funding to do so. The

question is not how or whether we should reimburse, but do we have sufficient funds to reimburse?

In summary, the department appreciates the Legislature's support of principals and teachers; however, the department opposes this measure, since we already have a procurement card process that has controls that allow principals to review the transactions prior to bank payment, and we already have procedures in place to reimburse teachers for expenses.

The real issue is lack of sufficient funding for schools to educate our students. In addition, funding priority must be given to the Board of Education's supplemental operating budget requests before this measure is considered.



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**TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
EDUCATION**

**RE: HB 2457 – RELATING TO EDUCATION**

January 30, 2008

**ROGER TAKABAYASHI, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION**

Chair Takumi and Members of the Committee:

The Hawaii State Teachers Association supports the intent of HB 2457 which would allow school principals to set up debit card programs for teachers.

This would be a positive step toward helping teachers helping students. Input from teachers indicates that they spend approximately \$800 each in supplementing their classroom with supplies that enhance their teaching.

Thank you for the opportunity to testify.