



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/06/2020

Time: 02:10 PM

Location: 309

Committee: House Lower & Higher
Education

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 0619 RELATING TO EDUCATION.

Purpose of Bill: Requires the State Auditor to select school complex areas for a determination of each complex area's compliance with its academic plan and financial plan.

Department's Position:

The Department supports the intent of HB 619 to:

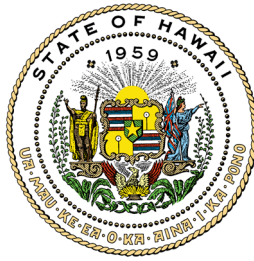
- underscore the importance of the Academic and Financial Plan process and documents;
- support informed decision-making and priority setting through thoughtful and intentional engagement with stakeholders; and
- improve transparency and access to information to encourage an informed and engaged community of citizens.

HRS 302A-1124 Mandate to initiate school community council. This section calls for the establishment of a School Community Council (SCC) system. Under this system, the SCCs review and evaluate the Academic and Financial plans prior to recommending revisions by the school Principal or approval by the Complex Area Superintendent.

The Academic Plan establishes the academic goals for the following school year, approximately nine months prior to the start of the school year and is aligned with the Strategic Plan. The Academic Plan is not an operational plan that details all activities for all facets of the school. The Financial Plan is developed based on projected budget figures, serves as a means to determine school staffing requirements, but is intended to be flexible based on current circumstances, which invariable will be different at the time of actual allocations. Internal policies stress the importance of this planning process.

Thank you for the opportunity to testify on this measure.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



HOUSE COMMITTEE ON LOWER & HIGHER EDUCATION

The Honorable Justin H. Woodson, Chair
The Honorable Mark J. Hashem, Vice Chair
The Honorable Sean Quinlan, Vice Chair

H.B. NO. 619, RELATING TO EDUCATION

Hearing: Thursday, February 6, 2020, 2:10 p.m.

The Office of the Auditor takes **no position** on H.B. No. 619 and offers the following comments.

The bill directs the Auditor to conduct an audit of the Department of Education by selecting any number of school complex areas and determining the level of compliance of each complex area with the complex area's academic and financial plans.

Evaluating academic and financial plans can range from tracking measures of academic achievement to reviewing expenditures and the academic and financial plans for each complex area are likely to be different. Because the objectives of any performance audit can vary widely, it is important that we understand concerns you may have or areas you would like audited, especially given the likely breadth of the areas identified in the bill. In order to ensure our audit focuses on the issues the Legislature is most interested in having us examine, we suggest the Legislature consider identifying in the bill the specific programs or activities that it wants audited.

Thank you for considering our testimony related to H.B. No. 619. We are committed to providing meaningful audit findings that address the issues identified by the Legislature and are available to work with the Committee on the language of this bill.



HOUSE BILL 619, RELATING TO EDUCATION

FEBRUARY 6, 2020 · HOUSE LOWER AND HIGHER
EDUCATION COMMITTEE · CHAIR REP. JUSTIN H.
WOODSON

POSITION: Oppose.

RATIONALE: The Democratic Party of Hawai'i Education Caucus opposes HB 619, relating to education, which requires the State Auditor to select school complex areas for a determination of each complex area's compliance with its academic plan and financial plan.

While the Caucus continues to fight for better school funding, we believe that **mandating additional audits for the Hawai'i Department of Education is a step backwards in the march toward a fully funded education system.** The DOE's Internal Audit Office performs a departmental risk assessment to identify high-risk areas that are then subjected to internal audits, the findings of which are presented to the Hawai'i Board of Education at publicly noticed hearings. This measure, therefore, appears intended to satisfy the false belief that our state's public education system can be improved simply by finding waste within the DOE.

While inefficiencies certainly exist in departmental processes, it is highly unlikely that the fiscal impact of these inefficiencies would amount to the hundreds of millions of dollars needed to end the state's persistent teacher shortage, increase arts and vocational curricula, improve special education programming, lower class sizes, advance Hawaiian cultural instruction, remedy the

department's repair and maintenance backlog, and rectify other glaring problems that prevent our state from delivering the schools our keiki deserve.

Moreover, academic and financial plans are designed to be flexible and aspirational, and are drafted before complete knowledge of the conditions for the school year in which they are instituted can be obtained. **When implementing AC-FINs, schools often make fiscal changes that reflect shifting educational conditions, like unanticipated enrollment fluctuations.** We do not believe, therefore, that auditing AC-FINs will provide valuable data about the HIDOE's overall finances or resource allocation methods to guide state-level budgeting.

Our state is currently facing a chronic teacher shortage, which undermines student learning. For the 2019-2020 school year, the HIDOE experienced a qualified teacher shortage of 973 positions, 351 of which were in the area of special education. Additionally, we continue to lose approximately 50 percent of new hires after five years, with the number of teachers exiting the teaching profession increasing by more than 80 percent since 2010. Rather than audit AC-FINs, **we urge you to provide the funding necessary to keep excellent educators in their classrooms, including \$70 million for differential pay increases for special education, Hawaiian immersion, and hard-to-staff teaching positions, and step raises for approximately 6,300 teachers that are being underpaid by thousands of dollars each year.**