JAN 21 2010

SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT AUDIT OF THE DEPARTMENT OF EDUCATION.

WHEREAS, the public school system has been under close scrutiny for many years due to an inadequate delivery of educational services and poor student achievement test results; and

WHEREAS, a lack of system-wide financial information and administrative support prevents individual schools from successfully functioning and performing their duties; and

WHEREAS, despite the passage of Act 51, Session Laws of Hawaii 2004, which implemented comprehensive reform in Hawaii's public schools, the Department of Education still struggles to provide quantifiable improvements in many areas, including financial and management related problems; and

WHEREAS, Act 51 established the weighted student formula to provide an equitable distribution of funds to all students across the State; and

WHEREAS, the weighted student formula required an understanding of sophisticated accounting systems to ensure school principals received reliable and stable financial forecasts and budget information; and

WHEREAS, the level of expertise necessary to administer the weighted student formula has not been without its problems, leaving many principals confused over differing and changing cost analyses prepared by the Department of Education; and

WHEREAS, thirty per cent of the state budget is dedicated to public education; and



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WHEREAS, to maximize the delivery of educational services and justify the State's financial commitment to public education, especially in view of the State's current economic crisis, the Department of Education must improve its financial and management accountability; and

WHEREAS, an independent and impartial financial and management audit of the Department of Education would provide needed analyses and recommendations to improve the public education system to ultimately benefit Hawaii's students; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, the House of Representatives concurring, that the Auditor is requested to conduct a financial and management audit of the Department of Education; and

BE IT FURTHER RESOLVED that the Auditor is requested to submit a report of any findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2011; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Auditor, the Chairperson of the Board of Education, and the Superintendent of Education.

OFFERED BY:

SCR LRB 10-0367