

STATE OF HAWAII  
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**LATE**

HOUSE COMMITTEE ON EDUCATION  
The Honorable Justin H. Woodson, Chair  
The Honorable Trish La Chica, Vice Chair

**H.C.R. NO. 192, REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE DEPARTMENT OF EDUCATION'S STATEWIDE BACKLOG OF CAPITAL IMPROVEMENT REPAIR AND MAINTENANCE PROJECTS.**

**H.R. NO. 172, REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE DEPARTMENT OF EDUCATION'S STATEWIDE BACKLOG OF CAPITAL IMPROVEMENT REPAIR AND MAINTENANCE PROJECTS.**

Hearing: Thursday, March 21, 2024, 2:00 p.m.

The Office of the Auditor offers comments on H.C.R. No. 192 and H.R. No. 172, which request the Office of the Auditor to “audit the Department of Education’s statewide backlog of capital improvement repair and maintenance projects,” the cost of which the Department of Education estimated to be more than \$1.4 billion.

The Office of the Auditor conducts performance audits that examine the efficiency and effectiveness of government programs, specifically, the activities that are key to achieving the purposes for which the Legislature created the programs. Often, the audit assesses the processes and procedures that the programs have developed to perform those key activities and whether the programs are performing the activities consistent with their respective processes and procedures. To report about things that the Legislature is interested in understanding, it is important for the Legislature to identify, specifically, the program or activity.

Neither H.C.R. No. 192 nor H.R. No. 172 identify a specific program or activity for us to audit. The requested audit identifies the concern, i.e., the department’s “backlog of capital improvement repair and maintenance projects,” which is quite broad; but it does not identify program areas or activities that may be causing the backlog or which the Legislature may be interested in having us assess. For example, we can audit the department’s processes to identify and prioritize repair and maintenance issues; we can audit the department’s Facilities Maintenance Branch’s processes relating to repair and maintenance projects, including, for instance, how the projects are initiated and managed; we can audit the department’s procurement of the services, which if performed timely may allow the department to encumber appropriations to prevent those funds from lapsing.

We request that the committee amend the resolutions to identify, specifically, the program or activities that the Legislature is interested in having us audit. We are available to discuss more appropriate language upon request.



*Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.*

To: House Committee on Education

**Re: HCR192/HR172 – IN STRONG SUPPORT**

Hawai'i State Capitol, Conference Room 309 & via Videoconference

Thursday, March 21, 2024; 2:00PM

Aloha Chair Woodson, Vice Chair La Chica, and Members of the Committee:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, mahalo for the opportunity to testify in **STRONG SUPPORT of HCR192/HR172**, which requests the auditor to conduct an audit of the Department of Education's statewide backlog of capital improvement repair and maintenance projects. This audit is essential for ensuring transparency, accountability, and effective education infrastructure management.

Our schools play a fundamental role in shaping Hawai'i's future by providing a conducive environment for learning and development. Inadequate infrastructure and maintenance can severely hinder the quality of education and the well-being of students and educators. Therefore, promptly addressing this backlog is essential to ensure safe, functional, and conducive learning environments.

A comprehensive audit will provide insights into the extent of the backlog, the reasons behind it, and the effectiveness of current management processes. This audit will identify any inefficiencies, areas for improvement, and potential barriers to the timely completion. Moreover, it will help ensure that taxpayer dollars are utilized efficiently and effectively to maintain and improve our education infrastructure.

Transparency and accountability are essential pillars of good governance. Conducting an independent audit will demonstrate our commitment to transparency in allocating and managing public funds. This audit will help build trust and confidence among taxpayers, stakeholders, and the public at large in the DOE's ability to manage capital projects effectively.

Addressing the backlog is not just a matter of infrastructure; it is a matter of equity and access to quality education. Neglecting these projects disproportionately affects students in underserved communities who rely heavily on public education. Addressing the backlog will help us ensure all students can access safe and modern learning environments, regardless of zip code or socioeconomic status.

HCAN Speaks! urges the committee to support **HCR192/HCR172**. This audit is crucial for ensuring transparency, accountability, and equitable access to quality education for all Hawai'i students.

Mahalo for the opportunity to submit testimony on this critical issue.

Sincerely,

Chevelle Davis, MPH

Director of Early Childhood and Health Policy



Committee on Education  
Representative Justin Woodson, Chair  
Representative Trish La Chica, Vice Chair

March 21, 2024

Dear Chair Woodson, Vice Chair La Chica, and Members of the Committee,

We **support HCR192/HR172**, which requests that the State Auditor conduct an audit of the DOE's statewide backlog of Capital Improvement Projects (CIP) Repair and Maintenance (R&M) Projects.

HE'E Coalition has been concerned about the DOE CIP and R&M backlog for some time. The condition of our facilities directly impacts students, educators, and our community.

As of March 20, 2024, the DOE had a total of \$2 billion in unspent CIP Funds. CIP funds are appropriated for new projects as well as deferred maintenance projects.

CIP Funds Breakdown	
Obligated CIP Funds	\$858,448,207.33
CIP Funds Lapsing 6/30/24	\$873,687,412.59
CIP Funds Lapsing 6/30/26	\$325,673,374.55
<b>Total Unspent CIP Funds</b>	<b>\$2,057,808,994.47</b>

Source: <https://cpt.hidoefacilities.org/portal-schools-tracker/cip>

The news articles referenced below reinforce our ongoing concerns.

1. In 2018, we were shocked to learn that the DOE had severely miscalculated their Repair and Maintenance (R&M) backlog. Earlier that year, the DOE had told legislators that the

R&M backlog had come down to \$293 million from \$392 million in 2010. However, according to a December 2018 Star Advertiser article, “The backlog of repair and maintenance projects at Hawaii’s public schools is an estimated \$868 million, roughly three times worse than what legislators were told in January. Under the old system, projects were checked off the pending R&M list when initial funds were spent on them, even if it was just design money, not construction and much less completion. Information on different projects was scattered throughout the bureaucracy. There was no automated system to track funded projects.”<sup>1</sup>

2. In April 2019, we learned through a Civil Beat article that the DOE spent \$8 million on a “Facilities Master Plan.”<sup>2</sup> Since the publication of this article, however, we have not heard any information about this master plan and what results have come from it.
3. A December 7, 2023 Civil Beat article explained that “DOE approached Budget and Finance (B&F) several months ago and flagged that close to \$900M in CIP funds were scheduled to lapse on June 30, 2024. The DOE has had two or three years to encumber the money but has not done so, [B&F] said.” “Discussions were ongoing between B&F and DOE for several months and the lapse number that was finally decided between B&F and DOE was \$465M.”<sup>3</sup>

A state audit would help the public understand why the backlog has become so large and offer recommendations on how DOE can improve going forward.

Hui for Excellence in Education, or “HE’E,” promotes a child-centered and strength-based public education system in which families, communities and schools are valued and empowered to help every student succeed. HE’E works to bring diverse stakeholders together to harness collective energy, share resources, and identify opportunities for progressive action in education.

Thank you for the opportunity to testify. Our support for this measure represents at least a 75% consensus of our voting membership.

Sincerely,

Cheri Nakamura  
HE’E Coalition Director

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<sup>1</sup> <https://www.staradvertiser.com/2018/12/24/hawaii-news/repair-and-maintenance-bill-pegged-at-868m-for-hawaii-public-schools/?HSA=2022ea6203dc4c3a96e67b4129bdd0c58436a6a1>

<sup>2</sup> <https://www.civilbeat.org/2019/04/doe-lays-out-a-10-year-road-map-for-fixing-old-schools-building-new-ones/>

<sup>3</sup> <https://www.civilbeat.org/2023/12/official-overseeing-hawaii-school-facilities-is-out-amid-funding-controversy/>



### Coalition Members and Participants

Academy 21

Alliance for Place Based Learning

American Civil Liberties Union

Atherton YMCA

Education Institute of Hawai'i

\*Faith Action for Community Equity

Fresh Leadership LLC

Girl Scouts Hawai'i

\*HawaiiKidsCAN

\*Hawai'i Afterschool Alliance

\*Hawai'i Appleseed Center for Law and Economic Justice

\*Hawai'i Association of School Psychologists

Hawai'i Athletic League of Scholars

\*Hawai'i Children's Action Network

Hawai'i Education Association

Hawai'i Nutrition and Physical Activity Coalition

\* Hawai'i State PTSA

Hawai'i State Student Council

Hawai'i State Teachers Association

Head Start Collaboration Office

It's All About Kids

\*INPEACE

Joint Venture Education Forum

Junior Achievement of Hawaii

Kamehameha Schools

Kanu Hawai'i

Kaua'i Ho'okele Council

Keiki to Career Kaua'i

Kupu A'e

\*Leaders for the Next Generation

Learning First

McREL's Pacific Center for Changing the Odds

Native Hawaiian Education Council

Our Public School

\*Pacific Resources for Education and Learning

\*Parents and Children Together

\*Parents for Public Schools Hawai'i

Special Education Provider Alliance

\*Teach for America

The Learning Coalition

US PACOM

University of Hawai'i College of Education

\* Youth Service Hawai'i

*Voting Members (\*) Voting member organizations vote on action items while individual and non-voting participants may collaborate on all efforts within the Coalition.*

**LATE**

**HCR-192**

Submitted on: 3/20/2024 11:25:26 PM

Testimony for EDN on 3/21/2024 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Larry Veray	Chairman Pearl City Neighborhood Board No. 21	Support	Written Testimony Only

Comments:

As Chairman for the Pearl City Neighborhood Board, I am submitting testimony as an individual. I am in total support for this resolution. This DOE backlog in repairing our schools needs to be fixed and bring technology to to help DOE effectively correct this problem. WE NEED THIS REPAIR AND RENOVATION DONE AS SOON AS POSSIBLE. Mahalo!

**HCR-192**

Submitted on: 3/20/2024 9:06:04 AM

Testimony for EDN on 3/21/2024 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
De Austin	Individual	Support	Written Testimony Only

Comments:

Honorable chair and respected committee members,

I support the audit of the DOE's backlog of capital improvement repair and maintenance projects.

Taking this backlog into account, it greatly concerns me that the DOE is currently weighing in on the option of creating a real estate division, reportedly to assist with housing for teachers.

The DOE is confused on its mission. The department of education should focus on providing an organized system of hiring, training, and handling payroll services for teachers and other employees of the department, state-wide.

The DOE does not need to be in construction, nor large scale maintenance, nor real estate. The DOE and/or the state of Hawaii can hire or work with experienced, established professionals in these fields. Partnerships make more sense than increasing the reach of the Department into other industries.

I suspect the DOE is bloated with staff and resources which should be used for the betterment of our school system and our keiki are instead being used to justify the existence of nonsense departments and micro-roles (curriculum coordinators galore, state based teacher trainers vs. school-based trainers, etc.).

Have at it. I hope I am wrong.

With respect,

D. Austin

Kihei, Maui

**HCR-192**

Submitted on: 3/20/2024 10:00:18 AM

Testimony for EDN on 3/21/2024 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Candace Vizcarra	Individual	Support	Written Testimony Only

Comments:

YES, praying for GOD's hand over this matter



**HCR-192**

Submitted on: 3/20/2024 11:45:00 AM

Testimony for EDN on 3/21/2024 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Daniel C. Smith	Individual	Support	Written Testimony Only

Comments:

I support the passage of HCR192 and HR172 asking for an audit of the Dept. of Education's capital improvement and maintenance projects. It makes sense that legislators and the public understand the problems so corrective action can be taken.

Mahalo,

Dan Smith