
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that section 5.1 of the
2 bylaws of the board of education establishes four standing
3 committees, including the audit committee with a scope that
4 relates to accounting and financial reporting processes;
5 compliance with legal and regulatory requirements; and systems
6 of internal controls over financial reporting and compliance
7 with the adopted codes of conduct and ethical standards,
8 including regular review and approval of internal audit plans.

9 The legislature also finds that board of education
10 policy 303-3 requires the department of education to "conduct a
11 program and fiscal evaluation of its key strategic initiatives
12 to identify program improvements and inform the redirection of
13 financial and human resources to support the effective
14 implementation of the Department's Strategic Plan for improved
15 outcomes for students as well as in furtherance of the Board's
16 goals." The policy also requires the department to "conduct
17 desk reviews on all other programs in a timely manner."



1 Accordingly, the purpose of this Act is to:

2 (1) Establish in statute the board of education internal
3 audit office to perform the evaluations required by
4 the board's policy and review external audits; and

5 (2) Require the board of education to establish, as a
6 standing committee of the board, a standing committee
7 with a scope that includes audits.

8 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
9 amended by adding two new sections to part IV, subpart B, to be
10 appropriately designated and to read as follows:

11 "§302A- Board of education internal audit office;
12 established; duties. (a) There is established within the
13 department the board of education internal audit office.

14 (b) The board of education internal audit office shall:

15 (1) Conduct program and fiscal evaluations of the
16 department's key strategic initiatives to identify
17 program improvements and inform the redirection of
18 financial and human resources to support the effective
19 implementation of the department's strategic plan for
20 improved outcomes for students, and in furtherance of
21 the board's goals;



- 1 (2) Conduct desk reviews on all other programs in a timely
- 2 manner; and
- 3 (3) Review external audits relating to the department and
- 4 submit to the board as a whole recommendations for
- 5 review or further action.

6 **§302A- Board of education standing committee on**
7 **audit-related responsibilities.** The board shall establish, as a
8 standing committee of the board, a standing committee with a
9 scope that includes audit-related responsibilities."

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2026-2027 for
13 the establishment and functions of the board of education
14 internal audit office.

15 The sum appropriated shall be expended by the department of
16 education for the purposes of this Act.

17 SECTION 4. New statutory material is underscored.

18 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

BOE; DOE; Internal Audit Office; Establishment; Appropriation

Description:

Establishes the Board of Education Internal Audit Office.
Requires the Board of Education to establish, as a standing committee of the Board, a standing committee with a scope that includes audit-related responsibilities. Appropriates funds. Effective 7/1/3000. (HD1)

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