November 27, 2018

OFFICE OF THE

MEMO TO: PEA-4(2) File

FROM: Alika Atay, Councilmember Dife Atay

SUBJECT: TRANSMITTAL OF LEGISLATIVE PROPOSAL RELATING TO

2019 MAUI COUNTY LEGISLATIVE PACKAGE (PAF 18-241)

The attached legislative proposal pertains to Item 4(2) on the Committee's agenda.

paf:jgk:18-241e

Attachment

Resolution

APPROVING FOR INCLUSION IN THE 2019 MAUI COUNTY LEGISLATIVE PACKAGE A STATE BILL REQUIRING THE STATE AUDITOR TO CONDUCT A COMPREHENSIVE AUDIT OF THE DEPARTMENT OF EDUCATION

WHEREAS, during the 2019 legislative session, the State Legislature passed out Senate Bill 2922, a proposal to amend Articles VIII and X of the Constitution of the State of Hawaii to authorize the Legislature to establish a surcharge on investment real property, from which the revenues would be used for public education; and

WHEREAS, the State Department of Education has received over \$1.5 billion in funding from the State general fund since fiscal year 2016; and

WHEREAS, the State Legislature proposed Senate Bill 2922 without first evaluating the Department's use of this significant level of funding through a comprehensive audit, which would have analyzed the Department's financial needs and identified areas of improvement; and

WHEREAS, to ensure the State Department of Education utilizes its funding effectively and efficiently, the State Legislature should require the State Auditor to conduct a comprehensive audit of the Department; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

- 1. That the proposed State bill, attached as Exhibit "A," to require the State Auditor to conduct a comprehensive audit of the State Department of Education, is approved for inclusion in the 2019 Maui County Legislative Package; and
- 2. That certified copies of this resolution be transmitted to the Mayor, County of Maui; the Governor, State of Hawaii; the Senate President, State of Hawaii; and the Speaker of the House of Representatives, State of Hawaii.

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A BILL FOR AN ACT

RELATING TO EDUCATION.

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

- 1 SECTION 1. The auditor shall conduct a comprehensive
- 2 audit, including a fiscal and personnel accountability analysis,
- 3 of the department of education. The audit shall be limited to
- 4 the following offices and programs within the department:
- 5 (1) The office of the superintendent.
- 6 (2) The office of the deputy superintendent.
- 7 (3) The office of the "senior" assistant superintendent
- 8 for administrative affairs.
- 9 (4) The administrative assistant office.
- 10 (5) The civil rights compliance office.
- 11 (6) The communications office.
- 12 (7) The community engagement office.
- 13 (8) The internal audit office.
- 14 (9) The monitoring and compliance office.
- 15 (10) The office of strategy, innovation, and performance.
- 16 (11) The office of fiscal services.
- 17 (12) The office of school facilities and support services.
- 18 (13) The office of talent management.

EXHIBIT A "

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         (14) The office of information technology services.
         (15) The coordinated support office.
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         (16) The school transformation branch.
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         (17) The office of curriculum, instruction, and student
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              support.
         (18) The offices of the complex area superintendents.
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         SECTION 2. The auditor shall submit the audit report,
    including findings and recommendations, to the legislature no
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    later than twenty days prior to the convening of the regular
    session of 2020. The audit report shall include a comprehensive
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    plan to effectively and strategically fund schools and personnel
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    at the complex-area level.
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         SECTION 3. There is appropriated out of the general
    revenues of the State of Hawaii the sum of $ or so much
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    thereof as may be necessary for fiscal year 2019-2020 for the
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    auditor to conduct a financial audit of the department of
    education.
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         The sum appropriated shall be expended by the office of the
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    auditor for the purposes of this Act.
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        SECTION 3. This Act shall take effect on July 1, 2019.
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INTRODUCED BY: