
HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO PERFORM A FINANCIAL AND MANAGEMENT
AUDIT OF KEALAKEHE HIGH SCHOOL.

1 WHEREAS, Act 51, Session Laws of Hawaii 2004 (Act 51), also
2 known as the "Reinventing Education Act of 2004", was designed
3 to provide comprehensive education reform in Hawaii's public
4 schools by, among other things, reducing the bureaucracy within
5 the Department of Education and focusing more resources and
6 control at the individual school level; and
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8 WHEREAS, Act 51 established a weighted student formula for
9 allocating operating funds to individual public schools that
10 uses a system of weighted characteristics affecting the relative
11 cost of educating each student; and
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13 WHEREAS, Act 51 also enhanced decision-making at the school
14 level by increasing principals' budgeting authority and spending
15 flexibility, making principals more accountable for determining
16 methods to improve student achievement; and
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18 WHEREAS, because the weighted student formula allocates
19 school funds based on student need, there have been concerns
20 that some schools would lose money and resources to a degree
21 that would harm student achievement; and
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23 WHEREAS, there have also been doubts regarding the ability
24 of school principals to meet the increased demands and
25 responsibilities that Act 51 places upon them, including greater
26 control over school budgets; and
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28 WHEREAS, in 2006, the Auditor performed a management audit
29 of Kailua High School that provided a preliminary assessment of
30 the ability of public schools to meet the new requirements of
31 Act 51; and
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1 WHEREAS, the Auditor concluded in its Report No. 06-06,
2 that stronger leadership and better management practices were
3 needed to prepare Kailua High School for greater autonomy and
4 responsibility for decision-making and educational outcomes
5 under Act 51; and

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7 WHEREAS, the Auditor's report noted that "the deficiencies
8 evident at Kailua High suggest that other Hawai'i schools may be
9 similarly unprepared to shoulder the additional responsibility
10 delegated by Act 51"; and

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12 WHEREAS, according to a 2010 news report, the Auditor
13 stated that a comprehensive management audit of the Department
14 of Education, including a school-by-school audit, would require
15 significant amounts of money and time; and

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17 WHEREAS, an audit of a single public school would be more
18 practical and would provide an updated example of how the
19 weighted student formula and school management under Act 51 have
20 been working in actual practice; now, therefore,

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22 BE IT RESOLVED by the House of Representatives of the
23 Twenty-sixth Legislature of the State of Hawaii, Regular Session
24 of 2011, the Senate concurring, that the Auditor is requested to
25 perform a financial and management audit of Kealakehe High
26 School; and

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28 BE IT FURTHER RESOLVED that the Legislature requests that
29 the financial and management audit, using the example of
30 Kealakehe High School, include an evaluation of:

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- 32 (1) The effectiveness of the weighted student formula
33 established under section 302A-1303.6, Hawaii Revised
34 Statutes, in allocating school funds;
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 - 36 (2) The performance of the school principal in meeting the
37 school management responsibilities set forth in Act
38 51, Session Laws of Hawaii 2004, and whether
39 principals can be reasonably expected to meet these
40 responsibilities based on this example; and
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 - 42 (3) Any deficiencies identified in school management
43 practices under the requirements of Act 51, Session
44 Laws of Hawaii 2004; and



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2 BE IT FURTHER RESOLVED that the principal of Kealakehe High
3 School is requested to cooperate fully with the Auditor in the
4 conduct of the financial and management audit; and
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6 BE IT FURTHER RESOLVED that the Auditor is requested to
7 submit the results of the financial and management audit,
8 including any proposed legislation, to the Legislature no later
9 than twenty days prior to the convening of the Regular Session
10 of 2012; and
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12 BE IT FURTHER RESOLVED that certified copies of this
13 Concurrent Resolution be transmitted to the Auditor, the
14 Chairperson of the Board of Education, and the Principal of
15 Kealakehe High School.
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OFFERED BY:



A handwritten signature in cursive script, reading "Cindy Evans", is written over a horizontal line.

FEB 09 2011

