



**STATE OF HAWAII
BOARD OF EDUCATION**

P.O. BOX 2360
HONOLULU, HAWAII 96804

August 15, 2019

TO: Finance and Infrastructure Committee

FROM: Kenneth Uemura
Chairperson, Finance and Infrastructure Committee

AGENDA ITEM: Committee Action on identification and selection of individuals for a working group tasked with work ensuring Board of Education policies and structures establish a transparent, accessible, and credible budgeting and financial reporting process (FIC Strategic Priority 1)

I. BACKGROUND

At its July 18, 2019 general business meeting, the Board of Education ("Board") adopted committee strategic priorities for the 2019-2020 school year. Among the adopted priorities, the Finance and Infrastructure Committee ("Committee") is to "ensure policies and structures establish a budgeting and financial reporting process that results in a transparent, accessible, and credible Department [of Education] budget and financial reporting that the public can easily consume and is useful for policymakers." The following indicators will determine the Committee's success in achieving this priority:

- By August 15, 2019, the Committee will sufficiently identify and select individuals from the Board, Department of Education ("Department"), Legislature, and any other relevant stakeholders to a working group tasked with:
 1. Thoroughly reviewing Board Policies 303-1, 303-2, 303-3, any other relevant Board policies, and any existing structures related to the Department's budgeting and financial reporting process; and
 2. Generating a comprehensive report that adequately describes any policy and structural changes necessary to establish an effective budgeting and financial reporting process that results in transparent, accessible, and credible Department budgets and financial reports.

- By April 16, 2020, the Committee will approve all (100%) draft changes from the working group's comprehensive report for public comment.
- By May 21, 2020, the Committee will recommend effective changes that sufficiently considered public comments for Board approval.

II. WORKING GROUP

The strategic priority requires the Committee to create a working group consisting of representatives of stakeholders with interest and expertise in the Department's budgeting and financial reporting processes. The working group will be responsible for reviewing the following Board policies:

Board Policy 303-1	Department of Education Budgets
Board Policy 303-2	Department of Education's Budget Public Input Required
Board Policy 303-3	Department of Education Program Evaluations

After reviewing the aforementioned policies, the working group is responsible for generating a report to the Committee with recommended policy and structural changes necessary to establish an effective budgeting and financial reporting process that results in transparent, accessible, and credible Department budgets and financial reports. The Committee will review and approve draft changes for public comment. After the public comment period, the Committee will consider the comments received, determine if it needs to revise the draft changes, and make final policy and structural recommendations to the Board.

III. RECOMMENDATION

I recommend that the Committee designate me as the Committee's representative to and chairperson of the working group. I recommend that the Committee authorize me with identifying and selecting individuals to serve on the working group as representatives from the relevant stakeholders, which may include:

- Department of Education state administration;
- School administrators;
- Legislators; and
- Community/nonprofit organizations.

Proposed Motion

Move to:

- 1. Authorize Committee Chairperson Kenneth Uemura to identify and select individuals to serve on a working group tasked with:**
 - a. Reviewing Board Policies 303-1, 303-2, 303-3, any other relevant Board policies, and any existing structures related to the Department's budgeting and financial reporting process; and**

- b. Generating a comprehensive report to the Committee that describes and recommends any policy and structural changes necessary to establish an effective budgeting and financial reporting process that results in transparent, accessible, and credible Department budgets and financial reports; and**
- 2. Designate Committee Chairperson Uemura as the Committee's representative to and chairperson of the working group.**