

## LEGISLATIVE REPORT

Subject: School-by-School Expenditure Report

Reference: Section 302A-1004, HRS

Action Requested: Annual school-by-school expenditures report on:

- 1) Instruction, including face-to-face teaching, and classroom materials;
- 2) Instructional support, including pupil, teacher and program support;
- 3) Operations, including non-instructional pupil services, facilities and business services;
- 4) Other commitments, including contingencies, capital improvement projects, out-of-district obligations, and legal obligations;
- 5) Leadership, including school management, program and operations management, and district management;
- 6) The measures of accuracy, efficiency, and productivity of the DOE, districts and schools in delivering resources to the classroom and the student.

DOE Report: The Hawaii School Expenditure Reporting System (HSERS) for FY 2004-2005 is located on the Department of Education Web Page. The report will be available for public viewing by January 1, 2006.

### **HSERS Report**

To display the costs of education, DOE expenditures are extracted from the state's Financial Management System (FMS). The FMS records the financial activity by program (prog id), organization (org id), and object codes. The prog ids are cross walked to the HSERS function and sub function, the org ids categorize school and non-school organizations, and the object codes group salary, supplies, and equipment. Once the crosswalk is complete the FMS data is imported to HSERS.

### **Amount Expended by School**

The amount displayed represents monies that are spent at the school for salaries, supplies, textbooks, and equipment. This includes operational costs that are recorded to capture school level expenditures for school administrative staff, teachers, educational assistants, part time tutors, substitute teachers, custodians, and cafeteria staff.

**Amount Allocated by District**

The services that flow thru the district are allocated in support of school level activities that include diagnostic and counseling services, special education services, district resource teachers, and contracted services.

**Amount Allocated by State**

The services that flow thru the State include two separate categories to provide support services to the schools.

The State level services to the schools are for support services that directly or indirectly touches each school. State level services include student bus transportation, utilities, school lunch, network support services, and school repair and maintenance, employee fringe benefits for health fund, social security, pension accumulation, and DAGS risk management to the department.

**Non-allocable State and Complex Area Administrative Cost**

The non-allocable costs for State and Complex Area administrative costs are for services provided centrally. The costs include expenditures for salary, supply, and equipment for the Board of Education, Superintendent’s Office, Curriculum Support, Personnel, Business, Technology, Planning, and Complex Area.

There are expenditures incurred by other state departments on behalf of the DOE. This data is also added to HSERS:

| <b><u>Agency</u></b>                          | <b><u>Service Provided</u></b>       |
|---|--------------------------------------|
| Department of Accounting and General Services | Repair and Maintenance of Facilities |
| Department of Budget and Finance              | Central Services Costs               |
| Department of Health                          | Health Services                      |
| County of Maui                                | Student Transportation               |

Excluded from the per pupil cost are expenditures for Capital Improvement Projects (CIP) and debt service.

Web Site: HSERS reports are available on the web following the steps below:

1. Go to the Department of Education Home page <http://doe.k12.hi.us/>.
2. Under the heading Public Schools clique on Other Reports <http://doe.k12.hi.us/reports.htm>.
3. Under the heading Expenditures by School you may choose the respective years reports for Hawaii Expenditure Reporting System 2004-2005.

**§302A-1004 Educational accountability system; annual reports.** (a) The department shall implement a comprehensive system of educational accountability to motivate and support the improved performance of students and the education system. This accountability system shall:

- (1) Include student accountability; school or collective accountability; individual professional accountability for teachers, principals, and other employees; and public accounting to parents, community members, businesses, higher education, media, and political leadership;
- (2) Link authority and resources to responsibility;
- (3) Define clear roles for all parties and lines of responsibility and mutual obligation and develop a collaborative process with stakeholders, including representatives of appropriate bargaining units, parents, administration, and students;
- (4) Assess and track measures of academic achievement, safety and well-being, and civic responsibility of individual students at selected grade levels and report trend data on these measures over time annually;
- (5) Invoke a full and balanced set of appropriate consequences for observed performance, including rewards and recognition for those schools that meet or exceed their goals, assistance to those that fall short, and sanctions for those that, given adequate assistance and ample time, continue to fail to meet goals;
- (6) Involve an annual statewide assessment program that provides a report card containing trend data on school, school complex, and system performance at selected benchmark grade levels with performance indicators in areas relating to student achievement, safety and well-being, and civic responsibility. These performance indicators shall include but not be limited to:
  - (A) Student performance relative to statewide content and performance standards; and
  - (B) School attendance and dropout rates;
- (7) Require that teachers and administrators engage in the continuous professional growth and development that ensure their currency with respect to disciplinary content, leadership skill, knowledge, or pedagogical skill, as appropriate to their position. This requirement may be established by the department in terms of credit hours earned or their equivalent in professional development activity certified by the department as appropriate in focus and rigor;
- (8) Establish an explicit link between professional evaluation results and individual accountability through professional development of the knowledge, skill, and professional behavior necessary to the position, by requiring that results of the professional evaluation be used by the department to prescribe professional development focus and content, as appropriate;
- (9) Include an annual statewide fiscal accountability program, which includes a published report card that contains trend data on school, school complex, and systemwide plans and results, including:

- (A) Amounts allocated;
- (B) Amounts expended;
- (C) Amounts carried over; and
- (D) Any significant changes to the budget, with an explanation for the change;

(10) Include an evaluation of the effectiveness of complex area superintendents and principals in supporting:

- (A) Students' academic achievement, safety and well-being, and civic responsibility; and
- (B) The satisfaction of stakeholders affected by the work of the complex area superintendents and principals, which may be measured by broadbased surveys; and
- (C) Fiscal accountability.

(b) The department shall submit to the legislature, the governor, and the board of education at least twenty days prior to the convening of each regular legislative session a report of the specifics of the implementation of the comprehensive accountability system, as well as the fiscal requirements and legislative actions necessary to maintain and improve the accountability system.

(c) The department shall submit to the legislature and to the governor, at least twenty days prior to the convening of each regular session, an educational status report that includes but is not limited to the following:

- (1) Results of school-by-school assessments of educational outcomes;
- (2) Summaries of each school's standards implementation design;
- (3) Summary descriptions of the demographic makeup of the schools, with indications of the range of these conditions among schools within Hawaii;
- (4) Comparisons of conditions affecting Hawaii's schools with the conditions of schools in other states;
- (5) Other such assessments as may be deemed appropriate by the board; and
- (6) Any other reports required by this section.

(d) The department shall provide electronic access to computer-based financial management, student information, and other information systems to the legislature and the auditor. The department shall submit to the legislature and to the governor, at least twenty days prior to the convening of each regular session, a school-by-school expenditure report that includes but is not limited to the following:

(1) The financial analysis of expenditures by the department with respect to the following areas:

- (A) Instruction, including face-to-face teaching, and classroom materials;
- (B) Instructional support, including pupil, teacher, and program support;
- (C) Operations, including non-instructional pupil services, facilities, and business services;
- (D) Other commitments, including contingencies, capital improvement projects, out-of-district obligations, and legal obligations; and

- (E) Leadership, including school management, program and operations management, and district management; and
- (2) The measures of accuracy, efficiency, and productivity of the department, districts, and schools in delivering resources to the classroom and the student.
- (e) The superintendent of education is responsible for the development and implementation of an educational accountability system. The system shall include consequences and shall be designed through a collaborative process involving stakeholders that shall include parents, community members, the respective exclusive representatives, as well as others deemed appropriate by the superintendent.

For the purposes of this section, negotiations under chapter 89 shall be between the superintendent or the superintendent's designee and the respective exclusive representative, and shall be limited to the impact on personnel arising from the superintendent's decision in implementing the educational accountability system. After the initial agreement is negotiated, provisions on the impact of the accountability on personnel may be reopened only upon mutual agreement of the parties. [L 1996, c 89, pt of §2; am L 1999, c 74, §2 and c 199, §2; am L 2000, c 238, §1; am L 2004, c 51, §56]

# SAMPLE

## 2003-2004 Expenditures by School / Sub-Function

MCKINLEY HIGH

**Total Expenditures** \$16,106,382.62    **Per Student** \$8,553.58    **School Enrollment** 1883

| Function              | Total          | Per Student |
|-----------------------|----------------|-------------|
| Instruction           | \$7,936,180.11 | \$4,214.65  |
| Instructional Support | \$4,748,786.70 | \$2,521.93  |
| Leadership            | \$920,539.85   | \$488.87    |
| Operations            | \$2,326,807.43 | \$1,235.69  |
| Other Commitments     | \$174,068.53   | \$92.44     |

| Function              | Sub-Function                | Total          | Per Student |
|-----------------------|-----------------------------|----------------|-------------|
| Instruction           | Classroom Materials         | \$595,222.94   | \$316.10    |
| Instruction           | Face-to-Face Teaching       | \$7,340,957.17 | \$3,898.54  |
| Instructional Support | Program Support             | \$880,421.47   | \$467.56    |
| Instructional Support | Pupil Support               | \$2,961,742.03 | \$1,572.88  |
| Instructional Support | Teacher Support             | \$906,623.20   | \$481.48    |
| Leadership            | District Management         | \$10,297.46    | \$5.47      |
| Leadership            | Prog. & Oper. Management    | \$67,117.00    | \$35.64     |
| Leadership            | School Management           | \$843,125.39   | \$447.76    |
| Operations            | Business Services           | \$212,114.98   | \$112.65    |
| Operations            | Facilities                  | \$950,302.90   | \$504.67    |
| Operations            | Non-Instruct. Pupil Svcs    | \$1,164,389.55 | \$618.37    |
| Other Commitments     | Out-of-District Obligations | \$174,068.53   | \$92.44     |

School Costs  
and Services  
Paid By:

School                      Complex Area Office                      State Office

|                 |                |                |
|-----------------|----------------|----------------|
| \$12,232,341.59 | \$1,878,159.47 | \$1,933,253.80 |
|-----------------|----------------|----------------|

# SAMPLE

## 2003-2004 ACT 199 Expenditure Reporting

### STATEWIDE TOTAL

|                                       |                    |                  |            |
|---------------------------------------|--------------------|------------------|------------|
| <b>Total DOE Appropriated</b>         | \$1,575,416,772.83 | <b>Per Pupil</b> | \$8,635.54 |
| <b>Total DOE &amp; Other Agencies</b> | \$1,620,511,063.54 | <b>Per Pupil</b> | \$8,882.73 |

| Function              | Total             |
|-----------------------|-------------------|
| Instruction           | \$ 780,899,860.30 |
| Instructional Support | \$ 418,840,119.23 |
| Leadership            | \$ 117,371,541.13 |
| Operations            | \$ 240,665,139.31 |
| Other Commitments     | \$ 17,640,112.86  |

| Function              | Sub-Function                | Total             |
|-----------------------|-----------------------------|-------------------|
| Leadership            | School Management           | \$ 96,831,029.63  |
| Leadership            | District Management         | \$ 6,990,925.83   |
| Leadership            | Prog. & Oper. Management    | \$ 13,549,585.67  |
| Operations            | Facilities                  | \$ 90,599,934.06  |
| Operations            | Business Services           | \$ 40,157,766.39  |
| Operations            | Non-Instruct. Pupil Svcs    | \$ 109,907,438.86 |
| Instruction           | Classroom Materials         | \$ 70,067,478.81  |
| Instruction           | Face-to-Face Teaching       | \$ 710,832,381.49 |
| Other Commitments     | Out-of-District Obligations | \$ 17,640,112.86  |
| Instructional Support | Pupil Support               | \$ 261,970,986.39 |
| Instructional Support | Program Support             | \$ 87,666,397.03  |
| Instructional Support | Teacher Support             | \$ 69,202,735.80  |

| Central Costs Included In Total DOE & Other Agencies Per Pupil Cost | Central Costs Not Included In Total DOE & Other Agencies Per Pupil Cost |
|---|---|
| DOE State Administrative Costs                                      | \$33,379,649.17   |
| DOE Complex Area Administrative Costs                               | \$8,529,446.34  |
| Other Agencies  | \$45,094,290.71   |
| Community Schools   | \$12,528,639.22   |
| CIP   | \$54,962,881.00   |
| Debt Services   | \$98,933,822.00   |
| Fringe Benefit - Transfer to B&F                                    | \$19,917,198.00   |