

OVERVIEW

Management Audit of Hawaii's School-to-Work Opportunities System

Report No. 98-21, December 1998

Summary

The Office of the Auditor conducted a management audit of Hawaii's school-to-work opportunities system in response to House Concurrent Resolution No. 88, H.D.1, S.D.1, C.D. 1. The development and implementation of this system is the result of Hawaii's participation in the federal school-to-work initiative under the School-to-Work Opportunities Act of 1994 (Public Law 103-239). The act provides a national framework for building local systems to ensure that all students can achieve high levels of academic and technical skills and prepare for further education and careers.

The federal government intends to provide only venture capital or seed money through grants and only for a five-year period. The act sunsets on October 1, 2001. States and localities are expected to secure alternate sources of funding beyond that date. Hawaii's school-to-work opportunities system receives both federal and state funds. Federal funding for the school-to-work initiative is \$10.2 million for the five-year implementation grant period which started in FY1995-96.

Hawaii's school-to-work initiative is headed by the Hawaii School-to-Work Opportunities Executive Council. The council's primary staff are located in the Hawaii School-to-Work Office. Department of Education staff assist with the initiative and the department serves as the fiscal agent responsible for administering the federal grant and any state funding.

We found that Hawaii's school-to-work opportunities system lacks a clear mission, goals, and outcome measures. Difficulty explaining exactly what school-to-work entails has plagued the executive council from the start. Currently, Hawaii's school-to-work effort is nowhere near statewide implementation, nor is it close to being a system. "Partnerships" between schools and businesses are supposed to provide "hands-on" experience to students but partnerships for the most part have not received much guidance from the Hawaii School-to-Work Office when it comes to "system building."

Additionally, we found that controls over school-to-work expenditures are weak. Accountability over school-to-work expenditures is not clear. This has led to confusion over who should be monitoring whether the school-to-work funds are expended properly, particularly at the partnership level. Through our review of expenditures at 13 partnerships we visited, we found that some school-to-work funds have been spent on miscellaneous items that do not directly relate to the development of a statewide system.

We also found that the implementation of safety inspection requirements is poor. Staff are reluctant to do the safety inspections because of inadequate training, the subjective nature of the criteria used to deem a site "safe," and issues of personal liability.

Recommendations and Response

We recommend that the Legislature should not provide any additional funding for Hawaii's school-to-work opportunities system until the executive council clearly defines the system's mission and goals, and clarifies how it intends to measure outcomes for school-to-work. Also, the executive council and the Department of Education must clarify the role of the fiscal agent and determine who is responsible for ensuring the partnerships are held accountable for their funding.

We also recommend that the Legislature require the executive council, the Department of Education, and the University of Hawaii to determine the effectiveness of safety surveys and whether they should be continued. Furthermore, regardless of whether safety surveys are conducted, the Legislature should require standardized worker readiness training, which should be approved by the Department of Labor and Industrial Relations' HIOSH Division. Finally, agencies responsible for training should help to ensure that students, teachers, parents, and work site employers are provided with more information on the work limitations of students, unsafe situation recognition and prevention techniques, and child labor laws.

Although the school-to-work opportunities executive council generally agreed with our findings and recommendations, it raised some concerns regarding our first finding regarding lack of clarity in mission, goals, and outcome measures. It also defended the localized direction and the lack of post-graduation data.

We stand by our conclusions. On some matters, the council misses the point. On others, we note that the onus is on the council to prove that the school-to-work initiative has made a difference with programs already in place and that the additional funds have been effectively spent.

In its response, the Department of Education endorses the response of the executive council. The department concurs with our finding that before federal funding ends, the executive council and the Department of Education (more specifically the Board of Education) need to make sure their roles are clearly defined. It characterizes this as a "most fundamental issue."

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