

# OVERVIEW

## ***Audit of the Department of Education's Adult Education Program***

**Report No. 02-16, October 2002**

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### **Summary**

For over 50 years the Department of Education (DOE) has offered a program of adult and community education of less than college level. In response to concerns about the program's efficiency and ability to be financially self-sufficient, the Auditor initiated this audit pursuant to Section 23-4, Hawaii Revised Statutes, which requires the Auditor to conduct postaudits of the transactions, accounts, programs, and performance of all departments, office, and agencies of the State and its political subdivisions.

We found that the DOE did not provide the appropriate oversight to ensure that the adult education program is being efficiently and effectively delivered through its 11 community schools. Self-serving practices of adult education staff have taken precedence over its mission to serve the community. Moreover, the DOE failed to disburse federal funds properly through a competitive grant process. The DOE was overly restrictive in its request for proposal, in apparent violation of the *Hawaii Public Procurement Code*. As a result, only the DOE's own community schools' proposal was considered responsive and all available federal grant moneys were awarded to the adult community school consortium. The U.S. Office of Vocational and Adult Education has also questioned DOE's decision.

We also found that sloppy controls over key program information resulted in misleading and unreliable data. For example, these schools commonly engaged in a practice of *double-counting* students, i.e., if one student attends three classes, the student is counted three times. The DOE in its K-12 system counts this as only one student. Furthermore, assessment activities to determine students' course requirements were incorrectly classified as courses. In another situation, a single course was segmented and reported as four. Since the classification and compensation of principals and vice-principals is partially determined by total average student enrollment, this method of counting students artificially elevates the compensation of these administrators.

We also found that other community schools staff may be receiving unwarranted compensation. Some community school administrative staff also receive part-time temporary teacher pay for presumably teaching classes after work hours. However, the DOE lacks safeguards to ensure that such employees are teaching only during hours other than when they are being paid as administrative staff. A review of official class attendance sheets revealed irregularities. For example, staff were listed as *students* on the same days and time that they were supposed to be *teaching* another class.

The DOE's adult education program lacks effective centralized oversight, resulting in many decisions being left to the principals. While this permits each school some

degree of flexibility, it also results in ineffective and inconsistent program management. For example, while some classes are properly offered at no cost, state law requires that the program be financed in part from student fees. However, we found that some community schools do not consistently charge or recoup fees from students when authorized. Essentially the same class may be offered at one community school as community-service and tuition free, while at another community school, the same course is classified as general interest and subject to a fee. Some schools impose a book or materials fee but no course fee. Classes continued to be taught when enrollment numbers were too low to justify continuation.

Finally we found that when the adult education program was created, there were no practical alternative agencies other than the DOE to manage the program. However, this is no longer the case. The University of Hawaii's community college system, which was established in 1964, provides, in many cases, similar comprehensive programs that open educational opportunities to people 18 years and older. As we noted in a 1997 audit, the community college system already has in place an effective program evaluation process in contrast to the DOE.

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## **Recommendations and Response**

We recommended that the Board of Education hold the DOE responsible for ensuring that federal grant moneys are distributed according to all state and federal requirements. In addition, the board should ensure that the DOE implement consistent and accurate record keeping practices, charge course fees consistently, review staff utilization policies, conduct student evaluations and assess student outcomes. Finally we recommended that the Legislature consider transferring responsibility for the management of the adult education program to the University of Hawaii's community college system.

The DOE responded that since the report was completed, a number of positive changes to the adult education program have already taken place, including the elimination of the practice of double counting student enrollment.

The DOE also stated that it is investigating and is committed to correcting the personnel issues identified in our report. The DOE further noted that the differences between DOE and the university should be considered by the Legislature in considering a possible transfer of responsibilities. Finally, the DOE stated that it now has tools in place to conduct program evaluation.

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