

LINDA LINGLE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
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BOARD OF EDUCATION


KATHRYN S. MATAYOSHI  
INTERIM SUPERINTENDENT

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OFFICE OF THE SUPERINTENDENT

August 3, 2010

TO: The Honorable Garrett Toguchi, Chairperson  
Board of Education

FROM: Kathryn S. Matayoshi   
Interim Superintendent

SUBJECT: Consolidation of Kaaawa Elementary School

1. RECOMMENDATION

It is recommended that Kaaawa Elementary School not be consolidated at this time.

2. RECOMMENDED EFFECTIVE DATE

Not applicable.

3. RECOMMENDED COMPLIANCE DATE (if different from the effective date)

Not applicable

4. DISCUSSION

a. Conditions leading to the recommendation

At former Superintendent Patricia Hamamoto's direction, Complex Area Superintendent Lea Albert appointed a task force to study and make a recommendation on the possible consolidation of Hauula, Kaaawa, and Waiahole Elementary Schools, pursuant to the provisions of Chapter 8-38, Hawaii Administrative Rules ("Consolidation of Public Schools") then in effect.

The reason for initiating the consolidation study was to determine whether the Department of Education could, by consolidating Kaaawa School with either Hauula or Waiahole Schools, or both, avoid having to spend an estimated \$2 million to convert the large capacity cesspools on the Kaaawa campus to a septic system. The cesspool conversion project was mandated by the U.S. Environmental Protection Agency and has been completed.

The task force appointed by Complex Area Superintendent Albert met ten times between March 2009 and June 2010 and held the public hearing required by Chapter 38 on June 2, 2010. Testimony at the public hearing was unanimously in favor of not consolidating Kaaawa School. Testimony is Exhibit A to this memorandum. The task force recommended that Kaaawa School not be consolidated. Its report and recommendation dated June 17, 2010 is Exhibit B to this memorandum.

Complex Area Superintendent Albert recommended that the schools not be consolidated. Her memorandum dated June 29, 2010 is Exhibit C to this memorandum.

It is physically possible to consolidate the three schools and close Kaaawa School. This could be accomplished as follows:

Residence address of 128 students attending Kaaawa in March 2010	Transfer to Waiahole	Transfer to Hauula
Waimanalo	1	
Hakipuu (Waiahole attendance area)	4	
Kualoa (Kaaawa attendance area)	2	
Kaaawa	68	
Kahana (Kaaawa attendance area)		19
Punaluu (Kaaawa attendance area)		7
Punaluu (Hauula attendance area)		15
Kaluanui (Hauula attendance area)		3
Hauula		6
Laie		1
Unknown address	2	
Total	77	51

This consolidation of Kaaawa School with the two neighboring schools would reduce overall costs by an estimated \$300,000 annually based on the preliminary weighted student formula for FY 2010-11 and other cost estimates. This includes approximately \$100,000 of fringe benefit costs that are now charged to the Department of Budget & Finance. This calculation shows a lower savings that is shown in the task force report primarily because (i) the task force report used data for 2009-10 provided by the DOE whereas the data below uses the weighted student formula for FY 2010-11, which will provide lower subsidies to small schools in FY 2010-11 and (ii) the task force assumed all Kaaawa students would be transferred to either Hauula or Waiahole whereas the data below assumes the Kaaawa students would be divided evenly between the two receiving schools, which results in lower small school subsidy savings.

Small school subsidy of the three schools, no consolidation	514,422	
Small school subsidy of the two schools if Kaaawa were closed and the students split between the two other schools	372,876	
Reduction of weighted student formula funds from consolidation		141,546
Savings on fringes in WSF amounts (40.66% of 96%)		55,241
Total WSF savings including fringes		196,787
Elimination of non-WSF positions that would not be required of the receiving schools: school food service driver, part-time cafeteria worker, and school health aide, incl fringes		103,709
Elimination of school food service van operating costs		6,421
Elimination of Kaaawa facility costs		70,887
Gross savings		377,804
Less:		
Additional student transportation costs	61,424	
Additional utility costs at the two receiving costs	10,000	71,424
Net savings		306,380

There is sufficient capacity at Waiahole and Hauula to accommodate the additional students that would live in their respective attendance areas if Kaaawa School were closed and the boundary between Waiahole and Hauula Schools was established at the boundary between Kaaawa and Kahana. However, the negative consequences of this would be:

- i. The Kaaawa community would lose its school, which in any community and particularly in a rural community is a community and social hub in addition to being an education facility.
- ii. Students who now live within walking distance of Kaaawa School would no longer be able to walk to school.
- iii. If the secondary school boundary between the two complexes was not changed, students living in Kualoa/Kaaawa would attend elementary school in the Castle complex and secondary school in the Kahuku complex.
- iv. If the secondary school boundary were adjusted so that all students who went to Waiahole Elementary would go to Castle High, staying in the Castle complex K-12, the Kaaawa community would feel a loss because of its long-standing and close association with Kahuku High & Intermediate School.

A map showing the residence of students attending Kaaawa School as of March 2010 is Exhibit D to this memorandum.

At this time, transferring all Kaaawa School students to Hauula would require additional facilities at Hauula.

The three schools have similar demographics of students who research indicates require extra support to do well academically, as shown in the table below. Data are from SY 2009-10:

	Total enrollment grades K-6	Percent economically disadvantaged	Percent English language learners	Percent transient
Hauula	262	74%	6%	11%
Kaaawa	139	59%	1%	10%
Waiahole	63	64%	7%	10%

The percent of the schools' students proficient or better on the Hawaii State Assessment, and the improvement from a 2007 baseline when the current Hawaii State Assessment was adopted, are shown in the table below:

	Hauula	Kaaawa	Waiahole
Percent proficient or better, reading (2010)			
All students	60%	76%	53%
Disadvantaged students	55%	68%	not avail.
Percent proficient or better, math (2010)			
All students	39%	69%	42%
Disadvantaged students	34%	56%	not avail.
Percentage point improvement since 2007			
Percent proficient or better, reading			
All students	5 pts	15 pts	18 pts
Disadvantaged students	9 pts	4 pts	not avail.
Percent proficient or better, math			
All students	8 pts	17 pts	28 pts
Disadvantaged students	8 pts	13 pts	not avail.

While progress over the past three years at Hauula Elementary has been slow, the improvement in SY 2009-10 was dramatic:

	2007	2008	2009	2010
Percent proficient or better, reading				
All students	55%	50%	42%	60%
Disadvantaged students	46%	43%	34%	55%
Percent proficient or better, math				
All students	31%	41%	31%	39%
Disadvantaged students	26%	29%	25%	34%

The number of No Child Left Behind Act ("NCLB") targets each school has and met, and each school's status under NCLB are shown in the table below:

<b>Hauula</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
No. of targets/no. of targets met	12/13	10/13	7/13	13/13
Met adequate yearly progress (AYP)?	No	No	No	Yes
NCLB status	Corrective action, yr 1	Corrective action, yr 1	Planning for restructuring	Planning for restructuring

<b>Kaaawa</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
No. of targets/no. of targets met	13/13	13/13	12/13	13/13
Met adequate yearly progress (AYP)?	Yes	Yes	No	Yes
NCLB status	In good standing, unconditional	In good standing, unconditional	In good standing, pending	In good standing, unconditional

<b>Waiahole</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
No. of targets/no. of targets met	6/9	9/9	7/7	3/3
Met adequate yearly progress (AYP)?	No	Yes	Yes	Yes
NCLB status	Restructuring	Restructuring	In good standing, unconditional	In good standing, unconditional

The combined enrollment of the three schools has declined by approximately 40% over the past 25 years, and is projected to increase slightly over the upcoming six years, as shown in the table below. Kaaawa's enrollment has been relatively stable, while the other two schools' enrollment has decreased by more than 50%.

	Number of K-6 students			
	Hauula	Kaaawa	Waiahole	Total
1983-84	520	135	195	850
1984-85	497	144	191	832
1985-86	506	159	164	829
1986-87	498	148	166	812
1987-88	482	152	147	781
1988-89	475	145	176	796
1989-90	489	161	172	822
1990-91	477	162	178	817
1991-92	451	185	451	814
1992-93	414	181	173	768
1993-94	408	185	156	749
1994-95	375	177	168	720
1995-96	334	174	145	653
1996-97	368	196	140	704
1997-98	355	182	143	680
1998-99	384	175	131	690
1999-2000	385	169	121	675
2000-01	382	163	134	679
2001-02	320	162	126	608
2002-03	306	149	120	575
2003-04	287	126	114	527
2004-05	271	147	117	535
2005-06	262	142	99	503
2006-07	276	150	80	506
2007-08	275	147	68	490
2008-09	253	152	71	476
2009-10	262	139	63	464
2010-11	275	146	66	487
2011-12	275	141	53	469
2012-13	286	137	52	475
2013-14	292	131	55	478
2014-15	293	125	52	470
2015-16	294	146	54	494

Even if the EPA mandate to convert the cesspools to a septic system had not been required, it would still have been appropriate to study the possible consolidation of Kaaawa School, for these reasons:

- i. The school and campus are both small, with an enrollment of 139 students in SY 2009-10 and a campus of 3.7 acres. The school's current capacity is 156. It is unlikely the enrollment will ever increase to the point when the school will not require a subsidy beyond the weighted student formula to operate.
  - ii. There is room at the neighboring schools to accommodate the students currently enrolled at Kaaawa, and it does not appear that enrollment increases in the future will tax the remaining two schools if Kaaawa were closed.
  - iii. There is only one permanent building on the Kaaawa campus; the long-term cost to build permanent structures is on the order of \$20 million for an eight-classroom building, an administration/library/cafeteria building, and improvements to accommodate the handicapped.
- b. Previous action of the Board on the same or similar matter
- None.
- c. Other policies affected
- None.
- d. Arguments in support of the recommendation
- See discussion above.
- e. Arguments against the recommendation
- Some may argue that the savings from consolidation are worth it.
- f. Findings and conclusions of the Board committee
- To be determined.
- g. Other agencies or departments of the State of Hawaii involved in the action
- None.
- h. Possible reaction of the public, professional organizations, unions, DOE staff and/or others to the recommendations
- It is believed most will support this recommendation.

i. Educational implication

None.

j. Personnel implications

None.

k. Facilities implications

The Department of Education will need capital improvement appropriations in the future for major repairs and replacement of facilities if Kaaawa Elementary School remains open.

l. Financial implications

Approximately \$200,000 of operating funds will be required annually to continue the operation of Kaaawa Elementary School that would be saved if the school were consolidated with neighboring schools; an additional \$100,000 for fringe benefits will be incurred annually by the Department of Budget & Finance.

5. OTHER SUPPLEMENTARY RECOMMENDATIONS

None.

KSM:RGM:ck

Exhibits:

- A. Testimony
- B. Task Force report and recommendation
- C. Complex Area Superintendent recommendation
- D. Map showing residence of students attending Kaaawa Elementary School as of April 2010

- c: Board of Education Members  
Office of School Facilities and Support Services