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JIM POWELL: Beyond Tea Parties — A New Way for Taxpayers to Fight Back

By Jim Powell

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In the more than 100 days since President Obama took office, citizens around the country are doing more to resist the administration's plan for a massive expansion of government. Tea parties and ballot initiatives are among the best-known strategies. Now add independent citizen audits of local governments and public schools — (that account for as much as 85 percent of local spending — to the mix.

In Texas, journalist Peyton Wolcott launched the National School District Honor Roll Web site where schools can post their check registers. At last count 461 school districts in 31 states had signed on. To see if your local school district has posted its check register, [click here](#). This is an vital step for greater transparency.

What exactly would one do with a public school's check register? "It's the most important financial document in local government," explains Armand Fusco, a retired superintendent of public schools in Branford, Conn. and Hadley, Mass., who works through the Hartford-based Yankee Institute to train volunteers for independent citizen audits of local government and public schools.

With Yankee Institute Senior Policy Analyst Lewis M. Andrews, Fusco co-authored "How to Reduce Property Taxes with a Citizens Audit Committee," a concise guide available at Yankeeinstitute.org.

The first town in America to conduct an independent citizen audit appears to have been Enfield, Conn. — a town of 45,000 north of Hartford. There a citizen audit committee identified about \$750,000 of wasteful spending, and last week the town delivered the second consecutive budget without a tax increase. Now, 8 more Connecticut towns are in the process of establishing independent citizen audit committees. Out-of-state inquiries are also starting to come in.

These citizen audit committees, consisting of about 15 volunteers, must be independent of the government or school system being audited. When an audit committee was set up as a subcommittee of a school board, it was obliged to conduct all of its business in open meetings. They were packed with union hecklers who made it impossible to conduct business. An independent committee can control its work environment. Once the work has been completed then it goes public with a presentation explaining its findings and recommendations.

A check register shows every expenditure, large and small. Fusco says, "Many people think a budget is the most important financial document, but I analyzed one town's public school budget that shows \$115,000 was spent on heating oil during the year. I went through the check register, added up all the payments to the school's heating oil vender, and the total was about \$750,000. School boards rarely look at a check register, which is a reason why waste and embezzlement can go on for years."

Would school budget cuts jeopardize the quality of education? To answer this question, Fusco explains, one needs to get a copy of the master teacher schedule that shows who teaches each class and how many students are enrolled. He cautions that the master teacher schedule is the most closely-guarded secret in public schools. It's the hardest document to obtain, because it might reveal that payrolls are inflated.

Fusco cites the example of one school's fifth grade math enrichment program. The master teacher schedule showed that there were three classes: one class had four students, the second class had six students and the third class had five students. The same school had a sixth grade math enrichment class with 25 students. Fusco wondered why the school didn't consolidate the three small fifth grade classes into one class of 15 students. This would have made it possible to provide the same amount of teaching with fewer teachers and less cost.

Many schools around the country have increased the number of electives students can take by as much as 50 percent. Now, during the school day, students can take guitar lessons, pursue jewelry-making, study foreign films, the history of rock-and-roll, and do other things that used to be considered after-school activities. According to the Center on Reinventing Public Education, public schools spend more money on electives than on academic core courses. More experienced — and more highly paid — teachers tend to teach elective courses that aren't subject to testing. More transparency about the number of electives offered by the school would allow electives could be cut — reducing school costs without affecting the basics.

Many high school advanced placement courses can also be done online. These courses enable students to take college-level courses even if a school doesn't have qualified teachers for them. Reduced staffing for advanced placement courses would save \$1,000 to \$2,000 per student, according to Florida Virtual School Chief Learning Officer Pam Birtolo.

Shocked by an \$11.2 embezzlement scandal at the Roslyn, N.Y. public school system (a scandal which ultimately sent superintendent Frank Tassone to jail) the state legislature passed a so-called "Five Point Plan" which requires that school officials and boards be more involved in audits. The five point plan thwarted the independence of an audit — the very thing which is essential for candor and transparency. Alan Hevesi, the New York Comptroller who pushed for the plan, later resigned from his post after having entered into a plea agreement for defrauding the government of \$200,000.

Considering the huge amount of taxpayer money going into public schools, it shouldn't be surprising that over the years districts across the country have had various scandals — Bridgeport, Conn., Chicago, Cleveland, Hartford, Kansas City, Miami-Dade County, Newark, New York, Oakland, Philadelphia, Richmond and Washington, D.C. are just some of the cities that come to mind.

Is it any wonder then that independent citizen audits seem to offer great potential for taxpayers?

Jim Powell, a Senior Fellow at the Cato Institute, is the author of "FDR's Folly," "Bully Boy," "Wilson's War," "Greatest Emancipations," "The Triumph of Liberty" and other books.