

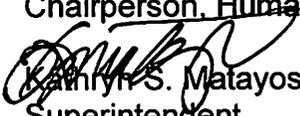


STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

June 16, 2015

TO: The Honorable Jim Williams  
Chairperson, Human Resources Committee

FROM:   
Kathryn S. Matayoshi  
Superintendent

SUBJECT: Committee Action on Recommendation Concerning Salary Adjustments for the Department of Education's Deputy Superintendent, Assistant Superintendents, Complex Area Superintendents, and the Administrative Assistant to the Superintendent

1. RECOMMENDATION

The Department is requesting approval from the Board of Education (Board) for (1) an across-the-board increase effective July 1, 2015 of 4 percent over their current salaries for the Deputy Superintendent, Assistant Superintendents, Complex Area Superintendents and the Administrative Assistant to the Superintendent, and (2) a corresponding 4 percent increase in the minimum and maximum amounts of the Salary Ranges for the Complex Area Superintendents.

2. RECOMMENDED EFFECTIVE DATE

July 1, 2015. This date is consistent with the implementation of compensation adjustments for most bargaining units and is the start of the new fiscal year.

3. DISCUSSION

a. Conditions leading to the recommendation

The positions covered by this recommendation are not included in, or excluded from, a bargaining unit. Therefore, Board approval of the recommendations is required to effect any compensation adjustments for this group of employees.

The across-the-board 4 percent recommendation is consistent with the average adjustments negotiated with most of the bargaining units. Although

the pending adjustment for employees included in and excluded from Bargaining Unit 06 are slightly higher (4.5 percent), that adjustment is not recommended for adoption because it was the result of an arbitration decision rather than negotiation.

In addition, the compensation for Complex Area Superintendents is determined pursuant to a system of Salary Ranges. Therefore, in order to implement the across-the-board increase in the customary manner, the Department also seeks Board approval to increase the minimum and maximum amounts for each Salary Range by a corresponding 4 percent. The recommended adjusted ranges, as rounded, are:

- Level A: \$125,000 - \$135,000
- Level B: \$135,000 - \$145,000
- Level C: \$145,000+

b. Previous actions of the Board on the same or similar matters

On October 15, 2013 the Board took action to enact salary ranges for executive leadership positions including:

- Deputy Superintendent: \$140,000 - \$180,000
- Assistant Superintendents, Complex Area Superintendents: \$120,000 - \$160,000

On June 17, 2014, the Board took action to adjust salaries of the Assistant Superintendents and Complex Area Superintendents by providing a 4 percent salary increase retroactive for SY13-14 and SY14-15.

On October 21, 2014 the Board approved the establishment of differentiated levels of compensation for Complex Area Superintendents. The current ranges, authorized at that time, are:

- Level A: \$120,000-\$130,000
- Level B: \$130,000-\$140,000
- Level C: \$140,000+

c. Other policies affected

The following section of the Hawaii Revised Statutes governs compensation practices for leadership positions:

§302A-621 Salary; deputy superintendent, assistant superintendents, complex area superintendents. The salaries of the deputy superintendent, assistant superintendents, and complex area superintendents shall be set by the board; provided that the salaries of the deputy superintendent, assistant superintendents, and the complex area superintendents shall not exceed the superintendent's salary.

d. Arguments in support of the recommendation

The recommended compensation adjustments will assist in recruiting and retaining individuals with the knowledge, skills, and abilities to succeed in the Department's leadership positions and advance the strategic initiatives. The adjustments are supported by BOE Policy 1310-4 (500.6) which states, in part, that "[t]he Board of Education desires that the best candidates are appointed to all of the subordinate superintendent positions to create a knowledgeable, strong, and dynamic leadership team that supports the superintendent, teachers, administrators, and other school-level personnel."

The proposed salary adjustments for leadership employees are consistent with the adjustments for employees over which they exercise responsibility. It is equitable to maintain appropriate pay relationships.

e. Arguments against the recommendation

Higher compensation requires additional funding.

f. Other agencies or departments of the State of Hawaii involved in the action:

None.

g. Possible reaction of the public, professional organizations, unions, DOE staff and/or others to the recommendation:

There may be adverse reaction by the public anytime there are pay increases for public officials. Other stakeholders should support adjustments that are aligned with negotiated increases for represented employees.

h. Educational implications:

The Department's ability to appropriately compensate individuals in leadership positions will enhance the support of educational services.

i. Financial implications

The Department has available funds to cover the proposed increases.

4. OTHER SUPPLEMENTARY RECOMMENDATIONS

Upon adoption of the Complex Area Superintendents' differentiated salary ranges in October 2014, the Department anticipated an annual performance evaluation that would determine, in part, the potential movement of Complex Area Superintendents from one salary range to the next. However, due to recent turnover in the Deputy Superintendent position, evaluations were not completed for SY14-15. For this reason, the Department has recommended the implementation of an equitable across-the-board increase for all Complex Area Superintendents, including those individuals whose salary has been maintained ("red-circled") above the maximum for the applicable ranges.

The new Deputy Superintendent will complete performance evaluations after he has had sufficient time to direct, work with and support the Complex Area Superintendents. Thus, future recommended adjustments for these positions may include movement of some employees to higher salary ranges.

KSM:BAK:je

c: Office of Human Resources