



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

OFFICE OF THE SUPERINTENDENT

January 21, 2021

TO: The Honorable Dwight Takeno
Chairperson, Human Resources Committee

FROM: Dr. Christina M. Kishimoto
Superintendent

A blue ink signature of Dr. Christina M. Kishimoto.

SUBJECT: **Committee Action on Reorganization of Office of Fiscal Services,
Accounting Services Branch**

1. EXECUTIVE SUMMARY

The Department of Education (Department) is seeking approval to reorganize the Accounting Services Branch (ASB) within the Office of Fiscal Services (OFS) with an effective date for implementation on February 1, 2021.

2. DISCUSSION

This reorganization will enable improved control and accountability over the business operations and accounting program goals, objectives, and expenditures. The functional areas of the current Director of the Accounting Branch are deemed overly extensive for one person to continue to oversee efficiently and effectively. This reorganization will split the Accounting Services Branch into two distinct Branches (Accounting and Business Operations) based on their functional areas of responsibility. The reorganization is expected to increase efficiency, improve response time and customer service, and increase the transparency of expenditures by creating a distinct functional separation of roles.

In addition, in the Fall of 2019, the Council of the Great City Schools (CGCS) conducted a peer review of OFS. One of its findings identified by the CGCS was that the current ASB Director's scope and volume of responsibility warranted a reorganization to separate the Accounting Section and the Operations Section.

The report stated that having the two sections under a single Director “has left the Accounting Section (financial reporting) of the Accounting Services Branch with diminished voice, oversight, and support.” CGCS proposed that the Department establish a controller-level position (equivalent to a Branch Director) to oversee fiduciary responsibilities and work directly with the Assistant Superintendent and Chief Financial Officer (CFO) for strategic direction and guidance.

3. PROPOSED CHANGES

The proposed changes to the ASB structure are as follows:

- Separate the current ASB into two (2) distinct Branches: Accounting and Business Operations;
- The current Accounting Section will be moved under the newly established Accounting Branch with a Director; and
- The current Operations Section will remain in the renamed Business Operations Branch.

The new Accounting Branch will be reorganized into three (3) units to better support the schools and complex areas:

- Unit I: General funds, equipment, and motor vehicle inventory, and various FMS processes, including payroll processing, and month-end/year-end processing;
- Unit II: Federal funds, federal grant accounting, and reporting, Financial Reporting System (or FRS) and all major financial reporting; and
- Unit III: Special, trust, capital project, and Student Activity Fund and related systems.

4. PERSONNEL IMPACTS

The number of full-time equivalent (or FTEs) will not increase with this reorganization. No active employees are being impacted.

The Accounting Director (PN 60005; EO-10) position will be retitled to Operations Director. A new Secretary IV (new; SR-18) position will be created from an abolished, vacant Account Clerk V (PN 18963; SR-15) position. A new Accounting Director (new; EO-10) position will be created from an abolished, vacant Budget Specialist III (PN 601455; EO-8) position from the Office of Fiscal Services. The Leave Management Unit Secretary I (PN 801030; SR-12) will be redescribed as an Office Assistant V (new; SR-12) under the Office of Fiscal Services Assistant Superintendent. The Vendor Payment & Payroll Unit Claims Pre-Audit Supervisor (PN 801210; SR-22) will be redescribed as a General Professional IV (SR-22).

5. FINANCIAL IMPACTS

The new Accounting Director position's additional average annual cost will be approximately \$9,100, with an additional average annual cost of approximately \$5,500 for the new Secretary IV position. Actual cost increases will be dependent on the individuals selected to fill the new positions and their placement on the salary schedule. The additional costs have been accounted for in the current budget for the Office of Fiscal Services.

CMK:lio

Attachments: 1. Summary of Changes – OFS Reorganization
2. Current OFS Chart
3. Proposed OFS Chart

c: Office of Fiscal Services

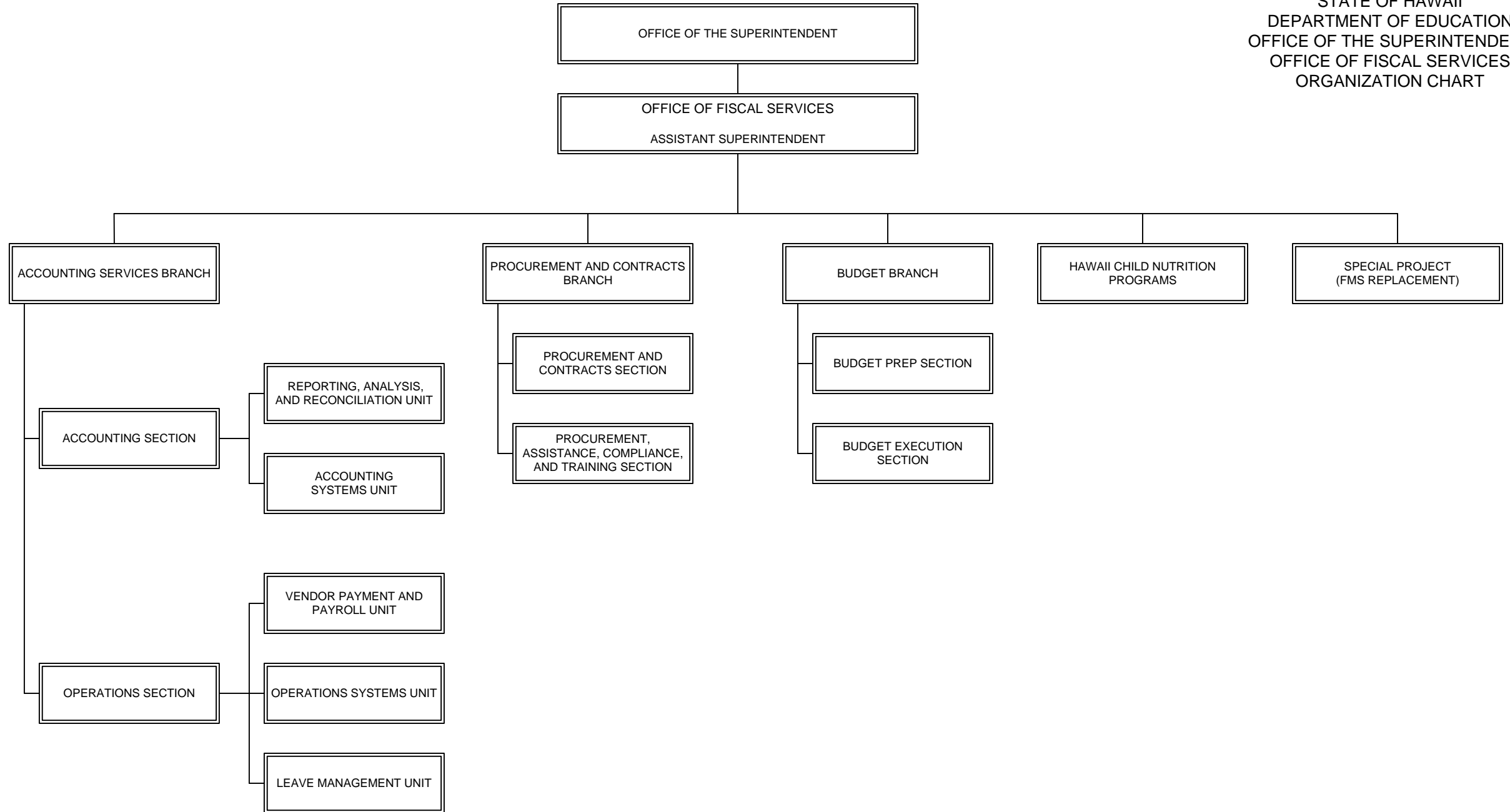
Office	Branch	Section	Unit	Position No.	Position Title	Perm/T emp	Included/ Excluded	Filled/ Vacant	BU	MOF	Proposed Change *	Change Title/Branch/Unit/SR	Reason for Change**
OFS	N/A	N/A	N/A	601455 (abolish)	Budget Specialist III	T	Inc	Vacant	6	Gen	- Abolish to create new position Accounting Director, EO-10	---	Vacant, unneeded temp position to be used to create new Accounting Branch
OFS	N/A	N/A	N/A	600107	Executive Assistant	P	Exc	Filled	56	Gen	- No longer supervises Budget Specialist III, #601455, EO-8	---	Restructuring to meet current OFS needs
OFS	Acctg	N/A	N/A	New (from 601455; perm from 801030)	Accounting Director	P	Exc	---	56	Gen	- Create new Accounting Director, EO-10, from abolishing vacant Budget Specialist III, EO-8, #601455 (which is currently a TEMP position) - Assign PERM status for this position from LMU Secretary I, #801030, SR-12 - This position description will focus on Accounting Branch duties. - This position will oversee 2 staff: Fiscal Specialist III #69252, EO-08 and new Secretary IV (new position number to be assigned, created from abolished #18963).	- create new Accounting Director position from abolished Budget Spec III - Change to EO-10 from former position EO-08 - Change to PERM from former position TEMP (transfer perm status from #801030). - Move position from OFS AS Office to Acctg Branch	- Update to new Branch - Accounting Director to oversee new Branch, focused only on Accounting duties
OFS	Acctg Svcs Branch	Operations	Leave Mgmt Unit	801030 (abolish)	Secretary I	P	Inc	Vacant	3	Gen	- Abolish (or redescribe) position to create new Office Asst (temp) position in OFS AS office - Permanent status for this position will be transferred to Accounting Director (#TBD) and #801030 (or new position #, if 801030 is abolished) will be a temp position	---	- Vacant, unneeded position being redescribed to better support OFS
OFS	NA	NA	N/A	New (from 801030)	Office Assistant V	T	Inc	---	3	Gen	- Redescribe perm Secretary I, #801030 SR-12 in Leave Management Unit to temp Office Assistant V, SR-12 position to support Time & Labor project in OFS AS office - Position will report to Fiscal Specialist III #601456 in OFS AS office - Position will be temp, with perm status transferred to new Accounting Director	- Redescribe from Sec I, 801030 to Office Assistant V - Perm status changed to Temp - Move from LMU /Ops Section to OFS AS Office	- Change in location/branch - Clerical assistance needed for project support rather than Leave Management Unit - Project has an end date (2021) and therefore does not need to be permanent when redescribed
OFS	N/A	N/A	N/A	601456	Fiscal Specialist III	T	Inc	Filled	6	Gen	- Will supervise Office Assistant V, NP#, SR-12	---	Provide support for Time & Labor implementation
OFS	FMS Replacement	N/A	N/A	603861	FMS Replacement Coordinator	T	Exc	Filled	56		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	603885	FMS Replacement Specialist	T	Exc	Filled	56		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	804656	FMS Replacement Assistant	T	Inc	Filled	13		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	804657	FMS Replacement Accountant	T	Exc	Filled	73		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	804658	FMS Replacement Supervisor	T	Exc	Filled	93		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	804659	FMS Replacement Clerk	T	Exc	Filled	63		no change, temporary project	no change, temporary project	no change, temporary project
OFS	FMS Replacement	N/A	N/A	804660	FMS Replacement Clerk	T	Exc	Filled	63		no change, temporary project	no change, temporary project	no change, temporary project
OFS	Acctg Svcs Branch	Operations	N/A	804655	FMS Replacement Administrative Assistant	T	Exc	Vacant	13		no change, temporary project	no change, temporary project	no change, temporary project
OFS	Acctg Svcs Branch	Accounting	Accounting Systems Unit	18963 (abolish)	Account Clerk V	P	Inc	Vacant	3	Gen	- Abolish to create new position (Secretary IV, SR-18, which will be assigned a new position number).	---	Vacant, unneeded position being abolished to create a position that better aligns to needs of the Accounting Branch
OFS	Acctg	NA	NA	New (from 18963)	Secretary IV	P	Inc	---	3	Gen	- Create new Secretary IV position, SR-18 from abolished Account Clerk V, #18963, SR-15 - Removed from former Accounting Section/Acctg Systems Unit to the Accounting Branch level - Will report to new Acctg Director	- Change Branch from Acctg Svcs Branch to Accounting Branch - New Secretary IV position under Accounting Branch level (moved out of Accounting Section/unit) - Change from SR-15 to SR-18	- Update to new Branch - Establish a position that better aligns to Accounting functions
OFS	Acctg Svcs Branch	Accounting	Unit I	804666	Accountant IV	P	Inc	Vacant	3	Gen	- Change from Acctg Svcs Branch to Accounting Branch - This position reports to Fiscal Specialist II #603697 in Acctg Branch/Acctg Section - Unit I	- Change Branch from Acctg Svcs Branch to Accounting Branch - Assigned to new classification "Unit I"	- Update to new Branch

Summary of Changes Proposed ASB/OFS Reorg

OFS	Acctg Svcs	Operations	Vendor Payment	59652	Pre-Audit Clerk II	T	Inc	Filled	3	Gen	- Branch renamed to Business Operations Branch	- Accounting Services Branch renamed to Business	- Update to re-named Branch
OFS	Acctg Svcs	Operations	Vendor Payment	59653	Pre-Audit Clerk II	T	Inc	Filled	3	Gen	- Branch renamed to Business Operations Branch	- Accounting Services Branch renamed to Business	- Update to re-named Branch
OFS	Acctg Svcs Branch	Operations	Vendor Payment and Payroll Unit	801210	Claims Pre-Audit Supervisor	T	Inc	Vacant	3	Gen	- Branch renamed to Business Operations Branch to General Professional IV - Reallocate	- Accounting Services Branch renamed to Business Operations Branch	- Update to re-named Branch & title
OFS	Acctg Svcs	Operations	Vendor Payment	804544	Pre-Audit Clerk II	T	Inc	Vacant	3	Gen	- Branch renamed to Business Operations Branch	- Accounting Services Branch renamed to Business	- Update to re-named Branch & title; show current direct
OFS	Acctg Svcs	Operations	Vendor Payment	804545	Pre-Audit Clerk II	T	Inc	Vacant	3	Gen	- Position will be abolished		- Position not needed
OFS	Acctg Svcs	Operations	Vendor Payment	804546	Pre-Audit Clerk II	T	Inc	Vacant	3	Gen	- Position will be abolished		- Position not needed
OFS	Acctg Svcs	Operations	Vendor Payment	804547	Pre-Audit Clerk III	T	Inc	Vacant	3	Gen	- Branch renamed to Business Operations Branch	- Accounting Services Branch renamed to Business	- Update to re-named Branch
OFS	Acctg Svcs	Accounting	N/A	69252	Fiscal Specialist III	P	Inc	Filled	6	Gen	- Accounting Section in the Accounting Services Branch (Acctg Svcs Branch) will move under	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	1790	Accountant V	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch.	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	1791	Accountant IV	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	3899	Accountant IV	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch.	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	3972	Accountant V	P	Inc	Vacant	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch.	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	11596	Accountant IV	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Accounting	22467	Accountant V	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	27486	Inventory Clerk	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch.	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Accounting	69290	Fiscal Specialist II	P	Inc	Filled	6	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	603697	Fiscal Specialist II	P	Inc	Filled	6	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	604470	Fiscal Specialist II	P	Inc	Filled	6	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	800785	Accountant IV	P	Inc	Filled	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	Reporting,	800786	Accountant IV	P	Inc	Vacant	13	Gen	- Change from Acctg Svcs Branch to Accounting Branch	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch
OFS	Acctg Svcs	Accounting	N/A	15186	Secretary II	P	Inc	Filled	13	Gen	- Accounting Section in the Accounting Services Branch (Acctg Svcs Branch) will move under	- Change Branch from Acctg Svcs Branch to Accounting	- Update to new Branch

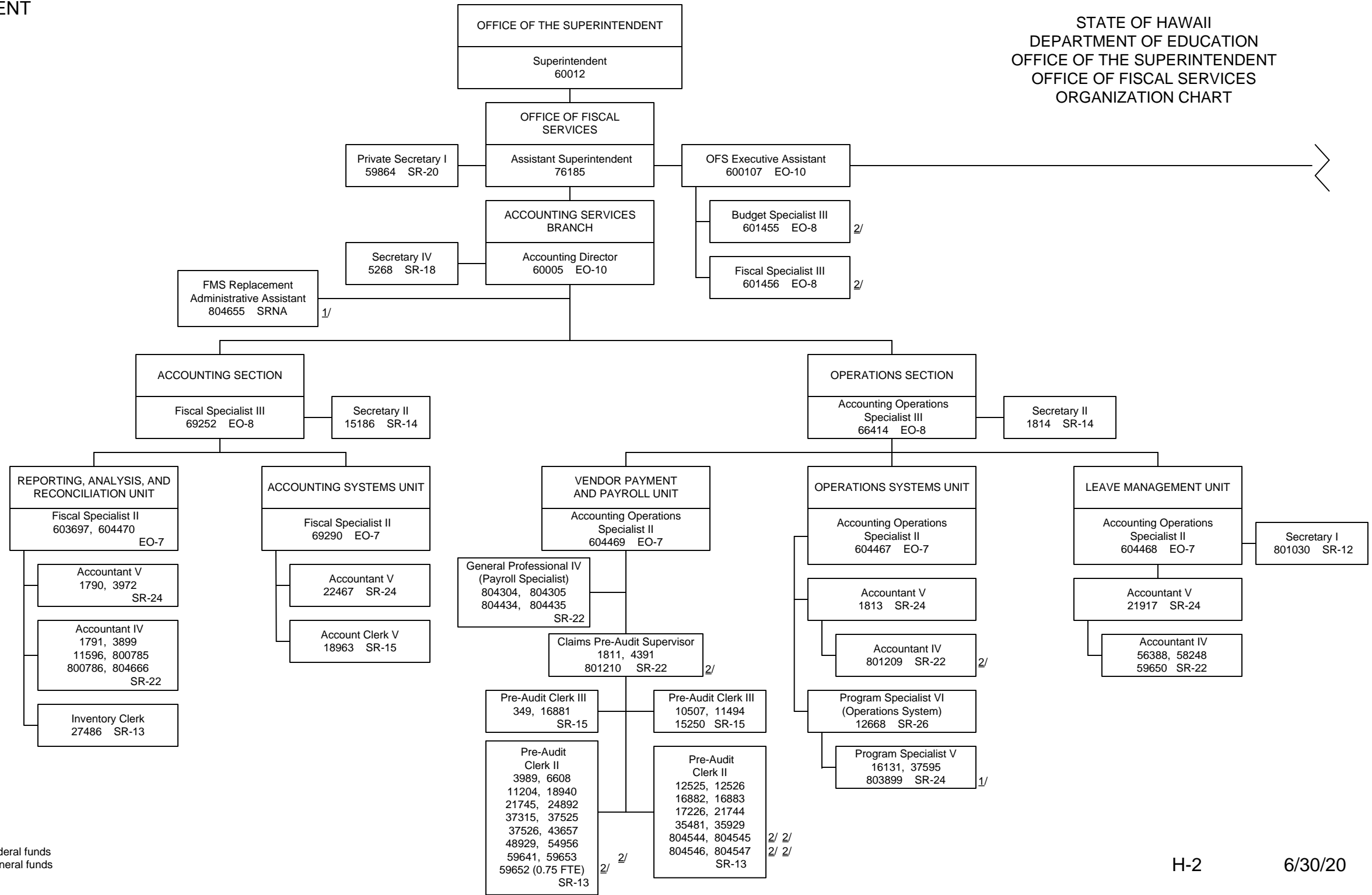
CURRENT

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CURRENT

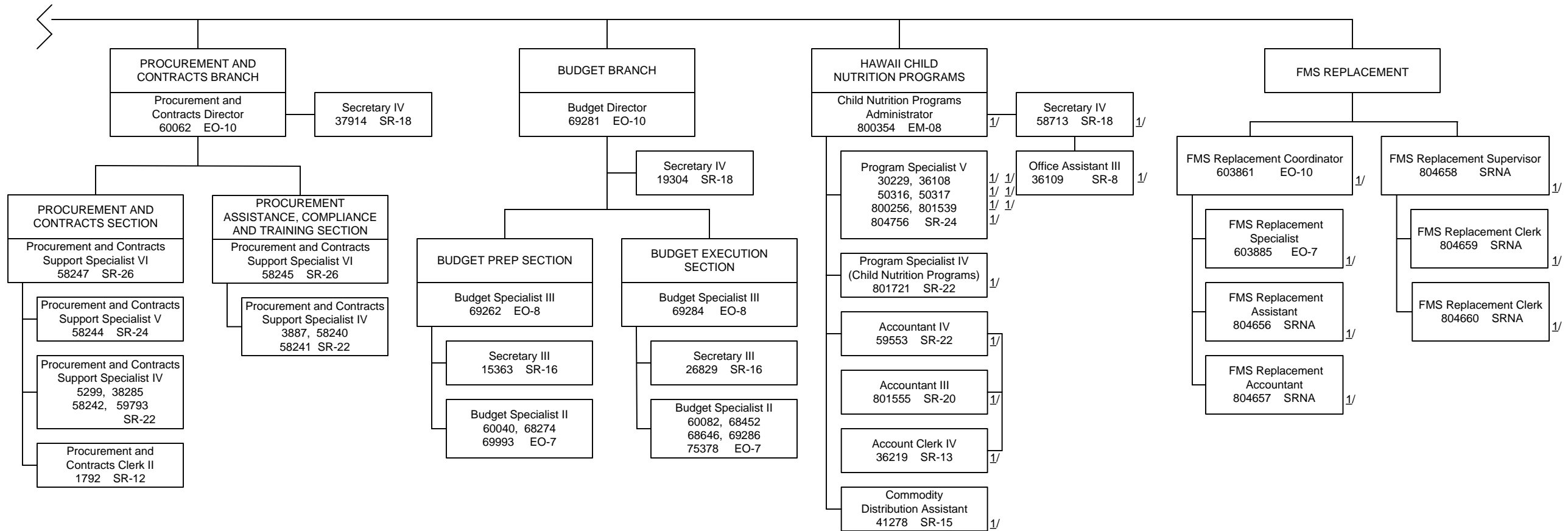
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1/ Temporary position, Federal funds
2/ Temporary position, General funds

CURRENT

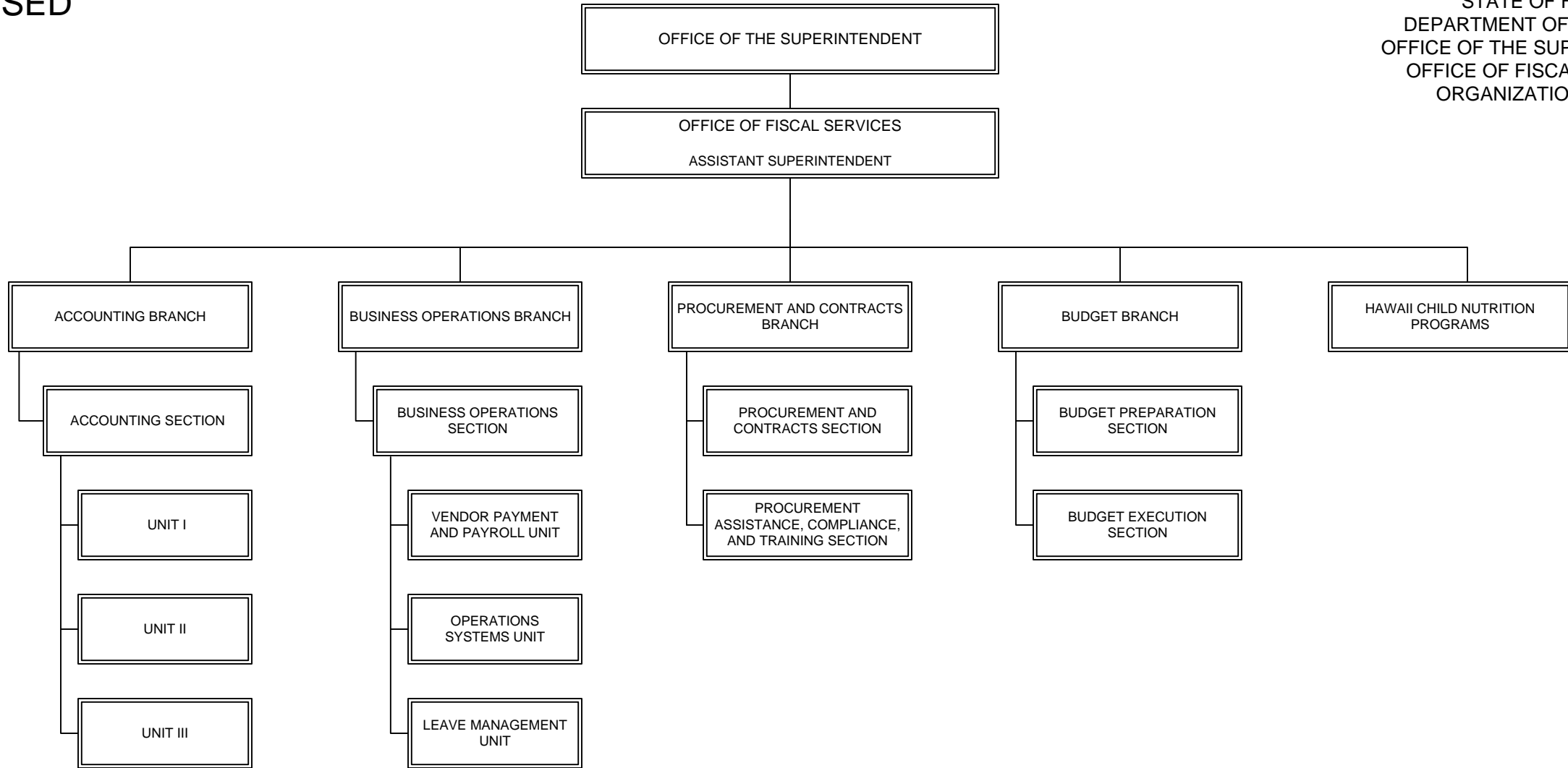
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1/ Temporary position, Federal funds

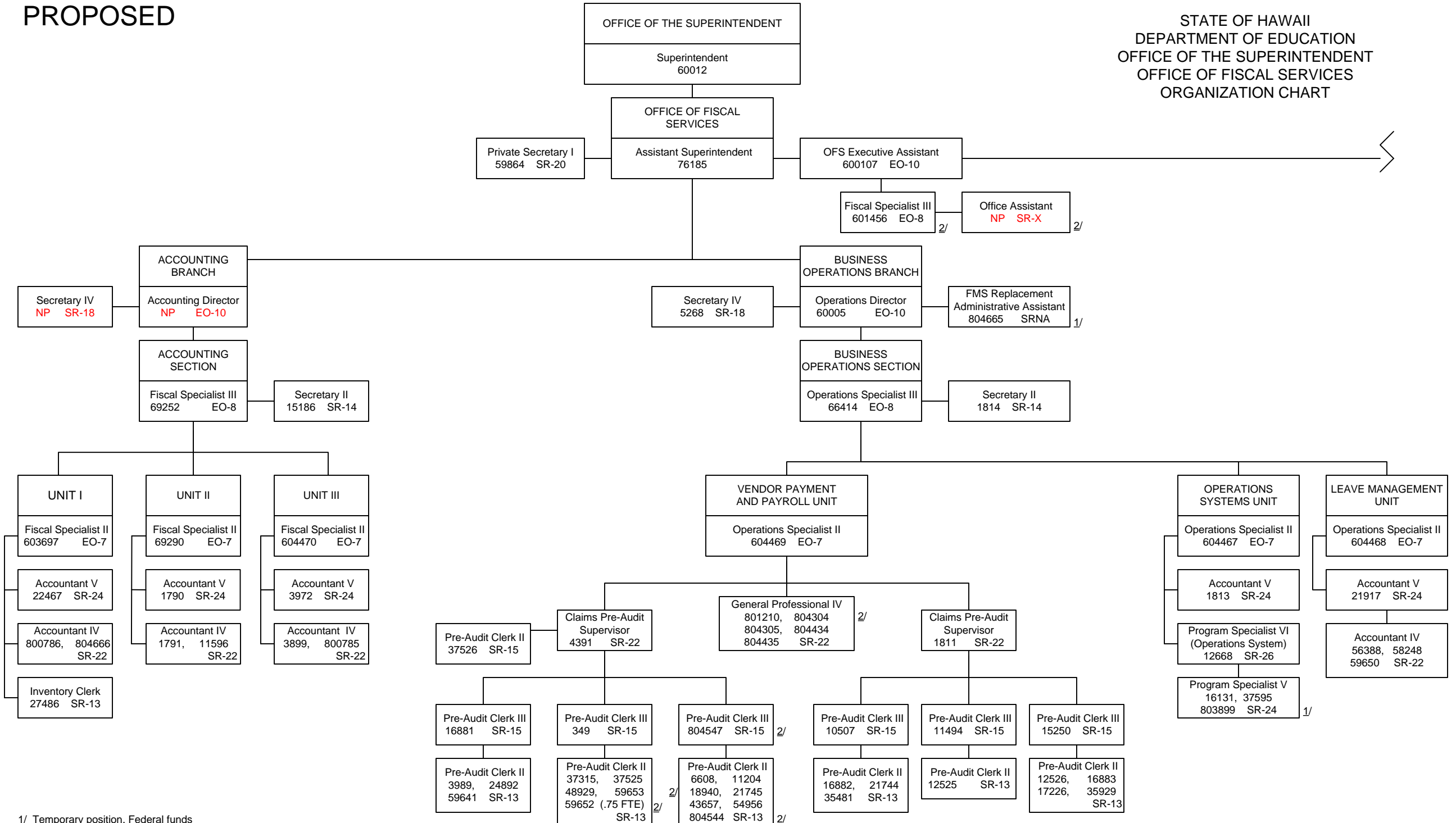
PROPOSED

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PROPOSED

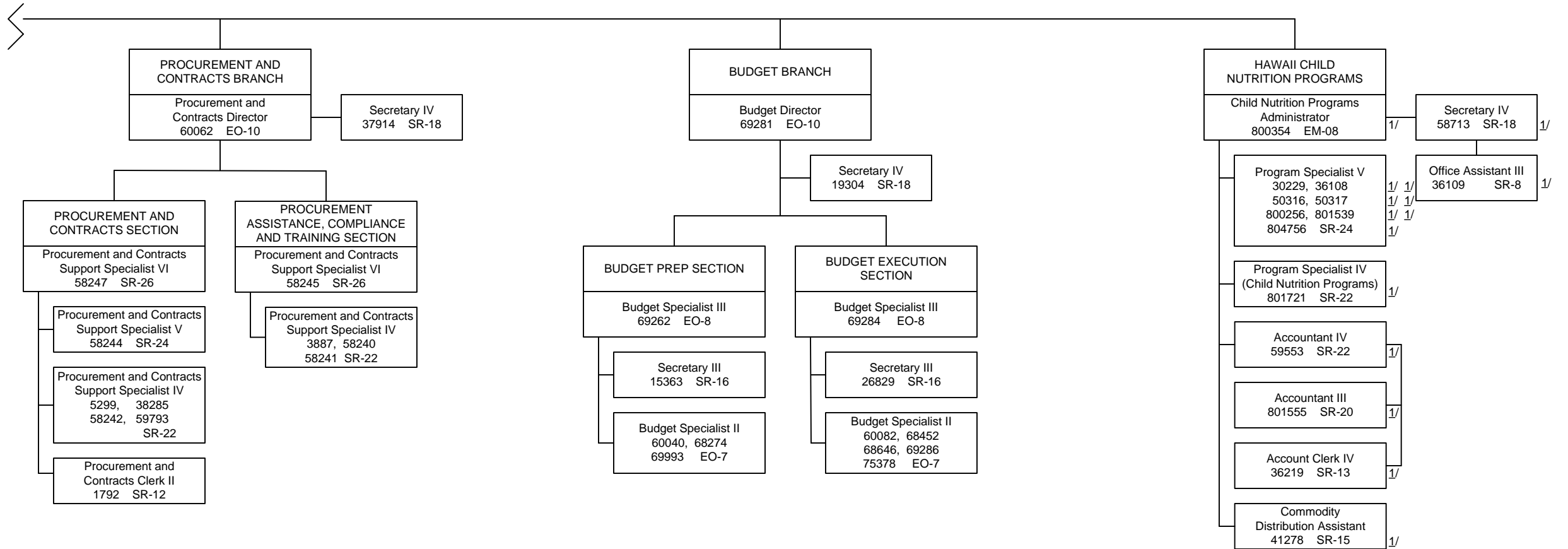
STATE OF HAWAII DEPARTMENT OF EDUCATION OFFICE OF THE SUPERINTENDENT OFFICE OF FISCAL SERVICES ORGANIZATION CHART



1/ Temporary position, Federal funds
2/ Temporary position, General funds

PROPOSED

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1/ Temporary position, Federal funds