




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

OFFICE OF THE SUPERINTENDENT

April 15, 2021

TO: The Honorable Dwight Takeno
Chairperson, Human Resources Committee

FROM: Dr. Christina M. Kishimoto 
Superintendent

SUBJECT: **Presentation on Department of Education's Reorganization Plan to Preserve Classroom Instruction: Temporary or Permanent Closure, Consolidations, Reorganization, Restructuring, or Merger of Offices, Programs, Services, and Positions for State Office, Complex Area, and School Levels**

1. BACKGROUND

The Board of Education (Board) Human Resources Committee requested during the January 21, 2021 meeting that the Hawaii State Department of Education (Department) provide a reorganization plan for state offices that included elements such as the impacts of the 2018 reorganization; the overall objectives to make the Department more streamlined and efficient; and a description and timeline of any planned reorganizations.

On September 19, 2017, the Department presented to the Board its Strategic Implementation Plan Priorities. This helped pave the way towards the creation of the Department's reorganization plan, which aligns with the Board and the Department's Joint Strategic Plan.

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/GBM_08-09-2017_Superintendent%27s%20Report.pdf

The reorganization plan was designed to support a student-focused, tri-level empowerment structure with three primary focus areas: School design, student voice, and teacher collaboration. The focus also included prioritizing student

performance related to inclusion with special education and English language acquisition and strengthening a continuum of opportunities. Actions to reorganize over the past four years have supported these focus areas and improved the Department's ability to achieve the strategic plan priorities.

On May 17, 2018, with these strategic goals and strategies as a focus, the Department presented to the Board the realignment of the reporting structure of leadership at the Deputy Superintendent and Assistant Superintendent levels.

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/HR_05172018_Committee%20Action%20on%20a%20Change%20to%20the%20Reporting%20Structure%20of%20DOE%20Leadership%20at%20the%20Deputy%20Supt%20and%20AS%20levels.pdf

This reorganization resulted in direct reporting lines from state offices to the Superintendent, eliminating the Senior Assistant Superintendent position and dividing the Office of Curriculum, Instruction and Student Support Services into two distinct offices: Office of Curriculum and Instructional Design (OCID) and Office of Student Support Services (OSSS). In addition, all state office functions were realigned under the Superintendent via a new reporting structure through an Assistant Superintendent or the Deputy Superintendent.

OCID was redesigned to advance innovative and equitable instructional design and support systems to promote excellence for every learner. OSSS was created as a separate office to support Special Education, English learners, alternative learners, school health, Medicaid, homeless students, and all student support services, including counseling, school-based behavioral health, and all comprehensive student supports.

The Office of Human Resources was also renamed the Office of Talent Management, reflecting the shift in the office's approach to talent acquisition, talent development, and talent retention. In addition, the Civil Rights Compliance Office was realigned to report to the Assistant Superintendent of Talent Management to ensure direct oversight of the Department's actions needed in response to the Office of Civil Rights resolution and to establish one Equity Specialist at each of the 15 complex areas.

On January 18, 2018, the Board was presented with the Department's plan to reorganize the Office of School Facilities and Support Services (OSFSS) (renamed Office of Facilities and Operations in 2020) Student Transportation Services Branch to improve transportation functions and to enable the Department to proceed with recruiting qualified personnel to fill vacant positions.

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/HR_01182018_Committee%20Action%20on%20Reorganization%20of%20OSFSS,%20STS B.pdf

On February 21, 2019, the Board was presented with the Department's plan to reorganize the OSFSS Facilities Maintenance Branch to help recruit qualified personnel to fill vacant positions.

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/HR_0221_2019_Committee%20action%20on%20reorganization%20of%20Office%20of%20School%20Facilities%20and%20Support%20Services.pdf

The April 18, 2019 Update on the Overview of the Department's Five Year Technology Plan is at the following link (while the plan continues to be updated, a formal presentation has not yet been agendaized due to the focus on the ongoing COVID Emergency):

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/FIC_0418_2019_Update%20on%20Overview%20of%20Department%27s%20Five-Year%20Technology%20Plan.pdf

2. IMPACTS OF 2018 REORGANIZATION

Office of Curriculum and Instructional Design (OCID)

The reorganization and downsizing of OCID allowed for more reasonable oversight for the scope of work previously required when combined with the student support section. As a result, OCID has been able to gain a more coherent focus on standards, curriculum and instructional practices, career and technical education, digital learning, and extracurricular programs. An example of this was when the COVID-19 pandemic resulted in closing school buildings during the fourth quarter of 2020. OCID quickly coalesced to create weekly subject matter choice boards at various grade levels for students to continue learning while homebound. OCID has also provided training for digital learning strategies, adapted content to different distance learning models, and worked with complex area designees monthly to better support schools.

OCID has streamlined roles to provide statewide program management to centralize duties to ensure compliance with Board, state, and federal policies while improving state efficiencies and reducing the burden on complex areas and schools. OCID continues to advance the work and is currently designing a Curriculum Management System that will articulate the governance of curriculum, instruction, and assessment and related key processes to ensure coherent, rigorous learning opportunities across all of the Department's educational programs.

Office of Student Support Services (OSSS)

The creation of OSSS as a separate office allowed for a higher level of support and resources in areas of student support. It greatly increased the Department's ability

to oversee, monitor, and support complex area and school programs and ensure sections have proper supervision to coach and support employees for improved outcomes. OSSS has stabilized and continues to support the complex areas and schools in these important areas.

OSSS efforts to scale up inclusive practices have increased the number of students with special needs educated with their typical peers in the general education setting. This effort has provided 52 schools across the state with extensive onsite training and support. Complex area experts (16 professionals spanning 11 complex areas) have been certified to train additional schools in their complex area. To date, 108 schools have been provided inclusive practices support through this initiative.

OSSS continues to seek Medicaid reimbursements for direct services delivered to HIDEOE students, which has resulted in approximately \$1,200,000 in the last fiscal year. As of April 1, 2021, the Medicaid section started the administrative claiming program. This will allow for additional reimbursement for administrative and supporting activities performed by HIDEOE staff and contractors that will increase the overall reimbursement that HIDEOE receives.

Beginning in 2020, OSSS created The YES Project, a mobile outreach system for students in unstable housing. The Community Liaisons worked with existing homeless outreach services to deliver food, hygiene supplies, and materials to and from school, including mobile devices. Outreach enables relationships with students and families, comprehensive assessment of needs, and targeted support for full participation and success in school.

Office of Facilities and Operations (OFO)

The restructuring of the Student Transportation Services Branch and Facilities Maintenance Branch have improved the ability of these units to staff positions with qualified candidates and provide a greater response to meet individualized needs at the school level. The reorganization also provided administrators with additional insight into further strategic alignment to better service schools. OFO continues to reassess its organizational structure in light of the pandemic's effects on school design.

3. DEPARTMENT'S APPROACH TO REORGANIZATION

Since the 2018 reorganizations, the Department's needs have continued to evolve. In order to remain innovative and relevant, continuous reflection on the Department's organizational design has occurred based on five (5) organizational design goals:

1. Student-centered designs based on equity of access;
2. Quality performance standards;

3. Quality support to schools;
4. Modernized business systems and functions; and
5. Shared tri-level empowerment and accountability.

The Department assesses and modifies its organizational structure to improve and align processes to achieve desired outcomes and determine where improvements are necessary to facilitate efficiency in operations, supporting compliance with the board, state, and federal policies, laws, and regulations. Using the Department's strategic budget portfolio, each of the state offices designs and reorganizes around how to best use financial and personnel resources to achieve their goals and objectives in the most cost-effective manner relative to the overall system goals and Department's strategic plan.

According to the annually prepared Public Elementary and Secondary Education Finance Data published by the US Census Bureau, the Department's expenditures for support services General Administration, on a per pupil basis, have consistently been recorded as the lowest of all the states and the District of Columbia. This is further emphasized by the fact that Hawaii is the only state to operate as a joint State Education Agency and Local Education Agency.

The Department continuously reviews job descriptions for relevance and, as technology and priorities change, positions are updated as well. One strategy used is to update positions as they become vacant in order to hire the right person with the new skill sets needed based on business needs. Rather than conducting a massive reorganization, incremental and significant changes are made to move the organization forward. Data, such as the StriveHI and strategic plan metrics, are used to support decisions to change work or organizational structures. In addition, modernization efforts for our systems, such as the financial management system modernization, required new work for some of our staff and an adjustment to their job duties.

The primary objective driving the structure of state offices is the impact the office functions have on serving complex areas and schools. With that objective in mind, reorganizations start with a focus on the functional statements of units, sections, and branches that define the services they provide and their connection to schools. Starting with function as the driving factor, offices then make appropriate decisions to determine resource allocation, operational efficiency, span of control, reporting structure, impact to employees, and relation to other segments of the Department. Our collective team mindset has been around "braiding" cross-office teams to provide seamless quality supports, which eliminate silos of work.

The Department's ongoing budgetary shortfalls and constraints were magnified throughout the pandemic. Despite the budgetary uncertainties at the federal and state levels, the Department conducted internal strategic tri-level planning and solicited external conversations and feedback with a laser focus on preserving school-level budgets (instruction, programs, personnel, and operations) to the

greatest extent possible. State offices reviewed core/essential functions and made a minimum of 10% cuts to their operating budgets, which included personnel reductions. Schools and complex areas also identified 10% reductions. However, with the addition of federal relief funds and adjustments to State budget projections, the impact to school and complex area budgets were significantly reduced to 2.5%, while state-level offices are continuing to adjust their operations based on their reduced projected budgets.

Prior to making any organizational changes to any office, there are policies and procedures that need to be followed to ensure that employees collectively bargained rights are adhered to. This includes, at a minimum, consultations with the appropriate unions and approval from the Board in accordance with Policy 500-1.

<https://boe.hawaii.gov/policies/Board%20Policies/Organization%20of%20the%20Department.pdf>

4. OVERALL OBJECTIVES OF PLANNED REORGANIZATIONS FOR 2021 AND BEYOND

Given the recent changes due to the COVID-19 pandemic and the economic crisis, the Department has reassessed its current structure. There have been reductions and restructuring of state level positions to be able to continue the necessary work as a State Educational Agency along with providing critical supports to schools and complexes. The objective of the Department's 2021-2022 organizational design/reorganization plan is to maintain a student-centered focus while also executing strategic organizational changes advancing work in the areas of innovation, modernization, and operational efficiency within each of the state offices, complex areas, and schools. The complex areas and schools will also continue to act on their school design plans while simultaneously managing and mitigating the impacts of the COVID-19 pandemic on their schools.

Key factors considered when planning Department reorganization include:

1. A primary focus on supporting schools and advancing educational opportunities;
2. Clearly defined need and justification;
3. Alignment with the Department's strategic, program, and financial plans;
4. Specific anticipated benefits of reorganization using qualitative and quantitative information;
5. Estimated annual cost or cost savings and how additional costs will be funded;
6. Additional space requirements, if any;
7. Changes in supervisor/subordinate reporting relationships;
8. Clear delineation of authority, roles, and responsibilities; and
9. Identification of impacted employees and stakeholders.

The Department remains committed to providing quality state level services while maintaining a streamlined state office that can fulfill its legal obligations as the nation's only joint state and local educational agency.

5. DESCRIPTION OF REORGANIZATIONS THE DEPARTMENT HAS PLANNED FOR THE UPCOMING YEAR

The following plans for state office reorganizations in the coming year are listed in order of preparation and readiness.

Office of Fiscal Services (OFS)

The primary focus for OFS over the last decade has been on system modernization, starting with participating in a failed effort to develop a statewide Enterprise Resource Planning system that was canceled in Governor Ige's first year in office. The office has since completed payroll modernization with the State of Hawaii Office of Enterprise Technology Services (ETS). After the completion of the payroll modernization project, OFS transitioned to the Financial Management System modernization project. This project is on track to be operational by the beginning of Fiscal Year 2022, with training already scheduled for the Summer. Time and leave systems have already been identified as the next modernization project. With these system modernizations, we will need to revisit the OFS staffing design and related OITS system support design so that the org model reflects the new business functions.

OFS is currently pending approval for the reorganization of its Accounting Services Branch (ASB). This reorganization will divide the current ASB into two functional areas: accounting and operations, catching up with actual staffing design that has been in existence for nearly eight years. The Department will benefit from formally updating the organizational structure to enable further organizational efficiencies and enhancements as OFS continues its modernization efforts to roll out a new Financial Management System. Consultation with applicable unions has been completed, and OFS is ready for immediate execution of this reorganization.

Office of Talent Management (OTM)

OTM will consolidate existing sections of Labor Relations, Investigations, and Negotiations under an Employee Relations Branch. This consolidation reduces the number of direct reports to the Assistant Superintendent from nine (9) to six (6) and provides greater oversight and streamlined operations for units that currently report directly to the Assistant Superintendent.

Office of Information Technology Services (OITS)

OITS is undertaking a major transformation of its organizational structure to align technology products that implement capabilities. The capabilities are described in

the Department's five-year technology plan (annually updated to reflect progress and the next five years - see the link below with the most recent Board presentation).

https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/FIC_0418_2019_Update%20on%20Overview%20of%20Department%27s%20Five-Year%20Technology%20Plan.pdf

OITS will have teams focused on continuous improvement of products used by the schools, complex areas, and other offices, in contrast to the current OITS organization based on common information technology work. Each team will support and operate a coherent set of products with a common set of users that can be directly engaged and supported by the team. For example, the team supporting student information systems will be able to focus on the principals and registrars who manage the school calendar, courses, and enrollment.

Office of Facilities and Operations (OFO)

The previous OFO reorganization of the Student Transportation Services Branch and Facilities Maintenance Branch was the first phase of that office's reorganization plan. The pending School Facilities Agency (SFA) model will impact further reorganizations of this office based on the scope and speed of the SFA design process, which has just started.

Additionally, we engaged an external team of experts through the Council of the Great City Schools (CGCS), which provided feedback on our OFO design that we are currently using within the existing structure to improve role clarity and the second phase of the OFO reorganization.

OFO will reorganize its structure in conjunction with modernizing its service delivery, assessment systems, and reporting models in order to more efficiently and effectively provide services to schools.

In addition to improving transparency through upgraded reporting systems, the proposed reorganization will address critical areas of improvement such as planning, asset management, inventory management, food services, and health and safety. These modernization improvements will help OFO provide greater efficiencies and timely services to schools.

Office of Strategy, Innovation, and Performance (OSIP)

OSIP will reorganize its structure to systemically align existing programs to support the tri-level organization. This repurposing will allow for greater efficiency by aligning the functions of the branch with the duties and responsibilities of existing offices to support complex areas, schools, and students. Further, this will enhance and strengthen partnerships between the community and the Department.

Office of Curriculum and Instructional Design (OCID)

There is no immediate planned reorganization since the focus is on the design work of the digital platform and learning.

Office of Student Support Services (OSSS)

OSSS plans to move the Medicaid program to become its own section, the Medicaid Reimbursement Section. The English Learner Program and Migrant Program will become the English Learner, Migrant Program Section. The Alternative Learning Program Support and Services (ALPSS) section will move from the Student Support Branch and become its own ALPSS Branch.

Thank you for your continued support as we work toward a plan that best supports our haumana, our schools, and our communities.

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