


**STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804**

OFFICE OF THE SUPERINTENDENT

May 4, 2023

TO: The Honorable Kaimana Barcarse
Chairperson, Human Resources Committee

FROM: Keith T. Hayashi
Superintendent 

SUBJECT: **Committee Action on Recommendations Concerning Appointment of Assistant Superintendent of the Office of Information Technology Services**

I. BACKGROUND

The Assistant Superintendent of the Office of Information Technology Services (OITS) works closely with the Deputy Superintendent of Operations and the Superintendent to coordinate and supervise information technology functions at the State level.

As a member of the Superintendent's executive leadership team, the Assistant Superintendent of the Office of Information Technology Services plays an essential role in executing the Board of Education (Board) and Hawaii State Department of Education (Department) priorities and initiatives through thoughtful planning, timely execution, and effective implementation. This individual also provides strategic partnerships with the Leadership Team at the Complex Area and School Levels.

The Assistant Superintendent of the Office of Information Technology Services is responsible for the comprehensive information and telecommunication systems for the Department. This includes but is not limited to the development, administration, management, evaluation, and maintenance of policies, programs, and procedures for the Statewide school information and telecommunication systems and services.

The Assistant Superintendent oversees the Office of Information Technology Services staff performance. This individual will establish measurable objectives and metrics to lead and guide 170 centralized and field staff. The following essential functions are as follows:

- Support information technology services to schools, complex areas, and state administrative offices.
- Plan. Build. Run. The centralized IT staff will support core student information services when designing, developing, implementing, and maintaining the operational aspects of the system applications and enterprise resource planning.
- Planning, designing, constructing, and supporting the department's statewide telecommunications network architecture and infrastructure.
- Managing OITS' major projects and implementing them on time and within budget.
- Developing and managing the Department's Enterprise Architecture Program, which includes maintaining and updating current IT policies, procedures, processes, and standards.
- Managing and overseeing a consolidated center of expertise with resource teachers who will translate instructional and classroom requirements into technology solutions through business analysis processes and standards.

II. **AUTHORITY**

The following policies give the superintendent the authority to appoint a qualified individual as the assistant superintendent. Please note, in accordance with [§1-17, Hawaii Revised Statutes \(HRS\)](#), "Words in the masculine gender signify both the masculine and feminine gender, those in the singular or plural number signify both the singular and plural number, and words importing adults include youths or children."

- [§302A-1111, Hawaii Revised Statutes \(HRS\)](#), designates the superintendent as "the chief executive officer of the public school system having jurisdiction over the internal organization, operation, and management of the public school system, as provided by law" under the policies established by the Board.
- [§26-39, HRS](#), provides the superintendent the ability to appoint a subordinate: "Except as otherwise provided by this chapter and with the approval of the governor, the head of a department may establish or abolish any subordinate office or position, transfer officers and employees between positions, appoint and remove any subordinate, and change the duties, titles, and compensation of offices and positions as is deemed necessary by the head of the department for the efficient functioning of the department, subject to the limitations of available appropriations and of the provisions of chapter 76."

- During the May 5, 2022, General Business Meeting, the Board adopted the current “Department of Education Leadership Salary Structure” (Attachment A). Per this document, “Whenever the superintendent recommends to the Board the approval of the appointment of a new subordinate superintendent, the superintendent must also recommend an entry salary for that individual” (Section III.E). [§302A-621, HRS](#), authorizes the Board to set the salary of the assistant superintendents.
- [Board Policy 500-4, Duties and Responsibilities of the Superintendent](#), states the superintendent is responsible for the “planning, organizing, staffing, directing and controlling the educational program, finances, personnel and facilities of the department.”
- [Board Policy 500-6](#) states the Board “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;” thus, the Board “shall establish a salary structure that is competitive and commensurate with the duties, responsibilities, and authorities of the respective subordinate superintendent positions.”

III. **RECOMMENDATION**

As Superintendent, I recommend the appointment of Mr. Michael Otsuji as the Assistant Superintendent of the Office of Information Technology Services (Position Number 66812) to manage the Department’s Information Technology program and lead our technology initiatives with an annual salary in accordance with the assistant superintendent salary range approved by the Board on May 5, 2022. I recommend an entry salary of \$170,000, which is within the range approved by the Board.

According to the Hawaii Employers Council’s 2022 Information Technology Pay Survey, the average salary of a Chief Information Officer in a company with more than 1,000 employees in Hawaii is \$258,325.

As Assistant Superintendent, Mr. Otsuji will lead, direct, and supervise the department’s information technology functions. He will ensure the work of the Office of Information Technology Services advances the Department’s efforts in:

- Information and telecommunications systems
- Instructional technologies
- Information resource management

- Management of information processing and communication services
- Other services for schools, complex areas, and state offices

Mr. Otsuji's 40-plus years of work experience in both private and public sectors give him a unique edge over others because of his practical and hands-on operational experience in government. This will enable Mr. Otsuji to guide the Office of Information Technology Services to accelerate its modernization efforts and provide valuable insights and know-how when dealing with system integration challenges.

During the pandemic, Mr. Otsuji had to make tough decisions and recommendations during his employment at the Department of Labor and Industrial Relations (DLIR). In this capacity, he had to advise the Director of poor vendor performance and actions that were not in the best interests of the State. He recommended the termination of the vendor contract, which was not adopted. Years later, DLIR came to the conclusion to terminate this vendor's contract and start their technology efforts again.

Mr. Otsuji also played a leadership role in the State's conversion to the Microsoft Office 365 platform. This initiative was critical to converting all executive branch departments onto a unified platform. Only the University of Hawaii and the Department of Education elected not to convert to Office 365. Through his efforts, he brought the project back on schedule, completing it successfully. During his employment in the Department of Taxation, Mr. Otsuji was able to work on cloud-based systems with Amazon Web Services (AWS) and other systems to assist the department with better and more streamlined business processes to process tax payments and filings online.

Mr. Otsuji's extensive work in different departments is a key reason he will immediately impact the Department's technology upgrades and business process change management. He will also be an invaluable member of our senior leadership team as we continue our journey and evaluate modernizing our systems to be highly effective and efficient.

For these reasons, I respectfully recommend the Board approves the following appointment effective on or after May 4, 2023:

Michael Otsuji
Assistant Superintendent
Position No. 66812
Annual Salary beginning at \$170,000.00

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Mr. Otsuji's resume is attached (Attachment B). The Assistant Superintendent position, Position No. 66812, is an established permanent position with funding included in the Department's budget.

Thank you for your continued support.

KTH:cto

Attachments: Attachment A - Department of Education Leadership Salary Structure
adopted by the Board of Education on May 5, 2022
Attachment B - Resume of Michael Otsuji

c: Office of Talent Management

**BOARD OF EDUCATION
DEPARTMENT OF EDUCATION LEADERSHIP SALARY STRUCTURE**

I. Purpose

- A. The purpose of this salary structure is to establish a system for performance-based and other case-by-case salary adjustments for the subordinate superintendents (which are the deputy superintendent, assistant superintendents, and complex area superintendents) of the Department of Education ("Department").
- B. This salary structure articulates the flexibility of the Board of Education ("Board") to provide fair and competitive salaries to subordinate superintendents while ensuring this system and resulting leadership salaries are transparent.

II. Authority

- A. Pursuant to Section 302A-621, Hawaii Revised Statutes, the Board has the sole authority to set the salaries of subordinate superintendents with the only restriction being that the salary of a subordinate superintendent cannot exceed the salary of the superintendent.
- B. In accordance with Board Policy 500-6, entitled "Salaries of Subordinate Superintendents," the Board is to "establish a salary structure that is competitive and commensurate with the duties, responsibilities, and authorities of the respective subordinate superintendent positions."

III. Salaries and Salary Ranges

- A. The Board must be able to review and approve exact salaries to ensure equity, avoid salary compression issues, and optimize competitiveness for recruitment and retention. Further, more transparency as to salaries of the top leaders of the Department, which is one of the largest state departments, is in the best interest of the public.
- B. The Board has set the following salary ranges for subordinate superintendents to assist the superintendent with leadership recruitment:
 - 1. Deputy superintendent: \$162,750 to \$194,250
 - 2. Assistant superintendents: \$157,500 to \$189,000
 - 3. Complex area superintendents: \$152,250 to \$183,750

- C. The superintendent may recommend changes to the Board to the salary ranges stated in Section III.B based on market conditions. Any changes to the salary ranges require the Board to amend this salary structure document.
- D. The superintendent shall not adjust the salary of a subordinate superintendent without prior approval from the Board.
- E. Whenever the superintendent recommends to the Board the approval of the appointment of a new subordinate superintendent, the superintendent must also recommend an entry salary for that individual.
- F. Whenever the superintendent requests adjustments to a subordinate superintendent's salary, the superintendent must provide the Board with the current salary of the subordinate superintendent and the new proposed salary.
- G. Any Board approval of recommended salary adjustments is also approval of the use of funds necessary to effectuate such salary adjustments. The superintendent shall provide the Board with information on the total cost of any proposed salary adjustments.

IV. Performance-based Salary Adjustments

- A. The superintendent shall annually evaluate the performance of subordinate superintendents using an evaluation instrument of the superintendent's choosing that sets the performance expectations for each subordinate superintendent. The evaluation instrument used by the superintendent to evaluate performance should align with Department and Board goals for consistency and fairness.
- B. Subordinate superintendents who meet performance expectations as determined by the performance evaluation are eligible for a minimum performance-based salary adjustment as determined by the superintendent in consultation with the Human Resources Committee Chairperson or their designee. In determining the minimum performance-based salary adjustment, the superintendent and the Human Resources Committee Chairperson, or their designee, shall consider various market factors, including the Hawaii Consumer Price Index, average Hawaii salary increase rates, and collective bargaining raises of other Department employees.
- C. Subordinate superintendents who exceed performance expectations as determined by the performance evaluation are eligible for an additional performance-based salary adjustment as recommended by the superintendent.

- D. The superintendent shall annually report the overall performance evaluation results to the Board and recommend performance-based salary adjustments based on the evaluation results. The report annually shall also include the copy of the current evaluation being used and the position descriptions of those affected.
- E. The superintendent may recommend no performance-based salary adjustments based on circumstantial conditions, such as economic downturns.
- F. The Board has total discretion over salary adjustments for subordinate superintendents and may decide to defer or forgo performance-based salary adjustments in any given year based on circumstantial conditions, such as economic downturns.
- G. Subordinate superintendents serving in an interim or acting capacity are not eligible for performance-based salary adjustments.

V. Other Salary Adjustments

- A. The superintendent may recommend, and the Board may consider, other salary adjustments for subordinate superintendents separate from performance-based compensation adjustments on a case-by-case basis as circumstances warrant, which include, but are not limited to:
 - 1. A complex area superintendent whose salary is less than the average salary of high school principals;
 - 2. An assistant superintendent whose salary is less than the average salary of peers in the industries relevant to the subject matter area overseen by the assistant superintendent; or
 - 3. A deputy superintendent whose salary is less than the average salary of other subordinate superintendents that the deputy superintendent supervises.
- B. Other salary adjustments may require the amendments of the salary ranges stated in Section III.B and in accordance with Section III. C.

[Adopted 05/05/2022]

Michael E. Otsuji

Objective

To lead IT innovation and transformation for the State of Hawaii.

Education

MASTERS | 1982 | UNIVERSITY OF HAWAII

- Major: Philosophy
- Related coursework: Early Buddhism, Symbolic logic

BACHELORS - PHI BETA KAPPA | 1977 - 1981 | UNIVERSITY OF HAWAII

- Major: Philosophy
- Minor: English
- Related coursework: Asian philosophy, Symbolic logic

Experience

PREP STRATEGIC PROJECT MANAGER DEPARTMENT OF HEALTH 2021 - CURRENT

- Brought up the Hawaii Immunization Registry into production and moved it to the Cloud
- Migrated the Maven Disease Surveillance Application to the Cloud
- Installed the Tenable Security for the Department and the Executive Branch
- Installed Azure Sentinel Security Information and Event Manager (SIEM) for the Department
- Migrated the Department to Tableau Cloud for data visualization
- Developed Security Policies for the Department
- Developed the application for school COVID reporting

IT PROJECT MANAGER DEPARTMENT OF LABOR 2021– 2021

- Led research and implementation of:
 - o UI Modernization project

IT PROJECT MANAGER DEPARTMENT OF TAXATION 2019 – 2021

- Led research and implementation of:
 - o The IRS 1075 compliance requirements
 - o Splunk (SIEM Security Information and Event Manager)
 - o Network monitoring (Site 24x7)
 - o Meraki VPN and Telework infrastructure
 - o Move to the new data center at ServPac
 - o Move to Fast Hosted Service (FHS)
 - o Microsoft Active Directory consolidation and clean up
 - o SendGrid bulk email infrastructure
 - o Set up Amazon AWS (Amazon Web Services) for FTP and other services for the Department
 - o PUA (Pandemic Unemployment Assistance) program with FAST and the Department of Labor

- o Mainframe optimization for the Department of Labor Unemployment Insurance program for ETS and the Department of Labor
- o New website template for tax.hawaii.gov
- o New SharePoint Intranet
- o New ServiceDesk software for the Department
- Led implementation efforts for Version 12 of GenTax

IT SERVICE OPERATIONS OFFICER | OFFICE OF ENTERPRISE TECHNOLOGY SERVICES STATE OF HAWAII |
2015 – 2019

- Led research and implementation:
 - o of the Siteimprove web platform to solve the accessibility (Act 508 compliance) issues with the State website
 - o to fix the Open Data issues the State faced where the State of Hawaii got an F grade
 - o of the Everbridge emergency notification system
 - o of the Multi-Factor Authentication platform for Office 365
 - o of the IT infrastructure to assist Hawaii County with handling the Volcano and Hurricane emergencies
 - o of the Hootsuite and Brandwatch platforms for monitoring and managing social media and web content, which Hawaii County and the Governor's Office uses
 - o of the Google Language Translation project to automatically translate State websites and documents
- Led research and procurement of replacing the Government's Private Cloud
- Led research and procurement of the security and health assessments for the Microsoft Active Directory infrastructure in various departments
- Assisted various Departments with their IT infrastructure and projects
- Completed Office 365 Migration for 12,634 users. This project was vital to getting the Executive Branch (minus DOE and UH) on a unified platform. This project was started before my employment and was way behind schedule. Led the team that put the project back on schedule so that it finished on time.
- Evaluated, negotiated, and implemented Adobe Document and Creative Clouds, which include Adobe Sign (e-signature). The electronic signature infrastructure, and deployment, have been featured on a national level. This project impacts the Executive Branch (minus DOE) and the Legislature.
- Evaluated, negotiated, and implemented the Salesforce CRM platform. This project was critical to enabling the Executive Branch departments to communicate better with the public. This tied into Governor Ige's initiative for Effective, Efficient, and Open Government and will allow the various departments to build interactive communities to communicate more efficiently with the public.
- Lead designer and programmer for various SharePoint applications such as Legislative Tracking, Service Desk, Document Tracking, and Governance Tracking. These projects impacted a large user base and were primarily done in-house, thus saving the State hundreds of thousands of consulting dollars.
- Implemented various Cyber Security initiatives, including Cisco IronPort, Malwarebytes, Qualys scanning, Cyber Hygiene Reporting, Microsoft Endpoint Protection, and Microsoft Persistent Adversary Detection Service. These projects were critical to shoring up the State's Cyber Security platform. All of the projects remediated thousands of servers and workstations.

- Led the effort to assist the Election's team in building a highly available and high-performance Amazon Cloud (AWS) infrastructure. Provided the research and design for the WordPress server cluster, which increased the initial design of one on-premise server to a 20+ server cluster in AWS.
- Established and negotiated various Enterprise contracts, including Microsoft Office 365, Salesforce, Adobe, Qualys, Malwarebytes, Board International, and VMware. These contracts impact the Executive Branch.
- Led efforts to harden and evolve the State's Active Directory Infrastructure. This allows the departments to function by allowing them to access the Microsoft Office 365 Cloud as long as any Internet connection is available. This was crucial for adding more security and having the infrastructure available during a disaster.
- Led the establishment of the State's Microsoft Azure contract and infrastructure. This project allowed departments to save costs and build their computing platform on a highly available infrastructure. This project also established the first dedicated connection from Hawaii to the Microsoft Azure Cloud. This connection, called Express Route, increases speed and security.
- Led research and contract team for the State's new Open Data Platform, which will be developed on the Open Source Platform called CKAN. This platform would decrease the yearly recurring costs and develop it into a modern and vibrant platform for all departments. This was a crucial part of Governor Ige's initiative for Effective, Efficient, and Open Government.
- Oversaw all ICSD Branches for ETS / OIMT. (TSB and PPMO moved to the CISC at the end of 2016).

OWNER | BD INCORPORATED | 1992 - 2016

- Contracted to Hawaiian Electric Company, Inc., HEMIC, and others for network infrastructure and PC maintenance
- Owned Da-Planet — one of the nation's top retail trading card stores. Designed and programmed the e-commerce website, one of the world's first for the trading card industry.
- Provided Site Management services for condominiums, emphasizing budgeting and long-term planning. The portfolio included three condominiums with around 70 units each.

DIRECTOR OF INFRASTRUCTURE AND OPERATIONS | HAWAIIAN ELECTRIC COMPANY | 1997 - 2002

- Oversaw the network, PCs, and Mainframe.
- Led the conversion from Token Ring to Ethernet.
- Led the installation and implementation of Microsoft Technologies. This included one of Hawaii's first implementations of Active Directory and SMS (Systems Management Server).
- Developed the Help Desk and IT Work Request applications. This was all coded from scratch, saving the company hundreds of thousands of dollars.
- Adopted one of the first Microsoft licensing and service agreements in the State. This allowed HECO to partner with Microsoft to implement and troubleshoot the developing Microsoft infrastructure. This was the first Microsoft Premier Services agreement.
- Part of the implementation team for the ERP implementation. The ERP project moved the ERP functions off of the mainframe to a server platform. This project required an enterprise change in both infrastructure and process improvement.
- Technical lead for the heco.com website project. This project evolved from a static to an interactive

heco.com site. This impacted the HECO, HELCO, and MECO customer base as they could not check their account information online.

- Nominated for Employee of the Year in 2002. This nomination was for developing a Help Desk and IT Work Request.
- In 2001 and 2002, the CEO implemented an award program for outstanding contributions per quarter. The IT teams won one of the awards given for each quarter.

OWNER | DATA-I COMPUTER CENTER | 1982 - 1992

- The second largest independent retail computer store in the State of Hawaii. Data-I led the way in selling IBM PC clones into the state. It was also contracted by WordPerfect in Orem, Utah, to spec and build the PCs for their Windows development team.
- Data-I was known for both its service to home and small business customers. The store was converted to serve business customers in 1992 in response to the big box retailers coming into Hawaii.

Skills and Hobbies

- Network design and troubleshooting
- Website development
- Project Management
- Knowledge of many desktop applications
- Knowledge of PC hardware
- Vendor Management

Hobbies include:

Jiu-Jitsu, Kickboxing, MMA, Freediving, Fishing, Photography, Woodworking, Collectibles

References available upon request