



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

November 21, 2019

TO: Dwight Takeno  
Committee Chairperson, Human Resources Committee

FROM: Catherine Payne  
Chairperson, Board of Education

AGENDA ITEM: Committee Action on Amendments to State Librarian Employment Contract

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**I. EXECUTIVE SUMMARY**

- Recommendation that the Board approve the amendment to the State Librarian's employment contract (attached as **Exhibit B**), which increases the State Librarian's salary from \$120,000 to \$155,000.
- The amendment also states that the Board will review the State Librarian's salary annually.

**II. BACKGROUND**

The Board of Education ("Board") appointed Stacey Aldrich as State Librarian of the State of Hawaii and entered into an employment contract with her that commenced on April 6, 2015 and was set to expire on April 6, 2018 ("Original Contract"). On April 2, 2018, the Board entered into a new employment contract with Ms. Aldrich for a three-year term that commenced on April 6, 2018 and is set to expire on April 6, 2021, attached as **Exhibit A** ("Current Contract").

In both the Original Contract and the Current Contract, Ms. Aldrich's compensation was \$120,000 annually. The State Librarian's salary is capped at a specific level by law.<sup>1</sup> The State Librarian's salary cap has been \$120,000 since 2001.

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<sup>1</sup> Hawaii Revised Statutes, Section 312-2.1(b), provides: "[t]he salary of the state librarian shall be set by the board of education at a rate no greater than \$120,000 a year."

In 2019, the Hawaii State Legislature passed Act 224, which increased the State Librarian's salary cap from \$120,000 to \$175,000 a year.<sup>2</sup>

Hawaii Revised Statute, Section 312-2.1(b) authorizes the Board to set the State Librarian's salary at a rate that does not exceed the statutory salary cap.

### III. **RATIONALE**

Because the State Librarian's salary cap has not been increased for the last 18 years, there are issues of equity and compression. Positions that the State Librarian supervises and which have fewer duties and smaller scopes of responsibility than the State Librarian are compensated at a higher rate.

I proposed the annual rate of \$155,000 to Ms. Aldrich to address the issues of equity and compression and Ms. Aldrich agreed.

The proposed amendment also clarifies that the Board will review the State Librarian's salary annually and can consider increases based on performance, cost-of-living adjustments, or equity and compression. The Board will have sole discretion in making this determination.

The proposed amendment would be effective as of July 1, 2019, the date that Act 224 was in effect, so that Ms. Aldrich can receive increased compensation from that date.

### IV. **RECOMMENDATION**

I, Board Chairperson Catherine Payne, recommend that the Human Resources Committee recommend to the Board of Education ("Board") that it approve the Amendment of the April 2, 2018 Employment Contract between Stacey Aldrich and the Board of Education, State of Hawaii, attached as **Exhibit B**, and authorize me to execute the amendment on behalf of the Board.

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<sup>2</sup> The full text of Act 224 is available at: <https://www.capitol.hawaii.gov/session2019/bills/GM1326.PDF>. Act 224 was made effective as of July 1, 2019.

**Exhibit A**  
**Current Contract**

**Exhibit B**  
**Amendment**

AMENDMENT OF  
THE APRIL 2, 2018 EMPLOYMENT CONTRACT  
BETWEEN  
STACEY ALDRICH  
AND  
THE BOARD OF EDUCATION, STATE OF HAWAII

This amendment of the employment contract between Stacey Aldrich and the Board of Education, State of Hawaii entered into on April 2, 2018 (hereinafter referred to as the “**Amendment**”) is hereby made and entered into this \_\_\_\_ day of November, 2019 by and between the Board of Education, State of Hawaii (hereinafter referred to as the “**Board**”), and Stacey Aldrich (hereinafter referred to as “**Ms. Aldrich**”), but effective as of July 1, 2019.

WHEREAS, the salary cap for the state librarian is set by law in Section 312-2.1, Hawaii Revised Statutes (“**H.R.S.**”);

WHEREAS, the salary cap for the state librarian was last updated in 2001;

WHEREAS, in 2019, the Hawaii State Legislature amended Section 312-2.1, H.R.S. to increase the salary cap of the state librarian from \$120,000 to \$175,000.

WHEREAS, the employment contract between Ms. Aldrich and the Board, entered into on April 2, 2018 (hereinafter referred to as the “**Employment Contract**”) provides that any modification of the Employment Contract requires the written agreement of the parties and any modification would have to be authorized through the official approval of the Board, as evidenced by a majority vote of its members.

WHEREAS, the Board desires to amend the aforementioned employment contract to increase Ms. Aldrich’s annual salary; and

WHEREAS, Ms. Aldrich agrees to the amendments described herein;

NOW, THEREFORE, the Board and Ms. Aldrich, for the consideration specified and acknowledged herein, hereby mutually agree that the employment contract entered into on April 2, 2018, Section III entitled “COMPENSATION,” will be amended to delete the current language and replace it with the following:

“Ms. Aldrich shall receive an annual base salary of One Hundred Fifty-Five Thousand Dollars (\$155,000.00), payable in equal, semi-monthly installments. Ms. Aldrich’s annual salary shall be subject to an annual review by the Board. Increases to Ms. Aldrich’s base annual salary, if any, shall be based on (a) cost-of-living adjustments or (b) equity and compression, as determined by the Board in its sole discretion. The Board can also consider giving Ms. Aldrich one-time performance bonuses, as determined by the Board in its sole discretion.

It is understood by and between the parties hereto that all compensation paid to the State Librarian by the Board shall be less all amounts required by law or authorized in writing by the State Librarian to be withheld or deducted.”

IN WITNESS WHEREOF, Ms. Aldrich and the Board, through its duly authorized officer, have executed this Amendment on the date and year first written above.

BOARD OF EDUCATION  
By its Chairperson

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STACEY ALDRICH

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CATHERINE PAYNE

APPROVED AS TO FORM:

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James E. Halvorson  
Deputy Attorney General

This Amendment was approved by the Board of Education, through a majority vote of its members, at a public meeting, held on November 21, 2019.