



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

May 20, 2021

TO: Human Resources Committee

FROM: Dwight Takeno
Committee Chairperson, Human Resources Committee

AGENDA ITEM: Committee Action on recommendation concerning State Librarian
Employment Contract

I. EXECUTIVE SUMMARY

- Recommendation that the Board approve the State Librarian's employment contract (attached as **Exhibit D**).
- The proposed contract provides for a three-year term, but does not recommend a salary increase due to the state's current financial situation.

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 expired 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 expired on April 6, 2021, attached as **Exhibit A** ("2018 Contract").

In both the Original Contract and the 2018 Contract, Ms. Aldrich's compensation was \$120,000 annually. The State Librarian's salary is capped at a specific level by law.¹ The State Librarian's salary cap had been \$120,000 since 2001 until it was raised to \$175,000 annually in 2019. On November 19, 2019 the Board adopted amendments to the 2018 Contract to increase Ms. Aldrich's salary from \$120,000

¹ 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 \$175,000 a year."

to \$155,000 and amend provisions in the compensation section of the 2018 contract (“2019 Amendment”), attached as **Exhibit B.**²

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

I used the 2018 Contract as a starting point for the 2021 Contract (“New Contract”); any changes are shown in the redline attached as **Exhibit C.** I am proposing that the Board offer Ms. Aldrich a three-year term. The proposed contract would be effective as of April 7, 2021, the day after the term of the 2018 Contract. Note that the term described in the 2021 contract, attached as **Exhibit D** (“New Contract”) is actually for three years, two months, and 23 days in order to have the end of the New Contract align with the end of the fiscal year to make tracking the contract term easier.

Because the state’s finances have been severely and negatively impacted by the COVID-19 pandemic, I am not proposing that the Board consider increasing Ms. Aldrich’s salary at this time. I am proposing that provisions in the 2019 Amendment be incorporated into the New Contract. These provisions clarify 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 and can consider an increase next year.

IV. RECOMMENDATION

Based on the foregoing, I recommend that the Human Resources Committee recommend to the Board of Education (“Board”) that it approve the Employment Contract between Stacey Aldrich and the Board of Education, State of Hawaii, attached as **Exhibit C,** and authorize Board Chairperson Catherine Payne to execute the contract on behalf of the Board.

² The memorandum on the amendment is available at:
https://boe.hawaii.gov/Meetings/Notices/Meeting%20Material%20Library/HR_20191121_Committee%20Action%20on%20State%20Librarian%20Contract%20Amendment.pdf

Exhibit A
2018 Contract

EMPLOYMENT CONTRACT
BETWEEN
STACEY ALDRICH
AND
THE BOARD OF EDUCATION, STATE OF HAWAII

This employment Contract (hereinafter referred to as the “*Contract*”) is hereby made and entered into this ____ day of _____, 2018 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*”).

WHEREAS, the Board desires to appoint Ms. Aldrich to the position of State Librarian (hereinafter referred to as “*State Librarian*”) pursuant to Section 312-2.1, Hawaii Revised Statutes (“*H.R.S.*”); and

WHEREAS, Ms. Aldrich agrees to serve as State Librarian;

NOW, THEREFORE, the Board and Ms. Aldrich, for the consideration specified and acknowledged herein, hereby mutually agree as follows:

I. APPOINTMENT AND DURATION

The Board hereby appoints Ms. Aldrich as State Librarian for a term of three (3) years commencing on April 6, 2018, and terminating on April 6, 2021 unless sooner terminated as provided herein.

II. DUTIES AND RESPONSIBILITIES

Ms. Aldrich shall serve and carry out the duties of State Librarian in accordance with the Hawaii State Constitution, the laws of this State and the policies of the Board and the rules and regulations of the Hawaii State Public Libraries System (“*HSPLS*”) provided the policies, rules and regulations are in conformance with the law.

III. COMPENSATION

Ms. Aldrich shall receive an annual salary of One Hundred Twenty Thousand Dollars (\$120,000.00).

IV. VACATION AND OTHER BENEFITS

The State Librarian shall be entitled to all vacation and other State benefits as provided by law.

V. GOALS AND OBJECTIVES

At the request of either party, the parties shall meet to establish and review goals and objectives for HSPLS. Ms. Aldrich’s performance in pursuing and attaining such goals and objectives shall be considered as part of her evaluation by the Board.

VI. EVALUATION

The parties recognize that the Board has the right to evaluate and assess Ms. Aldrich's performance as State Librarian on an informal and continuous basis. In addition, at least annually there shall be a formal evaluation by the Board of Ms. Aldrich's performance as State Librarian. The State Librarian shall be provided a reasonable opportunity to respond to any evaluation or assessment by the Board.

VII. TERMINATION OF CONTRACT

This Contract may be terminated as follows:

1. By mutual agreement.
2. By the State Librarian, by tendering an immediate resignation from office. Resignation by the State Librarian shall not be considered a breach of this Contract.
3. By reason of disability such that the State Librarian cannot perform her duties as State Librarian for a period of six (6) consecutive months.
4. By the Board, for cause pursuant to H.R.S., §312-2.1, upon a majority vote of its members.

If State Librarian, Ms. Aldrich, leaves the position for any reason other than for cause or her unilateral resignation, the Board will pay her the lump sum payment of the salary for the remainder of the contract, not to exceed one year, and this will constitute final settlement of the Contract.

VIII. REMOVAL OF THE STATE LIBRARIAN FOR CAUSE

The State Librarian can be terminated for cause.

Before the State Librarian is removed from office for cause, the Board shall provide the State Librarian with its reasons, in writing, for its decision to remove the State Librarian from office.

The State Librarian shall be afforded the opportunity to appear before the Board to respond to the Board's decision and the reasons therefore.

The parties agree that the following situations may constitute "cause" sufficient to justify the removal and termination of the State Librarian from office:

1. The willful failure to execute the duties and responsibilities of the office.
2. The willful failure to attain the goals and objectives of HSPLS.
3. The willful failure to apprise the Board of any significant material impact in a timely manner.
4. An overall unsatisfactory evaluation rating by the Board.
5. Conviction of a felony or other dereliction of duty that reflects adversely on HSPLS and the Board.

IX. WAIVER OF BREACH

The waiver by the Board of any breach of a provision of this Contract shall not operate or be construed as a waiver of any further or subsequent breach by the State Librarian.

X. MODIFICATION

This Contract shall not be modified or extended except by written agreement of the parties. The State Librarian understands that any modification or extension to this Contract can only be authorized through the official approval of the Board, as evidenced by a majority vote of its members.

XI. APPLICABILITY OF STATE LAW

The terms and conditions of this Contract shall be subject to the laws of the State of Hawaii.

XII. SEVERABILITY

If a term or provision of this Contract is determined to be illegal, invalid, or inoperative, the remainder of this Contract shall not be affected by such a ruling but shall remain in force and effect without the illegal, invalid, or inoperative term or provision. To this end, the terms and provisions of this Contract are declared to be severable.

XIII. ENTIRE AGREEMENT

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

BOARD OF EDUCATION
By its Chairperson

STACEY ALDRICH

LANCE A. MIZUMOTO

APPROVED AS TO FORM:

James E. Halvorson
Deputy Attorney General

This Contract was approved by the Board of Education, through a majority vote of its members, at a public meeting, held on March 13, 2018.

Exhibit B
2019 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

STACEY ALDRICH

CATHERINE PAYNE

APPROVED AS TO FORM:

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.

Exhibit C
Redline New Contract

EMPLOYMENT CONTRACT
BETWEEN
STACEY ALDRICH
AND
THE BOARD OF EDUCATION, STATE OF HAWAII

This employment Contract (hereinafter referred to as the “*Contract*”) is hereby made and entered into this ____ day of _____, ~~2018-2021~~ 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*”).

WHEREAS, the Board desires to appoint Ms. Aldrich to the position of State Librarian (hereinafter referred to as “*State Librarian*”) pursuant to Section 312-2.1, Hawaii Revised Statutes (“*H.R.S.*”); and

WHEREAS, Ms. Aldrich agrees to serve as State Librarian;

NOW, THEREFORE, the Board and Ms. Aldrich, for the consideration specified and acknowledged herein, hereby mutually agree as follows:

I. APPOINTMENT AND DURATION

The Board hereby appoints Ms. Aldrich as State Librarian for a term of three (3) years, ~~two (2) months, and twenty-three (23) days~~, commencing on April ~~67, 2018~~2021, and terminating on ~~April-June 306, 2021-2024~~ unless sooner terminated as provided herein.

II. DUTIES AND RESPONSIBILITIES

Ms. Aldrich shall serve and carry out the duties of State Librarian in accordance with the Hawaii State Constitution, the laws of this State and the policies of the Board and the rules and regulations of the Hawaii State Public Libraries System (“*HSPLS*”) provided the policies, rules and regulations are in conformance with the law.

III. COMPENSATION

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. Ms. Aldrich shall receive an annual salary of One Hundred Twenty Thousand Dollars (\$120,000.00).~~

IV. VACATION AND OTHER BENEFITS

The State Librarian shall be entitled to all vacation and other State benefits as provided by law.

V. GOALS AND OBJECTIVES

At the request of either party, the parties shall meet to establish and review goals and objectives for HSPLS. Ms. Aldrich's performance in pursuing and attaining such goals and objectives shall be considered as part of her evaluation by the Board.

VI. EVALUATION

The parties recognize that the Board has the right to evaluate and assess Ms. Aldrich's performance as State Librarian on an informal and continuous basis. In addition, at least annually there shall be a formal evaluation by the Board of Ms. Aldrich's performance as State Librarian. The State Librarian shall be provided a reasonable opportunity to respond to any evaluation or assessment by the Board.

VII. TERMINATION OF CONTRACT

This Contract may be terminated as follows:

1. By mutual agreement.
2. By the State Librarian, by tendering an immediate resignation from office. Resignation by the State Librarian shall not be considered a breach of this Contract.
3. By reason of disability such that the State Librarian cannot perform her duties as State Librarian for a period of six (6) consecutive months.
4. By the Board, for cause pursuant to H.R.S., §312-2.1, upon a majority vote of its members.

If State Librarian, Ms. Aldrich, leaves the position for any reason other than for cause or her unilateral resignation, the Board will pay her the lump sum payment of the salary for the remainder of the contract, not to exceed one year, and this will constitute final settlement of the Contract.

VIII. REMOVAL OF THE STATE LIBRARIAN FOR CAUSE

The State Librarian can be terminated for cause.

Before the State Librarian is removed from office for cause, the Board shall provide the State Librarian with its reasons, in writing, for its decision to remove the State Librarian from office.

The State Librarian shall be afforded the opportunity to appear before the Board to respond to the Board's decision and the reasons therefore.

The parties agree that the following situations may constitute "cause" sufficient to justify the removal and termination of the State Librarian from office:

1. The willful failure to execute the duties and responsibilities of the office.
2. The willful failure to attain the goals and objectives of HSPLS.
3. The willful failure to apprise the Board of any significant material impact in a timely manner.
4. An overall unsatisfactory evaluation rating by the Board.
5. Conviction of a felony or other dereliction of duty that reflects adversely on HSPLS and the Board.

IX. WAIVER OF BREACH

The waiver by the Board of any breach of a provision of this Contract shall not operate or be construed as a waiver of any further or subsequent breach by the State Librarian.

X. MODIFICATION

This Contract shall not be modified or extended except by written agreement of the parties. The State Librarian understands that any modification or extension to this Contract can only be authorized through the official approval of the Board, as evidenced by a majority vote of its members.

XI. APPLICABILITY OF STATE LAW

The terms and conditions of this Contract shall be subject to the laws of the State of Hawaii.

XII. SEVERABILITY

If a term or provision of this Contract is determined to be illegal, invalid, or inoperative, the remainder of this Contract shall not be affected by such a ruling but shall remain in force and effect without the illegal, invalid, or inoperative term or provision. To this end, the terms and provisions of this Contract are declared to be severable.

XIII. ENTIRE AGREEMENT

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

BOARD OF EDUCATION
By its Chairperson

STACEY ALDRICH
PAYNE

~~LANCE A. MIZUMOTO~~CATHERINE

APPROVED AS TO FORM:

James E. Halvorson
Deputy Attorney General

This Contract was approved by the Board of Education, through a majority vote of its members, at a public meeting, held on ~~March 13, 2018~~ _____, 2021.

Exhibit D
New Contract

EMPLOYMENT CONTRACT
BETWEEN
STACEY ALDRICH
AND
THE BOARD OF EDUCATION, STATE OF HAWAII

This employment Contract (hereinafter referred to as the “**Contract**”) is hereby made and entered into this ____ day of _____, 2021 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**”).

WHEREAS, the Board desires to appoint Ms. Aldrich to the position of State Librarian (hereinafter referred to as “**State Librarian**”) pursuant to Section 312-2.1, Hawaii Revised Statutes (“**H.R.S.**”); and

WHEREAS, Ms. Aldrich agrees to serve as State Librarian;

NOW, THEREFORE, the Board and Ms. Aldrich, for the consideration specified and acknowledged herein, hereby mutually agree as follows:

I. APPOINTMENT AND DURATION

The Board hereby appoints Ms. Aldrich as State Librarian for a term of three (3) years, two (2) months, and twenty-three (23) days, commencing on April 7, 2021, and terminating on June 30, 2024 unless sooner terminated as provided herein.

II. DUTIES AND RESPONSIBILITIES

Ms. Aldrich shall serve and carry out the duties of State Librarian in accordance with the Hawaii State Constitution, the laws of this State and the policies of the Board and the rules and regulations of the Hawaii State Public Libraries System (“**HSPLS**”) provided the policies, rules and regulations are in conformance with the law.

III. COMPENSATION

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..

IV. VACATION AND OTHER BENEFITS

The State Librarian shall be entitled to all vacation and other State benefits as provided by law.

V. GOALS AND OBJECTIVES

At the request of either party, the parties shall meet to establish and review goals and objectives for HSPLS. Ms. Aldrich's performance in pursuing and attaining such goals and objectives shall be considered as part of her evaluation by the Board.

VI. EVALUATION

The parties recognize that the Board has the right to evaluate and assess Ms. Aldrich's performance as State Librarian on an informal and continuous basis. In addition, at least annually there shall be a formal evaluation by the Board of Ms. Aldrich's performance as State Librarian. The State Librarian shall be provided a reasonable opportunity to respond to any evaluation or assessment by the Board.

VII. TERMINATION OF CONTRACT

This Contract may be terminated as follows:

1. By mutual agreement.
2. By the State Librarian, by tendering an immediate resignation from office. Resignation by the State Librarian shall not be considered a breach of this Contract.
3. By reason of disability such that the State Librarian cannot perform her duties as State Librarian for a period of six (6) consecutive months.
4. By the Board, for cause pursuant to H.R.S., §312-2.1, upon a majority vote of its members.

If State Librarian, Ms. Aldrich, leaves the position for any reason other than for cause or her unilateral resignation, the Board will pay her the lump sum payment of the salary for the remainder of the contract, not to exceed one year, and this will constitute final settlement of the Contract.

VIII. REMOVAL OF THE STATE LIBRARIAN FOR CAUSE

The State Librarian can be terminated for cause.

Before the State Librarian is removed from office for cause, the Board shall provide the State Librarian with its reasons, in writing, for its decision to remove the State Librarian from office.

The State Librarian shall be afforded the opportunity to appear before the Board to respond to the Board's decision and the reasons therefore.

The parties agree that the following situations may constitute “cause” sufficient to justify the removal and termination of the State Librarian from office:

1. The willful failure to execute the duties and responsibilities of the office.
2. The willful failure to attain the goals and objectives of HSPLS.
3. The willful failure to apprise the Board of any significant material impact in a timely manner.
4. An overall unsatisfactory evaluation rating by the Board.
5. Conviction of a felony or other dereliction of duty that reflects adversely on HSPLS and the Board.

IX. WAIVER OF BREACH

The waiver by the Board of any breach of a provision of this Contract shall not operate or be construed as a waiver of any further or subsequent breach by the State Librarian.

X. MODIFICATION

This Contract shall not be modified or extended except by written agreement of the parties. The State Librarian understands that any modification or extension to this Contract can only be authorized through the official approval of the Board, as evidenced by a majority vote of its members.

XI. APPLICABILITY OF STATE LAW

The terms and conditions of this Contract shall be subject to the laws of the State of Hawaii.

XII. SEVERABILITY

If a term or provision of this Contract is determined to be illegal, invalid, or inoperative, the remainder of this Contract shall not be affected by such a ruling but shall remain in force and effect without the illegal, invalid, or inoperative term or provision. To this end, the terms and provisions of this Contract are declared to be severable.

XIII. ENTIRE AGREEMENT

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

BOARD OF EDUCATION
By its Chairperson

STACEY ALDRICH

CATHERINE PAYNE

APPROVED AS TO FORM:

James E. Halvorson
Deputy Attorney General

This Contract was approved by the Board of Education, through a majority vote of its members, at a public meeting, held on _____, 2021.