



STATE OF HAWAII
DEPARTMENT OF EDUCATION

P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

December 5, 2019

TO: The Honorable Catherine Payne
Chairperson, Board of Education

FROM: Dr. Christina M. Kishimoto
Superintendent

A handwritten signature in blue ink, appearing to read "CK", is placed to the right of the "FROM:" line.

SUBJECT: **Board Action on Extra Compensation For Classroom Teachers in Special Education, Hard-To-Staff Geographical Locations, and Hawaiian Language Immersion Programs**

1. REQUEST:

Pursuant to the Department of Education's School Code, Certificated Personnel Policies and Regulations (5000 Series), Regulation #5204 Compensation, Administrative Regulations, Special Compensation Section, item F. Extra Compensation for Personnel Performing Special Duties, number 8. Other special situations approved by the Board of Education (BOE), the Department of Education (Department) respectfully requests the BOE's approval to provide shortage differentials to qualified and licensed teachers to fill vacancies in the areas of Special Education, Hard-to-Staff Geographical locations, and for Hawaiian Language Immersion Programs.

2. RECOMMENDED EFFECTIVE DATE:

The recommended effective date for the shortage differential(s) is January 7, 2020. Discussion to occur and action to be taken at the Board's December 5, 2019, General Business meeting.

3. DISCUSSION:

The Department's School Code, Policy #5100 Recruitment, Employment, Retention and Termination Policy, Section Teacher Recruitment/Retention/Employment, states in part:

*The Department shall develop and implement a strategic plan to recruit and retain qualified teachers which (1) identifies recruitment and retention goals; (2) implements strategies to achieve these goals, (3) **identifies specific teaching shortage areas and geographically hard to fill areas**, and (4) establishes a continuing community outreach program to encourage and assist resident of communities experiencing high teacher turnover to become teachers.*

Declaring a labor shortage in a class or group of positions and providing shortage differentials is a standard strategic human resources practice and procedure that is regularly utilized in addressing labor shortages in civil service positions and employees. To date, there are eleven (11) civil service positions within the Department that are being provided a shortage differential due to a recognized labor shortage in their areas of expertise:

1. Clinical Psychologist, Bargaining Unit (BU) 13, Included Hawaii Government Employees Association (HGEA)
2. Educational Interpreter, BU 13, Included HGEA
3. Engineer, BU 13, Included HGEA
4. Engineering Program Manager, BU 35, Excluded
5. Engineering Program Administrator, BU 35, Excluded
6. Occupational Therapist, BU 13, Included HGEA
7. Physical Therapist, BU 13, Included HGEA
8. Public Works Manager, BU 35, Excluded
9. Public Works Administrator, BU 35, Excluded
10. School Psychologist, BU 13, Included HGEA
11. Speech-Language Pathologist, BU 13, Included HGEA

Factors that are considered in determining a labor shortage, include but are not limited to:

1. Vacancy rates (i.e., the number of vacant positions on active recruitment divided by the sum of the filled positions and vacant positions on active recruitment);
2. Number of eligible available;
3. Current labor market conditions;
4. Length of time positions have been vacant due to recruitment difficulty;
5. Vacancies concentrated in a specific geographical area;
6. Recruitment strategies implemented;
7. Turnover rate, with and without vacancies caused by promotions and retirement;
8. Reasons for employees leaving;
9. Historical recruitment information; and
10. Criticality of filling the position.

As noted, shortage differentials are already being provided to other Department positions to address the labor shortage in that field, occupation, or study. However, the authority to authorize providing additional compensation to Department teachers, such as shortage differentials, lies with the BOE pursuant to School Code Regulation #5204.

The Department believes that a labor shortage exists within the Department for licensed special education teachers, licensed teachers to teach in hard-to-staff geographical locations, and licensed Hawaii Language Immersion program teachers. The Department wishes to pursue offering shortage differentials to these positions to address the high number of vacancies in these areas.

4. SHORTAGE AREAS:

A. Special Education

1. There is currently a nationwide shortage of Special Education teachers. Providing all students with disabilities access to a qualified, prepared special educator continues to be a challenge in every state. Hawaii is no different, and it has been experiencing shortfalls in Special Education teachers for over the past decade years. The data table depicts the data taken over the last three school years. The statistics reveal an increasing number of special education teacher positions, a lack of special education teachers with a state-approved teacher education program (SATEP) willing to fill those positions, the increasing number of non-SATEP teachers assigned to these positions; and the number of vacancies within the Department.

School Year	Total SpEd Position Count	SATEP*	Non-SATEP	Overall fill rate	Vacant
SY 2016-2017	2,108	1,818 (86%)	144 (7%)	93%	146 (7%)
SY 2017-2018	2,151	1,840 (86%)	163 (7%)	93%	148 (7%)
SY 2018-2019	2,212	1,860 (84%)	198 (9%)	93%	154 (7%)

The Department is seeking approval from the BOE to provide an annual shortage differential of \$10,000 per each qualified and licensed special education classroom teacher.

2. Previous action of the BOE on the same or similar matters:

None.

However, during the Felix Consent Decree and its associated mandates, the Superintendent of the Department engaged in two separate efforts to specifically target and recruit special education teachers. The first strategic approach was a \$100 million dollar contract with Columbus Educational Services, whose charge was to secure one hundred (100) new special education teachers. The second strategic approach was a "Return to Special Education Incentive" to encourage regular education teachers who were dual certified in both regular and special education to return to a special education line. The incentive was a \$10,000 bonus paid over three years.

3. Other policies affected:

None.

4. Arguments in support of the recommendation:

Research indicates that competitive compensation (i.e., market compensation) for teachers is one factor that may help address the current special education teacher shortage. Teacher salaries, which are unable to compete with high costs of living in Hawaii, may be deterring individuals who are licensed in special education to consider the special education teaching profession due to its professional demands and working conditions.

An increasing number of school districts around the country are utilizing additional pay specific to those teaching in the area of special education. The National Council on Teacher Quality reports that of the country's one hundred forty-five (145) largest school districts, thirty-seven (37) offer some sort of higher or additional salary compensation for teaching in the area of special education. Amounts vary greatly; some are a percentage of base pay; others have created separate salary schedules (with higher pay), and there are others who provide a specific additional bonus or incentives like New York City Schools which includes a \$5,000 Housing Stipend and an additional \$400/month in compensation.

Special education is a critical shortage area in Hawaii, and a lack of qualified and licensed special education teachers has a direct educational impact on students with special needs. Qualified and licensed teachers are a key component of the system, serving as case managers for each student's Individual Educational Plan, and facilitating the services needed to support each student with the greatest resources and opportunities with special needs. The Department needs the flexibility like the civil service counterparts to take similar actions to attract qualified and licensed teachers into special education positions to ensure that our special needs students are given the education resources and opportunities that are required under the law.

5. Arguments against the recommendation:

Since the shortage differential will only impact licensed special education classroom teachers, perceptions of compensation inequity may surface among non-classroom special education teachers providing indirect services and/or other non-teaching support staff who may be providing services to special education students in the classroom, for example, Educational Assistants.

6. Other agencies or departments of the State of Hawaii involved in the action:

None.

7. Possible reaction of the public, professional organizations, unions, Department staff, and/or others to the recommendations:

The Hawaii State Teachers Association (HSTA) has been consulted on this proposed request and is committed to working with the Department and the BOE in finding solutions to the teacher shortage crisis. The HSTA believes that teacher shortage is throughout the profession and is not limited to only specific areas or teaching lines. HSTA does not object to the Department's decision to recognize certain critical positions if there is a commitment to examine whether all qualified and licensed teachers should be provided with additional compensation for recruitment and retention.

The shortage differential may draw inquiry from other union bargaining units, especially if those classes of work are also providing services to students in a special education classroom.

Parents and community members who support inclusive practices in our schools will likely support our efforts to ensure we have qualified and licensed teachers in the classroom, and proper educational services, support, and opportunities are being provided to our students with special needs.

8. Educational implications:

The shortage differential may positively impact the filling of existing vacant special education teacher positions beginning in the 2020-2021 fiscal year, and provide increased equitable access to quality education for our special education students.

9. Personnel implications:

None.

10. Facilities implications:

None.

11. Financial implications:

As of November 30, 2019, there are 1,691 special education teachers. The estimated cost for FY 2020 is \$8,455,000. The estimated cost for FY 2021 is \$16,910,000.

B. Hard-to-Staff Geographical Locations

1. In 2007, the HSTA and the Department negotiated and continued to renew a Memorandum of Understanding (MOU) for a recruitment/retention incentive that today provides an annual differential of \$3,000 for qualified and licensed teachers employed in hard-to-staff locations. This MOU was agreed upon by the parties in attempts to provide stability and continuity in the learning communities of hard-to-staff schools by providing a recruitment/retention incentive for qualified licensed teachers employed at identified hard-to-staff locations, based on geographic locations. (Attachment A)

While this recruitment/retention incentive has relatively helped in filling vacancies in these locations, it hasn't reduced or made any significant impact and/or change as vacancies continue to increase, especially in certain geographical areas. The Department believes that a shortage does exist, and the labor shortage is more severe in certain geographic locations. The Department believes that a new recruitment/retention model should be implemented via a shortage differential. The Department believes that a shortage differential should be provided to certain identified schools and complex areas in geographically isolated locations to address areas that have higher rates of non-certified teachers and higher teacher vacancies.

The following are the proposed tiers, rationale of the tier, the criteria, and amounts for these shortage differentials:

Criteria Levels (Attachment B):

- a) Complexes required under the current contract
- b) Complexes whose rate of teachers with a SATEP has been under the state SATEP average for the last three years
- c) Geographically isolated (more than 25 miles from an urban center) complexes
- d) Complexes whose combined vacancy and emergency hires were higher than 10% in SY 2016-2017 and 2017-2018

Tier 1 (\$3,000): Complexes required under the current contract (this applies to only schools who are required under contract and meet no other criteria).

Tier 2 (\$5,000): Complexes who meet two (2) of the criteria levels.

Tier 3 (\$7,500): Complexes who meet three (3) of the criteria levels.

Tier 4 (\$8,000): Complexes who meet four (4) of the criteria levels and Olomana School and Hawaii School for the Deaf and Blind.

Attached are tables (Attachment C) reflecting the percentage of positions filled by a SATEP teacher for the last three school years. Although the data shows a positive trend in many areas, areas such as the Hana-Lahainaluna-Lanai-Molokai and Nanakuli-Waianae complex areas continue to show lower percentages of positions filled by SATEP teachers and have persistent vacancy rates.

2. Previous action of the BOE on the same or similar matters:

Negotiated MOU's contained in the HSTA Unit 5 collective bargaining agreement from 2007 - present.

3. Other policies affected:

None.

4. Arguments in support of the recommendation:

Research indicates that competitive compensation (i.e., market compensation) for teachers is one factor that may help address the current teacher shortage in these identified schools and geographical locations. Teacher salaries, which are unable to compete with high costs of living in Hawaii, maybe deterring individuals from considering the teaching profession. This situation may be exacerbated when the teaching position is in certain schools or geographical locations that are rural and/or remote as the cost of living is even greater, and housing options are scarce, resulting in long commute times and extra fuel expenses.

The Department is seeking new and innovative ways to stabilize our teaching workforces in the most at-risk communities. The schools affected by these expanded criteria have historically been subjected to chronic shortages of qualified and licensed teachers for many years, if not decades.

By implementing a tiered shortage differential in lieu of the negotiated annual differential, the Department believes it will be better equipped to attract and retain qualified and licensed teachers to teach at those schools.

5. Arguments against the recommendation:

None.

6. Other agencies or departments of the State of Hawaii involved in the action:

None.

7. Possible reaction of the public, professional organizations, unions, Department staff, and/or others to the recommendations:

The HSTA has been consulted on this proposed request and is committed to working with the Department and the BOE in finding solutions to end the teacher shortage crisis. The HSTA believes that the teacher shortage is throughout the profession and is not limited to only specific areas or teaching lines. HSTA does not object to the Department's decision to recognize certain critical positions and geographical locations if there is a commitment to examine whether all qualified and licensed teachers should be provided with additional compensation to improve recruitment and retention. The shortage differential may draw inquiry from other union bargaining units, especially if those classes of work are also providing services to students in geographical areas that are rural and/or remote.

The HSTA is also willing to suspend the current MOU contained in Appendix VII (Attachment A) of the 2017-2021 Unit 5 collective bargaining agreement, for Department employed bargaining Unit 5 employees, while the Department pursues this employer discretionary salary adjustment. If the Department discontinues the salary differential, the MOU will be automatically reinstated pursuant to an agreement to be reached between the Department and the HSTA.

8. Educational implications:

By incentivizing teachers to work in hard-to-staff geographical locations and identified schools, the Department hopes to increase equitable access to quality education for students in these geographic areas that are often rural and/or remote.

The shortage differential may positively impact the filling of existing vacant hard-to-staff geographical locations and identified schools beginning in the 2020-2021 fiscal year.

9. Personnel implications:

None.

10. Facilities implications:

None.

11. Financial implications:

Currently, there are 2,109 teachers that could meet the new criteria; therefore, the total potential cost to the Department for this shortage differential is estimated to be \$12,679,000 in FY 2021.

The total cost for this shortage differential will be approximately \$6,000,000 for FY 2020.

Funding for this shortage differential for FY 2021 and beyond shall be requested from the Legislature via operational funds.

C. Hawaiian Language Immersion

1. Hawaiian language immersion teachers are also a large shortage category of teaching positions within the Department. Of the Department's 161 total positions, 107 (66%) are filled; however, 54 of the 161 (34%) are filled with qualified and licensed Hawaiian language immersion teachers. Qualified and licensed Hawaiian language immersion teachers require fluency in the Hawaiian language as well as licensure by the Hawaii Teacher Standards Board, which makes finding interested and qualified candidates very challenging for the Department.

As recently determined by the Hawaii State Supreme Court in August of this year, Hawaii's constitution requires that the Department make "reasonable efforts" to provide students access to Hawaiian language immersion education. Currently, there are a total of eighteen (18) Department operated Hawaiian language immersion programs.

The Department believes that due to the recent Supreme Court ruling and the number of vacancies already beleaguering the Department, the Department needs the flexibility to attract qualified and licensed Hawaiian language immersion teachers to fill the labor shortage as the demands for Olelo Hawaii or Hawaiian language education increases.

In addition, per BOE Policy 105-8, the BOE recognizes the additional demands and qualifications of Hawaiian language immersion teachers and directed the Department to address compensation accordingly.

"The Department will establish professional qualifications and develop training programs internally and/or in cooperation with stakeholder groups/universities. The goal is for program professionals to be qualified in both English as a medium of instruction and Hawaiian as a medium of instruction and appropriately compensated for these additional qualifications."

The Department is seeking approval from the BOE to provide an annual shortage differential of \$8,000 per each qualified and licensed Hawaiian language immersion classroom teacher.

2. Previous action of the BOE on the same or similar matters:

None.

3. Other policies affected:

None.

4. Arguments in support of the recommendation:

Research indicates that competitive compensation (i.e., market compensation) for teachers is one factor that may help address the current special education teacher shortage. Teacher salaries, which are unable to compete with high costs of living in Hawaii, maybe deterring individuals from pursuing a career in Hawaiian language immersion since it requires a higher post-baccalaureate or master's degree.

5. Arguments against the recommendation:

Since the shortage differential will only apply to Hawaiian language immersion licensed classroom teachers who are fluent in the Hawaiian language, perceptions of compensation inequity may surface among non-classroom or regular education teachers providing indirect services and/or other non-teaching support staff to Hawaiian language immersion programs.

6. Other agencies or departments of the State of Hawaii involved in the action:

None.

7. Possible reaction of the public, professional organizations, unions, Department staff, and/or others to the recommendations:

The HSTA has been consulted on this proposed request and is committed to working with the Department and the BOE in finding solutions to end the teacher shortage crisis. The HSTA believes that the teacher shortage is throughout the profession and is not limited to only specific areas or teaching lines. HSTA does not object to the Department's decision to recognize certain critical positions if there is a commitment to examine whether all qualified and licensed teachers should be provided with additional compensation to improve recruitment and retention. The shortage differential may draw inquiry from other union bargaining units, especially if those classes of work are also providing services to students in Hawaiian language immersion programs.

8. Educational implications:

The shortage differential may positively impact the filling of existing vacant Hawaiian immersion language teacher positions with those who are both licensed and fluent in Hawaiian beginning the 2020-2021 fiscal year and provide increased equitable access to quality education.

9. Personnel implications:

None.

10. Facilities implications:

None.

11. Financial implications:

Currently, 107 Department teachers have been identified as teaching Hawaiian immersion. Therefore, the total potential cost to the Department for this shortage differential each fiscal year is estimated at \$856,000 in FY 2021.

The total cost for this shortage differential will be approximately \$216,000 for FY 2020.

Funding for this shortage differential for FY 2021 and beyond shall be requested from the Legislature via operational funds.

5. OTHER SUPPLEMENTARY RECOMMENDATIONS:

None.

6. FORTHCOMING ACTIONS:

The Hawaii teacher shortage requires additional bold action to close the teacher vacancy gaps. While the differential pay being proposed for Special Education teachers, for teachers filling positions in hard-to-staff locations, and Hawaiian Immersion teachers, will help to narrow the number of teacher vacancies, additional action is necessary to retain licensed, tenured teachers who are essential to closing the student achievement gap.

I intend to address equity and compression in teacher salaries via a forthcoming pilot project and will return to the Board early next year to provide additional information about the pilot project.

CMK:sb

Attachments: Attachment A: Appendix VII
Attachment B: Proposed Hard-to-Staff Locations
Attachment C: Percentage of Teacher Positions Filled (with SATEP teachers)

ATTACHMENT A

APPENDIX VII

**MEMORANDUM OF UNDERSTANDING
BETWEEN
STATE OF HAWAII
BOARD OF EDUCATION AND
HAWAII STATE TEACHERS ASSOCIATION
(RECRUITMENT/RETENTION INCENTIVE FOR
HARD-TO-STAFF LOCATIONS)**

This Memorandum of Understanding is effective as of July 1, 2017 by and between the State of Hawaii, Board of Education and the Hawaii State Teachers Association. In an effort to provide stability and continuity in the learning communities of hard-to-staff schools, the parties mutually agree to a differential for licensed teachers, including public charter school teachers, employed in the following geographical areas and campuses, shall be paid a hard-to-staff incentive as follows:

An annual differential of \$3,000 shall be paid at the following geographical areas and campuses:

- Hana Complex
- Keaau Complex
- Lanai Complex
- Molokai Complex
- Kau Complex
- Nanakuli Complex
- Pahoia Complex
- Waianae Complex

The funding for the retention incentive shall not come out of public charter school per pupil allocations.

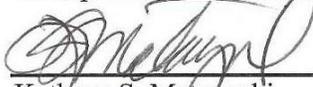
This Memorandum of Understanding shall expire on June 30, 2021.

STATE OF HAWAII

By:



Lance A. Mizumoto
Chairperson, Board of Education



Kathryn S. Matayoshi
Superintendent, Dept. of Education

HAWAII STATE TEACHERS ASSOCIATION

By:



Corey Rosenlee
President



Wilbert Holck
Executive Director

ATTACHMENT B

Criteria for Shortage Differential - Hard-to-Staff Locations

Complex Name	Required under CBA	Under State SATEP Average for last three years*	Geographically Isolated Complexes**	Vacancies + Emergency hires = greater than 10% in 16-17 and 17-18***
Hana	x	x	x	x
Honokaa		x	x	x
Kahuku			x	
Kau	x		x	x
Kealakehe		x		x
Keeau	x			
Kekaulike				x
Kohala		x	x	
Konawaena		x		x
Lahainaluna		x		x
Leilehua				x
Lanai	x	x	x	x
Molokai	x	x	x	x
Nanakuli	x	x	x	x
Pahoa	x			
Waialua			x	
Waianae	x	x	x	x

Tier 1	Red= only meet 1 Criteria, but required under contract, \$3,000 Bonus
Tier 2	Beige= 2 Criteria, \$5,000 Bonus
Tier 3	Yellow= 3 Criteria, \$7,500 Bonus
Tier 4	Blue= 4 Criteria, \$8,000 Bonus, increasing to \$10,000 in SY 2021-22; ***Also includes Olomana School and HSDB

[*http://www.hawaiipublicschools.org/VisionForSuccess/AdvancingEducation/StrategicPlan/Pages/SPDR-2.aspx](http://www.hawaiipublicschools.org/VisionForSuccess/AdvancingEducation/StrategicPlan/Pages/SPDR-2.aspx)

**Complex High School is greater than 25 miles from urban center

ATTACHMENT C

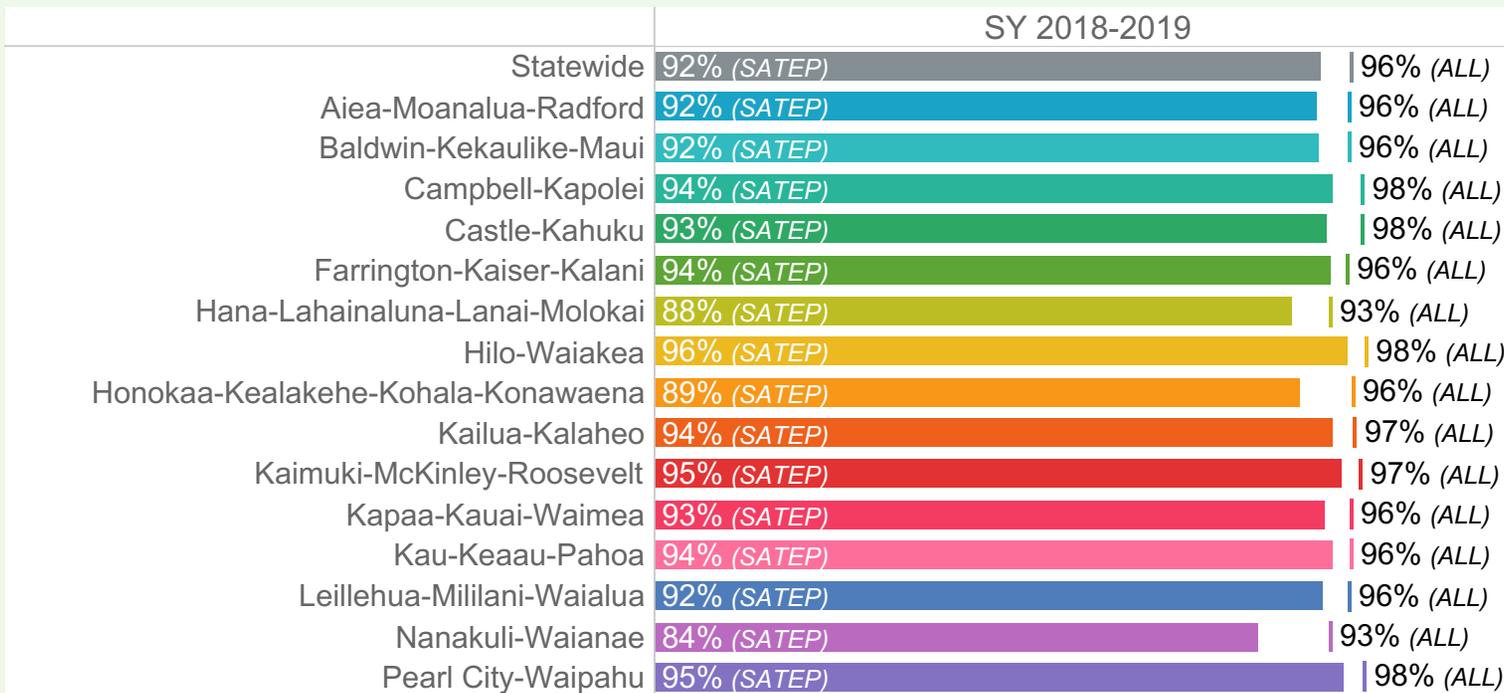
Percentage of Teacher Positions Filled *(with SATEP teachers)*

SY 2018-2019

SATEP = State Approved Teacher Education Program

SY 2016-2017 Baseline <i>Statewide</i>	SY 2017-2018 <i>Statewide</i>	SY 2018-2019 <i>Statewide</i>	2020 Target <i>Statewide</i>
93%	92%	92%	96%

Display selected: Complex Area Comparison



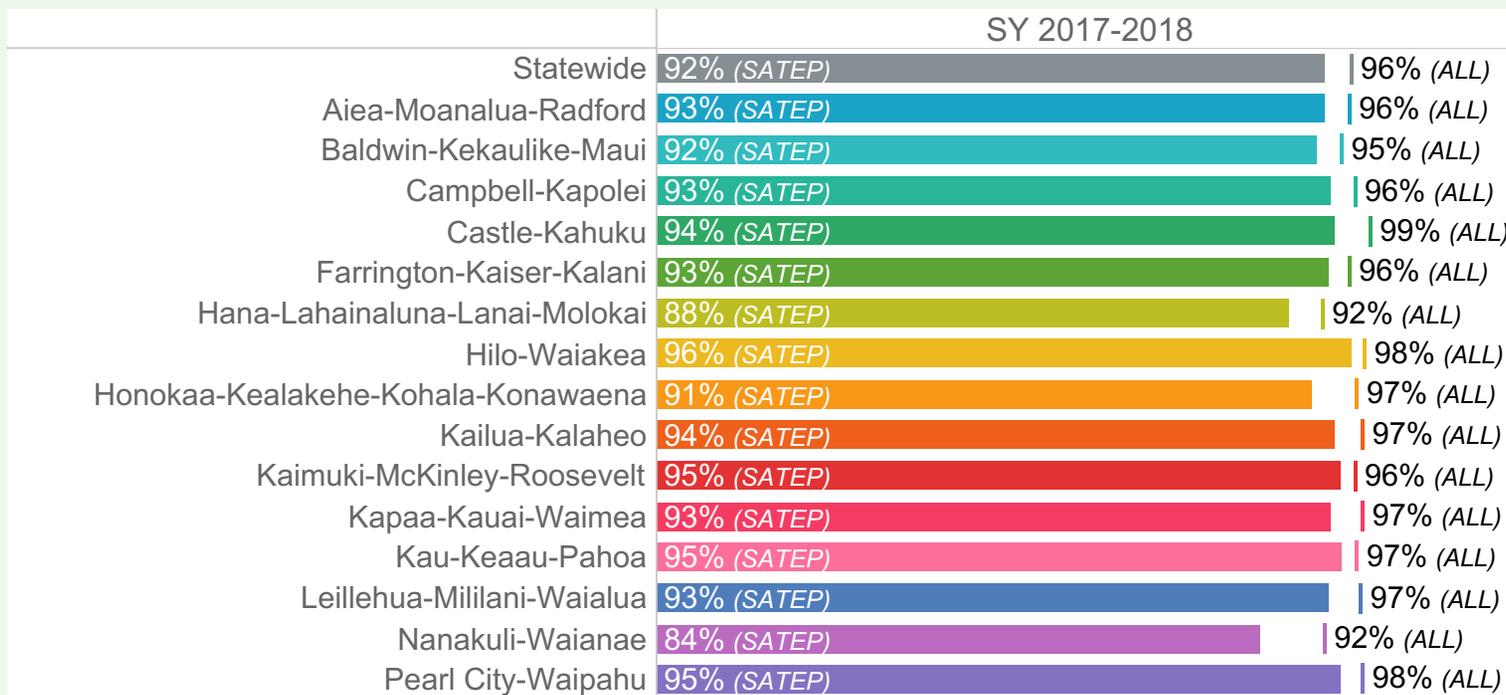
Percentage of Teacher Positions Filled *(with SATEP teachers)*

SY 2017-2018

SATEP = State Approved Teacher Education Program

SY 2016-2017 Baseline <i>Statewide</i>	SY 2017-2018 <i>Statewide</i>	SY 2018-2019 <i>Statewide</i>	2020 Target <i>Statewide</i>
93%	92%	92%	96%

Display selected: Complex Area Comparison



Percentage of Teacher Positions Filled *(with SATEP teachers)*

SY 2016-2017

SATEP = State Approved Teacher Education Program

SY 2016-2017 Baseline <i>Statewide</i>	SY 2017-2018 <i>Statewide</i>	SY 2018-2019 <i>Statewide</i>	2020 Target <i>Statewide</i>
93%	92%	92%	96%

Display selected: Complex Area Comparison

