

OVERVIEW

Comparison Study of the Salary Structure of Educational Officers in the Department of Education

Report No. 00-13, April 2000

Summary

This study resulted from Section 36 of the General Appropriations Act of 1999 (Act 91, Session Laws of Hawaii 1999). Section 36 directed the Auditor to conduct a study comparing the salary structure of Department of Education employees to other state employees who perform similar work functions. We engaged the services of Fox Lawson & Associates LLC to assist us with the study.

Recently, legislators and those involved in civil service reform have become concerned about whether various state personnel systems are “in alignment.” The Department of Education, the state civil service system, and the University of Hawaii (specifically the university’s administrative, technical, and professional positions) are three personnel systems of particular interest. The concern centers on whether pay schedules (compensation plans) are equitable and whether the three personnel systems should be more independent of each other or more integrated.

Positions in the Department of Education generating the most interest have been the educational officers. Educational officers are principals, vice-principals, and professional employees at the department’s state and district levels except for those classified in the civil service system. Besides principals and vice-principals, educational officers include public relations specialists, fiscal specialists, data processing specialists, and various other professional employees. The department has close to 800 educational officer positions, of which nearly 500 are principals and vice-principals.

We found that the Department of Education’s classification and compensation of educational officers raises questions of fairness. The classification system is outdated and the department lacks a formal job evaluation methodology to ensure that employees’ duties and responsibilities are accurately reflected.

The department’s classification and compensation system is inequitable. Although the department’s classification plan shows 17 separate classifications for principals, and 8 separate classifications for vice-principals, we found no actual class specifications for these. Also, several classification series lack entry and journey levels; some supervisory positions do not actually supervise; and descriptive terms in class specifications are unclear and inconsistently defined.

Minimum qualification equivalencies for many positions are inconsistent with the job level. For example, for an entry-level fiscal specialist position, five years of experience as a school principal or vice-principal are considered equivalent to the position’s minimum qualifications of a bachelor’s degree in accounting (or a closely related subject) and two years of professional work experience in the financial area. We also found that some positions are inaccurately classified.



We found that overall, educational officers at the Department of Education are paid more than University of Hawaii or state civil service system employees in similar jobs. Compared to similar jobs within the university and the civil service system, the educational officer jobs do not entail a greater level of complexity.

Both union-negotiated formal salary ranges and actual salary ranges (what employees within that range are actually paid) are higher in the Department of Education than in the university and the civil service system. For example, formal minimum salary ranges for the department are approximately 34 percent higher than the minimum salary ranges for the university and the civil service system.

Section 36 of Act 91 also asked us for private sector information. While limited data prevented accurate conclusions and recommendations, we found that some Department of Education classes appear to be compensated at a rate higher than that of the private sector.

Recommendations and Response

We recommended that the Legislature consider (1) requiring the Board of Education to adopt a classification and compensation structure for educational officers that more accurately reflects the level of work being performed, (2) requiring that the Department of Education obtain the assistance of the Department of Human Resources Development in correcting the inequities identified in our report, and (3) requiring future independent audits of the Department of Education's efforts to produce an equitable classification and compensation system for educational officers.

Responding to a draft of our report, the Department of Education described what it saw as limitations to our study, including our scope and methodology. Our published report includes some clarifications in response to the department's comments.

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