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**STATE OF HAWAII  
SCHOOL FACILITIES AUTHORITY  
BOARD MEETING**

**BOARD MEMBERS**

Edmund Aczon   Harold Edwards   Jan Iwase   Bettina Mehnert  
Alan Oshima, Chairperson

**NOTICE OF MEETING**

Tuesday, December 12, 2023  
1:00 p.m.

**Public Meeting Location**

Queen Liliuokalani Building  
1390 Miller Street, Room 404  
Honolulu, Hawaii 96813

**Virtual Meeting Information**

**Click on this link to join the Zoom webinar:**

<https://zoom.us/j/96911577826?pwd=blpmQjdlMkd5THpnUjBRY3BKNVptZz09>

Webinar ID: 969 1157 7826

Meeting passcode: 049653

**Join by phone:**

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+16694449171,,94268787580#,,,,\*049653# US

## AGENDA

- I. Call to Order**
- II. Roll Call and Determination of a Quorum**
- III. Approval of Meeting Minutes of November 16, 2023**
- IV. Public Testimony**
- V. Report of the School Facilities Authority Executive Director**
  - A. Update on Expanding Pre-Kindergarten Access, New Schools, and Education Workforce Housing
  - B. Update on Administrative Activities
- VI. Action Items**
  - A. Board Action on SFA Executive Director evaluation process, Executive Director position description, and 2024 priorities
  - B. Board Action on SFA 2023 Annual Report to the Hawaii State Legislature
- VII. Public Testimony**
- VIII. Discussion Items**
  - A. Presentation on 2024 SFA Board meeting schedule
- IX. Adjournment**

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Meeting material is available online at <https://www.hisfa.org/>.

The Board accepts written testimony on any agenda item and strongly encourages it as the primary means of submitting testimony. Written testimony received 49 hours before the meeting will be posted publicly and distributed to Board members before the meeting. Individuals may submit written testimony in advance of the meeting via email to [sfboard@hisfa.org](mailto:sfboard@hisfa.org), or by mail addressed to: School Facilities Authority, 75 Aupuni Street, Basement, Hilo, Hawaii 96720.

Individuals interested in signing up to provide oral testimony at the meeting may submit their name, email, and phone number to [sfboard@hisfa.org](mailto:sfboard@hisfa.org). Individuals may provide oral testimony in-person at the meeting.

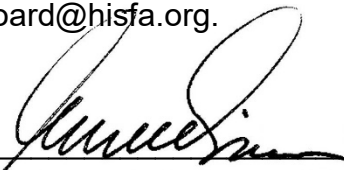
In accordance with Hawaii's Sunshine Law (Hawaii Revised Statutes, Chapter 92), all testimony, whether written or oral, should be related to an item that is on the agenda.

If you need an auxiliary aid/service or other accommodation due to a disability, contact Cindy Watarida at (808) 430-5531, or by email at [cindy.watarida@hisfa.org](mailto:cindy.watarida@hisfa.org) as soon as possible. Requests made as early as possible have a greater likelihood of being fulfilled.

Upon request, this notice is available in alternate/accessible formats.

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Alan Oshima, School Facilities Authority Board Chairperson

SCHOOL FACILITIES AUTHORITY BOARD  
MEETING MINUTES

Date: November 16, 2023

Time: 2:00 p.m.

Teleconference via Zoom

**Members Present:**

Alan Oshima, Chairperson

Edmund Aczon

Harold Edwards

Jan Iwase

Bettina Mehnert

**Staff Present:**

Chad Keone Farias, Executive Director

Alison Kunishige, Deputy Executive Director

Cindy Watarida, Business Manager

Kenyon Tam, Policy and Program Officer

Wilmurf de Vera, Project Manager

Jiaping Fouse, Project Manager

Greg Zabinski, Project Manager

**AGENDA**

**I. Call to Order**

Chairperson Alan Oshima called the meeting to order at 2:00 p.m.

**II. Appreciation for L. Candy Suiso and Welcome New Board Members  
Edmund Aczon and Jan Iwase**

Chairperson Oshima thanked L. Candy Suiso for her service to the School Facilities Authority. He welcomed new Board members Jan Iwase and Edmund Aczon.

**III. Roll Call and Determination of a Quorum**

Chairperson Oshima and Members Aczon, Harold Edwards, Jan Iwase, and Bettina Mehnert were present at roll call. Quorum was established.

**IV. Approval of Meeting Minutes of October 3, 2023**

**Motion: Move to approve the October 10, 2023 meeting minutes (Edwards/Mehnert). 3 Ayes (Oshima, Edwards, Mehnert), 0 Nos, 2 Abstentions (Aczon, Iwase). Motion carries; minutes are approved.**

**V. Public Testimony**

There was no public testimony.

**VI. Report of the School Facilities Authority Executive Director**

**A. Update on Expanding Pre-Kindergarten Access, New Schools, and Education Workforce Housing**

1. Expanding Pre-Kindergarten Access. Executive Director (ED) Chad Farias reported that the School Facilities Authority (SFA) continues to work with Lieutenant Governor Sylvia Luke, the Department of Education (DOE), Executive Office on Early Learning (EOEL) and State Public Charter School Commission (SPCSC).

- a) He reported that SFA will open two renovated pre-kindergarten classrooms on the Nanakuli Elementary School campus in the next couple of weeks.
- b) ED Farias reported that SFA has identified 39 classrooms for renovation and that it is on track to meet its goal of 44 renovated classrooms by August 2024.
- c) ED Farias reported that SFA continues to hold bi-weekly check-ins with DOE and EOEL.
- d) ED Farias reported that SFA continues to make progress on work with the University of Hawaii Imiloa Astronomy Center for the expansion of public pre-kindergarten in the Hawaiian immersion setting under the charter of Ke Kula 'o Nāwahīokalani'ōpu'u Lab Public Charter School (Nawahi). He stated that this project will include three classrooms and a transitional learning laboratory.
- e) Chairperson Oshima asked whether SFA is including the Nawahi classrooms in the 44 classrooms that will be completed by August 2024. ED Farias explained that EOEL and SPCSC are both working on pre-kindergarten creating additional pre-kindergarten classrooms.

2. New Schools.

- a) ED Farias reported that SFA continues to monitor the West Maui situation, which is currently being handled by DOE and that the West Maui schools opened in October. He stated that the long-term focus is on a permanent school and that decision-makers will determine whether SFA develops a permanent school.

3. Education Workforce Housing.

- a) ED Farias stated that the housing workgroup has continued to meet. He stated that the housing workgroup has focused on Maui and Oahu because these islands have the largest gap between teacher pay and housing costs. ED Farias stated that the plan is to release a Request for Qualifications for Maui County first and a Request for Proposals for a site on Oahu.
- b) ED Farias stated that he met with Mililani High School principal Fred Murphy on possible housing locations on the Mililani High School campus. He stated that he was impressed with Principal Murphy's global perspective and how he envisioned the location in Mililani serving teachers from surrounding communities beyond Mililani.
- c) Chairperson Oshima asked ED Farias to explain how current funding allocations would affect SFA's efforts to develop education workforce housing. ED Farias recalled that when the senate initially proposed legislation, it allocated \$185 million to the project, that there was \$170 million allocated to the project at the end of the legislative session, and that Governor Josh Green approved the allocation of \$50 million. He stated that as of last Tuesday, the Department of Budget and Finance (B&F) reduced the \$50 million to \$5 million. ED Farias reported that B&F assured SFA that the plan is to allow SFA to access the \$45 million, but as general obligation bonds, not cash. He reported that general obligation bonds make it more complicated to access the funds, but that this funding source will not lapse as quickly as cash.

- d) Chairperson Oshima asked ED Farias to explain which of the identified education workforce housing sites are owned by the State. ED Farias stated that SFA does not hold title to any of the sites and that the Mililani High School campus appears to have the clearest title. He stated that, preliminarily, it looks like DOE owns the land under the Mililani High School campus, but he is working with SFA's consultants to confirm this. Chairperson Oshima noted that because of the high need and level of interest in education workforce housing, SFA needs to identify a site and make significant progress.
  
- e) ED Farias stated that there has been legislation to transfer ownership of land under roughly 80 schools from the counties to the Department of Education. Chairperson Oshima asked whether ownership has actually been transferred from the counties; ED Farias confirmed that it has not. ED Farias said that the legislature allocated SFA positions, which include a planner and land agent, which would assist with these efforts and that SFA is working on developing and recruiting for these positions.

**B. Update on Administrative Activities**

1. ED Farias reported that SFA has hired more employees and that all SFA staff members are attending the meeting in person. He introduced each of the staff members.
  
2. Supplemental Budget Request. ED Farias reported that SFA submitted a supplemental budget request for \$15 million for education workforce housing. He explained that the legislature had allocated \$15 million for education workforce housing on Maui before SFA was created. ED Farias stated that the \$15 million lapsed, but that there were efforts to ensure that SFA could use these funds to develop education workforce housing on Maui.
  
3. Office Space. ED Farias reported that SFA continues to work with the Department of Accounting and General Services (DAGS) on an office space at 600 Kapiolani Boulevard. He stated that the initial deal fell through, that SFA found a different space in the building that did not need a great deal of

construction, and that DAGS is waiting for a counterproposal from the building's broker.

4. Personnel. ED Farias reported that SFA plans to fill all of the positions allocated by the legislature and provided a listing of filled and vacant positions.

- a) Filled:

Chad Keone Farias, Executive Director  
Alison Kunishige, Deputy Executive Director  
Cindy Watarida, Business Manager  
Kenyon Tam, Policy and Program Officer  
Wilmurf de Vera, Project Manager  
Jiaping Fouse, Project Manager  
Greg Zabinski, Project Manager

- b) Vacant:

Land Agent  
Planner  
Purchasing Specialist  
Office Assistant  
IT/Data Specialist

5. Strategic Planning. ED Farias reported that the Hawaii Institute for Public Affairs (HIPA) facilitated the work on SFA's first strategic planning document and that he would present on this later in the meeting.
6. Administrative Rules. ED Farias reported that SFA is currently working on its rules of practice and procedure and noted that it will need to develop other rules, including impact fees, teacher housing, and public-private partnerships. He stated that upon further review, SFA staff determined that the last set of draft rules of practice and procedure needed additional revisions and that staff is also concurrently working on a draft of bylaws. ED Farias reported that SFA staff plans to bring the draft practice and procedure administrative rules and bylaws to the Board in January. Chairperson Oshima clarified that the draft administrative rules will come to the Board in January for approval to go to public hearing, so the rules would be in place in March at the earliest. ED Farias confirmed Chairperson



Oshima's understanding of the timeline. Chairperson Oshima noted that SFA needs to have administrative rules in place to work in high priority areas.

7. Kaimuki Planning Study. ED Farias reported that in June 2023, SFA entered into a memorandum of agreement with the University of Hawaii Community Design Center (UHCDC) to create a preliminary concept study of the Kaimuki area. He stated that this report was later expanded to include both the Kalani and Kaimuki High school complexes. ED Farias reported that SFA staff will review the preliminary report and in January provide recommendations to the Board regarding the parcels that hold the greatest promise. He stated that the Board will then use the report and recommendations to create a short list of sites that UHCDC will research further.
8. Professional Development. ED Farias reported that he and Project Manager Greg Zabinski attended the 2023 A4LE LearningSCAPES Conference, which focused on the art and science of driving the transformation of learning environments. He also reported that he attended the National Council on School Facilities (NCSF) conference with Chairperson Oshima and Deputy Executive Director Alison Kunishige.
  - a) Chairperson Oshima noted that the NCSF conference is an annual meeting of an organization that is an off-shoot of 21st Century Schools and that 26 states are members. He stated that the value of this conference is that federal agencies like the U.S. Department of Education and Environmental Protection Agency presented on their priorities affecting school facilities. Chairperson Oshima noted that there are federal funds available for infrastructure, but that the current lines of authority in Hawaii and its single State Education Agency/Local Education Agency structure make it difficult for entities like SFA to apply for these funds.

**VII. Public Testimony**

There was no public testimony.

**VIII. Action Items**

**A. Board Action on the School Facilities Authority's Mission, Vision, Key Strategies, Areas of Focus, 3-Year Goals, and 5-Year Goals**

1. ED Farias presented the SFA 2024-2028 Areas of Focus and Goals. He explained that the proposed SFA strategic document is not a strategic plan, but is designed to be flexible and goal oriented because SFA is still in a start-up phase where its authority is still being established. ED Farias noted that the timeline of 2024-2028 was selected along with 3-year and 5-year goals because it will help SFA inform its legislative efforts and budget requests. He reviewed the proposed vision and mission and the reasons for its structure. ED Farias reviewed the key strategies that SFA will use while working towards its goals. He then reviewed the areas of focus, which are modeled on the framework that Board members have been using to organize SFA's work, expanding inspiring learning spaces, spearheading housing solutions, and laying an operational foundation. ED Farias reviewed the 3-year goals for all three areas and then the 5-year goals for expanding inspiring learning spaces and spearheading housing solutions.
2. Chairperson Oshima stated that a concept that may need to be highlighted in Goal 3e, Sustainable Financing and Public-Private Partnership Model, is maximizing the value of underutilized lands by reducing costs and promoting efficiency without negatively impacting educational purposes.

**Motion: Move to approve the School Facilities Authority 2024-2028 Areas of Focus and Goals, November 2023 Report as attached as Exhibit B to Executive Director Chad K. Farias's memorandum dated November 16, 2023 with the amendment proposed by Chairperson Alan Oshima (Edwards/Iwase). 5 Ayes (Oshima, Aczon, Edwards, Iwase, Mehnert), 0 Nos, 0 Abstentions. Motion carries; report is approved.**

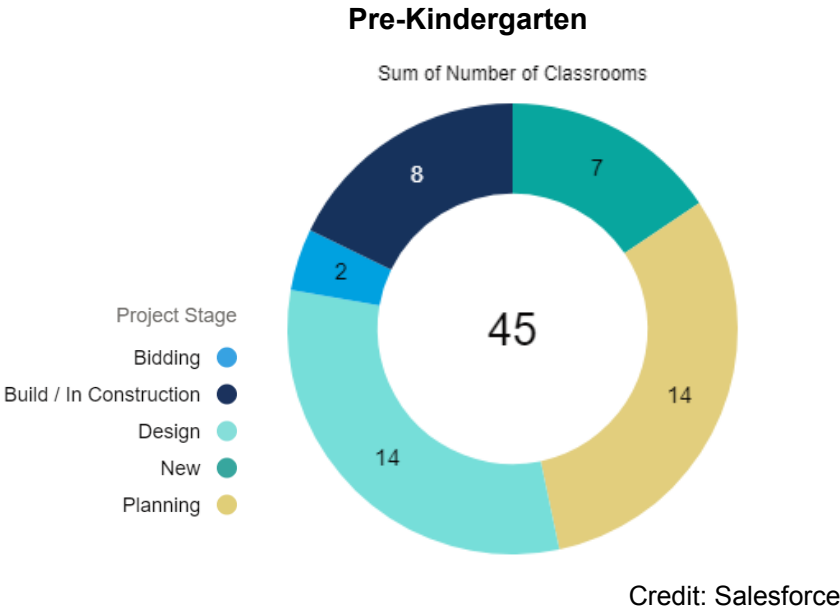
**IX. Adjournment**

**Motion to adjourn the meeting (Aczon/Iwase). 5 Ayes (Oshima, Aczon, Edwards, Iwase, Mehnert), 0 Nos, 0 Abstentions. Motion carries; meeting adjourned at 2:51 p.m.**

# Report of the School Facilities Authority Executive Director

December 12, 2023

## Expanding Inspiring Learning Spaces



**DOE.** As of this month, SFA identified 45 classrooms for renovation, which exceeds its internal deadline of identifying 44 classrooms for renovations by the end of this year. Reaching this milestone is a significant achievement, which puts SFA on track to meet its goal of opening 44 pre-kindergarten classrooms for the 2024-2025 year. SFA identified another 5 classrooms for renovations since last month. SFA set an internal deadline of identifying 44 classrooms before the end of the year to give EOEL time to hire teachers (ini alignment with the Teacher Assignment and Transfer Program) and provide training to schools that did not previously have a pre-kindergarten program on campus for these identified classrooms. SFA will shift its focus to moving the identified classrooms through the design, planning, bidding, and construction phases, but it will also continue to identify classrooms because not all 45 of the classrooms have completed the assessment phase and some could still drop out of this cohort.

SFA completed construction on two pre-kindergarten classrooms at Nanakuli Elementary School and the school will hold an opening ceremony on January 8, 2023. These classrooms will be open to pre-kindergarten students after winter break ends in January.

**Kealakehe High School.** The Hawaii State Department of Education (HIDOE) is nearing completion of its purchase of a building on Kealakehe High School's campus from a local non-profit. SFA will negotiate a Memorandum of Understanding with HIDOE to reimburse HIDOE for the purchase of the building using Act 257 funds and to ensure the building is used for early learning classrooms.

### **New Schools**

**West Maui new temporary school.** SFA is monitoring the school situation in West Maui, which is currently being handled by DOE and various federal agencies. SFA has and continues to offer DOE support and stands ready to assist in any way requested. U.S. Army Corps of Engineers contractors Pono 'Aina Management received a notice to proceed on November 20, 2023 and are in the process of cutting and grading the temporary site for King Kamehameha III Elementary School. Modular units are being sent from Oahu, Washington state and California and the first shipment is anticipated to arrive the week of December 4th.

## **Spearheading Housing Solutions**

**Maui County.** SFA is planning to release a Request for Qualifications ("RFQ") within the next two months. I have been meeting weekly with Maui County officials and leadership from other state agencies, including HIDOE. Maui County has divided its housing work between two county officials, Saumalu Mataafa, the Deputy Director of Housing and Human Concerns has been assigned to work on permanent housing and Wendy Taomoto, Deputy Director of the Department of Public Works is assigned to work on temporary housing.

I also met with Baldwin-Kekaulike-Kūlanihāko'i-Maui Complex Area Superintendent Desiree Sides to notify her of SFA's efforts to develop teacher housing on Maui.

**Supplemental Budget Request.** SFA requested an additional \$15 million to continue work on education workforce housing and funds for a deputy attorney general position through the 2024-2025 supplemental budget request process. The Department of Budget and Finance (B&F) did not recommend that these requests be included in Governor Josh Green's executive budget request. SFA submitted an appeal, but B&F did not change its recommendations. The next step is for Governor Green's budget to go to the Legislature for consideration.

# Laying an Operational Foundation

**Office Space: Oahu.** DAGS continues to negotiate with the building broker for the space at 600 Kapiolani Boulevard.

**Personnel.** I am in the process of hiring a project manager. I received a good number of applications and we are in the process of interviewing candidates. SFA submitted the purchasing specialist and planner positions to HIDOE for review and are working on developing the land agent, office assistant, and information technology specialist position descriptions.

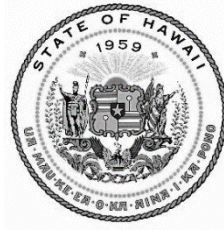
**Strategic Planning.** The Board adopted the School Facilities Authority 2024-2028 Areas of Focus and Goals, November 2023 Report at its November 16, 2023 meeting. Chairperson Alan Oshima and I will use this document to meet with stakeholders and present SFA's plan to strategically move forward.

**Administrative Rules.** On November 22, 2023, staff sent the draft rules of practice and procedure to the Legislative Reference Bureau for a technical review and SFA's deputy attorney general for a substantive legal review. Staff received responses to both requests for review on December 6, 2023. Staff will make any necessary corrections based on the reviews and then request a review as to form from SFA's deputy attorney general. Once approval as to form is received, the draft rules will be ready for the Board's approval to go to public hearing. Staff is still targeting January for the Board's approval.

Below is a general, projected timeline for the rulemaking process for the draft rules of practice and procedure. Note that the timeline is dependent upon how quickly SFA receives feedback from external parties, such as the deputy attorney general and the Office of the Governor.

- January 9, 2024: Board approves draft rules for public hearing
- January 25: Governor approves public hearing request
- February 2: SFA publishes notice of public hearing
- March 5: Public hearing on draft rules
- April 2: Board adopts proposed rules
- April 10: Deputy attorney general approves adopted proposed rule as to form
- May 10: Governor approves and signs rules
- May 20: Rules of practice and procedure become effective

**Kaimuki Planning Study**. SFA executed a memorandum of agreement (MOA) with the University of Hawaii Community Design Center (UHCDC) on June 30, 2023, for a preliminary, proof of concept planning study of the Kaimuki area to inform future SFA development in the area. UHCDC provided SFA with a draft preliminary report December 1, 2023, with the parcels that might be possible for education-related development within the Kaimuki and Kalani Complexes. SFA staff are reviewing the report and will make recommendations to the Board in January on the properties that may hold the most promise for further analysis. The Board would then select sites it finds to have the highest likelihood of development potential from this preliminary report for UHCDC to conduct a more thorough, in-depth analysis.



STATE OF HAWAII  
SCHOOL FACILITIES AUTHORITY  
75 AUPUNI STREET, STE. BASEMENT  
HILO, HAWAII 96720

December 12, 2023

MEMORANDUM

TO: School Facilities Authority Board

FROM: Alan Oshima  
Chairperson, School Facilities Authority Board

SUBJECT: Board Action on SFA Executive Director evaluation process, Executive Director position description, and 2024 priorities

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**I. BACKGROUND**

Hawaii Revised Statutes Section 302A-1704 requires the School Facilities Authority Board (the “Board”) to evaluate the School Facilities Authority (the “SFA”) executive director’s performance on an annual basis.

**II. SUMMARY**

A proposed annual performance evaluation process for the SFA executive director (the “ED”) is attached as Exhibit A. The process is generally modeled off of the Board of Education’s superintendent and state librarian performance evaluation processes. The process is cyclical and consists of three main steps: (1) setting the ED’s annual priorities (the “ED Priorities”) and reviewing the ED’s job responsibilities, (2) a mid-year review, and (3) an end-of-year evaluation resulting in a performance rating for the ED. The process follows the calendar year with the first step occurring in January and the final step in December of each year. Note that the Board must conduct each step in a meeting open to the public to comply with the Sunshine Law.

The Board evaluates the ED on two components: (1) the ED Priorities agreed upon by the Board and the ED at the beginning of the performance evaluation cycle and (2) the job

responsibilities described in the ED's job description. These two components set the Board's primary performance expectations for the ED.

In the process outlined in Exhibit A, the Board and executive director would mutually agree on and set the ED Priorities, review the job responsibilities and, if necessary, revise the executive director job description and performance evaluation document in January. Because this is the first time that the Board is adopting an evaluation process, I would like the Board to review the ED's job description, attached as Exhibit B, at this meeting to determine whether any revisions are necessary. I would like the Board to consider changing the percentages assigned to some of the job responsibilities as shown in the redlines in Exhibit B. The changes would increase the percentage allocated to Job Responsibility C (prepare budgets) from 10% to 25% and reduce the percentages of Job Responsibility A (daily operations) from 40% to 30% and Job Responsibility E (other duties) from 10% to 5%.

Attached as Exhibit C are proposed ED Priorities for 2024, which were developed after a discussion with Executive Director Chad K. Farias. The ED Priorities align with the strategic goals recently adopted by the Board.

### III. RECOMMENDATION

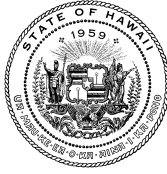
I recommend that the Board approve the proposed annual performance evaluation process, the proposed changes to the position description, and the proposed 2024 ED Priorities.

**Proposed motion: "Move to approve the executive director performance evaluation process, the changes to the executive director position description, and 2024 ED Priorities, attached as Exhibits A, B, and C, respectively, to Executive Director Chad K. Farias's memorandum dated December 12, 2023."**



## **Exhibit A**

### **Annual Executive Director Performance Evaluation Process**



#### **STATE OF HAWAII SCHOOL FACILITIES AUTHORITY**

#### **EXECUTIVE DIRECTOR PERFORMANCE EVALUATION PROCESS**

##### **Introduction**

This document describes the process, timeline, and instrument used annually to evaluate the performance of the executive director of the School Facilities Authority (the “Authority”). This performance evaluation document begins with the purpose of the evaluation and describes how the two main components of the evaluation process address each of the primary purposes. The first component assesses the executive director’s performance against the executive director’s responsibilities contained within the job description. The second component assesses the executive director’s progress in achieving his or her annual priorities, which the School Facilities Authority Board (the “Board”) and executive director mutually agree upon in advance each year. The Board uses these two components to give the executive director a final performance rating.

The described performance evaluation process is ongoing and cyclical and includes a mid-year review and an end-of-year final evaluation. The conclusion of a performance evaluation cycle informs priority setting for the next year, which starts the next performance evaluation cycle. This process emphasizes continuous learning and improvement and requires high levels of meaningful collaboration and communication between the Board and executive director.

##### **Performance Evaluation Purpose**

The primary purposes of the executive director performance evaluation are to:

1. Establish a record of annual performance by assessing the executive director’s past performance and progress toward annual priorities;
2. Promote leader effectiveness and professional growth by creating a safe learning environment with a feedback process that encourages conversations around individual professional development and improving performance; and
3. Focus on the future and set clear expectations, based on the Authority’s strategic goals, through the annual review and revision of the executive director’s priorities (“ED Priorities”).

While not a primary purpose of the performance evaluation, the Board may use the record of performance that it establishes to determine compensation adjustments for the executive director or the continued employment of the executive director. The performance evaluation also serves to:

- Create an opportunity for the Board and executive director to periodically reexamine the roles and responsibilities of the executive director, the Board and its members, and the Authority;
- Create and establish a climate of trust and collaboration and enhance the working relationship between the Board and executive director;
- Provide an avenue for the Board to partner and communicate with the executive director the intended implementation of their collective vision, priorities, and policies; and
- Communicate and provide assurance to the public as to how leadership is holding itself accountable for addressing priorities.

It is the Board's intent to use the evaluation as an objective tool to facilitate constructive feedback, positive and productive conversations, and continuous learning and improvement. The final results of a high-quality performance evaluation should not come as a surprise to either the executive director or the Board, as both parties need to engage in ongoing, respectful, and meaningful conversations with one another about mutual expectations in order for the performance evaluation to be successfully implemented.

#### Performance Evaluation Components

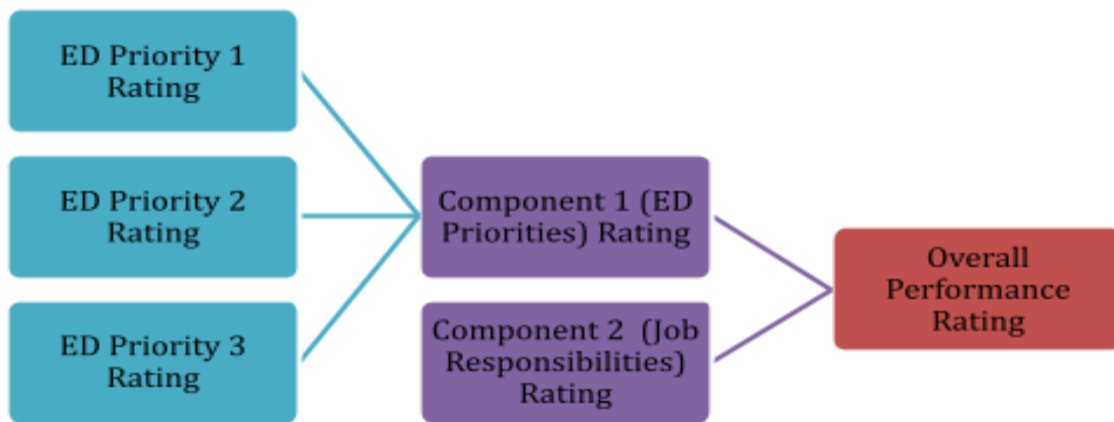
The evaluation is comprised of two components:

- Component 1: Assessment of progress toward meeting annual ED Priorities
- Component 2: Assessment of performance on job responsibilities

The two components address the primary purposes of the performance evaluation described above. Assessing performance on annual ED Priorities (Component 1) and job responsibilities (Component 2) establishes a record of performance (first purpose). That assessment provides the feedback necessary to support the development of the executive director and promote effective leadership and growth (second purpose). Finally, understanding the progress made toward achieving past priorities (Component 1) and how they contribute to the progress made toward achieving longer term strategic goals helps to focus the evaluation on the future and facilitate the setting of the priorities and expectations for the next year (third purpose).

#### Performance Evaluation Ratings

The Board rates the ED at three levels. First, the Board rates performance on individual ED Priorities based on indicators identified at the beginning of the process. Next, the Board then determines a cumulative rating for Component 1 by considering the executive director's combined performance on the ED Priorities, and the Board also determines a rating for Component 2 by considering the executive director's performance on the job responsibilities. Finally, the Board determines an overall performance rating for the executive director based on the Component 1 and Component 2 ratings.



The Board maintains discretion in deciding how important any particular element is when establishing its performance ratings. The Board can determine that any particular job responsibility or ED Priority is more important than the others are or that Component 1 is much more important than Component 2 or vice versa. This allows the Board to have more useful and productive conversations with the executive director regarding strengths to build on and opportunities for growth.

The rating scale below applies to all three levels and guides the Board in determining performance ratings:

<b>Highly Effective</b>	Performance has continually exceeded expectations and has had an exceedingly positive impact on program or project outcomes, staff and stakeholder relations, and/or progress toward strategic goals.
<b>Effective</b>	Performance consistently meets expectations and maintains effective results, satisfactory program or project outcomes and progress toward strategic goals, and good relations with staff and stakeholders.
<b>Marginal</b>	Performance is inconsistent or partially meets expectations, has moderately affected program or project results and progress toward strategic goals, and has made some gains toward relations with staff and stakeholders.
<b>Unsatisfactory</b>	Performance does not meet expectations, requires significant improvement, and has not made any gains in program or project results, in progress toward strategic goals, or toward relations with staff and stakeholders.

### Component 1: ED Priorities

The ED Priorities are the annual goals, objectives, or targets that the executive director focuses on in any given year. The Board and executive director mutually agree on at least two, but no

more than five, ED Priorities each year. The ED Priorities should support the Authority's longer term strategic goals as adopted by the Board.

The Board ideally seeks to set ED Priorities that meet the SMART criteria:

- **Specific:** ED Priorities are concise, clearly define expectations, avoid generalities, and use verbs to start the sentence.
- **Measurable:** ED Priorities are measurable and their attainment evidenced in some tangible way, such as through quality, quantity, timeliness, or cost.
- **Achievable:** ED Priorities are challenging but attainable given the circumstances and resources at hand.
- **Relevant (or Results-focused):** ED Priorities link to a higher-level strategic goal and measure outcomes, not activities.
- **Time-based:** ED Priorities have a specific timeframe.

When establishing ED Priorities, the Board also:

- Involves all Board members and the executive director;
- Decides on desired results;
- Ensures each ED Priority has measurable performance indicators;
- Identifies supporting documentation, evidence, or data sources;
- Reviews and approves final ED Priorities, indicators, and evidence; and
- Monitors progress during the mid-year review.

The Board and executive director establish the ED Priorities and the associated performance indicators and evidence at the beginning of the performance evaluation cycle. The Board assesses and rates the executive director's performance on each of the ED Priorities, and Component 1 overall, at the end of the cycle.

### Component 2: Job Responsibilities

The job responsibilities (and the associated percentage of work) mirror the major duties and responsibilities in the job description for the executive director. The Board assesses and rates the executive director's performance on the job responsibilities as a whole at the end of the performance evaluation cycle.

The job responsibilities are as follows:

**Job Responsibility A.** Under the general direction of the Board, the executive director plans, organizes, staffs, coordinates, and directs the daily operations of the Authority.

*Suggested data sources: Staffing plans, work plans for achieving strategic goals, professional development and leadership development plans, Board members' individual observations*

**Job Responsibility B.** The executive director prepares recommendations for the Board and its deliberations and decisions on such matters, including, but not limited to, legislative and legal matters, Hawaii Administrative Rules, development plans, planning processes, property acquisitions, gifts and grants to support capital improvement projects, project financing plans, contracted services, prospective partnerships with qualified parties in support of the Authority's mission and objectives, and management of school impact fees.

*Suggested data sources: Board meeting materials, Board members' individual observations*

**Job Responsibility C.** The executive director prepares the Authority's capital improvement program and operating budgets.

*Suggested data sources: Capital improvement program and operating budgets*

**Job Responsibility D.** The executive director represents the Authority in day-to-day dealings with the Department of Education, including the Board of Education, legislators, government officials, developers, landowners, financiers, community leaders and organizations, and other parties.

*Suggested data sources: Reports from the executive director, Board members' individual observations*

**Job Responsibility E.** The executive director performs other duties as instructed by the Board.

*Suggested data sources: Board meeting minutes, reports from the executive director, Board members' individual observations*

### Process

The graphic below illustrates the general cyclical performance evaluation process, and a more detailed process is included in the general timeline on the pages that follow. The three main steps of the process are:

1. The setting of ED Priorities, a review of the job responsibilities, and if determined necessary, the changing of the job responsibilities in both the job description and this performance evaluation document;
2. A mid-year review of the executive director that is a discussion to provide the executive director with indications of performance to date, not an evaluation with ratings; and
3. An end-of-year performance evaluation of the executive director.



## General Timeline

<b>Step 1</b> Setting Priorities and Reviewing Job Responsibilities	January Board Meeting*	<ol style="list-style-type: none"> <li>1. The Board and executive director mutually agree on and set the ED Priorities, which support the Authority's strategic goals and meet SMART criteria, and indicators of success and supporting evidence to include as part of the formal evaluation.</li> <li>2. The Board and executive director review the job responsibilities and, if necessary, revise the executive director job description and performance evaluation document.</li> </ol>
<b>Step 2</b> Mid-Year Review	Late May/Early June	<ol style="list-style-type: none"> <li>3. At least six days prior to the Board's June meeting, the executive director provides a report on interim progress in achieving the ED Priorities to the Board as part of the June meeting packet.</li> </ol>
	June Board Meeting*	<ol style="list-style-type: none"> <li>4. The Board discusses with the executive director its comments, questions, and concerns on the executive director's mid-year performance on the ED Priorities and job responsibilities. While the Board does not rate the executive director's mid-year performance, it reviews how well the executive director has been meeting the expectations set forth in the ED Priorities and job responsibilities to date.</li> </ol>
<b>Step 3</b> End-of-Year Final Evaluation	Late November/Early December	<ol style="list-style-type: none"> <li>5. At least six days prior to the Board's December meeting, the executive director completes a self-assessment and provides it along with all supporting documents and evidence to the Board as part of the December meeting packet.</li> </ol>

<p><b>Step 3</b> End-of-Year Final Evaluation (continued)</p>	<p>December Board Meeting*</p>	<ol style="list-style-type: none"> <li>6. The Board discusses and comes to consensus on the end-of-year performance evaluation ratings.</li> <li>7. The Board discusses with the executive director its performance evaluation findings. The Board and executive director engage in a joint self-reflection to identify lessons learned and areas of improvement for both parties using the information and data from the performance evaluation. The Board and executive director may provide comments, ask questions, and make recommendations to each other. The Board may make changes to its end-of-year performance evaluation ratings after the discussion.</li> <li>8. The minutes of the meeting serve as the formal documentation of the performance evaluation of the executive director.</li> </ol>
<p>Go back to Step 1 and repeat the process</p>		

\*The Board must conduct all activities related to the performance evaluation at a meeting open to the public to comply with the Sunshine Law.

## **Exhibit B**

### **School Facilities Authority Executive Director Position Description (redlined)**

HAWAI'I SCHOOL FACILITIES AUTHORITY  
**SCHOOL FACILITIES AUTHORITY EXECUTIVE  
DIRECTOR**  
Position Description

#### **I. IDENTIFYING INFORMATION**

Position No.:	XXXXXX
Department:	Education
Division (Attached Agency):	School Facilities Authority (SFA)
Geographic Location:	Honolulu, O'ahu

#### **II. INTRODUCTION**

The School Facilities Agency was established by Act 72 (Session Laws of Hawai'i, 2020), and the following year, Act 217 (Session Laws of Hawai'i, 2021) was enacted to change the name of the agency to the School Facilities Authority and to clarify its powers and responsibilities. The SFA is charged with the development, planning, and construction of public school capital improvement projects, and may acquire property, receive gifts and grants, and contract or partner with qualified parties to accomplish this objective. The SFA also manages school impact fees paid by housing developers in certain School Impact Districts to offset the costs of expanding existing schools and building new schools.

The SFA Executive Director is responsible for the overall administration and management of all functions and activities related to the day-to-day operations of the authority, under policies established by the Board of Directors, the administrative rules of the authority, and pertinent State laws.

#### **III. MAJOR DUTIES & RESPONSIBILITIES**

- A.** Under the general direction of the SFA Board of Directors, plan, organize, staff, coordinate and direct the daily operations of the authority. (~~40%~~ 30%)
- B.** Prepare recommendations for the Board of Directors and its deliberations and decisions on such matters including, but not limited to, legislative and legal matters; Hawai'i Administrative Rules; development plans; planning processes; property acquisitions; gifts and grants to support capital improvement projects; project financing plans; contracted services; prospective partnerships with qualified parties in support of the SFA's mission and objectives; and management of school impact fees. (30%)
- C.** Prepare the SFA's capital improvement program and operating budgets. (~~10%~~ 25%)
- D.** Represent the SFA in day-to-day dealings with the Department of Education,



including the Board of Education, legislators, government officials, developers, landowners, financiers, community leaders and organizations, and other parties.(10%)

E. Perform other duties as instructed by the SFA Board of Directors. (~~10%~~5%)

**TOTAL 100%**

**Supervises:** All positions assigned to the SFA

#### **IV. CONTROLS EXERCISED OVER THE WORK**

A. **Supervisor:** SFA Board of Directors

**B. Nature of Supervisory Control Exercised Over the Work.**

**1. Instructions Provided.**

On a continuing basis, the SFA Board of Directors establishes overall policy direction for execution and implementation by the Executive Director. The Board of Directors also approves the expenditure of funds for specific purposes to carry out the SFA's objectives.

**2. Assistance Provided.**

The SFA Board of Directors assists the Executive Director by approving the expenditure of funds needed to support the SFA's activities.

**3. Review of Work.**

The SFA Board of Directors, through reports and discussion with the Executive Director and staff, will monitor the progress in achieving the SFA's goals and objectives.

**C. Nature of Available Guidelines Controlling the Work.**

**1. State laws and regulations:**

- a. Applicable sections of Chapter 302A, Hawaii Revised Statutes;
- b. Hawaii Administrative Rules; and
- c. Administrative Policies.

**2. Best practices**

- a. Project management;
- b. Land development; and
- c. School facility planning.

**V. REQUIRED LICENSES, CERTIFICATES, ETC.**

N/A

**VI. RECOMMENDED QUALIFICATIONS**

**A. Knowledge: Employee must possess general knowledge of the following:**

1. Applicable sections of Chapter 302A, Hawaii Revised Statutes;
2. Personnel, fiscal, purchasing/procurement management;
3. Government/public finance
4. Budget development and execution processes;
5. Evaluation techniques;
6. Principles and practices of human resource management;
7. Capital improvement projects, including budgeting and implementation procedures;
8. Planning, design, and construction of public facilities and school facilities;
9. and
10. Land acquisition processes for the State of Hawai'i.

**B. Skills/Abilities: Employee must be able to:**

1. Plan, organize, manage, and coordinate various administrative services, including financial planning and management;
2. Read and interpret statutes, administrative rules, technical manuals, instructions, policies, and procedures;
3. Apply principles and procedures of written materials to work processes;
4. Deal tactfully and effectively with people;
5. Manage time and resources appropriately to meet deadlines;
6. Maintain effective working relationships with internal and external parties;
7. and
8. Employ clear and effective written and spoken communication.

**C. Education:**

Employee must hold a Bachelor's degree from an accredited four year college or university.

**D. Experience:**

Employee must have a minimum of four (4) years of responsible experience which demonstrates the ability to perform administrative assignments involving two or more functional areas such as budget formulation, fiscal management and financial planning, participation in the development of policies, management and execution of a major program or project, personnel management, and contract procurement and administration.

## **VII. TOOLS, EQUIPMENT, & MACHINES**

Proficient in use of personal computer and software programs such as Microsoft Office applications such as Word, Excel, and PowerPoint.

## Exhibit C

### **2024 Executive Director Priorities**

**ED Priority 1: Build or renovate 44 pre-kindergarten classrooms ready to open by the start of the 2024-2025 school year (Strategic Goal 3a).**

Indicator 1.1: Excluding the 11 classrooms opened in August 2023, 44 additional pre-kindergarten classroom projects, paid for by Act Act 257 (2022) funds, are completed before July 30, 2024 (teachers' first day).

*Supporting documentation, evidence, or data sources: Procore project completion data or Ready Keiki initiative tracker*

**ED Priority 2: Identify two viable sites for workforce housing projects and execute a contract for the planning and design of one workforce housing project by December 2024 (Strategic Goal 3c).**

Indicator 2.1: By December 2024, SFA identifies and receives SFA board approval to proceed with the planning and design process for two workforce housing projects.

*Supporting documentation, evidence, or data sources: SFA board meeting minutes evidencing the board's approval of workforce housing projects*

Indicator 2.2: By December 2024, SFA fully executes a contract with a contractor for the planning and design of one of the workforce housing projects approved by the SFA board.

*Supporting documentation, evidence, or data sources: A contract signed by the SFA, contractor, and SFA's deputy attorney general*

**ED Priority 3: Complete the creation of SFA's legal and organizational framework by December 2024 (Strategic Goal 3d).**

Indicator 3.1: By January 2024, the SFA board adopts bylaws.

*Supporting documentation, evidence, or data sources: SFA board meeting minutes evidencing the board's adoption of bylaws*

Indicator 3.2: By July 2024, SFA's administrative rules on practice and procedure are effectuated by the governor.

*Supporting documentation, evidence, or data sources: Administrative rules on practice and procedure signed by the governor*

Indicator 3.3: By December 2024, SFA's puts in place major procurement mechanisms, specifically, a Job Order Contracting (JOC), Multiple Award Task Order Contract (MATOC), and PSC to expedite work.

*Supporting documentation, evidence, or data sources: SFA has an operating JOC, MATOC, and PSC.*

**ED Priority 4: Complete draft administrative rules governing public-private partnerships and school impact fees by December 2024 (Strategic Goal 3e).**

Indicator 4.1: By December 2024, SFA drafts and receives SFA board approval for a public hearing for administrative rules governing public-private partnerships.

*Supporting documentation, evidence, or data sources: SFA board meeting minutes evidencing the board's approval of the rules for public hearing*

Indicator 4.2: By December 2024, SFA drafts and receives SFA board approval for a public hearing for administrative rules governing school impact fees.

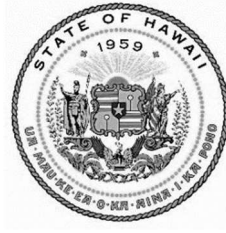
*Supporting documentation, evidence, or data sources: SFA board meeting minutes evidencing the board's approval of the rules for public hearing*

**ED Priority 5: Establish a community engagement process for projects by December 2024 (Strategic Goal 3f).**

Indicator 5.1: By December 2024, SFA drafts and receives SFA board approval of a process that sets communication, engagement, and transparency expectations and procedures for contracted developers working on SFA projects.

*Supporting documentation, evidence, or data sources: SFA board meeting minutes evidencing the board's approval of the process*

JOSH GREEN, M.D.  
GOVERNOR



CHAD K. FARIAS  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**  
**SCHOOL FACILITIES AUTHORITY**  
75 AUPUNI STREET, STE. BASEMENT  
HILO, HAWAII 96720

December 12, 2023

## MEMORANDUM

TO: Alan Oshima  
Chairperson, School Facilities Authority Board

FROM: Chad K. Farias  
Executive Director

SUBJECT: Board Action on SFA 2023 Annual Report to the Hawaii State Legislature

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### **I. BACKGROUND**

Hawaii Revised Statutes (“HRS”) Section 302A-1707 requires the School Facilities Authority (the “SFA”) to submit to the governor, Board of Education, and legislature a complete and detailed report of its activities during the prior fiscal year. The SFA must submit the report annually no later than 20 days before the start of the legislative session. This year, the deadline to submit the 2023 annual report is December 28, 2023.

Pursuant to HRS Section 302A-1706, the annual report must include a copy of the information contained in the report to the director of the Department of Budget and Finance identifying the total amount of funds in the school facilities special fund that would carry over from the fiscal year covered by the annual report to next fiscal year. However, the SFA did not submit a report to the director of the Department of Budget and Finance in Fiscal Year 2023 because the school facilities special fund had not yet received an appropriation and had no amount

that could carry over to Fiscal Year 2024. Therefore, the 2023 annual report does not contain any information about the amount of funds in the school facilities special fund that would carry over from Fiscal Year 2023 to Fiscal Year 2024.

## **II. SUMMARY**

As required by statute, the contents of the 2023 annual report, attached as Exhibit A, contain only those activities conducted by the SFA during the prior fiscal year, which spans from July 1, 2022, through June 30, 2023. The report includes SFA activities related to pre-kindergarten classrooms, teacher housing, and operations that took place during this period.

## **III. RECOMMENDATION**

I recommend that the Board approve the annual report by approving the proposed motion.

**Proposed motion: “Move to approve the SFA 2023 annual report, attached as Exhibit A to Executive Director Chad K. Farias’s memorandum dated December 12, 2023.”**

**Exhibit A**

**2023 School Facilities Authority Annual Report**



# State of Hawaii School Facilities Authority

## 2023 Annual Report

### **About this Report**

Pursuant to Section 302A-1707, Hawaii Revised Statutes (“HRS”), the School Facilities Authority (the “SFA”) must submit to the governor, Board of Education, and legislature a complete and detailed report of its activities during the prior fiscal year. This report covers the SFA’s activities from July 1, 2022, through June 30, 2023.

Pursuant to Section 302A-1706, HRS, this report must include a copy of the information contained in the report to the director of finance identifying the total amount of funds in the school facilities special fund that would carry over from Fiscal Year 2022-2023 (“FY23”) to Fiscal Year 2023-2024 (“FY24”). The SFA did not submit a report to the director of finance in FY23 because the school facilities special fund had not yet received an appropriation and had no amount that could carry over to FY24. Therefore, this report does not contain any information about the amount of funds in the school facilities special fund that would carry over from FY23 to FY24.

### **About the SFA**

Act 72, Session Laws of Hawaii (“SLH”) 2020, established the School Facilities Agency, and the following year, Act 217, SLH 2021, changed the name of the agency to the School Facilities Authority and clarified its powers and responsibilities. The SFA is charged with the development, planning, and construction of public school capital improvement projects, and may acquire property, receive gifts and grants, and contract or partner with qualified parties, among other things, to accomplish this objective. The SFA also manages school impact fees paid by housing developers in certain designated school impact districts to offset the costs of expanding existing schools and building new schools.

The SFA is led by a five-member board appointed by the governor and an executive director appointed by the board.

### **Review of Activities in FY23**

Pre-kindergarten classrooms. Act 257, SLH 2022, appropriated \$200 million from general funds to the SFA to expand access to pre-kindergarten to eligible children. In August 2022, the SFA initiated the development of criteria for the selection of projects. By April 2023, the SFA requested bids to renovate the first cohort of 11 classrooms. Construction for these classrooms began in May and June 2023.

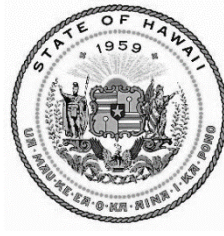
Teacher housing. In anticipation of being assigned teacher housing projects, the SFA board's Teacher Housing Workgroup, which the board established in October 2021, continued to meet to consider possible methods and sites for teacher housing development. Act 172, SLH 2023, provided the SFA with powers necessary to develop housing projects on school lands and appropriated funds to the SFA to construct housing prioritized for teachers, educators, and staff.

While Act 172, SLH 2023, envisioned appropriating \$170 million to the SFA for this purpose, Governor Josh Green, M.D., used \$120 million from Act 164, SLH 2023, to help balance the state budget via line item veto, leaving the SFA with \$50 million for housing projects in FY24.

Operations. Act 248, SLH 2022, appropriated four positions and \$500,000 for payroll to the SFA for FY23. In addition to the executive director, the SFA hired an administrative services officer and a business management officer in October 2022. The SFA filled all four positions by May 2023 when it hired a project manager. Act 164, SLH 2023, appropriated an additional eight positions and \$696,192 for payroll (less \$300,000 in other miscellaneous operational expenses) to the SFA for FY24, and the SFA began working on position descriptions prior to the start of the new fiscal year to accelerate the hiring process.

The SFA started working with the Department of Accounting and General Services (“DAGS”) in September 2022 to secure office space for its staff and meeting space for its board. The SFA and DAGS explored several options. While DAGS was able to offer the SFA some limited, temporary office space in Hilo, as of June 30, 2023, the SFA was unable to secure long-term office space on Oahu in FY23.

Other operational activities in FY23 include the launching and continued development of a website for the SFA, continued work on administrative rules, and the initiation of strategic planning, including the selection of the Hawaii Institute for Public Affairs in April 2023 to assist the SFA in its strategic planning.



**STATE OF HAWAII**  
**SCHOOL FACILITIES AUTHORITY**  
75 AUPUNI STREET, STE. BASEMENT  
HILO, HAWAII 96720

December 12, 2023

MEMORANDUM

TO: School Facilities Authority Board

FROM: Alan Oshima  
Chairperson, School Facilities Authority Board

SUBJECT: Presentation on 2024 SFA Board meeting schedule

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**I. BACKGROUND**

In an effort to increase transparency and encourage public participation, the Board has historically set its meeting date and time in advance to give the public ample notice for planning purposes.

**II. PRESENTATION**

Because I have the authority to set and reschedule SFA Board meetings as the Board's Chairperson, Board action on the meeting schedule is not required.

Attached as Exhibit A is a meeting schedule for the 2024 calendar year.

SFA staff polled Board members to see when they would be available for meetings. With the exception of the January and November meetings, all meetings fall on the first Tuesday of the month. The first Tuesday in January is January 2, 2024, the day after New Year's Day. The first Tuesday in November is November 5, election day and the second Tuesday is November 12, which would be the day after Veterans' Day. Instead, I elected to move the meeting to Monday, November 4, 2024.

## **Exhibit A**

### **2024 Meeting Schedule**

Tuesday, January 9, 2024

Tuesday, February 6, 2024

Tuesday, March 5, 2024

Tuesday, April 2, 2024

Tuesday, May 7, 2024

Tuesday, June 4, 2024

Tuesday, July 2, 2024

Tuesday, August 6, 2024

Tuesday, September 3, 2024

Monday, November 4, 2024

Tuesday, December 3, 2024