

Analysis of Bill 469-30

as submitted by

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Department of Administration: Role, Authority, & Responsibility

Current structure of Bill 469-30 gives complete authority to the Department of Administration in the implementation of the compensation adjustments across the Executive and Judicial Branch.

Authority to amend “Gubetnamenton Guåhan Compensation Study Implementation Policies and Procedures” is vested with the Department of Administration and the Judicial Council.

“Gubetnamenton Guåhan Compensation Study Implementation Policies and Procedures” does not provide a formal administrative mechanism for employees to appeal implementation of compensation adjustment.

Bill 469-30 § 6201 (e) provides authority to the Director of the Department of Administration in determining the conversion methodology in salaries set by statute.

Section 10 of Bill 469-30 adds “**where appropriate**” to 4 G.C.A. § 4109.2 (b), which allows for a subjective application of the leave transfer program.

Bill 469-30 §3104 (d) includes the input of the Department of Administration in determining the salaries of the Superintendent and Deputy Superintendents of the Guam Department of Education.

Salary Changes: Elected Officials & Appointees

Bill 469-30 seeks to amend the salary levels of the following elected officials and appointees. At present, the salary levels of the following elected officials and appointees are established by statute:

- Bill 469-30 § 6204 (a) allows the Director of Administration to determine the salary level of the Governor & Lt. Governor.
- Bill 469-30 § 6204 (b) allows the Director of Administration to determine the salary of the Public Auditor of Guam.
- Bill 469-30 § 6204 (b) allows the Director of Administration to determine the salary of the Attorney General of Guam.
- Bill 469-30 § 6302 (a) gives authority to the Judicial Council to determine salary levels at the Judiciary.
- Repeal of 4 GCA Ch. 6 §6206.1 (a) removes the cap of the salary level of Directors and Deputy Directors.

Miscellaneous

Bill 469-30 § 6302 (c) places a moratorium on *I Liheslaturan Guåhan* from changing the new classification system for five (5) years.

Funding

Section 23 of Bill 469-30 states the funding for the additional \$5.5 million will be appropriated from Sec. 30 revenue reconciliation without defining what or which reconciliation or if this is revenues above the \$46,331,054 adopted in the 2011 Budget Law (PL 30-196).

Law Enforcement

Section 19 of Bill 469-30 repeals 10 GCA §55102, which grants the 40% increase for law enforcement personnel.

Section 20 repeals P.L. 30-193, which includes certain positions in the Department of Revenue and Taxation and Department of Agriculture as law enforcement personnel.

Incumbent Employees

No incumbent employees will receive a salary reduction or deprived benefits.

Slotting/Conversion of **Incumbent Positions** (Current Classified and Unclassified Employees)

Classified Employees

Employment positions were categorized into status quo, upgrade, downgrade, market premium, certification pay, and attorney positions.

Slotting of employees that:

- Fall below the minimum are slotted at step 1 of the corresponding pay grade.
- Fall between Step 2 and 6, is placed closest to their base salary, but if the pay increase is less than 3.8%, the employee will be slotted in the next higher step.
- At the range, meaning at midpoint, at or above maximum, then no implementation step.

Unclassified Employees

Department/Agency Heads, Elected Officials, contract hires, limited term/temporary/PT Employment, and all other unclassified employees are similarly slotted in the grade assignment closest to and not less than the rate of pay in effect as of FY 2011. If it exceeds midpoint and maximum, then they retain their current salaries.

New Hires

Classified Positions

Heads of departments, agencies and public corporations may hire between minimum and midpoint with approval by the appropriate governing authority (Director of Administration, Boards, and Commissions).

Unclassified Positions

Department/Agency Heads and Elected Officials

Executive Pay Plan is to be utilized to determine compensation for new appointments from Step 1 to Midpoint subject to criteria established by the Office of the Governor. Further adjustments beyond midpoint shall require a performance evaluation pursuant to Section IV at the discretion of the appointing authority.

Limited Term/Temporary/PT Employment

Employees can be hired between minimum and midpoint step by the head of any agency, department, or public corporation. NO APPROVAL needed by Director of Administration or other governing body.

All Other Unclassified Positions

- Can be hired between the minimum and midpoint of the assigned pay grade at the discretion of the appointing authority and
- Midpoint is maximum.

Other Applicable Sections and Observations

Performance Based Pay Adjustments for Classified and Unclassified Employees after a 12-month performance evaluation are entitled a one-step increase for based on satisfactory or outstanding performance. In addition, the 1) General Pay Plan, 2) Nurse Pay Plan, 3) Law Enforcement Pay Plan, and 4) Attorney Pay Plan are also eligible for LUMP SUM PAYMENTS made based on outstanding performance.

Performance Based Pay Adjustment Fiscal Impact – No annual calculations are provided for the one-step increase and a lump sum payment made to employees after a 12-month period.

Compression Pay - The policies and procedures omit the methodology and detail of **compression pay** in the implementation of the Compensation Study.

Retirement Fund Unfunded Liability May Increase - The impact on the Government of Guam Retirement Fund has not been discussed to the extent necessary as it relates to the Compensation Study implementation. More specifically, what is the fiscal impact to the **Retirement Fund's Unfunded Liability?**

Comparison of Similar Positions by Pay Grade from Proposed Classification Listing

DEPARTMENT	POSITION TITLE	2010 PAYGRADE	PAY PLAN	COMMENT
GMHA	CHIEF FINANCIAL OFFICER	S	GPP	
GEDA	CHIEF FINANCIAL OFFICER (CFO)	S	GPP	
DOA	DEPUTY FINANCIAL MANAGER (DEPARTMENT OF ADMINISTRATION)	T	GPP	1 grade higher than CFO position
DOA	FINANCIAL MANAGER (DEPARTMENT OF ADMINISTRATION)	U	GPP	2 grades higher than CFO position
DOA	CONTROLLER (DOA)	R	GPP	2 grades higher than other Controller positions
GEDA	CONTROLLER (GEDA)	P	GPP	
GHC	CONTROLLER (GHC)	P	GPP	
GHURA	CONTROLLER (GHURA)	P	GPP	
GVB	CONTROLLER (GVB)	P	GPP	
RETIREMENT	CONTROLLER (RETIREMENT)	P	GPP	
	DATA PROCESSING MANAGER (AUTONOMOUS AGENCY)	Q	GPP	
DOA	DATA PROCESSING MANAGER (DEPARTMENT OF ADMINISTRATION)	R	GPP	1 grade higher than DOE position
GHC	EXECUTIVE SECRETARY	J	GPP	1 grade higher than GEDA position
GEDA	EXECUTIVE SECRETARY	I	GPP	
	PERSONNEL SERVICES ADMINISTRATOR (AUTONOMOUS AGENCY)	R	GPP	
DOA	PERSONNEL SERVICES ADMINISTRATOR (DEPARTMENT OF ADMINISTRATION)	T	GPP	2 grades higher than DOE position
GEDA	SPECIAL ASSISTANT TO THE ADMINISTRATOR	O	GPP	
	SPECIAL ASSISTANT TO THE DIRECTOR	N	GPP	
PARKS AND RECREATION	SPECIAL ASSISTANT TO THE DIRECTOR	L	GPP	
DPW	SPECIAL ASSISTANT TO THE DIRECTOR - CIP	L	GPP	
GHURA	SPECIAL ASSISTANT TO THE EXECUTIVE DIRECTOR	L	GPP	
GHC	SPECIAL ASSISTANT TO THE PRESIDENT	O	GPP	
	SPECIAL ASSISTANT, COMMUNITY AFFAIRS	J	GPP	
GDOE	TRAINING AND DEVELOPMENT ADMINISTRATOR- DEPARTMENT OF EDUCATION	O	GPP	
DOA	TRAINING AND DEVELOPMENT ADMINISTRATOR (DEPARTMENT OF ADMINISTRATION)	P	GPP	1 grade higher than DOE position
REVENUE AND TAXATION	TERRITORIAL PRINCIPAL TAX ATTORNEY		ATTY	Unable to fill position for several years yet this is not considered a Market Premium Postion