



**UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN
BOARD OF REGENTS**

RESOLUTION NO. 12-28

**RELATIVE TO IMPLEMENTING THE UNIVERSITY'S REAPPORTIONED FY2013
BUDGET TO INCLUDE A SALARY INCREMENT FREEZE**

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant institution accredited by the Western Association of Schools and Colleges (WASC) serving the post-secondary needs of the people of Guam and the region; and

WHEREAS, the governance and well-being of the University is vested in the Board of Regents (BOR); and

WHEREAS, the Governor has issued Executive Order No. 2011-14, mandating a freeze on salary step increases for all classified employees and raises for unclassified employees of the Executive Branch of the Government of Guam effective October 10, 2011, in light of an anticipated deficit for Fiscal Year 2012-13 and in response to current economic conditions; and

WHEREAS, the BOR has the authority to make policy for academic personnel, including faculty and administrators; and

WHEREAS, UOG faces financial sustainability challenges ahead, specifically an \$8.4 million (M) shortfall in FY13, which is comprised of a \$3.4M operating revenues vs. expenditures shortfall magnified by BBMR's \$5M (15%) allotment reserve for all funds; and

WHEREAS, the University has acted to reapportion budgets, implement austerity controls, increase revenues, cutback expenditures and manage working capital, based upon its financial management plan and academic and institutional priorities; and, given the conditions above, the University must take further steps to sustain its mission and protect its highest priority of sustaining academic quality and student learning within its current and forecasted cash position and budget; and

WHEREAS, the administration received recommendations on areas of resource needs and priorities from the University Planning and Budget Advisory Committee (UPBAC) and has implemented revenue generation and cost reduction measures, thereby balancing its FY2013 reapportioned budgets; and

WHEREAS, the Faculty Union, in response to consultation by the administration, recognizes the financial pressures faced by the Government of Guam and UOG, and request continuing monthly meetings regarding the temporary salary increment freeze; and

WHEREAS, the Academic, Personnel and Tenure (AP&T) Committee and Budget, Finance, Investments and Audit (BFIA) Committee have reviewed the above and UOG's reapportioned FY2013 general operations budget to include salary increment freezes in response to these conditions and recommends it to the Board.

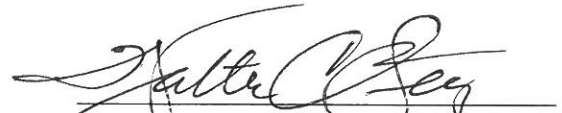
NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents hereby authorizes the President to act on the following measures: a) following approval of the reapportioned FY2013

general operations budget, proceed with salary increment freezes in response to financial shortfalls; b) update the AP&T and BFIA committees on this matter as needed; and c) when conditions allow, lift the salary increment freeze in consultation with the AP&T and BFIA committees.

BE IT FURTHER RESOLVED, that salary step or salary increment increases, which shall not include promotional increases, shall be frozen effective December 13, 2012, and remain in effect until lifted.

BE IT FURTHER RESOLVED, that annual performance evaluations for all employees shall continue to be performed in accordance with appropriate personnel rules and regulations.

Adopted this 13th day of December, 2012.


W. Chris Perez, M.D., Chairman

ATTESTED:



Dr. Robert A. Underwood, Executive Secretary