



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

RESOLUTION NO. 18-11

**RELATIVE TO THE GOVERNOR'S EXECUTIVE ORDER TO
INITIATE A 32-HOUR WORK WEEK**

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

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

WHEREAS, the Governor of Guam has issued two executive orders (No. 2018-04 and No. 2018-03) mandating the implementation of a 32-hour work week throughout the government of Guam – the second of which is a very broad and far reaching order and includes federally funded positions and classified positions within the University; and

WHEREAS, in order to avoid a deterioration of morale, the University desires to ensure fair treatment across employment classifications and thus, the University would only implement a 32-hour work week for classified personnel if there were similar reductions for other classifications of workers throughout the campus; and

WHEREAS, the University's policies and procedures require notice to be given before the implementation of a workload, salary reduction or furlough – 30 days for classified staff and reasonable notice for faculty, administrators, and non-classified personnel; and

WHEREAS, the University was faced with a similar crisis in 2003 which pay reductions and a 32-hour work week was implemented and had a significant negative impact on the campus; and

WHEREAS, the University has been shorted approximately \$5 million in allotment payments in each of the last two fiscal years and has adapted with a financial management plan that has reduced budgets throughout the campus, strategically deferred the filling of vacant positions, and de-funded all but emergency capital projects while focusing on minimizing disruption to the classroom; and

WHEREAS, the University has limited options with regards to a 32-hour work week in that it has made commitments and obligations to students and to grantors with respect to the performance of much of its mission and failure to meet these commitments could have a significant long term negative impact on the University; and

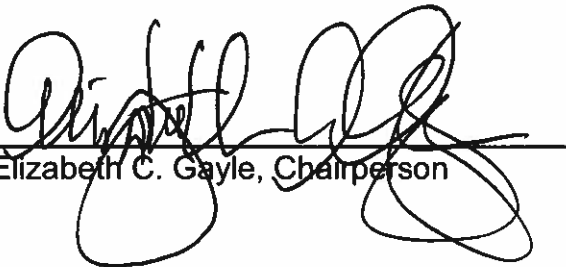
WHEREAS, the University is concerned that the implementation of a 32-hour work week would cause significant disruption on campus, have a negative impact on the classroom, and affect its ability to achieve grant objectives; and

WHEREAS, the President wishes to work with the administration to find alternative measures such as a reduced allotment target, other than placing University employees under a 32-hour work week.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents authorizes the President to work with the administration to achieve a reduced allotment target and only implement a 32-hour work week as a last resort; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Regents authorizes the President, if necessary as a last resort, to issue notices of the implementation of a 32-hour work week throughout the campus.

Adopted this 29th day of March 2018.



Elizabeth C. Gayle, Chairperson

ATTESTED:



Dr. Robert A. Underwood, Executive Secretary



**UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN**

OFFICE OF THE PRESIDENT

UOG Station, Mangilao, Guam 96923

Telephone: (671) 735-2990 • Fax: (671) 734-2296

March 23, 2018

Transmitted electronically to:

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shane.ngata@doa.guam.gov

francis.flisco@doa.guam.gov

Mr. Edward Birn
Acting Director
Department of Administration
P.O. Box 884
Hagatna, GU 96932

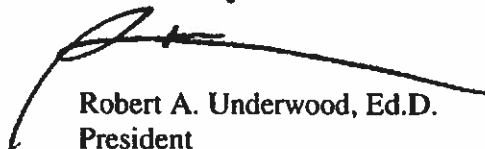
Dear Mr. Birn:

We are in receipt of your memorandum dated March 20, 2018 requesting the position of the University with respect to the implementation of Executive Order No. 2018-04 concerning the 32- hour work week.

The University has scheduled a meeting with the Board of Regents to take place on March 29, 2018 to discuss this matter. We will have a more complete picture of the University's response after we receive input from our Board.

As you are aware, the University has faced appropriation shortfalls of approximately \$5 million during each of the last two fiscal years which has been significant in relation to our operations budget of approximately \$30 million per year. The University has been impacted disproportionately as compared to other government of Guam agencies. This has forced the University to implement strict financial controls that have affected every area of the University. We have virtually eliminated our capital improvement program, adopted a program of strategically deferring hiring, cutting back funding to all the schools and colleges and units of the University. These actions have enabled the University to continue providing service to our students while minimizing the impact on the quality of education provided to our students. As an institution of higher education, we have accepted tuition payments from students in return for the provision of classes all day long from Monday thru Saturday. This obligation makes the implementation of a shortened work week very challenging. We believe it is likely the Board of Regents will desire to continue with the current spending constraints and avoid the implementation of the 32-hour work week if at all possible.

Sincerely,



Robert A. Underwood, Ed.D.
President

cc: Shane Ngata, DOA Personnel Services Administrator
Francis Flisco, DOA Personnel Specialist IV



Eddie Baza Calvo
Governor
Ray Tenorio
Lieutenant Governor

Government of Guam
(Gubetnomenton Guahan)
Department of Administration
(Dipattamenton Atmenestration)
Post Office Box 884 Hagatña, Guam 96932
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Edward M. Birn
Acting Director
Vincent P. Arriola
Deputy Director

MAR 20 2018

HRD No.: 18-182

To: Heads of:
Guam Department of Education
Guam International Airport Authority
Guam Power Authority
Guam Waterworks Authority
Port Authority of Guam
Guam Housing & Urban Renewal Authority
Guam Economic Development Authority
Guam Memorial Hospital Authority
Guam Visitors Bureau
Guam Community College
University of Guam

From: Acting Director, Department of Administration

Subject: Governor of Guam's Executive Order No. 2018-04
Re: Request for Information

Buenas Yan Hafa Adai! This is written in reference to the Governor of Guam's Executive Order No. 2018-04 relative to amending Executive Order 2018-03 and to implement a 32-hour work week for the Entire Executive Branch.

In light of the fiscal crisis facing the government of Guam as a result of the *Tax Cuts and Jobs Act of 2017*, Governor Eddie Baza Calvo issued Executive Order No. 2018-04. Our non-autonomous departments and agencies have, or will be implementing various cost cutting measures which may result in furloughing employees. In recognition of the fact that your organization is either a semi-autonomous, or autonomous department, or a public corporation that may be adversely affected financially, we respectfully request that you inform us if your organization will be implementing a 32 hour work week pursuant to E.O. 2018-04. If your organization plans to implement a furlough, may you please let us know your target date to begin your furlough and a point of contact in the event we have further questions.

HRD No.: 18-182
Governor of Guam's Executive Order No. 2018-04
Re: Request for Information

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We appreciate your response by the close of business of Friday, March 23, 2018. You may email your response to Mr. Shane Ngata, Personnel Services Administrator at shane.ngata@doa.guam.gov and Mr. Francis Flisco, Personnel Specialist IV at francis.flisco@doa.guam.gov. *Dangkolo Na Si Yu'us Ma'ase!*

Sincerely,



EDWARD M. BIRN, Acting Director
Department of Administration

cc: Office of the Attorney General of Guam
Office Public Accountability
Regulatory & Compliance Branch



**OFFICE OF THE GOVERNOR
HAGÅTÑA, GUAM 96910
U.S.A.**

EXECUTIVE ORDER NO. 2018-04

**RELATIVE TO AMENDING EXECUTIVE ORDER NO. 2018-03
AND TO IMPLEMENT A 32-HOUR WORK WEEK
FOR THE ENTIRE EXECUTIVE BRANCH**

WHEREAS, on February 28, 2018, Executive Order No. 2018-03 relative to implementing a 32-hour work week for executive branch agencies funded or partially funded by the General Fund was signed; and

WHEREAS, Executive Order No. 2018-03 provided for an implementation date to be effective on Tuesday, March 6, 2018; and

WHEREAS, on March 1, 2018, the Attorney General of Guam advised that the Governor "may implement a furlough program by Executive Order across the government of Guam provided the due process and other procedural requirements of Appendix H of the DOA Personnel Rules and Regulations are complied with.";

WHEREAS, unless and until the 34th Guam Legislature takes decisive and effective action to resolve the very real financial crisis that is facing the government and the island, no alternative remains but to institute whatever austerity measures are necessary and available; and

WHEREAS, Section § 1422 of the Organic Act of Guam (Title 48, United States Code) provides that the executive power of Guam is vested in the Governor of Guam "who shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam."



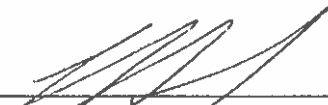
NOW, THEREFORE, I, EDDIE BAZA CALVO, Governor of Guam, by the authority vested in me by the Organic Act and laws of Guam, do hereby order and direct as follows:

(1) **Furlough and Layoff Procedures to Begin.** In accordance with the requirements of Appendix H of the DOA Personnel Rules and Regulations and the laws of Guam, the Department of Administration shall begin the furlough and layoff procedures set forth therein.

(2) **Across the Board Application.** This Executive Order shall apply, regardless of the funding source, to all Government of Guam departments, bureaus or agencies, including autonomous and semi-autonomous agencies or other instrumentalities of the Executive Branch of the government of Guam based on their respective furlough and layoff personnel rules and regulations; and shall further apply to federally-funded positions, whether fully or partially funded.

SIGNED AND PROMULGATED at Hagåtña, Guam, this 2nd day of March, 2018.





EDDIE BAZA CALVO
I Maga'Låhen Guåhan
Governor of Guam



**OFFICE OF THE GOVERNOR
HAGÁTÑA, GUAM 96910
U.S.A.**

EXECUTIVE ORDER NO. 2018-03

**RELATIVE TO IMPLEMENTING A 32-HOUR WORK WEEK
FOR ALL EXECUTIVE BRANCH AGENCIES THAT ARE
FUNDED OR PARTIALLY FUNDED BY THE GENERAL FUND**

WHEREAS, on December 22, 2017, President Donald Trump signed a new national tax reform plan, the *Tax Cuts and Jobs Act* [H.R.1 - AN ACT TO PROVIDE FOR RECONCILIATION PURSUANT TO TITLES II AND V OF THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2018], into law as U.S. P.L. No. 115-97; and

WHEREAS, P.L. No. 115-97 amends the Internal Revenue Code to lower income tax rates, including the lowering of private corporate tax rates to about 50% or less, and to provide for the modification of certain existing tax credits, deductions, and policies; and

WHEREAS, it is estimated that under the new national tax reform plan, the Government of Guam may not be able to collect approximately \$67 million or more in revenue, thus significantly affecting government operations and the ability to provide critically necessary services related to health, safety, and welfare; and

WHEREAS, despite days of session to consider and plan for the inevitable impact to government operations, including the establishment of a dedicated funding source to preserve and sustain the Guam Memorial Hospital, the 34th Guam Legislature failed to take any meaningful action to resolve the looming financial crisis; and



WHEREAS, it is critical that aggressive austerity measures be immediately undertaken in order to stabilize and safeguard the government and the island community as a result of the severe financial shortfall; and

WHEREAS, Section § 1422 of the Organic Act of Guam (Title 48, United States Code) provides that the executive power of Guam is vested in the Governor of Guam "who shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam."

NOW, THEREFORE, I, EDDIE BAZA CALVO, Governor of Guam, by the authority vested in me by the Organic Act and laws of Guam, do hereby order and direct as follows:

(1) **Mandatory 32-Hour Work Week.** Effective Tuesday, March 6, 2018, and subject to the following terms and conditions, a mandatory thirty-two (32) hour work week is implemented for all Executive Branch departments, agencies, and offices that are funded or partially funded by the General Fund:

(a) Such reduction of hours shall not exceed nor be less than eight (8) hours per week.

(b) No full-time employee whose hours are reduced will lose any benefits the employee received prior to the implementation of the reduction of the work week hours.

(c) The change shall not affect the employee's accrual of years of service for the purposes of retirement.

(2) **Department and Agency Heads to Determine Work Schedules.** The head of each department, agency and office affected by this Executive Order shall review and coordinate the schedules of their respective employees and make the necessary adjustments to comply with this Executive Order while minimizing disruptions in service.



(3) **Guam Memorial Hospital Exempt from Application.** This Executive Order shall not apply to the Guam Memorial Hospital Authority.

(4) **Federally-Funded Positions Exempt from Application.** This Executive Order shall not apply to job positions that are either 100% federally funded or are funded by federal matching grants.

SIGNED AND PROMULGATED at Hagåtña, Guam, this 28th day of February, 2018.



A handwritten signature in black ink, appearing to read "Eddie Baza Calvo".

EDDIE BAZA CALVO

I Maga'Láhen Guåhan

Governor of Guam