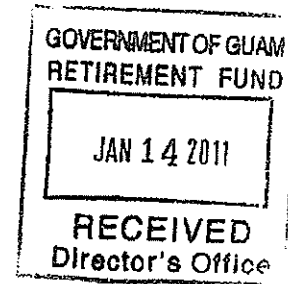




OFFICE OF THE GOVERNOR
HAGÁTÑA, GUAM 96910
U. S. A.



EXECUTIVE ORDER NO. 2011-02

**RELATIVE TO RESCINDING EXECUTIVE ORDER NO. 2010-24 AND
EXECUTIVE ORDER NO. 2010-25**

WHEREAS, Executive Order No. 2010-24 ordered the adoption of the Government-wide Position Classification, Compensation and Benefits Study Plan (the "Hay Study"), and Executive Order No. 2010-25 ordered the implementation of the Hay Study; and

WHEREAS, Executive Order No. 2010-24 adopting the Hay Study directs that the Hay Study is to be implemented upon the "availability of funding"; and

WHEREAS, the Department of Administration's Cash Flow Projection for FY2011, submitted to the Transition Committee's Finance Subcommittee on December 21, 2010, reflects negative cash balances substantially to the end of the fiscal year; and

WHEREAS, the Department of Administration, in its ongoing review and validation of cash receipts and obligations, has not yet foreseen any financial transaction or event that will reverse the trend of negative cash balances as presented in the December 21, 2010 cash flow projection; and

WHEREAS, the Department of Administration has identified certain potential liabilities that have yet to be programmed into the cash flow projection which currently excludes any unreported/unrecorded departmental obligations that Agency Heads have been directed to identify pursuant to E.O. 2011-01; and

WHEREAS, negative cash balances have resulted in the delay of payments to vendors as well as for in-home and adult care services provided by DPHSS and other non-profit organizations, have limited or have eliminated the ability to pay tax refunds, and have created situations where payroll deductions have not been timely paid; and

WHEREAS, the Public Auditor has been requested to provide an independent assessment of various Government of Guam's liabilities; and

WHEREAS, immediate action must be and is being taken to reduce cash outflows to allow for restoration of the Government of Guam's financial stability; and

WHEREAS, the present financial state of the Government of Guam as demonstrated above reveals there is currently a lack of funds available to adequately support a continued implementation of the Hay Study; and

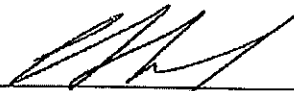


WHEREAS, given the projected unavailability of funds to adequately implement the Hay Study, it is necessary to temporarily suspend the adoption and implementation of the Hay Study until sufficient funds are available and the relative financial stability of the Government of Guam is restored;

NOW THEREFORE, I, EDWARD J. B. CALVO, *I Maga'låhen Guahan*, Governor of Guam by virtue of the authority vested in me by the Organic Act of Guam, as amended, do order:

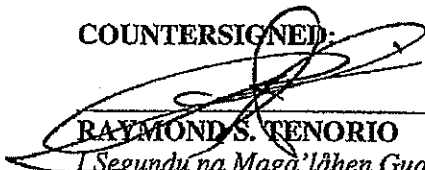
Rescinding of Executive Order Nos. 2010-24 and 2010-25. Executive Order No. 2010-24 and Executive Order No. 2010-25 are hereby rescinded, effective 12:00 a.m. midnight, Sunday, January 30, 2011.

SIGNED AND PROMULGATED at Hagåtña, Guam this 14th day of January, 2011.



EDWARD J. B. CALVO
I Maga'låhen Guahan
Governor of Guam

COUNTERSIGNED:



RAYMOND S. TENORIO
I Segundu na Maga'låhen Guahan
Lieutenant Governor of Guam

