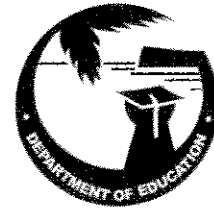




JON J. P. FERNANDEZ
Superintendent of Education

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July 15, 2015

2015 JUL 17 PM 12:02
33-15-0637

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Tres Na Liheslaturan Guahan
Suite 201
155 Hesler Place
Hagatna, Guam 96910

Dear Speaker Won Pat,

The Guam Department of Education (GDOE) is of the position that any revision to the Government of Guam (GovGuam)'s General Pay Plan should be properly vetted in accordance with procedures established by the Department of Administration (DOA) and must be consistently applied to all similar position classifications. The Office of Public Accountability (OPA), in its Fiscal Year (FY) 2016 Budget Request and Presentation, sought for "legislative approval of its compensation study and implementation in FY 2016" in order to retain its staff. Granting OPA's request would create further inequity amongst all GovGuam agencies, contrary to the intent of the Competitive Wage Act (CWA) of 2014. Additionally, it would set precedent for other government professions to make a similar request.

Title 4 of the Guam Code Annotated, Chapter 6, Section 6103 states that the Uniform Position Classification and Salary Administration Act of 1991 shall apply to all positions, officers, and employees, classified and unclassified. Section 6301(a) states that employee compensation shall be based on internal equity and external competitiveness. This legislation governed equal pay for similar position titles in different GovGuam agencies. Additionally, Section 6302 states that DOA shall adopt and apply the unified pay schedule and the Hay Group, Inc.'s methodology of positions classification and salary administration to the extent and manner it deems appropriate. Consequently, the 2014 CWA was enacted and increased salaries of GovGuam employees (including auditors).

The 2014 CWA categorized auditor positions under the General Pay Plan and amended auditor pay grades as follows:

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Position Title	New Pay Grade
Auditor I	K
Auditor II	M
Auditor III	N
Chief Auditor	O

Office of the Speaker
Judith T. Won Pat, Ed.D

Date: 7/16/15
Time: 2:08 pm
Received By: [Signature]

According to OPA, the Act "provided OPA auditors with an average increase of \$1.05 per hour or \$2,172 per year". Even with this increase, OPA contended that its auditors' salaries were not

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competitive to that of autonomous agencies. As a result, OPA hired a consultant and utilized lawyers and auditors for the sole purpose of seeking unilateral treatment for compensation of only its auditors.

OPA's auditors are not specialized to be different from other GovGuam auditors. OPA's rationale, that special consideration be provided to their office due to their staff qualifications and roles and responsibilities, applies equally to auditors in our department. GDOE auditors are held to the same standards, undergo the same training, and have expanded roles and responsibilities within the largest GovGuam agency.

OPA is not in a unique situation with its challenges in staff recruitment and retention. While the OPA laments the loss of qualified personnel and difficulties in recruitment to assist with addressing its current mandates, GDOE faces comparable challenges in building up our Internal Audit Office to address our mandates, high risk designation, and special conditions.

OPA's compensation study utilized median salaries of government auditors in the United States. If OPA's request is granted, OPA will rank favorably amongst the salaries of those in the nation, while the rest of the GovGuam auditors' salaries remain with the General Pay Plan.

In closing, GDOE is not opposed to any salary increases for the OPA, but requests for equitable treatment for its auditors as well. OPA makes a strong argument that their auditor positions are not competitive amongst nationwide levels; however, they are competitive among other GovGuam agencies through the General Pay Plan. If legislature is drafted to support OPA's compensation study, GDOE formally requests that parity for the same privileges be granted for the GDOE internal auditors that serve this government and the public trust. Additionally, OPA's request for special considerations to law, contradicts its role in ensuring compliance. It is of the utmost importance to create and follow a unified compensation policy that would best serve the people of Guam, allowing us to remain internally equitable and externally competitive. Failure to maintain parity and equity would put GDOE's efforts to get off high risk in jeopardy.

Sincerely,



JON J. P. BERNANDEZ
Superintendent of Education

Cc: Benjamin J.F. Cruz, Vice Speaker, I Mina'trentai Tres Na Liheslaturan Guahan
Nerissa Bretania Underwood, Ph.D., Senator, I Mina'trentai Tres Na Liheslaturan Guahan