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BBMR Circular No. 07-04

To: All Departments and Agency Heads
From: Director, Bureau of Budget and Management Research
Subject: Executive Order No. 2007-02

Hafa Adai yan Saludas! The Governor promulgated Executive Order No. 2007-02 relative to establishing guidelines for the fiscal management of departments and agencies, and maximization of all available resources. In addition, the Executive Order establishes cost containment measures necessary to stabilize the government's financial situation and ensure all government departments and agencies exercise budget and fiscal discipline in the expenditure of funds. Although the Governor has reduced government expenditures by over \$12.0M from FY 2005 to FY 2006 through cost containment, he is directing us to re-assess our respective areas to further reduce costs wherever possible. The Governor discussed the Executive Order at the cabinet meeting of February 22, 2007.

In order to maximize cost reductions per the Executive Order, the Bureau is seeking your cooperation and requests the following:

- Departmental plan of action to reduce expenditures using guidelines contained in the Executive Order
- Current Staffing Patterns (local & federal)
- A plan on detailing personnel from locally funded to federally funded positions within your department / agency

Be advised that in preparing your plan, it is imperative that you fund only the most critical areas at minimal cost for the remainder of the fiscal year. In addition, you are asked to revisit contractual services to determine whether certain contracts can be deferred or cancelled. Please use prudent judgment in preparing the abovementioned information. The Bureau is providing a form to be used in preparing your plan to maximize cost reductions. An electronic file of the necessary form can be found on our website: <http://guamgovernor.net/BBMR/>. Please provide information in hard copy, as well as disk form, to the Bureau no later than Wednesday, March 28, 2007. Should you have any questions, please contact Mr. Jose S. Calvo at 475-9429.

Thank you for your cooperation and support.


CARLOS P. BORDALLO

Attachment(s)