



**EXECUTIVE SUMMARY**  
**Guam Fire Department Non-Productive Pay on Leave and Other Compensation**  
**OPA Report No. 11-06, August 2011**

By law, Guam Fire Department (GFD) uniformed personnel receive pay and leave benefits surpassing those of all other Government of Guam (GovGuam) employees and which appear inequitable. Firefighters work five 24-hour shifts, or 120 hours, over a two-week pay period. While 80 hours is the standard before overtime accrues for most government employees and 86 hours for police and corrections officers, the standard for firefighters is 106 hours. As a result, GFD uniformed personnel automatically get the 14-hour difference between 120 and 106 as overtime *every* pay period. Also by law, firefighters *cannot* be charged more than 45 hours of leave per pay period. Thus, while on leave for two weeks, GFD uniformed personnel are assessed only 45 leave hours and still get paid for 106 hours out of the General Fund. The Department of Administration (DOA) categorizes the 61-hour difference as non-productive pay on leave and the Attorney General (AG) refers to it as “bonus” compensation.

**Illustration of GFD Leave Compensation vs. Other GovGuam Employees**



Our audit of GFD non-productive pay on leave and other compensation from fiscal years 2007 to 2010 revealed that:

- (1) Non-productive pay on leave cost GovGuam \$6.3 million (M) over the last four fiscal years, an average of \$1.6M annually, and the top 10 recipients received amounts ranging from \$63,000 (K) to \$125K;
- (2) 258 firefighters on leave were paid 62 to 80 non-productive hours beyond the number allowed by law, resulting in questioned costs of \$347K for 19,523 hours due to lack of payroll procedures, management review and oversight, and effective information technology controls; and

- (3) In 2010, 263 firefighters were collectively paid \$20.6M, 71% more than their total base salaries of \$12.1M. Each received an average of \$78K. In 2009, 266 firefighters made \$19.2M, 74% more than their base salaries of \$11.1M, an average of \$73K each.

### **Excessive Firefighter Compensation over Base Salary**

We found that the automatic 14 hours of overtime, their mandated 106-hour pay period, non-productive pay on leave and nine-hour-a-day/five day cap on leave provide firefighters with extraordinary opportunities to take home far more than their base pay.

- In 2010, six firefighters received compensation of between \$102K and \$114K. Additionally, 46 firefighters earned over \$90K, 57 earned over \$80K and 97 earned over \$70K. Three Fire Battalion Chiefs earned an average of \$111K, 43 Fire Captains averaged \$92K, 76 Fire Service Specialists averaged \$82K, 76 Firefighter II's averaged \$76K, and 64 Firefighter I's averaged \$65K.
- In 2009, four firefighters received compensation ranging from \$100K to \$143K. Eight others earned over \$90K, 62 earned over \$80K and 79 earned over \$70K. Three Fire Battalion Chiefs earned an average of \$102K, 43 Fire Captains averaged \$85K, 78 Fire Service Specialists averaged \$75K, 74 Firefighter II's averaged \$71K, and 65 Firefighter I's averaged \$60K.

### **Recommendations**

The AG's April 10, 2011 letter states, "the Legislature should address the effect of the 61 hour bonus paid solely to firefighters on leave, which the rest of the GovGuam employees may find unfair, and taxpayers may find too generous...(4 G.C.A. §6219 of the Guam Code Annotated) has far reaching, possibly unintended effects. However, because it is a duly enacted law, only a legislative act can change it."

With concern over our government's financial condition and in deference to all other government employees, we recommend: (1) the Administration and the Legislature repeal 4 G.C.A. §6219(a) that requires firefighter compensation at 106 hours per pay period, and amend 4 G.C.A. §6219(c) to require leave be assessed hour for hour up to maximum of 80 hours per pay period ; (2) until the law is changed, GFD management comply with 4 G.C.A. §6219 to limit non-productive pay on leave to a maximum of 61 hours and leave not to exceed 106 hours per pay period; (3) GFD explore different avenues to reduce firefighter overtime; (4) DOA implement AS/400 controls to prohibit the processing of non-productive hours in excess of 61 and leave hours in excess of 106, as well as overtime exceeding 25% of base pay, unless otherwise authorized and approved by GFD management and the Bureau of Budget Management and Research.

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