



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

EXECUTIVE ORDER NO. 2007- 04

RELATIVE TO THE PROCESSING OF FEDERAL PROGRAMS

WHEREAS, the people of Guam benefit from federal programs, which provide a wide variety of services and allow the government of Guam to meet federal mandates, including those that directly affect the education, health and welfare of our community; and

WHEREAS, it is important to maximize federal assistance by identifying and applying for federal grants in a timely fashion; and

WHEREAS, federal funds appropriated from the United States Congress directly to the executive branch of the government of Guam for federal programs and projects is the ultimate responsibility of the Governor of Guam as the chief executive officer of the executive branch.

WHEREAS, the relocation of thousands of U.S. Armed Forces and personnel and their dependents will undoubtedly require the development, and expansion, of existing critical public services including education, health, homeland security, infrastructure, legal, and environmental services; and

WHEREAS, the expansion of existing, and the development of new, public services required to meet the current and future demands of our growing population over the next decade, together with the arrival of thousands of military personnel and their families, will require the government of Guam to seek additional, alternative, and supplemental funding resources from the United States Federal Government in order to cope with this unprecedented growth; and

WHEREAS, *I Maga'låhen Guåhan* recognizes the vital role of the Guam State Clearinghouse in initiating, coordinating, and reviewing all activities within the Territory involving Federal financial assistance; in ensuring the local government's compliance with all applicable Federal laws relating to Federal financial assistance; and in providing for the sound tracking, management, and financial accountability for all Federal Programs awarded to the government of Guam; and

NOW, THEREFORE, I, MICHAEL W. CRUZ, *I Maga'låhen Guåhan para pa'go*, Acting Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, do order as follows:

(A) The Guam State Clearinghouse is hereby designated as the single point of contact for federal agencies seeking the views of local public officials. In this capacity, the Guam State Clearinghouse shall:



(I) Ensure that proposed projects for which Federal financial assistance is sought are fiscally sound and are in compliance with all applicable Federal and Local laws and provide the following:

- (a) In accordance with Title 5, Chapter 2, §2101 et seq. of the Guam Code Annotated, provide opportunities for local public officials to review and comment on proposed federal financial assistance and direct federal development;
- (b) In consultation with local public officials, select the federal programs and activities to be subject to the review process;
- (c) Transmit all comment resulting from the review process to federal approval authorities, either through applicants for financial assistance or directly;
- (d) Facilitate the resolution of disagreements identified during the review process;
- (e) Seek to formulate a single recommended course of action based on review comments;
- (f) Coordinate responses when federal agencies advise that they cannot accommodate the concerns of local public officials;
- (g) Coordinate efforts by local agencies to simplify and consolidate federally-required State plans;
- (h) Periodically prepare any necessary reports on the activities of the review process;
- (i) Shall identify and coordinate substantive and procedural requirements of Federal and Local laws, regulations and Executive Orders that are inconsistent with, duplicative of, or are structured so as to restrict their efficient implementation with other applicable requirements.
- (j) Shall implement effective means towards establishing timely and efficient collaborative communication systems between government of Guam instrumentalities in receiving or transmitting grant information or program comments; training; and, in the review, management and application of federal projects and federal financial assistance programs; and
- (k) Effectuate those requirements, not mentioned above, and are contained in Title 5, Chapter 2 of the Guam Code Annotated relative to the creation, duties, and responsibilities of the Guam State Clearinghouse.

(II) Assist all executive branch agencies and instrumentalities to comply with all applicable Federal laws relating to Federal financial assistance and that there exists sound tracking, management and financial accountability for all Federal programs awarded to the government of Guam.



(III) Assist the Bureau of Budget & Management Research in performing cost analysis on all Federal aid programs, grants, loans, contracts, contributions, advances, direct Federal development, or other Federal funding for the financial impact on the Government of Guam's General Fund or special funds used to fund the local matching requirement as prescribed by Federal law; and the financial impact on the government of Guam for the continuation of the federal programs should the Federal funding expire and require the government of Guam to financially assume the program's operation one hundred percent (100%). The Guam State Clearinghouse shall further make recommendations where practicable, including fiscal pass through aid to supporting agencies and departments; in-kind contribution and donation recommendations; and, indirect costing measures supporting other governmental functions that provide tertiary or accessory services to federal financial aid programs and grants.

(IV) Provide training in applying for federal financial aid; grants management training; consistency review training in Federal and Local laws, regulations and Executive Order requirements; and, in the assessments related to the effectiveness and performance of existing and continuing grant programs, solicit the expertise and participation of government of Guam employees trained and experienced in federal financial assistance, grants management, and related technical activities.

(B) Establishment of Working Group Committees. The Guam State Clearinghouse may establish where practicable, working group committees, whose membership shall be employees derived from department and agencies, selected at the discretion of the department or agency head, in the review, application or training of federal financial assistance programs or grants.

(C) Duties of Heads of Departments and Agencies. Heads of executive departments and agencies shall, consistent with applicable law, provide such information or assistance as the Guam State Clearinghouse deems necessary to carry out its mission, and shall otherwise cooperate with the Guam State Clearinghouse to the greatest extent practicable to comply with the requirements of existing and new federal financial assistance programs and grants.

(D) Indirect Cost. The Guam State Clearinghouse shall recommend to *I Maga'lahañ Guåhan*, on a case by case basis where practicable, the indirect cost allocation rates applied to new or continuing federal financial aid applications. The Guam State Clearinghouse shall initiate the coordination with applicable local and federal government instrumentalities in the implementation of a State Wide Cost Allocation Plan (SWCAP) and a negotiated indirect cost rate for educational institutions.

(E) Governor's Approval Required. Federal programs affecting the executive branch of the government of Guam shall require the final approval of the Governor of Guam.



Any Executive Order heretofore promulgated in conflict herewith is hereby repealed insofar as any conflict is concerned.

SIGNED AND PROMULGATED at Hagåtña, Guam this 9th day of March, 2007.

A handwritten signature in black ink, appearing to read "Michael W. Cruz".

MICHAEL W. CRUZ, M.D.
Maga'låhen Guåhan, para pa'go
Acting Governor of Guam