



**PORT AUTHORITY OF GUAM**

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POLICY MEMORANDUM 03-87

To: Port Employees	Subject: Cost Containment Suggestion Awards Program
Effective Date: March 25, 1987	Revision Date:
Approved By: DAVID B. TYDINGCO, General Manager	
ALL REVISIONS ARE MARKED WITH AN ASTERISK (*)	
<p>I. <u>PURPOSE</u></p> <p>The purpose of the Port's Cost Containment Suggestion Awards Program is to recognize and reward employees who offer suggestions, ideas and recommendations, whose implementation would result in monetary savings or improve the Port's operations.</p> <p>Additionally, the Program is to be used as a tool to motivate and inspire other employees of the Authority for such recognition and at the same time enhance the overall work attitude.</p> <p>II. <u>ELIGIBILITY</u></p> <p>All employees of the Authority, whether permanent or temporary, except the General Manager, Assistant Managers and members of the Suggestion Review Committee, shall be eligible for participation.</p> <p>III. <u>SUGGESTION MATERIALS</u> (Shall include, but not limited to)</p> <ul style="list-style-type: none"><li>A. Ways to improve working conditions, clerical procedures, public relations, workmanship and property protection;</li><li>B. Time-consuming jobs that tie up expensive equipment and personnel;</li><li>C. Different forms or records with similar content or routing;</li><li>D. Dissimilar materials being used for similar operations; or</li><li>E. Unused equipment, tools, procedures or methods.</li></ul>	

IV. AWARDS AND RECOGNITION BENEFITS

- A. An amount of money to be determined by applicable benefit criteria; (See Section VI. Benefits)
- B. A letter of commendation signed by the General Manager, a copy of which will be made a permanent part of the employee's personnel jacket;
- C. The posting of his or her name on the bulletin board outside the General Manager's Office; and
- D. A press release in the Authority's newsletter as well as newspapers of general circulation.

V. LIMITATIONS

- A. No more than one award shall be granted for each specific suggestion, idea, or recommendation;
- B. Management shall be committed to adopt the suggestion within two (2) years after its approval for award by the General Manager;
- C. The maximum award is \$25,000;
- D. Awards of \$10,000 or more must have Board approval; and
- E. The amount of the award shall be on the basis of the net first year benefits, however, if this is inadequate, it would be desirable to base the award on an average of the estimated net benefits over a period of years.

VI. BENEFITS

- A. Intangible Benefit Awards Scale

<u>Value of Benefit</u>	<u>Extend of Benefit</u>			
	<u>Limited</u>	<u>Extended</u>	<u>Broad</u>	<u>General</u>
Moderate	\$ 25- 50	\$ 50- 100	\$ 100- 200	\$ 200- 400
Substantial	50-100	100- 200	200- 400	400-1000
High	100-200	200- 400	400-1000	1000-2500
Exceptional	200-400	400-1000	1000-2500	2500-5000

Value of Benefits (Definitions)1. Moderate

Change or modification of operating principle or procedure which has moderate value sufficient to meet the minimum standard for a cash award; an improvement of rather limited value of a product, activity, procedure, program or service.

2. Substantial

Substantial change or modification of an operating principle or procedure; an improvement to the value of a product, activity, procedure, program or services.

3. High

Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product, major activity, procedure, program or service.

Extend of Benefit (Definitions)1. Limited

Affects functions, mission or personnel of at least two organizational units, offices or activities.

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2. Extended

Affects functions, mission, or personnel of at least three organizational units, offices or activities.

3. Broad

Affects functions, mission or personnel of an entire division.

4. General

Affects functions, mission, or personnel of the entire Agency.

B. Awards Scale for Tangible Benefits

<u>Tangible Benefits</u>	<u>Amount of Award</u>
\$250	\$25
\$251 - \$1,000	\$25 for the first \$250 in benefits plus \$5 for each additional \$50 or fraction thereof.
\$1,000 - \$10,000	\$100 for the first \$1,000 in benefits plus \$5 for each additional \$100 or fraction thereof.
\$10,001 - \$20,000	\$550 for the first \$10,000 in benefits plus \$5 for each additional \$200 or fraction thereof.
\$20,001 - \$100,000	\$800 for the first \$20,000 in benefits plus \$5 for each additional \$1,000 or fraction thereof.
\$100,000 or more	\$1,200 for the first \$100,000 in benefits plus \$5 for each additional \$5,000 or fraction thereof.

The minimum award for tangible benefits can be granted only when the benefits reach or exceed \$250. The minimum award for intangible benefits should require a comparably high standards. In determining cash awards for contributions with intangible results, the value to the Agency must be comparable to those contributions receiving equivalent awards on the basis of tangible results.

VII. HOW TO PRESENT YOUR SUGGESTION

- A. Type or print only one suggestion on each official Suggestion Form. State your idea fully, clearly and concisely. Think your suggestion through and be specific.
- B. Use a sketch or drawing to illustrate if it will result in better understanding.
- C. Explain why you believe your suggestion is better than the present method, procedure or policy. Clearly indicate the type and amount of benefits or savings the Agency will receive from the adoption of your idea.
- D. Sign the Suggestion Form and submit via your respective division head to the Personnel Office.

VIII. HOW YOUR SUGGESTION WILL BE PROCESSED

The Personnel Office will acknowledge receipt of your suggestion and forward it to members of the Suggestion Committee.

IX. SUGGESTION COMMITTEE

The Suggestion Committee shall consist of the following:

- A. Assistant General Manager;
- B. Financial Affairs Controller;
- C. Harbor Master;
- D. Personnel Services Administrator;
- E. Systems Manager;

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- F. Operations Manager;
- G. Terminal Superintendent ;
- H. Stevedoring Superintendent ;
- I. Transportation Superintendent ;
- J. Equipment Superintendent ; and
- K. Facility Maintenance Superintendent .

X. APPROVING AUTHORITY

The General Manager is delegated the authority to approve the granting of such awards subject to the recommendation of the Suggestion Committee.