



Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

08 APR 2009

2009 APR -9 AM 11:30 mlc

The Honorable Judith T. Won Pat, Ed.D.
Speaker
Mina' Bente Nuebi Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 2(LS), "AN ACT TO ADD A NEW CHAPTER 12 TO DIVISION 2 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION; AND TO BE KNOWN AS THE "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"" now designated as Public Law 30-008.

Sinseru yan Magåhet,

[Handwritten signature of Michael W. Cruz]

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

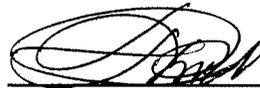
Attachment: copy of Bill

30-09-0412
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date: 4/08/09
Time: 2:30
Received by: [Signature]

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

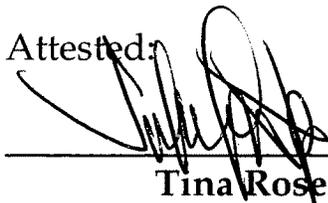
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Substitute Bill No. 2 (LS), "AN ACT TO ADD A NEW CHAPTER 12 TO DIVISION 2 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION; AND TO BE KNOWN AS THE "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009," returned without approval of *I Maga'lahaen Guåhan*, was reconsidered by *I Liheslaturan Guåhan* and after such consideration, did agree, on the 3rd day of April, 2009, to pass said Bill notwithstanding the veto of *I Maga'lahaen Guåhan* by a vote of fourteen (14) Members.



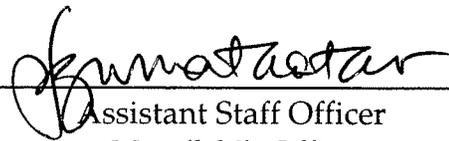
Judith T. Won Pat, Ed. D.
Speaker

Attested:



Tina Rose Muña Barnes
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this 6 day of April, 2009, at
4:45 o'clock P.M.



Assistant Staff Officer
Maga'lahaen's Office

Public Law No. 30-008

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Bill No. 2 (LS)

As substituted by
the Committee on Education.

Introduced by:

Judith T. Won Pat, Ed.D.

T. R. Muña Barnes

T. C. Ada

F. B. Aguon, Jr.

F. F. Blas, Jr.

E. J.B. Calvo

B. J.F. Cruz

J. V. Espaldon

Judith P. Guthertz, DPA

Adolpho B. Palacios, Sr.

v. c. pangelinan

M. J. Rector

R. J. Respicio

Telo Taitague

Ray Tenorio

AN ACT TO *ADD* A NEW CHAPTER 12 TO DIVISION 2 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION; AND TO BE KNOWN AS THE “FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009”.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Foundation for Public Education Act of 2009.** A new Chapter 12
3 of Division 2 of Title 17, Guam Code Annotated, is *added* to read:

4 **“Chapter 12**

5 **Foundation for Public Education Act of 2009**

1 **§12101. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
2 finds that creating the best public school education is the responsibility of the
3 entire community. This means *not only* parents and educators, but also
4 businesses, community groups, associations, philanthropists and citizens.
5 Currently, the Guam Public School System is authorized to receive monetary
6 donations, which are promptly deposited into the Every Child is Entitled to an
7 Adequate Education Fund (Fund). The provisions of the existing Fund are too
8 restrictive in regards to how private contributions to the Guam Public School
9 System can be utilized, therefore a mechanism needs to be put in place to more
10 efficiently handle such contributions. In many communities, public education
11 foundations serve as a conduit between schools and communities, often funding
12 projects that fall outside the scope of the schools' operating budgets. The
13 missions of these public education foundations are to mobilize regional and
14 community resources to support and impact public education through
15 initiatives, programs, and practices designed to improve student performance
16 and advance quality educational opportunities for all children.

17 It is, therefore, the intent of *I Liheslaturan Guåhan*, that a separate
18 mechanism, one that would promote the improvement of the general welfare of
19 public education on Guam inclusive of philanthropic and community service
20 endeavors, must be established. This can be accomplished with the creation of a
21 "Foundation for Public Education".

22 **§12102. Short Title.** This Chapter may be cited as the "Foundation
23 for Public Education Act of 2009."

24 **§12103. Authorization to Receive Funds.** The Superintendent is
25 hereby authorized to establish a public, not-for-profit corporation that *shall* be
26 separate and apart from the government of Guam and the Guam Public School

1 System for the purposes of being able to accept private gifts, donations,
2 endowments, services in-kind, grants and other money which may be offered in
3 support of the Guam Public School System. All such private gifts, donations,
4 endowments, services in-kind, grants and other money *shall* be in accordance
5 with the laws of Guam and subject to reasonable conditions.

6 **§12104. Custody and Expenditure of Funds.** Such funds as are
7 received *shall* be deposited into a fund as established by the public corporation
8 and known as the Foundation for Public Education Fund (the Fund).
9 Expenditures *shall* be made from the Fund in accordance with such conditions
10 as may be attached to the private gifts, donations, endowments, services in-
11 kind, and grants. *No more than* ten percent (10%) of the total corpus of the
12 Fund *shall* be utilized for administrative costs.

13 **§12105. Composition of Foundation Board of Directors.** The
14 public corporation, as initially established by the Superintendent of Education,
15 *shall* be comprised of a nine (9) member board of directors. The
16 Superintendent *shall* appoint the charter directors of said corporation and each
17 charter director will serve an initial term of one (1) year. The Superintendent of
18 Education *shall* serve as temporary chairperson, and *shall* convene the first
19 meeting of the Foundation. At its first meeting the Foundation *shall* elect from
20 among its members its officers in accordance with its established by-laws. At
21 least two (2) of its members *shall* be alumni of the Guam Public School System,
22 formerly the Guam Department of Education. For the purposes of this
23 provision, an alumnus is defined as any one (1) person having attended the
24 Guam Public School System for one (1) complete school year. *At least* one (1)
25 member *shall* have accounting experience *or* a professional background in
26 accounting. *At least* one (1) member *shall* have experience or professional

1 background in marketing or advertising. *At least* one (1) member *shall* have
2 legal experience or professional background in the law. *At least* one (1)
3 member *shall* have experience or professional background as a fund manager.
4 The remaining members of the Foundation *shall* be of diverse backgrounds
5 from the community, who have resided on Guam for *at least* three (3) years.
6 Upon establishment of the public corporation, said corporation *shall* establish in
7 its articles of incorporation and by-laws the manner of appointment and length
8 of service for Board Members and all other rules and regulations relative to
9 operations, investments and programs through which all private gifts,
10 donations, endowments, services in-kind, grants and other money *shall* be
11 granted back to the Guam Public School System. The established bylaws *shall*
12 reflect the qualifications and the makeup of the Board of Directors as
13 enumerated in this Section. In the event of a vacancy on the charter board of
14 directors, the Superintendent of Education, *or* the Chairperson of the Guam
15 Education Policy Board should the Superintendent of Education be
16 incapacitated, *shall* appoint a replacement for the unexpired term. The initial
17 meeting of the public corporation *shall* be convened by the Superintendent of
18 the Guam Public School System.

19 **§12106. Preferred Qualifications of Foundation Directors.** The
20 preferred qualification for Foundation Directors appointed by the
21 Superintendent and subsequent Foundation Directors appointed in accordance
22 with this Act *shall* be: (a) adequate time to dedicate to the work of the
23 Foundation; (b) displayed loyalty to the public schools; and (c) previous
24 nonprofit board membership experience.

25 **§12107. Foundation Information Published on Website.** The
26 Foundation *shall* publish information regarding its activities on a monthly basis.

1 The information may include, but *not be limited to*, financial statements,
2 meeting minutes and agendas, and any other information that the Foundation
3 may deem beneficial to the general public.

4 The Guam Public School System *shall* make their website available to
5 the Foundation for the purpose of publishing the above required information.

6 **§12108. Reporting Information.** The Foundation *shall* transmit
7 quarterly reports detailing information pertaining to the contributions made to
8 and expenditures from the Foundation Fund to *I Liheslaturan Guåhan* and to
9 the Office of the Public Auditor of Guam.”

10 **Section 2. §§7115, 7116, 7117, and 7118 of Chapter 7 of Title 17 GCA, are**
11 **hereby repealed.**

12 **Section 3. Transfer of Funds.** *Any* fund balances available in the Every
13 Child is Entitled to an Adequate Public Education Fund *shall* be transferred to the
14 Foundation for Public Education Fund. The transfer of funds *shall only* occur upon
15 the successful formation of the Foundation for Public Education, to include
16 registration with the Department of Revenue and Taxation as a nonprofit organization
17 consistent with the provisions of Section 501(c)(3) of the Internal Revenue Code of
18 1986.

Override

I MINA' TRENTA NA LIHESLATURAN GUAHAN

2009 (FIRST) Regular Session

Date: 4/3/09

VOTING SHEET

Vetoed
Bill No. 2 (LS)

Resolution No. _____

Question: Notwithstanding the objection of the Governor, should the Legislature override vetoed Bill 2 (LS)

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Thomas C.	✓				
AGUON, Frank B., Jr. *	✓				
BLAS, Frank F., Jr.	✓				
CALVO, Edward J.B.					✓
CRUZ, Benjamin J. F.	✓				
ESPALDON, James V.	✓				
GUTHERTZ, Judith Paulette	✓				
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr. *	✓				
PANGELINAN, vicente (ben) cabrera	✓				
RECTOR, Matthew *	✓				
RESPICIO, Rory J.	✓				
TAITAGUE, Telo	✓				
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				

TOTAL

14 _____ _____ _____ 1 EA

CERTIFIED TRUE AND CORRECT:

Patricia C. Santa
Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

30-09-0338
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 3/13/09
Time 4:45 P
Received by [signature]

2009 MAR 16 AM 8:37 PM

Honorable Judith T. Won Pat, Ed.D
Speaker
I Mina Trenta Na Liheslaturan Guahan
155 Hessler Street
Hagåtña Guam 96910

13 MAR 2009

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 2(LS), AN ACT TO ADD A NEW CHAPTER 12 TO DIVISION 2 OF TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION; AND TO BE KNOWN AS THE "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009", which I have vetoed.

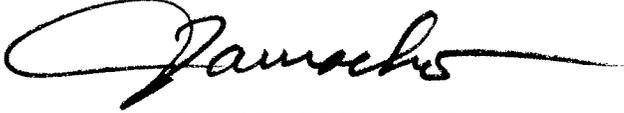
Bill 2 attempts to create a Public Corporation for the purpose of receiving donations for the Guam Public School System. While any legislation that attempts to help our children received a quality education is to be commended, we must also be very cautious with the creation of new government entities that will lead to long term financial obligations. Bill 2 seeks to create a new layer of government at the same time it draws attention away from the need for more accountability of GPSS funds.

According to recent local news reports, GPSS is missing nearly \$90,000 in donations provided to Southern High School. This is not an isolated incident and highlights the need to ensure that funding provided to the school system is used to the best benefit of students. It is not clear that a public corporation, as envisioned in Bill 2, would provide additional accountability or financial safeguards.

Existing public corporations, such as the Guam Visitors Bureau and the Guam Economic Development Authority, are generally considered to be government entities. The Supreme Court of Guam has held in Guam Radio v. GEDCA, 2000 Guam 1, that "GEDCA's status as a public corporation indicates that it is an 'official body of the territory of Guam.'" The creation of a new government entity to receive education donations does not effectively address accountability concerns, but it does add new layers of bureaucracy at a time when the government of Guam is already struggling financially.

As stated in a previous veto message, the intent of this legislation could be accomplished without government intervention by the creation of a non-public corporation formed by interested parties. I urge the Legislature to consider such alternatives that will achieve our goal of improving education and fiscal accountability without committing to long term financial obligations that may not produce desired results.

Sinseru yan Magâhet,

A handwritten signature in black ink, appearing to read 'Camacho', with a long horizontal flourish extending to the right.

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

cc: All Senators

Attachment

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

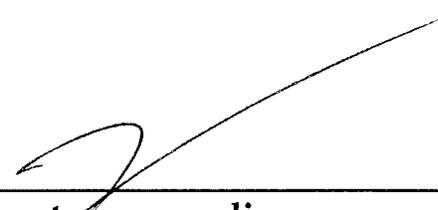
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

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Judith T. Won Pat, Ed.D.
Speaker

Attested:



vicente c. pangelinan
Acting Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 3 day of MAR, 2009, at 4:04 o'clock P.M.



A. RACHULAP

Assistant Staff Officer
Maga'lahaen's Office

APPROVED:



FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: _____

Public Law No. _____

1 **§12101. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
2 finds that creating the best public school education is the responsibility of the
3 entire community. This means *not only* parents and educators, but also
4 businesses, community groups, associations, philanthropists and citizens.
5 Currently, the Guam Public School System is authorized to receive monetary
6 donations, which are promptly deposited into the Every Child is Entitled to an
7 Adequate Education Fund (Fund). The provisions of the existing Fund are too
8 restrictive in regards to how private contributions to the Guam Public School
9 System can be utilized, therefore a mechanism needs to be put in place to more
10 efficiently handle such contributions. In many communities, public education
11 foundations serve as a conduit between schools and communities, often funding
12 projects that fall outside the scope of the schools' operating budgets. The
13 missions of these public education foundations are to mobilize regional and
14 community resources to support and impact public education through
15 initiatives, programs, and practices designed to improve student performance
16 and advance quality educational opportunities for all children.

17 It is, therefore, the intent of *I Liheslaturan Guåhan*, that a separate
18 mechanism, one that would promote the improvement of the general welfare of
19 public education on Guam inclusive of philanthropic and community service
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3 support of the Guam Public School System. All such private gifts, donations,
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5 with the laws of Guam and subject to reasonable conditions.

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17 charter director will serve an initial term of one (1) year. The Superintendent of
18 Education *shall* serve as temporary chairperson, and *shall* convene the first
19 meeting of the Foundation. At its first meeting the Foundation *shall* elect from
20 among its members its officers in accordance with its established by-laws. At
21 least two (2) of its members *shall* be alumni of the Guam Public School System,
22 formerly the Guam Department of Education. For the purposes of this
23 provision, an alumnus is defined as any one (1) person having attended the
24 Guam Public School System for one (1) complete school year. *At least* one (1)
25 member *shall* have accounting experience *or* a professional background in
26 accounting. *At least* one (1) member *shall* have experience or professional

1 background in marketing or advertising. *At least* one (1) member *shall* have
2 legal experience or professional background in the law. *At least* one (1)
3 member *shall* have experience or professional background as a fund manager.
4 The remaining members of the Foundation *shall* be of diverse backgrounds
5 from the community, who have resided on Guam for *at least* three (3) years.
6 Upon establishment of the public corporation, said corporation *shall* establish in
7 its articles of incorporation and by-laws the manner of appointment and length
8 of service for Board Members and all other rules and regulations relative to
9 operations, investments and programs through which all private gifts,
10 donations, endowments, services in-kind, grants and other money *shall* be
11 granted back to the Guam Public School System. The established bylaws *shall*
12 reflect the qualifications and the makeup of the Board of Directors as
13 enumerated in this Section. In the event of a vacancy on the charter board of
14 directors, the Superintendent of Education, *or* the Chairperson of the Guam
15 Education Policy Board should the Superintendent of Education be
16 incapacitated, *shall* appoint a replacement for the unexpired term. The initial
17 meeting of the public corporation *shall* be convened by the Superintendent of
18 the Guam Public School System.

19 **§12106. Preferred Qualifications of Foundation Directors.** The
20 preferred qualification for Foundation Directors appointed by the
21 Superintendent and subsequent Foundation Directors appointed in accordance
22 with this Act *shall* be: (a) adequate time to dedicate to the work of the
23 Foundation; (b) displayed loyalty to the public schools; and (c) previous
24 nonprofit board membership experience.

25 **§12107. Foundation Information Published on Website.** The
26 Foundation *shall* publish information regarding its activities on a monthly basis.

1 The information may include, but *not be limited to*, financial statements,
2 meeting minutes and agendas, and any other information that the Foundation
3 may deem beneficial to the general public.

4 The Guam Public School System *shall* make their website available to
5 the Foundation for the purpose of publishing the above required information.

6 **§12108. Reporting Information.** The Foundation *shall* transmit
7 quarterly reports detailing information pertaining to the contributions made to
8 and expenditures from the Foundation Fund to *I Liheslaturan Guåhan* and to
9 the Office of the Public Auditor of Guam.”

10 **Section 2. §§7115, 7116, 7117, and 7118 of Chapter 7 of Title 17 GCA, are**
11 **hereby repealed.**

12 **Section 3. Transfer of Funds.** *Any* fund balances available in the Every
13 Child is Entitled to an Adequate Public Education Fund *shall* be transferred to the
14 Foundation for Public Education Fund. The transfer of funds *shall only* occur upon
15 the successful formation of the Foundation for Public Education, to include
16 registration with the Department of Revenue and Taxation as a nonprofit organization
17 consistent with the provisions of Section 501(c)(3) of the Internal Revenue Code of
18 1986.

6

I MINA' TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Date: 2-27-09

VOTING SHEET

SBill No. 2(LS)

Resolution No. _____

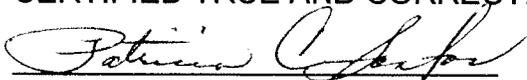
Question: _____

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>OUT DURING ROLL CALL</u>	<u>ABSENT</u>
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BLAS, Frank F., Jr.	✓				
CALVO, Edward J.B.	✓				
CRUZ, Benjamin J. F.	✓				
ESPALDON, James V.	✓				
GUTHERTZ, Judith Paulette	✓				
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera	✓				
RECTOR, Matthew					✓
RESPICIO, Rory J.	✓				
TAITAGUE, Telo	✓				
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				

TOTAL

14 _____ _____ _____ 1

CERTIFIED TRUE AND CORRECT:


 Clerk of the Legislature

* 3 Passes = No vote
 EA = Excused Absence



2009 FEB 10 PM 2:55

OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
JUDITH T. WON PAT, Ed.D.

February 6, 2009

Committee on Rules
I Mina' Trenta Na Liheslaturan Guahan
155 Hesler Place
Hagatna, Guam 96910

The Committee on Education, to which **Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes - "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"** was referred, wishes to report its findings and recommendations.

Transmitted herewith for your consideration and action is our committee report on the above subject matter.

The voting record is as follows:

- 6 TO PASS
- 0 NOT TO PASS
- 2 TO REPORT OUT ONLY
- 0 ABSTAIN
- 0 TO PLACE IN INACTIVE FILE

Copies of the Committee Report and other pertinent documents are attached. Thank you and Si Yu'os ma'ase for your attention to this matter.

Judith T. Won Pat, Ed.D.
Chairwoman
Committee on Education

Attachments



**OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
JUDITH T. WON PAT, Ed.D.**

February 4, 2009

MEMORANDUM

TO: Committee Members

FROM: Chairwoman
Committee on Education

RE: **Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes - "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"**

Transmitted herewith for your information and action is the report on **Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes - "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"**

Please take the appropriate action on the voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have questions regarding the report or accompanying documents, please do not hesitate to contact me.

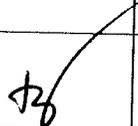
Senseramente,

Judith T. Won Pat, Ed.D.

Attachments

**COMMITTEE VOTING SHEET
COMMITTEE ON EDUCATION**

Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes - "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"

	SIGNATURE	TO PASS	NOT TO PASS	TO REPORT OUT OF COMMITTEE	ABSTAIN	PLACE IN INACTIVE FILE
Judith T. Won Pat, Ed.D., Chairwoman		✓				
Judith P. Guthertz, Vice Chairwoman		✓				
Adolpho Palacios, Sr.		✓				
Vicente C. Pangelinan		✓				
Tina R. Muña-Barnes		✓				
Thomas C. Ada		✓				
Matt Rector				✓		
Edward J. B. Calvo						
Ray S. Tenorio						
Frank F. Blas, Jr.				✓		
James V. Espaldon						



I MINA'TRENTA NA LIHESLATURAN GUÅHAN

COMMITTEE ON EDUCATION

SPEAKER JUDITH T. WON PAT, Ed.D.

CHAIRWOMAN

COMMITTEE REPORT

ON

Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes

AN ACT TO ADD A NEW CHAPTER 11 TO DIVISION 2 OF TITLE 17 GUAM CODE ANNOTATED RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION. THIS ACT SHALL BE KNOWN AS THE "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009."

I. OVERVIEW

The Committee on Education held a public hearing on Wednesday, February 4, 2009 at 9:00 a.m. on Bill No. 2 (LS) J. Won Pat / T.R. Muna-Barnes - "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009"

Notices for the public hearings were disseminated to all local media via facsimile in accordance with the requirements of the Open Government Law and are attached herein.

Senators present at the public hearing were:

Speaker Judith T. Won Pat, Committee Chairwoman
Senator Judith P. Guthertz, Vice Chairwoman
Senator Adolpho Palacios
Senator Vicente "ben" Pangelinan
Senator Thomas C. Ada
Senator Frank B. Aguon, Jr.
Senator James Espaldon
Senator Telo Taitague

II. SUMMARY OF TESTIMONY

- **Ms. Nerissa Bretania-Shafer, Ph.D.**, the Superintendent of the Guam Public School System provided oral and written testimony in favor of the passage of Bill 2. Dr. Shafer discussed some "best practices" of different foundations around the country and made several suggestions to strengthen the bill including some preferential characteristics of Foundation Directors and suggesting that the administrative cost limitations percentage be eliminated or raised. Dr. Shafer's testimony in its entirety is appended to this report.

DISCUSSION

- **Chairwoman Won Pat** began the discussion by addressing the concern of Superintendent Shafer with regards to the one percent limitations on administrative costs. She explained that the limitation was at the insistence of the Governor, but the percentage may be increased to give additional monetary support for the administrative costs of the Foundation.

- **Senator Ada** stated that he is in principle in favor of the bill but he is concerned about the expenditure of funds that may supplant local appropriations and the earmarking of certain monetary donations that a donor may only direct to certain school or project.

- **Dr. Shafer** responded that all of those details will be addressed in the Foundation bylaws that will be created by the Board. She doesn't believe the Foundation would supplant the local appropriation, she also emphasized the importance of supporting the Foundation at its initial phases to ensure that all of these concerns can be addressed.

- **Senator Guthertz** commented that Dr. Shafer, in the establishment of this Foundation, should work closely with Revenue and Taxation to ensure compliance with all rules regarding foundations.
- **Senator Espaldon** commented on the startup cost of the Foundation and inquired with the Superintendent as the needs of the Foundation during the startup.
- **Dr. Shafer** replied that there will be a need for an executive director for the Foundation who will also staff the Board of Directors and an office space will be essential. A business plan will also be essential in the beginning to map the direction of the Foundation.
- **Senator Espaldon** inquired with Dr. Shafer as where these funds would be directed to?
- **Dr. Shafer** replied that it would not go to supplant any activity funded by local funds, but it would go to innovative experimental programs that may not be practically funded by local funds. Additionally the funds may be used for scholarships or for incentives – she envisions a whole range of possibilities.
- **Senator Taitague** inquired whether there is a need for a public law to create this foundation and she also inquired regarding the current status of the Every Child is Entitled to an Adequate Education Fund.
- **Dr. Shafer** replied that this initiative was started by the former Superintendent and there was initial activity to begin the Foundation. The importance of having legislation passed to create the Foundation and its signing into law by the Governor demonstrates a level credibility which is important for the Foundation, especially in light of the current condition of the school system. As for the Adequate Education Fund, Dr. Shafer stated that while the fund can accept donations, the expenditure of funds from that fund is highly restrictive.
- There being no more comments and questions for the appointee, Chairwoman Won Pat concluded the hearing on Bill 2(LS)

COMMITTEE COMMENTS AND NOTES

The Committee reviewed the testimony of the Superintendent, Dr. Shafer, and had incorporated, where practical, the suggested changes into the legislation and submits a substituted version of Bill 2. Additionally, the Every Child is Entitled to an Adequate Public Education Fund is repealed in the substituted Legislation so as to completely sever the functions of the Foundation from the day to day function of the School System.

III. FINDINGS AND RECOMMENDATION

The Committee on Education to which Bill 2(LS) was referred, finds support for the passage of the bill as substitute by the Committee on Education and hereby submit its findings and recommendations to *I Mina' Trenta Na Liheslaturan Guahan* **TO DO PASS** Bill 2(LS) As substituted – “The Foundation for Public Education”.

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Bill No. 2(LS)
As substituted by
the Committee on Education

Introduced by:

J. T. Won Pat, Ed.D.
T.R. Muña-Barnes

AN ACT TO ADD A NEW CHAPTER 11 TO
DIVISION 2 OF TITLE 17 GUAM CODE
ANNOTATED RELATIVE TO AUTHORIZING THE
SUPERINTENDENT OF EDUCATION TO
ESTABLISH A PUBLIC CORPORATION FOR THE
PURPOSE OF ADVANCING EXCELLENCE IN
EDUCATION. THIS ACT SHALL BE KNOWN AS
THE "FOUNDATION FOR PUBLIC EDUCATION
ACT OF 2009."

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Foundation for Public Education Act of 2009. Chapter 11 of
3 Division 2 of Title 17, Guam Code Annotated, is added to read:

4 "Chapter 11.

5 Foundation for Public Education Act of 2009.

6 §11101. Legislative Findings. *I Liheslaturan Guahan* finds that
7 creating the best public school education is the responsibility of the
8 entire community. This means not only parents and educators but also
9 businesses, community groups, associations, philanthropists and
10 citizens. Currently, the Guam Public School Systems is authorized to

1 receive monetary donations which are promptly deposited into the
2 Every Child is Entitled to an Adequate Education Fund ("Fund"). The
3 provisions of the existing Fund is too restrictive in regards to how
4 private contributions to the Guam Public School System can be utilized,
5 therefore a mechanism needs to be put in place to more efficiently
6 handle such contributions. In many communities, public education
7 foundations serve as a conduit between schools and communities often
8 funding projects that fall outside the scope of the schools operating
9 budgets. The missions of these public education foundations are to
10 mobilize regional and community resources to support and impact
11 public education through initiatives, programs, and practices designed
12 to improve student performance and advance quality educational
13 opportunities for all children.

14 It is therefore the intent of *I Liheslaturan Guahan* that a separate
15 mechanism, one that would promote the improvement of the general
16 welfare of public education on Guam inclusive of philanthropic and
17 community service endeavors, must be established. This can be
18 accomplished with the creation of a "Foundation for Public Education".

19 **§11102. Short title.** This Chapter may be cited as the
20 "Foundation for Public Education Act of 2009."

21 **§11103. Authorization to Receive Funds.** The Superintendent is
22 hereby authorized to establish a public not for profit corporation that
23 shall be separate and apart from the Government of Guam and the
24 Guam Public School System for the purposes of being able to accept
25 private gifts, donations, endowments, services in-kind, grants and other

1 money which may be offered in support of the Guam Public School
2 System. All such private gifts, donations, endowments, services in-kind,
3 grants and other money shall be in accordance with the laws of Guam
4 and subject to reasonable conditions.

5 **§11104. Custody and Expenditure of Funds.** Such funds as
6 are received shall be deposited into a fund as established by the public
7 corporation and known as the Foundation for Public Education Fund
8 (the "fund"). Expenditures shall be made from the fund in accordance
9 with such conditions as may be attached to the private gifts, donations,
10 endowments, services in-kind, and grants. No more than ~~one percent~~
11 (1%) ten percent (10%) of the total corpus of the Fund shall be utilized
12 for administrative costs.

13 **§11105. Composition of Foundation Board of Directors.** The
14 public corporation, as initially established by the Superintendent of
15 Education, shall be comprised of a nine (9) member board of directors.
16 The Superintendent shall appoint the charter directors of said
17 corporation and each charter director will serve an initial term of one (1)
18 year. The Superintendent of Education shall serve as temporary
19 chairperson, and shall convene the first meeting of the Foundation. At
20 its first meeting the Foundation shall elect from among its members its
21 officers in accordance with its established by-laws. At least two (2)
22 members shall be an alumnus of the Guam Public School System,
23 formerly the Guam Department of Education. For the purposes of this
24 provision, an alumnus is defined as any one person having attended the
25 Guam Public School System for one complete school year. At least one

1 (1) member shall have accounting experience or a professional
2 background in accounting. At least one (1) member shall have
3 experience or professional background in marketing or advertising. At
4 least one (1) member shall have legal experience or professional
5 background in the law. At least one (1) member shall have experience
6 or professional background as a fund manager. The remaining members
7 of the Foundation shall be of diverse backgrounds from the community
8 who have resided on Guam for at least three (3) years. Upon
9 establishment of the public corporation, said corporation shall establish
10 in its articles of incorporation and by-laws the manner of appointment
11 and length of service for board members and all other rules and
12 regulations relative to operations, investments and programs through
13 which all private gifts, donations, endowments, services in-kind, grants
14 and other money shall be granted back to the Guam Public School
15 System. The established bylaws shall reflect the qualifications and the
16 makeup of the Board of Directors as enumerated in this section. If, in the
17 event of a vacancy on the charter board of directors, the Superintendent
18 of Education or the Chairperson of the Guam Education Policy Board
19 should the Superintendent of Education be incapacitated, shall appoint
20 a replacement for the unexpired term. The initial meeting of the public
21 corporation shall be convened by the Superintendent of the Guam
22 Public School System.

23 **§11106. Preferred Qualifications of Foundation Directors.** The
24 preferred qualification for Foundation Directors appointed by the
25 Superintendent and subsequent Foundation Directors appointed in

1 accordance to this Act shall be; a) adequate time to dedicate to the work
2 of the Foundation; b) displayed loyalty to the public schools; and c)
3 previous nonprofit board membership experience.

4 **§11106. §11107 Foundation Information Published on Website.**

5 The Foundation shall publish information regarding its activities on a
6 monthly basis. The information may include, but not limited to,
7 financial statements, meeting minutes and agendas, and any other
8 information that the Foundation may deem beneficial to the general
9 public.

10 The Guam Public School System shall make their website available
11 to the Foundation for the purpose of publishing the above required
12 information.

13 **§11107. §11108. Reporting Information.** The Foundation shall
14 transmit quarterly reports detailing information pertaining to the
15 contributions made to and expenditures from the Foundation Fund to *I*
16 *Liheslaturan Guåhan* and to the Office of the Public Auditor of Guam.”

17 **Section 2. Repeal of 17 GCA, Chapter 7, Section 7115.**

18 ~~§7115. Every Child is Entitled to an Adequate Public Education Fund. There~~
19 ~~is hereby created, separate and apart from other funds of the government of~~
20 ~~Guam, a fund known as the ‘Every Child is Entitled to an Adequate Public~~
21 ~~Education Fund (‘Fund’). The Fund shall not be commingled with any other~~
22 ~~fund, and shall be kept in a separate bank account and administered by the~~
23 ~~Superintendent of Education in accordance with policies adopted by the~~
24 ~~Education Policy Board which shall require that all checks issued from the~~
25 ~~Fund bear the signatures of at least two (2) employees. All monies deposited~~

1 ~~into the Fund shall be expended by the Superintendent, in accordance with~~
2 ~~the small purchase procedures set out at 5 GCA § 5213, and regulations~~
3 ~~enacted thereunder, in amounts up to Five Thousand Dollars (\$5,000) for~~
4 ~~providing an Adequate Public Education as that term is defined at 1 GCA §~~
5 ~~715.12 (f), (g), (h), (i) and (l). The Superintendent may appoint an advisory~~
6 ~~committee to advise him on expenditures from the Fund.~~

7 **Section 3. Repeal of 17 GCA, Chapter 7, Section 7116.**

8 ~~§7116. Donations to the Fund. The Treasurer of Guam is authorized to accept~~
9 ~~monetary donations from any individual or organization which the Treasurer~~
10 ~~shall deposit in the Every Child is Entitled to an Adequate Public Education~~
11 ~~Fund and promptly report to the Superintendent of Education. The provisions~~
12 ~~of 5 GCA, Article 11, Ethics in Public Contracting are applicable to donors to~~
13 ~~the Fund.~~

14 **Section 4. Repeal of 17 GCA, Chapter 7, Section 7117.**

15 ~~§7117. Restrictions on Expenditures from the Fund. No expenditure may be~~
16 ~~made from the Every Child is Entitled to an Adequate Public Education Fund~~
17 ~~until the essential details of the expenditure are published on the website~~
18 ~~maintained by the Guam Public School System pursuant to 5 GCA § 10305.~~
19 ~~The Superintendent of Education and the Treasurer of Guam shall make~~
20 ~~quarterly reports showing the names of donors and the amounts of the~~
21 ~~donations to I Maga'lahi and the Speaker of I Liheslaturan Guåhan and publish~~
22 ~~the reports on the Guam Public School System website.~~

23 **Section 5. Repeal of 17 GCA, Chapter 7, Section 7118.**

24 ~~§7118. Donations in Kind. The Superintendent is authorized to accept in kind~~
25 ~~contributions from any individual or organization. In kind contribution is~~

1 ~~defined as a contribution of services, materials or equipment for the benefit of~~
2 ~~the GPSS. Upon acceptance of said in kind contribution, the Superintendent~~
3 ~~shall provide the individual or organization with a written statement~~
4 ~~acknowledging said contribution and assessing its fair market value.~~

5 ~~(a) The Superintendent of Education or his designee shall physically~~
6 ~~receive such donations on behalf of GPSS.~~

7 ~~(b) The Superintendent shall publish a quarterly report of all such~~
8 ~~donations on the GPSS website, which shall include the names of the donors~~
9 ~~and the items donated.~~

10 ~~(c) The provisions of Title 5 GCA Sections 5601 through 5677 and any~~
11 ~~other Guam laws which create ethical standards of conduct shall apply to all~~
12 ~~officers and employees of the government of Guam who receive or possess~~
13 ~~such donations, the donors, and the donations made pursuant to this Section.~~

14 ~~(d) The Guam Education Policy Board shall enact rules and regulations~~
15 ~~regarding the making and acceptance of donations by the GPSS.~~

16 Section 6. Transfer of Funds. Any balance available in the Every
17 Child is Entitled to an Adequate Public Education Fund, shall be transferred
18 to the Foundation for Public Education Fund. The transfer of funds shall only
19 occur upon the successful formation of the Foundation for Public Education to
20 include registration with the Department of Revenue and Taxation as a
21 nonprofit organization consistent with the provisions of Section 501(c)(3) of
22 the Internal Revenue Code of 1986.

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

2009 JAN -5 AM 10:48

Bill No. 2 (LS)

Introduced by:

J. T. Won Pat, Ed.D. ~~✍~~
T.R. Muña-Barnes ~~✍~~

AN ACT TO ADD A NEW CHAPTER 11 TO
DIVISION 2 OF TITLE 17 GUAM CODE
ANNOTATED RELATIVE TO AUTHORIZING THE
SUPERINTENDENT OF EDUCATION TO
ESTABLISH A PUBLIC CORPORATION FOR THE
PURPOSE OF ADVANCING EXCELLENCE IN
EDUCATION. THIS ACT SHALL BE KNOWN AS
THE " FOUNDATION FOR PUBLIC EDUCATION
ACT OF 2009."

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Foundation for Public Education Act of 2009. Chapter 11 of Division 2 of
3 Title 17, Guam Code Annotated, is added to read:

4 "Chapter 11.

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6 §11101. Legislative Findings. *I Liheslaturan Guahan* finds that creating the best
7 public school education is the responsibility of the entire community. This means not only
8 parents and educators but also businesses, community groups, associations,
9 philanthropists and citizens. Currently, the Guam Public School Systems is authorized to
10 receive monetary donations which are promptly deposited into the Every Child is Entitled
11 to an Adequate Education Fund ("Fund"). The provisions of the existing Fund is too
12 restrictive in regards to how private contributions to the Guam Public School System can
13 be utilized, therefore a mechanism needs to be put in place to more efficiently handle such

1 contributions. In many communities, public education foundations serve as a conduit
2 between schools and communities often funding projects that fall outside the scope of the
3 schools operating budgets. The missions of these public education foundations are to
4 mobilize regional and community resources to support and impact public education
5 through initiatives, programs, and practices designed to improve student performance and
6 advance quality educational opportunities for all children.

7 It is therefore the intent of *I Liheslaturan Guahan* that a separate mechanism, one that
8 would promote the improvement of the general welfare of public education on Guam
9 inclusive of philanthropic and community service endeavors, must be established. This can
10 be accomplished with the creation of a "Foundation for Public Education".

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17 which may be offered in support of the Guam Public School System. All such private gifts,
18 donations, endowments, services in-kind, grants and other money shall be in accordance
19 with the laws of Guam and subject to reasonable conditions.

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21 deposited into a fund as established by the public corporation and known as the
22 Foundation for Public Education Fund (the "fund"). Expenditures shall be made from the
23 fund in accordance with such conditions as may be attached to the private gifts, donations,
24 endowments, services in-kind, and grants. No more than one percent (1%) of the total
25 corpus of the Fund shall be utilized for administrative costs.

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27 initially established by the Superintendent of Education, shall be comprised of a nine (9)
28 member board of directors. The Superintendent shall appoint the charter directors of said
29 corporation and each charter director will serve an initial term of one (1) year. The

1 Superintendent of Education shall serve as temporary chairperson, and shall convene the
2 first meeting of the Foundation. At its first meeting the Foundation shall elect from among
3 its members its officers in accordance with its established by-laws. At least two (2)
4 members shall be an alumnus of the Guam Public School System, formerly the Guam
5 Department of Education. For the purposes of this provision, an alumnus is defined as any
6 one person having attended the Guam Public School System for one complete school year.
7 Upon establishment of the public corporation, said corporation shall establish in its articles
8 of incorporation and by-laws the manner of appointment and length of service for board
9 members and all other rules and regulations relative to operations, investments and
10 programs through which all private gifts, donations, endowments, services in-kind, grants
11 and other money shall be granted back to the Guam Public School System. If, in the event
12 of a vacancy on the charter board of directors, the Superintendent of Education or the
13 Chairperson of the Guam Education Policy Board should the Superintendent of Education
14 be incapacitated, shall appoint a replacement for the unexpired term. The initial meeting of
15 the public corporation shall be convened by the Superintendent of the Guam Public School
16 System."

17 **§11106. Foundation Information Published on Website.** The Foundation shall
18 publish information regarding its activities on a monthly basis. The information may
19 include, but not limited to, financial statements, meeting minutes and agendas, and any
20 other information that the Foundation may deem beneficial to the general public.

21 The Guam Public School System shall make their website available to the
22 Foundation for the purpose of publishing the above required information.

23 **§11107. Reporting Information.** The Foundation shall transmit quarterly reports
24 detailing information pertaining to the contributions made to and expenditures from the
25 Foundation Fund to *I Liheslaturan Guåhan* and to the Office of the Public Auditor of
26 Guam."



**GUAM PUBLIC SCHOOL SYSTEM
OFFICE OF THE SUPERINTENDENT**

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Nerissa Bretania-Shafer, Ph.D
Superintendent of Education

February 4, 2009

The Honorable Judy Won Pat, Ed.D.
Speaker
30th Guam Legislature
Hagatna, Guam 96932

Re: AN ACT TO ADD A NEW CHAPTER 11 TO DIVISION 2 OF TITLE 27 GUAMCODE ANNOTATED RELATIVE TO AUTHORIZING THE SUPERINTENDENT OF EDUCATION TO ESTABLISH A PUBLIC CORPORATION FOR THE PURPOSE OF ADVANCING EXCELLENCE IN EDUCATION. THIS ACT SHALL BE KNOWN AS THE "FOUNDATION FOR PUBLIC EDUCATION ACT OF 2009".

Hafa Adai Speaker Won Pat and Senators! I am in support of Bill 2, which establishes the Foundation for Public Education. The National School Foundation Association reports that in 2001 there were over 6,500 school foundations in 14,500 school districts. School foundations are generally designed to augment, supplement, or complement programs and activities provided by the school district. The foundation as noted in Bill 2 also serves as a means of improving public relations and communication between the schools and the community. Equally important is the opportunity that will be afforded to volunteers and other community members to participate in helping students improve and develop. As such, the establishment of the Foundation for Public Education serves to provide more opportunities for educators and our island community to participate in improving educational practices and products.

While Bill 2 gives broad flexibility in establishing the Foundation for Public Education, the process is actually far more complex than appointing a board of directors charged with receiving and overseeing resources for the Guam Public School System. The National School Foundation Association (NSFA) suggests that 14 issues be addressed in establishing the Foundation for Public Education. Those points are as follows:

1. Statement of purpose, objectives and outcomes.

Before becoming fully operational, the foundation must define its purpose. The purpose has a global meaning (i.e. to advance literacy in the community, to promote quality education, to encourage athletic performance) and the purpose must of course be within the parameters of I.R.C. 501(c) (3) in order to offer tax exemptions to donors.

The objectives are the expression of the purpose in specific terms. The objectives will state the projects (in a school or district) the foundation considers for funding. Outcomes will identify how students will benefit from the efforts of the foundation.

2. Identify the mission of the organization.

A board's central function is to keep the organization's mission in focus, and its primary responsibility is to ensure that the other parts of the system are working toward accomplishing that mission.

3. Complete a review of the strengths, weaknesses, opportunities and threats (S.W.O.T) to forming such a foundation in the school/district/community.

A S.W.O.T. analysis can be as complex as school officials wish, it is however a valuable activity and offers valuable insight to the founding committee. Strengths and weaknesses are internal and opportunities and threats are usually external.

Schools or school districts can send written or phone questionnaires/surveys as well as personal interviews with members of the community in order to find out their opinion about the necessity of an educational foundation and also if they are willing to contribute to the success of the foundation. Parents, businesses, universities, alumni, local philanthropists constitute prospective partners. It is also important to find out if similar organizations exist, especially community foundations operate in the community and their impact on the programs they support.

4. Determine will the foundation serve the entire district or one school?

Often large districts have several schools often they are high schools which have their own foundations and the district itself does not have a foundation so this is a determination that will need to be made

5. Articulate the relationship and lines of communication between the foundation board (BOD) and the school board (BOE). The best recommendation is to ask the superintendent/principle and/or a board member or two from the BOE to sit ex officio on the BOD. What will be the supporting relationship between the foundation and the supported organization: the school or school system?

- o Type I (BOE = BOD)(BOD is nominated by the BOE)
- o Type II (BOE has direct representation on BOD)
- o Type III (BOD is entirely separate and any school officials, usually the superintendent sit(s) ex-officio)

Note: Type III is the most popular organization of the three types.

6. Define the relationship between the director of the foundation and school administration?

Will he or she be a member of the administrative staff, or what status will he or she have within the district. To whom will he or she communicate and or give reports to?

7. Discuss potential board members and how they can contribute to the success of the organization. Research as well as school foundation literature indicates the three most desirable characteristics of potential school board members are:

- o perceived as credible in the community
- o have time to work for the foundation
- o display loyalty to the local schools

In addition to these characteristics are professional services: accounting, legal, marketing, advertising or fund management, also highly desirable characteristics for potential board members include previous nonprofit board (NPO) experience, especially as a college or university board member. The ability to identify, cultivate and solicit donors must be included in the list highly sought after BOD skills as all board members should be expected to learn to develop all three skills. Finally, a willingness to learn the many details, nuances and intricacies of fundraising should be expected of new BOD members. Finally a willingness to personally donate to the foundation is primary to the cause.

8. Determine number of members number of meetings, methods of choice, quorum, and length of board service and other general structural and process characteristics of the foundation's BOD?

(By-law questions) Other topics might include the development of committees, an auxiliary or honorary committee of the board as well as core committees of the board.

9. Identify individuals capable of service as executive director and determine employment status* and related costs?

According to Howe, a strong executive will direct the staff, will clarify and define the mission, and will be the leading spokes person for the organization. The executive will inspire the board as well as the staff, and will motivate all in fulfilling the mission.

Qualities necessary in a good ED

- o Comprehension of the basic mission of the organization and its greater context.
- o Awareness of the organization's internal and external culture.
- o Familiarity with the organization to identify, evaluate and rank the to-do list.
- o Vision to see a more radical version of the organization's future.
- o Sound Judgment in all administrative decisions.
- o Willingness to learn school foundation and fundraising principles.

* (volunteer, paid volunteer, part-time and/or full time)

10. Measure the availability or potential for paid staff, volunteers, and leadership for the foundation and its work.

What school foundation researchers have found: Employing paid staff provides at least a 2:1 return on dollars raised (Nesbit, 1988 p.88). Tunnison, in his 1991 study of foundations in Nebraska, suggests a paid staff if possible. "Without development staff to methodically plan development strategies, fundraising will lack the planning and vision that is necessary to write effective proposals and to articulate school needs to donors. Personnel time dedicated to fund-raising activities is essential for success." (Clark, p.98, 2002) "A paid staff member whose responsibility it is to coordinate communication and private funding activities within the community is vital to the success of an education foundation". (Hyatt p.127, 1991)

11. Identify the official name of the foundation.

The name must be distinguishable from other nonprofit corporations, and your corporate name cannot suggest a purpose other than that in your Articles of Incorporation. Don't forget to discuss associated branding, logo, website and preliminary marketing potential.

12. Location Discussion

Ideally it's best to have a location away from the school and not funded by the school or district. This distance often physically represents the separation (from tax payer funds) as well as the somewhat "independent stance" the foundation has the freedom to take. For many schools or districts this is not a possibility or a reality at first. Be very careful what money and amount of support services you take, and make sure that you do not destroy your schools relationship with tax payers.

13. Identify startup costs and first three – five year costs of operation.

The amount of money you expect to raise is often in direct relationship to the amount of investment you make. This is a startup business. During the first year or two there may be some loss; however, in after two to three years foundations have experienced anywhere from a two-to-one to a ten-to-one return on the investment they've put into the foundation. Subsequently it's up to the board at this point to determine what they want their foundation to look and be like.

14. Other studies/attachment to consider:

- o Propose a feasibility study decision time line for the foundation's formation.
- o Review sample by-laws to get a feel for what other foundations have done to answer many of these questions.
- o Develop a complete one – five year business plan
- o Develop marketing and communication needed to promote the foundation with the community.
- o Review IRS forms 990 and 1023 and associated filing requirements.

- o Develop annual report format
- o Propose founding board members, steering committee or incorporators to complete the oversight of foundation development, organization.
- o Consider D&O and E&O insurance for the board of directors. (The best source is normally the associated school or school district)

Once completed and delivered to school officials, a go, proceed with caution, wait or don't go until further study, will be rendered by the BOE. It is suggested that the school board appoint a founding BOD/incorporators to continue the work of foundation formation if they are in favor of moving ahead.

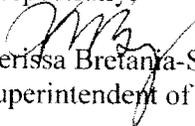
The foregoing points, published by the National School Foundation Association, provide a good framework for establishing the Foundation for Public Educaiton.

Subsection 11104. Custody and Expenditure of Funds, states that "No more than one percent (1%) of the total corpus of the Funds shall be utilized for administrative costs." Depending on the parameters of what constitutes "administrative costs", this section may limit the Board in adequately managing, auditing and raising additional funds. For example, if the Foundation has \$30,000 – they will actually only be allowed to spend \$300 for administrative costs. Would that be sufficient for supplies, materials, equipment, etc.? My recommendation is to insert language in Bill 2 that lists the responsibilities of the Foundation Board of Directors, among which would be to determine the proportion that will be allowed for administrative costs. It is important to keep in mind that the Foundation will need operational funds for start-up fundraising activities.

I also suggest that language be inserted to address the qualifications of the Foundation Board of Directors. The NSFA suggests characteristics and professional experience in specific areas that would be helpful for membership in the Board of Directors. That was addressed in #7 of the foregoing points.

In sum, I thank you Speaker Won Pat for introducing Bill 2, which in the long run will only provide more opportunities for our students and educators. This is one of the most positive changes that we can implement in our community.

Respectfully,


Nerissa Brefanja-Shafer, Ph.D.
Superintendent of Education

CC: Chairman, Guam Education Policy Board



**OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE**

JUDITH T. WON PAT, Ed.D.

January 28, 2009

MEMORANDUM

To: All Senators

Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following:

- Bill No. 2 (LS) - J.T. Won Pat, Ed.D. / T. R. Muña-Barnes

An act to *add* a new Chapter 11 to Division 2 of Title 17 Guam Code Annotated relative to authorizing the Superintendent of Education to establish a public corporation for the purpose of advancing excellence in education. This act shall be known as the "Foundation for Public Education Act of 2009."

Confirmation hearing on the following:

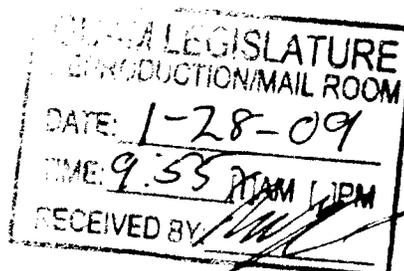
Nominations and Appointments

- Gina Y. Ramos to serve as a member of the Guam Community College Board of Trustees
- Marcos W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith T. Won Pat, Ed.D. through email at mark@judiwonpat.com or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com

Individuals requiring special accommodations or services should contact Mr. Mark Duarte at 472-3586/87 or through email at mark@judiwonpat.com

cc: Executive Director
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OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
 JUDITH I. WON PAT, Ed.D.

January 28, 2009

MEMORANDUM

To: All Media

Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following:

- Bill No. 2 (L.S.) - J.I. Won Pat, Ed.D. / T.R. Mula-Barnoa

An act to add a new Chapter 11 to Division 2 of Title 17 Guam Code Annotated relative to authorizing the Superintendent of Education to establish a public corporation for the purpose of advancing excellence in education. This act shall be known as the "Foundation for Public Education Act of 2009."

Confirmation hearing on the following:

Nominations and Appointments

- Gina Y. Ramos to serve as a member of the Guam Community College Board of Trustees
- Marcos W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith I. Won Pat, Ed.D. through email at mark@guamlegislature.com or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com.

Individuals requiring special accommodations or services should contact Mr. Mark Duarte at 472-3586/87 or through email at mark@guamlegislature.com.

cc: Executive Director
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 All Media

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 www.guamlegislature.com

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003	577	671 472 7663	09:58:44 a.m. 01-28-2009	00:00:08	1/1	1	EC	HS	CP28800
004	577	671 477 6411	09:58:44 a.m. 01-28-2009	00:00:21	1/1	1	EC	HS	CP14400
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Transmission Report

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01-29-2009
4723510

05:32:40 p.m.

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OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
JUDITH WON PAT Ed.D

January 29, 2009

To: University of Guam
Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following

On the Nomination and Appointment of:

- Marcus W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith T. Won Pat, Ed.D through email at judithwonpat@leg.gu or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com

Individuals requiring special accommodations or services should contact Mr. Mark Duarte at 472-3586-97 or through email at markduarte@leg.gu

155 HENSLER PLACE HAGATNA, GUAM 96910 | TEL: (671) 472-3586-7 | FAX: (671) 472-3589
PHONE: 515-A PER JUDITH WON PAT GUAM

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Abbreviations:

HS: Host send
HR: Host receive
WS: Waiting send

PL: Polled local
PR: Polled remote
MS: Mailbox save

MP: Mailbox print
CP: Completed
FA: Fail

TU: Terminated by user
TS: Terminated by system
RP: Report

G3: Group 3
EC: Error Correct



OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
JUDITH T. WON PAT, Ed.D.

February 2, 2009

MEMORANDUM

To: All Media

Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following:

- Bill No. 2 (LS) - J.T. Won Pat, Ed.D. / T. R. Muña-Barnes

An act to *add* a new Chapter 11 to Division 2 of Title 17 Guam Code Annotated relative to authorizing the Superintendent of Education to establish a public corporation for the purpose of advancing excellence in education. This act shall be known as the "Foundation for Public Education Act of 2009."

Confirmation hearing on the following:

Nominations and Appointments

- Gina Y. Ramos to serve as a member of the Guam Community College Board of Trustees
- Marcos W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith T. Won Pat, Ed.D. through email at mark@judiwonpat.com or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com

Individuals requiring special accommodations or services should contact Mr. Mark Duarte at 472-3586/87 or through email at mark@judiwonpat.com

cc: Executive Director
Protocol
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OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
 JUDITH T. WON PAT, Ed.D.

February 2, 2009

MEMORANDUM

To: All Media

Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following:

- Bill No. 2 (LS) - J.T. Won Pat, Ed.D. / J. R. Mofa-Barnes

An act to add a new Chapter 11 to Division 2 of Title 17 Guam Code Annotated relative to authorizing the Superintendent of Education to establish a public corporation for the purpose of advancing excellence in education. This act shall be known as the "Foundation for Public Education Act of 2009."

Confirmation hearing on the following:

Nominations and Appointments

- Chik Y. Ramos to serve as a member of the Guam Community College Board of Trustees
- Marcus W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith T. Won Pat, Ed.D. through email at mark@guamlegislature.com or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com

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cc: Executive Director
Protocol
All Media

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006	608	671 922 4614	08:51:47 a.m. 02-02-2009	00:00:09	1/1	1	EC	HS	CP28800
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Broadcast Report

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Abbreviations:

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PL: Polled local
 PR: Polled remote
 MS: Mailbox save

MP: Mailbox print
 CP: Completed
 FA: Fail

TU: Terminated by user
 TS: Terminated by system
 RP: Report

G3: Group 3
 EC: Error Correct



OFFICE OF THE SPEAKER
30th GUAM LEGISLATURE
JUDITH T. WON PAT, Ed.D.

January 29, 2009

To: University of Guam
Re: Public Hearing Notice

The Committee on Education is holding a public hearing at 9:00 a.m., Wednesday, February 4, 2009 in the Public Hearing Room at the Guam Legislature Building on the following:

On the Nomination and Appointment of:

- Marcos W. Fong to serve as a member of the University of Guam Board of Regents

Testimonies can be submitted in advance to the Office of Speaker Judith T. Won Pat, Ed.D. through email at mark@judiwonpat.com or through facsimile at 472-3589. Copies of the bills are available at www.guamlegislature.com

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