

EDDIE BAZA CALVO Governor RAY TENORIO Lieutenant Governor

MAR 1 6 2016

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'trentai Tres Na Liheslaturan Guåhan 155 Hesler Street Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 213-33 (COR) "AN ACT TO AMEND SECTION 2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM (RCUOG) FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS," which I signed into law on March 4, 2016, as Public Law 33-128.

Senseramente,

EDDIE BAZA CALVO

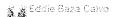
33-16-1439 Office of the Speaker Judith T. Won Pat. Fd.D

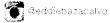
Time: 10-50 A.M.

Received By: APL CX

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I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN 2016 (SECOND) Regular Session

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

This is to certify that Bill No. 213-33 (COR), "AN ACT TO AMEND SECTION 2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM (RCUOG) FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS," was on the 18th day of February 2016, duly and regularly passed.

	Could be a second
Attested:	Judith T. Won Pat, Ed.D. Speaker
Tina Rose Muña Barnes Legislative Secretary	
This Act was received by <i>I Maga'låhen (</i> 2016, at 2:59 o'clock <u>P</u> .M.	Guåhan this 22 ND day of Feekuary
APPROVED:	Askistant Staff Officer Maga'låhi's Office
EDWARD J.B. CALVO	
I Maga'låhen Guåhan MAR Q 4 2016 Date:	
Public Law No. 33-128	

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN 2015 (FIRST) Regular Session

Bill No. 213-33 (COR)

As amended by the Committee on Higher Education, Culture, Public Libraries and Women's Affairs.

Introduced by:

Michael F.Q. San Nicolas
T. C. Ada
V. Anthony Ada
FRANK B. AGUON, JR.
Frank F. Blas, Jr.
B. J.F. Cruz
James V. Espaldon
Brant T. McCreadie
Tommy Morrison
T. R. Muña Barnes
R. J. Respicio
Dennis G. Rodriguez, Jr.
Mary Camacho Torres
N. B. Underwood, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO AMEND SECTION 2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM (RCUOG) FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

- 2 Section 1. Amendment of Public Law 32-114. Section 2 of Public Law
- 3 32-114 is hereby *amended* to read:

1	"Section 2.	A new Chapter 29 is hereby added to Division 3 of Title
2	17, Guam Code A	nnotated, to read as follows:
3		"CHAPTER 29
4	RESEARCH (CORPORATION OF THE UNIVERSITY OF GUAM
5		(RCUOG)
6	§ 29101.	Establishment of the Research Corporation.
7	§ 29102.	Purpose.
8	§ 29103.	Administration.
9	§ 29104.	Officers and Employees of the Research Corporation.
10	§ 29105.	Authorized Activities.
11	§ 29106.	Procurement.
12	§ 29107.	Annual Report.
13	§ 29108.	Dissolution.
14	§ 29109.	Special Account.
15	§ 29110.	RCUOG Excepted from Certain Guam Laws.
16	§ 29111.	Severability.
17	§ 29101.	Establishment of the Research Corporation.
18		University of Guam (University or UOG) is authorized to
19		body corporate, the Research Corporation of the University
20		RCUOG or Corporation). The Corporation shall be a public
21	corporation	on incorporated on Guam, and shall operate as an integral part
22	of the Uni	iversity and may apply for a 501(c)(3) designation.
23	§ 29102.	Purpose.
24		e purposes of the Corporation shall include, but not be limited
25		romotion of assigned educational, scientific, and literary
26	pursuits o	of the University of Guam's grants and contracts by:

1	(a) encouraging, initiating, aiding, developing, and	
2	conducting training, research, and study in the physical, biological, and	
3	social sciences, humanities, and all other branches of learning;	
4	(b) encouraging and aiding in the education and training of	
5	persons for the conduct of the training, investigations, research, and	
6	study;	
7	(c) furnishing the means, methods, and agencies by which the	;
8	training, investigation, research, and study may be conducted, in	1
9	support of the mission and best practices of the University of Guam;	
10	(d) assisting in the dissemination of knowledge by	7
11	establishing, aiding, and maintaining professorships or other staff	f
12	positions, fellowships, scholarships, publications, and lectures;	
13	(e) engaging in other means of making the benefits o	f
14	training, investigations, research, and study available to the public; and	£
15	(f) taking any and all other actions reasonably designed to	Э
16	promote these purposes in the interest of promoting the general welfar	e
17	of the people of Guam.	
18	§ 29103. Administration.	
19	The affairs of the Corporation shall be under the general	ıl
20	management and control of the RCUOG Board of Directors.	
21	(a) Composition of the Board of Directors. The Board of)f
22	Directors shall consist of up to ten (10) members, as follows:	
23	(1) Ex-officio Chief Executive Officer – University of	f
24	Guam President;	
25	(2) Ex-officio Member - Senior Vice President of	ρf
26	Academic and Student Affairs;	

1	(3) Ex-officio Member – Vice President of
2	Administration and Finance;
3	(4) UOG President appointees of up to four (4)
4	members (minimum of two (2) members representing the
5	community at large);
6	(5) UOG Research Council appointee of one (1)
7	member;
8	(6) UOG Faculty Senate appointee of one (1) member;
9	(7) UOG Board of Regents appointees of two (2) UOG
0	Board of Regents members; and
1	(8) UOG Endowment Foundation Board of Directors
2	appointee of one (1) UOG Endowment Foundation Board of
3	Director.
4	(b) All members of the Board of Directors shall serve without
5	pay, but shall be entitled to reimbursement for necessary expenses
6	while attending meetings and while in the discharge of duties and
17	responsibilities.
18	(c) The Chairperson of the Board of Directors shall be the
9	President of the University of Guam. The Senior Vice President and
20	Vice President for Administration and Finance shall serve as ex-officio
21	members of the Board.
22	§ 29104. Officers and Employees of the Research Corporation.
23	(a) RCUOG will follow all the requirements applicable to
24	each major grant program and maintain internal control over
25	compliance in accordance with OMB Circulars A-133 and A-21, and
26	appropriate Federal Acquisition Requirements.

- (b) RCUOG employees *shall* be governed by the RCUOG Board of Directors. Rules and regulations governing the selection, compensation, promotion, performance evaluation, disciplinary action, and other terms and conditions of employment, affecting RCUOG personnel *shall* be adopted by the Board. The Board may establish or abolish positions as necessary for the purposes herein.
- (c) The Board of Directors *shall* appoint the Executive Director of RCUOG.
- (d) The RCUOG Board of Directors *shall* establish an employment policy for the Research Corporation, as necessary, in administering the affairs of the RCUOG.
- (e) Notwithstanding any other provision of law, rule, or regulation, employees of the Research Corporation *shall* be unclassified public employees. The Board of Directors *shall* set the employees' duties, responsibilities, salaries, holidays, leaves, hours of work, and working conditions. The Board of Directors may grant such other benefits to its employees as it deems necessary, and in accordance with RCUOG's employment policy and federal employment laws. The University of Guam may assign *no more than* two (2) University employees to the RCUOG, with the approval of the RCUOG Board of Directors, for a maximum start-up period of five (5) years. These employees *shall* retain their status as University employees during this assignment period and *shall* continue to receive all University benefits available to them as University employees.
- (f) The RCUOG Board of Directors *shall* promulgate rules and regulations for hiring, employment, procurement, and property set forth by RCUOG Policy, and the requirements applicable to each major

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grant program and on internal control over compliance in accordance with OMB Circulars A-133 and A-21, and Federal Acquisition Requirements.

(g) Employees of the Research Corporation *shall not* be entitled to any benefits conferred under Title 4, GCA - Public Officers and Employees: Chapter 4 - Personnel Policy and the Civil Service Commission, relating to civil service and public service; and Chapter 8 - Retirement of Public Employees, relating to pension and retirement systems, and the appropriate collective bargaining agreement, executive order, executive directive, or rule.

§ 29105. Authorized Activities.

Notwithstanding any other provision of law, rule, or regulation, the RCUOG is authorized to conduct the following activities:

- (a) to create, adopt, amend, and repeal by-laws governing the conduct of its business and the exercise of the powers and performance of duties granted to it or imposed upon it by law;
- (b) to enter into and perform such contracts, leases, cooperative agreements, grants or other transactions on behalf of the University, as may be necessary to facilitate the conduct of the authorized activities described herein;
- (c) to buy, sell, lease, rent, hold, maintain, use, and operate any property, real, personal, or mixed, tangible or intangible, in accordance with the conditions under which it was received and under the purposes of the RCUOG;
- (d) to submit each year for the approval of the Board of Directors an annual budget; such budget will include projected income, including indirect/facilities and administrative revenue, and a cost of

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operating expenses of the Corporation, as well as the distribution plan of the net proceeds for the University's use, which *shall* include a reasonable corporate reserve; the allocation of indirect/facilities and administrative cost will be determined by the Board of Directors, and follow UOG-BOR Resolution 08-40;

- (e) to receive through University policies and procedures, by gifts, grants, devises, bequests, or otherwise from private or public sources, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income there from, in accordance with the conditions under which it was received; *except*, that no gift to the Corporation shall be accepted *unless* approved or confirmed by the RCUOG Board of Directors;
 - (f) to facilitate multi-year contracts;
 - (g) to have a corporate seal;
- (h) to sue and to be sued in its own name and to indemnify the University against losses incurred specific to that activity;
- (i) to serve as trustee or beneficiary under terms of any gift, indenture, or will;
- (j) to apply for, take out, receive by purchase or gift, hold, administer, and dispose of copyrights, patent rights, licenses, assignments of inventions, discoveries, processes, and other property, rights or interests therein, the income thereof, absolutely or subject to such conditions or trusts as may be attached thereto or be imposed thereon, and to obligate itself to perform and execute any and all such conditions or trusts in coordination with UOG's Intellectual Property Policy;

- (k) to conduct research, studies, experiments, investigations, and tests in all fields of knowledge; to promote and develop the scientific and commercial value of inventions, discoveries, and processes; and to make published, and distribute the results thereof;
- (l) to do any and all other acts reasonably necessary to carry out the objectives and purposes of the Corporation and the University, as approved by the University and the RCUOG Board of Directors;
- (m) to coordinate and correlate activities and projects of the Corporation with the work of government of Guam agencies for the purpose of relating research work to the economic development of Guam whenever practical or desirable;
- (n) to stimulate and promote cooperative research projects and activities;
- (o) to establish and maintain, or to assist in establishing and maintaining, scholarships, fellowships, and professorships, and other staff positions for the purpose of aiding in the acquisition and dissemination of knowledge; and to enter into agreements or contracts with other corporations, organizations, institutions, or persons for this purpose and to pay the necessary and appropriate expenses therefor;
- (p) to prepare, print, or publish any manuscript, research article, report, study, discussion, reference, collection, or any pictorial or schematic representation or group or collection thereof, whether it belongs to or is the work of any government of Guam agency or its employees, or the University or one of its faculty members or employees, or the Corporation or its employees, or a contractor of RCUOG. The printing or publication may be accomplished through

whatever person, company, or agency is deemed most appropriate by the Board of Directors.

§ 29106. Procurement.

RCUOG *shall* adopt a procurement policy approved by the RCUOG Board that is aligned with sound business practices and consistent with federal program rules and regulations as applicable to grants and contracts, such as, but *not* limited to, OMB Circular A-21.

§ 29107. Annual Report.

The Corporation *shall* submit an annual report to the University of Guam Board of Regents, *I Maga'låhen Guåhan* (the Governor of Guam), and *I Liheslaturan Guåhan* (the Guam Legislature).

The report *shall* include, but *not* be limited to, the Corporation's audited financial statements, including its balance sheet, statement of income and expenses, a synopsis of all ongoing research projects, and a summary of funding for each such project by the source of such funding, whether local government, federal government, or other sources, and a statement of cash flows; and progress and accomplishments during the year.

§ 29108. Dissolution.

In the event of the dissolution of the Corporation, all of its property, real, personal, and mixed, and wheresoever situated, *shall* vest immediately and absolutely in the University of Guam.

§ 29109. Special Account.

The Corporation *shall* be authorized to set up a special account for depositing moneys received from either public or private contracts, or from private or public grants, awards, or gifts. All disbursements *shall* be drawn on the special account upon checks prepared and signed,

1	as approved by the executive director of the RCOOG and at least one
2	(1) other RCUOG officer or employee authorized by the RCUOG
3	Board of Directors.
4	§ 29110. RCUOG Excepted from Certain Guam Laws.
5	Unless otherwise specifically stated in law, RCUOG is excepted
6	from the following Guam laws:
7	(a) Title 5 GCA - Government Operations: Chapter 22 -
8	General Fiscal Policies and Controls, relating to the management and
9	regulation of expenditures with the use of public funds;
10	(b) Title 4 GCA - Public Officers and Employees: Chapter 4
11	Personnel Policy and the Civil Service Commission, relating to public
12	employment and the Civil Service Commission;
13	(c) Title 4 GCA - Public Officers and Employees: Chapter 8
14	Retirement of Public Employees, relating to pension and retirement
15	systems;
16	(d) Title 5 GCA - Government Operations: Chapter 5 -
17	Guam Procurement Law, relating to the procurement of goods and
18	services with public funds.
19	§ 29111. Severability.
20	If any provision of this Act, or the application thereof to any
21	person or circumstances is held invalid, the invalidity shall not affect
22	other provisions or applications of the Act that can be given effect
23	without the invalid provisions or application, and to this end the
24	provisions of this Act are severable."
25	Section 2. References to Provisions of Public Law 32-114 Amended by
26	this Act. Any reference to provisions enacted by Public Law 32-114 and amended

- 1 by this Act in any rule, regulation, procedure, agreement, or other legal document
- 2 shall be construed to refer to the amended provisions of this Act, as appropriate.