FILE COPY

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',"** was on the 27th day of February, 2009, duly and regularly passed.

Judith T. Won Pat, Ed.D.
Speaker

Attested:

vicente c. pangelinan
Acting Legislative Secretary

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

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

FELIX P. CAMACHO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

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".

BE IT ENACTED BY THE PEOPLE OF GUAM:

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

"Chapter 12

Foundation for Public Education Act of 2009

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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