



*Territory of Guam*  
*Territoriuo Guam*

OFFICE OF THE GOVERNOR  
UFISINAN I MAGA'LAHI  
AGANA, GUAM 96910 U.S.A.

RECEIVED  
9/20/88  
DATE  
4:25

SEP 20 1988

The Honorable Franklin J.A. Quitugua  
Speaker, 19th Guam Legislature  
PO Box CB-1  
Agana, GU 96910

Dear Mr. Speaker:

Transmitted herewith is Bill 947, which I have signed into law this date as Public Law 19-21.

Sincerely,

FRANK F. BLAS  
Governor of Guam,  
Acting

198879

09 1357

*Rec'd Legal*  
*9-20-88*  
*4:35 pm*  
*[Signature]*

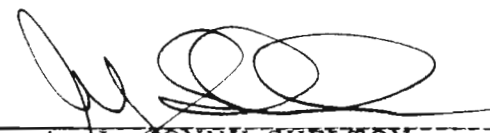
NINETEENTH GUAM LEGISLATURE  
1988 (SECCND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

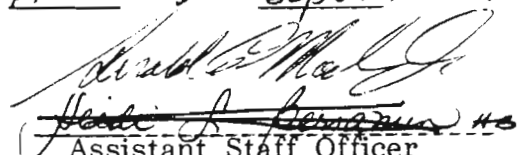
This is to certify that Bill No. 947, "AN ACT TO APPROPRIATE THE SUM OF TWO MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND NINE HUNDRED NINETY SIX DOLLARS (\$2,975,996) TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE FOR THE SCHOOL YEAR 1988-89, AND FOR OTHER PURPCSES," was on the 15th day of September, 1988, duly and regularly passed.

  
FRANKLIN J. A. QUITUGUA  
Speaker

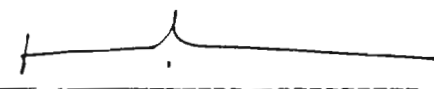
Attested:

  
-----  
A. J. SONNY SHELTON  
Senator and Acting Legislative Secretary

-----  
This Act was received by the Governor this <sup>17th</sup> ~~19th~~ <sup>NO</sup> day of <sup>Sept.</sup> ~~Sept.~~ <sup>NO</sup>, 1988,  
at ~~8:00~~ <sup>NO</sup> o'clock A.m.

  
-----  
Heidi A. Hernandez <sup>NO</sup>  
Assistant Staff Officer  
Governor's Office

APPROVED:

  
-----  
FRANK F. BLAS, Acting  
Governor of Guam

Date: September 20, 1988

Public Law No. 19-21

NINETEENTH GUAM LEGISLATURE  
1988 (SECOND) Regular Session

Bill No. 947 (LS)

Introduced by:

T. S. Nelson  
H. D. Dierking  
M. K. Hartsock

---

E. P. Arriola  
J. G. Bamba  
M. Z. Bordallo  
E. R. Duenas  
E. M. Espaldon  
F. J. Gutierrez  
P. C. Lujan  
M. D. A. Manibusan  
D. Parkinson  
F. J. A. Quitugua  
J. M. Rivera  
M. C. Ruth  
J. T. San Agustin  
F. R. Santos  
A. J. Shelton

AN ACT TO APPROPRIATE THE SUM OF TWO MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND NINE HUNDRED NINETY-SIX DOLLARS (\$2,975,996) TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE FOR THE SCHOOL YEAR 1988-89, AND FOR OTHER PURPOSES.

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

2 Section 1. There is hereby appropriated the sum of Two Million Nine  
3 Hundred Seventy-Five Thousand Nine Hundred Ninety-Six Dollars  
4 (\$2,975,996) from the General Fund to the University of Guam for the  
5 purpose of implementing student financial assistance for the School Year  
6 1988-89 in the following manner:

7	Student Financial Assistance Program	\$2,734,259
8	Teacher Training Scholarship Program	557,125
9	Nurses Training Program	64,300
10	ROTC Scholarship	48,328
11	SFAP Operational Budget	86,607
12	Less carryovers and repayments	514,623
13	TOTAL	\$2,975,996

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NINETEENTH GUAM LEGISLATURE

ROLL CALL SHEET

Bill No. 947

DATE: 9-15-88

Res. No. \_\_\_\_\_

QUESTION: \_\_\_\_\_

SENATOR	<u>AYE</u>	<u>NAY</u>	<u>NOT VOTING</u>	<u>ABSENT</u>
<u>E. P. Arriola</u>				✓
<u>J. G. Bamba</u>	✓			
<u>M. Z. Bordallo</u>	✓			
<u>H. D. Dierking</u>	✓			
<u>E. R. Duenas</u>	✓			
<u>E. M. Espaldon</u>	✓			
<u>F. J. Gutierrez</u>				✓
<u>M. K. Hartsock</u>	✓			
<del><u>A. C. Lamerene III</u></del>	<del>✓</del>	<del>✓</del>	<del>✓</del>	<del>✓</del>
<u>P. C. Lujan</u>				✓
<u>M. D. A. Manibusan</u>	✓			
<u>J. G. Miles</u>		✓		
<u>T. S. Nelson</u>	✓			
<u>D. Parkinson</u>				✓
<del><u>J. F. Quinn</u></del>	<del>✓</del>	<del>✓</del>	<del>✓</del>	<del>✓</del>
<u>F. J. Quitugua</u>	✓			
<u>J. M. Rivera</u>	✓			
<u>M. C. Ruth</u>	✓			
<u>J. T. San Agustin</u>	✓			
<u>F. R. Santos</u>	✓			
<u>A. J. Shelton II</u>	✓			
	14	1		4

Nineteenth Guam Legislature

Member

Committee on Energy and Consumer Protection  
Committee on Economic Development, Insurance and Banking  
Committee on Youth, Senior Citizens, Human Resources and Cultural Affairs  
Committee on Tourism, Transportation and Communications



Mailing Address:  
163 Chalan Santo Papa St., CB-1  
Agana, Guam 96910  
Office Address:  
334 Soledad Ave.  
2nd Floor, Quan's Bldg., Agana  
Telephone:  
(671) 472-3436  
(671) 477-7281

Senator Marcia K. Hartsock

Chairperson, Committee on Education  
Vice Chairperson, Committee on Rules

August 19, 1988

The Honorable Franklin J. Quitugua  
Speaker  
Nineteenth Guam Legislature  
Agana, Guam

Via: Chairperson, Committee on Rules

Dear Mr. Speaker:

The Committee on Education and Committee on Ways and Means, to which was referred Bill No. 947, "An Act to appropriate the sum of One Million Four Hundred Eighty Five Thousand Eight Hundred Seventy Eight Dollars (\$1,487,878) to the University of Guam Student Financial Assistance Fund for the purpose of implementing Student Financial Assistance", has had the same under consideration and now wishes to report back to same with the recommendation to do pass as substituted by the Committee.

The Committee votes are as follows:

To do pass	18
Not to pass	0
Report out	0
Off-island	24

A copy of the Committee report and all pertinent documents are attached for your information.

Sincerely,

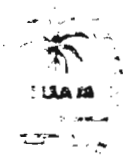
*Marcia K. Hartsock*  
MARCIA K. HARTSOCK

Attachments

VOTE SHEET  
Committee on Education

On Substitute Bill No. 947, "An Act to appropriate the sum of One Million Four Hundred Eighty-Seven Thousand Eight Hundred Seventy-Eight Dollars (\$1,487,878) to the University of Guam Student Financial Assistance Fund for the purpose of implementing Student Financial Assistance and for other purposes."

SENATOR	TO DO PASS	TO NOT CONFIRM	TO REPORT OUT ONLY	COMMENTS
<i>Marcia K. Hartsock</i> MARCIA K. HARTSOCK, Chairperson	✓			
<i>E. P. Arriola</i> ELIZABETH A. ARRIOLA, Member	✓			
EDWARD R. DUENAS, Member				<i>off-island</i>
<i>Ernesto Espaldon</i> ERNESTO ESPALDON, Member	✓			
<i>Franklin J. Gutierrez</i> FRANKLIN J. GUTIERREZ, Member	✓			
DON PARKINSON, Member	✓			
<i>Joe T. San Agustin</i> JOE T. SAN AGUSTIN, Member	✓			
<i>A. J. Sonny Shelton</i> A. J. SONNY SHELTON, Member	✓			
JERRY M. RIVERA, Member				<i>off-island</i>
<i>Franklin J. Quitugua</i> FRANKLIN J. QUITUGUA, Speaker Ex-Officio Member				



SENATOR  
**HERMINIA D. DIERKING**  
 GUAM LEGISLATURE

COMMITTEES:

CHAIRWOMAN  
 Ways & Means

VICE CHAIRWOMAN  
 Internal Governmental  
 Operations

MEMBER:

Economic Development  
 Banking

Gov. Utilities &  
 Consumer Protection

Health, Social &  
 Welfare Affairs

Health, Welfare &  
 Biology

Housing & Community  
 Development

Legislative &  
 Criminal Justice

Public Transportation  
 Communications

Senior Citizens,  
 Cultural Affairs &  
 Human Resources

August 22, 1988

The Honorable Franklin J.A. Quitugua  
 Speaker  
 Nineteenth Guam Legislature  
 P.O. Box CB-1  
 Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Ways and Means, to which Bill 947 was referred, wishes to report its findings and recommendations.

The Committee's voting record is as follows:

TO DO PASS	<u>- 10 -</u>
NOT TO PASS	<u>- 0 -</u>
TO REPORT OUT ONLY	<u>- 0 -</u>
ABSTAIN	<u>- 0 -</u>
OFF-ISLAND	<u>- 2 -</u>

A copy of the Committee Report and all pertinent documents are attached.

Sincerely yours,

*Herminia Dierking*  
 HERMINIA D. DIERKING

Attachments

NINETEENTH GUAM LEGISLATURE  
 COMMITTEE ON WAYS AND MEANS  
 COMMITTEE REPORT  
 ON

BILL NO. 947 - "AN ACT TO APPROPRIATE THE SUM OF \$2,975,996 TO  
 THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT  
 FINANCIAL ASSISTANCE AND FOR OTHER PURPOSES."

MEMBERS	TO PASS	TO NOT PASS	ABSTAIN	OFF- ISLAND	TO REPORT OUT ONLY	TO PLACE IN INACTIVE FILE
<i>H. Dierking</i> SEN. H. D. DIERKING, CHAIRPERSON	✓					
<i>T. S. Nelson</i> SEN. T. S. NELSON, VICE-CHAIRPERSON	✓					
<i>E. P. Arriola</i> SEN. E. P. ARRIOLA						
<i>P. C. Lujan</i> SEN. P. C. LUJAN	✓					
<i>off-island</i> SEN. M. D. A. MANIBUSAN						
<i>D. Parkinson</i> SEN. D. PARKINSON	✓					
<i>off-island</i> SEN. M. C. RUTH						
<i>J. T. San Agustin</i> SEN. J. T. SAN AGUSTIN	✓					
<i>J. B. Bamba</i> SEN. J. B. BAMBA	✓					
<i>F. R. Santos</i> SEN. F. R. SANTOS	✓					
<i>M. B. Bordallo</i> SEN. M. B. BORDALLO	✓					
<i>F. J. Quitugua</i> SPKR. F. J. QUITUGUA, EX-OFFICIO	✓					



**COMMITTEE ON EDUCATION  
COMMITTEE ON WAYS AND MEANS  
JOINT COMMITTEE REPORT  
BILL NO. 947  
LEGISLATIVE SESSION HALL  
JULY 20, 1988**

**Bill No. 947 - "AN ACT TO APPROPRIATE THE SUM OF \$2,975,996 TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE AND FOR OTHER PURPOSES."**

**BACKGROUND**

The Committee on Education held a joint public hearing with the Committee on Ways and Means on Tuesday, July 20, 1988 beginning at 9:30 a.m. to hear public comments Bill 947. The Chairperson, Senator Marcia K. Hartsock of the Committee on Education conducted the hearing. Senator Herminia D. Dierking, Chairperson of the Committee on Ways and Means was present at the hearing. Members present were: Speaker Franklin J. Quitugua, Senators Don Parkinson and Franklin Gutierrez.

Bill 947 appropriates the sum of \$2,957,996.00 from the General Fund to the University of Guam for the school year 1988-89 student financial assistance programs. However, there were three different figures proposed. They are: the original figure in the bill, UOG's request was \$2,957,996.000 and the Bureau of Budget, Management and Research, (BBMR) fiscal note breakdown totaled \$3,440,619. During the public hearing, UOG officials clarified the difference in figures. There was a typographical error when it was first submitted to the Legislature and to the executive branch. The request should have been \$86,607 instead of \$36,607 for SFAP operations. Also, UOG figures include the carryover and repayments fund in the amount of \$514,623 to be used in the 1988-89 SFAP program. This amount was not included in BBMR's fiscal note statement.

**TESTIMONY**

Mr. Jesus U. Torres, Chairman, Board of Regents was present to give his full support of the Bill. He introduced the UOG staff. Senator Hartsock welcomed the staff and then opened the floor for questioning.

Senator Herminia Dierking expressed her concerns regarding BBMR's fiscal note statement that Bill 947 provides for an appropriation breakdown which totals \$3,440,619 instead of \$2,975,996. The note

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further stated that the total cost of the Student Financial Assistance Programs and operation was at \$3,490,000 and that the amount of \$49,381 was the difference of the Bill. The difference will be absorbed by UOG's carryover and repayments fund. Senator Dierking questioned the accuracy of BBMR's figures. However, BBMR was not present to answer her questions.

Mark Heath, Comptroller and Acting Administrative Vice President for UOG, responded that the Bill when submitted had a typographical error. He stated that the original submission for breakdown of the SFAP Operational Budget was \$86,607. However, when the Bill was introduced it was \$36,607. He also informed Senator Dierking that the only carryover and repayments fund for UOG was the Student Financial Assistance Fund.

Senator Hartsock asked for a status report on the carryover and repayments fund. Mr. Heath responded that the repayment funds includes the remaining balance of students who have dropped-out or did not complete their program and payments from students who have graduated. The fund to date is approximately \$514,623.

Senator Dierking stated she has no contention with UOG's appropriation request. In general, the revenue projections by the administration for 1988 have been conservative and quite different from the Legislature's projections. This makes it difficult to appropriate all funds without identifying source of fundings. The Administration and the Ways and Means Committee will be meeting to determine the actual revenues collected for FY'88 and the forecast revenue projection for FY'89. In the meantime, she suggested that, the Legislature appropriate half of the sum needed now with the remaining appropriation authorized to be appropriated.

Chairman Torres agreed with the recommendation and expressed the urgency in enacting the necessary legislation by **August 1st** because school will begin by the mid-August and the students need to enroll and pay fees.

Senator Hartsock asked if the budget for the Teacher-Training Scholarship Program included the proposed stipend increase for all recipients. The Committee on Education reported out Bill 836, "An Act to repeal and reenact 17 GCA Chapter 18 relative to Teacher Education Scholarship Program," on June 18 to the Committee on Rules for placement in Session agenda.

Dr. Franklin Cruz explained that Dr. Underwood had informed him that the proposed budget for FY'89 which was submitted to the Legislature

is based on the new proposed rates which was indicated in Bill 836. He further added that if the Bill is not passed into law before the budget is approved, then the money could be used to recruit 12-more teacher trainees. Dr. Cruz submitted written testimony as Exhibit ("A").

Dr. Larry Kasperbauer submitted written testimony on behalf of the Territorial Board of Education and the Department of Education as Exhibit ("B") in support of Bill 947. He summarized his testimony by saying that 20 years ago, the teacher-training stipend was an effective way to encourage the local people to go into the teaching profession. The program has been successful in producing good effective teachers. He further stated that 20 years ago, the stipend was not much different from the \$300 it is now.

Speaker Quitugua's questions centered on the collection method. He stated that the Legislature appropriates some \$3 million a year and would like to see the collections efforts improved. Mr. Heath explained that the entire yearly appropriation could not be collected. Students who take advantage of these programs and return to Guam do not have to pay in the money. The Pro-Tech and the Student Loan are the two primary programs that have repayments. Mr. Heath stated that in his opinion the collection efforts have not been very good. A collection agency is expected to be hired to begin an aggressive collection effort to collect an outstanding amount of some \$3.9 million. Heath stated that the current collection has been on the average of about \$80 - 100,000 per year.

Speaker Quitugua was also concerned about the outcome of the Guam Micronesian Fair. The fair was staged to generate funds for the Micronesian Student Loan Fund. He asked for a status report from the organizers and the Governor's Office as to how much was raised. The Guam Micronesian Fair proceeds will go to Student Loan Fund established by the Legislature. Dr. Roy Tsuda stated that there has been no official report submitted but will follow up on that request. Dr. Tsuda went on to inform the body that the Pell Grant was extended to the Micronesian students. He said "all of us who have been involved in getting that revived and we're very gratified that President Reagan has recently signed it into law to extend that particular benefit to our Micronesian students."

Senator Hartsock thanked everyone that was there this morning to answer questions.

#### **COMMITTEE FINDINGS AND RECOMMENDATIONS**

The University of Guam's Student Financial Assistance Programs total appropriation need for school year 198-89 is \$2,975,756. The school

calendar year for 1988-89 begins in mid-August, thus, there is an urgent need for the funds to be appropriated to meet the student needs.

The Committee recommends that Bill 947 be substituted to reflect the corrections in the budget request for the Student Financial Assistance Programs at the University of Guam. Further, that half of the needed amount be appropriated immediately with the balance authorized for appropriation in FY '89.



TERRITORY OF GUAM  
TERRITORIAL BOARD OF EDUCATION

P. O. BOX DE  
AGANA, GUAM 96910



472-8901

Lawrence Kasperbauer, Ph.D.  
Chairman

July 20, 1988

Jose Leon Guerrero, Ed.D.  
Vice Chairman

Honorable Marcia K. Hartsock  
Chairperson  
Committee on Education  
Nineteenth Guam Legislature  
162 Chalan Santo Papa St., CB-1  
Agana, Guam 96910

MEMBERS

Peter Alexcis Ada  
Ignacio Tainatongo  
Bernie Taitague  
Ester Yanza  
Jesse San Nicolas

Dear Senator Hartsock:

Thank you for inviting the Territorial Board of Education and the Department of Education to offer both written and oral testimony on Bill Nos. 864, 900, 901, 947 and 951.

Attached are our comments on each of the aforementioned bills. In general, both the Board and the Department support the intents of the bills as they reflect issues that need immediate attention and action.

Dangkolo na si Yu'os ma'ase'.

EX-OFFICIO MEMBERS

(GPTO)

Lt. Col. Randy Prier  
(USAFI)

Frederic Leon Guerrero  
(NON-PUBLIC SCHOOLS)

Lon Bottcher  
(GFT)

Lt. Cmdr. John Alexander  
(USN)

LAWRENCE F. KASPERBAUER

Enclosures

cc: Members, Committee on Education  
Members, Territorial Board of Education  
Acting Director, Department of Education  
Deputy Director, Department of Education

THE TERRITORIAL BOARD OF EDUCATION AND  
DEPARTMENT OF EDUCATION

TESTIMONY

BILL NO. 947: AN ACT TO APPROPRIATE THE SUM OF TWO MILLION NINE HUNDRED SEVENTY FIVE THOUSAND NINE HUNDRED NINETY SIX DOLLARS (\$2,975,996.00) TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE AND FOR OTHER PURPOSES.

The Territorial Board of Education and Department of Education goes on record in support of Bill 947. The University of Guam has consistently supplied the Department of Education with excellent University of Guam-trained teachers. We must add, however, that the demand is more than the supply in some specific areas, such as special education, math and science, guidance counselors.

We recommend that this body consider increasing the stipend as well as the book allowance under the Teacher Training Scholarship Program, a much-needed incentive. The Department of Education has School Aides and On-Call Substitute Teachers who have the potential for and interest in a teaching career, but are constrained from attending the University on a full-time basis due to financial insecurity.

We further recommend that the University establish as one of its contact area priority vocational education instructors in all areas as the Department will be forging ahead and implementing vocational education curriculum, all of its five high schools.

We also recommend that more money be allocated for the Nursing Training Program in recognition of the fact that Guam has a severe nursing shortage. Perhaps the other programs can stand to do without a few thousands dollars so that more incentives can be tied into the Nursing Training Program to attract interested, dedicated, and sincere future nurses.

Attachments

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# University of Guam

UOG STATION \* MANGILAO, GUAM 96923  
TEL: 734-2442; 734-2921-29, EXT. 234, 237

DEAN, STUDENT AFFAIRS

July 18, 1988

Senator Marcia K. Hartsock  
Chairperson, Committee on Education  
Nineteenth Guam Legislature  
P.O. Box CB-1  
Agana, Guam 96910

Dear Senator Hartsock,

I am Franklin S. Cruz, Dean of Student Affairs, University of Guam, here to testify on Bill No. 947, an Act to appropriate \$2,975,996.00 for the Student Financial Assistance Program, and other purposes.

On behalf of the University of Guam's administration and Board of Regents, I come in support of Bill 947, an extremely important measure which will provide the necessary funding for the territorial Student Financial Assistance Programs, the Teacher Training Scholarships, the Nurses Training Program, and the ROTC Scholarships. If approved, the Legislature will also provide for the operational aspects of the newly-consolidated financial assistance office. Thus, the total sum of \$2,975,996.00 is urgently needed to fund both the scholarships and loans for approximately 580 students and the operational support of such programs.

I wish to draw the Committee's attention to the fact that on March 17, 1988, the Board of Regents approved the centralization of both Federal and Non-federal student financial assistance program under one coordinator. Prior to this action, the Federal Student Aid Programs (Pell grants and other campus-based programs) and the Government of Guam Student Financial Assistance Programs (Pro/Tech., Merit Award, and Student Loan Programs) were administered separately under two organizational units. With the consolidation action by the Board, these programs were brought under a single coordinating office. The main rationale for the consolidation move was the need to conform with Title 34, Chapter VI, Section 675.14 of the Code of Federal Regulations. Also, it was necessary to minimize confusion among students and parents by providing a single office for their convenience.

In summary, the total sum of \$2,889,389.00 for student educational costs and \$86,607.00 for administrative operations for a grand total of \$2,975,996.00 is requested for academic year 1988-89. Your assistance in securing the quick passage of Bill No. 947 would be greatly appreciated. Thank you.

Sincerely,

  
Franklin S. Cruz

FSC:sje

Attachments

cc: Senator Herminia D. Dierking  
Chairperson, Committee on Ways and Means



ON A MOTION BY REGENT FERNANDEZ, REVISION OF THE TEACHER TRAINING SCHOLARSHIP CRITERIA WAS APPROVED.

**2. CONSOLIDATION OF FINANCIAL AID PROGRAMS**

DR. FRANKLIN CRUZ BRIEFED MEMBERS ON THE PROPOSED CENTRALIZATION OF ALL FINANCIAL ASSISTANCE PROGRAMS, BOTH FEDERAL AND NON-FEDERAL, TO CONFORM WITH THE AUDIT REPORT OF THE INSPECTOR GENERAL'S OFFICE, AND TITLE 34, CHAPTER VI, SECTION 675.14 OF THE CODE OF FEDERAL REGULATIONS, WHICH REQUIRE THAT THE PRESIDENT DESIGNATE AN OFFICIAL TO COORDINATE THE FEDERAL AND NON-FEDERAL FINANCIAL ASSISTANCE PROGRAMS. DR. CRUZ WAS DESIGNATED THE OVERALL COORDINATOR BY ACTING PRESIDENT TSUDA. THE CENTRALIZATION WILL NOT INCUR ADDITIONAL EXPENSE.

ON A MOTION BY REGENT LEON GUERRERO, THE CENTRALIZATION OF ALL FINANCIAL ASSISTANCE PROGRAMS WAS APPROVED.

REGENT PEREZ REQUESTED THE PRESIDENT TO LOOK INTO THE CONSOLIDATION OF ALL FINANCIAL AID PROGRAMS INTO ONE ADMINISTRATIVE OFFICE INSTEAD OF TWO, AND TO REPORT HIS FINDINGS WITHIN A MONTH.

**3. SPECIAL REQUESTS**

THE SCHOLARSHIP COMMITTEE RECOMMENDED APPROVAL OF THE SPECIAL REQUESTS MADE DURING ITS MARCH 15, 1988 MEETING.

ON A MOTION BY REGENT FERNANDEZ, SPECIAL REQUESTS MADE BY DUANE GEORGE, TERESA A. DAMIAN, ALICIA AND CELESTINO AGUON, BARBARA CRUZ, JONG KIM, AND TERESA KASPERBAUER, WERE APPROVED.

**F. DEATH CLAIM OF ANITA CHAN**

THIS ITEM WAS DISCUSSED BUT NO ACTION WAS TAKEN. THE CHAIR STATED THAT IF ANYONE WISHED TO BRING THE MATTER BEFORE THE BOARD AGAIN, HE WOULD PLACE IT ON THE AGENDA.


**III. OPEN DISCUSSION**

ON BEHALF OF THE COLLEGE OF AGRICULTURE AND LIFE SCIENCES, PROF. KAREN CARPENTER THANKED BOARD MEMBERS FOR THEIR SUPPORT IN WELCOMING THE NEW PRESIDENT, DR. WILFRED LEON GUERRERO, AT A PARTY HELD MARCH 5, 1988. PROF. CARPENTER ALSO WANTED THE PUBLIC INFORMED THAT THE PARTY WAS FUNDED ENTIRELY BY THE UOG FACULTY, STAFF, AND ADMINISTRATORS.

THE MEETING ADJOURNED AT 7:40 P.M.

  
J. U. TORRES  
CHAIRMAN

ATTESTED:

  
WILFRED P. LEON GUERRERO  
EXECUTIVE SECRETARY

UNIVERSITY OF GUAM  
Office of the Academic Vice President

March 3, 1988

MEMORANDUM


To: President  
From: Academic Vice President  
Subject: Consolidation of Financial Aid Programs

At its 17 February 1988 meeting, the Administrative Council endorsed "the position that all federal and non-federal financial assistance programs will be coordinated by the Dean of Student Affairs on an interim basis". The action was based on the Letter Audit Report by the Office of Inspector General, U.S. Department of the Interior, dated 29 January 1988 which recommended that the President of the University of Guam

"Designate a single official to coordinate the Federal and the non-federal financial assistance programs as required by Title 34, Code of Federal Regulations, Chapter VI, Section 675.14."

The attached proposal, initially drafted by the Dean of Student Affairs, represents the final wordings as agreed upon by the Dean of Student Affairs, the Administrative Vice President and myself. The proposal is now forwarded for your comments and, possible, recommendation to the Board of Regents at its March regular meeting.

Upon your concurrence, I recommend that this item be presented to the BOR Scholarship Subcommittee prior to the March regular meeting.

  
ROY T. TSUDA

cc: Administrative Vice President  
Dean, Student Affairs  
Controller

103 APR -3 PM 5:12

U.O.G.  
OFFICE OF THE A.C. OFFIC.

*2 Concurrence  
W.P. [Signature]*

## PROPOSAL

### Consolidation of Financial Aid Programs

#### Purpose

To consolidate all student financial assistance programs under one administrative unit within the University of Guam. Currently, all Federal and non-Federal financial aid programs, as well as private scholarships are not centralized, thus giving rise to some confusion among students. Perhaps the most important reason is the need to conform with Federal regulations which require the coordination of Federal and local financial aid programs offered by the University. Therefore, the proposal is to consolidate all financial assistance programs from the Federal Government, Government of Guam, other governmental entities, and private organizations under one office for the benefit of students attending UOG or other applicable institutions. By consolidating financial aid programs, the University will be able to:

1. Conform with the audit report of the Inspector General's Office to centralize all Federal and non-Federal aid programs.
2. Conform with Title 34, Chapter VI, Section 675.14 of the Code of Federal Regulations regarding the appointment of a financial aid Coordinator.
3. Meet the Financial Aid Office's 1986-87 Goals and Objectives as contained in the Academic Master Plan.
4. Provide a centralized location for the dissemination of information and staff assistance for students and parents.

#### Problems

Existing financial aid programs are being administered by various units within UOG resulting in an uncoordinated program approach. Application, pre-screening, and award procedures are carried out independently. This lack of coordination generally contributes to the following problems:

1. Confusion and frustration among students and parents in obtaining applications and appropriate information on available financial aid programs.
  2. Overawards of Federal aid due to inadequate access to information on student financial aid sources.
  3. Inadequate control and accounting of program funds.
-

### Administrative Responsibility

The UOG student financial aid programs shall be administered through the Financial Aid Office under the direct supervision of the Dean of Student Affairs. The office will be responsible for the following programs:

- a) Federal aid programs, specifically the Pell Grant, SEOG, SSIG, CWS, GSL.
- b) Government of Guam Student Loan, Protech Scholarship, and Merit Award Programs.
- c) Nursing Scholarship.
- d) Teacher Training Scholarship.
- e) Private Scholarship Programs.
- f) FSM Scholarship and Loan Programs.
- g) Other financial assistance programs as established.

The Financial Aid Office under the Dean of Student Affairs shall make available all aid program applications and information, and shall maintain adequate records and files of all recipients.

The selection and award of recipient aid will remain the responsibility of the individual program, college, or sponsor organization, but shall be coordinated by the Financial Aid Office.

### Transition of Aid Programs

The various units (heads) responsible for the administration of the programs shall coordinate with the Dean of Student Affairs and the Financial Aid Office for a smooth transition of records, files and staff. The staff of the Government of Guam Student Loan and Scholarship Programs shall be transferred to the Financial Aid Office located at the Student Center. All equipment, records, files, and supplies shall be moved to the Student Center.

The Nursing and Teacher Training Scholarship program records and files shall also be transferred to the Financial Aid Office. Recipient selection shall be made by the two respective offices, and shall be coordinated by the Financial Aid Office.

The private scholarship programs currently administered by the various colleges shall be transferred to the Financial Aid Office. Recipient selection shall be made in accordance with particular scholarship criterion. The Financial Aid Office shall be required to coordinate with the various colleges for the administration of the programs in accordance with organization requirements.

### Check and Balance Responsibility

The Controller's Office shall have fiscal responsibility of all program funds in accordance with applicable laws, regulations, and guidelines. It shall establish a check and balance system to insure the integrity of the program funds.

The Controller shall also perform internal audit for the verification of student financial need computation as well as reconciliation of program fund expenditures.

### Effective Date of Consolidation

The Consolidation of financial aid programs shall become effective upon the approval of the Board of Regents. The transition process shall be coordinated amongst appropriate personnel.

### Re-Organization of the Financial Aid Office

The Financial Aid Office shall provide adequate time and space for the additional files, staff, and supplies. It shall be required to re-organize its operations at the direction of the Dean of Student Affairs. Appropriate job descriptions shall be re-written to include additional work responsibilities to be assumed by its staff which shall be coordinated with the Personnel Office. The Federal and Territorial Student Aid programs shall function as separate Divisions under the direct supervision of the Dean of Student Affairs. No staff shall be demoted due to the consolidation of these programs.

U.S. DEPARTMENT OF THE INTERIOR

OFFICE OF INSPECTOR GENERAL

**AUDIT REPORT**

LETTER AUDIT REPORT

POSTSECONDARY EDUCATION  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS  
UNIVERSITY OF GUAM



**This report may not be disclosed to anyone other than the auditee  
except by the Assistant Inspector General for Administration,  
Office of Inspector General, U.S. Department of the Interior,  
Washington, D.C. 20240.**

JANUARY 1988

DATE

**§ 675.14 Coordination of student financial aid programs, award amount, and overaward.**

(a) *Coordinating official.* An institution must appoint a coordinating official for its CWS and other Federal and non-Federal student financial aid programs.

(b) *Overaward prohibited, general rule.* (1) An institution may not award CWS assistance to a student if the CWS, when combined with all other resources, exceeds the student's financial need. The institution, however, does NOT violate this rule if

(i) The student receives additional funds after the institution awards aid, and total resources exceed his or her financial need by \$200 or less by the end of the academic year; or

(ii) The student earns more money — from employment than the institution anticipated when it awarded the CWS, and it treats the earnings in accordance with paragraph (c) (prevention of overaward).

(2) A student's financial need may not exceed his or her cost of education.

(3) If a student's resources exceed his or her need by more than \$200, and the excess is not from employment, the overaward is the amount that exceeds the \$200.

(c) *Prevention of overaward by treatment of earnings.* An institution must take the following steps when it learns that a CWS recipient has earned, or will earn, more than \$200 over his or her financial need:

(1) It must decide whether the student needs the money to pay for necessary additional attendance costs, unanticipated when it awarded financial aid to the student. If the student does, no further action is necessary.

(2) If the student's earnings still exceed need by \$200 or more after the institution subtracts any additional costs, it must cancel any unpaid loan or grant (other than Pell Grants) to avoid exceeding need by more than \$200.

(3) If the student's earnings still exceed his or her need by more than \$200 after the institution takes the steps required in the two preceding subparagraphs, and the student is enrolled for the next academic year, the institution must use the amount that exceeds \$200 as—

(i) A resource to help pay the student's cost of attendance in the following year; or

(ii) A substitute for the student's expected family contribution for the current year unless a GSL or PLUS is used for that purpose.

(4) If the student's earnings still exceed his or her need by more than \$200 after the institution takes the steps

required in subparagraphs (1) and (2), and the student is NOT enrolled for the next academic year, no further action is necessary.

(d) *Resources.* The Secretary considers that "resources" include, but are not limited to, any—

(1) Funds the student is entitled to receive from a Pell Grant, regardless of whether the student applies for it;

(2) Waiver of tuition and fees;

(3) Scholarship or grant, including a SEOG or athletic scholarship;

(4) Fellowship or assistantship;

(5) Insurance programs for the student's education, including any social security educational benefits not included in computing EFC;

(6) GSL or PLUS as indicated under paragraph (e);

(7) Long-term loans, including NDSL but excluding GSL, and PLUS, made by the institution;

(8) Net earnings from employment, including any part of an independent student's net earnings not included as part of the student's EFC. ("Net earnings" means gross earnings minus taxes and job related costs); and

(9) Veterans benefits (except that part included as part of the student's EFC).

(e) *Treatment of Guaranteed Student Loans (GSL) and Parent Loans for Undergraduate Students (PLUS).* (1) A student may use a GSL or a PLUS as a substitute for his or her expected family contribution.

(2) However, if the loan amounts under one or both of these programs exceeds the student's expected family contribution, the Secretary considers the excess to be a resource.

(f) *Administrative responsibility.* (1) An institution is responsible ONLY for the resources it—

(i) Makes available to its students;

(ii) Knows about; or

(iii) Can reasonably anticipate at the time it awards CWS assistance to the student.

(2) An institution must take reasonable steps to stay informed about the earnings of a student employed outside the institution.

(g) The provisions of paragraph (b) of this section are retroactive to October 12, 1976.

(20 U.S.C. 1087-3a; 42 U.S.C. 2753(b)(3))

**§ 675.15 Coordination with BIA grants.**

(a) To determine the amount of CWS compensation for a student who is also eligible for a Bureau of Indian Affairs (BIA) education grant, an institution must prepare a package of student aid—

(1) From resources other than the BIA education grant the student has received or is expected to receive; and

(2) That is consistent in type and amount with packages prepared for students in similar circumstances who are not eligible for a BIA education grant.

(b)(1) The BIA education grant, whether received by the student before or after the preparation of the student aid package, supplements that package.

(2) No adjustment may be made to the student aid package as long as the total of the package and the BIA education grant is less than the institution's determination of that student's financial need.

(c)(1) If the BIA education grant, when combined with other aid in the package, exceeds the student's need, the excess must be deducted and may be deducted only from the other assistance, not the BIA education grant.

(2) The institution must deduct the excess in the following sequence: loans, work-study awards, and grants other than Pell Grants. However, the institution may change the sequence if requested by a student and the institution believes the change benefits the student.

(d) To determine the financial need of a BIA-eligible student, a financial aid administrator is encouraged to consult with area officials in charge of BIA postsecondary financial aid.

(42 U.S.C. 2753(b)(3))

**§ 675.16 Payment to students.**

(a)(1)(i) An institution must pay a student at least once a month. The Federal share of each payment must be paid to the student by check, or similar instrument, that the student can cash on his or her own endorsement.

(ii) The institution may not directly transfer the Federal share of any payment to the student's account at the institution or elsewhere to pay expenses or bills.

(2) Regardless of who employs the student, the institution is responsible for ensuring that the student is paid for work performed during the previous payroll period.

(3) A student's CWS wages are obligated when the student performs the work.

(b)(1) If an institution pays a student its share of his or her CWS wages by check, it must pay the student at the same time it pays the Federal share.

(2) If an institution pays a student its CWS share for an award period in the form of tuition, fees, services, or equipment, it must pay that share before the student's final payroll period.

(3) If an institution pays its CWS share in the form of prepaid tuition, fees, services, or equipment for a forthcoming academic period, it must give the



# University of Guam

OFFICE OF THE PRESIDENT  
U.O.G. Station, Mangilao, Guam 96923  
Cable: "UnivGuam" Telex: 721-6275

May 5, 1988

Mr. Sam W. Gillentine  
Regional Audit Manager  
Office of the Inspector General  
North Pacific Region  
238 O'Hara St.  
Suite 807, PDN Bldg.  
Agana, Guam 96910

Dear Mr. Gillentine:

Thank you for your May 4, 1988 letter regarding Recommendation No. 1, cited in the Federal Financial Assistance Audit Report, requiring the designation of a single official to coordinate the Federal and non-federal financial assistance programs at the University of Guam. I am happy to inform you that Dr. Franklin S. Cruz, Dean of Student Affairs, was appointed Interim Coordinator on February 17, 1988.

With respect to his appointment, Dr. Cruz currently exercises oversight responsibility for both Federal and non-federal student financial assistance programs until a permanent coordinator can be named. I hope this specific action will satisfy the audit recommendation pertaining to the designation of an official coordinator. A copy of the Acting President's February 17, 1988 memorandum is enclosed for your information.

I want to thank you and your staff for your continual assistance to the University of Guam. If you have any questions, please feel free to contact my office.

Sincerely,

  
WILFRED P. LEON GUERRERO  
President

Enclosure

cc: Dean, Student Affairs



UNIVERSITY OF GUAM  
OFFICE OF THE PRESIDENT

February 17, 1988

MEMORANDUM

To: Dr. Franklin S. Cruz  
Dean, Student Affairs

From: Acting President

Subject: Appointment as Interim Coordinator of Federal  
and Non-Federal Student Assistance Programs

Effectively immediately, I am appointing you as Interim Coordinator of Federal and Non-Federal Student Assistance Programs at the University of Guam. As you are aware, the "Letter Audit Report" by the Office of Inspector General, U.S. Department of the Interior, dated 29 January 1988 recommends that the President of the University of Guam

"Designate a single official to coordinate the Federal and the non-federal financial assistance programs as required by Title 34, Code of Federal Regulations, Chapter VI, Section 675.14."

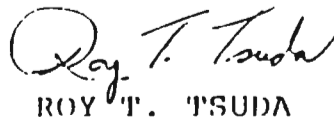
As per our telephone conversation, you as the Dean of Student Affairs seem to be the most logical administrator to serve in this capacity, until such time as a permanent coordinator can be named. Your Office already has oversight over the Student Financial Aid Office which handles the federal financial assistance programs. The non-federal financial assistance programs are primarily administered in the Office of the Administrative Vice President, with other scholarships and fellowships administered within the various Colleges. These will be transferred to you.

The attached sheet lists the non-federal student assistance programs of which I am aware. All administrators have agreed to cooperate by providing you with information on the programs, including criteria for selection, selection committee members and application forms; some are already

February 17, 1988  
Page 2

providing your Office with this information. The selection of student recipients shall still fall under the purview of the respective selection committees within the colleges or units, or the Board of Regents in the case of Merit Awards, Professional and Technical Awards and Loan Awards.

If possible, I would like to meet with you and the college Deans after the Administrative Council meeting today. This entire matter will be brought before the BOR Scholarship Subcommittee and the Board of Regents in March 1988 for their deliberation and action.



ROY T. TSUDA

Attachment

cc: Administrative Vice President  
College Deans  
Public Relations Officer

**NON-FEDERAL STUDENT ASSISTANCE PROGRAMS**

**Office of the Administrative Vice President**

Professional and Technical Awards (GovGuam)  
Loan Awards (GovGuam)  
Merit Scholar Awards (GovGuam)

**College of Arts and Sciences**

Nursing Scholarships (GovGuam)

**College of Education**

Teacher Training Scholarships (GovGuam)

**College of Business and Public Administration**

Private Scholarships

**Student Body Association**

SBA Scholarship

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THE TERRITORIAL BOARD OF EDUCATION AND  
DEPARTMENT OF EDUCATION

TESTIMONY

BILL NO. 947: AN ACT TO APPROPRIATE THE SUM OF TWO MILLION NINE HUNDRED SEVENTY FIVE THOUSAND NINE HUNDRED NINETY SIX DOLLARS (\$2,975,996.00) TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE AND FOR OTHER PURPOSES.

The Territorial Board of Education and Department of Education goes on record in support of Bill 947. The University of Guam has consistently supplied the Department of Education with excellent University of Guam-trained teachers. We must add, however, that the demand is more than the supply in some specific areas, such as special education, math and science, guidance counselors.

We recommend that this body consider increasing the stipend as well as the book allowance under the Teacher Training Scholarship Program, a much-needed incentive. The Department of Education has School Aides and On-Call Substitute Teachers who have the potential for and interest in a teaching career, but are constrained from attending the University on a full-time basis due to financial insecurity.

We further recommend that the University establish as one of its contact area priority vocational education instructors in all areas as the Department will be forging ahead and implementing vocational education curriculum, all of its five high schools.

We also recommend that more money be allocated for the Nursing Training Program in recognition of the fact that Guam has a severe nursing shortage. Perhaps the other programs can stand to do without a few thousands dollars so that more incentives can be tied into the Nursing Training Program to attract interested, dedicated, and sincere future nurses.

Attachments

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APR 10 1988

MEMORANDUM

To: President, University of Guam  
From: Director of Education  
Subject: Priority Teacher Needs for Department  
of Education

The Department of Education herewith submits a list of its teacher needs for School Year 1988-89. The list is arranged in the order of priority. We request that this priority list be used in the selection of candidates under the Teacher Training Scholarship Program.



ROSA SALAS PALOMO

Attachment

cc: Assoc. Supt., Personnel  
Asst. Assoc. Supt., Personnel  
Dean, College of Ed., U.O.G.  
Ann Delgado, Coordinator,  
Teacher Training Scholarship, U.O.G.

RSP/FBG/LSNR/dlg  
04/05/88

TEACHER TRAINING SCHOLARSHIP PROGRAM  
COLLEGE OF EDUCATION  
UNIVERSITY OF GUAM

April 4, 1988

Priority Listing for Academic Year 1988-89

Teacher (Secondary)

1. Language Arts
2. Math
3. Special Education
4. Health & Physical Education
5. Guidance Counselor
6. Art
7. Music (Band and Vocal)
8. Industrial Arts
9. Social Studies
10. Science

Teacher (Elementary)

1. Librarian
2. Guidance Counselor
3. Special Education
4. Early Childhood
5. Elementary
6. Reading
7. Bilingual/Bicultural

NINETEENTH GUAM LEGISLATURE  
1988 (SECOND) Regular Session

JUN 17 '88

Bill No. 947 (LS)

Introduced by:

T. S. Nelson  
H. D. Dierking

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AN ACT TO APPROPRIATE THE SUM OF TWO MILLION NINE HUNDRED SEVENTY FIVE THOUSAND NINE HUNDRED NINTY SIX DOLLARS (\$2,975,996.00) TO THE UNIVERSITY OF GUAM FOR THE PURPOSE OF IMPLEMENTING STUDENT FINANCIAL ASSISTANCE AND FOR OTHER PUPROSES.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

Section 1. There is hereby appropriated the sum of Two Million Nine Hundred Seventy Five Thousand Nine Hundred Ninety Six Dollars (\$2,975,996) from the General Fund to the University of Guam for the purpose of implementing student financial assistance in the following manner:

Student Financial Assistance Program	\$ 2,734,259
Teacher Training Scholarship Program	557,125
Nurses Training Program	64,300
ROTC Scholarship	48,328
SFAP Operational Budget	36,607
TOTAL	\$2,975,996.00