






I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
200-38 (COR)	Vincent A. V. Borja Shelly V. Calvo Sabrina Salas Matanane Tina Rose Muña Barnes Eulogio Shawn Gumataotao	AN ACT TO <i>AMEND</i> § 12112 OF CHAPTER 12, ARTICLE 1, TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE GUAM ACADEMY CHARTER SCHOOLS COUNCIL TO REVIEW AND APPROVE ALL CONTRACTS, MEMORANDA OF AGREEMENT, MEMORANDA OF UNDERSTANDING, AND SIMILAR BINDING AGREEMENTS ENTERED INTO BY ACADEMY CHARTER SCHOOLS, TO ENHANCE OVERSIGHT, ACCOUNTABILITY, AND COMPLIANCE WITH PUBLIC FUNDING REQUIREMENTS.	10/9/25 11:41 a.m.						

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

Bill No. 200-38 (COR)

Introduced by:

Vincent A. V. Borja 
Shelly V. Calvo 
Sabrina Salas Matanane 
Tina Rose Muña Barnes 
Eulogio Shawn Gumataotao 

AN ACT TO AMEND § 12112 OF CHAPTER 12, ARTICLE 1, TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THE GUAM ACADEMY CHARTER SCHOOLS COUNCIL TO REVIEW AND APPROVE ALL CONTRACTS, MEMORANDA OF AGREEMENT, MEMORANDA OF UNDERSTANDING, AND SIMILAR BINDING AGREEMENTS ENTERED INTO BY ACADEMY CHARTER SCHOOLS, TO ENHANCE OVERSIGHT, ACCOUNTABILITY, AND COMPLIANCE WITH PUBLIC FUNDING REQUIREMENTS.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that charter schools in Guam, as established under Chapter 12 of Title 17, Guam
4 Code Annotated, operate with significant autonomy while receiving public funding
5 pursuant to § 12116 of the same Chapter. However, recurring audits and reports have
6 highlighted systemic issues of financial mismanagement and operational
7 deficiencies within Guam's charter school system, underscoring the urgent need for
8 enhanced oversight to protect taxpayer dollars and ensure educational quality.

9 For example, the Office of Public Accountability has repeatedly identified
10 risks such as unchecked deficits that jeopardize the financial sustainability of charter

1 schools. Audits have revealed concerns over unvalidated expenses, deficiencies in
2 financial controls, and unclear liabilities, raising questions about accountability in
3 procurement, spending, and overall governance. Additionally, the Public Auditor
4 has warned of significant potential liabilities for the government of Guam, ranging
5 from \$20 million to \$26 million, stemming from unchecked loans and spending by
6 charter schools. These findings highlight the fiscal risks posed by inadequate
7 oversight and the potential burden on the government if these issues remain
8 unaddressed.

9 These challenges align with broader GovGuam practices that emphasize
10 rigorous oversight of public funds and compliance with procurement laws. Under
11 Title 5, Guam Code Annotated (§§ 5001 et seq.), government contracts are subject
12 to competitive bidding, anti-corruption measures, and certification by the Attorney
13 General for legality, particularly for agreements exceeding certain thresholds.
14 Recent legal disputes, including court injunctions related to sole-source contracts
15 and federal funding, underscore the importance of multi-level reviews to prevent
16 improper agreements and ensure accountability.

17 By extending similar oversight authority to the Guam Academy Charter
18 Schools Council, this measure seeks to align charter school operations with
19 established GovGuam standards. This approach will foster transparency, mitigate
20 risks of financial default or eviction, and safeguard public interests while
21 maintaining the operational autonomy of charter schools. This amendment is a
22 necessary step to address ongoing concerns raised in legislative hearings and audits,
23 ensuring that charter schools can thrive while remaining accountable for the public
24 funds they receive.

25 **Section 2. A new Subsection (g) is *added* to § 12112 of Chapter 12,**
26 **Article 1, Title 17, Guam Code Annotated, to read as follows:**

27 **§ 12112. Powers and Duties of the Guam Academy Charter School Council.**

1 (a) The Council:

2 (1) may grant Academy School Charter status to qualifying applicants
3 pursuant to this Chapter;

4 (2) shall monitor the operations of each Academy Charter School;

5 (3) shall monitor that each such Academy Charter School complies with
6 applicable laws and the provisions of the charter granted to such school;

7 (4) shall monitor the progress of each school in meeting student
8 academic achievement expectations specified in the charter granted to such
9 Academy Charter School; and

10 (5) shall monitor that each Academy Charter School complies with the
11 annual reporting requirements, including, submission of the audited financial
12 statement.

13 (b) The Council may require an Academy Charter School to produce any
14 book, record, paper, or document, if the Council determines that such production is
15 necessary for the Council to carry out its functions under this Chapter.

16 (c) The Council shall charge an eligible applicant or an Academy Charter
17 School a non-refundable application or renewal fee of Five Hundred Dollars (\$500).
18 All such application or renewal fees shall be deposited to the Guam Academy
19 Charter School Fund.

20 (d) The Council shall be immune from civil liability, both personally and
21 professionally, for any act or omission within the scope of their official duties unless
22 the act or omission:

23 (1) constitutes gross negligence;

24 (2) constitutes an intentional tort; or

25 (3) is criminal in nature.

26 (e) Meetings held by the Council shall be in compliance with the Open
27 Government Law of Guam.

1 (f) The Council shall promulgate Administrative Rules and Regulations
2 consistent with the provisions of Title 5, GCA, Chapter 9. Such Rules and
3 Regulations may be revised as needed consistent with the provisions of Title 5,
4 GCA, Chapter 9.

5 (g) The Council shall review and approve all contracts, memoranda of
6 agreement, memoranda of understanding, and similar binding agreements entered
7 into by an Academy Charter School prior to their execution or implementation. Such
8 review and approval shall ensure compliance with applicable federal and Guam
9 laws, including procurement standards, fiscal accountability requirements, and the
10 educational objectives outlined in the school's charter. The Council may establish
11 guidelines for expedited review of agreements below a threshold of Ten Thousand
12 Dollars (\$10,000) to minimize administrative delays, but no agreement shall become
13 effective without Council approval. An Academy Charter School shall submit
14 proposed agreements to the Council at least thirty (30) days prior to the intended
15 execution date, unless the Council grants a waiver for exigent circumstances. Failure
16 to obtain approval may result in the agreement being deemed void, and repeated non-
17 compliance may serve as grounds for probation or revocation under § 12114 of this
18 Chapter.

19 **Section 3. Severability.** If any provision of this Act or its application to any
20 person or circumstance is found to be invalid or inorganic, such invalidity shall not
21 affect other provisions or applications of this Act that can be given effect without
22 the invalid provision or application, and to this end the provisions of this Act are
23 severable.

24 **Section 4. Effective Date.** This Act shall be effective upon enactment.