



TERRITORY OF GUAM  
OFFICE OF THE GOVERNOR  
AGAÑA, GUAM 96910  
U. S. A.  
EXECUTIVE ORDER NO. 98-12

**RELATIVE TO ESTABLISHING THE PUBLIC SERVICE  
RECOVERY FUND AND PROVIDING FOR ITS USE  
AND ACCOUNTABILITY.**

**WHEREAS**, the Governor of Guam was responsible for the contract administration of the agreement previously in effect with the Department of Defense for the improvement of the Guam educational system; and

**WHEREAS**, the agreement with the Department of Defense was not renewed for academic years starting after July 31, 1997; and

**WHEREAS**, the Governor has been relieved of all financial and contractual responsibilities to the Department of Defense under the agreement and is solely responsible for determining the utilization of the remaining unexpended and unobligated funds, which are a reimbursement from the federal government; and

**WHEREAS**, various agencies of the government of Guam have expended significant amounts of their own funding during current and previous years in support of the educational system, without reimbursement, and in sacrifice of other public service needs under their mandate of responsibility; and

**WHEREAS**, budget resources to these agencies have been severely compromised by the effects of recent disasters and diminished revenue streams from lower business, resident, and visitor spending; and

**WHEREAS**, §22108 of Title 5, Guam Code Annotated, permits the Governor to create, establish, and continue a revolving or special fund to provide for services from appropriated funds or service fees;

**NOW, THEREFORE, I, CARL T. C. GUTIERREZ**, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, and the laws of Guam, do order:

1. **Creation of the Public Service Recovery Fund.** There is created a special revenue fund, which shall be accounted for separate and apart from all other funds of the government. The Office of the Governor or designee shall authorize all expenditure accounts to be established in the names of the agency and the specific purpose of the account. The Director of the Agency or Department in which name the account is established shall be the certifying officer for that account.
2. **Contents of Public Service Recovery Fund.** The Public Service Recovery Fund shall contain the following:
  - a) as of the date of this Executive Order, the unexpended or unobligated balance of Fiscal Year 1997 Department of Defense funds, based on account balances maintained by the Department



of Administration. This balance shall be transferred immediately upon execution of this Executive Order;

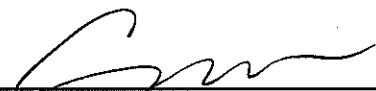
- b) as of the close of business on December 31, 1998, the unexpended balances of prior years' Department of Defense funds, based on account balances maintained by the Department of Administration;
- c) as of the close of business on December 31, 1998, the remaining unexpended account balances of current and prior years' accumulated investment earnings credited to the DOD/DOE Fund, based on those account balances maintained by the Department of Administration;
- d) earnings from investments made on funds deposited and credited to the Public Service Recovery Fund;
- e) remainder of funds from all future contracts with the Governor of Guam and another governmental entity;
- f) all monetary gifts, bequests, donations, and contributions received by the Governor of Guam from individuals, corporations, or governments that are unrestricted;

**3. Expenditures from the Public Service Recovery Fund.** The Public Service Recovery Fund shall be expended for the following purposes:


- a) for equipment, related directly to public service;
- b) for contracts, directly related to public service;
- c) for facilities and infrastructure repair, improvement and development that are for the public's use and benefit, whether or not a facility or infrastructure repair is subject o user fees or rates;
- d) for reimbursement to autonomous agencies for costs incurred from Fiscal Year 1994 and thereafter; and

**4. Monthly reports on Public Service Recovery Fund.** The Director of the Department of Administration shall report to the Governor monthly on the financial position and activity of the Public Service Recovery Fund.

**SIGNED AND PROMULGATED at Agana, Guam this 20Th day of March, 1998.**

  
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**CARL T. C. GUTIERREZ**  
Governor of Guam

**COUNTERSIGNED:**

  
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**MADELEINE Z. BORDALLO**  
Lieutenant Governor of Guam