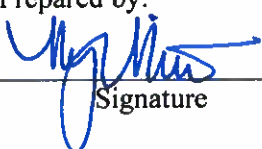
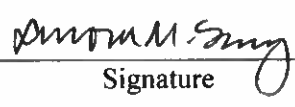

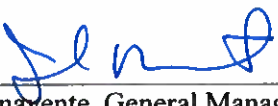


<p align="center">GUAM POWER AUTHORITY STANDARD OPERATING PROCEDURE</p>	<p>Prepared by:</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Signature </div> <div style="text-align: center;"> / <u>Melly E. Rosario</u> Print Payroll Supervisor </div> </div>
<p>TITLE: Voluntary Payroll Deduction Authorizations, Cancellations, Holds & W4</p>	<p>Reviewed by:</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Signature </div> <div style="text-align: center;"> / <u>Lenora M. Sanz</u> Print Controller </div> </div>
<p>NO: SOP- <u>170</u></p> <p>Effective Date: <u>3/12/21</u></p>	<p>Concurred by:</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Signature </div> <div style="text-align: center;"> / <u>John J. E. Kim</u> Print Chief Financial Officer </div> </div>
<p align="center">Page 1 of 7</p>	<p>Approved:</p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  John M. Benavente, General Manager, P.E. </div> <div style="text-align: center;"> / <u>3/12/21</u> Dated </div> </div>

1.0 PURPOSE

To establish the policies and procedures for authorizing, modifying or canceling “Voluntary” payroll deductions and cancellations in order to optimize the resources of the Payroll, Finance Division. The objective is to provide guidance to employees in matters regarding voluntary/cancellation payroll deductions.

2.0 APPLICABILITY

These guidelines apply to all Guam Power Authority (GPA) employees including Apprentices, other temporary employees, and “Authorized” payroll deduction vendors.

3.0 GENERAL

- 3.1 Payroll deductions are amounts deducted from an employee’s wages. There are three (3) classifications of payroll deductions a) Mandatory, b) GPA Voluntary, and c) Other Voluntary. GPA requires its employees to receive their wage and salary payments through Automated Clearing House (ACH) transaction. This does not count as an “Other Voluntary” payroll deduction.
- 3.2 Mandatory deductions from employees’ gross salaries or wages are required by Federal or Local law. These may include, but are not limited to (Federal Income taxes, Federal Insurance Contributions Act (FICA) tax, Medicare, etc.). Other mandatory deductions

include those required by Court order(s) and may include withholding for Child Support payments, tax levies, and others.

- 3.3 Voluntary payroll deductions from employees' gross salaries or wages are allowable by law, however require an employee's written authorization. These deductions may have an effect on the determination of taxable gross income such as the IRC 457 (b) Deferred Compensation Plans, Government of Guam Retirement Contribution Plan, or they may reduce the employee's net pay and not have an effect on the taxability of gross income such as deposits to financial institutions.
- 3.4 GPA voluntary deductions are related to plans offered by GPA for the benefit of employees including retirement plans, life insurance, medical, dental, cafeteria plans, etc.
- 3.5 Other voluntary deductions are made for the convenience of employees but are not required by law and are not related to benefits offered by GPA.

4.0 **PROCEDURES AND GUIDELINES**

- 4.1 Voluntary payroll deductions are initiated by the employee when they submit the completed and signed GPA Payroll Deduction Authorization Form (PDA) (Appendix A). Involuntary deductions (i.e., Garnishments, Court Orders, Child Support, and Tax Levies) will be processed by GPA Payroll upon receipt.
- 4.2 Payroll Staff will review the submitted PDA form to determine a) completeness of required information and b) that the vendor is established or activated in the payroll module.
- 4.3 In order to be established as a new GPA Payroll Deduction vendor, a minimum of ten (10) employees must be enrolled under its payroll deduction plan. This is to ensure a reasonable level of cost effectiveness for the Authority. Existing vendors will continue to be accepted under the plan.
- 4.4 No payroll deduction requests for payments of any utilities, including but not limited to power, water and telephone will be permitted unless authorized by the General Manager.
- 4.5 Employees opting for voluntary payroll deduction(s) must fill out the following pertinent form(s):
 - GPA Payroll Deduction Authorization Form (Appendix A)
 - Payroll Deduction Cancellation Form (Appendix B)
 - Payroll Hold Form (Appendix C)
 - W4 Form (forms subject to IRS revision - Appendix D)

Each form submitted must depict the employee's signature. All forms are available at Payroll. The aforementioned forms are not applicable to all other mandatory or involuntary deductions (i.e., Garnishments, Court Orders, Child Support, and Tax Levies.)

Additionally, the Coast 360 Federal Credit Union requires that all employees visit any of their branches to set up, amend or cancel any payroll deductions to their institution. This signed form must be brought to Payroll for processing.

All these forms must be completed and signed by the employee and submitted to Payroll in accordance with Sections 4.8 and 4.9.

- 4.6 Acceptance of new deductions must be submitted the Friday prior to each pay period ending for further processing.
- 4.7 It is the responsibility of GPA employees to cancel or update these deductions as they make changes on their finances. In the event a deduction is rejected by the vendor and refunded, the deduction will be cancelled by Payroll and will only be reinstated upon the request of the employee through the submission of a new PDA form.
- 4.8 If a current deduction needs to be amended for the amount only, a new PDA for the correct amount is to be submitted to Payroll. This new form should indicate that it supersedes the existing deduction amount.
- 4.9 If the current deduction's account number changed, one must fill out a Payroll Deduction Cancellation Form (Appendix B) to terminate the previous account and submit a new Payroll Deduction Authorization Form (Appendix A) with the new account number, amount, and updated information.



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GUAM POWER AUTHORITY
ATURIDAT ILEKTRESEDAT GUAHAN
P.O. BOX 2977, HAGATNA, GUAM 96932
Payroll office 648-3126/7/3069 (fax: 648-3168)

PAYROLL DEDUCTION AUTHORIZATION FORM

EMPLOYEE NAME: _____

EMPLOYEE ADDRESS: _____

DEPT/DIVISION: _____ / _____

GPA BADGE NO: _____ SSN: _____

EMPLOYEE PHONE NO: _____ / _____ / _____
WORK HOME CELL PHONE

The Signatures affixed below hereby authorize the Guam Power Authority,
Payroll Section, to withhold from my wages the amount of \$ _____

Payable to _____ for _____
(Institution name) (Checking, Savings, Loan, Insurance etc.)

Account number # _____. To be deducted indefinite
unless a change of status or cancellation has been submitted by employee.
Effective pay period ending _____.

Signatures

Employee signature

Institution print & signature

Date

Date/Phone no. & ext no.

FOR PAYROLL USE ONLY

Institution code/Payee no: _____

Comments: _____

Note: Above information must be the **original signature of the employee** and
completed before submission to processing department (GPA Payroll).

This form can not be used for Coast 360.

Revised 02/18/09 MER



GUAM POWER AUTHORITY
ATURIDAT ILEKTRESEDAT GUAHAN
P.O. BOX 2977, HAGATNA, GUAM 96932
Payroll office 648-3126/7/3069 (fax: 648-3168)

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Appendix B
- Page 5 of 7
Payroll Deduction
Authorization
Cancellation Form

PAYROLL DEDUCTION CANCELLATION FORM

EMPLOYEE NAME: _____

EMPLOYEE ADDRESS: _____

DEPT/DIVISION: _____ / _____

GPA BADGE NO: _____ **SSN:** _____

EMPLOYEE PHONE NO: _____ / _____ / _____
WORK HOME CELL PHONE

I hereby authorize the Guam Power Authority, Payroll Section, to cancel my payroll deduction of \$ _____

Payable to _____ for _____
(Institution name) (Checking, Savings, Loan, Insurance etc.)

Account number # _____. Effective pay period ending ____/____/____.

Signature: _____

Employee signature

Date

PAYROLL USE ONLY

Comments: _____

Note: Above information must be the **original signature of the employee** and completed before submission to processing department (GPA Payroll).

This form can not be used for GovGuam Credit Union.

Revised 02/18/09 MER



GUAM POWER AUTHORITY
ATURIDAT ILEKTRESEDAT GUAHAN
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Appendix C
Page 6 of 7
(Payroll Hold Form)

HOLD FOR ONE PAY PERIOD ONLY

EMPLOYEE NAME: _____

GPA BADGE NO: _____ **SSN:** _____

EMPLOYEE PHONE NO: _____ / _____ / _____
WORK HOME CELL PHONE

INSTITUTION NAME: _____

ACCOUNT NUMBER: _____

AMOUNT: _____

PAY PERIOD ENDING: _____ / _____ / _____

SIGNATURE: _____ **DATE:** _____

FOR PAYROLL USE ONLY

Comments: _____

Note: Above information must be the **original signature of the employee** and the completed form before submission to processing department (GPA Payroll).

This form can not be used for GovGuam Credit Union.

Revised 02/18/09 MER

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Appendix D - W4 Form

Form W-4
(Rev. December 2020)
Department of the Treasury
Internal Revenue Service

Employee's Withholding Certificate

OMB No. 1545-0074

2021

- ▶ **Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.**
▶ **Give Form W-4 to your employer.**
▶ **Your withholding is subject to review by the IRS.**

Step 1: Enter Personal Information

(a) First name and middle initial	Last name	(b) Social security number
Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
City or town, state, and ZIP code		
(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying widow(er) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the estimator at www.irs.gov/W4App, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do only one of the following.

- (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or
(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. ▶ ☐

TIP: To be accurate, submit a 2021 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

Step 3: Claim Dependents

If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$

Multiply the number of other dependents by \$500 ▶ \$

Add the amounts above and enter the total here **3** \$

Step 4 (optional): Other Adjustments

(a) **Other income (not from jobs).** If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income **4(a)** \$

(b) **Deductions.** If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here **4(b)** \$

(c) **Extra withholding.** Enter any additional tax you want withheld each pay period **4(c)** \$

Step 5: Sign Here

Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.

▶ **Employee's signature** (This form is not valid unless you sign it.)

▶ **Date**

Employers Only

Employer's name and address

First date of
employment

Employer identification
number (EIN)