

GUAM POWER AUTHORITY STANDARD OPERATING PROCEDURE	No.: *SOP-130	Issued: 08/04/05	
	Prepared By: <i>[Signature]</i> Diogenes L. Tamondong, Controller		
	Concurred By: <i>[Signature]</i> Corazon R. Montellano, Asst. CFO		
Title: REQUISITION TRANSFER PROCEDURES, FUND TRANSFERS	Approved By: <i>[Signature]</i> JOAQUIN C. FLORES, P.E. General Manager		
Effective Date: September 22, 2005	Supersedes No.:	Page 1 of 3	

1. PURPOSE:

1.1. To establish the procedures and guidelines for all payment transactions made on Customer accounts via direct payments and/or ACH (Automated Clearing-House).

2. SCOPE:

2.1. Applicable to all customers with Direct Payment Authorization subject to the terms and conditions set by the financial institution and the Authority.

3. DEFINITIONS:

3.1. Automated Clearing-House (ACH) – Is a payment system for the purpose of exchanging paperless entries from an originator (GPA Customer) to a receiver (GPA).

3.2. Direct Payment Authorization Form (DPAF) – A bank form which authorizes Guam Power Authority (GPA) to debit a GPA's customer(s) account for his/her power bill.

3.3. Guam Power Authority (GPA) – A private public corporation that generates, transmits and distributes power to consumers (residential and commercial) but not limited to. GPA is the receiver that has authorization from a GPA Customer to initiate an ACH entry to GPA's account.

3.4. GPA Customer – is the originator that agrees to initiate ACH entries into the payment system according to an arrangement (DPAF) with a receiver

❖ **Daily transfers from Bank of Guam Revenue Account**

1. Obtain bank balances through Bank of Guam Internet Banking
2. Balances in Accounts require daily transfers to Bank of Guam Revenue Trust Fund Account. A minimum balance of \$5000 is kept in each account for any charge back items.
3. Transfers for these two (2) accounts are typed and processed using numbered Fund Transfer Requisition forms and approved by any two of the authorized officers.
4. Completed forms are faxed to Bank of Guam Trust Department 472-5527.
5. Requisition forms are distributed as follows:

- ☐ White copy is filed with the Controller's Office.
- ☐ Yellow copy is attached to the Fax confirmation copy and used to post in the various accounts.
- ☐ Pink copy serves as file copy.

❖ **Fund transfers to/from other Accounts**

Transfers to and from various accounts are at the direction of the Assistant Chief Financial Officer/Controller. Other transfers are as follows:

1. Disbursement Transfers – This transfer to Bank of Guam Disbursement Account is based on the amount of checks issued/disbursed or at the request of the Accounts Payable Supervisor.
2. Payroll Transfers – There are two (2) transfers that are done for payroll.
 - 2a. Bank of Guam Payroll Account is processed the Monday before payroll. A Transfer Requisition is used to process funds from Revenue Account to Payroll Account. The transfer amount is based on the amount due to various banks and institutions also on the current balance of the Payroll Account.
 - 2b. First Hawaiian Bank Payroll Account is processed with a Transfer Requisition into Bank of Guam Disbursement Account an Internet Transfer via Bank of Guam Cash Management System is used to transfer the fund out of Disbursement account and into First Hawaiian Bank Payroll Account. This is processed two days before payroll. The transfer amount is based on the Payroll Summary or estimated at \$300,000, depending on the current balance of the account.
3. Daily Funds transferred from GPA Revenue Funds Accounts with Bank of Guam (BOG) are funds available for the day, all other amounts transfers require 24 hour request notice with BOG Trust.
4. The General Ledger Accounting Supervisor acts as the Alternate

❖ **Transfers out of Bank of Guam Revenue Account**

1. Wire transfers for certain vendors are processed using Transfer Requisitions and faxed to Bank of Guam Trust Department. These payments are covered by the usual Accounts Payable Vouchers
 - a. All wire transfers require payee's ABA Routing Numbers and Account Numbers.
2. Working Capital Fund – Transfers are processed using Transfer Requisitions to meet the required Working Capital Fund requirement.

3. Surplus Fund – A transfer by the Bank of Guam is done automatically every 5th of the month for any excess funds in the Revenue Acct. Figures are obtained via telephone from the bank's Trust Department and recorded in the Daily Cash Report.
4. Construction Fund – An Approved and signed Draw Down Request from Plant Accounting is used to transfer funds from Bank of Guam Construction Account to other accounts.
5. Bond P & I Transfers are done every 5th of the month. No requisitions are processed for these transfers. The funds transferred by Bank of Guam are recorded on the Daily Cash Report for that day.

❖ Weekly Transfers via Cash Management System

Payments made by customers for power bills directly to authorized bank accounts are transferred weekly and the following procedures apply:

1. Obtain bank balances from various banks via automated phone systems requiring access code and through individual contact request.
2. Record up to date balances on Daily Cash Report.
3. Subtract \$2,500 from various balances and transfer net amounts into Bank of Guam Revenue Account.
4. Record transfers in Daily Cash Report.
5. Input amounts in Bank of Guam Cash Manager Program and process for transfer.
6. Print reports and stamp for approving signatures.
7. Assistant Chief Financial Officer/Controller will process transaction and print confirmation.