

GUAM POWER AUTHORITY Standard Operating Procedure	No. *SOP-146	Issued: 6/14/11
	Prepared By: <i>P. Aguirre</i> 4/18/11	PAMELA R. AGUIRRE, Chief Budget Officer
	Concurred by: <i>R. Wiegand</i>	RANDALL WIEGAND, Chief Financial Officer
Title: PROCEDURES FOR BUDGET TRANSFERS	Approved By: <i>J. Flores</i> JOAQUIN FLORES, P.E., Gen. Mgr.	
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1. PURPOSE

To establish the procedures and guidelines for the processing of budget transfers.

The purpose of budget transfers allows cost center to cover shortages of funds, negative balances, and carry over purchases from the previous fiscal year. Request for transfers must be within the approved fiscal year budget.

Cost centers must obtain an approval memo from the General Manager for new line item requirements not authorized within the approved fiscal year budget. Included are the following but not limited to: creation of new positions; reassignment of approved position to another position title; new CIPs line items and new contractual services and payment of after the fact services or other services and equipment not covered in the approved budget.

2. SCOPE

This procedure applies to all budget transfers by costs centers for Operations and Maintenance (O&M) and Capital Improvement Projects (CIP) funds and other budgetary categories.

3. RESPONSIBILITY

3.1 **Cost Centers**

3.1.1 Prepare and complete a Budget Transfer form (Exhibit A) with all required information including account numbers, amount to be transferred, beginning and ending balances, etc.

3.1.2 Provide full justification (i.e. for payment of services, shortage of funds, etc.) for the transfer, and obtain Manager's signature.

3.1.3 Cost centers must request approval from the General Manager for new unbudgeted object codes, contractual services, CIPs etc. The approval memo shall be submitted along with (Exhibit A).

3.1.4 The Budget Transfer form is then forwarded to the Budget Office for validation and verification of accounts.

3.2 Budget Office

3.2.1 Review Budget Transfer form and validate against available budget balances in the JDE System and Excel budget worksheets.

3.2.2 Forward Budget Transfer form to the General Manager for concurrence and approval.

3.2.3 Scrutinize forms and resolve discrepancies prior to posting in the system.

3.2.4 Upon approval, post the transfer amounts electronically as a journal entry in the JDE system to and from the requested accounts.

3.2.5 Note the JDE batch number on the Budget Transfer form. Date and initial the form after posting.

3.2.6 Log the transfer form in the Master Transfer Log by cost center.

3.2.7 Review and validate monthly JDE reconciled transfer reports with the Master Transfer Log.

3.2.8 Verify that all journal transfer entries are recorded and updated in the JDE System and that all transactions are recorded properly.

3.2.9 File all supporting documents properly after processing.

3.3 General Manager

3.3.1 Review and approve requested budget transfers.

3.3.2 Authorize the Budget Office to transfer funds from un-obligated balances within the approved budget categories.

3.3.3 Transfer within the budget approved by the Consolidated Commission on Utilities (CCU).

3.3.4 Transfer between minor categories as necessary to meet the mission of the Authority.

- a. Minor categories for labor include regular, overtime, premium, and benefits.
- b. Minor categories for non-labor include contracts, operating supplies, office supplies, insurance, other administrative, miscellaneous, and others.
- c. Major categories include labor, non-labor, O&M, and CIP.

3.3.5 The transfer of funds across major categories for example, labor to non-labor or O&M to CIP must be authorized by the CCU.

DISTRIBUTION: A, B, C, & D

O&M _____
CIP _____

Batch No.
Date Processed:

EXHIBIT A

GUAM POWER AUTHORITY **REQUEST FOR TRANSFER OF FUNDS**

FY XXXX

<i>Transfer From (Section):</i>	<i>Transfer From (Section):</i>	<i>Transfer To (Section):</i>
<i>Cost Center No.:</i>	<i>Cost Center No.</i>	<i>Cost Center No.:</i>
<i>Ferc Acct:</i>	<i>Ferc Acct:</i>	<i>Ferc Acct:</i>
<i>Description:</i>	<i>Description:</i>	<i>Description:</i>
<i>Budgeted/Adjusted Amount: \$</i>	<i>Budgeted/Adjusted Amount: \$</i>	<i>Budgeted/Adjusted Amount: \$</i>
<i>Transfer Amount: \$</i>	<i>Transfer Amount: \$</i>	<i>Transfer Amount: \$</i>
<i>Revised Budget Amount: \$</i>	<i>Revised Budget Amount: \$</i>	<i>Revised Budget Amount: \$</i>

Justification:

FUNDS VERIFIED:

By:-----

Date: _____

Budget Office

Requestor/Approver:

By:-----

Date: _____

Cost Center Manager

[] Approved [] Disapproved

General Manager

Date: _____