WHEREAS, a broadly recognized practice in medium to large sized organizations is to have within the organization, an Audit Committee to monitor the integrity of the financial statements of the organization, to review material financial reporting judgments, to review the internal financial control system of the organization, to monitor and review the effectiveness of the organization’s Internal Audit functions and its business practices and procedures, to receive internal audit reports, to meet with external auditors regarding audit issues, and to periodically advise the governing body as a whole of such matters; and

WHEREAS, in 2003 the Consolidated Commission on Utilities ("CCU") established an Audit Committee made up of two (2) commissioners, the GPA General Manager, the GWA General Manager, and the Chief Financial Officer for purposes which included approving the audit plan of the Internal Auditor, receiving internal audit reports, following up on audit findings, and meeting once a year with the external auditors; and

WHEREAS, in 2005, the make-up of the Audit Committee was revised to include all the members of the Consolidated Commission on Utilities and the Committee to meet once yearly with GPA’s external auditors; and

WHEREAS, a key component of an internal control system is an internal audit function within an organization; and

//

//
WHEREAS, GPA and GWA hired Internal Auditors and the work requirement of the Audit Committee has increased to include review and the disposition of audit reports from the Internal Auditors; and

WHEREAS, in 2013 the make-up of the Audit Committee was revised further to reference title of the members; and

WHEREAS, the CCU desires that the resolution should make references to updated CCU and GPA/GWA management titles held; and

NOW BE IT THEREFORE RESOLVED, the Consolidated Commission on Utilities does hereby adopt and approve the following policy:

1. Effective immediately, the Guam Power Authority Audit Committee shall be made up of the Treasurer of the CCU who shall serve as the Chairperson of the Committee and another member of the CCU, chosen by the Committee Chairperson, who shall serve as Vice-Chair of the Committee, and the GPA General Manager.

2. Effective immediately, the Guam Waterworks Authority Audit Committee shall be made up of the Treasurer of the CCU who shall serve as the Chairperson of the Committee and another member of the CCU, chosen by the Committee Chairperson, who shall serve as Vice-Chair of the Committee, and the GWA General Manager.

3. Effective immediately, the Audit Committees will meet at the call of the Committee Chair, and may include the attendance of personnel from each respective Internal Audit Offices, or other GPWA staff as the Committee Chair deems appropriate.

RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.
DULY AND REGULARLY ADOPTED, this 6th day of June, 2017.

Certified by: JOSEPH T. DUEÑAS

Attested by: J. GEORGE BAMBA

Chairperson Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0