



**GPA RESOLUTION NO. FY2023-25**  
**GWA RESOLUTION NO. 40-FY2023**

**RELATIVE TO THE AMENDMENT OF THE CREDIT CARD POLICY FOR THE  
GUAM POWER AUTHORITY AND THE GUAM WATERWORKS AUTHORITY**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (“CCU”) has plenary authority over financial, contractual, and policy matters relative to the Guam Power Authority (“GPA”) and the Guam Waterworks Authority (“GWA”); and

**WHEREAS**, the GPA and the GWA are Guam Public Corporations established and existing under the laws of Guam; and

**WHEREAS**, in the course of their business, GPA and GWA have an ongoing and growing need to purchase items over the internet or over the phone where expediency requires the use of a credit card; and

**WHEREAS**, because of the need for the use of credit cards, the CCU on December 09, 2008, approved Resolution No. 2008-37 Relative to the Establishment of a Credit Card Account and the Adoption of a Credit Card Policy for the Guam Power Authority and the Guam Waterworks Authority; and

**WHEREAS**, the recent global pandemic has resulted in improved and expanded contactless methods across many business processes and, given limited resources, has created opportunities for efficiencies; and

**WHEREAS**, 5 GCA Chapter 23 Section 23111, referred to as the *Senator Edward J. Cruz Medical Referral and Education Mileage Program*, requires the accrued airline reward program travel mileage (“mileage”) earned through the use of credit card purchases by the

1 Government of Guam be available to support off-island medical care and off-island student  
2 travel involving academic, sports and cultural activities; and  
3

4 **WHEREAS**, 5 GCA Chapter 23 Section 23111 (d) (3) requires one hundred percent  
5 (100%) of accrued mileage to be used to send eligible students to participate at off-island sports  
6 competitions; and  
7

8 **WHEREAS**, a recent audit of credit card procedures by the Office of Public  
9 Accountability has recommended the update of existing credit card policy.  
10

11 **NOW BE IT THEREFORE RESOLVED**; the Consolidated Commission on Utilities  
12 does hereby approve the following:

- 13 1. The recitals set forth above hereby constitute the findings of the CCU.
- 14 2. The CCU adopts the attached Credit Card Policy.
- 15 3. The CCU hereby authorizes the GPA and GWA General Managers to adopt  
16 and amend Standard Operating Procedures to ensure the appropriate level of  
17 internal controls over the use of credit cards.
- 18 4. The CCU hereby further authorizes the management of GPA and GWA to  
19 work with the Guam Department of Education to implement the *Senator*  
20 *Edward J. Cruz Medical Referral and Education Mileage Program*.  
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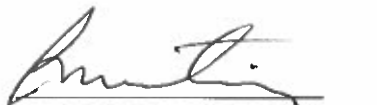
22 **RESOLVED**, that the Chairman certified, and the Board Secretary attests to the adoption  
23 of this Resolution.  
24

25 **DULY AND REGULARLY ADOPTED**, this 29<sup>th</sup> day of August 2023.  
26

27 Certified by:

Attested by:

28  
29   
30 **JOSEPH T. DUENAS**  
31 Chairperson  
32

  
**PEDRO ROY MARTINEZ**  
Secretary

**SECRETARY'S CERTIFICATE**

I, Pedro Roy Martinez, 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:	<u>5</u>
NAYS:	<u>0</u>
ABSENT:	<u>0</u>
ABSTAIN:	<u>0</u>

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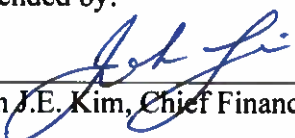



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<p align="center"><b>GUAM POWER AUTHORITY AUTHORITY POLICY</b></p>	<p>Amended by:            John J.E. Kim, Chief Financial Officer      8-2-2023          Date</p>
<p><b>TITLE: CREDIT CARD USAGE POLICY</b></p>	<p>Approved by:            John M. Benavente, P.E., General Mgr.      8-3-2023          Date</p>
<p><b>NO: AP-067      Supersedes: April 5, 2019</b></p>	

1.0 **PURPOSE**

The Guam Power Authority has determined there is a need for a corporate credit card to be used as a tool to promote greater purchasing efficiency. As technology has evolved, GPA has found it necessary to make on-line purchases of certain goods or services which may not be available on island. Therefore, it would only be reasonable to use a corporate credit card to make such purchases.

In addition, in order to facilitate the transfer of travel benefits to the Medical Referral Benefit Bank Account (MRBBA) as mandated by *The Senator Edward J. Cruz Medical Referral and Education Mileage Program* outlined in 5 GCA Chap. 23 §23111 at no additional cost to those who travel for the benefit of GPA, the use of a credit card that earns travel benefits is needed.

2.0 **AUTHORIZED USES OF CREDIT CARD**

The credit card is authorized to be used for the following purposes:

- 2.1 The purchase of items/services which are not available for purchase from local vendors or where GPA has documented that significant savings (> 20% landed costs) can be obtained by use of the credit card.
- 2.2 Airfare purchases which must be paid for with the credit card that earns travel benefits.
- 2.3 For hotels and lodging, taxi fares, and items related to travel (i.e., sim call cards/data and airline internet, etc.).
- 2.4 Registration fees for conferences and seminars whereas GPA employees or CCU Commissioners are in attendance.
- 2.5 The purchase of technical manuals and subscriptions to technical publications.

CODES:	* REVISED	# ADDED
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3.0 **UNAUTHORIZED USE OF CREDIT CARD**

In no event, unless otherwise stated below, shall the credit card be used for any of the following purposes:

- 3.1 Food, meals, or beverages, except as authorized by the General Manager during the recovery from a storm or catastrophic event.
- 3.2 On-island purchases, except as authorized by the General Manager during the recovery from a storm or catastrophic event and except for on-island purchases related to travel as outlined in Section 2.0. \*
- 3.3 Personal items.
- 3.4 Items qualifying as Capital Expenditures as defined in GPA SOP-133.
- 3.5 Non-CIP expenses whose value is greater than \$15,000.

4.0 **CUSTODIAN OF CREDIT CARD**

The Custodian of the credit card shall be the Office of the Chief Financial Officer.

5.0 **APPLICATION OF PROCUREMENT PRICEDURES**

- 5.1 All purchases of goods and services shall be performed on a competitive basis and in accordance with applicable Procurement Rules and Regulations.
- 5.2 All purchases shall have a bid abstract prepared by the requestor to demonstrate competition and compliance with Procurement Rules and Regulations. Credit card purchase request will not be processed by the Office of the Chief Financial Officer without this document. #

6.0 **APPLICATION OF PROCUREMENT PRICEDURES**

- 6.1 Purchase of Goods or Services less than \$500; purchaser will be required to provide evidence the product is not available for purchase on island.
- 6.2 Purchase of Goods or Services greater than \$500; purchasers are required to present evidence the product is not available for purchase on island or evidence of a bid abstract demonstrating a landed cost savings in excess of 20% from items purchased on island.
- 6.3 Payment for airfare or registration fees for a conference; approved Travel Authorization form will be required to be presented.

- 6.4 All purchases must be approved by the Division Manager or General Manager as appropriate. All transactions originating from the CFO section must be approved in advance by the General Manager.
- 6.5 Upon presentation of required materials to CFO office, the CFO staff will review materials, execute the purchase, provide a copy of purchase confirmation to the purchaser and maintain a copy in CFO files.
- 6.6 The designated CFO staff will use the credit card requirements checklist for every credit card request. The checklist will improve GPA's records maintenance, establish consistent procurement practices, and monitor process for compliance with pertinent laws and procedures. #

**7.0 CREDIT CARD PAYMENT**

Upon receipt of a statement from the credit card company, Accounts Payable will reconcile each line item on the statement with the credit card purchase files in the CFO office. Payment will only be made for items for which proper documentation exists.

**8.0 CREDIT CARD PAYMENT**

GPA is authorized to enter into credit card agreements for two (2) separate credit cards with a combined limit of \$100,000 only after the determination of the lowest bidder based on the amount of the annual fee and the interest rate attached to the credit card agreement. GPA is authorized to extend the program as appropriate, however, the program must be put out to bid no less frequently than every five (5) years.

ATTACHMENT: Finance Division Credit Card Requirements Checklist



# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

## FINANCE DIVISION CREDIT CARD REQUIREMENTS CHECKLIST

*For Travel Request Processing in compliance with AP-033 (Off-Island Travel Rules and Regulations)  
and AP-067 (Credit Card Usage Policy)*

### Airfare Quotes: TA \_\_\_\_\_

Approved travelers are required to provide the following documents to the Finance Division prior to securing airfare quotes.

- \_\_\_\_\_ Travel Authorization Form (to be completed by the traveler).
- \_\_\_\_\_ Copy of GM Approved Memo of Travel Request.
- \_\_\_\_\_ Training, Conference, Seminar, Meeting, or Event Flyer (must show registration fees and training hotel venue).
- \_\_\_\_\_ Provide at least two other air fare quotes on the same day for the same travel times to support that the chosen air fare route is the most direct and economical.
- \_\_\_\_\_ If traveler is approved for indirect travel or delay enroute (personal side trip), two air fare quotes must be secured on the same day: one quote will be the direct route, and the other quote will be with the traveler's side trip. In compliance with AP-030, any additional expense as a result of the indirect travel or delay enroute shall be borne by the traveler.
- \_\_\_\_\_ Calendar and email reminder to traveler and pertinent administrative staff that their travel vouchers (to include receipts, boarding passes, training certificate, etc.) are due 10 days after return to Guam.

### Professional Memberships and Renewals

Requestor must provide the following documents to Finance Division prior to processing.

- \_\_\_\_\_ Copy of the approved General Manager's memo for the Membership or Renewal.
- \_\_\_\_\_ Membership or Renewal Invoice from the Organization (must show the fees).

### Other Purchases

The following conditions must be met prior to processing credit card request.

- \_\_\_\_\_ Copy of GM Approved Memo for the credit card request. Memo must include justification for the need of the requirement, reason for vendor selection, and account number.
- \_\_\_\_\_ Are not food, meals, or beverages, except as authorized by the General Manager for recovery from a storm or catastrophic event.
- \_\_\_\_\_ Are not personal items; qualified as Capital Expenditures per SOP-133; and/or are non-CIP expenses greater than \$15,000.
- \_\_\_\_\_ On-island purchases, except as authorized by the General Manager for recovery from a storm or catastrophic event.
- \_\_\_\_\_ Goods or service: Evidence of bid abstract demonstrating a landed cost savings in excess of 20% from items purchased on island. Note that the bid abstract must be provided to the CFO Office prior to purchase.

Upon presentation of required materials and information to the CFO Office, the designated CFO staff will review the documents, execute the purchase, provide a copy of purchase confirmation to the purchases to requestor and maintain a copy in the CFO files.

Prepared By: \_\_\_\_\_  
Print Name, Signature, and Date