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Christine W. Buleto
Director

OCT 12 2016

Department of Administration Organization Circular No. 2017-002

To: All Executive Branch Line Department and Agency Heads
From: Director, Department of Administration
Subject: **Adherence to 5 GCA 22 "Fiscal Policies and Controls"**

Buenas yan Háfa Adai! DOA has received numerous direct payment requests for processing that represents a clear violation of 5 GCA §22401. The excerpt from the law holds that, "No officer or employee of the government of Guam, including the Governor of Guam, shall: Commence, continue, or proceed with any operational activity, construction, improvements, contract, or obligation **without an appropriation or fund for the payment thereof; or after any such appropriation or fund is exhausted.**" Please be advised all expenditures within your department/agency must be within the approved appropriated funding for the fiscal year. Prior to incurring obligations that exceed the cap, the department must seek additional funding from BBMR. If this has not be completed, you may **not** obligate, commence, or otherwise encumber expenditures.

As a reminder, payment requests are used for payments against General Fund and Revenue Accounts. However, for a payment request against an Appropriation Account, the Department/Agency must have corresponding backup documentation such as an approved purchase order or a valid contract signed by the Governor. Keep in mind, there is a strict list of authorized appropriation account transactions allowed. This can be found in the Division of Account's "Accounting Policies and Procedures" handbook.

The following are authorized payment requests against an Appropriation Account:

- | | |
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| 1. Long Distance Bills (itemized) | 9. DOC-DYA-GPD Detainees / GBHWC Patient Clinical Services |
| 2. Petty Cash / Mileage Reimbursements | 10. Government Claims / Court Orders / Judgments |
| 3. Payments of Periodical Subscriptions / Membership / Exam Fees | 11. Travel Registration / Reimbursements |
| 4. Mayor's Council payments (\$500 and below) | 12. Refunds / Shipping Costs / Check Reissuances |
| 5. Stipends / Uniform Allowance | 13. Guam Solid Waste Allotment Releases. |
| 6. Post Office Box Rent and Postage | |
| 7. Worker's Compensation | |
| 8. Childcare / Jobs / Transp / Medicaid-MIP Payments | |

Compliance with the authorized procurement processes ensures the public trust and confidence that the Government of Guam is adhering to procurement laws set forth in 5 GCA. **Direct payment requests in violation of 5 GCA will be rejected.**

Should you have any questions, or wish to discuss this matter, please feel free to contact me at my office 475-1250.

Si Yu'os Ma'ase,



Christine Baleta
Director

Direct Payment Instructions (@ 03-28-16)

Form ACC-DPA001

General:

A direct payment is any made without a previous encumbrance. All payments against General Ledger Accounts and Revenue Accounts are direct payments. Payments against Appropriation Accounts are authorized for (DOA Circular 2014-002).

1. Long Distance Bills (Itemized)
2. Petty Cash / Mileage Reimbursements
3. Payments of Periodical Subscriptions / Membership / Exam Fees
4. Mayor's Council payments (\$500 and below)
5. Stipends / Uniform Allowance
6. Post Office Box Rent and Postage
7. Worker's Compensation
8. Childcare / Jobs / Transp / Medicaid-MIP Payments
9. DOC-DYA-GPD Detainees / GBHWC Patient Clinical Services
10. Government Claims / Court Orders / Judgments
11. Travel Registration / Reimbursements
12. Refunds / Shipping Costs / Check Reissuances
13. Guam Solid Waste
14. Allotment Releases

Instructions:

1 - Type of Direct Payment
The originating department/agency requesting the Direct Payment must select the type of payment request the document represents.

2 - Document Number and Date

The originating department/agency requesting the Direct Payment must enter a control number. The structure of the control number is shown below.

Example: D 12 0600 001

D (Direct Payment)

12 (Fiscal Year)

0600 (Dept or Agency Code & Div)

001 (Control Number)

This Control Number will greatly assist in the tracking of Direct Payments within the Department of Administration. Also, This Code becomes the DOA intake reference number throughout the processing cycle of the Division of Accounts. Enter the date the direct payment is made.

3 - Payee
Enter the payee's name and complete mailing address.

4 - Vendor Number
Enter the Vendor Number assigned to the Payee. (Established by Division of Accounts)

5 - Purpose
Enter the reason for the Direct Payment.

6 - Tran Code
Enter the appropriate Trans Code.

190- Payments against Appropriations Accounts

192- Payments against Revenue Accounts

829- Payments against General Ledger Accounts.

7 - Job Order No/Account Number
Enter the Account Number to be charged with the payment.

8 - Amount
Enter the amount of each invoice to be paid, line per line.

9 - Invoices
Enter the complete invoice number to be paid, line per line.

10 - Total
Enter the total amount of all invoices being paid on each Direct Payment form.

11 - Check Appropriate Box Below
Please check the boxes listed accordingly.

12 - Goods/Services
Check this box if goods/services have been received and that payment is proper as per the attached documents.

13 - Valid Liability
Check this box if a valid liability exist because of withholding overpayment or deposit and that

payment is proper as per the attached documents.

14 - Prepared By
Type or print person's name preparing Direct Payment.

15 - Signature
Original signature of the person preparing the document is required.

16 - Date
Enter the date the document is prepared.

17 - Approving Official
Enter the name of the person authorized to approve Direct Payments for the department/agency.

18 - Signature
Original signature of the Approving Official is required.

19 - Date
Enter the date the document is approved.

20 - Certification of Funds Available
Enter the name of the Certifying Officer for the department/agency.

21 - Signature
Original signature of the Certifying Officer is required.

22 - Date
Enter the date the document is certified that funds are available.

Required Attachments:

1. Refunds/Services Rendered
 - Field Receipt
 - Official Receipt & Depository Report
2. Stipends
 - Gov't of Guam Employee Leave Form (8am-5pm per 5 GCA §43104, work schedule)
 - Certification (DOA Circular No. 12-90)
 - Board Secretary's Testament
3. Local Mileage
 - Reimbursement Request
 - Monthly Summary of POV Form
 - Daily Mileage Report
4. Petty Cash
 - Petty Cash Replenishment Report Summary
 - Petty Cash Count Report
 - Petty Cash Voucher
 - Receipts/Invoices
5. Other Supporting Documents