

Section 9.1

FUNDS MANAGEMENT

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Section 9.1 FUNDS MANAGEMENT

PURPOSE

The purpose of this section is to establish the process the Guam Department of Public Works Office of Right of Way (Department) must follow to process invoice transmittals, deposit transmittals, and coding for Federal aid participation.

AUTHORITY

23 CFR, Parts 710.201 and 710.203
5 GCA, Chapter 4, Program Budgeting and Financial Management
5 GCA, Chapter 22, General Fiscal Policies and Controls

SCOPE

This section will be utilized Department of Public Works (Department) Offices of Right of Way. Other affected offices include the Department's Fiscal Section liaison with the Department of Administration and Bureau of Budget and Management Research. The principal users of this document are Department of Public Works Office of Right of Way employees and those persons contracted by the Department to perform parcel funds management functions and the Department's Fiscal Liaison with the Department of Administration and Bureau of Budget and Management Research Staff.

REFERENCES

Right of Way Manual, Section 5.2, The Real Property Negotiation Process

FORMS

None specific to this section.

DEFINITIONS

Department Liaison: Unless otherwise stated, refers to the Department of Public Works Fiscal Section (DPWFS) with the Department of Administration (DOA) and Bureau of Budget and Management Research (BBMR).

Expenditure: A created or incurred legal obligation to disburse money.

Interest: Payment made in excess of the original invoice amount as directed by a court order or settlement agreement

Right of Way Invoice Transmittal (RIT): A method for transmitting the vendor invoice or other supporting documentation to the Department requesting a warrant for payment of right of way expenditures detailed in **Section 9.1.2, Right of Way Manual.**

Right of Way Contract Invoice Transmittal (R/W CIT): A method for transmitting the vendor invoice or other supporting documentation to the Department requesting a warrant for payment of right of way contractual services.

Right of Way Deposit Transmittal: A method used for processing right of way payments received for leasing of right of way, refunds and rebates and warrant cancellations.

Vendor Invoice: An itemized statement of goods or services received from a vendor which reflects the date, terms, method of shipment (if applicable), quantity, price and any other pertinent details.

Warrant Request Package: A packet of documents consisting of a transmittal, vendor_invoice (as applicable) and supporting documentation necessary to request a warrant for right of way expenditures from the Department of Administration (DOA).

9.1.1 Invoice Transmittals for Right of Way Payments

9.1.1.1 A vendor invoice should be submitted to the DPWFS no later than **twenty business days** after receipt of the invoice and receipt, inspection and approval of the goods or services by the Department of Public Works Right of Way Supervisor (DPWRS).

9.1.1.2 Inspection and approval of goods or services shall take no longer than **five business days** after receipt of such goods or services, unless the bid specifications, purchase order, or contract specify otherwise.

9.1.1.3. Any warrant for payment of a vendor invoice not issued from the DOA within **forty calendar days** after receipt of the vendor invoice and receipt, inspection and approval of the goods and services, will require payment of interest to the vendor.

9.1.1.4 The Department shall be responsible for ensuring invoices are processed and warrants issued in the required time limit, so that the Territory of Guam will not be required to pay interest to the vendor.

9.1.2 Expenditures

9.1.2.1 The following right of way expenditures will be handled by the Department and records retained in the Department's official files:

- (A) Land and severance damages, includes improvements listed on appraisal;
- (B) Mobile home purchase;
- (C) Sign purchase, nonconforming outdoor advertising signs;
- (D) Business damages;
- (E) Land owner CPA fees;
- (F) Land owner attorney fees;
- (G) Land owner appraiser fees;
- (H) Other land owner expert fees or costs;
- (I) Closing costs;
- (J) Interest;
- (K) Other court ordered fees and costs;
- (L) Relocation assistance costs including move costs and replacement housing payments.

This list is not an all-inclusive list of expenditures that the Department is responsible for handling. The method of procurement, how a commodity or service is obtained, as well as the amounts paid, dictate the necessary form of payment. If the amount paid annually to a single vendor (other than governmental units) exceeds the statutory threshold for competitive bids, then the Guam Chief Procurement Officer (GCPO) will seek bids and issue a purchase order/contract. The Department should consult with the GCPO or designee to obtain appropriate technical procurement information regarding other expenditures.

9.1.3 Revenues

9.1.3.1 The following must be processed and submitted on the Department's Deposit Transmittal form:

- (A) Salvage credit for sale of severable items, personal property, signs, etc.;
- (B) Lease or rental income;
- (C) Credit for refunds;
 - (1) Court Registry refund;
 - (2) Overpayments;
 - (3) Duplicate payments;
 - (4) Warrant Cancellations.

9.1.4 Revenues To Be Returned

9.1.4.1 All revenues generated by the sale or lease of surplus property or leaseback of rights of way will be returned to the Guam General Fund.

9.1.4.2 Specific revenue object codes should be established for tracking purposes and used in conjunction with the Department revenue organization code when processing the revenue payments.

- (A) Joint Public-Private Development – A specific object code should be developed for each instance of revenue generated through a lease.
- (B) All Other Parcels

9.1.5 Federal Participation in Right of Way Costs

9.1.5.1 Any costs incurred by the Department, which are compensable under Guam law, are generally eligible for Federal participation.

9.1.5.2 For right of way costs, the following costs are normally ineligible for Federal participation on right of way projects.

- (A) Any costs where Federal participation was not requested by the Department or not authorized by the Federal Highway Administration (FHWA);
- (B) All property owner fees and costs;

- (C) Business damages and all fees and costs pertaining to business damages;
- (D) Clerk of the Guam Superior Court fees for disbursement of nonparticipating court deposits;
- (E) Any interest associated with a nonparticipating item, or as a result of noncompliance.
- (F) All costs, including appraisal, acquisition, demolition, relocation or court costs necessary to acquire property marked nonparticipating on right of way maps.
- (G) Noise damages;
- (H) Department costs that were not project related;
- (I) Expert witness fees if the expert witness was hired to testify concerning a nonparticipating item;
- (J) Land purchase agreements. Any amount over the initial approved appraisal.

9.1.5.3 This section applies retroactively for all projects that:

- (A) Have not been closed out by FHWA; and
- (B) Were authorized prior to January 20, 2000; and
- (C) Had costs incurred after January 20, 2000.

9.1.5.4 Credit to Federal funds is not required on income received by the Territory of Guam for Territory owned property on projects with Federal participation in acquisition costs.

9.1.6 Coding of Invoice Transmittals

9.1.6.1 To correctly bill for Federal aid participation, the DPWRS or authorized designee shall review, approve and provide the proper coding of invoice transmittals for Federal aid eligible or ineligible costs.

9.1.6.2 The DPWFL, DOA and BBMR shall be responsible for pre-auditing each warrant request package for accuracy, documentation completeness, and correct Federal aid participation coding.

9.1.6.3 The Department will be responsible for ensuring the coding and invoice is correct

9.1.7 Funds Management Handbook

A Funds Management Handbook should be developed by the Department to assist Department personnel in performing their responsibilities. The handbook should detail the criteria to be followed in order to comply with this procedure.

HISTORY

Original Issue Date: 2009