

GUAM COUNCIL ON THE ARTS AND HUMANITIES AGENCY

REVOLVING FUND

GUIDELINES

ARTICLE I

The purpose of the Rules and Regulations is to provide (1) general administrative guidelines, (2) internal fiscal control, (3) audit review authority to safeguard the assets against loss from unauthorized use of disposition and (4) authority over the Revolving Fund, hereinafter referred to as the "RF" . The Rules and Regulations have been established as per authority in the Executive Order \_\_\_\_\_ which created the RF.

ARTICLE II - TERMS AND DEFINITIONS

Guam CAHA - Guam Council on the Arts and Humanities Agency

Director - Director, Guam Council on the Arts and Humanities Agency

Administrative Officer - Administrative Officer, Guam CAHA

Program Coordinators - Program Coordinators for each section of the Agency which generates revenue.

RF - Revolving Fund

RF Assets - All monies collected, capital articles and equipment, non-expendable supplies and materials and other miscellaneous articles.

Daily Report - Recapitulation report prepared by each Program Coordinator.

Treasury Agent - Individuals recommended by the Director to be the centralized persons to collect and deposit RF monies, to be in charge of check issuing, to be responsible for maintaining a monthly reconciliation of the fund, and maintain division records in regards to RF.

Disbursements - An authorized payment made through a RF check or authorized Petty Cash payment.

Check(s) - Check(s) drawn upon the RF.

Petty Cash - Amount authorized by the Director to expedite the purchasing of small items.

Sub-Section - Sections of the Guam CAHA which generate revenue of the RF.

ARTICLE III

3.1 Authority over the RF shall rest with the Director or his authorized alternate. The Director or his authorized alternate reserves the authority remanded herein as well as other authority expressed or implied in the Executive Order \_\_\_\_\_.

3.2 Channels of succession for the review and approval of the RF matters of concern shall be in this order:

- (a) Program Coordinator
- (b) Administrative Officer
- (c) Director

These channels of succession are concurrent with the organizational structures of the Guam Council on the Arts and Humanities Agency which the RF is an instrumentality.

3.3 The Director shall institute necessary forms, standard operating procedures, audit and review procedures and any other procedures deemed necessary for the internal control and safeguarding of the RF assets.

3.4 The Director reserves the right to audit records and all other documentation pertaining to each section's program(s) and project(s).

3.5 The Board of Directors of Guam CAHA also reserves the right to audit records and all other documentation pertaining to each section's program(s) and project(s).

ARTICLE IV - REVENUE GENERATING ACTIVITIES

4.1 The respective Program Coordinator shall determine the types of revenue generating activities and applicable fees for such activities under the jurisdiction of their respective programs, subject to the review and approval of the Director.

4.2 Monies generated from facility usage fees will be under the jurisdiction of the Director. Expenditures will be at the discretion of the Director and the respective Program Coordinators according to program needs.

4.3 Monies shall only be collected by the Treasury Agents or authorized program coordinator who collect receipts directly from the users. No other individuals are allowed to transact monies on the RF.

- (a) The Treasury Agents will be appointed by the Director.
- (b) The Treasury Agent(s) will be accountable and responsible for all monies collected.
- (c) The Treasury Agent(s) shall be covered by a surety and/or fidelity bond insurance against losses of monies that result of natural causes, without human intervention or agency, that could not be prevented by reasonable foresight or care such as floods, lightning, earthquakes, storms or acts of God.
- (d) Any loss of monies must be reported in writing to the Director within three (3) working days following the discovery of the loss by the appropriate personnel. The Director reserves the right to determine the manner in which restitution will be made if such losses are determined to be that of human intervention and agency.
- (e) The Treasury Agent(s) must deposit monies within one (1) working day after the collection of such monies.
- (f) The Treasury Agent shall issue receipts for aggregate money collection, regardless of the source or mode of payment. Exemptions to this section are activities wherein fees are assessed to permit access to a performance or stubs with numbers affixed on each ticket in numerical sequence. The Treasury Agent shall issue such tickets and shall audit ticket stubs to ensure the amount of monies agrees with the number of tickets issued as well as other particulars.
- (g) The Director reserves the authority to rescind appointment of Treasury Agents based on reasonable cause.

4.4 All modes of payment for fees assessed by the RF are acceptable, e.g., cash, first party checks, money orders, traveler's checks, etc., in U.S. legal tender (currency) except as provided otherwise.

- (a) First party checks must be properly endorsed with the notation "For Deposit Only to the Account of the Guam CAHA Revolving Fund" followed by the Checking account number of the RF bank, respective alpha code of the subsection and the applicable receipt number.
- (b) There will be an additional charge of Fifteen and 00/100 Dollars (\$15.00) levied against the payer of a first party check that is returned by the bank as uncollectable or for any reason whatsoever to offset the cost of special handling fees levied by the RF's bank. This additional charge will be subject to increase by the order of the Director. Such additional charge may never be levied.
- (c) Program Coordinators shall take all action necessary to contact payers of checks that are returned by the bank as uncollectable. If the Program Coordinators have exhausted all attempts for restitution, recommendations may be made through proper channels to the Director who shall determine if the matter is to be referred to a collection agency. Any additional charges incurred to collect such restitutions shall be paid by the payer of such uncollectable first party check.
- (d) Fees assessed for an aggregate activity that are greater than Two hundred and 00/100 Dollars (\$200.00) may only be accepted in the form of cash, money order, traveller's check or certified check in U.S. legal tender (currency).

4.5 Fees assessed must be paid in advance by patrons of the RF's services or commodities. There shall be no credit extended to any patron.

#### ARTICLE V - DISBURSEMENTS

5.1 All disbursement transactions on the RF shall be as stipulated herein:

- (a) The Disbursement Voucher must be completed by the Program Coordinator detailing the proposed expenditure under the jurisdiction of that Program Coordinator's respective portion of the RF. Such Disbursement Voucher requires the approval of the Director.
- (b) The Treasury Agent shall issue a check for each voucher to the payee listed thereon and in the amount approved by the Director. Such checks shall be issued to the Program Coordinator upon the endorsement of two (2) authorized signatures.
- (c) Authorized signatures shall be the Director and the Treasury Agent.
- (d) Program Coordinators shall submit sales invoices, receipts and other acceptable forms of substantiation as determined by the Director for all checks issued.
- (e) When a check has been issued for a particular purpose, commodity or service, no other commodities or services may be procured with such check except upon written approval to the Director.
- (f) Disbursements made under each program shall be applied to underwrite the costs of commodities or services which are directly related to the activities of such respective programs. Examples of allowable disbursements include, but are not limited to:
  - (1) Supplies and materials;
  - (2) Publicity, printing and advertising services;
  - (3) Expendable and non-expendable equipment;
  - (4) Liability, surety and other applicable forms of insurance coverages;
  - (5) Refunds as provided in Section 5.1 (1) of Article V;
  - (6) Construction supplies and materials necessary for renovation, repair or preventive maintenance of Guam CAHA facilities;
  - (7) Fees paid to instructors;
  - (8) Professional fees and contractual services in support of RF; and
  - (9) Any other expenses directly related to the program activities or events as approved by the Director.
- (g) Any check issued to any particular vendor for any specific amount for a particular purpose, commodity or service, may not be altered or modified to reflect a change in the date, payee or amount. If a change is needed, the issued check must be returned to the Director's office for approval and must be replaced by a new check showing the desired change. Every change must be evidenced by either an invoice or statement.
- (h) Any unauthorized distribution or disbursement of RF monies shall warrant strict disciplinary action against the perpetrator as well as immediate restitution of such unauthorized distribution or disposition.
- (i) Petty Cash may be established for each program of the RF as stipulated herein:
  - (1) The purpose of the petty cash is to expedite small item purchases.
  - (2) The Director may establish or rescind petty cash for each program of the RF.
  - (3) Program Coordinators shall be appointed petty cash custodian for their respective program by the Director, who reserves the right to rescind such appointments.
  - (4) Program Coordinators shall be responsible for safeguarding their respective petty cash.
  - (5) All petty cash expenditures must be supported by a receipt properly compiled and endorsed by the vendor's authorized representatives.
  - (6) Petty cash purchases will be limited to those that are in line with the provisions of Section 5.1 (f) of this article.
  - (7) Any petty cash disbursements not approved by the Director shall require restitution by the Petty Cash Custodian.
  - (8) Any loss of petty cash monies shall be reported in writing to the Director no later than three (3) days, by the Petty Cash Custodian. The Director reserves the right to determine the manner in which restitution will be made by the Petty Cash Custodian.

- (9) Petty cash custodians shall not be responsible for any losses of monies that result from natural causes, without human intervention or agency, that could not be prevented by reasonable foresight or care such as floods, lightning, earthquakes, storms, acts of God or theft. Reports concerning such losses shall be directed to the Administrator then the Director, who shall determine if the loss must be absorbed by the RF.
  - (10) Petty cash shall be replenished as often as necessary through the Disbursement Voucher system.
  - (11) In the event that the Director desires a change in the petty cash custodian, the Director must be notified and may recommend a new Petty Cash Custodian. The outgoing Petty Cash Custodian must settle his/her account with the Administrator by returning the cash balance disbursements as well as other records pertaining thereto.
  - (12) Any petty cash disbursements shall not exceed \$25.00 for a single item.
- (j) Refunds may be made on the RF as stipulated herein:
- (1) One Hundred percentum (100%) of the fee collected may be refunded to the patron in the event that the activity is cancelled by the Program Coordinators who coordinated such event, due to unforeseen circumstances.
  - (2) There shall be no refund afforded to the patron of fees paid in the event that the patron cancels out of an activity or event without a 30 day notice of cancellation.
  - (3) Refunds may be made through the manner and method prescribed for disbursements of RF funds.

5.2 The Director shall name a task force comprised of Guam CAHA Board members and staff and others to review proposed capital improvement projects to be underwritten by the RF. The task force shall review the feasibility of such plans and make recommendation to the Director. The Director may bring proposed capital improvements project plans before the Guam CAHA Board of Director for its advice and approval.

5.3 Proposed purchases on the RF in which the cost is expected to exceed One Thousand Five Hundred Dollars (\$1,500.00), requires prior approval of the Guam CAHA Board of Directors.

5.4 Contractual services needed for in-house programming on the RF in which the cost is expected to exceed Five Hundred Dollars (\$500.00), requires prior approval of the Guam CAHA Board of Directors.

#### ARTICLE VI - RECORDS MANAGEMENT

6.1 Program Coordinators shall maintain the following records relative to their respective programs:

- (a) Listing of all revenue collected on a calendar year basis and distribution of such revenue into the various activities or events scheduled for the year. Such listing shall agree with records maintained by the Treasury Agent.
- (b) Listing of all vouchers approved for disbursement by the Director, to include the Payee, date of payment, check number, amount of check and the purpose of the disbursement. Special attention must be focused on disbursements to individuals for remuneration of services rendered for inclusion at the end of the calendar year for Forms 1099 "Miscellaneous Income Statement", for tax purposes.
- (c) Project Cost Listings for each activity undertaken during each calendar year which shall include information such as respective revenue generated as well as disbursements thereon. A Project Summary roster must be maintained which shall detail a summary of information from the aggregate Project Cost Listing.
- (d) Records of all equipment, non-expendable supplies and materials, and other capital assets acquired by the program.
- (e) Any other records required by the Director.

6.2 The Treasury Agent(s) shall maintain the following records relative to the transaction on the RF:

- (a) Prepare in duplicate the Daily Report and transmit the original together with the proper designated copy of the receipts and certified deposit voucher to the Director's Office.
- (b) The Treasury Agent shall retain the duplicate copy of the Daily Report as well as the copy of the receipts.
- (c) Log records and any other records that the Director deems necessary.

6.3 The Director shall maintain the following records relative to all transactions on the RF:

- (a) Subsidiary Ledgers for each program of the RF which shall include revenue generated as well as disbursements and available balances.
- (b) General Ledgers which will be comprised of all subsidiary Ledgers of each program of the RF which shall be used to reconcile against bank statements.
- (c) Monthly bank statements as well as cancelled checks from the RF's bank.
- (d) Periodic Net Profit/Loss Statements.
- (e) Log of all checks issued as well as the status of such check.
- (f) Log of all payments issued to individuals for remuneration of services rendered for activities and events for preparation of the Forms 1099.
- (g) Any other records deemed necessary by the Director.

#### ARTICLE VII - PROPERTY MANAGEMENT

7.1 The Director shall be the Property Management Officer of all property acquired by the RF and shall direct the maintenance of records pertaining thereto. The Director shall maintain a master list of all properties together with the serial numbers the Director assigns to such property.

7.2 The Director may appoint a committee to survey surplus property of the RF and shall direct the disposition of such surplus property, at the recommendation of the survey committee, through a public auction. All proceeds derived from such public auction shall be credited to the respective program from whence the property was acquired upon.

7.3 Any loss of property must be reported in writing to the Director within three (3) working days following the discovery of the loss. The Director reserves the right to determine the manner in which restitution will be made.

#### ARTICLE VIII - CONFORMITY WITH AUTHORITIES

8.1 The Director shall take all action to ensure that the RF is operating in the conformity with all existing statutes, rules and regulations, codes, executive orders and any other authority which is applicable to the operations of the RF.

## **General Programs of the Arts**

*The Guam CAHA Board of Directors reserves the right to impose additional fees as needed on a case-by-case basis.*

### **Gallery**

*Exhibit fee per artist - \$25.00*

*Commission - 10% of all monies earned through the sale of art pieces owned by the artist while on exhibit in the Gallery.*

*Exception may be made for on a case-by-case basis.*

### **Workshop Fees**

*Workshop fees for the visual arts, performing arts and folk arts will be assessed according to the program. The Director reserves the right to assign appropriate fees to the respective workshops.*

### **Miscellaneous**

*Returned Check Fee - \$15.00*