

SOPP # 600 (Accounts Payable)	<u>Prepared By:</u> Financial Reporting
<u>Effective Date:</u> November 20, 2016	<u>Approved By:</u> Commissioner of Finance
Title	SINGLE PAYER UTILITY FUND
Purpose	Provide policies and procedures pursuant to Act 7562, Bill No. 30-0017, to enable the Department of Finance to pay the Virgin Islands Water and Power Authority (WAPA) from the Single Payer Utility Fund for the electric and water utility bills of departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund.
Policies	<ul style="list-style-type: none"> • The Department of Finance (DOF) will make payments to WAPA for the electric and water utility bills of departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund. • Monies deposited into the Single Payer Utility Fund are to remain available until expended and may be used to pay for electric and water utility bills, regardless of what fiscal year the services were incurred. • The Single Payer Utility Fund shall consist of appropriated monies that have been released and deposited in the operation accounts of departments, agencies and instrumentalities of the Government of the Virgin Islands for the purpose of paying their respective electric and water bills. • The Fund shall also consist of any funds appropriated by the legislature and allotted by the Office of Management and Budget for such purpose.
Responsibilities	<p>Departments, agencies and instrumentalities supported by the General Fund for electric and water utility bills shall:</p> <ul style="list-style-type: none"> • Identify a primary and secondary contact persons in each department or agency responsible for verifying the electric and water utility bills charges and assisting WAPA with crediting the various accounts; • Establish electronic access and/or electronic billing with WAPA in accordance with the enclosed joint DOF/WAPA memorandum, dated December 4, 2015; • Verify and approve electric and water utility bills, to include reconciliation of meter numbers with respective billing statements; <ul style="list-style-type: none"> ○ NOTE: Unless a discrepancy in billing exists that requires written notification to DOF and/or WAPA, written approval of monthly statements to DOF is not necessary. • Maintain copies of electric and water utility bills or statements;

	<ul style="list-style-type: none"> ○ NOTE: Unless a discrepancy in billing exists that requires written notification to DOF and/or WAPA, copies of electrical and water utility bills (or any statement evidencing reconciliation of said bills) should be filed in accordance with the record and retention policy of the respective department, agency and instrumentality. • Contact WAPA upon receiving electronic notification from DOF of the amounts paid on their behalf for electricity and water per district; • Communicate directly with WAPA to validate which accounts to apply the payments received from the Single Payer Utility Fund; • Process payments to WAPA for their Federal or Special Fund portion of electric and water bills owed; • Coordinate with WAPA promptly to resolve any billing dispute, whereby DOF will pay the undisputed portion of the bill when due. • Seek to reprogram funds or obtain a supplemental budget via OMB in the event the allotted funds are not sufficient to cover utility services in any budget year; and, • Liquidate any outstanding encumbrances for electric and water utility bills owed to WAPA related to the General Fund, by no later than December 15, 2016.
	<p>The Department of Finance shall:</p> <ul style="list-style-type: none"> • Process a monthly payment to WAPA for the General Fund portion owed every month. • Payment to WAPA for the General Fund portion of the respective electric and water utility bills that have been budgeted and released by OMB; <ul style="list-style-type: none"> ○ NOTE: If the amount released by OMB exceeds the current balance(s) owed to WAPA, DOF will limit payment to that precise balance; • Deposit electronic payments into WAPA bank account by or before the 15th of every month; • Transmit an electronic notification of payment amounts to WAPA, per department and district for electricity and water utility bills; • Provide departments, agencies and instrumentalities with an electronic notification of payment amounts per district for electricity and water utility bills; • Prepare a monthly statement of all obligations and disbursements from the Fund for payment of electric power bills and submit said statement to the Legislature within thirty days after the close of each month; and, • Record all utility bills on behalf of government departments and instrumentalities onto the Enterprise Resource Planning Program System (ERP).
	<p>The Office of Management and Budget shall:</p> <ul style="list-style-type: none"> • Release the appropriations into the Single Payer Utility Fund on a monthly basis for the electric and water utility bills of departments, agencies and instrumentalities of the

	<p>Government of the Virgin Islands that are supported by the General Fund; and,</p> <ul style="list-style-type: none"> • Notify DOF, as well as the respective departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund of the allotment releases in detail (e.g., orgs, objects and amounts).
	<p>The Virgin Islands Water and Power Authority shall:</p> <ul style="list-style-type: none"> • Submit an aging report to DOF by the 2nd business day in each month for the electric and water utility bills of departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund; • Cooperate and coordinate with departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund; and, • Apply the appropriate credit(s) to departments, agencies and instrumentalities of the Government of the Virgin Islands that are supported by the General Fund, upon receipt of payment and assistance from the departments in identifying which accounts is to be paid from the General Fund portion (Single Payer Utility Fund).

Revision History

Revision #	Date	Description of changes	Requested By
0	11/01/2016	Initial Release	CF
1	11/15/2016	Review and update draft	ES/CME/VC
2	11/20/2016	Final Review	VC