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1. Purpose. The combined requisition form and purchase order form may be
    used for a variety of purposes within an agency as prescribed by
    departmental purchasing policies and procedures. The primary statewide
    purposes of the form are as follows:

    (a) Requisition Form. To serve as a written request, usually to the
         departmental purchasing officer, for specified articles or services.

    (b) Purchase Order. To serve as a document authorizing the delivery of
         specified merchandise or the rendering of certain services, and the
         making of a charge for them.

    (c) Computer Processing. To serve as an input document for those
         departments using the computer-based encumbrance and vouchering
         system referred to as "SWAS" for the following:

         (1) When the form is initially processed to record the purchase
              order, the computer-based encumbrance system generates various
              encumbrance reports. The instructions for preparing this form
              during the encumbrance phase are explained in this section.

         (2) When the form is processed to request preparation of payment
              documents, the computer-based vouchering system generates a
              SUMMARY WARRANT VOUCHER for payment purposes. The instructions
              for preparing this form are explained in Section 552 of this
              volume.

2. Proper Form. The purchase order encumbrance must be incurred through an
    approved form of the purchase order. Several versions of the combined
    requisition and purchase order form have been approved and accepted by the
    State Comptroller for use by departments and agencies. Although some of
    the forms are restricted in use to only certain departments due to the
    printed information, all of the forms are similar in format and contain the
    same basic information as the standard SAFORM C-03. The REQUISITION &
    PURCHASE ORDER, SAFORM C-04, which may also be used by departments and
    agencies, provides greater number of lines for the uniform accounting code
    area.

3. Funds Availability. Every Purchase Order released to a vendor must
    satisfy the following requirements relating to funds availability:

    (a) The appropriation to be encumbered must have sufficient funds to
         cover the obligation.

    (b) The funds must have been properly allotted.

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4.   Prepared By.   The departments.

5.   Frequency.   As required.

6.   Distribution.

(a)   Copy #1 - To the vendor.

(b)   Copy #2 - To DAGS Accounting with the SUMMARY WARRANT VOUCHER.

(c)   Copy #3 - The department's processing copy, to data processing center direct.

(d)   Copy #4 - The department's voucher file copy.

(e)   Other Copies - As determined by preparer.

7.   Batching Instructions.

(a)   This form is batched by the departments.

(b)   The batch size should not exceed 30 forms.

(c)   The total amount of the purchase order serves as the dollar amount control (mandatory).

(d)   The batch "type" of this form is "E".

8.   Form Format.   There are two distinct sections within the form.

(a)   Upper Section.   The upper section provides information for the purpose of acquiring goods and services from the vendor.   Only two items of information within this section are entered in the State's accounting system -- the date the document is prepared, and the purchase order number.

(b)   Lower Section.   The lower section provides information required for processing in the accounting system.   The design format of this section is uniform for all purchase order forms processed under the SWAS encumbrance and vouchering system.

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9. <u>Special Rule</u>. When modifying or deleting a Purchase Order, a reproduced copy of Copy #3 must be made. The changes must be made in the following manner:

(a) For change(s) in ENTRY LINE "A" - Cross out and enter the change in red just above the field to be corrected.

(b) For change(s) in ENTRY "C" through "J" - Use the lines without a pre-designated letter entry code. Place a check mark (✓) in the "KP" column and enter the correction as it should read; use the entry letter of the line changed. If no blank entry line is available, it will be necessary to blot out the field to be changed and then to insert the correction. A check mark is also needed to instruct the keypunchers of the line entry to be corrected. The blotting out process should be done by using correction fluid or tape.

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ITEM NO.	DATA AND DATA INSTRUCTIONS
	(UPPER SECTION) - Note: This section is used primarily by the department with the exception of the items of information below.
①	PURCHASE ORDER NO. - Enter the six digit purchase order number assigned to the document by the departments.
②	DATE - Enter the date the document is prepared.
	(LOWER SECTION) - Note: All items keyed with the letter A are left blank. These items are to be recorded with information only when this form serves as a request for preparation of payment documents. Instructions for such use are explained in Section 552 of this volume.

③	OP CODE - Enter the operation code that indicates the type of action required by this form.
	
	M1 = To encumber initially, such as when the purchase order is initially processed to record the purchase order in the computer-based encumbrance file.
	
	M2 = To modify the encumbrance, such as when the purchase order is resubmitted for corrections. Only the following may be modified.
	
	    1. Document Date (Item ②)
	
	    2. Vendor No. (Item ④)
	
	    3. Delivery Date (Item ⑤)
	
	    4. Object Code of UAC (Item ⓖ)
	
	    5. Function Code of UAC (Item ⓗ)
	
	    6. Location Code of UAC (Item ⓘ)
	
	    7. Project Code of UAC (Item ⓙ)
	
	    8. Estimated Cost (Item ⑨)

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ITEM NO.	DATA AND DATA INSTRUCTIONS
	a. The amount recorded in a modification operation should be the <u>correct</u> amount, rather than the <u>net</u> amount to adjust the cost to the correct amount.
	b. If the purchase order was issued in the <u>prior quarter</u>, the Estimated Cost cannot be <u>increased</u>. A new purchase order for the additional amount must be created if the estimated cost was under-estimated. A reduction of the estimated cost is permissible.
	9. Optional Department Data (Item ⑩)
	All other erroneous entries, such as the purchase order number or the appropriation code, must be first deleted (operation code M3) and then resubmitted (operation code M1) with the correct entries in order to accomplish a correction.
	M3 = To delete the following encumbrance data:
	1. The line entry within a purchase order. To indicate the appropriate line entry that is to be deleted, the corresponding "KP" field (Item ⑥) must be checked (✓).
	2. The whole purchase order. To indicate a purchase order deletion, the "KP" field (Item ⑥) must be blank.
④	VENDOR NO. - Enter the vendor number of the vendor to whom the purchase order is issued.
⑤	DELIVERY DATE - Enter the expected delivery date; this field may be left blank at encumbrance processing.
⑥	KP - Enter a check mark (✓) in conjunction with modification operation code "M2" and deletion operation code "M3". Refer to explanation for OP CODE (Item ③).
⑦	ENTRY - The entry letter is preprinted. It identifies each line entry within the purchase order.
⑧	UNIFORM ACCOUNTING CODE - Enter the Uniform Accounting Code for each line entry as specified in the State of Hawaii Accounting Manual, Volume I.

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ITEM NO.	DATA AND DATA INSTRUCTIONS
(a)	TR - Enter the transaction code.
(b)	F - Enter the fund code.
(c)	YR - Enter the year code.
(d)	APP - Enter the appropriation account code.
(e)	D - Enter the department alpha code.
(f)	S/D - Enter the subdivision code. If the department has elected the subdivision option in the accounting system, the subdivision code is mandatory.
(g)	OBJECT - Enter the object code.
(h)	FUNCTION - Enter the function code (optional).
(i)	L - Enter the location code (optional).
(j)	PROJ - Enter the project code (optional).
(9)	ESTIMATED COST - Enter the allocated portion of the estimated cost of the purchase for each line entry.
(10)	OPTIONAL DEPARTMENT DATA - Enter any useful department data. (This is an optional field and is restricted to 24 characters.)

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COPY #1 — VENDOR