

SECTION 550: SUMMARY WARRANT VOUCHER - GENERAL

1. General Description. This section describes the general SUMMARY WARRANT VOUCHER (SWV) requirements and procedures for departments and agencies in submitting claims to the Comptroller for payment by the State of Hawaii.
2. Scope. In describing the general SWV requirements and procedures, this section does not include SWV's relating to payroll expenditures, nor does it cover special and additional vouchering requirements and procedures such as those applicable to welfare payments, unemployment compensation payments, and other exclusive processes.
3. Authority and Responsibility.
 - (a) Comptroller. As the general accountant of the State of Hawaii, the Comptroller has overall authority and responsibility concerning SUMMARY WARRANT VOUCHERS. The more specific statutory references regarding this authority and responsibility are:
 - (1) "The comptroller ...

... shall have the power to withhold any disbursement for which no appropriation has been made or which would cause a specific appropriation to be exceeded ...

... shall pre-audit all proposed payments to determine the propriety of expenditures and compliance..." (Sec. 40-1, HRS)
 - (2) "Bookkeeping. ...He shall also keep on file in a convenient form for easy reference all original warrant vouchers for which warrants have been drawn by him..." (Sec. 40-3, HRS)
 - (3) "Warrants for supplies, incidentals. Warrants for bills of materials, supplies, and incidentals of every kind and character, shall be made payable to the order of each individual person to whom the State is indebted, except as provided in section 40-58, and only after an original warrant voucher shall have been presented to the comptroller accompanied by all original bills and any other supporting document as may be required by the comptroller..." (Sec. 40-56, HRS)
 - (4) "Warrants on account of contracts. All warrants for bills on account of state contracts shall be made payable to the order of the person to whom the State is directly indebted, except as provided in section 40-58, and only after an original warrant voucher shall have been presented to the comptroller accompanied by all original bills and any other supporting document as may be required by the comptroller..." (Sec. 40-57, HRS)

SECTION 550: SUMMARY WARRANT VOUCHER - GENERAL

- (5) "Vouchers required; procedure if not obtainable. The comptroller shall not recognize any claim of whatsoever nature unless an original warrant voucher is presented for the same..." (Sec. 40-60, HRS)
- (b) Departments and Agencies. Departments and agencies are responsible for the proper and timely submission of SUMMARY WARRANT VOUCHERS, in line with the requirements and procedures based on the statutes referenced in the foregoing paragraphs.
- (c) Exceptions. From time to time, certain exceptions have been made by law to the general authorities and responsibilities discussed in this subsection. Reference should be made directly to Chapter 40, HRS, for current exceptions applicable to legislative, judicial, and other expending agencies.

4. Regular Vouchering Requirements.

- (a) Original Warrant Voucher. Every payment made by the State's Comptroller by warrant against the State Treasury is required to be made on the basis of an original warrant voucher; this requirement is covered by Section 40-60, HRS. The purposes of this form requirement are:
- (1) It serves as a "cover" for the verification documents supporting the payment (documents for verifying the authenticity of the vendor's claim, the vouchering agency's purchase authorization, the satisfactory delivery of goods or services, etc.).
 - (2) It serves as a uniform source of reference for data such as the name of the payee, the number of the warrant drawn in favor of the payee, the accounts chargeable with the payment, the approval of the head of the vouchering agency, etc.
 - (3) In its summary form, it serves to reduce the number of individual vouchers otherwise required, the number of warrants otherwise required, and the number of postings to accounting records that would otherwise be required.
- (b) Proper Form. The form of SWV used to cover payment claims must be an approved form. Two versions of a SWV form have been approved by the State Comptroller for use by departments and agencies in submitting claims for payment. One version is a computer-printed SWV form designed to be used in all but exceptional cases; the other version is a manual SWV form for use primarily in cases of priority, when there is insufficient time to obtain a computer-printed SWV. Both forms contain the same information required by the State Comptroller to process the payment of a claim. These two versions of SWV forms are further identified as follows:

SECTION 550: SUMMARY WARRANT VOUCHER - GENERAL

- (1) SUMMARY WARRANT VOUCHER (COMPUTER), SAFORM C-10. This form is computer-prepared on request by expending departments and agencies, and it serves as a routine document for claims sent to the State Comptroller for payment to vendors. (It may also be identified as Report MBP 462 and MBP 461.)
- (2) SUMMARY WARRANT VOUCHER - MANUAL, SAFORM C-08. This form is prepared manually by expending departments and agencies, and it should be used only to expedite a payment that must be made quickly, without time for a computer-generated SUMMARY WARRANT VOUCHER to be prepared.
- (c) Proper Approval. Every SWV must be properly approved for payment by the department head or the department head's duly authorized representative.
- (d) Proper Coding. Every SWV must reflect proper accounting charges to proper accounts according to statewide accounting requirements.
- (e) Proper Support. Every SWV must be properly supported by evidential documents to establish the propriety and legality of the proposed expenditure.
 - (1) Propriety. The proposed expenditure must be a reasonable one for the account to be charged; even though a proposed expenditure may not be technically illegal, it should nevertheless conform to the current policies of propriety.
 - (2) Legality. The purpose of the proposed expenditure must not be in violation of State laws or rules.
 - (3) Purchase Authorization. A purchase must be properly authorized; the usual evidence is an approved purchase order or contract.
 - (4) Receipt of Goods and Services. The statutes referred to in paragraph 3(a) require that each original invoice be certified by the person directly involved with the goods and services being vouchered, that they have been satisfactorily received. A copy of the delivery tag or receipt signed by such person satisfies this requirement if it evidences satisfactory receipt and if it is attached to the related invoice(s) in the voucher. (Merely stamping and signing "Approved" or "Approved for Payment" on an invoice does not satisfy the requirement for certification of satisfactory receipt of goods and services.)

SECTION 550: SUMMARY WARRANT VOUCHER - GENERAL

The date the goods and services were satisfactorily received must be shown on the original invoice if a copy of the delivery tag or receipt is not attached to the invoice.

- (5) Original Bills. The statutes referred to in paragraph 3(a) require that vouchers be supported by original bills (invoices).

Copies of invoices (as opposed to the originals) do not satisfy the statutory requirement. If a vendor submits as its original invoice a form that does not appear to be an original (because it is a carbon copy, or a photocopy), such form must be returned to the vendor who must sign the following directly on the form:

"We/I certify that this is your original invoice."

(This certification requirement does not apply to a form appearing to be a carbon copy or a photocopy if that form was obviously manufacturer-printed with words such as "Original" or "Original Invoice", indicating the intention that it be utilized as the original.)

The date the invoice was received must be shown on the invoice, in case it is necessary for computing the interest penalty on late payments*under Section 103-10, HRS.

- (f) Funds Availability. Every SWV submitted must satisfy the following requirements relating to funds availability:

- (1) The appropriation to be charged must have sufficient funds to cover the expenditure.
- (2) The funds must have been properly allotted.

5. General Procedures for Processing SWVs. Departments and agencies are responsible for verifying proper prices and amounts as well as the mathematical accuracy of all SWVs and the various supporting documents required, before SWVs are submitted to the Comptroller for payment. In addition to the procedures listed below, the departments and agencies are also required to establish their own processing and internal review procedures in order that payments to vendors are made promptly and are properly processed and accounted for in State records.

- (a) SWV forms are prepared according to instructions for the two types of approved voucher forms referred to in paragraph 4(b).

SECTION 550: SUMMARY WARRANT VOUCHER - GENERAL

- (b) Supporting documents such as the REQUISITION & PURCHASE ORDER, SAFORM C-03, the original invoice, and the delivery tag are attached to the SWV, as applicable.
- (c) Upon approval of the department head or the department head's duly authorized representative, the SWV copies are distributed, as follows:
 - (1) Copy #1 is forwarded to DAGS Accounting Division.
 - (2) Copy #2 is retained by the department or agency.
- (d) A control log is maintained by the department or agency for all SWVs submitted to DAGS for payment.
- (e) In the event a voucher problem is identified in the pre-audit of vouchers by DAGS Accounting Division, the departments or agencies are usually contacted by telephone and may request one of the following:
 - (1) That DAGS retain the SWV until the problem related to the rejection is resolved by the department within a reasonable time. DAGS will determine what is reasonable for each situation. When the problem is resolved, the SWV is re-examined, corrected, and approved by DAGS for payment.
 - (2) That DAGS return the rejected SWV to the originating department or agency. The rejected SWV is attached to a DAGS' AUDIT CORRECTION SLIP with an explanation giving the reason(s) for rejection and action that needs to be taken to clear the problem.