

**COMMISSION ON AUDIT CIRCULAR NO. 96-010**  
**August 15, 1996**

**TO** : All Heads of Departments, Agencies, Bureaus and Offices of the National Government; Managing Heads of Government-Owned and/or Controlled Corporations, Self-Governing Boards or Commissioners; Provincial Governors, City and Municipal Mayors; Provincial, City or Municipal Treasurers; COA Directors; Heads of Auditing Units National, Local and Corporate Sectors and All Others Concerned.

**SUBJECT** : Guidelines in the Preparation and Submission of Purchase Orders Relative to the Procurement of Supplies and Equipment.

It has been observed that most of the purchase orders submitted by government agencies to COA auditors do not indicate all the necessary information pertaining to the purchase. Moreover, most agencies do not submit the copy of the purchase orders within the prescribed period, thereby causing undue delay in the post audit of transactions. Accordingly, the following guidelines and procedures are hereby prescribed for the guidance of all concerned:

**A. Date of submission of the copy of the purchase order (PO)**

1. A copy of any letter or purchase order, irrespective of amount, and all supporting documents thereto, shall be submitted to the unit or agency Auditor concerned within five (5) days from issuance. The Auditor concerned shall, within five (5) days following his receipt thereof, inform management in writing of any defect and/or deficiencies found in audit (COA Circular No. 76-34 dated July 15, 1976).
2. The agency official responsible for accepting deliveries of procured items shall, within twenty-four (24) hours from such acceptance, notify the Auditor of the time and date of the scheduled deliveries (COA) Circular No. 95-006 dated May 18, 1995). In case of partial delivery of any item in the P.O., the copy to be submitted shall indicate which items have been delivered, and which have not.
3. Copy of P.O. must be legible in all respects, and shall be submitted to the Office of the COA Auditor of the agency concerned.

**B. Basic data which should invariably appear in the P.O.**

1. The existing forms of the purchase order or other contract used by the agencies may be continued, provided that it shall contain all the following data or information:
  - (a) Purchase Order Number
  - (b) Date of Purchase Order
  - (c) Complete name of supplier
  - (d) Complete address of supplier
  - (e) Information whether the supplier is a manufacturer or exclusive distributor; registered with SEC, DTI or both
  - (f) Telephone and fax number of supplier, if any
  - (g) Date of delivery

- (h) Complete item name
- (i) Complete detailed item specification, including accessories i.e., narrative description, size/dimension/volume, model, use of item, color, capacity, horsepower, voltage, watts, gauge, kind of equipment where sparepart is to be used whether replacement or original (for spare parts), part number of spareparts, type and classification of material, brand new or second hand, etc.
- (j) Price (individual unit price; if lot price any document showing the detailed breakdown of the cost should likewise be submitted)
- (k) Unit of measure when it is not universally accepted indicate numbers or weight, or lineal measure, i.e., if stated as per "roll", indicate the number of yards/meter per roll; if per "box", state number/pcs. contents; if per bag how many pounds or kilos
- (l) Quantity or number of units
- (m) Brand name. If no brand, state "none"
- (n) Country of manufacture or origin of item; i.e., local (or RP), or if foreign origin, specify country.
- (o) Terms; i.e., COD, n/30 days, etc.
- (p) Mode of procurement; i.e., public bidding, canvass, negotiated sale, and such other authorized modes. If "repeat order" indicate previous Purchase Order and date which was used as basis.
- (q) Taxes paid by agency; i.e., VAT, etc. If taxes are paid by supplier, do not indicate.

This circular shall take effect immediately.

**(Sgd.) CELSO D. GAÑGAN**  
Chairman

**(Sgd.) ROGELIO B. ESPIRITU**  
Commissioner

**(Sgd.) SOFRONIO B. URSAL**  
Commissioner