

F.Y.:	Cost Center:	Obj. Code:	Amount:	Vendor #:	P.O. #:
-------	--------------	------------	---------	-----------	---------

The attached document appears to be in violation of Minnesota Statutes Section 16A.15, Subdivision 3. Please complete, attach to document, and return.

“Funds must be encumbered **prior** to making an obligation through an authorized employee certifying that the accounting systems shows sufficient allotment or encumbrance balance in the fund, allotment, or appropriation to meet it. An expenditure or obligation authorized or incurred prior to encumbering funds is illegal and ineligible for payment until made valid and is in violation of M.S. 16A.15, Subd. 3. An employee authorizing or making the payment, or taking part in it, is liable to the state for the amount paid. **A knowing violation of M.S. 16A. 15, Subd. 3 is just cause for the employee’s removal.** The state cannot agree to indemnify third parties or hold them harmless (M.S. 10.17); Minn. Const. Art. XI, Sec. 1.” **Minnesota State Colleges and Universities Policy 5.14.5 Part 5.**

II. M.S. 16A.15-3 LETTER

OBLIGATION DATE _____ (when work started)

OBLIGATION AMOUNT \$ _____

VENDOR NAME _____

Reason why the obligation was incurred before contract was fully executed or purchase order was approved?

What corrective action will be taken to prevent the above problem in the future?

Employee in Violation Signature

Cost Center Responsible Person Signature

Printed Name

Date

Printed Name

Date

Director, Business Services

Date