

State of Minnesota  
Minnesota State Colleges and Universities  
**SAINT CLOUD STATE UNIVERSITY**

**MINNESOTA STATUTE 16A.15 / 16C.05 VIOLATION FORM**

*Pursuant to M.S. 16A.15, subdivision 3, section (a), this form and the proper explanation herein, when fully signed, will serve to make valid the associated claim presented against the university.*

Division/Department: \_\_\_\_\_ Vendor Name: \_\_\_\_\_ PO#: \_\_\_\_\_

*When a violation has occurred, please complete the applicable section below, route for signature, and then attach to the contract or invoice.*

**16A Violation - OBLIGATION INCURRED PRIOR TO ENCUMBRANCE (Minn. Stat. § 16A.15\*)**

**Total Contract Amount \$ \_\_\_\_\_ Obligation Date: \_\_\_\_\_** (when work started)

**Reason why obligation was incurred before contract was encumbered:**

*Enter explanation here, please be complete and provide a full explanation for audit purposes.*

**What corrective action will be taken to prevent the problem from happening in the future?**

*Enter explanation here, please be complete.*

**16C Violation –WORK BEGAN PRIOR TO FINAL CONTRACT SIGNATURE (Minn. Stat. § 16C.05\*)**

**Work on this contract started as of \_\_\_\_\_.**

**Reason why contract was not fully executed prior to work commencing:**

*Enter explanation here, please be complete and provide a full explanation for audit purposes.*

**What corrective action will be taken to prevent the problem from happening in the future?**

*Enter explanation here, please be complete.*

Person Responsible (Print Name) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Supervisor (Print Name) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Vice President/Director (Print Name) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Chief Financial Officer (Print Name) \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

*\* See next page for text of Minn. Stat. § 16A.15, subd. 3 and Minn. Stat. § 16C.05, subd. 2*

**Minnesota Statutes Section 16A.15, in part, reads:**

**Subd. 3. Allotment and encumbrance.**

(a) A payment may not be made without prior obligation. An obligation may not be incurred against any fund, allotment, or appropriation unless the commissioner has certified a sufficient unencumbered balance or the accounting system shows sufficient allotment or encumbrance balance in the fund, allotment, or appropriation to meet it. The commissioner shall determine when the accounting system may be used to incur obligations without the commissioner's certification of a sufficient unencumbered balance. An expenditure or obligation authorized or incurred in violation of this chapter is invalid and ineligible for payment until made valid. A payment made in violation of this chapter is illegal. An employee authorizing or making the payment, or taking part in it, and a person receiving any part of the payment, are jointly and severally liable to the state for the amount paid or received. If an employee knowingly incurs an obligation or authorizes or makes an expenditure in violation of this chapter or takes part in the violation, the violation is just cause for the employee's removal by the appointing authority or by the governor if an appointing authority other than the governor fails to do so. In the latter case, the governor shall give notice of the violation and an opportunity to be heard on it to the employee and to the appointing authority. A claim presented against an appropriation without prior allotment or encumbrance may be made valid on investigation, review, and approval by the agency head in accordance with the commissioner's policy, if the services, materials, or supplies to be paid for were actually furnished in good faith without collusion and without intent to defraud. The commissioner may then draw a warrant to pay the claim just as properly allotted and encumbered claims are paid.

**Minnesota Statutes Section 16C.05, in part, reads:**

**Subd. 2. Creation and validity of contracts.**

(a) A contract and amendments are not valid and the state is not bound by them and no agency, without the prior written approval of the commissioner granted pursuant to subdivision 2a, may authorize work to begin on them unless:

- (1) they have first been executed by the head of the agency or a delegate who is a party to the contract;
- (2) they have been approved by the commissioner; and

(3) the accounting system shows an encumbrance for the amount of the contract liability, except as allowed by policy approved by the commissioner and commissioner of management and budget for routine, low-dollar procurements and section 16B.98, subdivision 11.