

Southwest Minnesota State University
M.S. 16A.15 Subd. 3 Form

Date: _____
To: _____
From: Purchasing in Business Services
Subject: 16A purchasing violation may have occurred

It appears the obligation below was incurred prior to the encumbrance of funds being fully processed. Please be aware that this violates Minnesota Statutes 16A.15, Subd. 3 that states **it is illegal** for Southwest Minnesota State University or its employees to place an order for goods or services until enough money has been encumbered with a purchase order sufficient to cover the estimated cost of the order. Encumbrance of funds is accomplished by the preparation, approval and processing of a purchase order prior to ordering or purchasing.

If any person places an order in violation of the law, the person responsible for the violation must explain why and what will be done to prevent violations from occurring in the future.

Your invoice will not be processed nor paid until this completed and signed form is returned and approved. In the future, please follow proper purchasing procedures. **Repeated violations of this law could result in revoked purchasing privileges.**

Please complete all information below including an explanation and corrective action. Sign, date and email back to Christy.Johnson@smsu.edu
This form will be attached to PO in Marketplace. Thank you.

Below is the information that we have regarding the violation from Purchasing in Business Services:

PURCHASE ORDER #: _____
VENDOR / CONTRACTOR NAME: _____
AMOUNT: \$ _____
OBLIGATION DATE: (when item was purchased) _____

Employee – Please complete below section

Reason why the obligation was incurred before the funds were encumbered:

What corrective action will be taken to prevent violation of M.S. 16A.15, subd. 3, from occurring in the future?

Employee in violation - Signature and Printed Name Date

Supervisor for the Employee - Signature and Printed Name Date

Director of Business Services - Signature and Printed Name Date

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If this was sent to you in error and no violation has occurred, please complete the following:

_____ I certify that the purchase in question has not been made as of today and will not be made until funds are encumbered.

Responsible Person's Signature and Printed Name Date