

**BEMIDJI STATE UNIVERSITY/NORTHWEST TECHNICAL COLLEGE**  
**M.S. 16A.15 Subd. 3 Form**

**Date:**

**To:**

**From:** The Business Office

**Subject:** After the Fact

It appears the obligation below was incurred prior to the encumbrance of funds and/or prior to contract execution and processing. Please be aware that this violates Minnesota Statutes 16A.15, Subd. 3. It is illegal for Bemidji State University/Northwest Technical College or its employees to place an order for goods or services until enough money has been placed in unliquidated encumbrance status to cover the estimated cost of the order and, if appropriate, a contract has been fully executed and processed. Encumbrance of funds is accomplished by the preparation, approval and processing of a purchase order prior to ordering or purchasing. If a contract is required, the contract must be signed by all parties and processed by Procurement prior to work beginning under the contract.

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. 16A15, 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.

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 requisition and/or contract 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 and/or contracting privileges or dismissal.

**Please complete all information below including an explanation and corrective action. Sign, date and return to the Business Office #8. Thank you.**

---

---

MARKETPLACE REQUISITION #:

FISCAL YEAR:

VENDOR #:

VENDOR / CONTRACTOR NAME:

AMOUNT: \$

OBLIGATION DATE: (when item was purchased or when work started)

**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?**

**Responsible Person's Signature**

Date

**Responsible Person's Printed Name**

**Supervisor Signature**

Date

**Business Office Signature**

Date

---

---

**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.

I certify that the contract work in question has not started as of today and will not begin until the contract is fully executed and processed and funds are encumbered.

Responsible Person's Signature

Date

Responsible Person's Printed Name