

DATE:

TO:

FROM: Geraldine Trujillo-Martinez, Purchasing Department

RE: Late Contract

Attached is a late <insert **Contract Acceptance Form or Independent Contractor Agreement**> for the purchase of <insert **description**>. This appears to be a violation of State of Colorado and University fiscal rules, which require that a commitment voucher be issued before a product is ordered and/or delivered or a service is rendered. In order to satisfy auditors and consider ratification (approval) of this late contract, the Fiscal Rules require a detailed explanation as to the reasons why a payment obligation appears to have been incurred prior to the issuance of an approved commitment voucher (PO or authorized state contract). This document must be signed by you and your Dean (if in an academic department, or otherwise, Department Head).

In your explanation, please state in detail:

- a. The circumstances surrounding the commitment to include: the name, title, and division or other unit of the employee or employees responsible, funds availability, reasons for delay and any disbursements that have been made.
- b. The reason(s) why the proper procedures were not followed and why the violation occurred (i.e. how the payment obligation arose prior to the issuance of the commitment voucher).
- c. Your Department's internal administrative and accounting controls and procedures in place for controlling instances of contractual commitments and why those controls and procedures were not sufficient to prevent the apparent violation.
- d. Whether all state procurement procedures were followed and whether all other required approvals were obtained and an affirmation that the prices are **fair and reasonable**.
- e. What corrective actions are intended or have been taken to improve internal controls and prevent a recurrence by your organization and the employees involved.

If the purchase is \$5000.00 or more, the explanation will be forwarded to the University Controller. The University Controller will notify the State Controller and request ratification of the procurement or other instructions or disposition consistent with applicable statutes and rules.

In order to maintain a good relationship with this vendor we ask that you respond as soon as possible so this contract can be processed. Please call me at x6204 if you have questions.

Thank you.

cc: Unauthorized File