

The Warrant Payment Process Illustrated

Step 1: Department or agency commits to purchase goods or services.

Step 5: Payee's bank credits the amount of the warrant to the payee's account.

This is the agency responsible for determining legitimacy of the selected payee, per state contracting manual.

Step 2: Responsible agency submits claim schedule to state controller and requests disbursement.

Step 6: Payee's bank presents the warrant to the Federal Reserve Bank or directly to the state treasurer for payment.

Claim schedule must be accompanied by appropriate backup documentation.

Step 3: State controller prepares the warrant and transmits to payee.

Step 4: Payee receives warrant and deposits in their bank.

Step 7: The state treasurer ensures that the warrant presented is on the list of "issued and outstanding" warrants prepared by the state controller and remits funds to the presenting bank from Step 6.

(NB: The state treasurer is making a payment of funds from the state treasury pursuant to an order from the state controller, not passing judgment on the merits of the disbursement or the validity of the claim—that is the responsibility of others.