



County Technical Assistance Service

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Disbursement Warrants-County Trustee

Dear Reader:

The following document was created from the CTAS electronic library known as e-Li. This online library is maintained daily by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other e-Li material.

Sincerely,

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Disbursement Warrants-County Trustee

Reference Number: CTAS-825

In the county financial context, a warrant is an order by which the drawer (the person with authority to make the order) commands the county trustee to pay a particular sum of money to a payee (person or entity) from funds in the county treasury which are or may become available. Although the drawer may have a legal duty only to limit the issuance of warrants according to the amounts appropriated (budgeted) for the purpose of the warrant, the county trustee has a duty to review the warrant and determine whether or not actual monies are currently available to honor the warrant. The county trustee should make arrangements with the bank or other financial institution with accounts holding county monies to insure that overdrafts of county funds are not made. The county trustee must take action to insure that the payee of a warrant is promptly paid when demand is made unless the trustee has clear evidence that disbursements have exhausted money on hand. Failure to honor warrants when monies are in hand is Class C misdemeanor and grounds for removal from office. T.C.A. § 8-11-105. If money is not on hand when a warrant is presented, the warrant must be delivered to the owner with a new number endorsed on the warrant so as to enable the county trustee afterwards to pay it in its numerical order relative to other warrants that have not been honored. A validly issued warrant remains a claim upon the county treasury until honored. The county trustee must keep record of all warrants presented to the trustee for payment, and show the number, payee or holder, date of warrant, date of presentation and amount. The county trustee must keep good records of all payments and balances. T.C.A. § 8-11-104.

The county officers with the power to write warrants vary from county to county according to the applicable laws. The county mayor in most counties has the power to issue a warrant on the county general fund, debt service fund and other special funds. T.C.A. § 5-6-108. However, the power to issue warrants may also extend to the chief administrative officer of the county highway department regarding highway funds or the director of schools jointly with the chairperson of the county board of education with respect to school funds. T.C.A. § 49-2-205. In those counties operating under the County Fiscal Procedure Law of 1957, disbursement warrant must be consigned by the director of accounts and budgets. T.C.A. § 5-13-105. The director of finance must sign disbursement warrants in counties operating under the 1981 Financial Management System. T.C.A. § 5-21-116. Private acts often provide warrant issuing authority to the chief administrative officer of county highway departments. The county trustee should consult with the county attorney to determine exactly which officials have the power to write a warrant on county funds in his or her particular county.

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