



## ADMINISTRATIVE DIRECTIVE

<b>DIRECT PAYMENT AUTHORIZATION FOR SERVICES/ITEMS PROCURED OUTSIDE THE CITY'S PROCUREMENT PROCESS</b>	NUMBER	PAGE
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	EFFECTIVE DATE	
<b>July 25, 2014</b>		

### I. **PURPOSE**

This administrative directive sets forth the policy and procedures for making payments for services/items obtained outside the city's procurement process.

### II. **POLICY**

The city's procurement process must be used to purchase goods and services unless otherwise permitted in this directive. Use of the Direct Payment Authorization Form (formerly DA23) shall be restricted to certain types of payments as described in this directive. The Direct Payment Authorization Form should only be used for authorized purchases that cannot be acquired with the pCard.

### III. **DEFINITIONS**

- A. **Procurement Process** – Buying, purchasing, renting, leasing, or otherwise acquiring any materials, services, or construction as prescribed by the Tucson Procurement Code.
- B. **pCard** – The City of Tucson's purchasing card which is a form of credit card that allows goods and services to be procured. Contact the Procurement Department at 791-4347 for more information.

### IV. **USE OF PAYMENT AUTHORIZATION FORM**

The most frequent and representative authorized uses of the Direct Payment Authorization Form are listed below. Questions regarding any other use should be directed to the Finance Department (Accounting Division) or Procurement Department.

#### A. **Authorized purchases:**

1. Registration fees for all training sessions located within Pima County that cannot be made using a pCard and in accordance with Administrative Directive 3.03-1, Travel Authorization and Expenses Allowances.
2. Trade or professional memberships.
3. Subscriptions or periodicals.
4. Items funded by certain types of grants not requiring the city procurement process (e.g., Section 8 Housing Entitlements).
5. Refunds to citizens, businesses, or other organizations for overpayments, duplicate payments, and cancelled class events.



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6. Various Improvement District payments and refunds.
7. Payments to the master custodians and money manager hired by action of the Tucson Supplemental Retirement System Board.
8. Payments made for Lease/Purchases, payments to Bond Attorneys, Financial Managers, attorney to Public Safety Personnel Retirement System Boards, etc.
9. Payments authorized within Intergovernmental Agreements or Financial Participation Agreements.

**B. Unauthorized purchases:**

1. Those items purchased within the procurement process.
2. Reimbursement to city employees for purchases that should have been acquired through the procurement process.
3. Payment of travel and lodging expenses, per diem, and registration fees to attend a conference, training session, convention, or meeting outside of Pima County as defined by Administrative Directive 3.03-1, Travel Authorization and Expenses Allowances. (Payment is requested by completing a Travel Order and Expense Report.)
4. Payments for use of personal vehicle as defined by Administrative Directive 6.02-1, Mileage Reimbursement and the Executive Vehicle Reimbursement Program, Section IV. B. (Payment is requested by completing a Vehicle Allowance Claim for Personal Car.)
5. Payments to city employees for educational reimbursements as defined by City of Tucson Administrative Directive 2.01-11, Tuition Reimbursement Program. (Payment is requested at [www.coteu.org](http://www.coteu.org), with reimbursement paid through the payroll process.)
6. Payments made from imprest cash accounts (petty cash account, change account, and imprest checking account), as described in Administrative Directive 3.02-1, Cash Handling: Change Funds, Checking Accounts, Merchant Accounts, and Petty Cash.
7. Payments to any city employee for personal labor, including overtime. (All employee labor is paid through the payroll process.)
8. Payments for legal and display advertisements as defined by Administrative Directive 1.02-8, Legal and Display Advertisements in Local Newspapers.



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**V. PROCEDURES**

1. Only the current edition of the Direct Payment Authorization Form, as available on the City's intranet at [www.intranet.ci.tucson.az.us/finance](http://www.intranet.ci.tucson.az.us/finance) may be used for processing payments outside of the City's procurement process. A Direct Payment Authorization Form Checklist is also available for reference to help ensure all necessary information is included with the form for processing.
2. A Direct Payment Authorization Form should be prepared by the department and signed by an authorized signer. The signed original Direct Payment Authorization Form shall be submitted along with the original copy of the supporting documentation to the Accounting Division, Accounts Payable Section. If documentation is required to be sent with the check for clarification of payment, an additional copy of the supporting document can be submitted with the form. A copy is also kept in the originating department's records.
3. The Accounting Division reviews each Direct Payment Authorization Form for appropriate use, authorized signature(s) based on the disbursement amount, and proper documentation. When approved, the Accounting Division will process the payment. If there are any problems with the documentation the preparer will be contacted to resolve the issue or it will be returned to the originating department for correction.
4. All Direct Payment Authorization Forms are subject to audit by Internal Audit and by the City of Tucson's independent audit firm.



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**Appendices**                      None

**References**

- 1.02-8, Legal and Display Advertisements in Local Newspapers
- 2.01-11, Tuition Reimbursement Program
- 3.02-1, Cash Handling: Change Funds, Checking Accounts, Merchant Accounts, and Petty Cash
- 3.03-1, Travel Authorization and Expenses Allowances
- 6.02-1, Mileage Reimbursement and the Executive Vehicle Reimbursement Program

**Review Responsibility and Frequency**      The Assistant City Manager/CFO will review this directive annually, or as necessary.

**Authorized**

  
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 City Manager

  
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 Date