



3300 FISCAL MANAGEMENT POLICIES

3310 GENERAL

The mission of the Finance Section is to coordinate the development, presentation, and use of the Tucson Police Department's operations budget and to prepare the capital program. The office will produce a budget that, within city policies, guidelines, and constraints, provides adequate financial resources for successful law enforcement activities. It will also ensure that funds are properly expended and that the department remains within its budget allocation. The Finance Office shall coordinate the development of the department's five-year Capital Improvement Program to ensure that city management is aware of both the need for and cost of additional facilities.

3311 **Organization and Structure** (Revised: January 22, 2020)

The Chief of Police retains responsibility for the department's finances and has delegated that authority through the Administrative Services Bureau Chief to the Police Finance Office. The office is supervised by the Police Finance Manager.

The Finance Office is responsible for:

- Coordinating the development of Operating and Capital Budgets.
- Ensuring that department personnel comply with the City's policies and procedures concerning procurement and budgetary matters.
- Providing information to assist Commanders and other personnel in budgetary and procurement matters.
- Projecting expenditures to provide information to help ensure that the budget is not overspent.
- Administering the distribution and expenditure of Anti-Racketeering Funds (RICO).
- Providing projections to department staff for expenditures in areas such as Overtime and Extra-time.
- Preparing the necessary documentation for Council approval of grants.
- Maintaining financial records for grants.
- Maintaining logs for requisitions, check requests, and Travel Orders.
- Coordinating the acquisition of goods and services with City Procurement and Budget & Research Departments.

3312 **Independent Audit**

The City of Tucson has an independent accountant audit the books each year upon closeout. Additionally, the city has an Audit Unit within the Finance Department that audits petty cash transactions, phone bills, etc. on a periodic basis.

The Finance Office reviews all requisitions \$2,000 or more to determine if funds are available.



All RICO expenditures are processed through the city's normal requisition process. The Pima County Attorneys' Office (PCAO) reviews all RICO expenditures to ensure compliance prior to reimbursement.

3320 DEFINITIONS

For purposes of this section, the following definitions apply:

- **Credit Cards and Procurement Cards (Pcards):** Credit card issued by City Procurement Office to authorized personnel for approved departmental use.
- **Direct Payment Authorization:** This form authorizes the preparation of a check to pay vendors for the following purposes or when a Pcard is not accepted by the vendor:
 - Registration for training sessions within Pima County.
 - Refunds to citizens, businesses, or other organizations.
- **Emergency Purchase:** The process for acquiring goods or services that are needed immediately and cannot be ordered through the normal procurement process. In general, the need for the goods or services will have been unforeseeable.
- **Encumbrance:** A financial commitment in the form of a purchase order, contract, salary, etc. that will be payable upon the delivery of a good or service.
- **Partial:** The payment form and process for reimbursing a vendor that has successfully delivered a portion of the goods and services for which the department contracted under the Purchase Order.
- **Petty Cash Account:** Funds used for purchases of \$150 or less (excluding taxes) which cannot be acquired through the city's (Central) stores and when a Pcard is not available or accepted by the vendor.
- **Purchase Order:** The contract produced as a result of a requisition that provides the legal authority for a vendor to deliver a good or service to the Police Department in return for an agreed upon payment. A Purchase Order is required for all purchases of \$10,000 or more.
- **Requisition:** 1) The process through which the department orders goods and services and 2) the form used to order goods and services through the City Procurement Department.
- **Travel Order:** Forms that must be prepared whenever a department member travels outside of Pima County on official business. The city uses separate forms for day trips and more extended travel respectively.
- **Unencumbered Balance:** The portion of the budget that has not been committed (expended or encumbered) and is available.



3330 ACQUISITION OF GOODS AND SERVICES

3331 General

The department can acquire goods and services through several processes including purchase requisitions for outside vendors, City Stores, Direct Payment Authorization, petty cash, etc. The department will acquire these goods and services in accordance with the policies and procedures established by the City Charter, City Code, and guidelines established by *Administrative Directives*. The acquisition process includes the items and activities defined in *General Orders* 3320. Certain activities require explanation.

Procurement is the only city entity that can obligate the city or the department to a particular vendor. The only exceptions are petty cash and emergency purchases that must be fully justified for reimbursement.

All purchase requests, regardless of the funding source, shall require prior account and capacity verification through the Finance Office and approval at the appropriate level. Purchases below \$2,000 shall require Division Captain or Administrator approval. Purchases between \$2,000-\$9,999 shall require Bureau Chief approval. purchases of \$10,000 or more shall require Chief of Police approval. Purchases of \$10,000 or more will also require a Purchase Order be issued prior to expending any funds. The necessary forms for these requests are located on the common drive in the COP folder and on the TPD wiki under Finance.

3332 Requisitions

The requesting unit will determine the items needed, develop the specifications, recommend a vendor, and determine if budget capacity exists. The unit will send the request through the chain of command to the applicable Bureau Chief. Once approved, the Police Finance Office will prepare the requisition and send it via the Online Procurement Integrated System (OPIS) to City Budget and Procurement for review and final approval.

3333 Purchase Order

A Purchase Order is required for all purchases of \$10,000 or more. The City Procurement Department prepares these forms after processing the initial requisition and provides them to the Police Finance Office and the vendor. The vendor will provide the goods or services to the requesting unit and send an invoice to the City Finance Department's Accounting Division. The City Accounting Division will then send a copy of the invoice to the Police Finance Office.

The Police Finance Office will either prepare a partial payment form (if the entire order has not been received) or close out the purchase order. The Finance Office will send this form to the receiving unit. Personnel from the receiving unit will sign the form after verifying that the goods and services have been received and are acceptable. The form shall not be signed until the delivery is acceptable. After signing the form, the requesting unit will return it to the Police Finance Office.



3334 Emergency Purchases

The procedures for acquiring items under these conditions fall into two separate categories-during normal business hours and after hours. An attempt will be made to utilize a City Pcard for payment unless advised otherwise by the Police Finance Office.

- During Normal Business Hours
 - Call the Police Finance Office
 - Explain the problem
 - State the good or service required
 - Indicate the cost
 - Name the vendor

The Police Finance Office will follow the required steps to obtain a purchase order number and explain any further procedures to the requestor. The requestor may then acquire the item or service and obtain a receipt and forward the receipt to the Finance Office with a memorandum explaining what occurred.

- After Normal Business Hours
 - Acquire the item or service required
 - Obtain the receipt for the item
 - Prepare a memorandum to the Police Finance Office explaining what occurred
 - Provide the memorandum and the receipt to the Police Finance Office

The Police Finance Office will take the steps necessary to get the information through Procurement and prepare the necessary documents for reimbursement of the employee. Retaining receipts in these instances is critical.

3335 Petty Cash Accounts

Funds established for the purpose of making emergency, nonrecurring, and miscellaneous purchases that cannot be paid with a Pcard. Petty cash accounts shall not be used for the purpose of avoiding or circumventing the city's centralized purchasing procedures.

Petty cash purchases cannot exceed \$150, excluding taxes.

Petty cash can be either advanced to an employee or reimbursed after a purchase has occurred. A *Petty Cash Authorization Form*, signed by a Commander and a Purchase Request form signed by the Division Commander and Bureau Chief will be presented to the Police Finance Office for any petty cash advances or reimbursements. Members must return a receipt and any surplus funds to the Finance Office after the item is acquired.



3335.1 Internal Audits

There are two custodians assigned to Petty Cash. When a custodian closes out their month, the fund shall be balanced and the corresponding reports will be processed. The primary custodian or staff assigned by the Police Finance Manager will audit/verify the funds.

Quarterly Audits are required on all Petty Cash accounts and implemented by an assigned staff member.

3336 Direct Payment Authorization (Check Requests)

Direct Payment Authorizations are prepared for certain transactions when a check is to be sent directly to a vendor. See *General Orders* 3320 for the circumstances under which a Direct Payment Authorization is appropriate. Employees send requests for these checks through their chain of command to the Police Finance Office. A Captain or a direct report to a Bureau Chief must approve the request prior to the Police Finance Office processing the documents. The Police Finance Office processes the documents, prepares a Direct Payment Authorization, attaches the documentation, and sends it to the appropriate Bureau Chief for approval. The Police Finance Office sends the authorized forms and attached documents to City Accounting for preparation of the check. Accounting cuts the check and makes distribution as requested by the Police Finance Office.

3337 Investigative Cash Funds

Investigative cash funds are established for the purpose of conducting an official investigation, purchasing evidence, and gathering intelligence that cannot otherwise be acquired. Investigative cash funds shall not be used for the purpose of avoiding or circumventing the City of Tucson's or the department's regular central purchasing policies and procedures.

3337.1 Fund Custodians

Each Division Commander having investigative cash funds shall appoint a custodian for those funds. The custodian shall be responsible through the chain of command to the Chief of Police for the proper operation of the fund. The custodian shall maintain complete and accurate records of all transactions and expenditures using approved accounting methods. Accountability for funds shall be assumed by anyone who utilizes these funds. The funds are subject to audit without notice.

3337.2 Disallowable Expenditures

Any expenditure not directly related to developing or securing information that may lead to possible criminal prosecution or crime prevention is prohibited. Such prohibited expenditures include office supplies, capital improvement, out of town travel and items available through the Supply Unit, etc.



3337.3 Allowable Expenditures

Following is a listing of allowable expenditures:

- Purchase of evidentiary items. Each transaction shall be properly documented and identified by case number. All evidence purchases exceeding \$200 shall be approved by a commander.
- Reasonable expenditures for intelligence gathering are exempt from provisions requiring receipts, but these expenditures are subject to administrative review. Gratuities and payments to informers shall be documented by case number and a receipt signed by the informer and a supervisor. Necessary exemptions shall be fully documented by the case officer and approved by a commander.
- Minor emergency auto repairs and fuel when other means are not available and it is not feasible to utilize city facilities.
- Parking fees while on official business documented on proper receipts.
- Meals
 - Conference meals, approved at the bureau level and limited to out of town officials or victims and witnesses of crimes when a meeting of this type would benefit the department, documented on proper receipts.
 - Investigative meals, during the course of an investigation, when the member is in an undercover situation and in the company of a subject of the investigation.
 - Stakeout meals, documented on proper receipts, when the stakeout is maintained for long periods and traffic in the area would be detrimental to the operation and when those assigned have not had sufficient notice to make other arrangements for meals.

3337.4 Cash Disbursement Fund

Each member shall sign and submit expense vouchers detailing expenditures to the fund custodian via their immediate supervisor. A weekly expenditure record shall be completed and submitted no later than Monday following the preceding seven-day period. Detailed receipts and explanations of entries shall be presented unless exempted. The member's immediate supervisor and the fund custodian shall approve the expenditure records.

3337.5 Audit

All investigative cash funds are subject to audit without notice by the City Director of Finance, an outside auditing firm, Internal Audit or by the Chief of Police. An audit of investigative cash funds shall be conducted when there is a change of Division Commander or a change of the fund custodian. Bureau Chiefs are responsible for reviewing all investigative cash fund transactions at the end of each fiscal year to ensure



that the affected units are in compliance with *General Orders* and any unit procedures and they shall forward a written report to the Chief of Police.

3340 TRAVEL ORDERS

Travel orders must be processed whenever an employee leaves Pima County. Two types of travel order forms exist. The Travel Authorization Form covers overnight travel, while the Day Trip Form is used when an employee leaves the county for one day or less and travels no more than 200 miles. *City Administrative Directive 3.03-1 Travel Policy* shall provide specific requirements and allowances for all travel.

3341 Day Trip

Employees requesting authorization for a day trip must submit their requests through the appropriate chain of command. A Division Captain or Administrator may authorize the request. Employees will receive petty cash reimbursements for any properly documented and approved expenditure.

3342 Overnight Travel

Employees requesting authorization for travel that will require an overnight stay must submit their requests through the appropriate chain of command prior to submission to the Police Finance Office for action. The requests must indicate a funding source and have capacity verified.

Personnel will submit their requests to the applicable Bureau Chief at least 21 working days prior to the departure date to allow sufficient processing time. Employees will adhere to the following guidelines:

- Personnel shall not make arrangements for travel or lodgings until the travel has been approved and a travel order number issued. If employees make arrangements and the travel request is subsequently denied, the city will not reimburse for out of pocket expenditures.
- Personnel shall submit all pertinent documentation for lodging and registration at the time the request is submitted for approval. If all documentation is complete and submitted at least 15 working days prior to departure, personnel can expect advance per diem. If the paperwork is not complete or submitted with less than 15 working days prior to departure, per diem will be issued upon the employee's return.
- Personnel are responsible for making their own travel reservations once a travel order number has been issued. The City's contracted travel vendor of Concur Solutions should be used unless previously authorized to book otherwise.

If personnel are traveling out of the county and air travel is not appropriate, two alternatives exist:

- The city encourages employees to use City vehicles for such trips. If a City vehicle is not available, the city will reimburse employees at a rate determined by Business Services.



Note: If employees wish to use a personal vehicle when travel by air is more appropriate, the reimbursement will not exceed the amount the city would have incurred for air transportation.

- Employees may reserve city vehicles for such trips in advance by providing the Police Fleet Services Manager a copy of the approved travel order. The city will cover any costs not covered by an advance when receipts are submitted with the Travel Authorization Form. If the vehicle requires repairs during a trip, the employee can approve the work if the estimate does not exceed \$100. The employee will contact the Motor Pool Office for approval if repair costs exceed \$100. The employee shall submit the original copy of the bill with the travel order for reimbursement.

3343 **Travel and Travel Related Expenses**

Training costs will be reimbursed to members with justification and approval through the chain of command in advance. Meals and other miscellaneous expenses are covered by Per Diem.

- Per Diem-The rate is determined by the federal government's classifications based on the travel destination unless the travel is funded by a state entity. For state funded travel, the per diem rate is determined by the state government based on the travel destination.
- Miscellaneous Expenses- The city will reimburse for reasonable miscellaneous expenses to include parking, ground transportation, laundry and other business related expenses. Receipts are required for all Miscellaneous Expenses. Gratuities and tips are not reimbursable expenses.

The city will pay for a rental car upon approval of a written justification prior to the departure date, but will not reimburse for rental car insurance. As soon as possible after completion of travel, but no more than five working days later, the employee must submit all receipts, sign the Travel Authorization Form and submit to the Finance Office to close out the travel order.

3344 **Emergency Investigative Travel**

The department maintains an Emergency Investigative Travel Fund in the Central Investigations Division. The purpose of this fund is to address the cost of emergency travel for investigative purposes when the nature of the investigation will not allow for funding through normal travel order procedures. The Violent Crimes Section Commander is the custodian of this fund.

3350 **CREDIT CARDS AND PROCUREMENT CARDS (PCARDS)**

3351 **Credit Cards**

The department maintains credit cards for selected staff. These credit cards are used solely for the maintenance and operation of undercover and selected other vehicles. The Finance Office is responsible for maintaining credit card statements and ensuring that expenses are paid in a timely manner. Due to the sensitive nature of undercover credit cards, the issue and use of these cards will be closely monitored by the appropriate Division Commander.



3352 Pcards

The department maintains Pcards for selected staff and units as approved by Bureau Command. All Pcard purchases shall require prior Bureau approval. Pcards should be used whenever possible for authorized city purchases. Where Pcards are not accepted or allowed, petty cash may be utilized for purchases costing no more than \$150 (excluding tax) as follows, but is not limited to:

- Travel day-trip expenses not paid through the payroll system completed in accordance with *Administrative Directive 3.03-1, Travel Authorization and Expenses Allowances*. Meals are not an authorized expense.
- Mileage allowance claims not paid through the payroll system approved for reimbursement from petty cash in accordance with *Administrative Directive 6.02-1, Mileage Reimbursement and the Executive Vehicle Reimbursement Program*.
- Business-related lunches, as follows:
 - The lunch must have a city business purpose, attendees must include non-city employees, and the location must provide an atmosphere that is conducive for business discussions. Examples are: city officials whose job responsibilities include promotion of the city or lunches for non-city employees when providing service to the city, such as members of oral boards and commissions.
 - Requests for reimbursement must include the receipt and a memorandum documenting the date, location, purpose of the lunch, and attendees.
- Other purchases determined to be in the best interest of the city and not only for the convenience of an employee, may be authorized in writing by the City Manager, Finance Director or the department director (or their designee) on a case-by-case basis. Any questions about the appropriateness of a petty cash purchase or written authorization requirements may be directed to the Police Finance Management Coordinator.

3352.1 Pcard Transaction Records

- All transactions are the cardholder's responsibility and must be reconciled by the purchaser or designee.
- Transactions should be reconciled as soon as the expenditure is posted on your transaction list, generally within several days of the purchase. All transactions posted for the current month must be reconciled by the first business day of the following month. Reconciled transactions must have the approval, Pcard stamp, and receipt or invoice attached to the transaction in the City financial system.
- The appropriate account numbers regarding funding must be utilized.
- All purchases require approval per section 3331. All purchases linked to a Purchase Order (PO) must reference the PO# in the appropriate field. Purchases of \$10,000 or more require a Purchase Order #.
- All travel linked to a Travel Order (TO), must reference the TO# in the appropriate field. All departmental travel requires a Travel Order #, with the exception of Day Trips.
- The business purpose must be clearly stated on the Pcard stamp.



- The name of the person who approved the purchase, per section 3331, and the date of approval must be listed in the transaction note field.
- Contact the Police Finance Office with any questions.

3360 GRANTS

3361 General

The Police Finance Office coordinates the initial application process for grants, and is responsible for financial administration of grants, and ensuring the final evaluation is complete.

When personnel discover that grant funds are available, they shall inform the appropriate party of the opportunity to apply for the monies and provide any materials that are available. After receiving chain of command approval to apply for the grant through a Bureau Chief, the Police Finance Office shall be contacted. The requesting party is responsible for writing the proposal for the grant. The Police Finance Office will provide direction during the application process and ensure that all documentation required to comply with city directives is prepared and distributed. The Police Finance Office will also provide financial figures for the application if requested.

3362 Role of the Finance Office in the Grant Process

Assuming that the grantor approves the application, the Police Finance Office will receive notice of the award and inform all necessary parties. The Police Finance Office will ensure that all necessary signatures are obtained and that appropriate distribution occurs. During the course of the grant and after the grant terminates, the Police Finance Office will maintain the necessary files and documentation and ensure the proper accounting is completed.

3363 Operational Responsibility

In general, the party who wrote the grant proposal will also have operational responsibility for grant administration and be considered the Project Manager. During the course of the grant, the Project Manager will:

- Control grant operations
- Develop requests for equipment and services to be forwarded to the Police Finance Office
- Initiate and maintain any contacts with the grantor to ensure that the program runs smoothly
- Prepare required operational reports and evaluations
- Have responsibility for the overall administration of the grant

3364 Federal Grants – Finance Section Procedures for Form Preparation and City-Level Review

The TPD Finance office prepares and submits the federal form (SF-425) detailing the expenditure of funding for grants assigned to TPD. These shall be completed by 21 days after the end of the applicable quarter (or timeframe dictated by the federal agency) to ensure reviews can be accomplished prior to the 30 day deadline for SF-425 submission. It is recognized that situations can occur that may prevent the forms from being ready by the 21 day period. Exceptions may be



made based on the coordination and approval of the Police Finance Manager. Exceptions notwithstanding, the appropriate federal timelines shall still be met.

In the case of grant closeout, the 90 day timeline applies. In this case, the TPD Finance Section works closely with the assigned City Fund Accountant to ensure the grant is audited and fully reconciled prior to submission of the Final SF-425. With the exception of final coordination, the same procedures listed apply.

TPD Finance will generate reports via the City's Financial Reporting System after the closeout date for each period (month). These reports will display costs (including payroll and non-personnel) that are reflected in the City General Ledger. Reports will also show the cost centers (grant identified and unique to each grant contract) and accounting objects assigned for each purchase category (e.g., Object 359 = Non Office Supplies). In the case of payroll related expenditures, the objects are identified with payroll categories (e.g., Object 101=salary).

All expenses will be classified as cash disbursed and segmented into Federal share and local matching contributions (if required).

Once expenditures are reconciled against grant contract appropriate categories, an SF-425 Tracking sheet will be tabulated for review and signature by the TPD Finance Manager after review by the TPD staff for Grants.

The TPD Finance Manager, in conjunction with the TPD finance staff, will review information on both the SF-425 Financial Report Approval sheet and associated financial data that was reconciled to arrive at the cash disbursement amount. The form will be reviewed and signed by the TPD Finance Manager and forwarded via email to the assigned Fund Accountant in City Accounting (City Finance Department).

The City Fund Accountant will compare each form (SF-425) against associated financial summary data to ensure the figures agree with both the amounts listed on the form and expenditures listed in the City's General Ledger. In the case of a discrepancy, the Fund Accountant shall contact the assigned TPD finance staff for resolution. Once approved by both TPD and City Finance staff, a copy of the form (SF-425) is maintained in the TPD Grant File as well as the City Fund Accountant File to document the amounts reported for drawdown by the assigned City Fund Accountant.

With the SF-425 submitted into the appropriate Grants Management System, the assigned Fund Accountant will initiate the appropriate drawdown procedures using the DOJ Grant Payment Request System (GPRS). Once the drawdown is completed, the assigned Fund Accountant will send confirmation via email to the TPD finance staff for insertion into the appropriate TPD Grants Financial Files.

The TPD finance staff will monitor the City Reimbursement Report to ensure the appropriate funds are deposited and match the SF-425 requested amount. In the case of funding administered by the Justice Assistance Grant Program, the entire award allocation is drawn down from GPRS as soon as the grant is fully executed so this step only applies to the first drawdown.



All documents will be maintained as hard copy in the appropriate grants folder for a minimum of 3 years after formal closeout of the grant (notification by the federal agency that the grant has been formally closed).

3370 FORFEITURE

3371 General

Property acquired through the civil process function or asset forfeiture proceedings shall be disposed of pursuant to legal authority. The Police Finance Office records and accounts for the receipt of funds or property and the expenditure of funds from seizures and forfeitures. Expenditures occur based on the direction provided by the Chief of Police and Bureau Chiefs. By state law, the Arizona Attorney General or the PCAO holds forfeited funds until an expenditure occurs.

3372 Procedures

The department maintains and uses a "holding account" in which all monies that are seized are held until the court issues an order directing the distribution of the funds.

The department, for purposes authorized by law, may utilize property awarded to the department. In the event the property is sold, proceeds received shall be turned over to the Finance Office and shall be distributed as outlined by the court.

When seizures fall under state jurisdictions, operational staff will deposit monies in the holding account and provide the Police Finance Office with the receipt so the transaction can be recorded. If operational personnel have a check, they will bring the check to the Police Finance Office for deposit.

3372.1 Court Orders

When the court adjudicates seizures, operational personnel will provide the Police Finance Office with the court order. The Finance Office distributes the funds in accordance with the court order.

3372.2 Federal Involvement

If the federal government shares forfeiture with the department, the Police Finance Office insures that the funds are deposited with the PCAO.

3373 Expenditures of Forfeiture Funds

The Chief of Police and Bureau Chiefs determine how forfeited funds or property will be expended in accordance with the law. The Police Finance Office processes all RICO, Direct Payment Authorization, Pcard, and travel orders and records the costs. The Police Finance Office maintains records of all such revenues and expenditures.

The Police Finance Office provides the PCAO with documentation for expenditures and requests reimbursement. The PCAO reviews the request to ensure that all expenditures comply with the



governing statutes and prepares a check to the Police Department when satisfied that all transactions were appropriate.

3380 ANNUAL BUDGET DEVELOPMENT

3381 Operating Budget

The Police Finance Office coordinates the development of the Operating Budget Submission to the City Manager and the Mayor and Council in accordance with the guidelines provided by the City Budget Department. The Police Finance Office prepares the pro forma portion (the amounts that the Department will need to continue current operations) of the budget with input from department personnel.

3382 Other Budgets

The Finance Office oversees the Grants Budget. The Police Administrative Support Division develops requests for small building modifications and radio, copier, uniform and vehicle equipment replacements, etc.

Divisional Commanders shall develop new program requests as appropriate and present them to managers and administrators so that they can be prioritized for inclusion in the budget submission.

The Research and Analysis Unit coordinates the department's development of mission statements and impact, output, and outcome measures for inclusion in the budget submission.

The Police Finance Office coordinates the department's responses during evaluation of the budget submission by City management and the Mayor and Council.

3383 Capital Budget Submission

The Police Finance Office will prepare the Capital Budget in accordance with guidelines provided by the City Budget Department. The Finance Office will also coordinate the department's responses during evaluation by City management and the Mayor and Council.