

**TITLE: FISCAL AFFAIRS**

**CODIFIED: 10.1**  
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**PURPOSE**

The purpose of this directive is to establish guidelines for budgeting, accounting, and fiscal control procedures.

**DISCUSSION**

In the administration of the Santa Fe Police Department, as with all public offices, there must be unquestionable evidence, protected by the concept of checks and balances, that the vested public trust is not violated. To this end, financial accounts and records must clearly and unquestionably show that:

- The Chief of Police is properly managing the financial affairs of the office;
- The fidelity of all employees handling public funds is safeguarded;
- All applicable administrative rules and statutory provisions are carefully and fully complied with;
- All public records are available for public and official inspection, as required by law.

**POLICY**

It shall be the policy of the Santa Fe Police Department to administer and manage the fiscal affairs of the Police Department in accordance with budget and financial requirements as set by the Finance Department of the City of Santa Fe.

**DEFINITIONS**

**Appropriation** - Money that the agency is authorized to spend for a specific purpose, such as personnel services, operating expenses, supplies, etc.

**Encumbrance** - A commitment in the form of a purchase order, contract, salary, or similar item that will become payable when goods are delivered or services rendered.

**Unencumbered Balance** - That part of an appropriation or allotment that has not been committed and is available for expenditure.

**PROCEDURES**

**FISCAL MANAGEMENT RESPONSIBILITY**

**10.1.01** The budgets of all Departments within the City of Santa Fe are legally controlled at the fund level. However, the Chief of Police as Department Director is solely responsible and accountable for the control, operation, and administration of the Police Department. This includes management control of the operating budget and other fiscal affairs attendant to departmental operations.

**10.1.02** Due to the size, complexity, and volume of the fiscal management function, responsibility for management of Police Department fiscal affairs is delegated to the Office of the Chief of Police and further delegated by the Chief to the Deputy Chief and Accounting Supervisor.

**BUDGET**

**10.1.03** The budget is perhaps the single most valuable document for assisting the Chief of Police in meeting the growing service demands of the community. Therefore, it should receive careful thought and preparation in its development. Planning for delivery of services should center on the development of goals and performance objectives, which lead to end results or service levels to be accomplished. Careful attention must be given to the identification of specific performance objectives and service levels and to relate budget requests to those objectives.

**BUDGET PREPARATION AND PARTICIPATION**

**10.1.04** In February of each year, the City Finance Department provides the Accounting Supervisor with a package that conforms to all applicable laws, rules, and regulations. Upon receipt of the package, the following procedures shall govern personnel responsibilities relating to preparation of the annual budget.

- A.** The Chief of Police and/or the Accounting Supervisor shall provide written notice to all command and supervisory staff who are in charge of Department components that a written budget request is due at the end of a one- week period.
- B.** Command and supervisory staff shall be responsible for submitting a budget request that includes each individual request and contains specifics to justify the individual request.
- C.** Command/supervisory staff shall be required to solicit verbal and written input from all subordinate personnel prior to completion of their formal budget requests.
- D.** Command/supervisory staff shall be required to review all goals and objectives for their area(s) of command to assure needs are met and requests are justifiable.
- E.** The annual manpower allocation study results, and results of any additional analyses conducted shall be reviewed to address possible personnel needs and allocation issues.
- F.** Areas to be addressed include but are not limited to:
  - 1. Personnel needs;
  - 2. Funding for contingency monies;
  - 3. Training and equipment;
  - 4. Field and Office supplies;
  - 5. Vehicles/Capital outlay

**10.1.05** All requests will be compiled and the Deputy Chief and Accounting Supervisor shall meet with all involved command/supervisory staff to discuss the areas addressed.

- A.** Extensions to the time limits may be allowed, depending on the amount of time allotted by the Finance Director for completion of the budget package.
- B.** The Deputy Chief of Police and Accounting Supervisor shall then complete the budget package and present it to the Chief of Police for final approval. The approved budget package will then be presented to City budget staff in the approved format and with the proper justification.
- C.** The Chief and staff will then attend City hearings on the package. Final budget decisions rest with the Finance Committee and the City Council.

**EMERGENCY APPROPRIATIONS AND FUND TRANSFERS**

**10.1.06** Emergency appropriations or fund transfers to meet unanticipated budgetary circumstance shall be in accordance with City Finance Department procedures.

**ACCOUNTING**

**10.1.07** All accounting over which the Department has direct control shall be in accordance with generally accepted accounting principles. Otherwise, the Department is linked to and an integral part of the City's computerized financial accounting system.

**10.1.08** The system is programmed with a nationally accepted Local Government Financial System software which incorporates a system of internal accounting controls. Such controls have been designed and are continually being re-evaluated to provide reasonable, but not absolute assurances regarding:

- A.** The safeguarding of assets against loss from unauthorized use or disposition;

**BUDGET REVIEW, SUBMISSION AND APPROVAL**

- B.** The reliability of financial records for preparing financial statements and monitoring accountability for assets.

**REPORTS**

**10.1.09** The Accounting Supervisor shall prepare and submit any financial report not provided by the City Finance Department. The City’s financial accounting system provides automated status reports and may be obtained through the office of the Accounting Supervisor.

**10.1.10** Budget status reports include at least the following information:

- A.** Initial appropriation for each account or program;
- B.** Balances at the commencement of the budget period;
- C.** Expenditures and encumbrances made during the period;
- D.** Unencumbered balances.

**10.1.11** Each appropriation and expenditure is minimally classified as to function, organizational component, activity, object and program.

**10.1.12** The Accounting Supervisor shall provide a monthly Budget Analysis Report that reflects the amount of budget remaining by division business unit, line item, to each Division Commander and the Deputy Chief.

**INTERNAL MONITORING**

**10.1.13** In order to provide continuous and timely monitoring of the Department’s fiscal activities and insure that established internal control procedures are being administered effectively, the Accounting Supervisor shall be responsible for tracking Departmental fiscal activities.

**10.1.14** The Accounting Supervisor may delegate fiscal tracking responsibilities to subordinate staff members, however, all responsibility for the effective and continuous management of fiscal affairs rest solely with the Accounting Supervisor.

**10.1.15** The Accounting Supervisor shall conduct internal audits of all funds and receipts turned in by the other divisions. Internal audits will be conducted on a monthly basis at a minimum, or on a schedule set by the Accounting Supervisor.

**INDEPENDENT AUDIT**

**10.1.16** An annual independent audit shall also be conducted, (fiscal year) by the firm designated to audit all City fiscal activities.

**COLLECTING, SAFEGUARDING, AND DISBURSING CASH**

**10.1.17** Procedures used for collecting and safeguarding disbursements and expenses shall meet all requirements of the Procurement Code and conform to the procedures outlined in the City of Santa Fe Budget Manual. Procedures include at a minimum:

- A.** Record of appropriations among organizational components;
- B.** Preparation of financial statements;
- C.** Conducting annual internal audits.

**10.1.18** The following personnel have been authorized by the Chief of Police to collect funds on behalf of the Santa Fe Police Department and shall do so in accordance with established guidelines for the collection and depositing of funds:

- A.** Accounting Supervisor or designee, account for funds obtained through forfeiture proceedings;
- B.** Animal Services Supervisor/Administrative Secretary - fines for animal control violations;
- C.** Support Services Unit Administrative Secretary- D.W. I. School registration fees;
- D.** Records Personnel - fees for copies of reports, record checks, and other related services for which a fee is required;
- E.** Accounting Supervisor or Payroll Secretary- payment of overtime fees for officer overtime;
- F.** Sworn Command personnel - cash bonds.

**DISBURSEMENT OF FUNDS**

10.1.19 Any disbursement of funds shall be transacted in accordance with the approved annual budget and the City of Santa Fe Procurement Code. All purchases shall be by the Purchase Order System, Vouchers Payable System, and/or Petty Cash Voucher System, in accordance with the City of Santa Fe Procurement Rules and Regulations. The Purchasing Manual shall be maintained in the office of the Accounting Supervisor.

- The only authorized cash disbursements are those from the Narcotics/Burglary Contingency Funds.

10.1.20 Only the following Police Department personnel are authorized to disburse funds:

- A. Chief of Police;
- B. Deputy Chief of Police;
- C. Accounting Supervisor.

**PURCHASING**

10.1.21 The Accounting Supervisor has overall responsibility for the administration of Departmental purchasing activities. The procurement or purchase of all Department supplies and equipment shall be in accordance with the City of Santa Fe purchasing procedures. These procedures regulate, but are not limited to:

- A. Specifications for items requiring standardized purchase;
- B. Bidding procedures;
- C. Selection of vendors and bidders;
- D. Emergency purchasing;
- E. Equipment rental.

**INVENTORY CONTROL**

10.1.22 Inventory control of agency property, equipment and other assets will be the responsibility of the Technical Services Commander, who shall conduct periodic inventories in accordance with City of Santa Fe property control guidelines.

**EMERGENCY APPROPRIATIONS AND FUND TRANSFERS**

10.1.23 In the event that supplemental or emergency appropriations are needed for circumstances that cannot be anticipated, the following guidelines will be used:

- A. Any request for emergency appropriations must be requested in writing with all documentation and justification for the funds attached;
- B. For emergency purchases from \$1.00 to \$10,000.00, the Chief of Police, Deputy Chief and Accounting Supervisor must be notified and give his/her approval:
- C. For emergency purchases over \$10,000.00 the Chief of Police, Deputy Chief and Accounting Supervisor must be notified and give approval as well as the following personnel:
  - 1. City Finance Director;
  - 2. City Manager;
  - 3. Finance Committee /City Council.

DRAFTED(adp)/09-00

APPROVED:   
BEVERLY K. LENNEN  
Chief of Police

DATE: 07-23-04