



# City of Santa Fe, New Mexico

## LEGISLATIVE SUMMARY

Resolution No. 2015-\_\_\_

### Office of the Inspector General Charter Amendment

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**SPONSOR(S):** Councilor Maestas

**SUMMARY:** The proposed resolution authorizes the placement of a question on the ballot of a Special Election, to be held in conjunction with the Regular Election on March 1, 2016, to ask the voters of the city of Santa Fe whether or not the *Santa Fe Municipal Charter* should be amended to include a provision to establish an Independent Office of Inspector General for the City of Santa Fe.

**PREPARED BY:** Rebecca Seligman, Legislative Liaison Assistant

**FISCAL IMPACT:** Yes

**DATE:** October 5, 2015

**ATTACHMENTS:** Resolution  
FIR

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2015-\_\_**

3 **INTRODUCED BY:**

4  
5 Councilor Joseph M. Maestas

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9  
10 **A RESOLUTION**

11 **AUTHORIZING THE PLACEMENT OF A QUESTION ON THE BALLOT OF A**  
12 **SPECIAL ELECTION, TO BE HELD IN CONJUNCTION WITH THE REGULAR**  
13 **ELECTION ON MARCH 1, 2016, TO ASK THE VOTERS OF THE CITY OF SANTA FE**  
14 **WHETHER OR NOT THE *SANTA FE MUNICIPAL CHARTER* SHOULD BE AMENDED**  
15 **TO INCLUDE A PROVISION TO ESTABLISH AN INDEPENDENT OFFICE OF**  
16 **INSPECTOR GENERAL FOR THE CITY OF SANTA FE.**

17  
18 **WHEREAS,** the Governing Body finds that good governance, transparency and  
19 accountability are critical in the public sector for the effective and credible functioning of a  
20 healthy democracy, and in fulfilling the government's responsibility to citizens and taxpayers;  
21 and

22 **WHEREAS,** transparent and reliable reporting and effective auditing in government  
23 serve to promote accountability, enhance the effectiveness of government services to its citizens,  
24 and increase the public's confidence in their government; and

25 **WHEREAS,** in 2013 the Governing Body enacted the Fraud, Waste and Abuse Hotline

1 Ordinance (being Section 19-2 SFCC 1987) which was created for the purpose of establishing a  
2 mechanism for City employees to anonymously report alleged fraud, waste or abuse by City  
3 employees or public officers; and

4 **WHEREAS**, the Fraud, Waste and Abuse Hotline was established solely for City  
5 employees, therefore, there is a need for a similar line dedicated to anonymous public reporting of  
6 fraud, waste and abuse; and

7 **WHEREAS**, in 2013 the Governing Body created the Santa Fe Audit Committee (being  
8 Section 6-5 SFCC 1987), an advisory committee to the Governing Body whose mission is to  
9 advise the City Manager, the Finance Committee and the Governing Body regarding financial  
10 audits and investigations and related policies and procedures in order to promote transparency,  
11 accountability, efficiency and effectiveness of City government for the citizens of Santa Fe; and

12 **WHEREAS**, in furtherance of the Governing Body's above actions, the City requires the  
13 services of an Inspector General to provide independent, objective assurance and review services  
14 designed to promote transparency, accountability, efficiency and effectiveness in City  
15 government and to investigate fraud, waste and abuse, whether reported or identified through  
16 independent investigation; and

17 **WHEREAS**, to maintain independence, an Office of Inspector General should not report  
18 to the City's executive branch or the Governing Body thereby allowing the Inspector General to  
19 conduct investigations without the influence of politics; and

20 **WHEREAS**, an Inspector General is a general auditor of a government agency's  
21 operations, ensuring an agency is in compliance with established policies of government; and

22 **WHEREAS**, an Inspector General also investigates the possibility of misconduct, fraud,  
23 waste, abuse, theft or other types of criminal activity by government employees or contractors  
24 working for the government; and

25 **WHEREAS**, the City of Santa Fe Code of Ethics already provides for the creation of an

1 office of inspector general in Section 1-7.9 SFCC 1987, which states “the governing body may by  
2 separate ordinance establish an office of inspector general”; and

3 **WHEREAS**, the City of Santa Fe is in need of an independent office to conduct  
4 investigations and audits of government operations to ensure that taxpayer funds are used in an  
5 appropriate manner.

6 **NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
7 **CITY OF SANTA FE** that the Governing Body hereby authorizes the placement of a question  
8 on the ballot of a special election, to be held in conjunction with the regular municipal election on  
9 March 1, 2016, to ask the voters of the City of Santa Fe whether or not the *Santa Fe Municipal*  
10 *Charter* should be amended to include a provision to establish an independent Office of Inspector  
11 General for the City of Santa Fe.

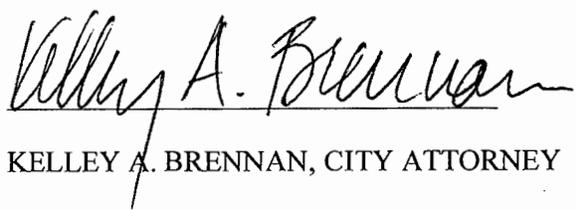
12 PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

13  
14 \_\_\_\_\_  
15 JAVIER M. GONZALES, MAYOR

16 ATTEST:

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18 \_\_\_\_\_  
19 YOLANDA Y. VIGIL, CITY CLERK

20 APPROVED AS TO FORM:

21   
22 \_\_\_\_\_  
23 KELLEY A. BRENNAN, CITY ATTORNEY

24  
25 *Legislation/Resolutions 2015/OIG Charter Amendment*

## City of Santa Fe Fiscal Impact Report (FIR)

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

**Section A. General Information**

(Check) Bill: \_\_\_\_\_ Resolution:   X  

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): **AUTHORIZING THE PLACEMENT OF A QUESTION ON THE BALLOT OF A SPECIAL ELECTION, TO BE HELD IN CONJUNCTION WITH THE REGULAR ELECTION ON MARCH 1, 2016, TO ASK THE VOTERS OF THE CITY OF SANTA FE WHETHER OR NOT THE SANTA FE MUNICIPAL CHARTER SHOULD BE AMENDED TO INCLUDE A PROVISION TO ESTABLISH AN INDEPENDENT OFFICE OF INSPECTOR GENERAL FOR THE CITY OF SANTA FE.**

Sponsor(s): Councilor Maestas

Reviewing Department(s): City Attorney's Office

Persons Completing FIR: Kelley Brennan/Jesse Guillen Date: 9/23/15 Phone: 955-6961

Reviewed by City Attorney: *Kelley A. Brennan* Date: 9/30/15  
(Signature)

Reviewed by Finance Director: *Jesse Guillen* Date: 9-30-2015  
(Signature)

**Section B. Summary**

Briefly explain the purpose and major provisions of the bill/resolution:

**This resolution would authorize the placement of a question on the ballot for the next municipal election on March 1, 2016 to include a provision to create an Office of Inspector General for the City of Santa Fe.**

**Section C. Fiscal Impact**

**Note:** Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)\*

**1. Projected Expenditures:**

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs  
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs  
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: \_\_\_\_\_

\_\_\_\_\_ Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY <u>15/16</u>	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Professional Services	\$400 _____	_____	_____	\$ _____	_____	_____	_____	12011
All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Total:	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____

\* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. \*\*For fringe benefits contact the Finance Dept.

**2. Revenue Sources:**

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
Total:	\$ _____	_____	\$ _____	_____	_____	_____

**3. Expenditure/Revenue Narrative:**

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

The costs of placing the question on the ballot are estimated at \$400. However, should the charter amendment be approved by a majority of voters at the regular 2016 municipal election on March 1, there would be substantial fiscal impact for establishing a new department within the City of Santa Fe structure. Those costs are not quantified here.

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**Section D. General Narrative**

**1. Conflicts:** Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

The position of internal City auditor currently exists, and the duties of this position and a potential inspector general may conflict.

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**2. Consequences of Not Enacting This Bill/Resolution:**

Are there consequences of not enacting this bill/resolution? If so, describe.

No Office of Inspector General will be created.

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**3. Technical Issues:**

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

The Governing Body has considered the addition of a fraud investigator to the internal auditor function as a way of testing whether the creation of an OIG was justified, but did not adopt that option. The history to date of calls/responses to the fraud, waste and abuse hotline and the outcomes of those calls may provide additional information on the kinds of issues an OIG might be expected to address.

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**4. Community Impact:**

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

If this resolution is adopted by the Governing Body, the community will have an opportunity to decide if it favors establishment of an OIG, with proponents and opponents able to explain the reason for their respective prior to the election.

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