

CITY OF SANTA FE, NEW MEXICO

Capital Project Reporting Procedures

Introduction:

To ensure that capital improvement projects are completed in a timely, efficient, and transparent manner, staff is directed to establish and manage a process to inform all interested parties of the progress on all of the City's capital projects. The process will consist of project file management standards, assigned roles and responsibilities, periodic reports, and project close-out procedures.

Policy and Procedures:

There are two types of projects: In-house and third-party. The process will be the same for both types. For the purposes of this directive, the term 'project' shall be understood to mean only and all capital and/or construction projects.

1. To launch a project, the person assigned to manage the project, hereinafter referred to as the **project manager**, will request approval by the Department Director to begin charging expenses against its appropriation. The request will indicate what those expenses are anticipated to be, the timeline to completion, and what funding sources will be applied. The Department Director will approve the request and, in consultation with the Finance Department, create a unique project account for it in the City's financial accounting system to record the revenue and expenditures for the project throughout its life cycle. The project manager will then prepare and begin maintaining a project management file that will begin with a **Project Description Folder** containing the following information:
 - a. Project name
 - b. Duration of the project by Fiscal year
 - c. Reporting cycle (unless otherwise directed by the City Manager or grantee, all project reports will be required on a quarterly basis)
 - d. Project Fund number or any other relevant identifier number
 - e. Funding source and uses
 - f. A master control list of all revenue and expenditures and the resulting starting and ending budget balance.
 - g. Designated Project Manager's signature and date.
 2. The Project Description folder will be sent to the assigned Financial Analyst in the Finance Department for review and processing. The Financial Analyst will maintain a separate project file until the project has been closed out. When the project has been completed, the Financial Analyst will forward the file to the Capital Asset Section in Finance for inspection of the project for completion and capitalization of the completed work. The Finance Department will close the project with approval by the City Manager and report the final accounting to the Finance Committee.
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3. The project manager will maintain a separate project file for each project assigned to him/her with all supporting documents such as Budget Adjustment Requests, memoranda, Invoices, General Ledger expense reports and other supporting documents related to the project.
4. All source documents will be retained according to state law or the grantor's required retention period, whichever is greater. All documents will be maintained for auditing purpose as required by auditing procedures, Internal Revenue Service or creditor requirements.
5. The project manager will maintain a detailed log of activity occurring on the project every work day it is ongoing. He/she will incorporate this information into a progress report at the end of every quarter or on a monthly basis if required by the City Manager or grantee. The report will be reviewed and verified by the Department Director and Finance Department. The Finance Department will promulgate the format for the daily log and the quarterly report with consultation with the affected departments. It will also compile all of the departments' project status reports into a quarterly progress report on the City's capital improvement program and present it to the Finance Committee no less than 45 days before the end of the next quarter.
6. A Request for Payment Form will be generated when requesting payment for project-related activities. This form will contain the following information:
 - i. Date
 - ii. Budget Balance of the project
 - iii. Contact information for Project Administrator
 - iv. Project name and location of where the service will be provided
 - v. Total percent completed amount claiming for the payment
 - vi. Signature of Authorizing Official.
7. The daily log will be titled the **Daily Project Log**. It will contain a description of the work undertaken and completed each day. It will also list all of the material received and third-party work accepted for the project that day. If the work is being performed by City employees (Force Account), the daily log will include the time to the nearest half hour that each employee spent on the project. This information will be reconciled with the payroll timesheet submitted for the respective employee. The log will be stored electronically as a public record in compliance with appropriate state law.
8. The quarterly report will be titled the **Quarterly Project Report**. It will provide information on progress toward completion and financial activity:
 - a. It will provide a tally of the information collected in the Daily Project Log to date and give a percentage of project completion in comparison to the project milestones and final completion date established for the project when it was approved by the City Council. The report will also indicated if the percent of project completion varies significantly enough from the original project timeline that the latter has to be amended;

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- b. It will also provide an accounting of total expenses for the quarter, including salaries, fringe and operational expenses incurred by the end of the quarter. Timesheet certifications and invoices will be used to determine how, when, and where the project cost were incurred.
- c. Amendments to the scope, budget, and timeline will be done in accordance with Chapter 11 Section 4 of the *City of Santa Fe Code*. Amendments up to \$5000 in value may be approved by the Finance Director. Amendments up to \$50,000 in value may be approved by the City Manager. Amendments above \$50,000 in value must be brought before the City Council for approval. The City Manager or his/her designee will approve all changes to the scope and timeline of the project regardless of their financial impact.

Project Close-out:

1. When a project is completed, the project manager will prepare a final quarterly report supported by a completed Close-out Request Form and request approval from the Department Director and Finance Department to close the project management file. The Finance Department will promulgate the format for the Close-out Request Form and provide training to the interested staff on how to properly complete it.
2. Prior to presenting the final quarterly report, the project manager will submit the project management file and Close-out Request Form to the assigned Financial Analyst in the Finance Department to ensure that all costs are fully expended and documented, the project file is complete, and all the required information are provided in the Close-out Request Form.
3. The City Manager or his designee will approve the Close-out Request Form for it to be deemed complete.
4. The Financial Analyst will prepare a report of final accounting and capitalized assets based on the information provided in the Close-out Request Form that will then be presented to the Finance Committee as part of the quarterly report on the City's capital improvement plan.

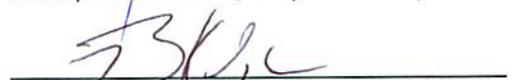
APPROVED:



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7-1-2015
Date

Date

07/01/2015
Date