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**CITY OF SANTA FE, NEW MEXICO**

**RESOLUTION NO. 2014-65**

**INTRODUCED BY:**

Councilor Joseph Maestas

**A RESOLUTION**

**DIRECTING STAFF TO IDENTIFY THE BENEFITS, FEASIBILITY, NEEDS AND  
OPTIONS FOR CREATING AN INDEPENDENT OFFICE OF INSPECTOR GENERAL.**

**WHEREAS**, in 2012, the Governing Body enacted Section 2-22 SFCC 1987 which created the Internal Audit Department; and

**WHEREAS**, the purpose of the Internal Audit Department is to promote good governance, transparency and accountability which are critical in the public sector for the effective and credible functioning of a healthy democracy, and in fulfilling the government's responsibility to citizens and taxpayers; and

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

**WHEREAS**, members of the Governing Body share a duty to ensure that the actions of public officials, employees and contractors of the city are carried out in the most responsible manner possible and that city policies, budgets, goals and objectives are fully implemented; and

1           **WHEREAS**, in 2013, the Governing Body enacted Section 19-2 SFCC 1987, the Fraud,  
2 Waste and Abuse Hotline, which was created for the purpose of establishing a mechanism for City  
3 employees to report alleged fraud, waste or abuse by city employees or city public officers; and

4           **WHEREAS**, in addition to the current duties of the City internal auditor (IA), the IA is  
5 responsible for overseeing the contracted services of implementing and maintaining the fraud, waste  
6 and abuse hotline and investigating reported incidents; and

7           **WHEREAS**, to accomplish a positive, responsive and thorough outcome of the fraud, waste  
8 and abuse allegations, the City could benefit from the services of an inspector general (“IG”) who  
9 could actively investigate reports submitted by City employees as well as the general public on fraud,  
10 waste and abuse of city resources; and

11           **WHEREAS**, pursuant to Section 1-7.9(B) of the City of Santa Fe Code of Ethics, “the  
12 governing body may, by separate ordinance, establish an office of inspector general;” and

13           **WHEREAS**, the presence of an IG in City government would promote transparency,  
14 accountability, efficiency and effectiveness of city government; and

15           **WHEREAS**, municipalities throughout the United States have found that the cost of funding  
16 an IG position is returned through elimination of fraud, waste and abuse and the introduction of new  
17 efficiencies, including in Philadelphia where, in 2013, the IG saved or recovered \$10.9 million for the  
18 City; and

19           **WHEREAS**, the City of Albuquerque and the New Mexico Department of Transportation,  
20 amongst other governmental entities, have successfully established Office of Inspector General (OIG)  
21 functions; and

22           **WHEREAS**, Albuquerque established an OIG in 2010 to promote a culture of integrity,  
23 accountability, and transparency throughout the City of Albuquerque in order to safeguard and  
24 preserve the public trust by preventing, detecting, deterring and investigating fraud, waste and abuse  
25 and promoting the efficiency and effectiveness in the programs and operations of the City of

1 Albuquerque; and

2           **WHEREAS**, the 2012 report of the Albuquerque OIG states “the OIG conducted and  
3 completed 16 investigations which represents a 267% increase over FY2011 (6 investigations). The  
4 OIG reported a total of 90 findings and made 60 recommendations to Departments;” and

5           **WHEREAS**, in 2010, the New Mexico State Transportation Commission established an OIG  
6 for the New Mexico Department of Transportation (NMDOT) whose duties include, but are not  
7 limited to conducting inquiries and investigations into allegations of fraud, waste, abuse, theft and  
8 wrong doings perpetrated against the Department; and

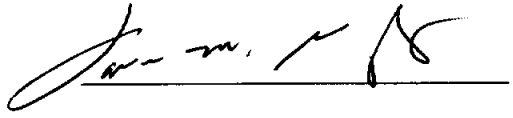
9           **WHEREAS**, because of the Governing Body’s recent establishment of the Fraud, Waste and  
10 Abuse Hotline Ordinance, there is a need to separate the fraud, waste and abuse duties from the City  
11 of Santa Fe’s Internal Auditor and create a separate, independent inspector general position.

12           **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
13 **CITY OF SANTA FE** that the Governing Body directs staff to:

- 14           1. Review the OIG models currently in place for the City of Albuquerque and the  
15 NMDOT as well as others that are comparable;
- 16           2. Identify the benefits, feasibility, needs and options for creating an OIG for the City of  
17 Santa Fe;
- 18           3. Evaluate whether the position should be established as a full-time employee or  
19 whether services should be contracted out;
- 20           4. Evaluate other existing ordinances that may be modified to strengthen the disclosure,  
21 investigation, and resolution of fraud, waste, and abuse including, without limitation,  
22 whistleblower protections, employee discipline procedures and hotline  
23 improvements; and
- 24           5. Within 45 days of adoption of this resolution present findings and recommendations  
25 to the Governing Body.

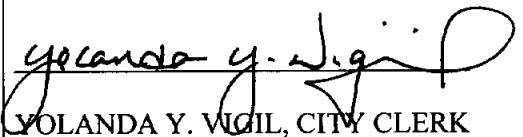
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PASSED, APPROVED and ADOPTED this 13<sup>th</sup> day of August, 2014.



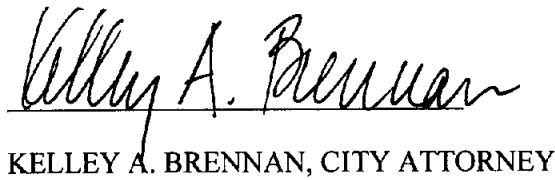
JAVIER M. GONZALES, MAYOR

ATTEST:



YOLANDA Y. WIGIL, CITY CLERK

APPROVED AS TO FORM:



KELLEY A. BRENNAN, CITY ATTORNEY