

Article 2: Administrative Code

**Division 7: Chief Financial Officer, Finance Department,
and Debt Management Department**

*(Retitled to “Chief Financial Officer” on 4-22-2015
by O-20474 N.S.; effective 5-22-2015.)*

*(Retitled from “Chief Financial Officer” to “Chief Financial Officer, Office of the
City Comptroller, Financial Management Department, and Debt Management
Department” on 10-24-2017 by O-20864 N.S.; effective 11-23-2017.)*

*(Retitled from “Chief Financial Officer, Office of the City Comptroller, Financial
Management Department, and Debt Management Department” to “Chief Financial
Officer, Finance Department, and Debt Management Department” on 10-26-2018 by
O-21001 N.S.; effective 11-25-2018.)*

§22.0701 Powers — Authority

The Chief Financial Officer, or the duly authorized deputy, shall, at any time, have power to examine, check and audit the accounts and records related to City business of any commission, board, department, division, office, or employee of the City; to require an accounting for all cash revenues of the City; to make and certify to an actual count of cash and securities; and to prescribe, govern and control the movements or transfer of all cash revenues or securities to the custody of the City Treasurer.

*(Incorp. 1-22-1952 by O-5046 N.S.)
(Amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)*

§22.0702 Facsimile Signature

The Chief Financial Officer may secure and use a facsimile signature mechanism and sign or countersign all warrants or checks issued in pursuance of his or her duties by placing a facsimile signature thereon by such means.

*(Incorp. 1-22-1952 by O-5046 N.S.)
(Amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)*

§22.0703 Taxes Collected — Payment to City Treasurer

On the first Monday of each month (or the next business day if the first Monday is a holiday), the County Treasurer - Tax Collector collecting taxes for and on behalf of the City shall pay to the City Treasurer all moneys collected during the preceding month. On the same day, the Chief Financial Officer must receive from the County Treasurer - Tax Collector a statement showing:

- (a) An itemized accounting of all transactions and receipts since the last payment, which accounting must show the amount collected for and on behalf of the City for each fund, district, or purpose listed on the assessment book; and
- (b) That all money collected has been paid to the City Treasurer.

(Incorp. 1-22-1952 by O-5046 N.S.)

(Renumbered from former Section 22.0705 and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015. Former Section 22.0703 "Forgery Insurance" repealed.)

§22.0704 Deposit of Public Moneys

- (a) Every department, office, or institution of the City that receives money directly from the public, or otherwise, on behalf of the City shall deposit those moneys daily with the City Treasurer or the City's banking institution as instructed by the City Treasurer. Revenue shall be recorded in accordance with the City Treasurer's depositing requirements.
- (b) The City Treasurer may grant an exception to the daily deposit requirement and approve an alternate depositing schedule in writing if requested. Any exception or alternate depositing schedule approved by the City Treasurer shall require deposits at least weekly.
- (c) Notwithstanding the foregoing provisions, officers required to pay daily into the City Treasury taxes, fees, or other moneys collected for or on behalf of the City may, in their discretion, pay such moneys to the City Treasurer without making any account of the sources from which the amounts were collected. Each officer shall be credited with the amount paid without apportioning such moneys to any specific fund.
- (d) Nothing in this section excuses any officer from the requirement that regular monthly settlements and accountings of all collections be made as provided under the Charter. The monthly settlements and accountings of an officer's collections shall reflect and credit the officer for any and all of the daily payments of moneys made to the City Treasurer.

(Amended 7-25-1994 by O-18088 N.S.)

(Renumbered from former Section 22.0706 and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015. Former Section 22.0704 "Forgery Insurance Premiums" repealed.)

§22.0705 Penalty

A Tax Collector, refusing or neglecting for a period of five (5) days to make the payments and settlements required by this ordinance and by the laws of the State of California, shall be liable for the same penalties provided by law for the settlement of other taxes and is liable for the full amount of taxes charged upon the assessment roll.

(Incorp. 1-22-1952 by O-5046 N.S.)

(Renumbered from former Section 22.0707 on 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)

§ 22.0706 Annual Report on Internal Controls

- (a) On or before December 1 of every year the Chief Financial Officer, in coordination with the City Manager, shall conduct an annual evaluation of the City's internal financial controls that shall include a thorough review of the efficacy of the City's internal financial controls and their operation and a meeting with the City's independent auditors to review the design and operation of the City's internal financial controls.
- (b) The City Manager and the Chief Financial Officer shall submit a written Annual Report of their annual evaluation of the City's internal financial controls to the City Council and the Audit Committee on or before March 1 of every year and such Annual Report shall be docketed for a hearing of the Audit Committee within thirty (30) days of its submission. Following and within thirty (30) days of the Audit Committee hearing, the Annual Report shall be docketed for an open session hearing of the City Council. The Annual Report shall include a certification signed by the City Manager and the Chief Financial Officer, certifying that they:
 - (1) are responsible for establishing and maintaining the City's internal financial controls;
 - (2) have designed such internal financial controls to ensure that material information relating to the City and its departments, offices, agencies, and affiliated "related entities" as defined in San Diego Municipal Code section 22.4102, is made known to the City Manager and/or the Chief Financial Officer by others within the City and its departments, offices, agencies, and affiliated "related entities," particularly during the period in which the Annual Report required by this section is being prepared;

- (3) have evaluated the effectiveness of the City’s internal financial controls as of a date within 120 days prior to the submission of the Annual Report;
 - (4) have presented in the Annual Report their conclusions about the effectiveness of their internal controls based on such evaluation as of the date the Annual Report is submitted;
 - (5) have disclosed to the City’s independent auditors and the Audit Committee all significant deficiencies in the design or operation of internal controls that could adversely affect the City’s ability to record, process, summarize, and report financial data;
 - (6) have identified for the City’s independent auditors any material weaknesses in internal controls and any fraud, whether or not material, that involves management or other employees who have a significant role in the City’s internal controls; and
 - (7) have indicated in the Annual Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.
- (c) If the City Manager or the Chief Financial Officer is absent, a deputy or other authorized designee may make the certification required by this section.

(Added 10-11-2004 by O-19320 N.S.)

(Amended 5-2-2007 by O-19612 N.S.; effective 6-1-2007.)

(Renumbered from former Section 22.0708 and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)

§ 22.0707 Certifications to the City Council

- (a) In connection with the issuance of the City’s Comprehensive Annual Financial Reports (CAFR), the Chief Financial Officer shall certify in writing to the City Council that to the best of his or her knowledge, as of its date:
 - (1) the information contained in the CAFR fairly presents, in all material respects, the financial condition and results of operations of the City as of, and for, the periods presented in the CAFR; and

- (2) the CAFR does not make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
- (b) In connection with offerings of securities of the City or the “related entities” as defined in Municipal Code section 22.4102, the Chief Financial Officer shall certify in writing to the City Council that to the best of his or her knowledge, as of the date of the offering documents or other relevant disclosure materials, and regarding those sections of such offering documents or disclosure materials for which the Chief Financial Officer is primarily responsible:
- (1) that the information fairly presents, in all material respects, the financial condition and results of operations of the City;
 - (2) that the information does not make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and
 - (3) that the financial statements and other financial information taken from the CAFR and included in such offering documents or disclosure materials fairly present in all material respects the financial condition and results of operations of the City as of, and for, the periods presented in the CAFR.
- (c) If the Chief Financial Officer is absent, his or her deputy or other authorized designee shall provide the certifications required by this section.

(Added 10-11-2004 by O-19320 N.S.)

(Renumbered from former Section 22.0709 and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)

§ 22.0708 Comprehensive Annual Financial Report

- (a) Immediately upon completion of the CAFR, the Chief Financial Officer shall request that a hearing on the CAFR be placed on the agenda for presentation to the Audit Committee. Such hearing shall be placed on the agenda for the first scheduled Audit Committee meeting following the request, and not later than sixty (60) days after the request is made. Following and within thirty (30) days of the Audit Committee hearing, the CAFR shall be docketed for an open session hearing of the City Council, which hearing shall not be continued for any reason except for an emergency as reasonably determined by the Council President.
- (b) Notwithstanding any rule or standard of accounting practice, whether federal, state, or local, or any provision of the Municipal Code, the Chief Financial Officer shall be responsible for, either alone or in conjunction with appropriate City departments or related agencies, the preparation of all footnotes to the City's CAFR, and any stand-alone financial statement prepared by the Chief Financial Officer.

(Added 12-7-2004 by O-19342 N.S.)

(Renumbered from former Section 22.0710 and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)

§ 22.0709 Improper Influence of Outside Professionals and Obstruction of Any Auditor of the City

- (a) It shall be unlawful for any elected official, officer, or employee of the City, or anyone acting under their direction, to take any action to coerce or fraudulently influence, manipulate or mislead:
 - (1) any independent certified public accountant engaged in the performance of an audit of the financial statements of the City or its departments;
 - (2) any professional retained by the City, including but not limited to, financial advisors, lawyers and accountants, who perform services for the City in connection with the delivery of any offering statement or other disclosure document of the City in connection with the sale of any debt obligations by the City;

- (3) any actuary performing an actuarial valuation in connection with the preparation of the City's or San Diego City Employees Retirement System's Comprehensive Annual Financial Reports; or
 - (4) any bond rating agency rating the City's bonds or otherwise conducting a credit evaluation of the City's finances; with the specific intent of rendering such financial statements or other financial information materially misleading.
- (b) It shall be unlawful for any elected official, officer, or employee of the City, or anyone acting under their direction, to take any action to coerce or fraudulently influence, manipulate, or mislead any auditor of the City, including the City Auditor, or any staff member of such auditor, in the conduct of an audit with the specific intent of obstructing such audit or rendering any report of such audit materially misleading.
- (c) It shall be unlawful for any elected official, officer, or employee of the City, to use his or her official authority or influence to intimidate, threaten, coerce or command, or attempt to do the same, to any elected official, officer, employee of the City or member of a City board or commission who reports on the activities described in section 22.0709(a) or 22.0709(b) or otherwise assists in an investigation of thereof.
- (d) Any person who violates section 22.0709(a), 22.0709(b) or 22.0709(c), or who counsels, aids, abets, advises, or participates with another to commit such violation, is guilty of a misdemeanor and is subject to the penalties set forth in Chapter 1 of the Municipal Code.

(Added 9-11-2009 by O-19895 N.S.; effective 10-11-2009)

(Renumbered from former Section 22.0711, retitled to "Improper Influence of Outside Professionals and Obstruction of Any Auditor of the City," and amended 4-22-2015 by O-20474 N.S.; effective 5-22-2015.)

§ 22.0710 Finance Department

- (a) The Finance Department is a City department. The department is responsible for the City’s budget and general accounting functions, financial reporting, and payment services for the City.
- (b) The Director is the administrative head of the department and is appointed by, and may be removed by, the City Manager. The Director is the appointing authority of all personnel authorized in the department.
- (c) The Finance Department, under the direction of the City Manager, with policy direction from the City Council, is responsible for performing those duties and functions assigned and directed by the City Manager, including developing and monitoring City budgets; forecasting revenues and identifying new revenue resources; overseeing budget transfers and adjustments; preparing financial reports; overseeing the accounting function; processing vendor payments; processing payroll for all City employees; and developing and monitoring citywide policies and procedures related to those functions.

(“Office of the City Comptroller” added 10-24-2017 by O-20864 N.S.; effective 11-23-2017.)

(Retitled from “Office of the City Comptroller” to “Finance Department” and amended 10-26-2018 by O-21001 N.S.; effective 11-25-2018.)

§ 22.0711 Debt Management Department

- (a) The Debt Management Department is a City department. The department is responsible for managing all City financing and loan activities.
- (b) The Director is the administrative head of the department and is appointed by, and may be removed by, the City Manager. The Director is the appointing authority of all personnel authorized in the department.
- (c) The Debt Management Department, under the direction of the City Manager, with policy direction from the City Council, is responsible for performing those duties and functions assigned and directed by the City Manager, including, planning and managing all aspects of bond issuances, loans, and other financing activities to meet the City's short-, medium-, and long-term financing needs; providing information to current and prospective investors and credit-rating agencies; coordinating special district formation and related financing activities; coordinating enrollment and payment of assessments and special taxes; and bond post-issuance compliance.

("Debt Management Department" added 10-24-2017 by O-20864 N.S.; effective 11-23-2017.)

(Renumbered from Section 22.0712 to Section 22.0711 on 10-26-2018 by O-21001 N.S.; effective 11-25-2018. Former Section 22.0711 "Financial Management Department" repealed.)