

SOUTH CENTRAL REGIONAL TRANSIT DISTRICT BUDGET DEVELOPMENT AND EXECUTION POLICY

Policy Number: [To be assigned]

Effective Date: October 22, 2025
South Central Regional Transit District Budget
Development and Execution Policy

Approved By: SCRTD Board of Directors

Last Reviewed: October 22, 2025

1. Purpose

The purpose of this policy is to establish a formal process for developing, approving, and executing the annual budget for the South Central Regional Transit District (SCRTD). The budget serves as the primary financial planning and management tool for the District, aligning resources with strategic goals, operational needs, and regulatory requirements.

This policy ensures compliance with applicable federal and state laws, including reporting to the New Mexico Department of Finance and Administration (DFA), while providing transparency and accountability to the SCRTD Board of Directors and stakeholders.

2. Scope

This policy applies to all SCRTD departments, programs, and projects funded through federal, state, and local sources. It governs the budget development timeline, reporting schedule, and responsibilities of staff and the Board of Directors.

3. Policy Statement

SCRTD shall develop and maintain an annual budget through a structured process that includes planning, review, approval, and reporting. The annual budget cycle begins each February and concludes with Board approval by June or July of each year. Quarterly reports on budget performance shall be provided to the SCRTD Board and submitted to the New Mexico Department of Finance and Administration (DFA) in accordance with state requirements.

4. Budget Development Timeline

The SCRTD annual budget development shall follow the timeline below:

Phase	Activities	Responsible Party	Timeframe
Planning Phase	Department budget requests submitted. Preliminary revenue	Executive Director, Finance Officer	February – March

	projections prepared.		
Draft Budget	Draft budget compiled and reviewed internally. Adjustments made as needed.	Finance Officer, Executive Director	March – April
Board Review	Draft budget presented to the SCRTD Board. Board members provide input and revisions.	Executive Director, Finance Officer	April – May
Final Approval	Final budget presented for Board approval. Adoption by formal resolution.	SCRTD Board of Directors	June – July
Implementation	Approved budget implemented and monitored.	Executive Director, Finance Officer	July 1 (start of FY)

5. Quarterly Reporting Requirements

SCRTD shall prepare and submit quarterly financial reports to the Board of Directors and the DFA to ensure compliance and transparency.

Quarter	Months Covered	Report Due to DFA
Q1	July, August, September	By October 31
Q2	October, November, December	By January 31
Q3	January, February, March	By April 30
Q4	April, May, June	By July 31

These reports shall include actual revenue and expenditures compared to the approved budget, along with narrative explanations for variances.

6. Responsibilities

Executive Director

- Oversees preparation of the annual budget and ensures alignment with SCRTD goals and priorities.
- Provides overall direction and oversight of the budget process, ensuring compliance with SCRTD policies and strategic plans.

Finance Officer

- Presents the draft and final budget to the Board of Directors for review and approval.
- Provides quarterly budget reports to the Board and DFA in compliance with state and federal requirements.
- Prepares revenue projections and expenditure estimates.
- Maintains accurate financial records for reporting purposes.
- Assists departments with budget preparation and analysis.

Department Managers

- Submit timely and accurate budget requests.
- Monitor actual expenditures to ensure compliance with approved budgets.

Board of Directors

- Reviews and approves the annual budget by formal resolution.
- Monitors quarterly budget reports and provides policy guidance.

7. Compliance and Enforcement

Failure to comply with this policy may result in delays to funding, reporting discrepancies, or other administrative challenges. The Executive Director is responsible for ensuring that all budget activities are carried out in compliance with applicable federal, state, and local regulations.

8. Effective Date and Review

This policy shall take effect upon adoption by the SCRTD Board of Directors. It shall be reviewed annually during the budget development process to ensure ongoing compliance and relevance.