



# *City of Albuquerque*

OFFICE OF INTERNAL AUDIT  
P.O. BOX 1293, ALBUQUERQUE, NM 87103

Jessica M. Hernandez, City Attorney  
City of Albuquerque  
PO Box 1293  
Albuquerque, NM 87103

May 26, 2016

Dear Ms. Hernandez:

On November 17, 2014, Albuquerque City Councilor Ken Sanchez requested that the Office of Internal Audit review “both the costs previously reimbursed and future costs submitted for reimbursement” by Mr. Scott Greenwood. The Office of Internal Audit reviewed and reported on Mr. Greenwood’s invoices for the period from April 2014 through July 2014, and a second set of invoices covering the period from August 2014 through March 2015. However, we have not been able to report on any subsequent invoices or reimbursable expenses incurred by Mr. Greenwood after March 31, 2015, because the Legal Department has not provided the information. I have requested additional invoices and documentation on numerous occasions both by email and in person, but have not received anything in response to the requests. Additionally, Mr. Greenwood has not responded to an email request from me for the documentation.

It is my understanding that Mr. Greenwood agreed to submit monthly invoices to the City for his services and reimbursable expenses. The original contract with Mr. Greenwood states, “**D. Invoices and Payments.** Compensation and expense reimbursements shall be paid to the Contractor monthly upon receipt by the City Legal Department of properly documented invoice for payment as determined by the budgetary and fiscal guidelines of the City in accordance with subsection E. below, and on the condition that the Contractor has accomplished the Services to the Satisfaction of the City.” The two supplements to the contract increased the amount of compensation, extended the period of performance, and changed the method of paying for meals to using the Federal per diem rate. The supplements did not change the method or frequency of preparing and submitting invoices.

As a result of the invoice reviews performed by the Office of Internal Audit, Mr. Greenwood agreed there were overcharges totaling \$1,606 on his invoices covering April 2014 through July 2014. Those overcharges should have been netted against his future invoices. The review of Mr. Greenwood’s invoices for August 2014 through March 2015 initially included several questionable charges; however, the issues were resolved by working directly with Mr. Greenwood. The only remaining issue for the July 2014 through March 2015 invoices was an

undercharge of \$137 for per diem. The City should have deducted a net amount of \$1,469 from the payment to Mr. Greenwood for his services and expenses for the period July 2014 through March 2015. However, in March 2016, the City finally paid Mr. Greenwood for his services and expenses for the period July 2014 through March 2015, but did not deduct the \$1,469 previously identified as overcharges.

The Legal Department is responsible for contracting with outside legal counsel and paying for services received. The Legal Department is also responsible for ensuring that invoices for outside legal counsel services are received timely and are paid promptly. It appears that the Legal Department has been negligent in enforcing contract compliance and making timely payments for services provided by Mr. Greenwood. Mr. Greenwood's contract with the City will expire on June 30, 2016, unless it is extended. It will be necessary for the City to review more than a year's invoices for services and expenses, plus supporting documentation. I suggest that you contact Mr. Greenwood and insist that he provide the invoices for the prior year (April 2015 through March 2016) so that the review of his invoices can begin. Please forward copies of the invoices and supporting documentation to the Office of Internal Audit promptly so we may fulfill our responsibility for reviewing the reimbursable expenses.

Sincerely,



Debra D. Yoshimura  
Director, Office of Internal Audit

Cc: Robert J. Perry, CAO  
Councilor Ken Sanchez  
Stephanie Yara, Council Services