

Timothy M. Keller
State Auditor



Sanjay Bhakta, CPA, CGFM, CFE, CGMA
Deputy State Auditor

State of New Mexico
OFFICE OF THE STATE AUDITOR

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Contact: Justine Freeman
505-476-3819

State Auditor Tim Keller Releases Forensic Audit of Bernalillo Public Schools
About \$50,000 in probable theft from school fundraisers

SANTA FE, NM – Today, State Auditor Tim Keller released a forensic audit of Bernalillo Public Schools (BPS). The Office of the State Auditor (OSA) initiated the audit after the Town of Bernalillo Police Department requested assistance to investigate financial irregularities at two schools. The Federal Bureau of Investigation was also notified. The audit identified the apparent theft of about \$50,000 over a two and a half year period by a former bookkeeper at W.D. Carroll Elementary and La Escuelita Pre-School.

“We see our fair share of fraud, but it’s especially disappointing to see tens of thousands of dollars apparently being taken from kids by an employee for personal use,” stated State Auditor Tim Keller. “We appreciate the cooperation of the district and law enforcement in working with us to get to the bottom of these serious allegations.”

The audit found that the funds appear to have been stolen through a variety of methods. The majority of the funds taken were cash raised or collected by teachers, parents, staff and students at events like scholastic books fairs, Isotopes games, yearbook sales and popcorn fundraisers. The report also noted mortgage and wire transfer documents that appeared to be altered. When the former employee was hired by BPS, a background check was performed but it did not uncover a pending indictment from an embezzlement case at her former employer, New Mexico Educators Federal Credit Union.

State Auditor Tim Keller previously issued a Risk Advisory to all schools to advise them of the high susceptibility of theft for money raised from fundraisers and events. The Risk Advisory is available here: https://www.saonm.org/media/uploads/Risk_Advisory_-_Activity_Funds_September_2016_FINAL.pdf.

The full forensic audit is available here:
https://www.saonm.org/media/audits/7007_Bernalillo_Public_Schools_Consulting_Procedures_Sept_30_2016.pdf

The Office of the State Auditor helps government work better by providing transparency and accountability for government spending; informing policy choices; and tackling fraud, waste and abuse. OSA is an independently elected executive agency responsible for examining the use of public dollars in New Mexico.

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