

**STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**C-ALBUQUERQUE INSTITUTE OF MATH AND SCIENCE**

**CS 2012-06-C Procurement Code (Non-Compliance in Accordance with the New Mexico State Audit Rule)**

*Condition:* During our procurement test work, we noted the School did not go out to bid for construction services which included all materials purchased from 1 vendor tested in the amount of \$25,867.

*Criteria:* Per NMAC 6.20.2.17 PURCHASING: A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978.

Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations.

*Effect:* The School could be overpaying for services and/or goods.

*Cause:* The school purchased other services from the vendor that cumulatively caused the school to violate statute.

*Auditor's Recommendation:* We recommend that the School designate a procurement agent who would be accountable for maintaining records and ensuring State procurement policies are being implemented and followed. We also recommend that School ensure that amounts paid do not fall under a hybrid contract causing the threshold to be \$20,000 instead of \$50,000 for services.

*Management's Response:* The school has hired a new business manager to address inconsistencies in internal control and compliance such as the one noted and to address future procurement issues.