



## State of New Mexico Office of the State Auditor

CONSTITUENT SERVICES  
(505) 476-3821

March 3, 2021

*Via E-Mail*

Mr. Bryan C. Smith  
Board President  
Los Lunas Schools  
bcsmith@llschools.net

Mr. Eloy G. Giron  
Board Vice President/Finance Committee Chair  
Los Lunas Schools  
egiron@llschools.net

Mr. Steven R. Otero  
Board Secretary/Finance Committee  
Los Lunas Schools  
srotero@llschools.net

Mr. Frank A. Otero  
Board Member/Audit Committee Chair  
Los Lunas Schools  
faotero@llschools.net

Mr. David Vickers  
Board Member/Audit Committee  
Los Lunas Schools  
pdvickers@llschools.net

Dr. Arsenio Romero  
Superintendent  
Los Lunas Schools  
aromero@llschools.net

**Re: Los Lunas Schools Fiscal Year 2020 Audit**

Dear President Smith, Members of the Los Lunas School Board, and Superintendent Romero:

The purpose of this letter is to communicate significant concerns regarding the Los Lunas Schools ("District") raised by the Fiscal Year 2020 Independent Auditor's Report ("Report"). These concerns relate to potential violations of New Mexico law by the District's Board of Education, including the Procurement Code, the Open Meetings Act, the Inspection of Public Records Act, and the Governmental Conduct Act. Prompt resolution to these matters is not only necessary, but also imperative for the benefit of the District and its students. The Board, in concert with District leadership and staff, must work diligently to resolve these concerns in an efficient, comprehensive, and effective manner.

The District reported several potential Procurement Code, Open Meetings Act, and Governmental Conduct Act violations. These allegations include: the District entered into a contract for legal services and did not follow the District's policy to go out to bid for professional services over \$40,000; one Board Member may not have disclosed a conflict of interest; one Board Member disclosed confidential information during a Finance Committee meeting with a community vendor and the State Ethics Commission later issued Advisory Opinion 2020-04 on this activity; two Board Members were using private emails for District business; along with additional allegations of criminal violations involving the Board or Board Members, which continue to be investigated

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by the New Mexico Attorney General's Office and the New Mexico State Police. Additional concerns noted in the Report include the District's Audit Committee was not involved with the forensic audit entrance and exit conferences as required by NMSA 1978, Section 22-8-12(D)(3). Also, the District's internal accounting processes and procedures manual has not been updated since approximately 2004.

The process of identifying the underlying causes of the issues set forth in the Report, and then working towards implementing a corrective action plan to resolve these concerns, is of the utmost importance. The District's Board of Education, in partnership with District's leadership and staff, must immediately work towards remedying the issues raised in the Report to ensure compliance with statutes, rules, and regulations. To ensure timely progress on these matters, please provide a detailed update from the District within sixty (60) days of the date of this letter. The District's update should include corrective action taken thus far, documentation identified in support of the corrective action taken, and status of progress toward resolving the issues raised in the Report.

Immediate attention to these matters by the District is essential to remedy its financial status to best serve the District's students.

Please do not hesitate to contact me at (505) 476-3800 should you have any questions.

Respectfully,



Brian S. Colón, Esq., CFE  
New Mexico State Auditor

cc: Audrey Jaramillo, Managing Partner, Jaramillo Accounting Group  
(Audrey@JAGnm.com)  
Ryan Stewart, Ed. L.D., Secretary of Education, New Mexico Public Education  
Department (Ryan.Stewart@state.nm.us)