

Report: City of Albuquerque misused federal funds to give bonuses to high-ranking staff

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[ALBUQUERQUE, N.M.](#) (KRQE) – A new Office of the Inspector General report accuses Mayor Tim Keller’s Administration of misusing COVID-19 federal grant money. A city councilor is now calling for a federal investigation.

The report released on Thursday points out that federal money meant to help childcare providers went to more than 27 city worker’s bonuses, which ranged from almost \$4,000 to \$22,000.

In 2021, the city applied for 21 federal grants to help facilities offering early childhood education, and the city council approved them.

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However, the report states that out of almost \$9 million, \$288,000 went toward bonuses to city workers who were not qualified providers or employees at childcare centers; this included two bonuses totaling almost \$20,000 to a fiscal manager making \$97,000 a year and a \$10,000 bonus to a deputy director with an annual salary of \$123,000.

The report also points out that five of the city salaries were double what the preschool staff made – the employees who the funding was initially meant for.

In employee interviews during the inspector general’s investigation, employees stated the bonuses were for recruitment and retention. They

couldn't provide a formula of how they decided how much to pay each employee or who would get the bonuses.

In response to the report, the city mentioned they will reevaluate funding applications in the future and deciding who is eligible for them. However, the city stands by the payments, saying the grant was "to compensate employees performing essential work during the COVID-19 public health emergency."

The Keller Administration said, "Once again, the OIG is submitting subjective opinions that were unanimously rejected by her own oversight committee."

The oversight committee said they didn't approve the report because they found that it lacked sufficient jurisdiction to investigate some of the allegations.

City Council President Dan Lewis released the following statement Thursday night in response to the report:

"My office is referring this investigation to the U.S. Attorney due to allegations of federal crimes involving the abuse, misuse, and theft of federal funds allocated to high-ranking members of the Keller administration. These funds, approved by the Council, were intended exclusively for early childhood programs as outlined in the grant's description. However, they appear to have been unlawfully redirected as cash bonuses for the Mayor's staff."

ALBUQUERQUE CITY COUNCIL PRESIDENT DAN LEWIS

An associate chief administrative officer with the city, Carla Martinez, released this statement:

"Once again the OIG is submitting subjective opinions that were unanimously rejected by her own oversight committee comprised of legal and accounting professionals. This grant provided necessary overtime funding for critical early childhood caregiver programs and management during the Covid crisis."

CARLA MARTINEZ, CABQ ASSOCIATE CHIEF ADMINISTRATIVE OFFICER

A spokesperson in the mayor's office responded to President Lewis:

"Dan's comments are at best, a grossly inaccurate overreaction; and worst another in a long line of bitter rants against the Administration since losing his own election bid."

