

## REPORT DETAILS

## Report Submission Date

2/24/2020

## Reported Company/Branch Information

Location National League of Cities, Large City Council Presidents Convening in Philadelphia, PA., and meeting with members of the New Mexico Congressional Delegation in Washington, D.C.

City/State/Zip: Albuquerque, NM, United States )

## Relationship to the Company or Organization?

Other

## Please identify the person(s) engaged in this behavior:

Klarissa Peña - City Councilor

## Do you suspect or know that a supervisor or management is involved?

Do Not Know / Do Not Wish To Disclose

## Is management aware of this problem?

Do Not Know / Do Not Wish To Disclose

## What is the general nature of this matter?

She stayed at a Ritz Carlton and booked a family cabin on a train. One hotel cost more than \$600 a night – much more than the government-approved rates.

She made visits to Philadelphia, New York and Washington, D.C. She took her husband and two grandkids. The trip cost taxpayers \$6,351.

In an interview with Target 7, Pena said the cost the city paid for was for her share of the trip alone. She explained that she knew the trip would “raise red flags” because of its cost. She said she had to take a train because of her fear of flying. She also said she combined two trips into one and it was the only time she has traveled in the past four years.

“I thought it would be a very unique opportunity,” Pena said. “I come from... we don't have a lot of money. So, I come from where this was a great opportunity to take my grandkids. Obviously my expenses were going to be covered so that would be a reduced cost for my family.”

## What do you estimate the monetary value of this matter to be?

USD USD5000-USD24999

## Where did this incident or violation occur?

Albuquerque, Philadelphia, Washington DC

## Please provide the specific or approximate time this incident occurred:

Summer 2019

## How long do you think this problem has been going on?

More than a year

## How did you become aware of this violation?

I observed it

## Please identify any persons who have attempted to conceal this problem and the steps they took to conceal it:

Klarissa Peña, City Councilor

Tim Keller, Mayor

City of Albuquerque

"Target 7 reached out to the state auditor's office. They said no one has filed a complaint. Officials there say it's not uncommon for them to start an audit once they see something in the news."

State Auditor's Office

## Details

ALBUQUERQUE, N.M. —

Albuquerque City Councilor Klarissa Pena's trip to three East Coast cities cost taxpayers twice as much more as when Mayor Richard Berry went to Germany.

It also cost more than another city official's trip to Korea and more than any other trip taken by a city councilor in the past four years.

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"I thought it would be a very unique opportunity," Pena said. "I come from... we don't have a lot of money. So, I come from where this was a great opportunity to take my grandkids. Obviously my expenses were going to be covered so that would be a reduced cost for my family."

The trip was for a conference for city council presidents in Philadelphia. Records obtained by Target 7 show she also visited with members of the congressional delegation in Washington, D.C.

Target 7 filed an open records request for all of Pena's receipts.

Records show Pena's trip with her family lasted almost two weeks. Six days accounted for the train ride to the East Coast and back, and she collected a daily meal allowance from the city each day.

After four nights in Philadelphia, she, her husband and two grandkids took a train to New York City.

After two nights there they all boarded another train to Washington. Then.. it was back home to Albuquerque.

"Unfortunately, you know, I am very aware that any trip I would take as a city councilor would be more expensive because of the fact I have a fear of flying," Pena said.

In Washington, her hotel bill was \$1,273 for two nights.

Pena explains she was on city business in Philadelphia and Washington where she met with Sen. Martin Heinrich, Rep. Deb Haaland and Rep. Xochitl Torres Small.

But was she on city business in New York?

"No, but you know, that was.. unfortunately, like I said, that was a gap in time that I had to fill," she said.

Documents show the city paid for the train ride to the Big Apple and her hotel. Pena says it was cheaper for the city to pay for those two days in New York than for her to take another train trip to the East Coast.

"I have never seen anything quite so brazen and questionable and troubling as this particular trip," said Paul Gessing, president of the taxpayer watch group the Rio Grande Foundation. "The sheer amount of high-dollar expenditures approved theoretically by folks at the city in advance, which is even more troubling."

Pena contends she violated no city policies. She says in some cases there were no hotels available at government rates.

Because of her fear of flying she has only traveled once in the past four years. Documents show her total travel expenses are less than four other councilors when you add their trips together over the same time period.

Using city documents, Target 7 did a breakdown of the trip. This is what taxpayers paid for:

\$3,290 for train trips.

\$960 for daily meal allowance.

\$2082 for hotels.

\$18 for cab fair.

That totals more than \$6350.

Pena says she paid for her part of the train trip. She booked two family rooms with four beds apiece on the way to the East Coast and one on the way back. Target 7 booked the same trip to the same cities for one person not with a family room, but with a smaller two bed cabins and the price was \$1,896. That's \$1,394 cheaper than what taxpayers paid.

Pena said she believed she paid for 75% of the trip. She said she paid for her family's meals, taxis and Uber trips.

Pena said the trip was approved by city accountants. Target 7 requested interviews with them and the mayor. Both were denied. The mayor's office sent a statement confirming the expenses were approved. The statement says, "All travel by City Councilors and Council staff is approved by Council's fiscal manager and Council Director. The city's finance department only processes payments and verifies receipts submitted by council."

Target 7 reached out to the state auditor's office. They said no one has filed a complaint. Officials there say it's not uncommon for them to start an audit once they see something in the news.

"Review of matters concerning travel expenditures and other per diem expenses paid for with taxpayer dollars most certainly falls within our scope of authority for examination," said Stephanie Telles, director of the auditor's Government Accountability Office. "If we are made aware of questionable or potentially improper reimbursement of travel expenditures and expenses, we would move forward with opening an examination."

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#### Follow-Up Notes

There are no additional notes for this report.

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#### Follow-Up Questions/Comments

2/24/2020 4:27 PM posted by Organization

Thank you for submitting your concerns to the Office of the State Auditor (OSA). The OSA takes allegations seriously and investigates complaints of public waste, fraud, and abuse in accordance with statutes, regulations, and professional standards governing the OSA and the practice of public accountancy. As a reminder, please keep the "Report Key" and

password generated for you at the time you submitted your complaint available to access your report and provide additional information.

Due to the confidential nature of our investigations, the OSA's Special Investigations Division (SID) is not able to provide status updates or specific details of investigations. However, you are encouraged to contact the OSA if additional information becomes available regarding the matter(s) set forth in your complaint.

Additionally, investigations do not have a set time frame for completion. Matters arising out of complaints to the OSA may require test work or other procedures by an Independent Public Accountant (IPA) during an annual audit, or may be designated for special audit, or referred to law enforcement or another oversight agency. As a result, any designation, findings, referrals, or other resolution may not occur until months after your complaint was submitted to the OSA. Additionally, SID investigations do not always result in findings for public disclosure. You will be contacted by an investigator from the OSA's SID should any questions arise.

Thank you

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#### **Chat Transcripts**

There are no chat transcripts for this incident.