

Opinion No. 39-3122

April 29, 1939

BY: FILO M. SEDILLO, Attorney General

TO: Mr. B. G. Dwyre, State Highway Engineer, Santa Fe, New Mexico. Attention: Mr. R. L. Ormsbee, Chief Clerk

{*43} Your letter to this office requesting our opinion as to whether or not there are any legal obstacles to prevent your department from entering into a contract with a firm to audit freight or other transportation bills paid by your department on a basis of compensating the auditing concern an amount equal to 50% of the refunds, which they might be able to secure through over charge of freight charges paid by your department, has been received.

It is quite a common practice of the larger corporations to employ a rate expert to check and audit freight bills on a percentage basis.

It is my opinion that the State Highway Commission has the power to enter into a contract of this kind for the further reason that any monies recovered would be to the advantage of your department, and I suggest that you have the State Highway Commission pass a resolution authorizing your department to enter into this kind of a contract, as I find no legal obstacles that would prevent such a contract.

By: GEORGE LOUGEE,

Asst. Atty. Gen.