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Elected for Better Government

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Auditor Keller Identifies \$4.5 Billion in Unspent Government Funds

GAO releases the first in a series of reports highlighting use of public funds

SANTA FE, NM – State Auditor Tim Keller announced that the Office of the State Auditor (OSA) has identified unspent funds in government accounts totaling about \$4.5 billion dollars. The Government Accountability Office (GAO) at OSA released the first in a series of reports disclosing public dollars that were previously allocated but remained unspent. The report focuses on state agencies while subsequent volumes will identify funds in school districts, cities and counties.

“The report identified funds that are sitting on the sidelines in our state agencies. As our state copes with revenue shortfalls and ever-increasing public spending needs for infrastructure and education, it is critical that every dollar possible be utilized. Our aim is to bring transparency to this important fiscal information in an effort to inform the Governor, the public and policymakers about the status of state resources,” Keller stated.

Highlights from the report include:

- As of FY14, \$4.5 billion of unspent public dollars in the State of New Mexico were spread across 737 different accounts throughout state agencies and affiliated entities, excluding fiduciary funds (permanent and pension).
- \$2 billion resided in unspent capital infrastructure funds, including approximately \$1.2 billion in incomplete capital outlay projects and \$1 billion in infrastructure funds for road and water projects primarily in the New Mexico Finance Authority and the Environment Department.
- \$738 million was unspent for water projects in various state agencies’ funds.
- \$503 million was unspent restricted special revenue spread across more than 260 different funds ranging from the Job Training Incentive Program (JTIP) to Medicaid fund surpluses.
- \$42 million was unspent for education projects within funds at the Public Education Department and the Public School Facilities Authority.

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- State Agencies with the Most Accumulated Fund Balances for FY14:
 - Department of Finance and Administration with \$1.2 billion (capital outlay/infrastructure);
 - Environment Department with \$628 million (water infrastructure);
 - New Mexico Finance Authority with \$458 million (infrastructure);
 - Department of Transportation with \$399 million (roads);
 - New Mexico Mortgage Authority with \$241 million (housing);
 - State Treasurer's Office with \$221 million (working capital);
 - Department of Workforce Solutions with \$139 million (benefits);
 - Department of Information Technology with \$72 million (information technology infrastructure);
 - State Engineer's Office with \$67 million (water infrastructure);
 - Department of Game and Fish with \$61 million (wildlife and fisheries support and administration).

- Multiple agencies reported a combined deficit of \$188 million in fund balance shortages, including General Services Department (GSD) with a deficit aggregate fund balance of \$93 million.

The full report and supporting data is available on the OSA website at:
http://www.saonm.org/government_accountability_office.

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