



State of New Mexico
OFFICE OF THE STATE AUDITOR

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Contact: Justine Freeman
Justine.Freeman@osa.state.nm.us
505-476-3918

**State Auditor Releases “The Findings Report:
A Summary of New Mexico’s Governmental Financial Audits”**
Provides insight into the financial health of governmental entities across the state

Santa Fe, NM – Today, the New Mexico Office of the State Auditor (OSA) released *The Findings Report: A Summary of New Mexico’s Governmental Financial Audits*. The report is the first of its kind and compiles information that would otherwise remain buried deep within thousands of pages of annual audits. This shines a light on how public dollars in state and local governments are protected and managed. The comprehensive, statewide report is designed to make audit information from state and local governments more transparent to the public, legislators, and oversight bodies.

The Findings Report compiles and analyzes data from the most recent audits of 449 government entities across New Mexico, illustrating the financial health of government. The report provides a snapshot of how government is working using three audit measures: audit opinions, types of annual audit findings, and repeated audit findings.

“New Mexico can be proud that the vast majority of our state and local governments are accounting for public dollars in a transparent and reliable manner. However, there are a few that are not up to par and need to address weaknesses in their financial controls immediately,” stated Auditor Keller.

Below are some of the major takeaways from the report:

- Audit Opinions: a determination of whether the financial statements accurately reflect the position and activities of the entity.
 - *The vast majority of New Mexico’s governmental entities, 94 percent, are providing reliable financial information to the public.* They received “unmodified” audit opinions, meaning the financial statements accurately describe what is happening with public money. Twenty-six percent of entities had an unmodified opinion with no findings, indicating a clean bill of health.
 - *Five state agencies received “qualified” audit opinions, meaning there are material misstatements or possibly undetected misstatements in the financial statements.* These agencies are: the Corrections Department, Education Trust Board of New Mexico (Administrative Fund), General Services Department, Office of the Secretary of State, and Regulation and Licensing Department.

- Audit Findings: the number of audit findings speaks to accounting practices and compliance with federal and state laws (fewer is better).
 - *There were over 2,000 findings across audited entities, of which about 50 percent represented significant issues or problems.* The entities with the most findings are: the Public Education Department, Taos Municipal Schools, Albuquerque Public Schools, Santa Fe Public Schools, City of Gallup, City of Lovington, Village of Columbus, Cibola County, City of Albuquerque, and City of Santa Rosa.
 - *Almost half of all audit findings were repeated from a previous year, indicating a need for those entities to focus on corrective action plans to ensure the weaknesses are addressed.* The entities with the most repeated findings are: the Public Education Department, City of Gallup, Village of Columbus, Albuquerque Public Schools, Village of Angel Fire, Catron County, Jal Public Schools, Village of Cimarron, and the Village of Questa.

“This report turns hundreds of annual audits into a useful tool to improve the financial health of our state and local governments,” stated Auditor Keller. “The Auditor’s Office plans to release *The Findings Report* on an annual basis. State and local leaders should use this report as a public accountability mechanism to track the progress, or in some cases the lack of progress, of agencies in their communities.”

The report and supporting data are available here: http://osanm.org/government_accountability_office

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