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State Auditor

**State of New Mexico**  
**Office of the State Auditor**

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**Special Audit in Silver City Addressed Potential Embezzlement  
by City Employee**

SANTA FE – State Auditor Wayne Johnson today released the results of a Special Audit of the municipality of Silver City regarding allegations of embezzlement and fraud by a former employee.

In late 2016, the Silver City municipal government noticed irregularities on credit card purchases made by a former employee. Working with the State Auditor’s office and an independent accountant, the City undertook a special forensic audit. The independent auditor found over \$12,000 in potentially fraudulent use of the former employee’s town credit card and found that the City had inadequate procedures in place to prevent this type of fraudulent activity.

“I am committed to helping government entities of every size in New Mexico avoid the waste of public dollars that occurs when their procedures allow for fraud and abuse. This audit not only identified the potentially fraudulent activity, it provides the Silver City government with a roadmap to fix the problems,” said State Auditor Wayne Johnson. “Identifying fraud, waste and abuse of public resources is the primary duty of my office. I am happy that we have been able to work with the Silver City government to ensure that they have internal procedures in place to prevent this kind of thing from ever happening again.”

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