

## **FOR IMMEDIATE RELEASE**

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### **State's Annual Comprehensive Financial Report Given Clean Opinion for the First Time in the History of the Report**

*New Mexico is one of only ten states who audit at the agency level*

SANTA FE - The Office of the State Auditor has released the State of New Mexico's FY21 Annual Comprehensive Financial Report (ACFR) audit giving the state a clean opinion for the first time in the history of the report. The ACFR is the culmination of seven months of extensive work by the state's Financial Reporting and Accountability Bureau within the Financial Control Division of the New Mexico Department of Finance and Administration (DFA).

"Governor Michelle Lujan Grisham's administration is committed to strong financial stewardship," said DFA Secretary Debbie Romero. "The report's clean opinion is the result of the DFA's ongoing financial guidance and support to agencies as well as continuous process improvements that result in overall positive outcomes of the ACFR report."

The ACFR presents the State of New Mexico as an integrated financial entity, consisting of over 130 agencies under each of the three branches of government, ten higher educational institutions, and over 100 component units which include the finance authorities, the lottery, foundations of higher educational institutions, and state-authorized charter schools and their related foundations. The New Mexico State Auditor requires New Mexico to audit each agency separately, which makes New Mexico one of only ten states who audits at the agency level.

Under the Audit Act (NMSA 12.6.3) and related rules, the financial affairs of every state agency must be audited, which translates to the production and audit of financial statements for every agency. These audited statements are then combined into one financial report resulting in the ACFR, which undergoes its own separate audit. "The report stated as of June 30, 2021, the State's combined governmental funds reported an ending fund balance of \$40 billion, an increase of \$8.8 billion, or 28.55 percent, from fiscal year 2020 year's ending net position."

DFA remains committed to the production of a timely ACFR and actions taken to automate and expedite the ACFR have resulted in the release of the report one month earlier than in any previous year. Significant improvements in controls, processes, and financial reporting achieved over the preceding five years currently allows for the

production of a reliable and auditable ACFR. These enhancements have greatly improved the quality of the ACFR.

New Mexico's Annual Comprehensive Financial Report (ACFR) can be found [here](#).

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*The New Mexico Department of Finance and Administration serves New Mexico through fiscal management support for state agencies, local governments, and community-based programs to achieve responsible and quality fiscal services to all New Mexicans.*