A Michigan State University economics professor in 2018 has discovered $21 trillion unaccounted for in the federal budget starting in 1998 until the end of fiscal year 2015. Professor Mark Skidmore enlisted the help of his graduate students to examine government documents from the Department of Defense and Housing and Urban Development to uncover an unfathomable amount of unauthorized spending. Watch a movie about the Story

According to the Constitution, all federal spending must be voted on and authorized by Congress each fiscal year. Any discrepancies found in the way of unauthorized spending would normally elicit a congressional hearing and investigation.

Skidmore and his students’ analysis used publicly available government documents from the two agencies’ websites to expose this inconsistency. Shortly after Skidmore published his findings, both agencies removed those documents from public access.

While no congressional committee tied to the budget has opened an inquiry related to Skidmore’s findings, the Department of Defense has now said it will conduct its first ever department-wide independent audit.

Skidmore says that sometimes there can be discrepancies meant to account for inadequate transactions, but those adjustments are usually no more than 1 percent of the total budget.

The Army’s annual budget for FY 2015 was $122 billion, meaning that an adjustment for inadequate transactions might be around $1.2 billion. The Army’s actual adjustments for FY 2015 were $6.5 trillion – 54 times what it was authorized to spend.
Out of thousands of documents spanning that period, Skidmore was able to find Army budget documentation for 13 of those years, saying its budget represented roughly $11.5 trillion of the missing $21 trillion. He also called these accounting documents “opaque,” saying it was not clear what the unauthorized adjustments were for.

That amount of unauthorized, “missing” money is equivalent to about $65,000 for every person in America. The government has estimated that the federal deficit sits at around $20 trillion, an entire $1 trillion less than what Skidmore found to be missing in these adjustments.

So, what exactly is this money going towards? The recent revelation of a $56 billion Pentagon black budget for secret military, space, and surveillance programs has led some to speculate that it could be merely a fraction of what’s actually being spent.

Skidmore said he reached out to the Office of Inspector General, the Government Accountability Office, and Congressional Budget Office, asking if maybe the $6.5 trillion figure was a mistake and was instead supposed to be $6.5 billion. It was confirmed that $6.5 trillion was the correct adjustment. Though, when he asked if any of these agencies were alarmed or considering this to be a red flag, his questions were met with slight confusion and little concern.
Though Skidmore has reserved his speculation as to what he thinks the money might be going toward, it’s clear that either someone knows that a large amount of taxpayer dollars is being spent without authorized permission, or the accounting practices of those in charge of massive amounts of public money are that flawed.

**December 21st, 2018**

WASHINGTON — Despite being legally required to conduct audits since the early 90s and holding a staggering 2.2 trillion in assets, the Pentagon held its first-ever audit this week — which it, unsurprisingly, spectacularly failed.

According to a senior official, the results were so bad that the discrepancies could take “years [to] resolve.” The Department of Defense is handed hundreds of billions of dollars annually — most of which comes from taxpayers.

In a press conference akin to a sketch from a comedy show, Deputy Secretary of Defense Patrick Shanahan asked, “So you guys know why I came down here today?” To which a reporter replied, “To see if we ate donuts?”

Shanahan then casually informed reporters that the notoriously bloated and unchecked Department of Defense had failed its first audit in the Department’s increasingly expansive 71-year history: “We failed the audit but we never expected to pass it.”

At the launch of the audit, which began last week, Pentagon spokesperson Dana W. White proclaimed that it “demonstrates our commitment to fiscal responsibility and maximizing the value of every taxpayer dollar that is entrusted to us.”

According to a statement from the Pentagon, the goal of the audit was to reinforce “taxpayer confidence” that their money is spent responsibly. According to figures from the Pew Research Center, only 18 percent of Americans trust that Washington does what is right “all of the time.”

Twelve hundred auditors sifted through financial records spanning the DoD’s massive omnipresence. To put it into perspective, the audit looked at spending
on weapons systems, military personnel, and general property — each of which is a broad category for vast amounts of annual spending.

The Pentagon certainly has some explaining to do.

A trillion here, a trillion there . . . before you know it, you’re talking real money

Earlier this year, the Pentagon announced that $21 trillion of taxpayer money had simply disappeared. The announcement attributed the missing funds to the DoD’s failure to conduct audit trails in sufficient detail.

Throughout its long unaudited history, the DoD has a notorious record of irresponsible and downright wasteful spending.

Over the past few months, it’s come to light that the DoD has flushed $14,000 (each) on 3D-printed pentagon-shaped toilet seat lids and guzzled cups for $1,280 apiece. In the past, the DoD has also thrown $436 away on hammers, $117 on soap-dish covers and $999 on pliers.

Although wasteful, these are some of the Pentagon’s more innocent purchases. The others, however, come with the cost of human lives.

As a multi-trillion-dollar organization, the United States Department of Defense is currently waging war in eight countries, including Yemen, Somalia, Iraq, Libya, and (until troops withdraw and airstrikes stop) Syria.

It’s difficult to tally the cost in civilian lives and mass destruction of an annual budget rapidly approaching the trillion-dollar mark, and that’s something that likely won’t be analyzed in any audit the Pentagon conducts on itself.