



Lawrence F. Alwin, CPA

June 2, 1999

Members of the Legislative Audit Committee:

The Office of the Attorney General (Attorney General) is complying with the General Appropriations Act (75th Legislature) debt collection rider.

The Attorney General is required to do the following:

- Collect debts older than one year that are owed to agencies and institutions of higher education.
- Keep a portion of the collections for administrative and legal operations.
- Set aside excess funds, which cannot exceed \$18 million, to pay workers' compensation claims.
- Ensure that collections do not include child support monies or debts collected by other state agencies.

We determined that the Attorney General retained \$16.6 million from debt collections during the 1998-1999 biennium. The excess, which did not exceed \$18 million, was deposited into the Workers' Compensation Fund. The debts collected did not include child support collections or debts collected by other state agencies.

We appreciate the courtesy and cooperation of management and staff of the Attorney General during this review.

If you have questions, please contact Mary Goehring, CPA, CFE, Audit Manger, at 479-4700.

Sincerely,

Lawrence F. Alwin, CPA
State Auditor

mjlw

cc: The Honorable John Cornyn, Attorney General
Mr. Andy Taylor, First Assistant Attorney General
Mr. Stephen Rosales, Executive Assistant for Administration
Mr. Ron R. Del Vento, Chief Collections Division
Mr. Hector Lozano, CPA, Director of Internal Audit

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**Statutory Audit of Debt Collections
at the Office of the Attorney General**

**Objective, Scope, and
Methodology**

Our objective was to determine whether the Attorney General is complying with the General Appropriations Act (75th Legislature) debt collection rider.

Our scope included all debt collections made by the Attorney General from September 1997 through March 1999.

We performed our audit work by reviewing documents, performing analyses, testing debt collections for required attributes, and interviewing staff. Fieldwork was performed between April and May 1999. All work was conducted in accordance with government auditing standards.

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