

Office of Attorney General and Reporter

**For the Years Ended
June 30, 1997, and June 30, 1996**

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May 19, 1998

The Honorable Don Sundquist, Governor
and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243
and

The Honorable E. Riley Anderson
Chief Justice of the Supreme Court
307 Supreme Court Building.
Nashville, Tennessee 37243
and

The Honorable John Knox Walkup
Attorney General and Reporter
114 John Sevier Building
Nashville, Tennessee 37243

Ladies and Gentlemen:

We have conducted a financial and compliance audit of selected programs and activities of the Office of Attorney General and Reporter for the years ended June 30, 1997, and June 30, 1996.

We conducted our audit in accordance with generally accepted government auditing contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we obtain an understanding of management controls relevant to the audit and that we design the audit to provide reasonable assurance of the Office of Attorney General and Reporter's compliance with the provisions of laws, and regulations, significant to the audit. Management of the Office of Attorney General and Reporter is responsible for establishing and maintaining internal control and for complying with applicable laws and regulations.

Our audit resulted in no audit findings. We have reported other less significant matters involving the office's internal controls to the Office of Attorney General and Reporter's management in a separate letter.

Very truly yours,

W. R. Snodgrass
Comptroller of the Treasury

WRS/sk
98/052

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Financial and Compliance Audit
Office of Attorney General and Reporter
For the Years Ended June 30, 1997, and June 30, 1996

AUDIT SCOPE

We have audited the Office of Attorney General and Reporter for the period July 1, 1995, through June 30, 1997. Our audit scope included a review of management's controls and compliance with policies, procedures, laws, and regulations in the areas of revenue, expenditures, property and equipment, and payroll and personnel. The audit was conducted in accordance with generally accepted government auditing standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

AUDIT FINDINGS

The audit report contains no findings.

"Audit Highlights" is a summary of the audit report. To obtain the complete audit report which contains all findings, recommendations, and management comments, please contact

Comptroller of the Treasury, Division of State Audit
1500 James K. Polk Building, Nashville, TN 37243-0264
(615) 741-3697

Audit Report
Office of Attorney General and Reporter
For the Years Ended June 30, 1997, and June 30, 1996

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Office of Attorney General and Reporter For the Years Ended June 30, 1997, and June 30, 1996

INTRODUCTION

POST-AUDIT AUTHORITY

This is the report on the financial and compliance audit of the Office of Attorney General and Reporter. The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which authorizes the Department of Audit to “perform currently a post-audit of all accounts and other financial records of the state government, and of any department, institution, office, or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller.”

Section 8-4-109, *Tennessee Code Annotated*, authorizes the Comptroller of the Treasury to audit any books and records of any governmental entity that handles public funds when the Comptroller considers an audit to be necessary or appropriate.

BACKGROUND

The Attorney General and Reporter provides legal representation for the State of Tennessee. Through the exercise of his common law and statutory powers, the Attorney General and Reporter oversees all civil litigation in which the State of Tennessee is interested, handles all appellate matters involving the state, and advises the General Assembly and all state constitutional officers and state officials. In addition, the Attorney General and Reporter carries out other duties and attends to other interests of the state as required by law and the public interest.

An organization chart of the department is on the following page.

AUDIT SCOPE

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OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

REVENUE

Our objectives in reviewing revenue were to determine whether

- cash collected during the audit period was deposited timely,
- physical controls over petty cash were adequate and petty cash funds were authorized by the Department of Finance and Administration,
- billings were for the correct amount and were properly supported, and
- transfers of contingent revenue to earned revenue were made in a timely manner.

We had no findings related to revenue; however, other minor weaknesses came to our attention which have been reported to management in a separate letter.

EXPENDITURES

Our objectives in reviewing expenditures were to determine whether

- recorded expenditures were for goods or services authorized and received;
- payments were made in a timely manner and for the proper amount; and
- payments for contracts, travel, and cellular phones were made in accordance with applicable regulations or policies.

We had no findings related to expenditures; however, other minor weaknesses came to our attention which have been reported to management in a separate letter.

PROPERTY AND EQUIPMENT

Our objectives in reviewing property and equipment were to determine whether

- the property listing represented a complete and valid listing of the cost of the office's assets purchased during the audit period;
- the costs of sold, abandoned, damaged, obsolete, lost, or stolen fixed assets have been removed from the property listing; and

- property and equipment were adequately safeguarded.

We had no findings related to property and equipment; however, other minor weaknesses came to our attention which have been reported to management in a separate letter.

PAYROLL AND PERSONNEL

Our objectives in reviewing payroll and personnel were to determine whether

- payroll disbursements were made only for work authorized and performed, and were supported by time records, and
- leave was taken and accrued in accordance with the office's guidelines.

We had no findings related to payroll and personnel; however, other minor weaknesses came to our attention which have been reported to management in a separate letter.

PRIOR AUDIT FINDINGS

There were no findings in the prior audit report.

APPENDIX

DIVISIONS AND ALLOTMENT CODES

Office of Attorney General and Reporter divisions and allotment codes:

Attorney General and Reporter	303.01
Publication of Tennessee Reports	303.05
Special Litigation	303.08