

OFFICE OF THE STATE AUDITOR

TWO COMMODORE PLAZA
206 EAST NINTH STREET, SUITE 1900
AUSTIN, TEXAS 78701

LAWRENCE F. ALWIN, CPA
State Auditor

February 3, 1997

Members of the Legislative Audit Committee

The Honorable James E. "Pete" Laney, Speaker of the House, Chair
The Honorable Bob Bullock, Lieutenant Governor, Vice Chair
The Honorable Bill Ratliff, Chair, Senate Finance Committee
The Honorable Kenneth Armbrister, Chair, Senate State Affairs Committee
The Honorable Robert Junell, Chair, House Appropriations Committee
The Honorable Tom Craddick, Chair, House Ways and Means Committee
The Honorable Dan Morales, Attorney General

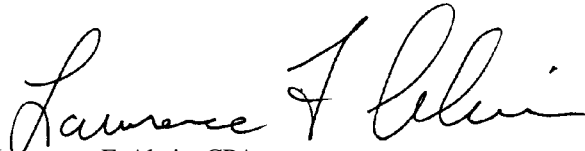
Gentlemen:

The Office of the Attorney General (Attorney General) is in compliance with the General Appropriations Act provisions (Rider 8) dealing with collections of debts owed to the State and the reappropriation of these collections to the Office of the Attorney General.

The State Auditor has determined that from collection of delinquent debts owed to the State, the Attorney General retained \$16.6 million for the 1996 - 1997 biennium. The excess, which did not exceed \$18 million, was deposited to the Workers' Compensation fund. All debts collected were from qualifying judgements and the amounts did not include child support collections or debts collected by other state agencies.

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

Sincerely,



Lawrence F. Alwin, CPA
State Auditor

LFA/kob

cc: Mr. Jorge Vega, First Assistant Attorney General
Mr. Ronald R. Del Vento, Chief Collection Division
Mr. Deepak Chawla, Director of Internal Audit

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