

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

REVIEW REPORT
OF
OFFICE OF THE ATTORNEY GENERAL
STATE OF INDIANA
March 1, 2008 to February 29, 2012



FILED
05/04/2012

*This report was reissued on
May 10, 2012 to include the
Official's Response.*

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Agency Officials	2
Independent Accountant's Report.....	3
Review Comment: Fixed Asset Inventory.....	4
Exit Conference.....	5
Official Response	6

AGENCY OFFICIALS

Office

Official

Term

Attorney General

Steve Carter
Greg Zoeller

01-10-05 to 01-11-09
01-12-09 to 01-13-13



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF OFFICE OF THE ATTORNEY GENERAL

We have reviewed the activities related to the receipts, disbursements, and assets of the Office of the Attorney General for the period of March 1, 2008, to February 29, 2012. Office of the Attorney General's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports. Federal programs are included in the scope of our statewide single audits as reflected in the Statewide Single Audit Reports.

Based on our review, nothing came to our attention that caused us to believe that the activities related to the receipts, disbursements, and assets of the Office of the Attorney General are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, and applicable laws and regulations, except as stated in the review comments.

The Office of the Attorney General's response to the Review Comments identified in our review is described in the accompanying section of the report entitled Official Response. We did not review the Office of the Attorney General's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Office of the Attorney General's management, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office reviewed.

STATE BOARD OF ACCOUNTS

April 12, 2012

OFFICE OF THE ATTORNEY GENERAL
REVIEW COMMENTS
February 29, 2012

FIXED ASSET INVENTORY

As stated in our prior Report B32157, the fixed asset inventory maintained on the Encompass financial system is incomplete. Of 48 vehicles assigned to the Office of the Attorney General, only 25 are included as assets in Encompass. Additionally, an annual physical inventory of assets owned was not conducted during the review period.

Agency personnel are responsible for accountability for all assets under their control, including capital assets. Adequate asset management staff should be assigned to recording and maintaining, on the ENCOMPASS financial system, all capital assets with a cost greater than \$500. Assets are automatically capitalized upon approval by either the BU approver or AOS approver. Controls should be in effect to assure that additions, disposals, and transfers to other departments or agencies are recorded timely. Inventories of these assets should be performed each year in each department and compared to the ENCOMPASS listing. Results of inventories should be retained for audit purposes. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, 8.3)

OFFICE OF THE ATTORNEY GENERAL
EXIT CONFERENCE

The contents of this report were discussed on April 30, 2012, with Tony Rogers, Controller, and Larry Hopkins, Chief Administrative Officer. The Official Response has been made a part of this report and may be found on page 6.



STATE OF INDIANA
OFFICE OF THE ATTORNEY GENERAL

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GREG ZOELLER
INDIANA ATTORNEY GENERAL

May 9, 2012

State Board of Accounts
302 West Washington Street
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Indianapolis, Indiana 46204-2769

RE: Response to Fixed Inventory Review Comments

The Office of the Attorney General submits a response to the fixed inventory review comments.

Our research of the Encompass inventory issue is that a 2007 Peoplesoft conversion file of assets did not include the vehicle assets which had been previously maintained on the Auditor of State (AOS) system. The missing vehicles were added to Encompass asset management on April 30, 2012. This agency continues to maintain a fully updated inventory. There has been no lapse of inventory control. Controls remain in place to record additions, disposals and transfers as each occurs. A physical inventory is scheduled to occur during FY 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry E. Hopkins".

Larry E. Hopkins
Chief Administrative Officer

LH:rb812519