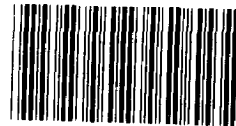


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BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

Audit Of The Office Of The Attending Physician Revolving Fund--Fiscal Year 1980



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GGD-81-24
JANUARY 6, 1981

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-181804

To the President of the Senate and the
Speaker of the House of Representatives

Pursuant to the Legislative Branch Appropriation Act, 1976 (89 Stat. 283), we audited the fiscal year 1980 financial transactions of the Office of the Attending Physician Revolving Fund.

SCOPE OF AUDIT

Our audit was made in accordance with the Comptroller General's standards for auditing financial transactions, accounts, and reports of governmental activities. These standards include generally accepted auditing standards. We reviewed operations, observed the physical count of prescription drugs and vaccines on hand, examined selected financial transactions and records, and performed such other auditing procedures as we considered necessary.

OPINION ON FINANCIAL STATEMENTS

We prepared the financial statements for the revolving fund from records furnished us. We adjusted the records, which were maintained on a cash basis, to present the financial position and results of the revolving fund operations on an accrual basis. These statements do not include certain expenses--such as labor, syringes, and other supplies--incurred in revolving fund operations but paid for with appropriated funds.

In our opinion, the accompanying statements (schs. 1, 2, and 3), prepared on a basis consistent with that of the preceding year and in accordance with financial arrangements described above, present fairly the financial position of the Office of the Attending Physician Revolving Fund at September 30, 1980 and 1979; the results of its operations; and the changes in its financial position for the years then ended.

GENERAL COMMENTS

The Office of the Attending Physician was established in 1928 to serve the medical needs of the Members of Congress. The 1976 Legislative Branch Appropriation Act established the Office of the Attending Physician Revolving Fund--effective August 1, 1975. In accordance with the act's provisions, the balance in the Office of the Attending Physician suspense account capitalized the fund.

The act requires that the Office deposit in the revolving fund all moneys received from the sale of drugs or any other sources. Further, the act permits disbursements from the fund for purchasing drugs for resale.

After restoring any impairment of capital, the fund's net income, as established by our annual audit, is required to be transferred to the U.S. Treasury's general fund. The net income for fiscal year 1980 was \$985.80. (See sch. 2.)

REVOLVING FUND ACTIVITIES

Receipts

Prescription drug sales

The purchase and resale of prescription drugs make up the majority of the fund's receipts and disbursements. The Office purchases wholesale drugs and resells them to Members' families and to congressional employees. The price charged is the unit cost of the drug rounded upward to the nearest nickel. The Office receives a 2-percent cash discount from its wholesaler for prompt payment. During the fiscal year, prescription drug sales and net income were \$25,067.50 and \$566.94, respectively.

Immunization receipts

At the direction of the Attending Physician, free gamma globulin, polio, and influenza immunizations are provided to Members and officials of the Congress. During fiscal year 1980 the Office charged a \$1 fee for gamma globulin and polio immunizations, and \$1.50 for influenza immunizations given to congressional employees. The immunization receipts for fiscal year 1980 were \$825.00, and net income was \$71.71.

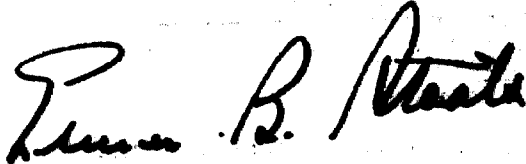
Our review of the costs and revenues for the revolving fund activities resulted in a net adjustment of \$133.07 due to the revolving fund from appropriated funds at September 30, 1980.

Insurance receipts

The Office furnishes medical transcripts and performs physical examinations for life insurance applicants. Payments of \$370.00 were received from life insurance companies for these services and deposited in the revolving fund during the fiscal year.

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As required by the Legislative Branch Appropriation Act, 1976, we are sending copies of this report to the Subcommittees on the Legislative Branch, House and Senate Committees on Appropriations; the House Committee on Government Operations; the Senate Committee on Governmental Affairs; and the Clerk of the House of Representatives.


Comptroller General
of the United States

SCHEDULE 1

SCHEDULE 1

CONGRESS OF THE UNITED STATES
OFFICE OF THE ATTENDING PHYSICIAN
REVOLVING FUND
COMPARATIVE STATEMENT OF ASSETS,
LIABILITIES AND GOVERNMENT EQUITY
SEPTEMBER 30, 1980 AND 1979 (note a)

ASSETS	September 30, <u>1980</u>	September 30, <u>1979</u>
CURRENT ASSETS:		
Cash in U.S. Treasury	\$1,283.74	\$1,831.48
Change fund	25.00	25.00
Undeposited receipts	1,214.40	957.95
Inventory--Drugs (note b)	189.60	55.00
Inventory--Vaccines (note c)	919.38	1,162.99
Amount due from Office of Attending Physician appropriated funds	<u>133.07</u>	<u>90.78</u>
Total	<u>\$3,765.19</u>	<u>\$4,123.20</u>
LIABILITIES AND GOVERNMENT EQUITY		
CURRENT LIABILITIES:		
Accounts payable	<u>\$2,312.97</u>	<u>\$2,686.34</u>
GOVERNMENT EQUITY:		
Balance at beginning of period	1,436.86	1,404.73
Less: Amount transferred to U.S. Treasury	<u>970.44</u>	<u>938.31</u>
	466.42	466.42
Plus: Excess of revenue over costs	<u>985.80</u>	<u>970.44</u>
Balance at end of period (note d)	<u>1,452.22</u>	<u>1,436.86</u>
Total liabilities and equity	<u>\$3,765.19</u>	<u>\$4,123.20</u>

The accompanying notes on page 7 are an integral part of this statement.

Our opinion on this statement appears on page 1 of the letter.

CONGRESS OF THE UNITED STATES
OFFICE OF THE ATTENDING PHYSICIAN
REVOLVING FUND
COMPARATIVE STATEMENT OF OPERATIONS
FOR FISCAL YEARS ENDED SEPTEMBER 30, 1980 AND 1979 (note a)

	Fiscal year <u>1980</u>	Fiscal year <u>1979</u>
REVENUE:		
Prescription drug sales	\$25,067.50	\$27,389.05
Immunization receipts	825.00	1,002.50
Insurance receipts	<u>370.00</u>	<u>246.00</u>
Total revenue	<u>26,262.50</u>	<u>28,637.55</u>
COSTS:		
Prescription drugs	24,500.56	26,754.07
Immunization vaccines	753.29	906.45
Loss on disposal of vaccines	<u>22.85</u>	<u>6.59</u>
Total costs	<u>25,276.70</u>	<u>27,667.11</u>
EXCESS OF REVENUE OVER COSTS	<u>\$ 985.80</u>	<u>\$ 970.44</u>

The accompanying notes on page 7 are an integral part of this statement.

Our opinion on this statement appears on page 1 of the letter.

CONGRESS OF THE UNITED STATES
OFFICE OF THE ATTENDING PHYSICIAN
REVOLVING FUND

COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 1980 AND 1979 (note a)

	Fiscal year 1980	Fiscal year 1979
FUNDS PROVIDED:		
Prescription drug sales	\$25,067.50	\$27,389.05
Immunization receipts	825.00	1,002.50
Insurance receipts	370.00	246.00
Total funds provided	<u>\$26,262.50</u>	<u>\$28,637.55</u>
FUNDS APPLIED:		
Cost of prescription drugs	\$24,500.56	\$26,754.07
Cost of immunization vaccines	753.29	906.45
Loss on disposal of vaccines	22.85	6.59
Increase in working capital	15.36	32.13
Amount transferred to U.S. Treasury	970.44	938.31
Total funds applied	<u>\$26,262.50</u>	<u>\$28,637.55</u>

ANALYSIS OF CHANGES IN WORKING CAPITAL

	Increase or (decrease)	Increase or (decrease)
WORKING CAPITAL CHANGES:		
Cash	\$ (291.29)	\$ 1,196.52
Inventory	(109.01)	(242.32)
Amount due from Office of Attending Physician appropriated funds	42.29	13.59
Accounts payable	373.37	(935.66)
NET INCREASE IN WORKING CAPITAL	<u>\$ 15.36</u>	<u>\$ 32.13</u>

The accompanying notes on page 7 are an integral part of this statement.

Our opinion on this statement appears on page 1 of the letter.

CONGRESS OF THE UNITED STATES
OFFICE OF THE ATTENDING PHYSICIAN
REVOLVING FUND
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 1980

a/The books are maintained on a cash basis and converted to an accrual basis at the end of the fiscal year.

b/Undelivered prescriptions.

c/Vaccines are stated at cost, using the first-in, first-out method of valuation.

d/As explained on page 2 of the letter, \$985.80 is to be transferred to the U.S. Treasury. The amount transferred for 1979 was \$970.44.

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