

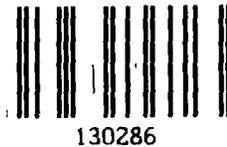
GAO

Report to the Clerk of the
House of Representatives

July 1986

FINANCIAL AUDIT

Statement of Accountability House Finance Office for Fiscal Year 1985



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Comptroller General
of the United States

B-114864

July 3, 1986

The Honorable Benjamin J. Guthrie
Clerk of the House of Representatives

Dear Mr Guthrie:

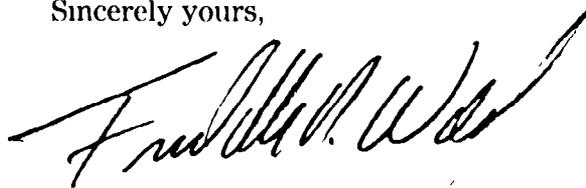
Pursuant to your September 5, 1985, request, we have examined the Statement of Accountability for Appropriations and Other Funds of the Finance Office, House of Representatives, for the year ended September 30, 1985. Our examination was made in accordance with generally accepted government auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We completed our audit work on March 7, 1986.

In our opinion, the enclosed Statement of Accountability for Appropriations and Other Funds and the supporting schedules present fairly (1) the accountability of the Clerk of the House for appropriated and other funds at September 30, 1985, and (2) the status of individual appropriations and other funds as of that date, in conformity with the accounting policies described in note 1 to the statement and schedules on a basis consistent with that of the preceding year.

Our report on internal accounting controls and compliance with laws and regulations and the Finance Office's statement of accountability, supporting schedules, and accompanying notes for fiscal year 1985 are contained in this report.

We are sending copies of this report to the Chairman of the Committee on House Administration. Copies will be available to others upon request.

Sincerely yours,



for
Charles A. Bowsher
Comptroller General
of the United States

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Report on Internal Accounting Controls and Compliance With Laws and Regulations

We have examined the Statement of Accountability for Appropriations and Other Funds of the Finance Office, House of Representatives, for the year ended September 30, 1985. Our examination was made in accordance with generally accepted government auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures, including tests of compliance with laws and regulations, as we considered necessary in the circumstances.

As part of our examination, we made a study and evaluation of the Finance Office's system of internal accounting controls to the extent we considered necessary to evaluate the system as required by generally accepted government auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the Finance Office's statement. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting controls taken as a whole or on any of the categories of controls identified below.

For the purpose of this report, we have classified the significant internal accounting controls into the categories of payroll, official mail costs, expenses of special and select committees, and expenditures from the allowances and expenses appropriations. Our study included all of these control categories.

The management of the Finance Office is responsible for establishing and maintaining a system of internal accounting controls. In fulfilling this responsibility, management makes estimates and judgments required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of statements in accordance with the financial accounting policies described in note 1 to the statements.

Because of inherent limitations in any system of internal accounting controls, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation, which was made for the limited purpose described in the second paragraph, would not necessarily disclose all material weaknesses in the system. Accordingly, we did not express an opinion on the system of internal accounting controls taken as a whole or on any of the categories of controls identified in the third paragraph. However, our study and evaluation disclosed no condition that we believed to be a material weakness.

As part of our examination, we also tested the Finance Office's compliance with applicable laws and regulations. In our opinion, the Finance Office complied with the terms and provisions of laws and regulations for the transactions tested that could have materially affected its financial statements. Nothing came to our attention, in connection with our examination, that caused us to believe that the Finance Office was not in compliance with the terms and provisions of laws and regulations for those transactions not tested.

Statement of Accountability for Appropriations and Other Funds

		Fiscal year ended September 30, 1985	
Unexpended Balance, September 30, 1984		\$121,578,554.52	
Appropriations and Receipts			
Current appropriations		\$457,196,688.00	
Revolving fund and suspense account receipts			
House Stationery Revolving Fund	\$2,272,121.40		
House Restaurant Revolving Fund	7,160,441.46		
House Recording Studio Revolving Fund	351,165.84		
House Beauty Shop Revolving Fund	262,226.98		
House Barber Shop Revolving Fund	55,368.50		
Attending Physician Revolving Fund	30,620.59		
Page Revolving Fund	262,209.00		
Suspense Account	13,582.87		
House Records and Registration Suspense Account "B"	13,271.70		
Broadcasting of Floor Proceedings - Suspense Account "D"	13,512.00		
State Withholding Taxes Suspense Account	13,186,682.48	23,621,202.82	
Gifts to the United States for reduction of the public debt, Bureau of Government Financial Operations		2,886.21	
Receipts to be deposited in the general fund of the Treasury		161,366.78	480,982,143.81
Total Funds Available			602,560,698.33
Expenditures and Transfers			
Disbursements for salaries and other expenses less refunds and canceled checks		539,454,742.51	
Transfers			
Lapsed appropriations transferred to the general fund of the Treasury	1,984,459.13		
Gifts to the United States for reduction of the public debt, Bureau of Government Financial Operations	2,886.21		
Deposited in the general fund of the Treasury	161,366.78		
House Restaurant Revolving Fund Transfer to Architect of the Capitol	990,014.89	3,138,727.01	542,593,469.52
Unexpended Balance, September 30, 1985			\$59,967,228.81

The accompanying notes are an integral part of this statement

Schedule of Appropriations and Other Funds

Account	Fiscal year	Funds available	Net disbursements	Transfers	Unexpended balance September 30, 1985
House leadership offices	1983	\$ 298,902 81	\$ 0	\$ 298,902 81	\$ 0
	1984	397,236 39	2,330 82	0	394,905 57
	1985	3,331,000 00	2,959,220 52	0	371,779 48
Salaries, officers, and employees	1983	812,682 80	0	812,682 80	0
	1984	862,149 72	30,522 70	(197,200 00)	1,028,827 02
	1985	48,253,000 00	46,741,687 61	(6,761 52)	1,518,073 91
Clerk hire, Members, Delegates, and Resident Commissioner	1983	2,035 06	(67 01)	2,102 07	0
	1984	563,107 61	(14,050 70)	0	577,158 31
	1985	166,762,000 00	163,745,862 53	0	3,016,137 47
Committee employees	1983	1 78	0	1 78	0
	1984	667 54	0	0	667 54
	1985	41,619,000 00	41,006,059 91	0	612,940 09
Committee on Appropriations	1983	104,506 01	0	104,506 01	0
	1984	1,117,639 51	507,537 40	0	610,102 11
	1985	4,315,000 00	2,921,592 70	149,956 05	1,243,451 25
Committee on the Budget	1983	37,160 89	0	37,160 89	0
	1984	42,400 59	9,190 05	0	33,210 54
	1985	329,000 00	105,565 90	181,385 86	42,048 24
Attending Physician	1983	232 35	0	232 35	0
	1984	441,594 39	436,100 43	0	5,493 96
	1985	1,007,000 00	326,938 26	0	680,061 74
Special and select committees	1983	297,019 91	94,723 77	202,296 14	0
	1984	2,521,371 76	770,207 54	10,412 31	1,740,751 91
	1985	45,667,000 00	41,660,946 10	3,322,382 45	683,671 45
Preparation of New Edition of U S Code Allowances and expenses	no year	80,913 65	0	0	80,913 65
Joint Committee on Taxation	1983	457,551 73	0	457,551 73	0
	1984	398,426 73	61,925 70	0	336,501 03
	1985	3,605,000 00	3,456,563 98	60,744 89	87,691 13
Capitol Police Board	1984	26,533 45	26,533 45	0	0
	1985	141,188 00	112,197 92	0	28,990 08
General Expenses-Capitol Police	1983	6,615 15	1,180 00	5,435 15	0
	1984	730,935 83	562,372 98	0	168,562 85
	1985	1,471,000 00	922,988 85	0	548,011 15
Statement of Appropriations	1983	6,500 00	0	6,500 00	0
	1984	6,500 00	0	0	6,500 00
	1985	6,500 00	0	0	6,500 00
Education of pages	1983	29,736 00	0	29,736 00	0
Official mail costs	1983 & 1984	14,631,223 29	12,803,423 00	0	1,827,800 29
	1984 & 1985	85,797,000 00	73,944,000 00	0	11,853,000 00
House Stationery Revolving Fund	no year	3,923,116 73	6,635,039 12	(4,798,223 36)	2,086,300 97
House Restaurant Revolving Fund	no year	8,287,109 00	7,281,133 48	1,005,975 52	0
House Recording Studio Revolving Fund	no year	958,809 77	279,591 75	2,858 04	676,359 98

(continued)

Schedule of Appropriations and Other Funds

Account	Fiscal year	Funds available	Net disbursements	Transfers	Unexpended balance September 30, 1985
House Beauty Shop Revolving Fund	no year	319,171 28	259,633 86	140 49	59,396 93
House Barber Shop Revolving Fund	no year	66,848 03	58,069 70	0	8,778 33
Attending Physician Revolving Fund	no year	32,706 30	30,412 62	0	2,293 68
Page Revolving Fund	no year	396,677 52	109,669 90	0	287,007 62
Suspense Account	no year	29,888 84	15,332 52	0	14,556 32
House Records and Registration- Suspense Account "B"	no year	110,976 18	0	0	110,976 18
Broadcasting of Floor Proceedings- Suspense Account "D"	no year	99,555 72	0	0	99,555 72
State withholding taxes Suspense Account	no year	13,186,509 61	13,186,690 19	0	(180 58)
Gifts to the United States for reduction of the public debt Bureau of Government Financial Operations	no year	2,886 21	0	2,886 21	0
General Fund Receipts	no year	161,366 78	0	161,366 78	0
Total		\$602,560,698.33	\$539,454,742.51	\$3,138,727.01	\$59,967,228.81

The accompanying notes are an integral part of this schedule

Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1983 Appropriations

	October 1, 1982, to September 30, 1984	Fiscal year ended September 30, 1985	Total
Funds Provided			
Appropriations (note 2)	\$92,498,944 00	\$ 0	\$92,498 944 00
Net transfers to Stationery Revolving Fund	(3,908,748 44)	(1 33)	(3,908,749 77)
Net transfers of equipment lease	3,139,045 44	3,969 28	3,143,014 72
Total	91,729,241.00	3,967.95	91,733,208.95
Funds Disbursed			
Supplies, materials, and administrative costs	20,537,982 85	13,024 16	20,551,007 01
Official expenses of Members	47,573,989 60	(12,730 53)	47,561,259 07
Miscellaneous items	474,393 51	0	474,393 51
Government contributions for employee benefits	19,817,001 59	0	19,817,001 59
Reemployed annuitants reimbursement	1,634,019 56	0	1,634,019 56
stenographic reporting	432,045 83	0	432,045 83
Furniture and furnishings	1,232,061 80	80 08	1,232,141 88
Overages and shortages	19 82	0	19 82
Total	\$91,701,514.56	\$373.71	\$91,701,888.27
Surplus to U S Treasury (note 3)			31,320 68
Unexpended balance, September 30, 1985			\$0

The accompanying notes are an integral part of this schedule

Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1984 Appropriations

	Fiscal year ended September 30, 1984	Fiscal year ended September 30, 1985	Total
Funds Provided			
Appropriations (note 4)	\$122,002,000 00	\$ (197,200 00)	\$121,804,800 00
Net transfers to Stationery Revolving Fund	(4,113,377 63)	3,752 88	(4,109,624 75)
Net transfers of equipment lease	3,487,399 33	10,863 81	3,498,263 14
Total	121,376,021.70	(182,583.31)	121,193,438.39
Funds Disbursed			
Supplies, materials, and administrative costs	17,553,355 62	9,064,045 86	26,617,401 48
Official expenses of Members	50,695,285 92	6,315,300 26	57,010,586 18
Miscellaneous items	688,873 59	30,812 04	719,685 63
Government contributions for employee benefits	30,329,785 05	0	30,329,785 05
Reemployed annuitants reimbursement	1,136,455 96	0	1,136,455 96
Stenographic reporting	421,628 66	62,161 25	483,789 91
Furniture and furnishings	607,619 93	374,945 29	982,565 22
Total	\$101,433,004.73	\$15,847,264.70	\$117,280,269.43
Unexpended balance, September 30, 1985			\$3,913,168.96

The accompanying notes are an integral part of this schedule

Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1985 Appropriations

	Fiscal year ended September 30, 1985
Funds Provided	
Appropriations (note 5)	\$128,837,000 00
Transfers to other appropriations	(35,000 00)
Net transfers to Stationery Revolving Fund	(4,532,450 78)
Net transfers of equipment lease	3,491,691 26
Total	127,761,240.48
Funds Disbursed	
Supplies, materials, and administrative costs	23,103,776 39
Official expenses of Members	43,645,153 66
Miscellaneous items	255,220 04
Government contributions for employee benefits	32,915,381 07
Reemployed annuitants reimbursement	945,267 53
Stenographic reporting	455,930 90
Furniture and furnishings	1,235,246 96
Total	102,555,976.55
Unexpended balance, September 30, 1985	\$25,205,263.93

The accompanying notes are an integral part of this schedule

Notes to Statement and Schedules

Note 1. Significant Accounting Policies

The Clerk, as principal fiscal officer of the House of Representatives, collects receipts and disburses funds appropriated for all expenses of the House, except salaries and mileage to and from each session of Congress, for Members, Delegates, and the Resident Commissioner which are disbursed by the Sergeant at Arms. The House Finance Office maintains the accounting records and makes the necessary financial transactions for the Clerk. The Statement of Accountability for Appropriations and Other Funds presents a summary of the financial transactions administered by the Clerk.

Appropriated fund and revolving fund accounts are maintained on a cash basis.

Receipts are deposited daily through accounts with the U.S. Treasury

Unexpended balances of appropriations are withdrawn at the end of the second fiscal year, following the year for which the funds were appropriated. In accordance with 2 U.S.C. 102a, unpaid obligations chargeable to appropriations so withdrawn are paid from any appropriations for the same general purpose which are available for disbursement.

Note 2. Funding of Allowances and Expenses for Fiscal Year 1983

Total appropriations of \$92,498,944 consist of \$81,866,000 appropriated under Public Law 97-276, \$9,306,000 appropriated under Public Law 98-63, and \$2,027,944 transferred from other appropriations, less \$701,000 transferred to other appropriations.

Note 3. Lapsed Appropriations

This amount is included in the \$1,948,459.13 transferred to the general fund of the Treasury by a Treasury surplus warrant with an accounting date of September 30, 1985.

Note 4. Funding of Allowances and Expenses for Fiscal Year 1984

Total appropriations of \$121,804,800 consist of \$103,242,000 appropriated under Public Law 98-51 and \$18,760,000 appropriated under Public Law 98-396, less \$197,200 transferred to other appropriations.

Note 5. Funding of Allowances and Expenses for Fiscal Year 1985

Total appropriations of \$128,837,000 consist of \$122,565,000 appropriated under Public Law 98-367 and \$6,272,000 appropriated under Public Law 99-88.

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