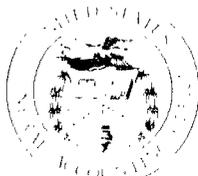


September 1990

FINANCIAL AUDIT

Statement of  
Accountability of the  
House Finance Office  
for Fiscal Year 1989



142332

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**Comptroller General  
of the United States**

B-114864

September 28, 1990

The Honorable Donald K. Anderson  
Clerk of the House of Representatives

Dear Mr. Anderson:

Pursuant to your request of September 18, 1989, we have audited the accompanying Statement of Accountability for Appropriations and Other Funds and the supporting schedules of the Finance Office, House of Representatives, for the year ended September 30, 1989. We completed our audit on March 30, 1990. The statement of accountability and supporting schedules are the responsibility of the Finance Office's management. Our responsibility is to express an opinion on the statement of accountability and supporting schedules based on our audit.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement and schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement and schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statement and schedules were prepared on a cash basis.  
(See note 1.)

In our opinion, the enclosed Statement of Accountability for Appropriations and Other Funds and the supporting schedules present fairly, in all material respects, the accountability of the Clerk of the House for appropriated and other funds for the year ended September 30, 1989, and the status of individual appropriations and other funds as of that date, in conformity with the basis of accounting described above.

Our report on internal accounting controls and compliance with laws and regulations, together with the Finance Office's statement of accountability, supporting schedules, and accompanying notes for the year ended September 30, 1989, is included in this report.

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

Sincerely yours,

A handwritten signature in black ink, appearing to read "Charles A. Bowsher". The signature is written in a cursive style with a large initial "C" and a trailing flourish.

Charles A. Bowsher  
Comptroller General  
of the United States



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# Report on Internal Accounting Controls and Compliance With Laws and Regulations

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We have audited the Statement of Accountability for Appropriations and Other Funds and the supporting schedules of the Finance Office, House of Representatives, for the year ended September 30, 1989. Our audit 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. This report pertains only to our study and evaluation of the system of internal accounting controls and our review of compliance with laws and regulations for the year ended September 30, 1989.

As part of our audit, 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 and supporting schedules.

For the purpose of this report, we have categorized the significant internal accounting controls as appropriated payroll expenditures, cash receipts, cash payments, and financial reporting. Our study and evaluation 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 (1) assets are safeguarded against loss from unauthorized use or disposition and (2) transactions are executed in accordance with management's authorization and in this case are recorded properly to permit the preparation of a statement and schedules in accordance with the basis of accounting described in note 1.

Because of inherent limitations in any system of internal accounting controls, errors or irregularities may nevertheless 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, made for the limited purpose described in the second paragraph of this report, would not necessarily disclose all material weaknesses in the system. Accordingly, we do 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 of this report. However, our study and evaluation disclosed no condition that we believed to be a material weakness that would affect our expressing an opinion on the Finance Office's statement and related schedules.

As part of our audit, we also tested the Finance Office's compliance with terms and provisions of the Legislative Branch Appropriations Acts for fiscal years 1987, 1988, and 1989; Department of the Treasury regulations on cash; Office of Personnel Management regulations on employee benefits and employer costs; Internal Revenue Service regulations on income tax withholdings; and House Finance Office internal policies and procedures for receipts and disbursements. In our opinion, the Finance Office complied with the terms and provisions of these laws and regulations for the transactions tested that could have materially affected its statement and related schedules. Nothing came to our attention, in connection with our audit, that caused us to believe that the Finance Office was not in compliance with the terms and provisions of the previously stated laws and regulations for those transactions not tested.

# Statement of Accountability for Appropriations and Other Funds

		Fiscal year ended September 30, 1989
<b>Unexpended Balance, September 30, 1988</b>		<b>\$137,145,065.80</b>
<b>Appropriations and Receipts</b>		
Current appropriations	\$592,756,000.00	
Revolving fund and suspense account receipts		
House Stationery Revolving Fund	\$3,151,986.58	
House Recording Studio Revolving Fund	133,381.68	
House Beauty Shop Revolving Fund	271,958.07	
House Barber Shop Revolving Fund	32,240.31	
Attending Physician Revolving Fund	1,513.30	
Page Revolving Fund	308,605.39	
Suspense Account	6,006.46	
State Withholding Taxes—Suspense Account	15,387,211.43	19,292,903.22
Receipts to be deposited in the general fund of the Treasury		88,159.54
Gifts to the United States for reduction of the public debt		10,855.40
Unclaimed money		2,448.70
		612,150,366.86
<b>Total Funds Available</b>		<b>749,295,432.66</b>
<b>Expenditures and Transfers</b>		
Disbursements for salaries and other expenses less voided checks		636,203,814.74
Transfers:		
Receipts deposited in the general fund of the Treasury		88,159.54
Gifts to the United States for reduction of the public debt		10,855.40
Unclaimed money		2,448.70
Transfer to the Architect of the Capitol		13,000,000.00
Lapsed appropriations transferred to the general fund of the Treasury		43,526,648.35
Other transfers		25,984.63
		692,857,911.36
<b>Unexpended Balance, September 30, 1989</b>		<b>\$56,437,521.30</b>

The accompanying notes are an integral part of this statement.



# Schedule of Appropriations and Other Funds

Account	Fiscal year	Funds available				Unexpended balance, September 30, 1989
		Unexpended balance, September 30, 1988	Appropriations or receipts	Funds expended		
				Net disbursements	Transfers	
House leadership offices	1987	\$403,814.00	\$0	\$14.66	\$403,799.34	\$0
	1988	517,101.29	0	8,370.50	0	508,730.79
	1989	0	4,024,000.00	3,479,111.05	7.00	544,881.95
Salaries, officers, and employees	1987	2,724,026.77	0	(15,205.65)	2,739,232.42	0
	1988	1,771,727.21	0	75,117.12	600.58	1,696,009.51
	1989	0	35,561,000.00	35,835,623.49	(871,615.90)	596,992.41
Clerk hire, Members, Delegates, and Resident Commissioner	1987	6,537,836.03	0	0	6,537,836.03	0
	1988	580,020.45	0	(12,563.20)	0	592,583.65
	1989	0	178,828,000.00	182,001,364.31	(3,500,000.00)	326,635.69
Committee employees	1987	4,492,637.24	0	0	4,492,637.24	0
	1988	1,931,546.22	0	7,500.00	0	1,924,046.22
	1989	0	51,067,000.00	49,580,933.97	904,000.00	582,066.03
Committee on Appropriations	1987	534,022.49	0	310.00	533,712.49	0
	1988	992,720.94	0	804,067.21	20,384.45	168,269.28
	1989	0	4,429,000.00	3,123,484.33	160,994.97	1,144,520.70
Committee on the Budget	1987	17,693.18	0	0	17,693.18	0
	1988	21,016.48	0	9,097.45	1,151.46	10,767.57
	1989	0	336,000.00	64,760.89	216,662.08	54,577.03
Attending Physician	1987	15,684.18	0	833.17	14,851.01	0
	1988	144,666.38	0	71,195.99	0	73,470.39
	1989	0	1,414,000.00	331,463.75	0	1,082,536.25
Special and select committees	1987	6,920,492.26	0	40,998.09	6,879,494.17	0
	1988	4,807,694.80	0	1,491,854.17	146,529.95	3,169,310.68
	1989	0	54,092,000.00	45,694,595.28	6,358,333.16	2,039,071.56
Preparation of new edition of U.S. Code	no year	80,913.65	0	0	0	80,913.65
Allowances and expenses (See the following schedules.)	1987	22,145,285.56	0	445,152.35	21,700,133.21	0
	1988	26,966,549.56	0	16,888,221.73	(316,673.22)	10,395,001.05
	1989	0	177,163,000.00	150,203,013.22	2,672,612.76	24,287,374.02
Joint Committee on Taxation	1987	42,353.61	0	0	42,353.61	0
	1988	550,389.35	0	400,442.03	436.12	149,511.20
	1989	0	4,346,000.00	3,737,241.10	6,435.66	602,323.24
Capitol Police Board	1989	0	25,673,000.00	24,540,880.64	0	1,132,119.36
	no year	13,000,000.00	0	0	13,000,000.00	0

(continued)

**Schedule of Appropriations and Other Funds**

Account	Fiscal year	Funds available		Funds expended		Unexpended balance, September 30, 1989
		Unexpended balance, September 30, 1988	Appropriations or receipts	Net disbursements	Transfers	
General Expenses—Capitol Police	1987	160,752.72	0	4,374.61	156,378.11	0
	1988	419,779.20	0	350,822.19	0	68,957.01
	1989	0	1,887,000.00	1,507,397.05	0	379,602.95
Statement of Appropriations	1987	10,000.00	0	0	10,000.00	0
	1988	9,500.00	0	0	0	9,500.00
	1989	0	10,000.00	0	0	10,000.00
Congressional Award Board	1988	17,535.90	0	17,535.90	0	0
Official mail costs	1986 & 1987	30,023,459.29	0	30,023,459.29	0	0
	1987 & 1988	6,856,500.00	0	6,856,500.00	0	0
	1988 & 1989	0	53,926,000.00	53,926,000.00	0	0
House Stationery Revolving Fund	no year	2,732,744.55	3,151,986.58	8,593,699.68	(5,475,749.78)	2,766,781.23
House Recording Studio Revolving Fund	no year	620,804.10	133,381.68	249,441.32	(299,698.06)	804,442.52
House Beauty Shop Revolving Fund	no year	35,942.34	271,958.07	281,580.97	100.94	26,218.50
House Barber Shop Revolving Fund	no year	24,270.01	32,240.31	50,761.99	0	5,748.33
Attending Physician Revolving Fund	no year	1,621.69	1,513.30	1,030.09	0	2,104.90
Page Revolving Fund	no year	760,783.26	308,605.39	140,256.26	0	929,132.39
Suspense Account	no year	12,849.69	6,006.46	5,833.49	0	13,022.66
House Records and Registration—Suspense Account "B"	no year	143,426.26	0	0	0	143,426.26
Broadcasting of Floor Proceedings—Suspense Account "D"	no year	117,085.72	0	0	0	117,085.72
State Withholding Taxes—Suspense Account	no year	(180.58)	15,387,211.43	15,387,244.25	0	(213.40)
Gifts to the United States for Reduction of the Public Debt	no year	0	10,855.40	0	10,855.40	0
Unclaimed money	no year	0	2,448.70	0	2,448.70	0
General Fund Receipts		0	88,159.54	0	88,159.54	0
<b>Total</b>		<b>\$137,145,065.80</b>	<b>\$612,150,366.86</b>	<b>\$636,203,814.74</b>	<b>\$56,654,096.62</b>	<b>\$56,437,521.30</b>

The accompanying notes are an integral part of this schedule.

# Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1987 Appropriations

	October 1, 1986, to September 30, 1988	Fiscal year ended September 30, 1989	Total
<b>Funds Provided</b>			
Appropriations (note 2)	\$176,879,000.00	\$0	\$176,879,000.00
Net transfer from other appropriations	6,845,000.00	0	6,845,000.00
Net transfer (to) from Stationery Revolving Fund	(4,661,432.88)	162.14	(4,661,270.74)
Net transfer (to) from equipment lease	3,912,370.60	(4,031.15)	3,908,339.45
Net transfer from WATS telephone service	150,129.33	0	150,129.33
Net transfer from telephone service	34,734.19	0	34,734.19
<b>Total</b>	<b>183,159,801.24</b>	<b>(3,869.01)</b>	<b>183,155,932.23</b>
<b>Funds Disbursed</b>			
Supplies, materials, and administrative costs	52,903,963.22	489,086.23	53,393,049.45
Official expenses of Members	50,658,353.16	(12,273.52)	50,646,079.64
Miscellaneous items	482,923.54	(9.80)	482,913.74
Government contributions for employee benefits	53,400,656.53	(31,713.04)	53,368,943.49
Reemployed annuitant reimbursements	1,248,126.79	0	1,248,126.79
Stenographic reporting	647,604.69	62.48	647,667.17
Furniture and furnishings	1,672,887.75	0	1,672,887.75
<b>Total</b>	<b>\$161,014,515.68</b>	<b>\$445,152.35</b>	<b>161,459,668.03</b>
Surplus to U.S. Treasury (note 3)			21,696,264.20
<b>Unexpended Balance, September 30, 1989</b>			<b>\$0</b>

The accompanying notes are an integral part of this schedule.

# Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1988 Appropriations

	Fiscal year ended September 30, 1988	Fiscal year ended September 30, 1989	Total
<b>Funds Provided</b>			
Appropriations (note 2)	\$174,797,000.00	\$0	\$174,797,000.00
Net transfer (to) from other appropriations	(2,382,340.00)	170,000.00	(2,212,340.00)
Net transfer (to) from Stationery Revolving Fund	(4,949,384.05)	2,160.45	(4,947,223.60)
Net transfer from equipment lease	4,823,686.15	166,634.28	4,990,320.43
Net transfer (to) from telephone service	318,139.78	(22,121.51)	296,018.27
<b>Total</b>	<b>172,607,101.88</b>	<b>316,673.22</b>	<b>172,923,775.10</b>
<b>Funds Disbursed</b>			
Supplies, materials, and administrative costs	27,565,739.42	9,405,372.41	36,971,111.83
Official expenses of Members	47,397,286.59	7,139,476.54	54,536,763.13
Miscellaneous items	432,558.55	28,389.99	460,948.54
Government contributions for employee benefits	67,452,734.07	163,376.28	67,616,110.35
Reemployed annuitant reimbursements	1,237,828.18	0	1,237,828.18
Stenographic reporting	627,860.31	73,927.15	701,787.46
Furniture and furnishings	926,545.20	77,679.36	1,004,224.56
<b>Total</b>	<b>\$145,640,552.32</b>	<b>\$16,888,221.73</b>	<b>162,528,774.05</b>
<b>Unexpended Balance, September 30, 1989</b>			<b>\$10,395,001.05</b>

The accompanying notes are an integral part of this schedule.

# Schedule of Appropriations and Disbursements of the House—Allowances and Expenses, Fiscal Year 1989 Appropriations

	<b>Fiscal year ended September 30, 1989</b>
<b>Funds Provided</b>	
Appropriations (note 2)	\$177,163,000.00
Net transfer to House Recording Studio Revolving Fund	(301,182.12)
Net transfer to Stationery Revolving Fund	(5,130,623.30)
Net transfer from equipment lease	3,951,338.74
Net transfer from telephone service	307,853.92
Net transfer to other appropriations	(1,500,000.00)
<b>Total</b>	<b>174,490,387.24</b>
<b>Funds Disbursed</b>	
Supplies, materials, and administrative costs	14,185,005.31
Official expenses of Members	38,106,261.41
Miscellaneous items	518,115.78
Government contributions for employee benefits	74,543,317.81
Reemployed annuitant reimbursements	995,581.16
Stenographic reporting	532,541.52
Furniture and furnishings	1,096,061.86
Office equipment	20,226,128.37
<b>Total</b>	<b>150,203,013.22</b>
<b>Unexpended Balance, September 30, 1989</b>	<b>\$24,287,374.02</b>

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 for payments made by the Sergeant at Arms for salaries and mileage to and from each session of the Congress for Members, delegates, and the resident commissioner and for payments to widows, widowers, or heirs of deceased Members. The House Finance Office maintains the accounting records and conducts 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 twice weekly 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

Appropriations for fiscal years 1987 through 1989 were authorized as follows:

**Table 1: House Finance Office Appropriations for Fiscal Years 1987 Through 1989**

Fiscal year	Public law	Amount
1987	99-591	\$137,928,000
1987	100-71	38,951,000
Total for 1987		176,879,000
1988	100-202	174,797,000
1989	100-458	177,163,000

## Note 3. Lapsed Appropriations

This amount is included in the \$43,526,648.35 transferred to the general fund of the Treasury by a Treasury surplus warrant with an accounting date of September 30, 1989.



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