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United States General Accounting Office  
Washington, DC 20548

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February 20, 2001

The Honorable Gary Sisco  
Secretary of the United States Senate

Subject: Senate Office of Public Records Revolving Fund Review Procedures

Dear Mr. Secretary:

We performed procedures you requested to assist you in determining whether the Senate Office of Public Records revolving fund's reported fiscal year 2000 receipts and disbursements (October 1, 1999 through September 30, 2000), and fund balances at the beginning and end of the review period are complete and accurate.

In summary, the procedures you asked us to perform included reviewing documentation supporting the Senate Office of Public Records revolving fund's recorded receipt and disbursement transactions for evidence that the transactions were properly authorized, recorded, and reported on the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports. In addition, you asked us to review the fund balance at the beginning and end of the fiscal year under review. The details of the agreed-upon procedures along with our results are presented in enclosure I. The unaudited fiscal year 2000 Schedule of Receipts, Disbursements, and Fund Balance for the Senate Office of Public Records revolving fund is in enclosure II.

By specifying the agreed-upon procedures, your office was responsible for ensuring that the procedures were sufficient to meet your objectives, and we make no representations in that respect. In performing these procedures, we conducted our work in accordance with generally accepted government auditing standards that incorporate financial audit and attestation standards established by the American Institute of Certified Public Accountants. These standards also provide guidance when performing and reporting the results of agreed-upon procedures. In agreeing to perform these procedures you requested, we discussed this guidance and the related limitations on the nature, scope, and intended use of our work with your office. As we did not perform a financial audit, we do not express an opinion on the enclosed schedule.

We provided a draft of this letter, along with its enclosures, to your staff for review and comment. Your staff agreed with the contents of this letter and the enclosures. We conducted our work from December 13, 2000 through January 25, 2001. This letter is intended for the use of your office and is not intended to be and should not be used by those who have not agreed to the procedures and taken responsibility for

the sufficiency of the procedures for their purposes. However, this letter is a matter of public record and its distribution is not limited. Copies will be made available to others upon request.

If you have any questions concerning our work, please contact Jeanette Franzel, Acting Director, at (202) 512-9471, or Lynda Downing, Assistant Director, at (202) 512-9168.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jeffrey C. Steinhoff". The signature is written in a cursive style with a large, stylized initial "J".

Jeffrey C. Steinhoff  
Managing Director  
Financial Management and Assurance

Enclosures

## **Agreed-Upon Procedures and Related Results**

### **Receipts Procedures**

1. We examined all fiscal year 2000 official receipt documents to determine whether they were properly included in the total weekly deposit. We then compared the weekly deposit amounts to the amounts reported on the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports.
2. We reviewed the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports for fiscal year 2000 receipts to determine whether each deposit was correctly recorded in the proper fiscal year.

### **Results**

We found fiscal year 2000 cash receipts for the Senate Office of Public Records were supported by appropriate documentation and were accurately recorded, summarized, and reported in the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports. We also found an undocumented gap in the prenumbered official receipt documents. The Senate Office of Public Records explained that the gap resulted from replacing missing receipt stock with receipt stock that began with a different sequential number. We confirmed that even though official receipt stock was missing, it was never used to support fiscal year 2000 cash receipts.

### **Disbursements Procedures**

Using the Senate Disbursement Office copies of fiscal year 2000 disbursement vouchers and associated supporting documentation for the Senate Office of Public Records Revolving Fund, we examined the supporting documentation and did the following:

1. Determined whether the request for payment per the disbursement voucher was (a) certified by the designated official(s) from the Office of Public Records as to the receipt and acceptance of the goods and/or services for which the payment was made, (b) authorized by the Secretary of the Senate or authorized designee, and (c) sanctioned by the Committee on Rules and Administration prior to disbursement.
2. Compared the payee (e.g., vendor number, name, and address) and disbursement amount from the supporting invoice to the approved disbursement voucher applicable to fiscal year 2000 disbursement activities and to the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports.
3. Reviewed the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports for fiscal year 2000 disbursement activity to determine whether each disbursement was correctly recorded in the proper fiscal year.

**Results**

Without exception, we found all fiscal year 2000 cash disbursements from the Senate Office of Public Records revolving fund were certified, authorized, and sanctioned prior to payment, as required. Moreover, all disbursements were supported by the appropriate documentation and accurately recorded, summarized, and reported in the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports for the revolving fund. We also found that all fiscal year 2000 disbursements were recorded in the appropriate year.

**Overall Procedures**

1. We compared the Senate Office of Public Record's reconciliation of its fiscal year 2000 receipts and disbursements to the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports and traced and confirmed any differences.
2. We compared the beginning (October 1, 1999) and ending (September 30, 2000) fiscal year 2000 fund balances for the Senate Office of Public Record's recorded on the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports to the balances reported by the U.S. Treasury.

**Results**

We found, during fiscal year 2000, that the Senate Office of Public Records had not routinely performed reconciliations between its records and the fiscal year 2000 receipts and disbursements reported by the Senate Disbursement Office on the monthly Statement of Funding Authorization and Expense Activity reports. In response to our request, the Senate Office of Public Records performed a reconciliation for fiscal year 2000 and identified no reconciling items or discrepancies. Additionally, the Senate Office of Public Records has agreed to perform similar reconciliations on a more routine basis.

The beginning and ending fiscal year 2000 fund balances recorded in the Senate Disbursement Office's monthly Statement of Funding Authorization and Expense Activity reports agreed with the balances reported by the U.S. Treasury.

**Senate Office of Public Records Revolving Fund Schedule and Related Notes**

**Schedule of Receipts, Disbursements, and Fund Balance (Unaudited)**

<b>Receipts</b>	
Copies of Public Documents	<b>\$41,061</b>
<b>Disbursements</b>	
Contractual Services	\$81,274
Equipment	47,207
Communications and Utilities	433
<b>Total Disbursements</b>	<b>\$128,914</b>
<b>Net Fiscal Year 2000 Receipt / (Disbursement) Activity</b>	<b>(\$87,853)</b>
<b>Beginning Fund Balance</b>	<b>\$268,336</b>
<b>Ending Fund Balance</b>	<b>\$180,483</b>

**Notes to the Schedule of Receipts, Disbursements, and Fund Balance**

**Reporting Entity**

The Senate Office of Public Records revolving fund was established in 1989, as provided by section 13 of Public Law 101-163. All moneys received on and after October 1, 1989, by the Senate Office of Public Records from fees and other charges for services are deposited to the credit of the revolving fund. Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for use in connection with the operation of the Senate Office of Public Records, including supplies, equipment, and other expenses.

Disbursements from the revolving fund are documented on vouchers approved by the Secretary of the Senate. The Secretary of the Senate is authorized to prescribe such regulations as may be necessary to carry out the provisions of Public Law 101-163 Sec. 13. To provide capital for the revolving fund, section 13 authorized the Secretary of the Senate to transfer up to \$30,000 in appropriated fiscal year 1990 funds from the "Miscellaneous Items" account in the contingent fund of the Senate to the revolving fund.

**Basis of Accounting**

For purposes of this schedule, the Senate Office of Public Records revolving fund reports receipts and disbursements using the cash basis, which recognizes transactions when cash is received or disbursed. This basis of accounting differs from generally accepted accounting principles, which recognize revenues when earned and expenses when goods or services are received.

**Contractual Services**

Contractual Services include the costs associated with modifications provided by a vendor to correct latent deficiencies of purchased software and the purchase of additional information system software.

**Fund Balance**

The Beginning Fund Balance represents the balance at October 1, 1999, carried over from the prior period. The Ending Fund Balance represents the fund balance remaining at September 30, 2000, and available for use in a subsequent period.

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