

**REPORT ON AUDIT
OF
UNITED STATES CAPITOL GUIDE FORCE
CALENDAR YEAR 1964**



**BY
THE COMPTROLLER GENERAL
OF THE UNITED STATES**

APRIL 1965



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

B-133224

APR 21 1965

Dear Mr. Duke:

Herewith is our report on the audit of the United States Capitol Guide Force for calendar year 1964.

Our report shows that the Guide Force had a net income of \$293,619, an increase of about 53 percent over the net income of \$191,996 for the prior year resulting from an increase in the number of visitors to the Capitol. Distributions during the year amounted to \$294,107, and, as a result of the excess distribution, a small deficit of \$218 existed at December 31, 1964.

In prior years we have not been able to express an opinion on the fairness of the financial statements because of the ineffective control afforded by the accounting records and procedures then in effect. However, the new accounting system, installed as of January 1, 1964, provided more adequate control over the assets and operations of the Guide Force in 1964. It is our opinion that the financial statements--schedules 1, 2, and 3 of this report--present fairly the financial position of the United States Capitol Guide Force at December 31, 1964, and the results of its operation for the year then ended.

Sincerely yours,

A handwritten signature in cursive script, reading "Robert Campbell".

Comptroller General
of the United States

The Honorable Joseph C. Duke, Chairman
United States Capitol Police Board

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REPORT ON AUDIT
OF
UNITED STATES CAPITOL GUIDE FORCE
CALENDAR YEAR 1964

INTRODUCTION

The General Accounting Office has made an audit of the UNITED STATES CAPITOL GUIDE FORCE (Guide Force) for the calendar year 1964 pursuant to the request dated January 27, 1965, of the United States Capitol Police Board. The scope of our audit is described on page 4 of this report.

The Guide Force provides official guide service to visitors to the United States Capitol. The visitors are charged nominal fees which are distributed weekly among the guides as remuneration for their services. The net income for the year, for distribution to the guides, amounted to \$293,619, compared with \$191,996 for calendar year 1963. Except for the Captain and guides who served as Acting Captain, each guide received a distribution of about \$13,180 for full-time work in 1964, compared with \$8,452 for 1963. The increase in compensation resulted from an increase in the number of visitors to the Capitol.

GENERAL INFORMATION

BACKGROUND

The United States Capitol Guide Force was created about 1876 for the purpose of establishing a system for dealing with Capitol tourists.

Although the Guide Force was not established by specific legislation, by custom it has been in continuous operation since it was created. The Guide Force operates under rules and regulations issued by the Capitol Police Board.

The guides' compensation is paid from special receipts--that is, fees for guide services and commissions on sales of the book "We the People." Because there is no legislation therefor, the guides are not entitled to the usual benefits applicable to legislative employees, such as Federal retirement, life insurance, and health benefits.

The fees charged for the guide service are 25 cents a person for general visitors and 15 cents a person for school organizations, as provided by the regulations, with the following exceptions.

1. For groups brought in by local sight-seeing companies, a fee of 15 cents is charged for children 5 years and under 10 years of age and no fee is charged for children under 5 years of age.
2. For other general visitors, no fee is charged for children under 10 years of age.

White (25 cents) and green (15 cents) prenumbered tickets are sold to general visitors for cash. Blue (25 cents) and yellow (15 cents) prenumbered tickets are sold to school organizations and local sight-seeing companies, in blocks, on a prepaid basis.

At December 31, 1964, the Guide Force consisted of 20 guides. Mr. Calvin Kimbrough, a House of Representatives appointee, served as Captain of the guides for the calendar year 1964. Mr. Floyd Kirby, a Senate appointee, is serving as Captain for the calendar year 1965.

DETERMINATION AND DISTRIBUTION OF EARNINGS

The service fees earned each day are determined and apportioned to participating guides--those on duty or on approved leave--on a daily basis, subject to the allocation of an additional 50 cents to the Captain. Earnings are distributed weekly to the

individual guides on the basis of the total of the daily earnings during the week.

The gross earnings for each day are determined by totaling:

1. The amount of cash received for tickets sold to general visitors.
2. The actual dollar amount of prepaid tickets presented by members of groups of school organizations and sightseeing companies.

In addition, an arrangement has been made with the Capitol Historical Society whereby the Guide Force receives 5 cents for each copy of the book "We the People" sold at the Capitol. The book commissions are received every two weeks and distributed equally among the participating guides. Such distributions were made to the guides in cash up to May 7, 1964. Thereafter the commissions have been deposited in the bank account and the distribution included in the guides' weekly checks.

INCOME AND DISTRIBUTION

Net income for the calendar year 1964 amounted to \$293,619 (schedule 2) while distributions of earnings to the guides amounted to \$294,107 (schedule 4). As a result of the excess distribution of \$488, the undistributed income of prior years was absorbed and a deficit of \$218 existed at December 31, 1964 (schedule 3).

SCOPE OF AUDIT

Our audit of the United States Capitol Guide Force for the calendar year 1964 included a review of the operating activities, a selective examination of financial transactions and records, and such auditing procedures as we considered necessary in the circumstances.

OPINION OF FINANCIAL STATEMENTS

The accompanying comparative statement of financial condition (schedule 1) and the statements of income and expense (schedule 2), undistributed income (schedule 3), and distribution of earnings (schedule 4) were prepared by us from the records of the United States Capitol Guide Force. These statements exclude the cost of certain benefits and services furnished to the Guide Force without charge. The benefits and services include space used by the Guide Force, telephone service, cost of tickets and forms printed by the Government Printing Office, and services by the staff of the Sergeant at Arms of the United States Senate.

Although we cannot express an opinion with respect to the financial condition at December 31, 1963, in our opinion the accompanying financial statements--schedules 1, 2, and 3--present fairly the financial position of the United States Capitol Guide Force at December 31, 1964, and the results of its operations for the year then ended.

FINANCIAL STATEMENTS

UNITED STATES CAPITOL GUIDE FORCE

COMPARATIVE STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 1964 AND 1963

ASSETS	1964	1963
CASH ON HAND:		
Change funds	\$ 10	\$ 30
Undeposited receipts	<u>-</u> \$ 10	<u>237</u> \$ 267
CASH IN BANK	5,839	5,848
ACCOUNTS RECEIVABLE:		
White House Sightseeing Corpora- tion	250	254
Other	<u>-</u> <u>250</u>	<u>19</u> <u>273</u>
Total assets	<u>\$6,099</u>	<u>\$6,388</u>
LIABILITIES AND UNDISTRIBUTED INCOME		
LIABILITIES:		
Accrued distributions payable	\$2,549	\$ 799
Accounts payable	-	6
Unearned sales	<u>3,768</u> \$6,317	<u>5,116</u> \$5,921
UNDISTRIBUTED INCOME OR DEFICIT (-) (SCHEDULE 3)	<u>-218</u>	<u>467</u>
Total liabilities and undis- tributed income	<u>\$6,099</u>	<u>\$6,388</u>

Note: The opinion of the General Accounting Office on this statement appears on page 4.

UNITED STATES CAPITOL GUIDE FORCE

STATEMENT OF INCOME AND EXPENSE

CALENDAR YEAR 1964

INCOME:

Earned service fees	\$280,444
Sales commissions on the book "We the People" (since May 7, 1964)	<u>13,555</u>
	\$293,999

EXPENSES:

Flowers and gifts	\$127	
Office supplies	87	
Bond	76	
Insurance	10	
Other	<u>80</u>	<u>380</u>

NET INCOME

\$293,619

UNITED STATES CAPITOL GUIDE FORCE

STATEMENT OF UNDISTRIBUTED INCOME OR DEFICIT

CALENDAR YEAR 1964

BALANCE, JANUARY 1, 1964		\$ 467
NET INCOME (schedule 2)		<u>293,619</u>
AVAILABLE FOR DISTRIBUTION		294,086
DISTRIBUTION TO GUIDES:		
Calendar year 1964 (schedule 4)	\$294,107	
For prior year	<u>197</u>	<u>294,304</u>
DEFICIT, DECEMBER 31, 1964		\$ <u>218</u>

UNITED STATES CAPITOL GUIDE FORCE

DISTRIBUTION OF EARNINGS TO GUIDES

CALENDAR YEAR 1964

Frank Banicevich	\$ 12,660
Virginia P. Bobo	13,181
Mary L. Brown	12,946
Louise F. Colburn	9,010
William F. Curley	9,045
Erma Curry	12,924
Mary D. Daley	12,121
Bette Fenlon	13,075
Margaret Hamilton	13,181
Bedford Howell	12,890
Roy C. Isenberg	12,460
Margaret Jenkins	2,490
Marguerite Jennings	12,982
Calvin Kimbrough (Captain)	13,308
Floyd Kirby	12,800
Robert McCormick	12,358
Janet McCormick	407
Myrtle Murdock	13,181
Thomas Nottingham	13,174
George Paulos	13,187
Caroline Rippey	930
Ann Rogers	13,169
Jared Rolston	13,165
Arlene M. Schamp	13,105
Eloise Seeley	13,177
Kathryn Showalter	<u>13,181</u>
Total	<u>\$294,107</u>

APPENDIX

United States Senate

OFFICE OF THE SERGEANT AT ARMS
WASHINGTON, D. C.

January 27, 1965

The Honorable Joseph Campbell
Comptroller General of the United States
Washington, D. C.

Dear Mr. Campbell:

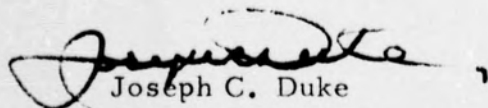
Please arrange for an audit and a report to be made on the books and accounts of the United States Capitol Guide Force which is under the jurisdiction of the United States Capitol Police Board.

The period to be covered is from January 1, 1964, through December 31, 1964.

It will be most suitable if you can permit Mr. Bernard A. Brady to again supervise this work.

Please submit all copies of this report to the Capitol Police Board through its Chairman.

Sincerely,



Joseph C. Duke
Sergeant at Arms
Chairman, Capitol Police Board

JCD:pfe