

**REPORT ON AUDIT
OF
UNITED STATES CAPITOL GUIDE FORCE
CALENDAR YEAR 1965**



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

APRIL 1966



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

APR 25 1966

B-133224

Dear Mr. Johnson:

The accompanying report summarizes the results of our audit of the United States Capitol Guide Force for calendar year 1965.

Our report shows that the Guide Force had a net income of \$278,114, a decrease of about 5 percent from the 1964 net income of \$293,619 as a result of a decrease in the number of visitors to the Capitol. Distributions during the year amounted to \$274,802, resulting in undistributed income of \$3,094 at December 31, 1965.

It is our opinion that the financial statements--schedules 1, 2, and 3--present fairly the financial position of the United States Capitol Guide Force at December 31, 1965, and the results of its operations for the year then ended.

Sincerely yours,

A handwritten signature in cursive script that reads "Frank H. Weitzel".

Assistant Comptroller General
of the United States

The Honorable Zeake W. Johnson, Jr., Chairman
United States Capitol Police Board

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REPORT ON AUDIT
OF
UNITED STATES CAPITOL GUIDE FORCE
CALENDAR YEAR 1965

INTRODUCTION

The General Accounting Office has performed an audit of the UNITED STATES CAPITOL GUIDE FORCE (Guide Force) for the calendar year 1965, pursuant to the request dated December 22, 1965, of the Chairman, United States Capitol Police Board. (See appendix.) The scope of our audit is described on page 5 of this report.

The Guide Force conducts tours through the United States Capitol for visitors who subscribe to the service. The net income available for distribution to the guides amounted to \$278,114 for calendar year 1965 compared with \$293,619 for calendar year 1964. Except for the Captain and guides who served as Acting Captain, each guide received a distribution of about \$11,945 for full-time work in 1965, compared with \$13,180 in 1964. The decrease in compensation resulted from a decrease in the number of visitors to the Capitol.

On February 16, 1965, a bill--House bill 4942--which would establish free guide service at the Capitol was introduced in the House of Representatives. Hearings were held by the Subcommittee on Accounts, Committee on House Administration, on May 18, 1965, but, at the time of our review, the bill had not been reported out of the Committee.

GENERAL INFORMATION

BACKGROUND

The Guide Force was created about 1876 to provide for the orderly handling of tourists in the Capitol building. Although it was not established by specific legislation, the Guide Force has been in continuing operation since it was created and operates under rules and regulations issued by the Capitol Police Board.

The guides are not legislative employees, therefore they do not participate in the Federal retirement, life insurance, or health benefits programs. Their compensation is paid from fees for guide services and commissions on sales of the book "We the People."

At December 31, 1965, the Guide Force consisted of 24 guides of whom Mr. Floyd Kirby, a Senate appointee, served as Captain during calendar year 1965. Mr. Calvin Kimbrough, a House of Representatives appointee, is serving as Captain during calendar year 1966.

SERVICE FEES

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 of 1,000 tickets, on a pre-paid basis.

COMMISSIONS

By arrangement with the Capitol Historical Society, the guides include in their lectures a brief description of the book "We the People" and encourage visitors to purchase a copy. A mail-order form is printed on the back of the tickets sold by the Guide Force. One of the guides is detailed to sell the books and turn the proceeds over to the Society.

The arrangement provides that the Capitol Historical Society pay the Guide Force a commission of 5 cents on each soft-bound copy, and 10 cents on each hard-bound copy, of the book sold at the Capitol or by mail-order form. In July 1965 the Society began paying the Guide Force a "basic commission" of \$100 a week in addition to the commission on each book sold. These "basic commissions" amounted to \$2,700 for the period June 25, 1965, to December 31, 1965.

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. The service fees earned each day are determined by totaling the amount of cash received for tickets sold to general visitors and the actual dollar amount of prepaid tickets redeemed. Payment of earnings is made to the individual guides each week, and every other week includes a pro rata share of the 2-week book commissions.

INCOME AND DISTRIBUTION

Net income for the calendar year 1965 amounted to \$278,114 (schedule 2), while the distributions of earnings to guides amounted to \$274,802 (schedule 4). The deficit at the beginning of the year of \$218 was absorbed by the undistributed income for 1965, leaving an available balance of \$3,094 at December 31, 1965.

SCOPE OF AUDIT

Our audit of the United States Capitol Guide Force for the calendar year 1965 included an examination of selected financial transactions and such other auditing procedures as we considered necessary in the circumstances.

OPINION OF FINANCIAL STATEMENTS

The accompanying comparative statement of financial position (schedule 1) and the statements of income and expense (schedule 2), undistributed income (schedule 3), and earnings of guides (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 Senate.

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, 1965, and the results of its operations for the year then ended.

FINANCIAL STATEMENTS

UNITED STATES CAPITOL GUIDE FORCE

COMPARATIVE STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 1965 AND 1964

	<u>1965</u>	<u>1964</u>
ASSETS		
CASH ON HAND:		
Change funds	\$ 20	\$ 10
CASH IN BANK	13,113	5,839
ACCOUNTS RECEIVABLE	<u>276</u>	<u>250</u>
Total assets	<u>\$13,409</u>	<u>\$6,099</u>
LIABILITIES AND UNDISTRIBUTED INCOME		
LIABILITIES:		
Accrued distributions payable	\$3,509	\$2,549
Unearned sales	<u>6,806</u>	<u>3,768</u>
Total liabilities	\$10,315	\$6,317
UNDISTRIBUTED INCOME OR DEFICIT (-) (SCHEDULE 3)	<u>3,094</u>	<u>-218</u>
Total liabilities and un- distributed income	<u>\$13,409</u>	<u>\$6,099</u>

SCHEDULE 2

UNITED STATES CAPITOL GUIDE FORCE

STATEMENT OF INCOME AND EXPENSE

CALENDAR YEAR 1965

INCOME:

Earned service fees		\$260,017
Sales commissions on the book "We the People"		<u>18,369</u>
		278,386

EXPENSES:

Office supplies	\$101	
Insurance	86	
Flowers and gifts	64	
Other	<u>21</u>	<u>272</u>

NET INCOME

\$278,114

UNITED STATES CAPITOL GUIDE FORCE

STATEMENT OF UNDISTRIBUTED INCOME

CALENDAR YEAR 1965

DEFICIT, JANUARY 1, 1965	\$ 218
NET INCOME (schedule 2)	<u>278,114</u>
AVAILABLE FOR DISTRIBUTION	277,896
DISTRIBUTION OF EARNINGS TO GUIDES (schedule 4)	<u>274,802</u>
BALANCE, DECEMBER 31, 1965	\$ <u>3,094</u>

SCHEDULE 4

UNITED STATES CAPITOL GUIDE FORCE

EARNINGS OF GUIDES

CALENDAR YEAR 1965

Banicevich, Frank	\$ 56
Bobo, Virginia P.	11,945
Brown, Mary Love	11,496
Curley, William F.	521
Curry, Erma	11,945
Daley, Mary D.	11,945
Fenlon, Bette	11,856
Gee, Douglas, Jr.	203
Glover, Patrick J.	9,496
Hamilton, Margaret	11,945
Isenberg, Roy C.	11,945
Jackson, J. R.	9,540
Jennings, Marguerite	2,069
Kimbrough, Calvin	12,005
Kirby, Floyd (Captain)	12,031
McCormick, J. M.	6,298
McCormick, Robert	11,772
Murdock, Myrtle	11,945
Nottingham, Thomas	11,933
Poulos, George	11,949
Rogers, Ann	11,945
Rolston, Jared	11,945
Rutledge, Ferrell B.	10,559
Schamp, Arlene M.	11,945
Seeley, Eloise	11,945
Showalter, Kathryn	11,945
Van Orman, Bethany	10,333
Waugh, Kathleen	9,394
Woods, Judy	<u>1,896</u>
Total	\$ <u>274,802</u>

APPENDIX

JOSEPH C. DUKE
SERGEANT AT ARMS

United States Senate

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

December 22, 1965

The Honorable Frank H. Weitzel
Acting Comptroller General of the United States
Washington, D. C.

Dear Mr. Weitzel:

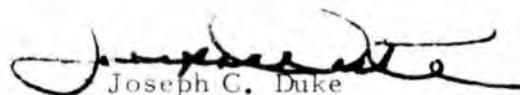
Please arrange for an audit and a report to be made on the books and accounts of the United States Capitol Guide Force which is under the jurisdiction of the United States Capitol Police Board.

The period to be covered is from January 1, 1965, through December 31, 1965.

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:kb