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United States General Accounting Office  
Washington, DC 20548

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October 17, 2003

The Honorable Emily J. Reynolds  
Secretary of the United States Senate

Subject: *Senate Office of Public Records Revolving Fund*

Dear Ms. Secretary:

We performed procedures you requested to assist you in determining whether the Senate Office of Public Records revolving fund's reported fiscal year 2001 (October 1, 2000, through September 30, 2001) and fiscal year 2002 (October 1, 2001, through September 30, 2002) receipts and disbursements 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 Disbursing 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 years under review. As a result of performing the agreed-upon procedures, we identified one instance in which a cash disbursement was not forwarded to the Senate Committee on Rules and Administration prior to payment. This occurred during the displacement of staff from the Senate Disbursing Office as a result of the anthrax incident in the fall of 2001. Additionally, we found that the beginning and ending fund balances for fiscal years 2001 and 2002 recorded in the Senate Disbursing Office's monthly statements agreed with the balances reported by the U.S. Treasury. The details of the agreed-upon procedures along with our results are presented in enclosure I. The unaudited Schedules of Receipts, Disbursements, and Fund Balances for fiscal years 2001 and 2002 for the Senate Office of Public Records revolving fund are in enclosure II.

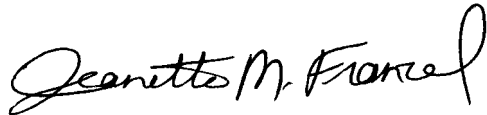
By specifying the agreed-upon procedures, your office was responsible for ensuring that the procedures we performed were sufficient to meet your objectives, and we make no representations in that respect. In performing these procedures, we conducted our work in accordance with generally accepted government 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 the procedures you requested, we discussed this guidance and the related limitations on the nature, scope, and intended use of our work with your

office. We did not perform a financial audit, and accordingly, we do not express an opinion on the enclosed Schedules of Receipts, Disbursements, and Fund Balances for the Office of Public Records.

We provided a draft of this report along with its enclosures to your staff for review and comment. They provided us with technical comments that have been incorporated in this report, as appropriate. We conducted our work from May 14, 2003, through July 30, 2003. This report is intended for your office's use 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.

As arranged with your offices, unless you announce the contents of this report earlier, we will not distribute it until 30 days from its date. Then copies will be made available to others upon request. If you have any questions concerning our work, please contact me at (202) 512-9471 or Keith Thompson, Assistant Director, at (202) 512-6328. Key contributors to this assignment were Chanetta Reed and Stacey Smith. This report will be made available at <http://www.gao.gov>, GAO's Internet site.

Sincerely yours,

A handwritten signature in black ink that reads "Jeanette M. Franzel". The signature is written in a cursive style with a large, looped initial "J".

Jeanette Franzel  
Director  
Financial Management and Assurance  
(202) 512-9471

Enclosures

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

### Receipts Procedures

1. We examined all fiscal years 2002 and 2001 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 Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports.
2. We reviewed the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports for fiscal years 2002 and 2001 receipts to determine whether each deposit was correctly recorded in the proper fiscal year.

### Results

We found cash receipts for fiscal years 2002 and 2001 for the Senate Office of Public Records were supported by appropriate documentation and were accurately recorded, summarized, and reported in the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports.

### Disbursements Procedures

Using the Senate Disbursing Office copies of fiscal years 2002 and 2001 disbursement vouchers and associated supporting documentation for the Senate Office of Public Records revolving fund, we did the following:

1. Determined whether the request for payment per the disbursement voucher was (a) certified by the designated official 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 an 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 amount billed from the supporting invoice to the approved disbursement voucher applicable for fiscal years 2002 and 2001 disbursement activities and to the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports.
3. Reviewed the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports for fiscal years 2002 and 2001

## Enclosure I

disbursement activities to determine whether each disbursement was correctly recorded in the proper fiscal year.

### Results

We found that cash disbursements for fiscal years 2002 and 2001 from the Senate Office of Public Records revolving fund were certified, authorized, and sanctioned prior to payment as required<sup>1</sup> except in one instance. We identified one disbursement in the amount of \$720 for fiscal year 2002 that, while properly certified and authorized, was not sanctioned by the Senate Committee on Rules and Administration prior to payment. This occurrence, as explained by the Senate Disbursing Office, was attributable to an oversight by the Senate Disbursing Office due to displacement from their normal business operations as a result of the anthrax incident.<sup>2</sup> This transaction was subsequently sanctioned by the Committee on Rules and Administration and was found to be in order for payment.

We found that all disbursements were supported by the appropriate documentation and accurately recorded, summarized, and reported in the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports for the revolving fund. We found that all disbursements for fiscal years 2002 and 2001 were recorded in the appropriate year.

### Fund Balances

1. We compared the Senate Office of Public Record's reconciliation of its receipts and disbursements for fiscal years 2002 and 2001 to the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports and traced and confirmed no differences.
2. We compared the beginning (October 1, 2001, and 2000) and ending (September 30, 2002, and 2001) fiscal years 2002 and 2001 fund balances for the Senate Office of Public Records recorded on the Senate Disbursing Office's monthly Statement of Funding Authorization and Expense Activity reports to the balances reported by the U.S. Treasury.

### Results

We found that the Senate Office of Public Records had performed all reconciliations for fiscal years 2002 and 2001 and identified no reconciling items or discrepancies.

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<sup>1</sup> Disbursement from the revolving fund shall be made upon vouchers approved by the Secretary of the Senate (2 U.S.C. 68-7). The Senate Committee on Rules and Administration must sanction all cash disbursements made by the Senate Disbursing Office on behalf of the Office of Public Records (2 U.S.C. 68).

<sup>2</sup> Staff in the Senate Disbursing office was displaced from October 2001 until around February 2002.

Enclosure I

The beginning and ending fund balances for fiscal years 2002 and 2001 recorded in the Senate Disbursing 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 Schedules and Related Notes**  
**Fiscal Years 2002 and 2001**

**Schedules of Receipts, Disbursements, and Fund Balances (Unaudited)**

	<b>FY 2002</b>	<b>FY 2001</b>
<b>Receipts</b>		
Copies of public documents	<b>\$ 19,324</b>	<b>\$ 24,185</b>
<b>Disbursements</b>		
Contractual services	\$ 27,233	\$ 39,330
Equipment	1,957	39,144
<b>Total disbursements</b>	<b>\$ 29,190</b>	<b>\$ 78,474</b>
<b>Net fiscal year receipt/(disbursement) activity</b>	<b>\$ (9,866)</b>	<b>\$ (54,289)</b>
<b>Beginning balance</b>	<b>\$ 126,194</b>	<b>\$ 180,483</b>
<b>Ending balance</b>	<b>\$ 116,328</b>	<b>\$ 126,194</b>

**Notes to the Schedules of Receipts, Disbursements, and Fund Balances**

**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 for purchase of supplies and equipment and for 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 section 13 of Public Law 101-163. 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 Senate's contingent fund to the revolving fund.

**Basis of Accounting**

For purposes of these schedules, 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 incurred.

**Contractual Services**

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

**Fund Balance**

The beginning fund balance on the fiscal year 2001 statement represents the balance at October 1, 2000, carried over from the prior period. The ending fund balance on the fiscal year 2001 statement represents the fund balance remaining at September 30, 2001, and is carried over as the beginning fund balance for fiscal year 2002. The ending fund balance for fiscal year 2002 represents the fund balance remaining at September 30, 2002, and is available for use in a subsequent period.

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