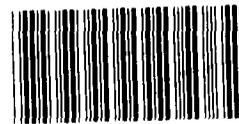


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REPORT BY THE
Comptroller General
OF THE UNITED STATES

**Audit Of The Senate Barber Shops
Revolving Fund For Calendar Year 1979**

011538



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GGD-80-78
AUGUST 4, 1980

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

B-199627

The Honorable F. Nordy Hoffmann
Sergeant at Arms
United States Senate

RSN 02005

Dear Mr. Hoffmann:

We have audited the Senate Barber Shops Revolving Fund for calendar year 1979, pursuant to your March 19, 1980, request. *RSN00013*

GENERAL COMMENTS

The Senate barber shops were established to provide convenient, efficient, and timesaving service to Senators and employees of the Senate.

The Senate Employees Barber Shops Revolving Fund was authorized by the Legislative Branch Appropriation Act, 1977 (Public Law 94-440, approved October 1, 1976).

The Supplemental Appropriations Act, 1977 (Public Law 95-26, approved May 4, 1977), amended the initial legislation to provide for the fund to include all Senate barber shops and redesignated it as the Senate Barber Shops Revolving Fund. This change was effective April 1, 1977. All moneys received by the Senate barber shops shall be deposited to the revolving fund and are available for disbursement by the Secretary of the Senate for the necessary supplies and expenses of the Senate barber shops.

The barber shops are managed by a chief barber, under the direction of the Sergeant at Arms of the Senate, in accordance with rules and regulations prescribed by the Senate Committee on Rules and Administration.

During 1979, the shops were staffed by a chief barber, an assistant chief barber, five barbers, and two shop attendants.

TRANSFERS TO U.S. TREASURY

The law provides that on or before December 31 of each year, the Secretary of the Senate is to withdraw from the revolving fund and deposit in the Treasury as miscellaneous

receipts all moneys in excess of \$10,000 in the revolving fund at September 30, the close of the Senate barber shops' fiscal year.

As required, the Secretary transferred \$47,392.46 on November 20, 1979, to the Treasury. The transfer represented the excess moneys in the revolving fund on September 30, 1979.

SCOPE OF AUDIT

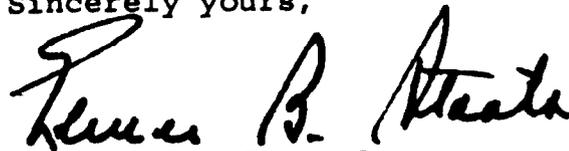
We reviewed the Senate barber shops' accounting records and financial transactions in accordance with the Comptroller General's standards for financial and compliance audits. We included such tests of the accounting records and such auditing procedures as we considered necessary in the circumstances.

OPINION ON FINANCIAL STATEMENTS

We prepared the financial statements for the Senate Barber Shops Revolving Fund from its accounting records, which were maintained on a cash basis. The statements do not include the costs of certain benefits and services--such as salaries, space, utilities, and ordinary building repairs and maintenance--which are paid from appropriated funds and not charged to the Revolving Fund.

In our opinion, the accompanying financial statements (schs. 1, 2, 3, and 4), which were prepared on a basis consistent with that of the preceding year and in accordance with the financial arrangements described above, present fairly the financial position of the Senate Barber Shops Revolving Fund at December 31, 1979 and 1978, the results of its operation, and the changes in its financial position for the years then ended.

Sincerely yours,



Comptroller General
of the United States

UNITED STATES SENATE
BARBER SHOPS REVOLVING FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1979 AND 1978

	<u>ASSETS</u>	
	<u>1979</u>	<u>1978</u>
CURRENT ASSETS:		
Cash	\$23,192.14	\$20,313.52
Advance from Senate Disbursing Office	<u>125.00</u>	<u>125.00</u>
Total assets	<u>\$23,317.14</u>	<u>\$20,438.52</u>
LIABILITIES, CAPITAL, AND RETAINED INCOME		
LIABILITIES:		
Amount due Senate Disbursing Office	\$ 125.00	\$ 125.00
CAPITAL AND RETAINED INCOME:		
Fund capital pursuant to Public Law 95-26	\$10,000.00	\$10,000.00
Retained income (note a)	<u>13,192.14</u>	<u>10,313.52</u>
Total liabilities, capital, and retained income	<u>\$23,317.14</u>	<u>\$20,438.52</u>

GAO notes a - Represents net income from operations during period from October 1 - December 31 of each year.

Our opinion on this statement appears on page 2 of the letter.

UNITED STATES SENATE BARBER
SHOPS REVOLVING FUND COMPARATIVE
STATEMENT OF INCOME AND EXPENSE
CALENDAR YEAR 1979 AND 1978

	<u>1979</u>	<u>1978</u>
Receipts	\$54,107.34	\$46,368.18
Operating expenses	<u>3,836.26</u>	<u>3,772.25</u>
Net income	<u>\$50,271.08</u>	<u>\$42,595.93</u>

GAO note: Our opinion on this statement appears on page 2 of the letter.

UNITED STATES SENATE
BARBER SHOPS REVOLVING FUND
COMPARATIVE STATEMENT OF CHANGES IN
FINANCIAL POSITION
CALENDAR YEARS 1979 AND 1978

	<u>1979</u>	<u>1978</u>
FUNDS PROVIDED:		
Receipts	\$54,107.34	\$46,368.18
Decrease in working capital	<u>-</u>	<u>95.15</u>
TOTAL FUNDS PROVIDED	<u>\$54,107.34</u>	<u>\$46,463.33</u>
FUNDS APPLIED:		
Operating expenses	\$ 3,836.26	\$ 3,772.25
Amount transferred to U.S. Treasury	47,392.46	42,691.08
Increase in working capital	<u>2,878.62</u>	<u>-</u>
TOTAL FUNDS APPLIED	<u>\$54,107.34</u>	<u>\$46,463.33</u>

ANALYSIS OF CHANGES IN WORKING CAPITAL

CASH	\$ <u>2,878.62</u>	\$ (<u>95.15</u>)
NET INCREASE OR (DECREASE) IN WORKING CAPITAL	\$ <u>2,878.62</u>	\$ (<u>95.15</u>)

GAO note: Our opinion on this statement appears on page 2 of the letter.

UNITED STATES SENATE
BARBER SHOPS REVOLVING FUND
CAPITAL AND RETAINED INCOME ANALYSIS

	<u>1979</u>	<u>1978</u>
NET INCOME		
Calendar year	\$50,271.08	\$42,595.93
Prior period undistributed income	<u>20,313.52</u>	<u>34,421.59</u>
TOTAL NET INCOME	70,584.60	77,017.52
Transfers to U.S. Treasury	<u>47,392.46</u>	<u>56,704.00</u>
Capital and Retained Income at December 31	<u>\$23,192.14</u>	<u>\$20,313.52</u>

GAO note: Our opinion on this statement appears on page 2 of the letter.

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