

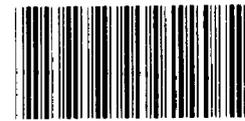
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BY THE COMPTROLLER GENERAL

# Report To The Congress

OF THE UNITED STATES

## Audit Of The Office Of The Attending Physician Revolving Fund--Fiscal Year 1979



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GGD-80-27  
JANUARY 4, 1980



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

B-196895

To the President of the Senate and the  
Speaker of the House of Representatives

*CWO 00001*

Pursuant to the Legislative Branch Appropriation Act,  
1976 (89 Stat. 283), we audited the fiscal year 1979 finan-  
cial transactions of the Office of the Attending Physician  
Revolving Fund.

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SCOPE OF AUDIT

Our audit was made in accordance with the Comptroller  
General's standards for auditing financial transactions,  
accounts, and reports of governmental activities. These  
standards include generally accepted auditing standards.  
We reviewed operations, observed the physical count of pre-  
scription drugs and vaccines on hand, examined selected  
financial transactions and records, and performed such other  
auditing procedures as we considered necessary.

OPINION ON FINANCIAL STATEMENTS

We prepared the financial statements for the revolving  
fund from records furnished us. We adjusted the records,  
which were maintained on a cash basis, to present the finan-  
cial position and results of the revolving fund operations on  
an accrual basis. These statements do not include certain  
expenses--such as labor, syringes, and other supplies--  
incurred in revolving fund operations but paid for with appro-  
priated funds.

In our opinion, the accompanying statements (schs. 1, 2,  
and 3), prepared on a basis consistent with that of the  
preceding year and in accordance with financial arrangements  
described above, present fairly the financial position of the  
Office of the Attending Physician Revolving Fund at September  
30, 1979 and 1978; the results of its operations, and the  
changes in its financial position for the years then ended.

GENERAL COMMENTS

The Office of the Attending Physician was established in  
1928 to serve the medical needs of the Members of Congress.

The 1976 Legislative Branch Appropriation Act established the Office of the Attending Physician Revolving Fund-- effective August 1, 1975. In accordance with the act's provisions, the balance in the Office of the Attending Physician suspense account capitalized the fund.

The act requires that the Office deposit in the revolving fund all moneys received from the sale of drugs or any other sources. Further, the act permits disbursements from the fund for purchasing drugs for resale.

After restoring any impairment of capital, the fund's net income, as established by our annual audit, is required to be transferred to the U.S. Treasury's general fund. The net income for fiscal year 1979 was \$970.44. (See sch. 2.)

### REVOLVING FUND ACTIVITIES

#### Receipts

##### Prescription drug sales

The purchase and resale of prescription drugs make up the majority of the fund's receipts and disbursements. The Office purchases wholesale drugs and resells them to Members' families and to congressional employees. The price charged is the unit cost of the drug rounded upward to the nearest nickel. The Office receives a 2-percent cash discount from its wholesaler for prompt payment. During the fiscal year prescription drug sales and net income were \$27,389.05 and \$634.98, respectively.

##### Immunization receipts

At the direction of the Attending Physician, free gamma globulin, polio, and influenza immunizations are provided to Members and officials of the Congress. During fiscal year 1979 the Office charged a \$1 fee for gamma globulin and polio immunizations, and \$1.50 for influenza immunizations given to congressional employees. The immunization receipts for fiscal year 1979 were \$1,002.50, and net income was \$89.46.

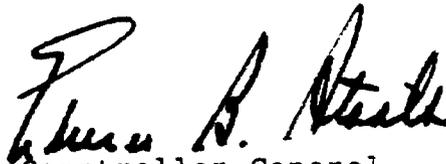
Our review of the costs and revenues for the revolving fund activities resulted in a net adjustment of \$90.78 due to the revolving fund from appropriated funds at September 30, 1979.

Insurance receipts

The Office furnishes medical transcripts and performs physical examinations for life insurance applicants. Payments of \$246.00 were received from life insurance companies for these services and deposited in the revolving fund during the fiscal year.

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As required by the Legislative Branch Appropriation Act, 1976, we are sending copies of this report to the Subcommittees on the Legislative Branch, House and Senate Committees on Appropriations; the House Committee on Government Operations; the Senate Committee on Governmental Affairs; and the Clerk of the House of Representatives.

  
Thomas B. Steath  
Comptroller General  
of the United States

CONGRESS OF THE UNITED STATES  
OFFICE OF THE ATTENDING PHYSICIAN  
REVOLVING FUND  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 1979 AND 1978

ASSETS	September 30, <u>1979</u>	September 30, <u>1978</u>
<b>CURRENT ASSETS:</b>		
Cash in U.S. Treasury	\$1,831.48	\$ 747.91
Change fund	25.00	25.00
Undeposited receipts	957.95	845.00
Inventory--Drugs (note a)	55.00	215.10
Inventory--Vaccines (note b)	1,162.99	1,245.21
Amount due from Office of Attending Physician appropriated funds	<u>90.78</u>	<u>77.19</u>
Total	<u>\$4,123.20</u>	<u>\$3,155.41</u>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	<u>\$2,686.34</u>	<u>\$1,750.68</u>
<b>EQUITY:</b>		
Balance at beginning of period	1,404.73	1,872.48
Less: Amount transferred to U.S. Treasury	<u>938.31</u>	<u>1,406.06</u>
	466.42	466.42
Plus: Excess of revenue over costs	<u>970.44</u>	<u>938.31</u>
Balance at end of period	<u>c/1,436.86</u>	<u>1,404.73</u>
Total liabilities and equity	<u>\$4,123.20</u>	<u>\$3,155.41</u>

a/Undelivered prescriptions.

b/Vaccines are stated at cost, using the first-in, first-out method of valuation.

c/As explained on page 2, \$970.44 is to be transferred to the U.S. Treasury.

GAO note: Our opinion on this statement appears on page 1 of the letter.

CONGRESS OF THE UNITED STATES  
OFFICE OF THE ATTENDING PHYSICIAN  
REVOLVING FUND  
COMPARATIVE STATEMENTS OF OPERATIONS  
FOR FISCAL YEARS ENDED SEPTEMBER 30, 1979 AND 1978

	FY <u>1979</u>	FY <u>1978</u>
REVENUE:		
Prescription drug sales	\$27,389.05	\$25,652.67
Immunization receipts	1,002.50	901.00
Insurance receipts	<u>246.00</u>	<u>253.40</u>
Total revenue	<u>28,637.55</u>	<u>26,807.07</u>
COSTS:		
Prescription drugs	26,754.07	25,093.07
Immunization vaccines	906.45	775.69
Loss on disposal of vaccines	<u>6.59</u>	<u>-</u>
Total costs	<u>27,667.11</u>	<u>25,868.76</u>
EXCESS OF REVENUE OVER COSTS	<u>\$ 970.44</u>	<u>\$ 938.31</u>

GAC note: Our opinion on this statement appears on page 1 of the letter.

CONGRESS OF THE UNITED STATES  
OFFICE OF THE ATTENDING PHYSICIAN  
REVOLVING FUND

COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 1979 AND 1978

	<u>FY</u> <u>1979</u>	<u>FY</u> <u>1978</u>
<b>FUNDS PROVIDED:</b>		
Prescription drug sales	\$27,389.05	\$25,652.67
Immunization receipts	1,002.50	901.00
Insurance receipts	246.00	253.40
Decrease in working capital	<u>-</u>	<u>467.75</u>
Total funds provided	<u>\$28,637.55</u>	<u>\$27,274.82</u>
<b>FUNDS APPLIED:</b>		
Cost of prescription drugs	\$26,754.07	\$25,093.07
Cost of immunization vaccines	906.45	775.69
Loss on disposal of vaccines	6.59	-
Increase in working capital	32.13	-
Amount transferred to U.S. Treasury	<u>938.31</u>	<u>1,406.06</u>
Total funds applied	<u>\$28,637.55</u>	<u>\$27,274.82</u>

ANALYSIS OF CHANGES IN WORKING CAPITAL

	<u>Increase or</u> <u>(decrease)</u>	<u>Increase or</u> <u>(decrease)</u>
<b>WORKING CAPITAL CHANGES:</b>		
Cash	\$ 1,196.52	\$(1,889.39)
Accounts receivable	-	(35.45)
Inventory	(242.32)	(87.15)
Amount due from Office of Attending Physician appropriated funds	13.59	77.19
Accounts payable	(935.66)	93.97
Amount due to Office of Attending Physician appropriated funds	<u>-</u>	<u>1,373.08</u>
<b>NET INCREASE/(DECREASE) IN WORKING CAPITAL</b>	<u>\$ 32.13</u>	<u>\$ (467.75)</u>

GAO note: Our opinion on this statement appears on page 1 of the letter.

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