



COMPTROLLER GENERAL OF THE UNITED STATES

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MAR 19 1975

The Honorable W. Pat Jennings
Clerk of the House
of Representatives

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Dear Mr. Jennings:

We reviewed the activities of the Office Equipment Service (OES) of the House of Representatives for the fiscal year ended June-30, 1974, pursuant to your request dated June 1, 1974.

GENERAL COMMENTS

The act of December 5, 1969 (2 U.S.C. 112e), as amended, directs the Clerk of the House to furnish electrical and mechanical office equipment, in accordance with the limitations and regulations prescribed by the Committee on House Administration, to (1) the Resident Commissioner from Puerto Rico, (2) Delegates to the House of Representatives from the District of Columbia, Guam, and the Virgin Islands, and (3) Members, officers, and committees of the House of Representatives.

The Committee on House Administration has issued regulations

- requiring that the depreciated value of electrical and mechanical office equipment furnished and charged to the accounts of each Member, Delegate, and the Resident Commissioner not exceed \$5,500;
- authorizing an office-equipment-leasing allowance of \$350 a month to lease automatic typewriters, photocopying equipment, facsimile units, and signature machines;
- directing the Clerk to lease the equipment for the use of officers of the House; and
- permitting a Member, Delegate, or the Resident Commissioner to use, upon request to the Committee, up to \$250 per month of his unused clerk allowance to lease additional equipment.

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The Clerk's responsibilities for furnishing electrical and mechanical office equipment are carried out by OES accounting, messenger, and typewriter repair service units.

The accounting unit consists of a chief, an assistant chief, and five clerks. It maintains accounting control over owned and leased equipment and is responsible for leasing, purchasing, and disposing of electrical and mechanical office equipment.

The messenger unit consists of a supervisor and four messenger-laborers. It is responsible for picking up, delivering, and transferring electrical and mechanical office equipment.

The typewriter repair service unit consists of a repairman-supervisor, a clerk, and nine repairmen. It is responsible for cleaning and repairing automatic, electric, and manual typewriters.

We reviewed the controls over owned and leased equipment, examined selected purchases and disposals of equipment, and tested the repair parts inventory.

OWNED OFFICE EQUIPMENT

OES maintains a computerized system of accounts which shows for each type of equipment (1) the inventory at the beginning of the year, the acquisitions and disposals during the year, and the inventory at the end of the year and (2) the units furnished to, and accountable by, each Member or officer. These accounts showed that as of June 30, 1974, the inventory of office equipment consisted of 9,961 items with an acquisition cost of about \$6 million and a net value of about \$2.8 million. (See schedule.)

The records provided adequate control over owned equipment. Our examination of selected purchase and disposal transactions showed that they were properly documented.

LEASED EQUIPMENT

OES maintains manual records of leased equipment consisting of (1) a control card for each item of leased equipment and (2) a Member's account card. The control card shows the Member's or officer's name, the lease order number, the lessor's name, a description of the leased item, the rental rate and period, and the rental paid.

The Member's account card shows the balance of the Member's or officer's leasing allowance, the items of equipment leased for the Member or officer, the rental rate, and the beginning and ending dates of the lease period.

In our opinion, the records provide adequate control over leased equipment.

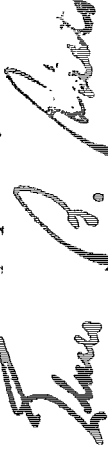
OES OPERATING COSTS

OES operating costs for fiscal year 1974, exclusive of the cost of forms obtained from the Government Printing Office and of data processing services, utilities, office furniture, and building space, are as follows:

Administrative salaries and benefits	\$ 89,311
Operating salaries and benefits	176,917
Leasing costs	1,408,299
Depreciation of equipment	288,030
Undepreciated value of equipment transferred to the General Services Administration	38,914
Repair parts	21,492
Vendor repairs	49,609
Office supplies	<u>1,155</u>
Total	<u>\$2,073,727</u>

A copy of this report is being sent to the Chairman of the Committee on House Administration.

Sincerely yours,



Comptroller General
of the United States

HOUSE OF REPRESENTATIVES
OFFICE EQUIPMENT SERVICE
SUMMARY OF EQUIPMENT ACCOUNTS
JULY 1, 1973, TO JUNE 30, 1974

Type	Inventory July 1, 1973		Acquisitions		Disposals		Inventory June 30, 1974		Net value	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost		Accumulated depreciation
Addressing equipment	471	\$ 273,236	35	\$ 49,654	38	\$ 16,170	468	\$ 306,720	\$ 148,235	\$ 158,485
Automatic typewriters	530	1,400,230	40	7,364	23	30,769	547	1,376,825	832,163	544,662
Typewriters	5,657	2,318,973	412	228,141	251	92,273	5,818	2,454,841	1,373,402	1,081,439
Dictating equipment	1,360	489,416	161	77,124	86	31,580	1,435	534,960	234,420	300,540
Duplicating equipment	918	518,433	53	48,607	51	25,845	920	541,195	253,113	288,082
Adding machines and calculators	361	136,160	59	15,811	13	5,360	407	146,611	78,405	68,206
Miscellaneous (note a)	307	579,893	67	110,052	8	14,103	366	675,842	293,361	382,481
Total	<u>9,604</u>	<u>\$5,716,341</u>	<u>827</u>	<u>\$536,753</u>	<u>470</u>	<u>\$216,100</u>	<u>9,961</u>	<u>\$6,036,994</u>	<u>\$3,213,099</u>	<u>\$2,823,895</u>

a/Includes automatic letter openers and sealers, automatic letter folders and inserters, typing machines, delivery trucks, computer equipment, and other miscellaneous equipment.

Note: This schedule does not include leased equipment in the custody of OES.