

Management Comments

GPO's consolidated financial statements are prepared in accordance with generally accepted accounting principles (GAAP). GAAP requires that financial statements be prepared on the accrual basis of accounting, whereby expenses are recorded when incurred and revenues are recorded when earned, regardless of when cash is disbursed or received. GAAP also requires that the statements be prepared in a manner consistent with that of the previous year. The accompanying financial statements provide information on all events and economic affairs controlled by GPO in conformity with established regulations, procedures, and promulgated accounting principles.

GPO's accounting system includes internal controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are properly recorded. To ensure that adequate internal controls are maintained, management monitors the systems that provide management data and initiates modifications or improvements deemed necessary to promote operational efficiencies and encourage adherence to prescribed managerial policies.

Operating Issues

GPO's mission is to assist Congress and Federal agencies in the cost-effective creation and replication of information products and services and to provide effective and economical public access to government information services and products. GPO strives to operate and manage its resources as efficiently as possible, and to achieve steady gains in productivity. An example of GPO's fulfilling this role is found in GPO ACCESS. This Internet-based system rapidly and efficiently diffuses a wide range of government information at no cost to the user. GPO computer systems will also be used to support government-wide procurement operations in fiscal year 1997 when the Commerce Business Daily is electronically published and disseminated.

Neither Congress nor GPO has the ability to accurately forecast the volume of printing that may be needed for the legislative process. In years where the workload exceeds the funding available, GPO exercises its authority to temporarily fund shortfalls through the Revolving Fund. Funding by Congress for their printing requirements in recent years has been adequate and no near-term shortfalls are anticipated.

Over the last few years there has been a steady decline in traditional printing and binding in the Federal government. Recent GPO financial operating results reflect this decline. However, GPO is responding by continuing to downsize its workforce, by reducing operating costs, by trying to attain a larger share of the Federal printing market, and by encouraging