> **Agencies using GPO's new deposit accounts will stop wasting valuable time and money, maintain control of their funds, eliminate expensive and complicated paperwork, and cut the cost of their printing.**

capacity, consists of two separate machines. The first assembles the preprinted pages and cover into a strip of three unfinished passports. The second prepares the strip of three into three finished passports. These machines are more than 10 years old and a large number of their component parts are no longer available. The passport pages are printed on GPO's six-color press. The press is not scheduled for replacement with this acquisition.

Cumulative passport production has been greater than 60 million passports on the existing system. Production in FY 1998 was 7,016,000 passports. Passport production requirements are expected to increase by approximately 5 percent annually for the next several years. The new equipment, which is being acquired from Uno Seisakusho Company, Ltd., under competitive bidding procedures, will ensure the necessary production capability. Total equipment and site preparation costs for the new system are estimated at $3.6 million.

The State Department has been planning to introduce a new photo digital passport. The new passport book will no longer employ the lamination process, but will have the data page coated with a secure coating that will be applied by GPO's new silk screen press. This new process will eliminate photo substitution and fraud. Employing the silk screen press adds one task to press operations and eliminates a task in binding operations. The new passport book will be produced in English, French, and Spanish.

New GPO Deposit Accounts Eliminate Costly Agency Paperwork And Save Taxpayers Money

In another step to make the Federal printing process work better and cost less, GPO began offering a new payment option for agency printing customers called GPO deposit accounts in 1998. This new option streamlines agency accounting procedures for printing jobs, eliminates invoices from GPO, and cuts the cost of Government printing.

Under the old system, agencies were burdened with the paperwork associated with requisitioning printing jobs from GPO. When each job was ordered, agency officials would record the estimated cost as an obligation in their accounting records. When the job was completed, a bill would be sent by GPO and more records would have to be created to liquidate the original obligation. This labor-intensive process took time to produce the complicated paperwork in both the customer agency and GPO, generating increased costs.

With the new deposit accounts, this time-consuming practice is eliminated. Agencies can simply electronically transfer sufficient funds to a deposit account to cover the anticipated cost of printing. When an agency submits an order for printing, the order will be charged to the account automatically. No longer do agency program managers have to go through their accounting offices before submitting their printing orders to GPO. The increased lead time made possible by deposit accounts will allow more competitive bids to be obtained, lowering the cost of the work.

With deposit accounts, agencies maintain control over their funds at all times. They can use their credit card or the Treasury Department's Online Payment and Collection (OPAC) system to transfer additional funds as necessary. And with deposit accounts, GPO's computerized accounting system will provide them with a detailed record of the payments for each printing job and a deposit account statement showing the opening balance, deposits, payments, and closing balance.

Some agencies can save a significant amount of money using the new deposit accounts. With deposit accounts, credit card transactions appear only periodically as the accounts are replenished, and there are no GPO invoices. This can lower accounting and processing costs for agency printing dramatically. Deposit accounts are also an effective method to reduce outstanding bills with GPO. Agencies using GPO's new deposit accounts will stop wasting valuable time and money, maintain control of their funds, eliminate expensive and complicated paperwork, and cut the cost of their printing.

"GPO has been a leader in providing Congress accrual-based accounting and financial statements."

– Booz-Allen & Hamilton, Inc.

GPO Receives Clean Opinion In Audit Of FY 1997 Finances

GPO received an "unqualified opinion" in a comprehensive, independent audit of its 1997 financial operations, completed in 1998 by the nationally recognized accounting firm KPMG Peat Marwick LLP. Under contract with the General Accounting Office, KPMG conducted a thorough audit of GPO's financial statements for the fiscal year ending September 30, 1997, and concluded they "are presented fairly, in all material respects, in conformity with generally accepted accounting principles."

"This is the highest recognition we can give to any organization following a financial report," stated John A. Farrell, KPMG Peat Marwick partner and spokesman for the auditing team.

In making a recommendation for GPO to establish certain data processing controls, the auditors concluded: "The GPO management has fairly stated, in all material respects, its assertions that internal controls . . . provide reasonable assurance that assets were safeguarded against loss from unauthorized acquisition, use, or disposition . . . "

The audit found "no instances of reportable noncompliance with laws and regulations we tested." The findings of the 1997 financial audit continue GPO's trend of "unqualified" audit opinions—the best that auditors can issue.

The audit of GPO's 1997 finances came on the heels of the management audit conducted by Booz-Allen & Hamilton, Inc., earlier in 1998. That audit stated that "the financial management history at GPO demonstrates that the agency has had considerable experience as a business-oriented operation." Booz-Allen's auditors said GPO's budget and accounting offices have a "high level of subject matter expertise." They also said "GPO