

**AUDIT REPORT
12-16**

**Operational Enhancements Could Further Improve
the Congressional Billing Process**

September 21, 2012

Date

September 21, 2012

To

Chief Financial Officer
Managing Director, Official Journals of Government

From

Inspector General

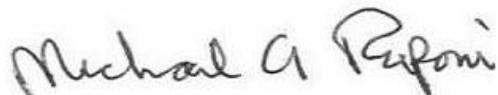
Subject

Audit Report - Operational Enhancements Could Further Improve the Congressional
Billing Process
Report Number 12-16

Enclosed please find the subject final report. Please refer to the "Results in Brief" for the overall audit results. Our evaluation of your response has been incorporated into the body of the report and the response is included in its entirety at Appendix G.

We consider management's comments responsive to all of the recommendations. The recommendations are resolved and will remain open pending our verification of the completion of the agreed upon actions.

We appreciate the courtesies extended to the audit staff. If you have any questions or comments about this report, please do not hesitate to contact me at (202) 512-0039.



Michael A. Raponi
Inspector General

Enclosure

cc:

Acting Public Printer
Assistant Public Printer, Operations
General Counsel
Chief Communications Officer

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Office of Inspector General

Report Number 12-16

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Operational Enhancements Could Further Improve the Congressional Billing Process

Introduction

In March 2012, the House of Representatives Committee on Foreign Affairs (known as the Committee on International Relations from 1995 until 2007) contacted the House of Representatives Committee on House Administration about a perceived pattern of inaccurate billing charges to the Congressional Printing and Binding (CP&B) appropriation for congressional products. Work performed for Congress is funded through the annual appropriation for CP&B. The CP&B is appropriated annually for authorized printing and binding required for the use of Congress, and for the printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient. Individual congressional committees are not directly charged nor do they directly pay for printing and binding services.

The Committee on Foreign Affairs questioned a report of billing charges associated with 24 jackets (sometimes referred to as work orders) from November 2005 to March 2008 for congressional hearings. The Committee also questioned billing charges associated with 30 jackets billed in April and July 2011 for congressional hearings. It reported instances when billed for the same jackets twice, overcharging by using an incorrect number of billable pages, incorrectly charging the page rate rather than a flat rate, and billing for work associated with another congressional committee.

The Committee on Foreign Affairs concerns were reported to the House of Representatives Committee on House Administration, which is charged with the oversight of the day-to-day operations of the House of Representatives. Responsibilities also include identifying and reducing wasteful spending within House operations and establishing best practices that will help improve services to the House.

Based on the cited concerns, the Committee on House Administration requested that the Office of Inspector General (OIG) determine whether GPO properly billed the CP&B appropriation for congressional products delivered to the Committee on Foreign Affairs and whether opportunities exist that would enhance controls over billing charges.

In June 2012, we received additional information concerning incomplete billing charges associated with pre-press printing (letterheads and envelopes). We incorporated a review of these billing charges into our audit. Pre-press costs are incurred when a customer sends GPO a file that needs to be manipulated to make the file ready for printing. For example, pre-press work could include revising the user-supplied typeface.

At GPO, the Office of Congressional Publishing Services, Plant Operations, and the Office of Finance and Administration each play an interdependent role in processing requests, producing products, and billing charges for services provided to Congress. GPO reported billing the appropriation approximately \$3.45 million from fiscal year (FY) 2006 through the end of FY 2011 for the Committee on Foreign Affairs products.

This audit was conducted to answer the following question: “Do opportunities exist to enhance controls over the accuracy of billing charges for congressional products?”

To accomplish our audit objective, we conducted interviews along with a judgmental sample of 77 jackets consisting of all the billing charges identified by the Committee on Foreign Affairs and all of the completed products delivered to the Committee on Foreign Affairs from October to December 2011. The Committee on Foreign Affairs identified 24 jackets spanning from November 2005 through March 2008 and an additional 30 jackets from April and July 2011 that the Committee perceived as containing errors. To test the current billing process, we reviewed 23 jackets billed to the Committee on Foreign Affairs from October through December 2011. The 23 jackets represented all of the completed jackets for congressional hearings to the Committee. We also reviewed pre-press printing billing charges from May 2009 through April 2012.

To gain an understanding of GPO’s policies, procedures, systems, and processes related to billing practices, we performed walk-throughs of applicable processes with GPO staff. We interviewed a staff member on the Committee on Foreign Affairs to understand the process. We also interviewed key management officials responsible for establishing and monitoring the congressional billing process; and reviewing and approving congressional billing charges. We reviewed records from the Office of the Official Journals of Government, the Office of Finance and Administration, and Plant Operations.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that provides a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. Our objective, scope, methodology, and criteria are detailed in Appendix A.

Results in Brief

While we noted a reduction from 2005 to 2011 in the number of: (1) duplicate billing charges, (2) errors associated with billing the incorrect congressional committee, and (3) billing charges based on the number of printed pages instead of the billing rate associated with posting electronic files online, opportunities exist to enhance controls over the accuracy of billing charges for congressional products.

Of the approximately \$3.45 million in billing charges to the CP&B appropriation from FY 2006 through FY 2011 for products requested by the Committee on Foreign Affairs, we calculate that about 95.4 percent (or approximately \$3.29 million) of the charges were accurate. Conversely, approximately 4.6 percent (or \$159,529) of the billing charges were not accounted for accurately.

From November 2005 through March 2008, the Committee on Foreign Affairs reported discrepancies with 24 jackets billed in the Congressional Printing Source Report (“GPO Source Report”¹). Of the 24 jackets, our audit revealed 23 billing discrepancies. The 23 accounting errors totaled \$145,567. We identified:

- (1) Six instances which totaled \$30,744 in overcharges related to duplicate amounts reported in the Source Report. GPO subsequently reversed the duplicate amounts in April and May 2006.
- (2) Seven instances where the incorrect committee was charged for congressional products. The Committee on Foreign Affairs was charged for work requested by either the Committee on Government Reform or the Committee on Homeland Security resulting in \$66,232 in incorrect billing charges. While not having an overall impact on the CP&B appropriation, the accounting is inaccurate.
- (3) Nine instances where the incorrect page counts and rates were used; this resulted in \$9,134 in overcharges.
- (4) One instance GPO overcharged \$39,457 based on an incorrect allocation of costs between committees in the House and Senate.

For April and July 2011, the Committee on Foreign Affairs reported discrepancies with 30 jackets billed in GPO Source Reports. Our audit confirmed the discrepancies with the 30 jackets. We determined that 28 jackets were billed an amount based on the number of printed pages at the annual page rate instead of the flat rate associated with online electronic postings. This resulted in \$13,246 worth of overcharges. We also identified two jackets with incorrect page counts resulting in \$1,690 worth of overcharges. The combined total was \$14,936 in overcharges to the CP&B appropriation.

Based on a review of current activity from October through December 2011, no instances existed where the Committee on Foreign Affairs was billed for the same jacket twice, incorrectly charged the page rate instead of a flat rate, or billing charges for work associated with another congressional committee. However, eight instances resulted in a net under charge of \$975 as a result of incorrect page counts.

During the course of our audit, GPO notified the Senate Rules and Administration Committee and the Committee on House Administration pre-press billing charges

¹ GPO Source Reports are monthly reports that identify the individual GPO billings by GPO jacket number by Congressional Committee.

beginning in May 2009 through May 2012 had not been billed. We confirmed that approximately \$2.2 million worth of pre-press billing charges were not billed during this period.

While GPO performed various activities involving the accuracy of some billing charges, the activities did not constitute a systematic process for providing information on the accuracy and completeness of its billing charges over time. In addition, GPO did not establish a performance measure for the accuracy level it wanted to achieve in billing charges. Without such a measure, it is not clear how the error rates found would compare to error rates GPO might consider acceptable, or if GPO would in fact determine whether corrective actions must be taken to reduce the error rates to lower levels.

Without a performance measure and periodic information on the accuracy of its billings, GPO cannot monitor changes in error rates and related causes over a period of time. GPO also did not have meaningful performance information available to interested stakeholders when questions or concerns were raised about the accuracy of charges billed to the CP&B appropriation for congressional products.

In addition, based on our limited transactions testing of the CP&B appropriation, nothing came to our attention that would lead us to believe excess funds were drawn down and inappropriately transferred into the Revolving Fund.

Furthermore, we noted that while GPO has a designated single point-of-contact for congressional committees to discuss billing matters, it was not always apparent. Since 2005, the Committee on Foreign Affairs contacted various individuals in the Official Journals of Government and Finance and Administration business units to discuss billing discrepancies.

Recommendations

We recommend that the Chief Financial Officer (1) establish a performance measure for billing accuracy, and (2) establish and implement a formal process for periodically assessing and monitoring the accuracy of billing charges that will ensure controls are operating as designed and achieving the intended purpose.

We recommend that the Managing Director of Official Journals of Government work with the Chief Financial Officer to reiterate within GPO and to ensure that each congressional committee is aware of the single point of contact in GPO with whom they can discuss billing matters.

Management's Response

Management concurred with our recommendations. The Chief Financial Officer will implement a quarterly review procedure in fiscal year 2013 to statistically sample CP&B billings to determine the accuracy of the charges and establish a guideline to measure

performance accuracy; and coordinate with the Managing Director of Official Journals of Government to identify a GPO single point of contact for billing matters and notify the appropriate individuals.

Management's planned actions are responsive to the recommendations. The recommendations are resolved and will remain open pending completion of the planned action.

Background

GPO produces the daily and permanent editions — in both online and print formats — of the Congressional Record, bills, resolutions, amendments, hearings, committee reports, committee prints, documents, stationery, and a wide variety of other products. This work performed for Congress is funded through the annual appropriation for CP&B. Individual congressional committees are not directly charged nor do they directly pay for printing and binding services.

Based on the monthly billing charges to various congressional committees, GPO prepares a summary report that is transmitted to the U.S. Department of the Treasury and a journal entry is subsequently made that transfers funds from the CP&B appropriation to the Revolving Fund.

The Revolving Fund is available without fiscal year limitation and with the exception of the Office of the Superintendent of Documents' Salaries and Expenses Appropriation, is used for expenses necessary for the operation and maintenance of the GPO.

Table 1 depicts the annual CP&B appropriation, total billings against the appropriation, and the amount billed for the House Committee on Foreign Affairs for FYs 2006 through 2011.

Table 1. Congressional Billings (thousands)

Fiscal Year	CP&B Appropriations	Total Billings	Foreign Affairs
2006	\$87,209	\$90,190	\$698
2007	\$87,954	\$95,046	\$678
2008	\$89,775	\$83,927	\$550
2009	\$96,828	\$80,806	\$465
2010	\$93,768	\$89,107	\$550
2011	\$93,580	\$79,244	\$513
Total	<u>\$549,114</u>	<u>\$518,320</u>	<u>\$3,454</u>

While the Office of Finance and Administration is primarily responsible for billings to the CP&B appropriation, both the Office of Congressional Publishing Services and Plant Operations play an interdependent role in processing requests, producing products, and billing charges for services provided to Congress.

Billing Process

The congressional billing process begins in the Office of Congressional Publishing Services, Office of the Official Journals of Government. A congressional committee submits its request by way of mail for printing to GPO on GPO Form 262, "Requisition for Printing." For hearings, the congressional committee attaches a separate cover letter to the requisition with the instructions to GPO about the product requested.

Print Requisitions. Upon receipt of the requisition for printing, the Office of Congressional Publishing Services assigns a requisition and jacket number and records this as well as other job information (for example, product code, Billing Address Code (BAC)² into GPO's Production Estimating and Planning System (PEPS).³ Plant Operations estimates the time and cost to complete the work (such as labor and materials) and sends a copy of the estimate to the Office of Congressional Publishing Services along with a work jacket. GPO does not begin work on the jacket until it receives notification from the committee. When the work is completed, Plant Operations closes out the jacket in PEPS and sends the work jacket to the Office of Finance and Administration for billing. The Office of Finance and Administration creates a list of completed jobs (closed jackets) and sends it to the Office of Congressional Publishing Services, which pulls the billing jackets and sends that list to the Office of Finance and Administration for processing by a Financial Information Analyst in the Plant Billing Branch.

To arrive at the total number of pages to be billed for hearings, the Financial Information Analyst matches the billing and working jacket numbers, and reviews the printed product by counting all of the pages in the document, less blank ones. The Analyst retrieves the jacket/project in the financial accounting system; verifies the information in the financial accounting system to the jacket; and retrieves the labor costs, if any, from the financial accounting system. Using an Excel spreadsheet, the Financial calculates the total costs to be billed using the number of billable pages and that fiscal year's rate per page. The Analyst enters the number of billable pages, BAC code, number of copies, product code 83 (Hearing), and billable costs into the financial accounting system and reconciles the entries to the Excel spreadsheet before saving the file. A copy of the information is stored with the other supporting documentation.

Pre-press printing costs for congressional envelopes and letterhead are accumulated in individual project jackets (subsidiary jackets). To reduce the number of monthly invoices submitted for payment, GPO summarizes the monthly costs for all of the subsidiary jackets into lead ("no cost") jackets and bills congress from the lead jackets.

The Chief of Plant Billing in the Office of Finance and Administration, or designee, reviews and approves the Analysts' work. Approved bills are uploaded into accounts receivable where the bills are processed in General Accounting within the Office of Finance and Administration.

One accountant accumulates and summarizes the invoice costs, submits a monthly summary to the Disbursing Section in the Office of Finance and Administration, to report to the U.S. Department of the Treasury the total amount of CP&B disbursements by way of a Standard Form (SF) 1219, "Statement of Accountability." Another accountant

² BAC is a GPO-generated number that is assigned to customer agencies to identify one customer from another in GPO's systems.

³ PEPS, a mainframe application, is the primary planning and management system for the GPO Plant. Jobs worked on the plant floor are established within PEPS and tracked until passed to Oracle for billing.

records the monthly journal entry to transfer funds from the CP&B account to GPO's Revolving Fund.

Hearings Posted Online. A congressional committee may request that its hearings be posted online and not printed. If that is the case, GPO follows the same billing procedures, but does not request an estimated cost from Plant Operations because the job will be billed at a flat rate per file. When the committee sends hard copy documents or files requiring manipulation to GPO, additional processing is necessary to prepare it for posting online and the flat rate does not apply.⁴

GPO Pricing. We were told that at least annually, the Rates and Investigations Branch within the Office of Finance and Administration, develops billing rates for GPO products and services.

GPO charges a per-page rate to print congressional hearings. GPO does not charge its customers for blank pages. Online postings are charged at a flat rate per file only when the customer submits a .pdf of the document to GPO. When the congressional committee requests printed copies and an online posting, GPO charges the page rate to cover both services.

In some instances, publication costs are shared by the Senate and the House. The cost is based on an agreement.

Table 2 illustrates the FY 2006 through 2011 page and flat billing rates GPO established for documents submitted electronically:

Table 2. Billing Rates

FY	Per Page	Online Posting
2006	\$61	N/A
2007	\$63	N/A
2008*	\$55	\$99
2008**	\$58	\$99
2009	\$60	\$99
2010	\$62	\$99
2011	\$65	\$138

*These rates are effective from October 2007 through January 2008.

** These rates are effective from February to September 2008.

⁴ None of the congressional hearings jackets included these additional fees.

Reporting Expenses. The Office of Finance and Administration creates the GPO Source Report⁵ and sends it to the Office of Congressional Publishing Services for distribution to the individual committees.

The Office of Finance and Administration considers this activity to be a key control in the review of charges paid from the CP&B appropriation. Officials believe based on the feedback from the House Committee on Foreign Affairs, this control is effective.

⁵ The Source Report lists by BAC, the billing date, class (product code), product title, number of copies, and billed amount for each individual jacket and corresponding requisition number.

Results and Recommendations

Opportunities exist to enhance controls over the accuracy of billing charges for congressional products. Of the approximately \$3.45 million in billing charges to the CP&B appropriation from FY 2006 through FY 2011 for products requested by the Committee on Foreign Affairs, we calculate that about 95.4 percent (or approximately \$3.29 million) of the charges were accurate. Conversely, approximately 4.6 percent (or \$159,529) of the billing charges were not accounted for accurately.

We also noted that GPO's did not bill approximately \$2.2 million worth of pre-press charges for envelopes and letterhead from May 2009 through May 2012 to the Senate and House. This oversight was discovered by the Office of Finance and Administration during the course of our audit.

Because GPO did not establish acceptable or tolerable error rates for billing charges, the extent to which the error rates we observed would compare to levels of performance that GPO would consider acceptable was unclear. With that information, GPO would be able to make informed decisions concerning the rates and causes of erroneous billing charges, including whether any actions are needed to lower its overall error rate.

In addition, based on our limited transactions testing of the CP&B appropriation, nothing came to our attention that would lead us to believe excess funds were drawn down and inappropriately transferred into the Revolving Fund.

We also noted that while GPO has a designated single point-of-contact for congressional committees to discuss billing matters, it was not always apparent.

Program Policies and Procedures

Chapter 7, Section 1107 title 44, United States Code, "Congressional Printing and Binding," states that the CP&B must be charged for the cost of printing a document or report ordered by Congress that cannot be properly charged to an appropriation for an executive department, independent agency or Government establishment. CP&B is the congressional appropriation that covers the estimated costs of its own printing and used only to reimburse GPO for expenditures related to congressional printing.

GPO Instruction 825.18A, "Internal Control Program," May 28, 1997, requires that GPO maintain effective systems of accounting and management control. Management must establish and maintain an effective internal control structure, which includes policies and procedures pertaining to an entity's ability to record, process, summarize, and report financial data consistent with the assertions within either annual financial statements or interim financial statements, or both. Department, service, staff, and office heads must regularly monitor compliance with and effectiveness of internal controls programs, functions, and activities to prevent or deter the loss or abuse of public assets. As part of their duties, supervisors must know about internal controls within their units and ensure

that the controls are operating as designed and are achieving their intended purpose. Standard 7 of GPO Instruction 825.18A states that:

Transactions should be promptly recorded, properly classified, and accounted for in order to prepare timely accounts and reliable financial and other reports. The documentation for transactions, management controls, and other significant events must be clear and readily available for examination.

GPO “Procedure to Bill for House and Senate Letterhead, Envelopes & Misc Products,” dated September 8, 2010, identifies jacket number, product code, and product description for the individual House and Senate letterhead, envelopes, and miscellaneous products requisitioned. The procedure explains that, with the exception of the four jackets below, none of the jackets identified in the procedure should have costs directly billed to them from GPO’s Productivity Reporting for Operations, Budgeting, and Expenditures (PROBE)⁶ system. These jackets are directly charged for pre-press Division⁷ costs based on hourly labor rates.

9146: Clerk of the House (Envelopes)
9147: Clerk of the House (Letterhead)
9148: Secretary of the Senate (Envelopes)
9149: Secretary of the Senate (Letterhead)

As a legislative branch agency, GPO is not required to follow any Office of Management and Budget (OMB) circulars, including OMB Circular Number A-123 “Management’s Responsibility for Internal Control,” December 21, 2004, or its appendices. OMB Circular Number A-123 requires that management controls provide reasonable assurance that assets are safeguarded against waste, loss, unauthorized use, and misappropriation. Management controls developed for agency programs must be logical, applicable, reasonably complete, and effective and efficient in accomplishing management objectives.

The Government Accountability Office’s (GAO’s) “Standards for Internal Control in the Federal Government,” November 1999, describes internal control as a control built into an entity as part of its infrastructure designed to help managers operate the entity and achieve objectives on an ongoing basis. It is a major part of managing an organization and comprises plans, methods, and procedures used for meeting missions, goals, and objectives. Internal controls also serve as the first line of defense for safeguarding assets and preventing and detecting errors and fraud. As programs change and agencies strive to improve operational processes and implement new technological developments, management must continually assess and evaluate its internal control to ensure that the control activities are effective and updated when necessary. In other words, internal controls help Government managers achieve desired results through effective stewardship of public resources.

⁶ The PROBE system captures the daily labor, machine, leave, and platemaking transactions for employees working in the plant. The data flows into the cost accounting and payroll systems.

⁷ The Electronic Job and Proof & Copy Markup Division represent most of the pre-press costs in this audit.

Billing Charges from November 2005 through March 2008

The House Committee on Foreign Affairs notified GPO that from August 22, 2006, through September 4, 2008, that they believed billing discrepancies existed in 24 jackets that were billed in GPO Source Reports from November 2005 to March 2008. We concluded that GPO initially overbilled \$145,567 for the period because GPO billed the same jackets twice; charged the appropriation for work the Committee on Foreign Affairs did not request; billed the incorrect number of pages and used the incorrect billing rate; and did not correctly allocate joint costs between the House and Senate. GPO credited the Committee on Foreign Affairs \$75,648 of the \$145,567 for the overbillings. See Appendix B for a list of all the jackets reviewed.

Duplicate Billings. We reviewed six instances where the GPO Source Report led the report user to conclude that the CP&B appropriation had been double billed for the same jackets in the amount of \$30,744. Based on a review of jacket numbers 020-647, 020-648, 020-784, 021-977, 022-658, and 023-695, the CP&B appropriation was initially billed twice, but was credited the same day. The GPO Source Report did not show that GPO had corrected the charges.

GPO changed from a mainframe financial accounting system to a new financial accounting system in 2009. The mainframe system did not have sufficient internal controls to prevent duplicate billings, resulting in the billing discrepancies the Committee on Foreign Affairs identified.

If there is an attempt to bill the jacket twice, the system notifies the user that a jacket already exists. When a modification is necessary (such as applying a credit), the financial accounting system displays the historical billing information for the jacket, allowing the user to view previous modifications, including the original bill. Unlike the mainframe, the user would have to intentionally bill a jacket twice in the current financial accounting system.

Table 3. Duplicate Billing

Jacket No.	Billed Amount	Overbilled
020-647	\$16,592	(\$8,296)
020-648	\$13,176	(\$6,588)
020-784	\$6,832	(\$3,416)
021-977	\$7,808	(\$3,904)
022-658	\$9,272	(\$4,636)
023-695	\$7,808	(\$3,904)
Total	<u>\$61,488</u>	<u>(\$30,744)</u>

Billing Address Code. In four instances the GPO Source Report showed that the Committee on Foreign Affairs was billed \$66,232 for work that the Committee on Government Reform requested. We reviewed the original Committee on Foreign Affairs

requisition for each jacket and noted that because of a transposition error of the BAC, the House Committee on Foreign Affairs (BAC 111000) was incorrectly charged for work requested by the House Committee on Government Reform (BAC 111100). GPO credited BAC 111000 on August 25, 2006, for all four jackets identified in Table 4.

Table 4. Incorrect BAC

Jacket No.	Billed Amount	Overbilled
023-038	\$25,132	(\$25,132)
024-087	\$3,416	(\$3,416)
026-073	\$10,988	(\$10,988)
037-063	\$3,640	(\$3,640)
Total	<u>\$43,176</u>	<u>(\$43,176)</u>

Table 5 identifies jackets billed to BAC 111000 in FY 2006, but based on a review of the original requisition, should have been billed to either the House Committee on Government Reform (BAC 111100) or the House Committee on Homeland Security (BAC 113400). GPO agreed that the costs were incorrectly charged to BAC 111000, but as of June 28, 2012, has not credited jacket numbers 025-530 and 026-074 for the amounts billed. GPO originally charged \$11,232 to jacket number 025-616 on August 18, 2006 for BAC 111000. On December 20, 2006, GPO credited the jacket \$4,264, leaving a balance of \$6,968. As of June 28, 2012, the remaining charges for this jacket have not been assigned to the correct BAC.

Table 5. Jackets Not Credited for Incorrect BAC Billed

Jacket No.	Billed Amount	Overbilled
025-530	\$5,368	(\$5,368)
025-616	\$6,968	(\$6,968)
026-074	\$10,720	(\$10,720)
Total	<u>\$23,056</u>	<u>(\$23,056)</u>

An official of the Committee on Foreign Affairs stated that one possible reason for some of the errors is that GPO's accounting system shows "Committee on International Relations" for BAC 111000 rather than its current title, "Committee on Foreign Affairs," making it difficult for employees to search its records using the Committee's proper name. GPO officials did not confirm this belief.

Page Counts and Billing Rates. We identified nine instances of incorrect page counts and rates used resulting in \$9,134 in overcharges. GPO billed all of the jackets in Table 6 based on the number of printed pages and the applicable billing rate per page for that year. We verified that the Committee on Foreign Affairs requested the work for all of

these jackets; obtained the printed document for each jacket online at GPO's Federal Digital System (FDsys)⁸ Website and counted the number of printed pages, less blanks, to arrive at the number of billable pages; and verified the annual billing page rate. The results are summarized below and explained in the referenced note. As of June 28, 2012, the \$9,134 had not been credited.

Table 6. Incorrect Number of Pages/ Billing Rate

Jacket No.	Billed Amount	(Over)/Under Billed	Page Variance	Notes
021-398	\$5,368	\$(61)	1	A
024-599	\$11,895	\$(8,296)	136	B
035-034	\$3,780	\$(63)	1	A
035-120	\$3,843	\$63	1	A
035-431	\$3,843	\$(126)	2	A
036-724	\$8,700	\$58	1	A
038-141	\$5,720	\$(825)	0	C
038-939	\$7,888	\$58	1	A
039-711	\$3,306	\$58	1	A
Total	<u>\$54,343</u>	<u>\$(9,134)</u>		

Note A (Jacket Numbers 021-398, 035-034, 035-120, 035-431, 036-724, 038-939, and 039-711). All of the (over)/under billing amounts resulted from a difference in the total number of billable pages.

Note B (Jacket Number 024-599). GPO inaccurately billed for work attributable to the Committee on Foreign Affairs for 195 printed pages, which is not supported by either the GPO production documentation or the document posted online. GPO agrees that the Committee on Foreign Affairs should have been billed for 59 printed pages at \$61 per page.

Note C (Jacket Number 038-141). In an email to GPO on May 13, 2008, the Committee on Foreign Affairs explained that this Jacket Number was billed \$11,440. However, the GPO billing documents support a billing of \$5,720 (88 pages at \$65 per page). We verified that the billing rate for that year was \$55 per page and the total number of billable pages was 89 (89 pages at \$55 per page equals \$4,895), resulting an overbilling of \$825.

GPO managers explained that the incorrect page counts are due to human error.

Allocation of Costs. In one instance, GPO overbilled the House Committee on Foreign Affairs based on an incorrect allocation of costs. Occasionally, the House and Senate Committee share the cost of printing the same document. The jacket was a joint product shared between the Senate and House Committees on Foreign Affairs; the cost

⁸ FDsys is GPO's free online access to official information and publications from each branch of the Federal Government.

of printing was to be split between BAC 111000 (House Foreign Affairs) and BAC 115200 (Senate Foreign Affairs) based on the number of copies ordered. The CP&B appropriation was unaffected.

The Committee on Foreign Affairs questioned a possible triple billing of this jacket for \$2,167 on August 1, 2006, \$31,582 on September 14, 2006, and \$26,359 on June 18, 2008. We analyzed the billing documents with GPO and found that the first bill (\$6,501) was correctly split between the two BACs: \$2,167 to 111000 and \$4,334 to 115200. However, the second (\$31,582) and third (\$26,359) bills were charged only to the House. Our analysis also identified a fourth bill of \$25,993 from June 6, 2006.

The House ordered 50 copies (33.3 percent) of the document and the Senate, 100 copies (66.7 percent). The House was originally charged \$60,108 (\$2,167 + \$31,582 + \$26,359), but should have been charged \$20,651, resulting in an overbilling of \$39,457 as shown below.

**Table 7. Calculation of Billing
Jacket Number 026-464**

June 6, 2006 Costs	\$25,992
September 14, 2006 Costs	31,582
June 23, 2006 Costs	<u>26,359</u>
Total Jacket Cost	\$83,933
Less: Rider ⁹ Costs	<u>21,916</u>
Total Costs	\$62,016
House Share %	<u>33.3%</u>
House Costs	<u>\$20,651</u>
Original Amount Billed	\$60,108
Adjusted House Costs	<u>20,651</u>
Difference	<u>(\$39,457)</u>

GPO managers told us that to credit the House account at this point in time was unnecessary because of the age of the transaction and that both the House and Senate's costs were charged to the same appropriation (CP&B) thereby canceling out any potential impact on the appropriation.

⁹ The appropriate House or Senate Committee sends GPO an original requisition to print its document. Other agencies and Committees can "ride" the original requisition and separately request its own copies of the document. The Committee is charged the set up and production costs while the rider requests are charged at a lower billing rate.

Billing Charges from April and July 2011

The Committee on Foreign Affairs notified GPO that it believed billing discrepancies existed in 30 jackets billed in April and July 2011. Our audit confirmed that GPO initially overbilled the Committee on Foreign Affairs for that period because rather than a flat rate or billing an incorrect number of pages, GPO inaccurately billed the jackets based on the page rate. However, GPO credited the Committee on Foreign Affairs for the incorrect billing charges. See Appendix C for a list of jackets reviewed.

Page Counts and Billing Rates. We determined that 28 jackets were billed an amount based on the number of printed pages at the annual page rate rather than the rate associated with online electronic postings. That transaction resulted in \$13,246 worth of overcharges.

The Committee on Foreign Affairs requisitions instructed that GPO place the documents online and provided the electronic files for posting. The billing jackets included instructions for posting the documents online but did not include a count for the number of printed pages to bill at the page rate. GPO managers explained that when a customer requests an online posting and provides the document electronically, the Agency charges a flat fee per file.

Our audit disclosed that the error occurred because of incomplete GPO procedures regarding billing codes. Before January 12, 2012, the Financial Information Analyst only billed jackets at the flat rate when the financial systems billing expenditure screen for the jacket showed "Platemaking"¹⁰ or code "28.12."¹¹ The Analyst was not aware until January 12, 2012, that if "Platemaking," "28.12," or both appeared together on the expenditure screen, that the jacket would be billed at a flat rate.

On September 13, 2011, GPO credited Jackets Numbers 64-837, 65-927, and 95-930. On March 30, 2012, GPO credited the rest of the jackets for the original amount billed and on the same date re-billed \$138 per jacket, resulting in the overbilled amounts in Table 8 and again in Appendix C.

Table 8. Jackets Billed at a Page Rate

Jacket No.	GPO Billed Amount	(Over)/Under Billing
62-543	\$229.01	\$(91.01)
62-544	\$255.30	\$(117.30)
62-546	\$394.21	\$(256.21)
62-547	\$548.14	\$(410.14)
64-835	\$176.46	\$(38.46)
64-837	\$525.61	\$(387.61)

¹⁰ Platemaking is the process of transferring the electronic file from email to FDsys.

¹¹ Code 28.12 accumulates the cost of reviewing the electronic file sent by the Committee to make sure its format is acceptable for online posting to FDsys.

Table 8. Jackets Billed at a Page Rate

Jacket No.	GPO Billed Amount	(Over)/Under Billing
64-840	\$311.61	\$(173.61)
64-841	\$322.88	\$(184.88)
64-842	\$180.21	\$(42.21)
64-843	\$326.63	\$(188.63)
65-927	\$1,600.83	\$(1,462.83)
65-930	\$22.23	\$115.77
66-653	\$510.60	\$(372.60)
66-654	\$259.05	\$(121.05)
66-655	\$1,367.14	\$(1,229.14)
66-656	\$270.31	\$(132.31)
66-657	\$251.55	\$(113.55)
66-658	\$3,604.18	\$(3,466.18)
66-659	\$503.08	\$(365.08)
66-660	\$244.04	\$(106.04)
66-661	\$3,334.14	\$(3,196.14)
66-662	\$503.08	\$(365.08)
66-663	\$236.52	\$(98.52)
66-664	\$240.27	\$(102.27)
66-665	\$315.36	\$(177.36)
66-666	\$210.25	\$(72.25)
66-668	\$172.71	\$(34.71)
66-669	\$195.22	\$(57.22)
Total	<u>\$17,110.62</u>	<u>\$(13,246.62)</u>

Number of Pages. We identified two jackets with incorrect page counts resulting in \$1,690 worth of overcharges. On March 30, 2012, GPO credited both jackets for the original amount billed in July 2011 and re-charged them for the amounts identified by the Committee on Foreign Affairs. Our audit determined that the difference in page count was the result of human error. Table 9 summarizes the results.

Table 9. Jackets Billed for the Incorrect Number of Document Pages

Jacket No.	GPO Billed Amount	OIG Audit	(Over)/Under Billing	Note
65-056	\$6,240.00	\$5,915.00	\$(325.00)	A
65-798	\$3,510.00	\$2,145.00	\$(1,365.00)	B
Total	<u>\$9,750.00</u>	<u>\$8,060.00</u>	<u>\$(1,690.00)</u>	

Note A (Jacket Number 65-056). On July 1, 2011, GPO billed \$6,240 (96 pages x \$65 per page) for services requested by the Committee on Foreign Affairs. In response to the Committee on Foreign Affairs' inquiry, on March 30, 2012, GPO

credited the appropriation for the amount billed and re-billed \$5,980 (92 pages x \$65 per page). We reviewed the document online and identified a blank page just before the appendix that was included in the GPO billing. As a result, we concluded that GPO should have billed \$5,915 (91 pages x \$65 per page), resulting in an overbilling of \$325 between the original bill and the audited amount as follows:

Original bill	\$6,240
Revised bill	<u>\$5,980</u>
Difference	\$ 260
Audit Difference	<u>\$ 65</u>
Total Difference	<u>\$ 325</u>

Note B (Jacket Number 65-798). On July 18, 2011, GPO billed \$3,510 (54 pages x \$65 per page) for services requested by the Committee on Foreign Affairs. In response to the Committee on Foreign Affairs inquiry, on March 30, 2012, GPO credited the appropriation and re-billed \$2,210 (34 pages x \$65 per page). We reviewed the document online and identified a blank page just before the appendix that was included in the billing. Therefore, GPO should have billed \$2,145 (33 pages x \$65 per page), resulting in an overbilling of \$1,365 between the original bill and the audited amount as follows:

Original bill	\$3,510
Revised bill	<u>\$2,210</u>
Difference	\$1,300
Audit Difference	<u>\$ 65</u>
Total Difference	<u>\$1,365</u>

Billing Charges from October through December 2011

We reviewed the October through December 2011¹² Committee on Foreign Affairs requisitions totaling \$135,290 to determine whether the accuracy of billing charges had improved. Based on our audit, we believe the accuracy of billing charges for congressional hearings has improved.

We did note, however, that in eight instances the CP&B appropriation was under charged \$975 because of incorrect page counts. As of June 28, 2012, the billing charges have not been adjusted. Our audit determined that the difference in page count was the result of human error. The results summarized below are based on a page rate of \$65 and explained in the referenced notes. See Appendix D for a list of jackets reviewed.

Table 10. Jackets Billed with Incorrect Page Counts

Jacket No.	GPO Billed Amount	OIG Audit	(Over)/Under Billing	Page Variance
70-584	\$4,046.29	\$4,176.29	\$130	2
70-663	\$4,894.71	\$5,024.71	\$130	2
70-666	\$16,903.07	\$16,838.07	\$(65)	1
70-948	\$4,372.61	\$4,632.61	\$260	4
70-949	\$4,046.29	\$4,306.29	\$260	4
71-265	\$1,762.10	\$2,022.10	\$260	4
71-266	\$9,332.58	\$9,137.58	\$(195)	3
71-620	\$15,402.02	\$15,597.02	\$195	3
Total	<u>\$135,289.78</u>	<u>\$136,264.78</u>	<u>\$975</u>	

¹² The audit scope excluded six jackets that were still in production and three jackets that had not yet been billed as of the end of fieldwork.

Unbilled Charges for Pre-Press Congressional Envelopes and Letterhead

On June 25, 2012, GPO notified Congress that it had not billed for the pre-press costs of printing envelopes and letterhead from May 2009 through April 2012. The table below shows the total under-billed costs by FY. See Appendix E for details of the under-billed costs for the House and Senate by product type and fiscal year.

Table 11. Total Pre-Press Costs for Congressional Envelopes and Letterhead (May 2009 – April 2012)

Fiscal Year	House	Senate	Total
2009	\$364,761.90	\$136,240.46	\$501,002.36
2010	691,815.71	172,778.93	864,594.63
2011	490,374.22	57,449.20	547,823.42
2012	255,843.36	27,751.75	283,595.11
Total	<u>\$1,785,830.92</u>	<u>\$411,184.61</u>	<u>\$2,197,015.52</u>

To avoid submitting numerous invoices throughout the month for common products such as envelopes and letterhead, GPO accumulates the costs from multiple projects (subsidiary jackets) into “no cost” lead jackets and submits one monthly invoice for each lead jacket. “No cost” lead jackets are not directly associated with any subsidiary jacket and normally do not accumulate their own costs. The exceptions are four “no cost” lead jackets, whose last four digits end with 9146 through 9149¹³, that accumulate pre-press costs every year.

The errors GPO found were due to various factors, including inadequate review of billing charges and the Financial Information Analyst mistakenly identified the jackets as regular “no cost” lead jackets and did not search for pre-press costs.

GPO changed its billing system in 2009. With the old system, GPO was prompted to search for pre-press billing charges for the four jackets ending in 9146 through 9149. The new system does not include a prompt.

We believe due to staff turnover, the knowledge of the pre-press costs for these jackets was not passed on to the current Financial Information Analyst. As a result, the Analyst mistakenly identified the jackets as regular “no cost” lead jackets and did not search for pre-press costs.

¹³ The last four digits remain the same each year for these jackets but the first two digits change to reflect the current year.

Transfers to the Revolving Fund

GPO receives funding from two appropriations: (1) the CP&B appropriation, which is used for in-house printing of congressional activities and (2) the Salaries and Expenses appropriation, which is used for certain Superintendent of Documents activities. In addition to these appropriations, GPO has a business-oriented Revolving Fund, which is used to fund its procured printing, document sales, and other operations. The Revolving Fund is reimbursed for these costs through payments from customer agencies, sales to the public, and transfers from the CP&B and S&E appropriations.

At the beginning of each fiscal year, Treasury transfers the CP&B appropriation to GPO. Every month, GPO transfers the cost of congressional expenses from the appropriation account to GPO's Revolving Fund. GPO prepares a journal entry based on a summary of the monthly SF-1081s, "Voucher and Schedule of Withdrawal and Credits." GPO also reports to Treasury its monthly disbursements from CP&B through submission of the SF-1219, "Statement of Accountability."

GPO credited the CP&B appropriation in March 2012 for 27 of the 30 jackets overcharged in April and July 2011. To determine the impact of the overbilling on the CP&B appropriation, we reconciled the March 2012 SF-1081s to the disbursements shown on the SF-1219 and supporting documentation.

Based on our limited testing of the CP&B appropriation transactions, nothing came to our attention that would lead us to believe excess funds were drawn down and inappropriately transferred into the Revolving Fund.

Multiple GPO Points of Contact

GPO has a designated single point of contact with which Congress may address such inquiries and should direct all inquiries to that individual to ensure timely and appropriate responses.

However, during the course of our audit, we noted that since 2005 the Committee on Foreign Affairs contacted various individuals in the Official Journals of Government and Finance and Administration business units to discuss billing discrepancies.

Recommendations

1. We recommend that the Chief Financial Officer:
 - a. Establish a performance measure for billing accuracy; and
 - b. Establish and implement a formal process for periodically assessing and monitoring the accuracy of billing charges made to the CP&B appropriation that will ensure that the controls are operating as designed and achieving their intended purpose.

Management's Response.

Concur. The Chief Financial Officer will implement a quarterly review procedure in fiscal year 2013 to statistically sample CP&B billings to determine the accuracy of the charges and establish a guideline to measure performance accuracy.

Evaluation of Management's Response.

Management's planned actions are responsive to the recommendations. The recommendations are resolved and will remain open pending completion of the planned action.

2. We recommend that the Managing Director of Official Journals of Government work with the Chief Financial Officer to reiterate within GPO and to ensure that each congressional committee is aware of the single point of contact in GPO with whom they can discuss billing matters.

Management's Response.

Concur. The Managing Director of Official Journals of Government and the Chief Financial Officer will identify a GPO single point of contact for billing matters and notify the appropriate individuals of the single point of contact.

Evaluation of Management's Response.

Management's planned actions are responsive to the recommendations. The recommendations are resolved and will remain open pending completion of the planned action.

Appendix A. Objectives, Scope, and Methodology

We performed the audit from March through May 2012 at the GPO Central Office in Washington, D.C. We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that will provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Objectives

This audit was conducted at the request of Committee on House Administration to answer the question: “Do opportunities exist to enhance controls over the accuracy of billing charges to the CP&B appropriation for congressional products?”

Scope and Methodology

To accomplish our objectives, we performed the following:

- Researched Federal and GPO criteria on congressional billings.
- Interviewed the Printing Manager/Web Assistant, Committee on Foreign Affairs to understand the billing issues.
- Interviewed management officials responsible for establishing and monitoring the congressional billing process; as well as reviewing and approving congressional bills.
- Obtained and analyzed production and billing data from the PEPS planning and management system and the financial accounting system.
- Tested the accuracy of the billings by reviewing the 24 jackets the Committee on Foreign Affairs identified as inaccurately billed between 2005 and 2008 and the 30 jackets inaccurately billed in April and July 2011.
- Tested the accuracy of 23 jackets billed for services requested by the Committee on Foreign Affairs from October through December 2011.
- Obtained supporting documentation for the under-billed May 2009 through April 2012 pre-press costs on four jackets.
- Calculated the error rate for the jackets in our audit scope whose costs were incurred between FY 2006 through FY 2011.

Appendix A. Objectives, Scope, and Methodology

Internal Controls Reviewed

The objectives of our audit were to review and evaluate the management controls associated with the management of congressional billings. According to GPO Instruction 825.18A, “The Public Printer has the overall responsibility to ensure that an effective internal control structure is established and maintained by GPO’s managers for all programs, functions, and activities.”

We determined that the following internal controls were relevant to our audit objective:

- Program Operations – Policies and procedures the GPO management implemented to reasonably ensure that congressional printing requisitions are properly associated with the appropriate congressional committee account; the product requested is properly identified; product costs were calculated accurately and charged appropriately.
- Reliability of Financial Reporting – Policies and procedures that management has implemented to reasonably ensure that valid, accurate and reliable data are obtained, maintained, and fairly disclosed in reports (See Computer-Generated Data below).
- Compliance with Laws and Regulations – Policies and procedures that management has implemented to reasonably ensure that the use of congressional appropriations is consistent with laws and regulations.

The details of our examination of management controls, the results of our examination, and noted management control deficiencies are contained in the report narrative. Implementing the recommendations in this report should improve those management control deficiencies.

Computer-Generated Data

To achieve the assignment’s objectives we relied on computer-processed data contained in the financial accounting system. Our review of system controls and the results of data tests showed an error rate that casts doubt on the data’s validity. However, when the data are viewed in context with other available evidence, we believe the opinions, conclusions, and recommendations in this report are valid.

Appendix B. Billing Charges for Congressional Hearings November 2005 to March 2008

Jacket No.	GPO Billed Amount	OIG Audited Results	(Over)/Under Billing
<i>Duplicate Billings – Credit (Table 3)</i>			
020-647	\$16,592	\$8,296	\$(8,296)
020-648	\$13,176	\$6,588	\$(6,588)
020-784	\$6,832	\$3,416	\$(3,416)
021-977	\$7,808	\$3,904	\$(3,904)
022-658	\$9,272	\$4,636	\$(4,636)
023-695	\$7,808	\$3,904	\$(3,904)
Sub-Total	\$61,488	\$30,744	\$(30,744)
<i>Incorrect Account Code – Credit (Table 4)</i>			
023-038	\$25,132	\$0	\$(25,132)
024-087	\$3,416	\$0	\$(3,416)
026-073	\$10,988	\$0	\$(10,988)
037-063	\$3,640	\$0	\$(3,640)
Sub-Total	\$43,176	\$0	\$(43,176)
<i>Incorrect Account Code – No Credit (Table 5)</i>			
025-530	\$5,368	\$0	\$(5,368)
025-616	\$6,968	\$0	\$(6,968)
026-074	\$10,720	\$0	\$(10,720)
Sub-Total	\$23,056	\$0	\$(23,056)
<i>Incorrect Billing Rate/Page Count – No Credit (Table 6)</i>			
020-921	\$5,795	\$5,795	\$0
021-398	\$5,368	\$5,307	\$(61)
024-599	\$11,895	\$3,599	\$(8,296)
035-034	\$3,780	\$3,717	\$(63)
035-120	\$3,843	\$3,906	\$63
035-431	\$3,843	\$3,717	\$(126)
036-724	\$8,700	\$8,758	\$58
038-141	\$5,720	\$4,895	\$(825)
038-939	\$7,888	\$7,946	\$58
039-711	\$3,306	\$3,364	\$58
Sub-Total	\$60,138	\$51,004	\$(9,134)

**Appendix B. Billing Charges for Congressional Hearings
November 2005 to March 2008**

Jacket No.	GPO Billed Amount	OIG Audited Results	(Over)/Under Billing
<i>Incorrect Account Allocation – No Credit</i>			
026-464	\$31,582	\$20,651	\$(10,931)
026-464	\$26,359	\$0	\$(26,359)
026-464	\$2,167	\$0	\$(2,167)
	<u>\$60,841</u>	<u>\$0</u>	<u>\$(39,457)</u>
Total	<u>\$247,966</u>	<u>\$102,399</u>	<u>\$(145,567)</u>

**Appendix C. Billing Charges for Congressional Hearings
April and July 2011**

Jacket No.	GPO Billed Amount	OIG Audited Results	(Over)/Under Billing
<i>Jackets That Should Have Been Charged a Flat Rate:</i>			
62-543	\$229.01	\$138.00	\$(91.01)
62-544	\$255.30	\$138.00	\$(117.30)
62-546	\$394.21	\$138.00	\$(256.21)
62-547	\$548.14	\$138.00	\$(410.14)
64-835	\$176.46	\$138.00	\$(38.46)
64-837	\$525.61	\$138.00	\$(387.61)
64-840	\$311.61	\$138.00	\$(173.61)
64-841	\$322.88	\$138.00	\$(184.88)
64-842	\$180.21	\$138.00	\$(42.21)
64-843	\$326.63	\$138.00	\$(188.63)
65-927	\$1,600.83	\$138.00	\$(1,462.83)
65-930	\$22.23	\$138.00	\$115.77
66-653	\$510.60	\$138.00	\$(372.60)
66-654	\$259.05	\$138.00	\$(121.05)
66-655	\$1,367.14	\$138.00	\$(1,229.14)
66-656	\$270.31	\$138.00	\$(132.31)
66-657	\$251.55	\$138.00	\$(113.55)
66-658	\$3,604.18	\$138.00	\$(3,466.18)
66-659	\$503.08	\$138.00	\$(365.08)
66-660	\$244.04	\$138.00	\$(106.04)
66-661	\$3,334.14	\$138.00	\$(3,196.14)
66-662	\$503.08	\$138.00	\$(365.08)
66-663	\$236.52	\$138.00	\$(98.52)
66-664	\$240.27	\$138.00	\$(102.27)
66-665	\$315.36	\$138.00	\$(177.36)
66-666	\$210.25	\$138.00	\$(72.25)
66-668	\$172.71	\$138.00	\$(34.71)
66-669	\$195.22	\$138.00	\$(57.22)
Total	<u>\$17,110.62</u>	<u>\$3,864.00</u>	<u>(\$13,246.62)</u>

**Appendix C. Billing Charges for Congressional Hearings
April and July 2011**

Jacket No.	GPO Billed Amount	OIG Audited Results	(Over)/Under Billing
<i>Jackets With Incorrect Billable Page Counts:</i>			
65-056	\$6,240.00	\$5,915.00	\$(325.00)
65-798	\$3,510.00	\$2,145.00	\$(1,365.00)
Total	<u>\$9,750.00</u>	<u>\$8,060.00</u>	<u>\$(1,690.00)</u>
Grand Total	<u>\$26,860.62</u>	<u>\$11,924.00</u>	<u>\$(14,936.62)</u>

**Appendix D. Billing Charges for Congressional Hearings
October through December 2011**

Jacket No.	GPO Billed Amount	OIG Audited Results	(Over)/Under Billing
70-583	\$4,764.18	\$4,764.18	
70-584	\$4,046.29	\$4,176.29	\$130.00
70-663	\$4,894.71	\$5,024.71	\$130.00
70-664	\$4,633.66	\$4,633.66	
70-665	\$4,894.71	\$4,894.71	
70-666	\$16,903.07	\$16,838.07	\$(65.00)
70-667	\$5,547.34	\$5,547.34	
70-947	\$3,785.24	\$3,785.24	
70-948	\$4,372.61	\$4,632.61	\$260.00
70-949	\$4,046.29	\$4,306.29	\$260.00
70-950	\$4,829.45	\$4,829.45	
70-951	\$4,437.87	\$4,437.87	
71-037	\$6,722.07	\$6,722.07	
71-038	\$6,134.70	\$6,134.70	
71-039	\$4,307.34	\$4,307.34	
71-262	\$2,545.25	\$2,545.25	
71-263	\$8,092.59	\$8,092.59	
71-265	\$1,762.10	\$2,022.10	\$260.00
71-266	\$9,332.58	\$9,137.58	\$(195.00)
71-398	\$6,069.44	\$6,069.44	
71-399	\$1,892.62	\$1,892.62	
71-620	\$15,402.02	\$15,597.02	\$195.00
71-621	\$5,873.65	\$5,873.65	
Total	<u>\$135,289.78</u>	<u>\$136,264.78</u>	<u>\$975.00</u>

**Appendix E. Unbilled Charges for Pre-Press Printing
May 2009 Through April 2012**

Fiscal Year	Envelope		
	House	Senate	Total
2009	\$197,090.73	\$36,559.36	\$251,523.06
2010	387,974.92	59,274.39	447,249.30
2011	364,781.81	18,669.91	383,451.72
2012	200,344.12	12,068.42	212,412.54
Total	<u>\$1,150,191.58</u>	<u>\$126,572.07</u>	<u>\$1,294,636.62</u>

Fiscal Year	Letterhead		
	House	Senate	Total
2009	\$167,671.17	\$99,681.10	\$249,479.30
2010	303,840.79	113,504.54	417,345.33
2011	125,592.41	38,779.29	164,371.70
2012	55,599.24	15,683.33	71,182.57
Total	<u>\$652,603.61</u>	<u>\$267,648.26</u>	<u>\$902,378.90</u>

Fiscal Year	Total		
	House	Senate	Total
2009	\$364,761.90	\$136,240.46	\$501,002.36
2010	691,815.71	172,778.93	864,594.63
2011	490,374.22	57,449.20	547,823.42
2012	255,843.36	27,751.75	283,595.11
Total	<u>\$1,802,795.18</u>	<u>\$394,220.33</u>	<u>\$2,197,015.52</u>

Appendix F. Acronyms Used in the Report

BAC	Billing Address Code
CFO	Chief Financial Officer
FDsys	Federal Digital System
FY	Fiscal Year
GPO	Government Printing Office
OIG	Office of Inspector General
OMB	Office of Management and Budget
PEPS	Production Estimating and Planning System
SF	Standard Form

Appendix G. Management's Response

UNITED STATES GOVERNMENT PRINTING OFFICE

memorandum

DATE: September 10, 2012
REPLY TO
ATTN OF: Chief Financial Officer

SUBJECT: Comments on Draft Audit Report: *"Operational Enhancements Could Further Improve the Congressional Billing Process"*

TO: Inspector General
Attn: Mr. Michael Raponi

This memo responds to your request for comments on the draft audit report titled, *"Operational Enhancements Could Further Improve the Congressional Billing Process"*.

The draft report contains two audit recommendations:

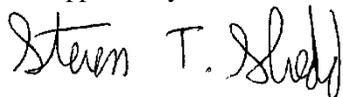
1. Recommendation: We recommend that the Chief Financial Officer:
 - Establish a performance measure for billing accuracy; and
 - Establish and implement a formal process for periodically assessing and monitoring the accuracy of billing charges made to the CP&B appropriation that will ensure that the controls are operating as designed and achieving their intended purpose.

Status: We agree with this recommendation. During Fiscal2013, Finance will implement a quarterly review procedure to statistically sample CP&B billings to determine the accuracy of the charges. We can then research and correct any systemic issues that might have arisen. Also, as a result of this process, we will be able to establish a statistical accuracy measure to be used as a performance guideline.

2. Recommendation: We recommend that the Managing Director of Official Journals of Government work with the Chief Financial Officer to reiterate within GPO and to ensure that each congressional committee is aware of the single point of contact in GPO with whom they can discuss billing matters.

Status: We agree with this recommendation. The Managing Director of Officials Journals of Government and the Chief Financial Officer will meet and agree to the single point of contact within the GPO for billing matters. Appropriate communication will be issued to the relevant individuals communicating the single point of contact.

Thank you for the professionalism extended by your staff during this audit, as well as the opportunity to comment on the draft report.



STEVEN T. SHEDD

Appendix H. Status of Recommendations

Recommendation No.	Resolved	Unresolved	Open/ECD*	Closed
1.a.	X			
1.b.	X			
2	X			

*Estimated Completion Date

Appendix I. Report Distribution

Acting Public Printer
Assistant Public Printer, Operations
General Counsel
Chief Communications Officer

Major Contributors to the Report

Vera J. Garrant, Lead Auditor