



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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PROCUREMENT, LOGISTICS,
AND READINESS DIVISION

B-204450

SEPTEMBER 21, 1981



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The Honorable David A. Stockman
Director, Office of Management and Budget

Dear Mr. Stockman:

Subject: Review of Government-Wide Contracting Systems
for Film and Videotape Productions (PLRD-81-61)

We have reviewed the utilization and operation of the uniform, Government-wide contracting systems for film and videotape productions. We found that reports, required to be submitted by agencies to the National Audiovisual Center, are sometimes inaccurate, incomplete, and untimely and that the utilization of the contracting systems by Federal agencies could be improved. While Office of Management and Budget Bulletin 81-16 ^{1/} should correct identified management deficiencies in Federal audiovisual activities, we believe this report provides useful information in establishing a more reliable data base and in increasing the effectiveness of the contracting systems.

We performed our work at the Office of Federal Procurement Policy, the National Audiovisual Center of the General Services Administration, and the Directorate for Audiovisual Management Policy of the Department of Defense. We tested the use of the contracting systems at the Department of Energy, the National Aeronautics and Space Administration, and the Agency for International Development in Washington, D.C. We selected these three agencies because they had a large volume of reported contract awards for film and videotape productions. We also discussed our findings with officials from these agencies.

Complete and reliable data is still lacking on the number and value of film and videotape productions being contracted for Government-wide. While agencies are required to annually submit this data to the National Audiovisual Center, officials of the

^{1/}"Elimination of Wasteful Spending on Government Periodicals, Pamphlets, and Audiovisual Products" (Apr. 21, 1981).

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Center told us they have had problems getting agencies to submit timely and accurate reports. For example, we found that the Agency for International Development reported to the Center that it contracted for 161 film titles in fiscal year 1979 when, in fact, it contracted for only 15.

Audiovisual program managers at the three agencies we visited told us they do not verify data they receive from their regional or field offices before summarizing and forwarding the data to the Center. Without some type of verification, the data is of questionable accuracy and therefore unreliable.

Correcting the data accuracy problem is an important first step in correcting the apparent underutilization of the uniform, Government-wide contracting systems for motion picture and videotape productions prescribed by the Office of Federal Procurement Policy. For example, although the reporting periods differ, statistics furnished by the National Audiovisual Center for the year ended September 30, 1979, showed that 25 agencies had completed 720 motion picture contracts at a total cost of \$9.2 million, while for the year ended March 31, 1980, the Directorate for Audiovisual Management Policy, which is responsible for operating the systems, reported that only 15 agencies had used the motion picture contracting system, making 44 contract awards valued at \$2.2 million.

Directorate managers do not compare the number and value of contract awards made through the contracting systems with the total number and value of all Federal film and videotape contracting. Without making these comparisons, managers cannot identify agencies that consistently underutilize the contracting systems and cannot evaluate the reasons for underutilization.

RECOMMENDATIONS

We recommend that you request agencies to increase their efforts to provide accurate and complete data and urge them to verify their reports to insure completeness and accuracy.

We also recommend that you direct Directorate managers to compare the number and value of contract awards made through the uniform, Government-wide contracting systems with the total number and value of all Federal film and videotape contracting and to take corrective action where appropriate.

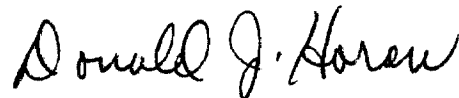
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As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the Senate Committee on Governmental Affairs and the House Committee

on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen, House and Senate Committees on Appropriations, Senate Committee on Governmental Affairs, and House Committee on Government Operations; the Secretaries, Department of Energy, Defense, and State; the Administrator of General Services; the Administrator, National Aeronautics and Space Administration; and the Administrator, Office of Federal Procurement Policy; and other interested parties.

Sincerely yours,

A handwritten signature in cursive script that reads "Donald J. Horan".

Donald J. Horan
Director