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Publications At
Military Bases
By Civilian Contractors

B-170924

Department of Defense

BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

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JULY 26, 1971



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-170924

Dear Senator Proxmire:

This is our report on publications at Department of Defense bases by civilian contractors. Our study was made in accordance with your request of September 23, 1970. The report refers to several base newspapers and guides which are not specifically identified. In accordance with the interest subsequently expressed by your office, we would be pleased to furnish you with copies of these publications at your request. Observations included in the report were discussed with agency officials, but we did not request written comments from the Department of Defense.

We plan no further distribution of this report unless copies are specifically requested, and then we shall make distribution only after your agreement has been obtained or public announcement has been made by you concerning the contents of this report.

Sincerely yours,

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General
of the United States

The Honorable William Proxmire
United States Senate

D I G E S T

WHY THE REVIEW WAS MADE

The General Accounting Office (GAO) was requested by Senator William Proxmire to examine the arrangements under which unofficial base newspapers distributed on military bases are published by civilian contractors using military personnel. GAO was asked to determine whether such arrangements are a proper use of Federal funds and whether the Government is losing revenue to which it is entitled for furnishing services under these circumstances. (See p. 19.)

FINDINGS AND CONCLUSIONS

As a part of the Armed Forces Information Program, military bases may contract with civilian publishers for the publication of unofficial newspapers, base guides and directories. These are referred to as civilian enterprise publications. In this way military bases are provided with publications without having to pay printing costs. The publishers pay for this and have the opportunity to earn a profit through sale of advertising space. (See p. 3.)

In return for the printing, military bases generally have performed a large portion of the other functions required in the publication of these newspapers, including

- writing editorial matter;
- editing, proofreading, and supervising layouts; and
- distributing the newspapers after their delivery to the bases.

Similar arrangements have existed in the publication of unofficial base guides and directories. (See pp. 5 and 9.)

On the basis of the facts developed, there is no legal basis for questioning the expenditure of Government funds to support civilian enterprise publications. Although the Government received some compensation in the form of services, GAO did not find any contracts which provided for any payment to the Government. The Department of Defense (DOD) should review the adequacy of the consideration that it receives under future contracts and recover payments to the maximum extent practicable for its services under any agreements with publishers. (See p. 9.)

JULY 26, 1971

GAO questions the extent to which DOD personnel were involved in view of regulations prohibiting the use of such personnel on the editorial staffs of civilian enterprise publications. DOD regulations provide that civilian enterprise publications be unofficial and not subject to military control. In practice, however, base commanders had virtually total control over these publications. The civilian enterprise newspapers served the same purpose as in-house authorized newspapers, since both were part of the commanders' internal information programs. (See pp. 10 to 14.)

GAO's findings and conclusions are based on examinations at six bases. These conditions do not pertain necessarily to all bases with civilian enterprise publications, but officials at the headquarters level were unable to state that they were not representative of conditions at other bases.

C o n t e n t s

	<u>Page</u>
DIGEST	1
CHAPTER	
1 INTRODUCTION	3
2 USE OF GOVERNMENT PERSONNEL IN PUBLISHING CIVILIAN ENTERPRISE PUBLICATIONS	5
Base newspapers	5
Similar arrangements for base guides and directories	9
Conclusions	9
3 MILITARY CONTROL OVER CIVILIAN ENTERPRISE PUBLICATIONS	10
Contradictions in DOD regulations	10
When publications seem to be official	11
Control over civilian enterprise base newspapers	13
Conclusions	13
4 SCOPE OF REVIEW	15
APPENDIX	
I Letter to the Comptroller General from Senator William Proxmire, dated September 23, 1970	19

ABBREVIATIONS

DOD	Department of Defense
GAO	General Accounting Office

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CHAPTER 1

INTRODUCTION

The Secretary of Defense, under his general powers and duties as contained in 10 United States Code 133, has delegated to the Assistant Secretary of Defense (Manpower and Reserve Affairs) the responsibility for the Armed Forces Information Program, including Armed Forces newspapers and civilian enterprise publications. There are about 750 Armed Forces newspapers and about 185 civilian enterprise newspapers. The purpose of these newspapers is to support internal information programs by giving military and civilian employees the military service and local news and information that is not readily available through non-Government media.

Armed Forces or authorized newspapers are published in-house without commercial advertisements by a command or activity and are financed from appropriated or nonappropriated funds. Civilian enterprise or unofficial newspapers are published by a commercial publisher under contract with a DOD activity. No money is exchanged under these contracts, but the publishers have an opportunity to earn a profit through the sale of advertising.

Contract specifications could include such factors as the frequency of publication, number of pages, amount of editorial and advertising content, and number of editions with color. With the approval of the DOD agency or military department concerned, nonappropriated funds may be used to buy copies of civilian enterprise newspapers for distribution to personnel when there is not sufficient revenue from the sale of commercial advertising and other sources to make publication feasible.

DOD regulations (DOD Instruction 5120.4, dated April 30, 1970) provide that the military departments and defense agencies may authorize their commands or activities to enter into contracts for civilian enterprise newspapers for the publication of military service and local news when these organizations are unable to finance the publication of Armed Forces newspapers. Air Force and Navy regulations encourage their activities to have civilian enterprise newspapers

rather than Armed Forces newspapers. These regulations indicated, and base officials agreed, that not having to pay for the cost of printing was a primary purpose for entering into these arrangements with civilian enterprise publishers.

Other civilian enterprise publications are base guides and directories, which are handbooks of information about the specific geographical area in which a military activity is located. Unlike newspapers, base guides are only updated annually. (See p. 9 .) All these publications are usually distributed at no charge to base personnel.

CHAPTER 2

USE OF GOVERNMENT PERSONNEL IN

PUBLISHING CIVILIAN ENTERPRISE PUBLICATIONS

BASE NEWSPAPERS

At one base the civilian enterprise newspaper's entire content, with the exception of the advertisements, was compiled by military personnel. Military personnel gathered, wrote, and edited the news articles, supervised the layout, and distributed the newspaper on the base. The commercial publisher exercised no control over news and editorial content but contracted for the printing and sold the advertising.

The Internal Information Branch of the Information Office was responsible for the publication of the base newspaper and guide. The Branch had two sections--the newspaper staff of five enlisted personnel and the special projects staff of three enlisted personnel. There was also an officer and a noncommissioned officer in charge assigned to the Branch.

The job descriptions for the enlisted personnel in the Branch include the following duties.

Editor--reviews material from internal and external news sources for publication in the newspaper. Makes news article and feature story writing assignments to staff members. Edits all copy. Assigns, monitors, and directs photographic support for the paper and supervises its layout. Assists in development of special projects for the office.

Writers--responsible for gathering, as well as writing for assignment, features, news stories, and articles. Arrange interviews and photographic coverage of assigned news events. Write headlines and photographic outlines. Responsible for proofreading and final details of page layouts at the printshop. Responsible, according to ability, for page layouts on occasion.

Special projects writers--write special feature material for the base newspaper and for public information use. Prepare copy and layout for the base guide. Responsible for proofreading and final details of publication.

We estimated that, on the basis of standard labor rates established by DOD, the labor costs for the five enlisted personnel working full time on the newspaper staff was about \$22,000 annually. Other costs were incurred for personnel working part time on the newspaper.

News releases were made available routinely to other publications, according to the Information Officer. However, not all news written for the newspaper was made available because, in his opinion, it would be impractical. He decided which articles would receive routine distribution. We talked with the publisher of one of the two local independent newspapers directed toward the base population and were told that it was a continual problem to obtain news releases from the Information Office although DOD regulations provide that all news or information available to a civilian enterprise publisher be equally available to any other publisher who requests it.

We were advised that the newspaper was distributed not only by regular installation messengers but also by unassigned recruits who had completed basic training and were awaiting orders. Beginning in October 1970 the publisher delivered the newspaper to several bulk distribution points on base. Prior to that time military personnel had been picking up the newspapers at the printer's plant. The publisher believes that this change was brought about because the newspaper was under congressional scrutiny. DOD regulations provide that civilian enterprise newspapers may be distributed through official channels without cost to the publisher if this does not require additional expenditures of appropriated funds. The Information Office also mails copies to other bases and to various media organizations.

At another base at least 39 individuals were involved in the publication of the base newspaper. About one half of them, in two major units on the base, spent most of their time preparing news copy for release to the base newspaper

only, and in its production and distribution. The Command Information and Newspaper Branch of the base Information Office spent about one third of its time in the production of the newspaper.

We were told that the publisher controlled the advertising content of the newspaper and that the Information Office controlled the editorial content. Although the publisher had the right to fill empty editorial space with his own copy, the Information Office usually furnished the paper with sufficient copy to fill the allotted space. We were informed that the publisher did not maintain an editorial staff for the base newspaper.

The involvement of the Command Information and Newspaper Branch in publishing the newspaper was not limited to the production of news releases for all media. Three of the personnel in the Command Information Branch served as an editorial staff for the newspaper. They wrote headlines, edited and rewrote articles, and selected photographs to be published in the newspaper. Once a week they traveled to the publisher's facilities where they selected articles, arranged the front page and sports section, and previewed the advertising content of the newspaper. Information Office officials maintained that such supervision was necessary to control the format of the front page and the quality of the news copy published.

We estimated that the cost of Government labor used in the production of the newspaper amounted to approximately \$95,000 annually. This amount represented the time spent in producing copy published in the base newspaper only and the time spent by the Command Information and Newspaper Branch editorial staff in supervising the publication of the newspaper. We estimated also that additional Government labor costing about \$91,000 annually was used for the production of news copy which was distributed to other news media as well as to the base newspaper.

The publisher delivered the newspapers to a central point on the base where military personnel received and distributed them through normal distribution channels. In addition, military personnel took copies of the newspaper to the base stockade. Prisoners rolled the newspapers and

distributed them to military personnel and their dependents in base housing areas. We were advised that every week three guards, one driver, and 30 prisoners spent about 5 hours each to distribute the newspapers.

One civilian publisher produced a weekly community newspaper of about 20 pages. It was used as the nucleus for the publication of the base newspaper. Base personnel substituted a new front page and several other pages which had articles about the installation. These pages enclosed the remaining pages of the community newspaper. The new publication became the base newspaper and was distributed to base personnel without charge. Advertisements appearing in the community newspaper appeared also in the base newspaper. A major selling point in soliciting prospective advertisers was the fact that the publisher guaranteed a mixed military and civilian audience.

Although it was prohibited by DOD regulations, this base newspaper carried political campaign news, presumably because these pages appeared in the publisher's community newspaper.

The Command Information staff of the base Information Office prepared the military section of the base newspaper. The staff had four military personnel and one civilian, and their job titles were supervisor, editor, and reporter. The editor did the proofreading, editing, and copy layout of the military section of the newspaper. The reporters covered news and sports events on the base, and other personnel of the Information Office prepared feature stories for the base newspaper.

Other releases written by the Information Office for general distribution to the media were often included in the base newspaper. Also, members of various base units submitted articles for the newspaper and all photos appearing in the military section were taken by the base photo laboratory. Once a week the publisher delivered the newspaper to the base, where two military personnel spent approximately 2 hours each preparing the newspaper for mail distribution or pickup by units coming for their regular mail.

At one base the commercial publisher inserted a supplement to his community newspapers in the base newspaper; at another base the publisher inserted the base newspaper as a supplement to the Friday edition of his community newspaper. This resulted in increased circulation for the inserted publications.

SIMILAR ARRANGEMENTS FOR BASE GUIDES AND DIRECTORIES

Under contracts with the bases, the civilian enterprise publishers of guides and directories furnished the bases each year with a specified number of copies at no charge. Most of the editorial matter and photographs were provided by the base information offices. The publishers printed the guides and directories and sold the advertising. Costs incurred by the bases were not substantial since the guides and directories were only updated annually.

CONCLUSIONS

The services provided to the civilian enterprise publishers by the military bases represented a large portion of the effort involved in the publication of the newspapers and guides. Many of the articles were prepared primarily for publication in the military base newspapers and not for routine distribution to the public information media. The civilian enterprise publishers generally were responsible for selling the advertising and for printing and delivering the publications to the bases.

On the basis of the facts developed, there is no legal basis for questioning the expenditure of Government funds to support civilian enterprise publications. But we question the extent to which military and DOD civilian personnel were involved in the publication of civilian enterprise publications in view of regulations which prohibit using such personnel on the editorial staffs of civilian enterprise publications. (See p. 10.) We did not find any instance where the contracts provided for the payment of any money consideration to the Government. DOD should review the adequacy of the consideration that it receives under future contracts and recover payments to the maximum extent practicable for its services under any agreements with the publishers.

CHAPTER 3

MILITARY CONTROL OVER

CIVILIAN ENTERPRISE PUBLICATIONS

CONTRADICTIONS IN DOD REGULATIONS

DOD and military service regulations state that a civilian enterprise publication is not subject to military control with respect to content and that military or DOD civilian personnel may not serve on the editorial staff nor may their names be placed in the masthead.

DOD regulations require that a disclaimer be prominently included on the front page or cover of each copy of a civilian enterprise publication stating that the publisher is in no way connected with DOD, that opinions contained in the publications are not official expressions of DOD policy, and that the advertisements do not constitute DOD endorsement of the products or services advertised.

Civilian enterprise publications must not contain statements that they are authorized Armed Forces publications. The use of official seals, insignias, or emblems is prohibited. The name of the military installation may not be used in the dateline within the newspaper's banner or folio, except that datelines may state that the newspaper is published in the interest of personnel at the particular installation. These provisions are based on the Government Printing and Binding Regulations, published by the Joint Committee on Printing, which generally prohibit advertising in Government publications.

Although DOD regulations provide that civilian enterprise publications be unofficial and not subject to military control, this is contradicted by other provisions that the commander may suggest the positioning of editorial matter and military photographs and that he has the authority to prohibit circulation of any issue if he considers it to be unlawful or prejudicial to good order and discipline. Moreover the commander has the authority to prohibit the distribution of civilian enterprise publications containing

an advertisement which he determines would not be in the best interest of his command or which implies discrimination against any person because of race, religion, national origin, or sex.

Army regulations state also that each commander must determine whether content pertaining to peace demonstrations, antiwar movements, or other civil disturbance activities may interfere with the successful accomplishment of his mission or affect morale and discipline within his command. The commander has the authority to prohibit circulation within his command of any issue of the civilian enterprise newspaper, supplement, guide, or directory that he considers to be contrary to the best interest of his command. In making his decision, the commander must consider the local climate, the tone and thrust of those items in question, and the identity and reputation of the writers.

Commanders must advise the publishers of civilian enterprise publications of these criteria so that the publishers may avoid accepting content which would be detrimental to the accomplishment of the military mission or which in any way would imply endorsement or condonement by the commands.

The stated purpose of both civilian enterprise and authorized newspapers is to serve as part of the commanders' internal information program. This seems to be a basic contradiction to the regulations that the newspapers are not subject to military control because civilian enterprise newspapers cannot be part of the commanders' internal information program and not be subject to some military control.

WHEN PUBLICATIONS SEEM TO BE OFFICIAL

The commercial publisher of one base newspaper told us that he represented to advertisers exclusive coverage of military personnel in his area. In the yellow pages of the 1969-70 city telephone directory, the publisher advertised exclusive coverage of Air Force personnel and their families at two bases. In the current city telephone directory, the publisher advertised "the only contractual advertising coverage of all three giant military bases."

Another base newspaper contained an article featuring the official flag of a brigadier general. A guide at another base was headed with the name of the base and was not sub-headed unofficial directory or guide. Contrary to DOD's suggested format, the title of the guide was not subordinated to that of the city, town, or area. Also base guides at some installations contained messages from military officials.

To sell advertisements in a base guide, one publisher sent out a solicitation letter containing the purpose of the guide and information on the total base payroll, number of base military and civilian personnel, and number of cars registered on base. The reverse side of this solicitation contained an official letter from the base information officer explaining the nature of the guide, approximate distribution, and authorization of the publisher's sales representatives. These instances may have led readers and advertisers to believe that the publications were officially endorsed by the bases even though the required disclaimers stated that they were unofficial.

At one base the public affairs office received a "Chief of Information Merit Award" during 1970 for exemplary achievement by the base civilian enterprise newspaper. Another base newspaper was picked to represent its command in a DOD-wide contest. Awards to the base information staff for the content of civilian enterprise publications seem inconsistent with the disclaimer required by DOD regulations that the publisher is in no way connected with DOD.

DOD regulations permit the newspaper to carry a statement in the masthead that it is published in the interests of personnel at the base. Army regulations add that the masthead of the civilian enterprise newspaper will include the name and telephone number of the installation office which maintains liaison with the civilian publisher. These requirements also are inconsistent with the disclaimer that the publisher is in no way connected with DOD.

CONTROL OVER CIVILIAN ENTERPRISE
BASE NEWSPAPERS

At one base articles dealing with a burglary and with a protest conducted by a labor union regarding base purchasing practices were not carried in the base newspaper because such incidents might reflect unfavorably on the base. Members of the newspaper staff at another base told us that they had tried to include more contemporary material in the newspaper and cited an article on the drug problem in an October 1970 issue of the newspaper as an example. After the article on drugs appeared in the newspaper, the base commander decided that controversial articles must be approved by him. He said that this was done not to suppress the news but to set the news in proper perspective. He said also that the base newspaper was his management tool and that, as long as military personnel wrote the news, military commanders would exercise control over what their personnel wrote.

CONCLUSIONS

Although the civilian enterprise publishers theoretically control the content of their publications, in actual practice the military bases have virtually total control. DOD and service regulations governing civilian enterprise publications seem contradictory and inconsistent. On the one hand, they provide that civilian enterprise publications not be subject to military control, that military or civilian personnel not serve on the editorial staffs, and that the civilian enterprise publications contain a prominent disclaimer that the publisher is in no way connected with DOD and that the publications are unofficial. These provisions are based on regulations which prohibit advertising in Government publications.

On the other hand, the regulations permit base commanders to suggest the positioning of editorial matter and to unilaterally refuse to distribute any issue for various reasons, and the regulations state that the base newspapers are in support of the DOD internal information program.

The appearance of some publications can give readers the impression the publications are official although the

disclaimers state they are unofficial. Giving DOD awards to base information staffs for these publications also seems inconsistent with the disclaimer that they are in no way connected with DOD.

CHAPTER 4

SCOPE OF REVIEW

This review was made at the Office of the Secretary of Defense, the headquarters of the military services, and the following installations which had civilian enterprise publications: Fort Devens and Hanscom Field, Massachusetts; Fort Hood, Lackland Air Force Base, and Corpus Christi Naval Air Station, Texas; and the New London Naval Submarine Base, Connecticut. We also visited the Newport Naval Station, Rhode Island, which had an official base newspaper and we obtained newspapers and guides from a number of other bases.

We met with responsible installation officials, Information Office personnel, and civilian enterprise publishers. We reviewed the contracts between the bases and the publishers, to find out the extent of the involvement of base personnel in the publication of civilian enterprise newspapers and guides and the extent of military control over these publications. In computing the estimated cost of military personnel, we used the standard military labor rates shown in DOD Instruction 7220.25, dated April 29, 1970, which was in effect at the time of our fieldwork. We examined pertinent DOD and service regulations and reviewed the publications for compliance with these regulations.

APPENDIX

JOHN SPARKMAN, ALA., CHAIRMAN	
WILLIAM PROXMIRE, WIS.	WALLACE F. BENNETT, UTAH
JOHN A. WILLIAMS, JR., N.J.	JOHN G. TOWER, TEX.
JUD S. MUSKIE, MAINE	EDWARD W. BROOKE, MASS
J. MCINTYRE, N.H.	CHARLES H. PERCY, ILL.
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T. F. HOLLINGS, S.C.	ROBERT W. PACKWOOD, OREG.
OLD E. HUGHES, IOWA	
LAN CRANSTON, CALIF.	

United States Senate

COMMITTEE ON BANKING AND CURRENCY

WASHINGTON, D.C. 20510

DUDLEY L. O'NEAL, JR.
STAFF DIRECTOR AND GENERAL COUNSEL

September 23, 1970

The Honorable Elmer B. Staats
 Comptroller General of the United States
 General Accounting Office Building
 441 G Street, N.W.
 Washington, D.C.

Dear Elmer:

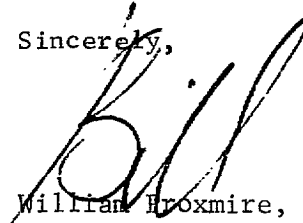
Enclosed is a letter I've sent to the Air Force Legislative Liaison regarding the Lackland (Tex.) AFB newspaper, the Talespinner. The case raises a question that needs an answer: Does the Government lose revenue to which it is entitled because of arrangements under which private businessmen publish "unofficial newspapers" with the labor of military personnel?

I am also enclosing an article from The Texas Observer that gives more information on the agreement at Lackland.

Such arrangements, it is indicated, are commonplace in the Air Force. Is it possible other branches of the service have similar arrangements? Are such arrangements proper use of Federal funds?

Thank you for your attention to this matter.

Sincerely,



William Proxmire, U.S.S.

WP:ceg
Encl

GAO note: Enclosures have been omitted.