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Expenditures For Public Affairs Activities

B-161939

National Aeronautics and Space Administration

BY THE COMPTROLLER GENERAL OF THE UNITED STATES

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APRIL 10, 1974



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

B-161939

The Honorable J. W. Fulbright
United States Senate

Dear Senator Fulbright:

This is in response to your July 31, August 3, and August 10, 1973, letters requesting us to examine statements in five anonymous letters about excessive expenditures and waste in the public affairs exhibit program of the National Aeronautics and Space Administration (NASA). You also asked us to obtain information on (1) the total expenditures for the exhibit program, (2) overall public affairs activities, and (3) the number of program employees.

We obtained information from officials at NASA headquarters in Washington, D.C. We visited the Lyndon B. Johnson Space Center, Houston, Texas; John F. Kennedy Space Center, Florida; and George C. Marshall Space Flight Center, Huntsville, Alabama.

The exhibits mentioned in the letters to you were built between 1965 and 1969. To obtain additional information and to verify that which NASA gave us, we would have had to retrieve records from Federal records storage centers. We discussed our review with your staff and it was agreed that it would not be necessary to investigate each statement. We examined the exhibit programs and reviewed certain functions at headquarters and at the three centers. NASA submitted the dates and costs of the exhibit programs and the operating costs of the public affairs divisions, but we did not verify them.

We obtained written comments from NASA officials. (See enc. IV.)

PUBLIC AFFAIRS PROGRAM

As stated in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473), the objective of NASA's public affairs program is to

"* * * provide for the widest practicable and appropriate dissemination of information concerning its activities and the results thereof."

Public affairs costs include the management of news releases; motion pictures, television, and radio programs; educational programs; educational and informational publications; and exhibits. In fiscal year 1973 NASA incurred public affairs costs of about \$8.6 million. (See encs. I and III.)

We did not analyze each program activity to determine whether the costs shown were necessary to meet the program objective. We were concerned whether NASA's system properly accumulated public affairs costs according to Office of Management and Budget (OMB) Bulletin 70-10, dated April 2, 1970. The bulletin defines public relations activities as those which publicize or promote the objectives, operations, facilities, or programs for which the agency is responsible or in which it has an interest--whether or not they are specifically authorized by law. These include, but are not limited to, press contacts, broadcasting, advertising, exhibits, films, publications, and speeches. The activities and related costs appear to conform to the bulletin's definition.

EXHIBIT PROGRAMS

The following schedule compares the total cost for the exhibit program with the total cost for public affairs since fiscal year 1967. Cost information before 1967 is not available.

<u>Fiscal year</u>	<u>Exhibit costs</u>	<u>Percent of total</u>	<u>Total public affairs costs</u>
	(millions)		(millions)
1967	\$2.8	29	\$ 9.5
1968	1.4	17	8.2
1969	1.1	11	9.6
1970	.7	7	10.2
1971	1.0	11	9.1
1972	.8	9	8.4
1973	.8	9	8.6

NASA public affairs costs peaked (\$10.2 million) in fiscal year 1970 when the first manned lunar landing was made (July 20, 1969) and when public interest in space programs was apparently at its highest. The peak year for exhibit spending, however, occurred in fiscal year 1967 when costs represented almost 30 percent of the total public affairs costs. For fiscal year 1973, exhibit costs represented about 9 percent of total public affairs costs.

In March 1967 NASA and the Smithsonian Institution agreed to transfer title to significant space artifacts (such as spacecraft, rocket motors, space suits, and other items which are considered unique and historic) to the Smithsonian after NASA's technical requirements for such artifacts have been met. The Smithsonian sometimes loans space artifacts to NASA for its visitor information centers. The exhibit costs shown do not include the initial costs of these artifacts nor those of engineering models which are related to NASA programs or which contractors have given or loaned to NASA. They include only those costs for managing, setting up, transporting, and storing artifacts and engineering models.

The letters mentioned three exhibits--Compatibles, Challenge in Space, and full-scale Apollo models--as examples of exhibits which were expensive to design, construct, transport, set up, and store. Initial inquiries showed that these three exhibit programs cost approximately \$2,445,400.

NASA officials estimated the cost of the Compatibles--units designed so one unit or a combination of units could be used as an exhibit--to be \$1,595,400. (See enc. V for pictures.) A total of 67 copies of the 6 different units of Compatibles were built between 1967 and 1969. Officials said, as of December 31, 1972, 15 were in use, 17 were stored and usable, 19 were stored and in an unknown condition, 2 were stored and in a condition uneconomical to repair, 9 were modified or cannibalized, and 5 could not be located. Exhibit personnel at one center told us Compatibles were difficult and expensive to transport and maintain.

The centers' handling of these exhibits has alleviated the problems of transporting, setting up, and storing. Of the

three centers visited, only Marshall Space Flight Center uses Compatibles to fill requests for exhibits. Marshall's staff asks the requester to pay for transportation one way, if possible. The requester provides setup labor, and Marshall provides one supervisor for setting up the exhibits, if required. All three centers use the Compatibles in their visitor centers. The remaining Compatibles assigned to these centers are stored in Government-owned warehouses.

NASA officials said they have no programs for using Compatibles in storage. However, they said they contact museums and other organizations, as time permits, to determine if they can use the Compatibles on an extended loan basis. Also, center personnel informed us that the Compatibles' parts are used to repair active exhibits and to construct new exhibits. In commenting on matters in our report, NASA officials considered storage costs insignificant in comparison to costs of new construction.

We obtained limited information on the two other exhibit programs the anonymous letters mentioned. According to NASA officials, the Challenge-in-Space exhibits were constructed in 1965. Six copies were constructed at an estimated total of \$450,000. NASA officials stated that none of the copies are being used in the exhibit program. Two have been cannibalized and the Marshall and Kennedy Centers are using their parts; one was transferred to the United States Information Agency; one was scrapped; and two are on extended loan, one to the Government of Australia and one to the City of Cleveland, Ohio.

Eight full-scale Apollo models were built in 1967 at an estimated cost of \$400,000, or \$50,000 each. NASA officials said that six of these are on indefinite loan to museums, one is on display at a NASA center, and one is stored in a Government warehouse and needs reconditioning costing \$4,000 to \$5,000.

DUPLICATION OF FUNCTIONS

The anonymous letters mentioned that the functions of the Planning and Media Development Division duplicated those of the 10 NASA centers. (See p. 5 for a discussion of this

division's functions.) Staffs of the division and of the three centers told us that headquarters gives center staffs overall supervision, coordinates the exhibits to be supplied to national and international shows, contracts for construction of exhibits, and distributes them to the centers. The centers' staffs schedule exhibits and arrange for transportation within their regions. These staffs also maintain and modify exhibits. Also, headquarters must approve modifications costing more than \$3,000.

Our work disclosed no evidence of the duplication which formed the basis for the complaint. Because we could not interview the complainants due to their anonymity, we did not evaluate the possible duplication of functions.

ORGANIZATION OF HEADQUARTERS AND CENTERS

The centers' public affairs offices are not organized into the same four divisions as headquarters. However, the centers' format for reporting costs corresponds to that of headquarters divisions. For example, although the public affairs office at Kennedy Space Center consists of the office of the chief and two branches--public information and visitors center--the costs for these two branches are identified and reported by program activities as shown in enclosure I. The personnel for fiscal year 1973 is shown as enclosure II.

Of about \$8.6 million spent for public affairs in fiscal year 1973, headquarters' costs accounted for about 46.4 percent--39.6 percent for the four divisions and 6.8 percent for administrative management personnel and other related program costs. NASA's 10 centers spent the remaining 53.6 percent.

The following sections discuss the functions of the headquarters divisions.

Planning and Media Development

In fiscal year 1973, this division's costs for salaries and program activities amounted to \$974,600, or about 11.3 percent of the total public affairs costs. The division had 14 employees, and salaries amounted to \$323,300. The remaining

\$651,300 was spent for program activities. Development, construction, management, storage, and transportation of exhibits cost \$206,800, and the remaining \$444,500 was for the preparation and printing of publications, the production and distribution of motion pictures, and a one-time cost for goodwill tours.

The division is responsible for agencywide coordination of public affairs planning and for recommending and defining specific programs and activities. It supervises and directs the development and production of motion pictures, publications, and exhibits designed to inform the public of NASA goals, programs, and the progress of aeronautics and the peaceful exploration of space. It assists broadcasting networks, stations, closed-circuit systems, commercial motion-picture producers, and others interested in the production of space-related informational and educational programs.

This division (1) plans, designs, and oversees the construction of exhibits, (2) determines the number of exhibits needed, (3) assigns exhibits to the various centers, and (4) coordinates the showing of exhibits to prevent centers from displaying exhibits at the same function.

Public Information

In fiscal year 1973 this division, which has 20 employees, spent \$980,900, or about 11.4 percent of total public affairs costs. This amount includes \$397,500 for salaries and \$583,400 for programs, such as radio and television production and distribution costs, still photographic services, news releases, and television and motion-picture film clips.

The division provides information about NASA activities and program results. It develops and implements agencywide requirements, policies, procedures, and guidelines for administering and conducting public information activities. The division also makes news releases to newspapers and radio and television stations and determines which releases should be given national coverage or sent only to interested groups or organizations. It arranges for facilities, information booths, press conferences, and interviews for NASA officials at NASA launches.

Public Services

This division is responsible for planning and programing major public events involving NASA, its officials, and its projects. In fiscal year 1973 about \$478,100 was spent for salaries. The division has 19 employees and has no budget for specific programs or activities. Its employees plan such events as public appearances by the NASA Administrator, his deputy, other senior officials, and astronauts. Other functions include handling public inquiries received by the White House and NASA headquarters, issuing special reports, and preparing speeches and written material for NASA officials and astronauts.

The division also issues invitations to attend launches and is responsible for the seating arrangements for foreign dignitaries and others.

Educational Programs

In fiscal year 1973 the division spent about \$773,200 for education projects and activities and \$211,000 for salaries--a total of \$984,200. This division has nine employees.

The division establishes and maintains educational programs for youths and adults in aeronautical and space science. The main program is the Space Science Education Project which in fiscal year 1973 cost about \$758,600, or 98 percent of the total program activities costs. This is a school lecture program which is contractor operated. The contractor furnishes the educators, and NASA furnishes all equipment and materials. The program reaches over 2 million children annually.

The division annually participates in some 185 science fairs and makes awards to outstanding students in various scientific fields. It also sponsors a Youth Science Congress once a year, usually at one of the centers.

B-161939

We trust this information satisfies your request. If we can be of further assistance, please let us know.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "James B. Arto".

Comptroller General
of the United States

Enclosures - 5

FISCAL YEAR 1973 PUBLIC AFFAIRS COSTS

<u>Location</u>	<u>Administrative and management</u>	<u>Public information</u>	<u>Public services</u>	<u>Planning and media development</u>	<u>Educational programs</u>	<u>Other related programs</u>	<u>Total</u>
FIELD:							
Johnson Space Center	\$ 23,600	\$ 361,400	\$ 217,500	\$ 262,600	\$ 80,600	\$116,700	\$1,062,400
Kennedy Space Center	68,700	328,400	508,100	171,100	84,800	72,200	1,233,300
Marshall Space Flight Center	7,900	189,900	61,200	194,000	37,400	35,100	525,500
Langley Research Center	1,100	77,100	19,200	7,100	144,100	16,900	265,500
Ames Research Center	12,000	86,800	26,200	131,400	44,600	70,600	371,600
Flight Research Center	3,000	22,000	-	24,500	21,000	6,000	76,500
Goddard Space Flight Center	2,700	154,800	5,300	113,900	92,400	47,500	416,600
Lewis Research Center	1,900	85,500	40,200	14,600	74,400	23,100	239,700
Wallops Station	300	23,000	4,500	4,400	-	-	32,200
Jet Propulsion Laboratory	<u>6,000</u>	<u>156,200</u>	<u>36,100</u>	<u>5,000</u>	<u>74,300</u>	<u>121,900</u>	<u>399,500</u>
Total	127,200	1,485,100	918,300	928,600	653,600	510,000	4,622,800
HEADQUARTERS	<u>553,000</u>	<u>980,900</u>	<u>478,100</u>	<u>974,600</u>	<u>984,200</u>	<u>37,600</u>	<u>4,008,400</u>
Total	<u>\$680,200</u>	<u>\$2,466,000</u>	<u>\$1,396,400</u>	<u>\$1,903,200</u>	<u>\$1,637,800</u>	<u>\$547,600</u>	<u>\$8,631,200</u>

ENCLOSURE II

NASA PUBLIC AFFAIRS PERSONNEL FOR FISCAL YEAR 1973

<u>Location</u>	<u>Admin- istra- tive manage- ment</u>	<u>Public infor- mation</u>	<u>Public serv- ices</u>	<u>Plan- ning and media devel- opment</u>	<u>Educa- tional pro- grams</u>	<u>Other pro- grams</u>	<u>Total</u>
FIELD:							
Johnson Space Center	-	16	7	2	2	3	30
Kennedy Space Center	-	8	9	-	3	1	21
Marshall Space Flight Center	-	10	3	5	2	2	22
Langley Research Center	-	5	1	-	1	1	8
Ames Research Center	-	3	1	1	3	-	8
Flight Research Center	-	1	-	-	1	-	2
Goddard Space Flight Center	-	7	-	1	3	2	13
Lewis Research Center	-	5	-	1	5	-	11
Wallops Station	-	2	-	-	-	-	2
Jet Propulsion Laboratory (note a)	-	<u>7</u>	<u>2</u>	-	<u>3</u>	<u>3</u>	<u>15</u>
Total	-	64	23	10	23	12	132
HEADQUARTERS	<u>20</u>	<u>20</u>	<u>19</u>	<u>14</u>	<u>9</u>	<u>-</u>	<u>82</u>
Total	<u>20</u>	<u>84</u>	<u>42</u>	<u>24</u>	<u>32</u>	<u>12</u>	<u>214</u>

^aContract personnel--not Civil Service.

^bAdditional contract employees are sometimes used. GAO did not determine the total number of contract employees.

NASA PUBLIC AFFAIRS COST FORFISCAL YEAR 1973

	<u>Field</u>	<u>Headquarters</u>	<u>Agencywide</u>
PUBLIC INFORMATION:			
News releases	\$ 47,300	\$ 63,800	\$ 111,100
TV and motion pictures	71,400	53,900	125,300
Still photo services	286,100	192,900	479,000
TV production and distribution	400	199,700	200,100
Radio production and distribution	5,600	73,100	78,700
Salaries	<u>1,074,300</u>	<u>397,500</u>	<u>1,471,800</u>
Total	<u>1,485,100</u>	<u>980,900</u>	<u>2,466,000</u>
PUBLIC SERVICES:			
Conference planning	6,000	-	6,000
Speech writing and special communications	13,200	-	13,200
Visitor activities, tour, etc.	522,700	-	522,700
Salaries	<u>376,400</u>	<u>478,100</u>	<u>854,500</u>
Total	<u>918,300</u>	<u>478,100</u>	<u>1,396,400</u>
PLANNING AND MEDIA DEVELOPMENT:			
Development and construction of exhibits	69,100	100,800	169,900
Management of exhibits	384,200	74,700	458,900
Storage of exhibits	13,900	500	14,400
Transportation of exhibits	104,600	30,800	135,400
Motion-picture production	39,400	55,200	94,600
Motion-picture laboratory and depository	127,500	145,600	273,100
Publications preparation	29,300	54,100	83,400
Publications printing	20,600	140,400	161,000
Goodwill tours	-	49,200	49,200
Salaries	<u>140,000</u>	<u>323,300</u>	<u>463,300</u>
Total	<u>928,600</u>	<u>974,600</u>	<u>1,903,200</u>
EDUCATIONAL PROGRAMS:			
Space science education project	37,400	758,600	796,000
Travel	9,400	500	9,900
Equipment	20,600	-	20,600
Educational projects	130,500	5,400	135,900
Educational conferences	33,000	-	33,000
Youth programs	2,100	5,200	7,300
Materials of instruction and other	124,200	3,500	127,700
Salaries	<u>296,400</u>	<u>211,000</u>	<u>507,400</u>
Total	<u>653,600</u>	<u>984,200</u>	<u>1,637,800</u>
ADMINISTRATIVE AND MANAGEMENT:			
Salaries	-	430,000	430,000
Travel	57,800	123,000	180,800
Equipment	<u>69,400</u>	<u>-</u>	<u>69,400</u>
Total	<u>127,200</u>	<u>553,000</u>	<u>680,200</u>
OTHER RELATED PROGRAMS:			
Travel	15,600	-	15,600
Equipment	39,300	-	39,300
House organ	129,400	-	129,400
Public mail	139,800	-	139,800
Historical	500	-	500
Non-NASA travel	-	37,600	37,600
Other	35,900	-	35,900
Salaries	<u>149,500</u>	<u>-</u>	<u>149,500</u>
Total	<u>510,000</u>	<u>37,600</u>	<u>547,600</u>
TOTAL	<u>\$4,622,800</u>	<u>\$4,008,400</u>	<u>\$8,631,200</u>

ENCLOSURE IV



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, D.C. 20546

REPLY TO
ATTN OF: D

JAN 22 1974

Mr. Werner Grosshans
Associate Director
Logistics and Communication
Division
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Grosshans:

Thank you for the opportunity to comment on the draft report on NASA public affairs activities, as requested in your letter of December 20, 1973.

The enclosed statement was prepared to fairly present a more complete understanding of the "Compatibles" and "Challenge of Space" exhibits. Although we are not aware of the details of the allegations that were referred to GAO, we believe the enclosed language relating to these exhibits should be inserted on page 4 of your draft report. It will be noted that the present need for the stored units is being reviewed by NASA.

We will be happy to discuss these comments with GAO representatives at any time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bernard Moritz".

Bernard Moritz
Deputy Associate Administrator
for Organization and Management

Enclosure

NASA Comments on GAO Draft Report on
NASA Public Affairs Activities

At the top of page 2, the quotation should be shown as coming from the NASA enabling legislation. The closing quotation mark should follow the word "thereof".

On page 3, there is an error of transposition with respect to artifacts. Actually, they are transferred by NASA to the Smithsonian Institution.*

The discussion on the "Compatibles" and "Challenge of Space" (page 4) should include some background on and reasons for their current status.

The Challenge of Space exhibit was a large, 3,000 sq.ft., comprehensive exhibit covering the entire space program. It was extremely sophisticated, incorporated many audience participation devices, operating dioramas, scale models and film presentations. From an audience impact point of view, it was one of the most effective exhibits NASA has ever had.

The "Compatibles" were a series of high quality exhibits which utilized very sophisticated audio-visual presentations in a controlled environment. They had the flexibility to be used individually or in groups. They were especially effective in presenting information because total attention of viewers was commanded inside the enclosed environment which they provided. Because of the rapidly changing nature of the space program much of the material in this exhibit became obsolete in a short period of time. With any itinerant exhibit there is considerable deterioration of structures through normal set-up and take-down. There comes a time in the life of any exhibit when the cost of updating and repairs make it no longer economical to operate on an itinerant basis. This is a management decision, and when the point is reached, attempts are made to find a permanent location where there exists the capability to maintain and update the exhibit. This has been done with two of the Challenge of Space exhibits and some of the Compatible units.

This series of exhibits was built in these quantities to meet a large and pressing demand from the American people for information on the space program. During the period of

*See note on p. 3.

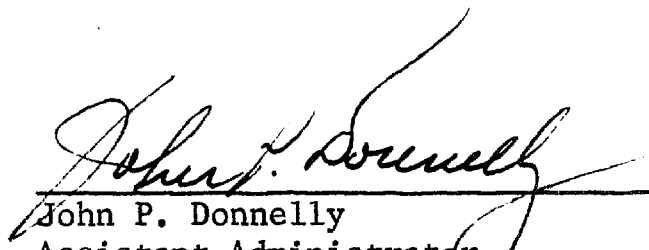
ENCLOSURE IV

time they presented current information, they were seen by millions of persons throughout the U.S. and in Mexico and Canada. They spent from one week to several months at events like county and state fairs, pageants, civic celebrations, special "space weeks", and so on. Leading institutions with high attendance volume displayed them singly or in groups. Examples of some of these are: Smithsonian Institution, Chicago Museum of Science and Industry, Pacific Science Center, Franklin Institute, New York Hall of Science, San Diego Hall of Science, California Museum of Science and Industry, Alabama Space and Rocket Center, Ft. Worth Museum of Science and History, Miami Museum of Science, North Carolina Museum of Life and Science, and many others.

It is remarkable that 15 "Compatibles" and two "Challenge" units are still in active use as long as five and six years after production, considering the developments in the fast-moving space program since 1967-69; the ordinary lifetime of any industrial type exhibit (2-3 years); and the fact that generally accepted amortization schedules were exceeded.

Several factors dictated that they be kept in storage for a time after their condition deteriorated. For example, their popularity forced continued use of these sophisticated exhibits even when their content became obsolete; hence, stored exhibits were a ready and economical source of spare parts. Also, the reduction of available resources indicated that the structural units could be modified and used for new storylines at less cost than construction of new units; this was done in some cases. In a period when funds for the exhibit program are in short supply, we are reluctant to scrap or declare excess any large item which might have a potential use. Storage costs are insignificant in comparison with costs of replacement or new construction. We are reviewing the status of the units in storage with a view toward reducing their number. It should be pointed out however, that since there are six different exhibit subjects, we do not expect a dramatic reduction.

In summary, the "Compatibles" and "Challenge" exhibits were highly effective tools in their era for communicating to people the rationale and methodology of the space program. Not being historical in storyline, they had a finite life time, and their content has long since been overtaken by actual events. The fact that a few units still survive and indeed are in active use is testimony to their quality and acceptance by their intended audiences. Two of the Compatible presentations which have not become too obsolete, have been modified for film adaptation and will be shortly available for showing in classroom instructional situations.

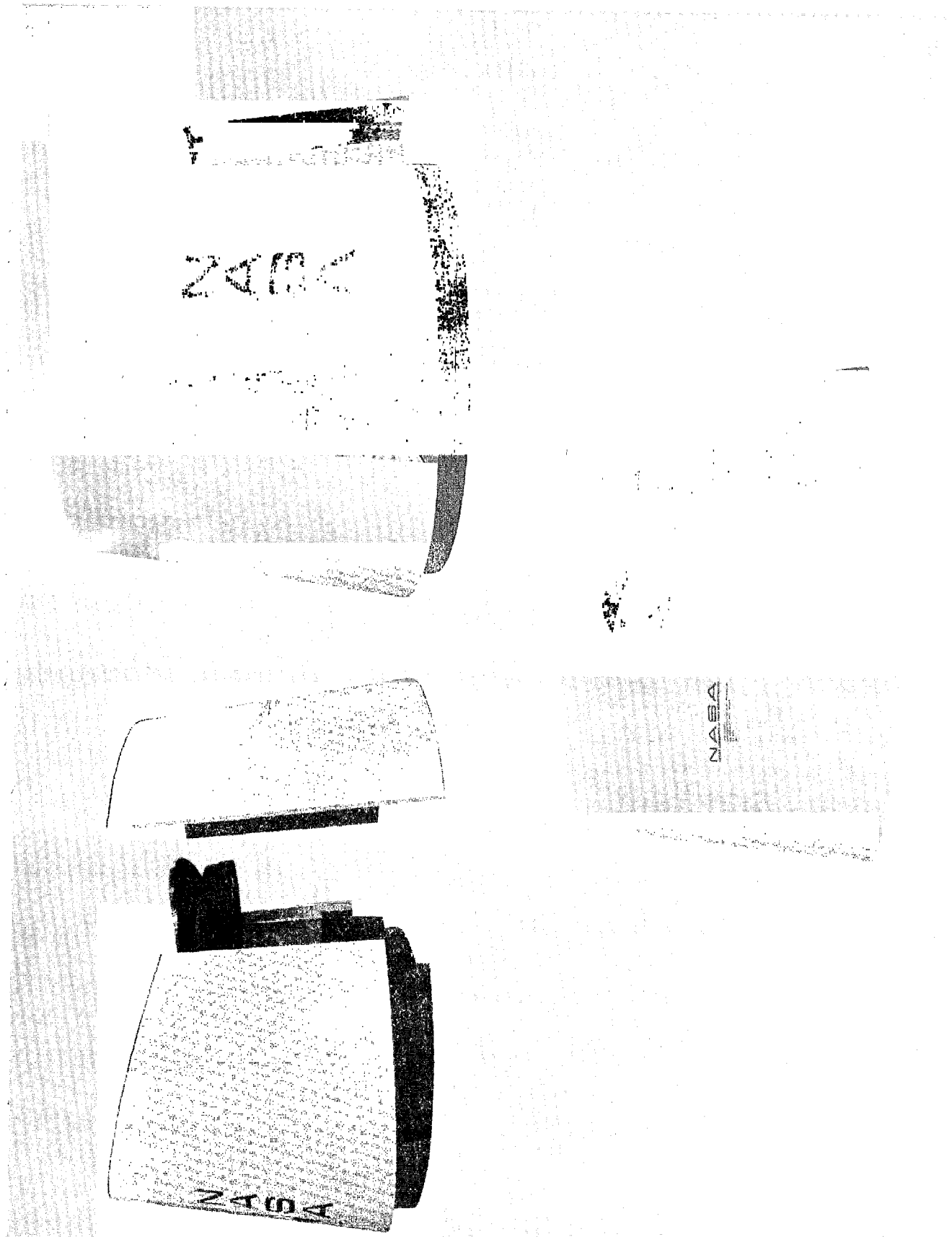

John P. Donnelly
Assistant Administrator
for Public Affairs

1/21/74
Date

*GAO note: This is not an error of transposition. Title to the artifacts is transferred to the Smithsonian Institution after NASA's technical requirements have been met. These artifacts are sometimes loaned to NASA for use in their visitor information centers.

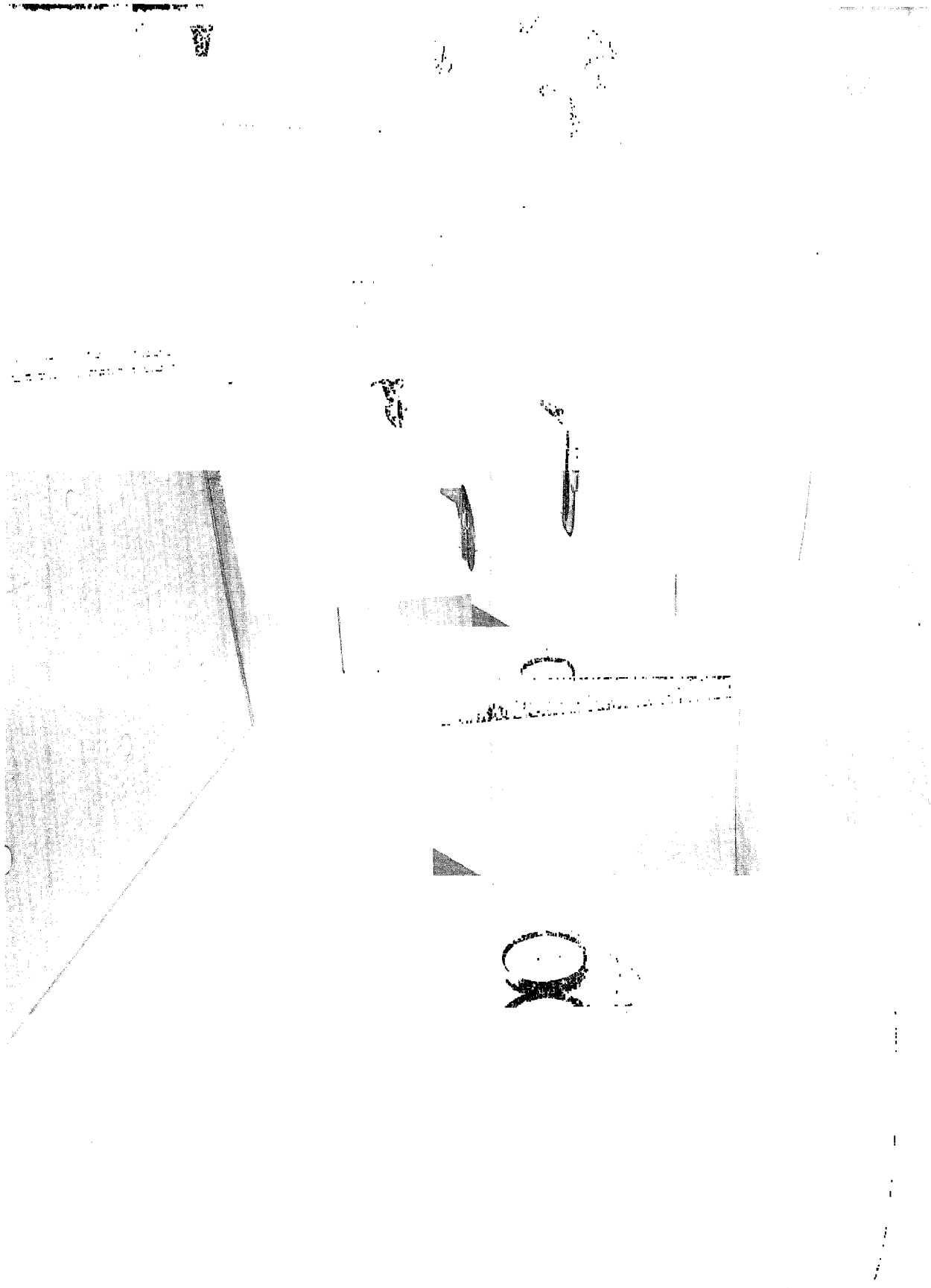


Compatible "A"



Compatible "B"

ENCLOSURE V



Compatible "D"

ENCLOSURE V

Compatible "J"