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GAO

United States General Accounting Office  
Washington, DC 20548

Logistics and  
Communications  
Division

B-168700

MAY 9, 1980

The Honorable Joseph L. Fisher  
House of Representatives



112266

Dear Mr. Fisher:

Subject: [Consolidation of American Forces Radio  
and Television Service--Washington and  
Los Angeles Broadcasting Facilities]  
(LCD-80-54)

Your July 15, 1979, letter asked us to review the Department of Defense's (DOD's) plan to consolidate its American Forces Radio and Television Service broadcasting activities at Arlington, Virginia, with its broadcasting activities at Los Angeles, California. During a discussion with your office on August 17, 1979, we agreed to review only the costs and savings expected to result from the proposed move. These factors are discussed below, along with other information DOD considered in making its decision.

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BACKGROUND

The American Forces Radio and Television Service is part of a worldwide broadcast system which provides American radio and television programs to nearly 1 million American military and civilian personnel and their families stationed overseas. The system has about 750 radio and television outlets located in 27 foreign countries, Alaska, and U.S. trust territories and aboard Navy ships. The outlets are operated and funded by the three military services.

Annual worldwide expenditures of the worldwide broadcast system are about \$45 million, of which the American Forces Radio and Television Service spends about \$18 million, and the military services spend about \$27 million. About 1,600 military and civilian personnel are assigned to worldwide radio and television outlets.



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The Service, a DOD organization, is responsible for providing policy and management guidance and acquiring programs for the worldwide broadcast system. Its mission is to provide command information as well as entertainment materials through the broadcast system for DOD personnel stationed overseas and aboard Navy ships. The Service's Washington facility provides radio news, information, and sports programming 24 hours a day. Its Los Angeles facility primarily provides television information and entertainment programs and radio tapes and records.

The Washington facility's budget for fiscal year 1980 is about \$5.3 million and 21 spaces (16 civilian and 5 military) spaces are authorized. The Los Angeles facility's budget for fiscal year 1980 is about \$12.1 million and 119 spaces are authorized.

The plan to consolidate the two broadcasting activities is part of an evolving worldwide, joint-service centralization of DOD's radio/television management and a modernization of technological capability. The consolidation plan was issued in June 1979. The stated purpose of the plan was

"to outline and assign timely and coordinated actions that must be taken to enable the transfer of news/information/sports programming functions now performed by AFRTS-Washington (AFRTS-W) to AFRTS-Los Angeles (AFRTS-LA)."

The basic concept of the plan was "to insure an orderly phasing of actions to consolidate similar functions in a single facility." The plan was updated in November 1979 and in January 1980. The plan's final date of completion is February 1, 1981.

#### COSTS AND SAVINGS

Service officials estimated costs for the consolidation to be about \$350,000 for permanent change of station (PCS) for 21 employees and \$140,000 for preparation of the Los Angeles site. The annual cost to the Government for the space occupied by the Washington facility is about \$46,000. However, because of the planned joint-service centralization of its radio/television management, DOD

will continue to use the space. ~~X~~ Therefore, unless DOD is able to cancel other leases as a part of moving personnel into the space vacated by the Washington facility, there may not be any budgetary saving to the Government.

Service officials overestimated personnel relocation costs. For example, they included costs for relocating 21 families even though they were aware that, of the 16 civilian positions, only 13 had accepted the option of moving. And it is likely that some of the 13 will subsequently decline the offer. Additionally, five of the positions are military and due to the normal rotation of military personnel, a valid argument can be made against charging PCS costs to the relocation. Prorating the estimated \$350,000 PCS costs for 13 employees would reduce relocation costs to about \$217,000. Although personnel relocation costs may have been overestimated, we believe that the precise amount is not relevant because the recovery of costs through annual savings was not a reason for the relocation.

OTHER FACTORS  
PROMPTING THE MOVE

The planned consolidation was not motivated by the desire to achieve budgetary savings. The primary objective was to achieve a more efficient operational and managerial structure. The consolidation is also responsive to congressional desires.

The Subcommittee on Defense, House Committee on Appropriations, has strongly expressed its dissatisfaction with DOD's failure to create a centralized, worldwide radio/television management. Consolidation of the two activities is also responsive to the Senate and House Committees on Appropriations' resolve of many years standing, that defense activities be relocated out of the National Capital Region, whenever feasible. Relocation from the National Capital Region has also been a policy of the executive branch since July 1962, as expressed in Office of Management and Budget Circular A-60.

DOD has stated that the move is in consonance with the expressed intent of the Congress, set forth in section 901 of the Civil Service Reform Act of 1978 which directs

"a review of the possibility of distributing some of the functions of the various Federal agencies

currently concentrated in the D.C. area to field offices located throughout the country."

During hearings for its fiscal year 1980 budget, DOD testified that its present worldwide radio/television management structure is inefficient, ineffective, and irresponsible to DOD policy guidance.

### CONCLUSIONS

In addition to complying with the expressions of congressional desires, we believe the planned consolidation in Los Angeles is appropriate for the reasons stated below.

<sup>S/M</sup>  
The Washington facility's occupied space is only marginally satisfactory. Problems exist ~~regarding~~ building maintenance, security, emergency power, aircraft noise, and wasteful use of space. These problems would be resolved by relocating to Los Angeles. The Washington facility also has operational staffing problems which would be resolved because of the availability of Los Angeles technicians who could be called upon when needed.

In June 1978 an Army engineering review determined that the electronic equipment at the Washington facility was nonstandard, obsolete, and needed to be replaced. In this regard, a representative of the computer firm told us that the computer being used at the Washington facility was no longer manufactured and that replacement parts were not available. He also stated that, because of equipment failure, the station may not be able to stay on the air continuously.

Space previously adapted for studio use is available at the Los Angeles facility. Its use would enable the consolidation of the Service's audiovisual activities at a location out of the National Capital Region. Its use would also eliminate the broadcasting problems inherent at the Washington facility and enable the planning and implementation of the consolidation which includes keeping the old equipment in service until new equipment is in place, tested, and readied to assume the full broadcast mission.

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We did not request written comments from DOD on this report. We did discuss the report with DOD officials, and they agreed with the contents. We would be pleased to further discuss the consolidation with you.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "R. W. Gutmann".

R. W. Gutmann  
Director