



Highlights of GAO-06-305, a report to congressional requesters

## Why GAO Did This Study

The federal government contracts with public relations firms, advertising agencies, media organizations, and individual members of the media to provide, among other things, messages about its programs and services. As we have reported, there is a lack of accurate governmentwide information on these contracts.

Seven federal departments account for nearly all the obligated federal dollars for public relations and advertising activities in fiscal year 2003—Commerce, Defense, Health and Human Services, Homeland Security, Interior, Treasury, and Veterans Affairs.

GAO submitted a questionnaire to each of these seven departments to obtain information for fiscal year 2003 through the second quarter of fiscal year 2005 on (1) the number of contracts with public relations firms, advertising agencies, media organizations, and individual members of the media for which obligations have been incurred; (2) the total amount of contract obligations incurred on each contract by fiscal year; (3) the method by which the contract was awarded—competed, noncompeted, follow-on to competed action, or not available for competition; and (4) summaries of the purpose and scope of work to be performed under each contract.

[www.gao.gov/cgi-bin/getrpt?GAO-06-305](http://www.gao.gov/cgi-bin/getrpt?GAO-06-305).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul Jones at (202) 512-8777 or [jonespl@gao.gov](mailto:jonespl@gao.gov).

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# MEDIA CONTRACTS

## Activities and Financial Obligations for Seven Federal Departments

### What GAO Found

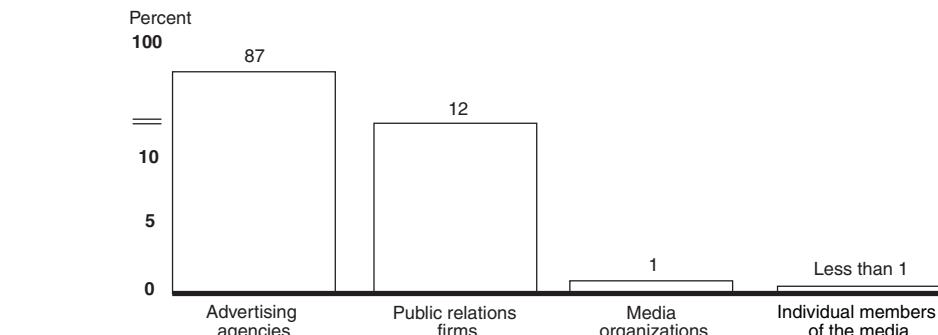
The departments reported a total of 343 media contracts, for which they incurred obligations of \$1.62 billion during the period of GAO's review. Specifically, the departments reported 137 contracts (40 percent of the total contracts) with advertising agencies, 131 contracts (38 percent) with media organizations, 54 contracts (16 percent) with public relations firms, and 8 contracts (2 percent) with individual members of the media. For 13 contracts (4 percent), departments did not report on type of media firm.

The departments incurred obligations of \$1.4 billion with advertising agencies (87 percent of the obligations), \$197 million with public relations firms (12 percent), \$15 million (1 percent) with media organizations, and \$90,000 (less than 1 percent) with individual members of the media.

With respect to method of award, GAO provided aggregate data on the extent of competition for the surveyed contracts without assessing the validity of individual contract actions. Using the four competition categories in the Federal Procurement Data System, the departments reported that 263 (77 percent) of the media contracts were competed, 69 were not competed (20 percent), 7 were not available for competition (2 percent), and 4 were follow-ons to competed action (1 percent). These methods of award are permitted by various authorities. Competed awards accounted for \$1.5 billion (92 percent) of the total media obligations. The purpose and scope of the work described varied by department. For example, Homeland Security incurred financial obligations related to the nation's readiness to respond to terrorist attacks.

The departments reviewed a draft of this report and generally concurred with GAO's findings; technical comments were incorporated as appropriate.

### Contract Obligations by Type of Vendor for Fiscal Year 2003 through March 31, 2005



Obligations      \$1,401,816,961      \$196,928,916      \$15,345,418      \$90,340

Totals do not equal 100% due to missing data

Source: GAO analysis of data submitted by departments