

*Ms. Levine*



**Comptroller General  
of the United States**

Washington, D.C. 20548

# Decision

**Matter of:** Cable Television Costs

**File:** B-239774

**Date:** July 22, 1991

## DIGEST

The Federal Trade Commission (FTC) may use its appropriated funds to reimburse employee for cable television service installed in the employee's home; the cable service primarily benefitted the government by enabling the FTC to increase its monitoring of advertising.

## DECISION

This responds to a request from the Director, Division of Budget and Finance, Federal Trade Commission (FTC), regarding the use of FTC's appropriated funds to pay for cable television installed in an employee's home. FTC would like to reimburse an FTC employee for the installation and monthly service charges associated with cable television installed in the employee's home because the cable service was for FTC's exclusive use in monitoring advertising on cable television. Although, as a general rule, agencies may not pay for employees' personal equipment or utility costs, FTC may pay for the cable television charges in this case because the cable service was primarily for the benefit of the government.

## BACKGROUND

One of the FTC's principal functions is to safeguard the public by preventing the dissemination of false or deceptive advertisements. 15 U.S.C. §§ 45(a), 52 (1988). In furtherance of this objective, FTC monitors advertising on network, cable, and independent television. In the late 1980s, cable television was not available at FTC headquarters in Washington, D.C. For several years, FTC monitored advertising on cable television by relying on Commission staff who had cable service to volunteer their time and equipment to perform this function. FTC considered this approach unsatisfactory for several reasons including, for example, the fact that employees were not available to tape certain specified time periods and there were programming capability limitations on some privately owned video cassette recorders which made multiple taping difficult. As stated in FTC's letter to our Office, "[t]he cumulative result of all these problems is that we do less monitoring than we should of cable and

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independent television advertising, which accounted for over \$1.5 billion plus of advertising expenditures in 1988."

To solve this problem, in 1990 an FTC employee who lives in Maryland volunteered to have cable installed in her home for the "exclusive use of the Federal Trade Commission's cable monitoring requirement." FTC purchased a video cassette recorder and monitor which were then hooked to cable in the employee's home. FTC has requested our advance decision on whether it may expend its appropriations to reimburse the employee for the installation costs and monthly service charges associated with the cable service.

#### DISCUSSION

As a general matter, FTC's appropriations do not specifically provide for cable television costs, but do provide for "necessary expenses of the Federal Trade Commission." See, e.g., Pub. L. No. 101-515, 104 Stat. 2137 (FTC's fiscal year 1991 appropriation). We have held that appropriations for "necessary expenses" of an agency may be used for purposes not specifically set forth in the appropriations act if the expenses in question are for the direct support of the agency's mission. See 54 Comp. Gen. 1075, 1076 (1975); 27 Comp. Gen. 679, 681 (1948).

Costs associated with monitoring advertising on cable television would seem to satisfy the necessary expense rule since monitoring advertising is a principal function of FTC. Nonetheless, the costs of cable television installed in an employee's home would normally be considered the personal expense of the employee, and as such, not payable from appropriated funds. 63 Comp. Gen. 296 (1984). We have allowed exceptions, however, where there is clear and convincing evidence that the expenditure that would ordinarily be a personal expense primarily benefits the government. 68 Comp. Gen. 502, 505 (1989). For example, the Department of the Navy was authorized to use appropriated funds to reimburse a woman who was not a government employee for the cost of a physical examination required by Naval regulations in order for her to participate aboard ship in a Naval exercise as an official invitee. We concluded that the physical examination was primarily for the benefit of the government to minimize the possibility of having to divert the ship, on which she was a passenger, from its mission. 65 Comp. Gen. 677 (1986).

We are equally convinced that the cable television costs here primarily benefitted the government. Cable service was not available at FTC headquarters and the Commission determined that it could not fully monitor cable television advertising without having its own video cassette recorder and monitor hooked up outside the District of Columbia. We fully

recognize that the employee might also have benefitted from the cable service. However, FTC maintains that the cable television was for the "exclusive use" of FTC's monitoring requirement and indicated to us that steps were taken to minimize the employee's personal use of the service.

We conclude that FTC may use appropriated funds to reimburse an employee for the cost of installing cable television and associated monthly service charges.1/

*for Milton I. Rowan*  
Comptroller General  
of the United States

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1/ Since cable service is now available in the District of Columbia, FTC should at this point in time be able to monitor cable advertising at its headquarters.