**United States General Accounting Office** 

**GAO** 

Report to the Ranking Minority Member Subcommittee on the Legislative Branch Committee on Appropriations U.S. Senate

November 2001

# OLYMPIC GAMES

Costs to Plan and Stage the Games in the United States



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### Abbreviations

ACOG	Atlanta Committee for Olympic Games
APOC	Atlanta Paralympic Organizing Committee
GSA	General Services Administration
LAOOC	Los Angeles Olympic Organizing Committee
LPOC	Lake Placid Organizing Committee
OMB	Office of Management and Budget
SLOC	Salt Lake City Organizing Committee
USOC	U.S. Olympic Committee



## United States General Accounting Office Washington, D.C. 20548

November 8, 2001

The Honorable Robert F. Bennett Ranking Minority Member Subcommittee on the Legislative Branch Committee on Appropriations United States Senate

#### **Dear Senator Bennett:**

As we have reported in the past,<sup>1</sup> the federal government has provided and continues to provide significant funding and support to help plan and stage the Olympic Games and Paralympic Games<sup>2</sup> when held in the United States. To place such government support in perspective, you requested that we answer the following questions:

- What is the total direct cost of planning and staging the Olympic Games and Paralympic Games held in the United States and in other countries that have hosted the Games since 1980?
- What is the total amount of direct funding and support<sup>3</sup> provided by the various levels of government within the United States and in other countries for these events?
- How much of the federal funding and support was specifically designated by Congress<sup>4</sup> for Olympic-related purposes or approved by the federal agencies and provided through their normal funding procedures for each of the Games held in the United States?
- How does the total cost of the various Games compare with the various domestic and foreign governments' share of the cost?
- How do the government-sponsored Olympic-related projects and activities compare among the various Games?

<sup>&</sup>lt;sup>1</sup>Olympic Games: Federal Government Provides Significant Funding and Support (GAO/GGD-00-183, Sept. 8, 2000).

<sup>&</sup>lt;sup>2</sup>The Paralympic Games are for disabled athletes and, when held, are held immediately following the Olympic Games.

<sup>&</sup>lt;sup>3</sup>For the purpose of this report, "direct funding and support" means the funding and support that would not have been provided were it not for the Olympic and Paralympic Games.

<sup>&</sup>lt;sup>4</sup>These are federal funds and support identified for a specific Olympic-related purpose, as described in appropriations acts or committee reports accompanying those acts.

To meet your immediate need for information, we agreed to respond to these questions in two separate reports. This report addresses the first three questions listed above, as they pertain to the Olympic and Paralympic Games held in the United States. Specifically, this report identifies the reported total direct cost of planning and staging the Winter Olympic Games held in 1980 at Lake Placid, NY;<sup>5</sup> the Winter Olympic Games and Paralympic Games planned for 2002 at Salt Lake City, UT; the Summer Olympic Games held in 1984 at Los Angeles, CA; and the Summer Olympic Games and Paralympic Games held in 1996 at Atlanta, GA. This report also identifies, to the maximum extent possible, total direct government funding and support at the local, state, and federal levels in the United States for each of these games. Additionally, this report focuses on how the direct federal funding and support were used, and it identifies all of the reported federally sponsored projects and activities for each of the Games. Finally, this report identifies the federal funding and support specifically designated by Congress for Olympic-related purposes for each of the Games in the United States and the amount of federal funding and support approved by the federal agencies and provided through their normal funding procedures.

The second report will update the information presented herein and will respond to the last two questions you asked regarding the Games discussed in this report. Additionally, the second report will address all of your questions regarding the Olympic Winter Games held in 1988 at Calgary, Canada; and in 1994 at Lillehammer, Norway; the Olympic Summer Games held in 1992 at Barcelona, Spain; and in 2000 at Sydney, Australia. The second report will be issued in 2002.

<sup>&</sup>lt;sup>5</sup>The Paralympic Games were not a part of the 1980 Olympic Winter Games.

<sup>&</sup>lt;sup>6</sup>The Paralympic Games were not a part of the 1984 Olympic Summer Games.

Because there is no central source for all of the information you requested, we obtained cost data reported by the principal parties that funded and supported these events.<sup>7</sup> These parties included (1) applicable Olympic Games Organizing Committees, which are private organizations established by the host cities to plan and stage the Games; (2) state and local governments associated with the designated host cities for the Games; and (3) federal government agencies, through their various programs and activities. Our primary sources of information included (1) the Salt Lake City Organizing Committee (SLOC) officials, who are currently responsible for planning and staging the Games planned for 2002 at Salt Lake City, UT; (2) California and Utah state and local government officials, who are cognizant of their respective state and local governments' funding and support for the Games; and (3) federal officials at the Office of Management and Budget (OMB) and 24 other federal agencies that provided funding and support for the Olympic and Paralympic Games. The effort to identify federal funding and support was aided considerably by OMB's implementation of our past recommendation to provide a consolidated report of federal agency funding and support for the Olympic Games. Specifically, the President's 2002 Budget listed for the first time all federal Olympic spending in one table and identified the federal agencies and the amounts spent or planned to be spent for the 2002 Games in Salt Lake City. We began with these listed agencies and obtained the necessary supporting information to verify or update their reported figures.

Additionally, we relied upon other previously published information, including that reported (1) by us on federal funding and support and the

At the time of this review, federal, state, and local government and SLOC officials were reviewing their security-related concerns in light of the terrorist attacks of September 11, 2001, to determine whether additional federal funding and support would be needed to meet any additional security requirements. As reported to us by October 25, 2001, the General Services Administration requested \$800,000; U.S. Department of Agriculture, Office of Inspector General, requested \$344,000; Department of Justice requested \$1,378,000; and Department of Defense requested \$30 million for additional security requirements. But to date, only \$20 million of Defense's request had been approved. The SLOC finance director told us that SLOC currently did not plan on requesting additional federal funding or support. The Utah Public Safety Command Director told us that the Command planned to request an additional \$4.5 million in federal funding and additional military support to assist in local public safety activities. Because other federal agencies' plans were still under review and not all of the requests had been approved, we did not include these additional costs or government funding and support associated with the September 11, 2001, attacks in this report. The second report will include all reported approved additional costs.

<sup>&</sup>lt;sup>8</sup>The President's Budget as presented for Fiscal Year 2002 Analytical Perspectives, Budget of the United States Government, Executive Office of the President of the United States.

types of government-sponsored projects and activities for the 1984 Olympic and 1996 Olympic and Paralympic Games; (2) by Olympic Organizing Committees following the 1984 Olympic and 1996 Olympic and Paralympic Games, which reported the amount of the private-sector costs for each of the Games; and (3) by various federal agencies, congressional committees, and the Congressional Research Service, since 1980. We reviewed these reports and, to the extent possible, obtained and examined available supporting documentation, but we did not independently verify the data. We conducted our review from August 2001 to October 2001, in accordance with generally accepted government auditing standards. A more detailed description of our scope and methodology is included in appendix I.

### Results in Brief

Since 1980, the Winter and Summer Olympic and Paralympic Games hosted in the United States have increased in size and magnitude, as have the total direct costs to plan and stage the Games. According to federal and organizing committee officials, these costs were greatly affected by such factors as the type and size of the Games. Also, the Paralympic Games, when held in conjunction with the Olympic Games, increased the total costs of planning and staging the Games. The reported total direct costs to plan and stage the Games discussed in this report ranged from a low of \$363 million, in 2001 dollars, for the 1980 Winter Olympic Games held in Lake Placid, NY, to a high of more than \$2.4 billion for the 1996 Summer Olympic Games held in Atlanta, GA.<sup>9</sup>

Correspondingly, since 1980, the amount of funding and support provided by governments at the local, state, and federal levels has also increased. Based on the information available, state and local government funding of the direct costs for planning and staging the Games ranged from what was termed as a minimal amount (by the former Los Angeles Olympic Organizing Committee (LAOOC) Vice-President for Government Relations) for the 1984 Games at Los Angeles to a maximum of about \$225 million (12 percent of the total cost) for the planned 2002 Games at Salt Lake City. The reported total amount of direct federal government funding and support for these Games ranged from a low of about \$78 million of the total direct cost for the 1984 Games to a high of about \$342 million of the total direct cost for the planned 2002 Games. However, we also noted that although the total dollar amount of federal funding and support has increased since

<sup>&</sup>lt;sup>9</sup>All financial information presented in this report is in constant 2001 dollars.

1980, the total federal share of the reported total direct costs to plan and stage the Games has actually decreased. For example, the federal share of the total direct costs to plan and stage the 1980 Winter Olympic Games at Lake Placid was about 50 percent of the total direct costs, whereas the federal share for the planned 2002 Winter Olympic Games at Salt Lake City is currently estimated at 18 percent of the total direct costs. Similarly, the federal share of the 1984 Summer Olympic Games at Los Angeles was about 11 percent, whereas the federal share of the total direct cost for the 1996 Summer Olympic Games at Atlanta was 8 percent.

Generally, federal funding and support for the total direct costs of each of these Olympic Games was either specifically designated by Congress or approved by the federal agencies and provided through their normal funding procedures. Specifically, Congress designated \$96 million (53) percent of the federal funding and support) toward the 1980 Winter Games; \$206 million (59 percent of the federal funding and support) toward the planned 2002 Winter Games; \$76 million (98 percent of the federal funding and support) for the 1984 Summer Games; and \$86 million (45 percent of the federal funding and support) toward the 1996 Summer Games. The remaining amounts of federal funding and support, as mentioned above, for each of the Games were approved by the federal agencies and were provided through the agencies' normal funding procedures. With the exception of the 1980 Games, where the largest share of the direct federal funding and support (71 percent) was used to build and construct venues for sporting events and housing for athletes and coaches, the largest federal share for the other three Games was used or is expected to be used principally to provide safety- and security-related services—95 percent for the 1984 Games, 52 percent for the 1996 Games, and 54 percent for the planned 2002 Games.<sup>10</sup>

<sup>&</sup>lt;sup>10</sup>As mentioned earlier, the total amount to be spent for security-related purposes at the 2002 Games will increase as a result of the September 11, 2001, attacks.

### Background

The Olympic Games take place every 4 years, with the Winter and Summer Games alternating on a 2-year cycle. The Ted Stevens Olympic and Amateur Sports Act (Amateur Sports Act), 36 U.S.C.§ 220501 et seq., which was originally enacted in 1978 as the Amateur Sports Act, gives the U.S. Olympic Committee (USOC) exclusive jurisdiction over all matters pertaining to the participation of the United States in the Olympic Games, including the representation of the United States in such Games and the organization of the Games when held in the United States. The Amateur Sports Act was amended in 1998 to incorporate the Paralympic Games under the umbrella of USOC. Although organized separately, the 1996 Summer Olympic Games marked the first time the Paralympic Games were held in conjunction with the Olympic Games in the United States. On May 27, 1997, SLOC was awarded the rights to host the 2002 Winter Paralympic Games.

About \$363 Million Spent to Plan and Stage the 1980 Winter Olympic Games in Lake Placid Lake Placid, NY, a small village with a population of 3,500 at the time, served as the host city for the Winter Olympic Games in 1980. According to information compiled by a USOC official, 1,072 athletes from 37 countries participated in 38 skiing, skating, and sledding events at 6 venue locations for an audience of 517,000 people. At that time, the Paralympic Games were not held in conjunction with the Olympic Games. According to a Department of Commerce report following the Games, and as shown in figure 1, about \$363 million was spent on planning and staging these Games. 12 The Lake Placid Organizing Committee (LPOC) funded about \$121 million (33 percent) of the total cost. The State of New York provided about \$63 million (17 percent) for building and constructing venues, such as the alpine, cross-country, and biathlon skiing facilities in the Lake Placid area. In addition, the federal government provided about \$179 million (50 percent) in funding and support. According to the Department of Commerce report, of the \$179 million in federal funding and support, Congress specifically designated about \$96 million for Olympic-related projects, and the remaining approximately \$83 million was approved and provided through the normal funding procedures of the departments of

 $<sup>{</sup>m ^{II}}$ USOC is a federally chartered private organization that is primarily responsible for coordinating and developing amateur athletic activities in the United States.

<sup>&</sup>lt;sup>12</sup>Final Report: Olympic Winter Games Authorization Act of 1976, September 1, 1980, to December 31, 1982, U.S. Department of Commerce, Economic Development Administration.

Defense, Transportation, Commerce, Energy, the Interior, and Justice. Collectively, the departments of Commerce and the Interior provided about \$102 million (57 percent) of the total federal expenditures.

Federal government \$179 million

New York State \$63 million

Lake Placid Organizing Committee \$121 million

Figure 1: Total Direct Cost for Projects and Activities Related to Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY

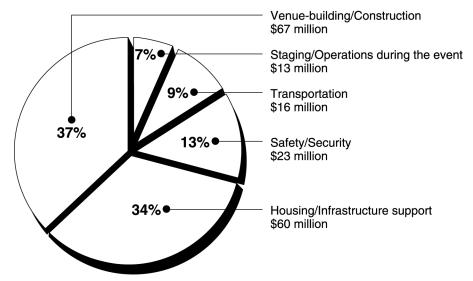
Total = \$363 million in 2001 dollars.

Source: U.S. Department of Commerce, Economic Development Administration.

As shown in figure 2, federal funding and support for the Games, or about \$127 million (71 percent of the federal share), was used for venue construction (37 percent) and housing for the athletes (34 percent). Specifically, the federal government helped finance the ski jumps, speed skating oval, skating arena, winter sports arena, luge run, parking facilities, dressing rooms, and storage facilities. The federal government also provided housing and infrastructure support projects for the athletes, trainers, and coaches, such as the temporary and permanent buildings erected on a 55-acre site near Lake Placid used to house the athletes participating in the Games. These facilities were also used for security operations. The remaining direct federal funding and support were used for safety- and security-related activities, which accounted for about \$23 million (13 percent); transportation projects, such as highway, airport, and

railway improvements, which accounted for about \$16 million (9 percent); and staging-and-operations activities during the Olympic events, which accounted for about \$13 million (7 percent). Appendix II lists the specific federally sponsored Olympic-related projects and activities and the amounts of federal funding and support for each.

Figure 2: Federal Government's Total Direct Cost for Projects and Activities Related to Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY



Total = \$179 million in 2001 dollars.

Source: U.S. Department of Commerce, Economic Development Administration.

Excluding Additional Security Requirements Brought About by the September 11, 2001, Terrorist Attacks, Planning and Staging Costs for the 2002 Winter Olympic and Paralympic Games Are Estimated at \$1.9 Billion In February 2002, according to SLOC officials, Salt Lake City will become the largest city to host the Winter Olympic Games and will also become the host of the largest Winter Olympic Games held to date. SLOC officials expect that this city, with a population of approximately 1.5 million people, will host 3,500 Olympic athletes participating in 70 sporting events at 10 venues. Additionally, SLOC officials expect 1,100 Paralympic athletes to participate in 34 sporting events at 10 venues. As of July 31, 2001, the total direct cost for projects and activities related to planning and staging the 2002 Winter Olympic Games in Salt Lake City is estimated at \$1.9 billion.

As shown in figure 3, SLOC plans to fund about \$1.3 billion (70 percent). Additionally, Utah state officials working with SLOC report that Utah state agencies and institutions are planning to provide about \$150 million (8 percent) and the Salt Lake City local government is planning to provide about \$75 million (4 percent) for such projects as roads and bus systems directly related to supporting the Games. Finally, of the \$1.9 billion, it is estimated that the federal government will provide approximately \$342 million (18 percent) of the total direct cost for planning and staging the Games. <sup>13</sup>

<sup>&</sup>lt;sup>13</sup>As we reported in September 2000, approximately \$1.1 billion in additional federal funding and support had been provided or was planned to be provided indirectly for the 2002 Olympic and Paralympic Games. This funding and support was used or was planned to be used for such projects as highways, transit systems, and other capital improvements. According to federal and state officials, these projects would eventually have been undertaken regardless of the Olympic Games, but they were prioritized or accelerated so that they could be completed in time for the Games.

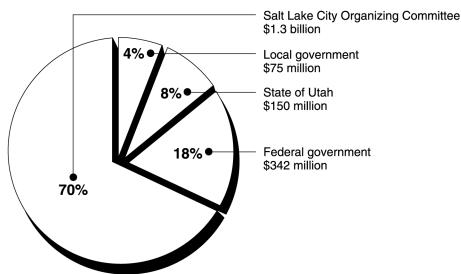


Figure 3: Total Direct Cost for Planning and Staging the 2002 Winter Olympic and Paralympic Games in Salt Lake City, UT

Total = \$1.9 billion in 2001 dollars.

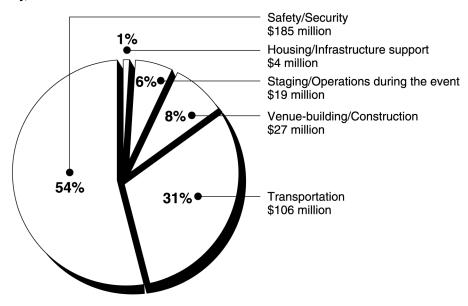
Source: Salt Lake Organizing Committee, OMB, and various other federal agencies.

Specifically, 18 federal agencies reported that they have provided or plan to provide an estimated \$342 million in funding and support for projects and activities directly related to the planned 2002 Games. Of the \$342 million in federal funding and support provided or planned for the 2002 Games, Congress had specifically designated about \$208 million (61 percent) for specific Olympic-related projects and activities. About \$134 million (39 percent) was approved by the agencies and provided through their normal funding procedures.

As shown in figure 4, the federal government's involvement includes safety-and security-related activities, transportation, housing and infrastructure support, venue building and construction, and staging operations during the Games. In total, not including additional security costs that may be incurred as a result of the terrorist attacks of September 11, 2001, the federal government plans to spend about \$185 million on safety- and security-related activities. Such activities range from venue perimeter security projects and activities during the Games themselves to heightened security-related activities of individual agencies necessitated by the Games.

For example, the General Services Administration (GSA) plans to spend about \$1.6 million to protect its facilities during the Games. These are funds that GSA would not have had to spend were it not for the Olympic Games. The next largest amount of federal funding and support is about \$106 million for transportation projects. The Department of Transportation plans to spend this amount in part to provide a temporary spectator transportation system. This system will consist of Salt Lake City transit buses and drivers and borrowed transit buses and drivers from other cities across the United States, bus maintenance, construction and operation of park-and-ride lots, and loading and unloading facilities. In addition, the Department of Transportation is planning to provide an additional \$25 million, of the total \$27 million allocated for venue construction, to support the building and construction of access roads to certain venues for the Games. An estimated \$19 million in federal funds is also being provided to support staging-and-operations activities during the Games. The Department of Housing and Urban Development is providing an estimated \$4 million for Salt Lake City redevelopment projects and temporary housing for the athletes participating in the Games. Appendix III lists the specific federally sponsored Olympic-related projects and activities and the amounts of federal funding and support for each.

Figure 4: Federal Government's Total Direct Cost for Projects and Activities Related to Planning and Staging the 2002 Winter Olympic and Paralympic Games in Salt Lake City, UT



Total = \$342 million in 2001 dollars.

Source: OMB and various other federal agencies.

Total Direct Cost and Government Funding and Support for Planning and Staging the 1984 Summer Olympic Games in Los Angeles Los Angeles, then a metropolis of more than 11 million people, hosted the 1984 Olympic Games. According to information compiled by a USOC official, about 7,078 athletes from 140 nations participated in 221 sporting events at 27 venues for an audience of an estimated 8 million visitors to the Olympic Games. At that time, the Paralympic Games were not held along with the Olympic Games. As shown in figure 5, the reported total direct cost to plan and stage the 1984 Games was approximately \$707 million. Of this amount, LAOOC reported providing about \$629 million (89 percent) of the total direct cost for the Games. The remaining approximately \$78 million of the total direct cost for planning and staging the Games, as we reported in September 2000, was provided by the federal government through the departments of Agriculture, Commerce, Defense, Justice, State, Transportation, Health and Human Services, the Treasury, and Veterans Affairs, as well as the Federal Communications Commission and the U.S. Information Agency.

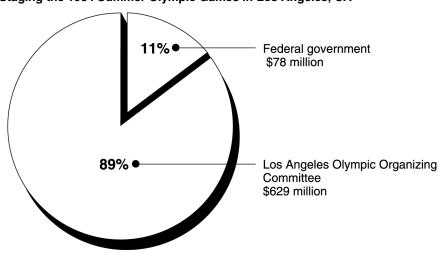


Figure 5: Total Direct Cost for Projects and Activities Related to Planning and Staging the 1984 Summer Olympic Games in Los Angeles, CA

Total = \$707 million in 2001 dollars.

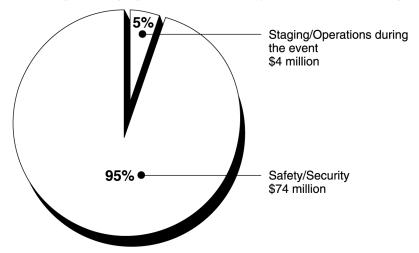
Source: OMB and various other federal agencies.

Although data on California and Los Angeles government funding and support for the 1984 Games were not available, according to the former LAOOC Vice-President for Government Relations for the 1984 Games, state and local funding was minimal. According to this official, Los Angeles voters passed a charter amendment in November 1978 prohibiting any capital expenditure by the city on the Olympic Games that would not, by binding commitment, be reimbursed. As noted in our September 2000 report, Los Angeles city officials believed that the host cities for Olympic Games held before 1984 often overextended themselves by trying to complete state-of-the-art Olympic venues and related capital improvement projects. Such actions, in their view, pushed those host cities into debt that remained long after the Games. As a result, city officials decided that they (1) would not undertake any new construction or capital improvements specifically for the Olympic Games and (2) would encourage spectators to use the transit or bus systems in place at the time or simply to drive their cars to the events.

Figure 5 also shows that the approximately \$78 million in federal funding and support represented about 11 percent of the total cost for projects and

activities related to the Games. As shown in figure 6, about \$74 million of the federal expenditures was used to support safety- and security-related activities for the Games. The remaining \$4 million was used for staging-and-operations activities during the events. Of the \$78 million total, Congress specifically designated about \$76 million for mostly security-related projects and activities, and \$2 million (3 percent) was approved by the federal agencies and provided through their normal funding procedures. Appendix IV lists the specific federally sponsored Olympic-related projects and activities and the amounts of federal funding and support for each.

Figure 6: Federal Government's Total Direct Cost for Projects and Activities Related to Planning and Staging the 1984 Summer Olympic Games in Los Angeles, CA



Total = \$78 million in 2001 dollars.

Source: OMB and various other federal agencies.

Total Direct Cost and Government Funding and Support for Planning and Staging the 1996 Summer Olympic and Paralympic Games in Atlanta, GA Atlanta, GA, is a large metropolitan area that had a population of more than 3.4 million in 1996 when it served as the host city for the Summer Olympic Games. According to information compiled by a USOC official, about 10,332 Olympic athletes from 197 countries participated in 271 sporting events at 29 venues, for an audience estimated at 8.3 million people. Also, 3,310 Paralympic athletes from 104 countries participated in sporting events at 16 venues. As shown in figure 7, the total direct cost for planning and staging these Games was about \$2.4 billion. According to the information compiled by SLOC officials, of the \$2.4 billion, the Atlanta Committee for Olympic Games (ACOG) and the Atlanta Paralympic Organizing Committee (APOC) contributed nearly \$2 billion (82 percent) for the 1996 Games. ACOG- and APOC-funded projects and activities included transportation, safety and security, Paralympic operations, temporary and permanent facilities, and telecommunications. According to information from SLOC, local governments where the various venues were located during the Games contributed about \$234 million (10 percent), which was used to help construct some of the facilities used to support the Games. 14 The federal government's share of the total cost to plan and stage the event, as we reported in our September 2000 report, was about \$193 million, or 8 percent of the approximately \$2.4 billion in total direct costs.15

<sup>&</sup>lt;sup>14</sup>Data on state funding and support were not available at the time of this review.

<sup>&</sup>lt;sup>15</sup>As we reported in September 2000, approximately \$443 million in additional federal funding and support had been provided indirectly for the 1996 Olympic and Paralympic Games. This funding and support were used for such projects as highways, transit systems, and other capital improvements. According to federal and state officials, these projects would eventually have been undertaken regardless of the Olympic Games, but they were prioritized or accelerated so that they could be completed in time for the Games.

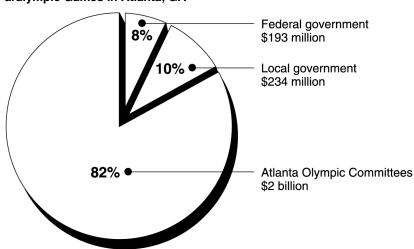


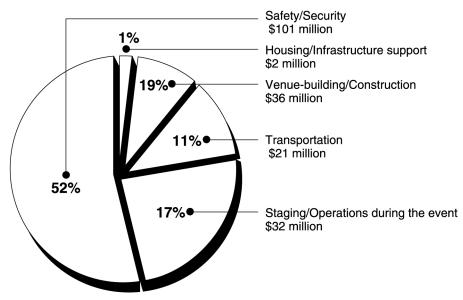
Figure 7: Total Direct Cost for Planning and Staging the 1996 Summer Olympic and Paralympic Games in Atlanta, GA

Total = \$2.4 billion in 2001 dollars.

Of the approximately \$193 million provided by the federal government, \$86 million (45 percent) was specifically designated by Congress for Olympicrelated projects and activities and \$106 million (55 percent) was approved by the agencies and provided through their normal funding procedures. Similar to previous Olympic Games, ensuring adequate safety and security was a primary concern of federal officials at the Games in Atlanta. As shown in figure 8, safety- and security-related projects related to the Games represented about \$101 million (52 percent) of the federal government's total direct cost. The federal agencies providing safety- and securityrelated funding and support included the departments of Agriculture, Defense, Health and Human Services, the Interior, Justice, State, Transportation, the Treasury, and Veterans Affairs. Funding and support was also provided by the Corporation for National and Community Services, the Federal Emergency Management Agency, the Federal Executive Board, and the Environmental Protection Agency. About \$68 million (36 percent) of the \$193 million in federal expenditures was used for venue construction and staging operations during the Olympic events. For example, approximately \$18 million was used to construct the Whitewater Rapids Venue, and approximately \$5 million was used for the pre-trial and Olympic Whitewater Rapids events operations during the Games. Transportation represented about \$21 million (11 percent) of the

federal funds expended on the Games, housing and infrastructure projects represented \$2 million (1 percent), and venue construction represented about \$36 million (19 percent).

Figure 8: Federal Government's Total Direct Cost for Projects and Activities Related to Planning and Staging the 1996 Summer Olympic and Paralympic Games in Atlanta, GA



Total = \$193 million in 2001 dollars.

Source: OMB and various other federal agencies.

# Agency Comments and Our Evaluation

We provided copies of a draft of this report to the heads of OMB, SLOC, and USOC and to former officials of LAOOC for their review and comments. Additionally, for their review and comments, we provided to each of the federal agencies listed in Appendix III copies of a draft of their reported figures regarding (1) the amount of federal funding and support and (2) the applicable projects and activities for the planned 2002 Olympic and Paralympic Games at Salt Lake City, UT. We received oral comments from agency-designated officials or audit liaisons at OMB and most of the federal agencies, and from the former LAOOC Vice-President for Government Relations. Generally these officials had no comments, or they provided

technical changes—to correct the reported amounts of federal funding and support provided for the Olympic Games, or to improve clarity—which were made where appropriate.

We also received written comments from the president and chief executive officer of SLOC, which generally agreed with our report. Briefly, he stated that our report accurately reflected the growth of the Olympic and Paralympic Games during the past 20 years and pointed out that the increase in the federal government's share of the cost occurred in traditional areas of government functions, security and transportation, while federal expenditure on nongovernment functions, such as venue construction, had significantly decreased. He also cited two significant factors, outside the scope of our work, that contributed to the growth in cost: the technological advances in measuring and in broadcasting the results of the competitions. Finally, he explained that one of his top priorities is to help reverse the trend of the Games to be "bigger and better" than those before, and that he plans to make a series of recommendations to the International Olympic Committee president on reducing the scope and controlling the growth in cost for future Olympic Games.

Unless you publicly announce the contents of this report earlier, we plan no further distribution of it until 15 days from the date of this report. We will then send copies of this report to Senator Robert C. Byrd, Chairman of the Senate Committee on Appropriations; Ted Stevens, Ranking Minority Member, Senate Committee on Appropriations; and C. W. Bill Young, Chairman, and David R. Obey, Ranking Minority Member, of the House Committee on Appropriations. We are also sending copies to Senators Fritz Hollings, Chairman, and John McCain, Ranking Minority Member, of the Senate Committee on Commerce, Science and Transportation; and Representatives W. J. Billy Tauzin, Chairman, and John D. Dingell, Ranking Minority Member, of the House Committee on Energy and Commerce. We are also sending copies of this report to Senator Orrin Hatch and Representatives James V. Hansen, Jim Matheson, and Christopher Cannon, of Utah. Copies of this report will also be sent to the Director of OMB; the secretaries of the departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, the Interior, Housing and Urban Development, Labor, State, Transportation, the Treasury, and Veterans Affairs; and the Attorney General. We are also sending copies to the heads of the Environmental Protection Agency, Federal Communications Commission, Federal Emergency Management Agency, General Services Administration, and Tennessee Valley Authority; and to

the Postmaster General. We will also make copies available to others upon request.  $\,$ 

Major contributors to this report included Sherrill Johnson, Michael Rives, Frederick Lyles, Melvin Horne, and Michael Yacura. If you have any questions, please contact me at (202) 512-8387 or <a href="majorusetions.gov">ungarb@gao.gov</a>.

Sincerely yours,

Bernard L. Ungar

Director, Physical Infrastructure Issues

Benod & Mayor

## Objectives, Scope, and Methodology

As discussed in this report, the objectives of this assignment were to determine:

- the total direct cost of planning and staging the Winter Olympic Games held in 1980 at Lake Placid, NY; and the Winter Olympic Games and Paralympic Games planned for 2002 at Salt Lake City, UT; the Summer Olympic Games held in 1984 at Los Angeles, CA; and the Summer Olympic Games and Paralympic Games held in 1996 at Atlanta, GA;
- the total direct government funding and support at the local, state, and federal levels, where available, for each of these Games; how the federal funding and support were used; a complete roster of all the reported projects and activities for each of the Games; and
- the amount of federal funds and support specifically designated by Congress for Olympic-related purposes, and the amount of federal funding and support approved by the agencies and provided through their normal funding procedures for each of these Games.

To respond to the first objective, because there is no central source for the needed information, we obtained data on the costs incurred by the principal parties that funded and supported these events. These parties included (1) applicable Olympic Games Organizing Committees that are private organizations established by the host cities to plan and stage the Games; (2) state and local governments associated with the designated host cities for the Games; and (3) federal government agencies.

Our primary sources of information included:

- Salt Lake City Organizing Committee (SLOC) officials, who are currently responsible for planning and staging the Games planned for 2002 at Salt Lake City, and Olympic organizing committee reports following the 1984 Olympics and the 1996 Olympic Games and Paralympic Games, which provided financial statements showing the total amount of the privatesector costs for each of the Games;
- Utah and California state and local government officials cognizant of their respective state and local governments' funding and support for the Games held in Salt Lake City and in Los Angeles; and

Department of Commerce report published in 1982 after the 1980 Winter Olympic Games; our previously published report regarding federal funding and support for the 1984 Olympics and the 1996 Summer Olympic and Paralympic Games; and OMB and 22 federal organizations, including the U.S. Postal Service, for the planned 2002 Winter Olympic and Paralympic Games at Salt Lake City.<sup>1</sup>

#### The federal agencies included the

- Department of Agriculture,
- Department of Commerce,
- Department of Defense,
- Department of Education,
- Department of Energy,
- Department of Health and Human Services,
- Department of Housing and Urban Development,
- Department of the Interior,
- Department of Justice,
- Department of Labor,
- Department of State,
- Department of Transportation,
- Department of the Treasury,
- Department of Veterans Affairs,
- Environmental Protection Agency,
- Federal Communications Commission,
- Federal Emergency Management Agency,
- Federal Executive Board,
- General Services Administration,
- National Aeronautics and Space Administration,
- · Social Security Administration, and
- U.S. Postal Service.

To respond to the second objective, we also contacted state and local government officials associated with the designated host city for the Games, and we made inquiries of the 22 federal organizations listed above. The effort to identify federal funding and support was aided considerably

<sup>&</sup>lt;sup>1</sup>Of the 22 federal agencies, four federal agencies (Department of Labor, Federal Executive Board, National Aeronautics and Space Administration, and the Social Security Administration) reported providing no funding or support for the 2002 Winter Olympic and Paralymic Games.

Appendix I Objectives, Scope, and Methodology

by OMB's implementation of our past recommendation to require a consolidated reporting of federal agency funding and support for the Olympic Games. Specifically, the President's 2002 Budget listed for the first time all federal Olympic spending in one table, which identified the federal agencies and the amounts spent or planned to be spent for the 2002 Games in Salt Lake City. We began with these listed agencies and obtained the necessary supporting information to verify or update their reported figures. We relied upon the agency officials' reports of (1) funding and support, and (2) projects and activities directly related to planning and staging the Olympic Games or Paralympic Games.

To respond to the third objective, we relied upon information we and other agencies previously reported pertaining to the amount of congressionally designated and agency-approved federal funding and support for the Games held in 1980 at Lake Placid, NY; in 1984 at Los Angeles, CA; and in 1996 at Atlanta, GA. We depended upon the agencies to update the amount of congressionally designated and agency-approved federal funding and support, and to report this information to us for the planned 2002 Games at Salt Lake City, UT.

At each agency we obtained, to the extent possible, supporting information for (1) the agency's reported federal funding and support, and (2) the agency's identification and description of its Olympic-related projects and activities. The figures reported by the agencies for the planned 2002 Games at Salt Lake City, UT, included all funding and support as of July 31, 2001. We did not independently verify the data but relied upon each agency to make its own determination as to (1) the funding and support, and (2) the project or activity's direct relationship to planning and staging the Olympic and Paralympic Games. We conducted our review from August 2001 to October 2001, in accordance with generally accepted government auditing standards.

# Direct Federal Funding and Support for Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY

2001 Dollars in thousands							_
	Project or ac	tivity					_
		Safety/		Transportation			
Federal orgranization	Description of project or activity	Expenditure	Designated by Congress <sup>a</sup>	Expenditure		Designated by Congress <sup>a</sup>	
Department of Defense		\$23,43	8	0		0	0
	Security manpower (National Guard, Medical, etc.), equipment and temporary facilities	23,43	8	0		0	0
<b>Department of Transportation</b>			0	0	\$11,52	3	0
Federal Highway Administration	Grants to New York State for roads		0	0	9,37	5	0
Federal Aviation Administration	Grants to New York State for airports		0	0	2,14	8	0
Department of the Interior			0	0		0	0
Bureau of Outdoor Recreation	Grants to New York State for Whiteface Mountain ski trails, lifts, and lodge facilities		0	0		0	0
<b>Department of Commerce</b>			0	0	4,01	6 \$4,0	16
Economic Development Administration	EDA grant for railroad project		0	0	3,21	3 3,2	13
EDA-funded facilities/Services	Project management	0		0		0	0
	Speed skating oval		0	0		0	0
	New field house		0	0		0	0
	Existing arena modifications		0	0		0	0
	Administration building		0	0		0	0
	Ski jumps		0	0		0	0
	Luge run		0	0		0	0
	Parking		0	0	80	3 8	03
	Increased electrical power		0	0		0	0
	Sanitary and water facilities		0	0		0	0
	Temporary and miscellaneous facilities	0		0		0	0
	Temporary athletes' housing at BOP facilities	0		0		0	0
	Temporary support housing		0	0		0	0
	Opening ceremonies facilities		0	0		0	0
	Furnishings		0	0		0	0

Appendix II Direct Federal Funding and Support for Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY

al funds	Total Federa	event	Staging the event		Venue construction		Housing/Infrastructure support	
Designated b	Expenditure	Designated by Congress <sup>a</sup>	[ Expenditure	Designated by Congress <sup>a</sup>	[ Expenditure	esignated by Congress <sup>a</sup>	D Expenditure	
	\$23,438	0	0	0	0	0	0	
	23,438	0	0	0	0	0	0	
	11,523	0	0	0	0	0	0	
	9,375	0	0	0	0	0	0	
	2,148	0	0	0	0	0	0	
	6,250	0	0	0	\$6,250	0	0	
	6,250	0	0	0	6,250	0	0	
\$95,88	95,889	\$13,475	\$13,475	\$60,893	60,893	\$17,506	\$17,506	
3,21	3,213	0	0	0	0	0	0	
9,39	9,398	9,398	9,398	0	0	0	0	
5,08	5,084	0	0	5,084	5,084	0	0	
27,45	27,459	0	0	27,459	27,459	0	0	
7,12	7,125	0	0	7,125	7,125	0	0	
1,21	1,217	0	0	1,217	1,217	0	0	
9,90	9,904	0	0	9,904	9,904	0	0	
10,10	10,104	0	0	10,104	10,104	0	0	
80	803	0	0	0	0	0	0	
3,57	3,576	3,576	3,576	0	0	0	0	
50	500	500	500	0	0	0	0	
6,14	6,145	0	0	0	0	6,145	6,145	
7,02	7,027	0	0	0	0	7,027	7,027	
2,85	2,852	0	0	0	0	2,852	2,852	
1,03	1,035	0	0	0	0	1,035	1,035	
44	447	0	0	0	0	447	447	

Appendix II Direct Federal Funding and Support for Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY

2001 Dollars in thousands

### Project or activity

		Safety	/Security	Transportation		
Federal orgranization	Description of project or activity	Expenditure	Designated by Congress <sup>a</sup>	Expenditu	Designated by re Congress <sup>a</sup>	ĺ
Department of Justice			0	0	0	0
Bureau of Prisons Funded Facilities/Services	Project management		0	0	0	0
	Athletes housing		0	0	0	0
Department of Energy			0	0	0	0
	Load management, equipment installed at athletes housing		0	0	0	0
Totals		\$23,4	38	0 \$15	,539 \$4	,016

Appendix II Direct Federal Funding and Support for Planning and Staging the 1980 Winter Olympic Games in Lake Placid, NY

Housing/Infra suppo		Venue consti	Venue construction		Staging the event		al funds
Expenditure	Designated by Congress <sup>a</sup>	[ Expenditure	Designated by Congress <sup>a</sup>	Expenditure	Designated by Congress <sup>a</sup>	Expenditure	Designated by Congress
40,754	0	0	0	0	0	\$40,754	0
4,379	0	0	0	0	0	4,379	0
36,375	0	0	0	0	0	36,375	0
1,383	0	0	0	0	0	1,383	0
1,383	0	0	0	0	0	1,383	0
\$59,643	\$17,506	\$67,143	\$60,893	\$13,475	\$13,475	\$179,236	\$95,889

Note: 1980 dollars were converted to 2001 dollars by dividing 1980 dollars by 0.5120, a conversion factor derived from chain-type price indexes for gross domestic product.

Totals may not add due to rounding.

Source: GAO analysis of data provided by officials from OMB and the listed federal organizations.

<sup>&</sup>lt;sup>e</sup>"Designated by Congress" refers to funds that were specifically designated for an Olympic-related purpose in appropriations acts or committee reports accompanying those acts.

2001 Dollars in	tnousanas	

Project or activity									
		Safety/Sec	curity	Transport	ation				
Federal organization	Description of project or activity	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress				
Department of Agriculture		\$1,841	\$1,300	0					
U.S. Forest Service	Team, projects, and event	0	0	0	(				
	Security	1,300	1,300	0	(				
Animal and Plant Health Inspection Service	Estimated security counter- measures for identified primary targeted facilities, including security assessment, travel and per diem, physical security, salaries, and benefits	541	0	0	(				
Department of Commerce		0	0	0	(				
National Oceanic and Atmospheric Administration	Weather forecasting service	0	0	0	(				
Department of Defense		24,242	24,242	0					
Joint Task Force - Olympics (JTF-O)	Provide security	24,242	24,242	0	(				
Department of Education	Paralympics	0	0	0					
Department of Energy		3,733	0	0					
Department of Health and Human Services		9,910	0	0					
Centers for Disease Control and Prevention	Safety- and security-related services	2,007	0	0	(				
Food and Drug Administration	Safety- and security-related services	624	0	0	(				
Office of Emergency Preparedness	Safety- and security-related services	7,279	0	0	(				
Department of Housing and Urban Development		0	0	0	(				
U.S. Department of HUD - Utah State Office	Redevelopment of the Gateway District	0	0	0	(				
	Housing infrastructure improvements for the Olympics and Paralympics	0	0	0	(				
	Temporary housing necessary for the 2002 Olympics to be held in Salt Lake City	0	0	0	(				
	Jefferson Street Apartments land purchase	0	0	0	(				

support	support		ruction Staging the e		event	Total federal funding <sup>ab</sup>	
Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress
0	0	0	0	\$7,841	0	\$9,682	\$1,300
0	0	0	0	7,841	0	7,841	(
0	0	0	0	0	0	1,300	1,300
0	0	0	0	0	0	541	(
0	0	0	0	214	\$96	214	96
0	0	0	0	214	96	214	96
0	0	0	0	0	0	24,242	24,242
0	0	0	0	0	0	24,242	24,242
0	0	0	0	914	914	914	914
0	0	0	0	0	0	3,733	(
0	0	0	0	0	0	9,910	(
0	0	0	0	0	0	2,007	(
0	0	0	0	0	0	624	(
0	0	0	0	0	0	7,279	(
\$4,446	\$4,000	0	0	0	0	4,446	4,000
925	1,000	0	0	0	0	925	1,000
925	1,000	0	0	0	0	925	1,000
1,996	2,000	0	0	0	0	1,996	2,000
600	0	0	0	0	0	600	(

2001 Dollars in thousands

### **Project or activity**

		Safety/Security		Transportation	
Federal organization	Description of project or activity	Designated Planned/ by Expenditure Congress <sup>c</sup>		Planned/ Expenditure	Designated by Congress <sup>c</sup>
Department of the Interior		\$1,875	\$1,807	0	0
National Park Service	Olympic venue perimeter security	1,300	1,300	0	0
	Olympic planning and coordination	0	0	0	0
	Park units enhanced operations	0	0	0	0
	Visitor information services	0	0	0	0
Bureau of Land Management	Utah State Office	0	0	0	0
	National Law Enforcement Office. This funding will be used to cover expenses for a contingent of 25 BLM law enforcement officers working at the 2002 Winter Olympics	312	312	0	0
Bureau of Land Management - Utah	Visitor information: brochure reprint interpretive information, public land education, resource protection	0	0	0	0
	Media information: press kit, B-roll, information DVD, photo CD, media center space	0	0	0	0
	Wild Horse and Burro Information: Olympic horse adoption, WH&B information printing	0	0	0	0
U.S. Fish and Wildlife Service	Security - operational and perimeter security	195	195	0	0
U.S. Geological Survey	Revision of twenty-eight 7.5-minute maps	0	0	0	0
Bureau of Reclamation - Upper Colorado Region	America's Public Lands exhibit at visitor center and staff development time	0	0	0	0
	Staffing during event - February 2002	0	0	0	0
	Site security, security training, site security upgrades, security liaison	68	0	0	0
Department of Justice		48,684	32,047	0	0
	Law enforcement personnel aiding Secret Service	4,891	4,891	0	0
Community Relations Service	Assess and resolve racial tension associated with protest	55	0	0	0

Housing/Infrastructure support		Venue construction		Staging the	Staging the event		Total federal funding <sup>ab</sup>	
/ :	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress	
)	0	0	0	\$2,684	0	\$4,559	\$1,807	
)	0	0	0	0	0	1,300	1,300	
)	0	0	0	255	0	255	C	
)	0	0	0	200	0	200	C	
)	0	0	0	538	0	538	C	
)	0	0	0	150	0	150	C	
)	0	0	0	0	0	312	312	
)	0	0	0	261	0	261	C	
)	0	0	0	70	0	70	C	
)	0	0	0	30	0	30	C	
)	0	0	0	0	0	195	195	
)	0	0	0	1,100	0	1,100	C	
)		0		70	0	70	C	
)	0	0	0	10	0	10	C	
)	0	0	0	0	0	68	C	
)	0	0	0	0	0	48,684	32,047	
)	0	0	0	0	0	4,891	4,891	
)	0	0	0	0	0	55	C	

2001 Dollars in thousands

### Project or activity

		Safety/Security		Transportation	
			Designated		Designated
Federal organization	Description of project or activity	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	by Congress <sup>c</sup>
Federal Bureau of Investigation	Training exercises, travel, vehicle lease, utilities, etc.	\$22,790	\$12,302	0	0
Immigration and Naturalization Service	Security preparations	2,819	1,000	0	0
Office of Justice Programs	Assist with implementing a master safety plan	6,899	3,854	0	0
Executive Office of U.S. Attorneys	Salary and other costs for staff assigned to Olympics	1,056	0	0	0
INTERPOL	Security and planning	18	0	0	0
Criminal Division	Security	156	0	0	0
Office of Community Oriented Policing	Grant to UCAN to upgrade security and communication	10,000	10,000	0	0
Department of State		3,075	0	0	0
	Diplomatic security: Department of State will assist in providing protective security details to foreign dignitaries below the Head of State level, as well as establishing a diplomatic security presence in Salt Lake City.	1,550	0	0	0
	Consular affairs: development of an Olympic visa information database to facilitate processing Olympic participants into the country	1,525	0	0	0
	Education and cultural affairs: grants for the Special Olympics and Paralympic youth games	0	0	0	0
Department of Transportation		1,761	0	\$106,462	68,846
Federal Highway Administration	Snowbasin Trappers Loop Road	0	0	0	0
	Utah Winter Sports Park Road	0	0	0	0
	Soldier Hollow Road - Project 1	0	0	0	0
	Soldier Hollow Road - Project 2	0	0	0	0
	Intelligent Transportation System	0	0	0	0

unding <sup>ab</sup>	Total federal fu	event	Staging the	uction	Venue constr	lousing/Infrastructure support	
Designated	Total loadia le	Designated	oluging the	Designated	vonac conon	Designated	Сарроп
by Congress	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ expenditure
\$12,302	\$22,790	0	0	0	0	0	0
1,000	2,819	0	0	0	0	0	0
3,854	6,899	0	0	0	0	0	0
(	1,056	0	0	0	0	0	0
(	18	0	0	0	0	0	0
	156	0	0	0	0	0	0
10,000	10,000	0	0	0	0	0	0
(	5,075	0	2,000	0	0	0	0
	1,550	0	0	0	0	0	0
(	1,525	0	0	0	0	0	0
(	2,000	0	2,000	0	0	0	0
86,05 <sup>-</sup>	133,479	0	0	17,205	25,256	0	0
15,618	15,000	0	0	15,618	15,000	0	0
, (	4,631	0	0	0	4,631	0	0
(	483	0	0	0	483	0	0
	3,555	0	0	0	3,555	0	0
1,58	1,587	0	0	1,587	1,587	0	0

2001 Dollars in thousands

#### **Project or activity**

		Safety/Se	curity	Transport	tation
Federal organization	Description of project or activity	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>
	Olympic Transportation Planning (\$1.4 million of these funds were used for two temporary park-and-ride lots)	0	0	\$8,977	\$8,846
Federal Aviation Administration	Temporary RTRs: communications facilities in venue areas east of mountains	0	0	615	0
	Aviation Security Operations Center - (joint operations with UOPSC, Customs, USSS)	\$335	0	0	0
	Provo ASR - temporary radar	0	0	1,393	0
	Automation upgrades at Salt Lake TRACON	0	0	83	0
	Telecommunications support additional circuits required	0	0	315	0
	Temporary air traffic control towers at outlying airports	0	0	408	0
	Physical security upgrades to FAA facilities	798	0	0	0
	ALSF 2 - Salt Lake Int'l Airport approach lighting system	0	0	2,800	0
	Olympic Aviation System Plan; grant to Wasatch Front Regional Council for development of Olympic Planning Study (airports)	0	0	200	0
	Olympic program management to include Olympics Program Manager	0	0	1,183	0
	Air Traffic headquarters: advanced lodging costs	0	0	339	0
	Air Traffic - Northwest Mountain Region	0	0	577	0
	Airway facilities	0	0	1,441	0

Housing/Infras suppor		Venue const	ruction	Staging the	event	Total federal for	unding <sup>ab</sup>
• •	Designated		Designated		Designated		Designated
Planned/ expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	by Congress°	Planned/ Expenditure	by Congress
0	0	0	0	0	0	\$8,977	\$8,846
0	0	0	0	0	0	615	C
0	0	0	0	0	0	335	C
0	0	0	0	0	0	1,393	(
0	0	0	0	0	0	83	C
0	0	0	0	0	0	315	C
0	0	0	0	0	0	408	C
0	0	0	0	0	0	798	C
0	0	0	0	0	0	2,800	C
0	0	0	0	0	0	200	C
0	0	0	0	0	0	1,183	C
0	0	0	0	0	0	339	C
0	0	0	0	0	0	577	(
0	0	0	0	0	0	1,441	C

2001 Dollars in thousands

# Project or activity

		Safety/Sec	curity	Transpo	rtation
			Designated		Designated
Federal organization	Description of project or activity	Planned/ Expenditure	by Congress <sup>c</sup>	Planned/ Expenditure	
	Flight Standards	0	0	\$626	0
	Logistics	0	0	50	0
	Aviation systems and standards (flight procedures)	0	0	89	0
	Airports	0	0	19	0
	Security	\$204	0	0	0
Federal Transit Administration	Establish Olympic Transportation Working Group (OTWG) and complete several Venue Transportation Integration Plans (VTRIPS)	0	0	259	0
	Eligible net operating costs for the spectator transportation system; construct Mtn. Green park-and-ride lot, Cornina Dr. park-and-ride lot, Soldier Hollow park-and-ride lot, Utah Olympic Oval park-and-ride lot, Olympic Park park-and-ride lot, (supplemental to UT-03-0039 & UT-030-0040); the lease of radio	0	0	48,490	\$60,000
	FTA Section 5307 Formula funds for highway-related Olympic Planning, Capital, and Operating projects. Transfer of FY 2001 Section 5307 formula funds to the FHWA Surface Transportation Program	0	0	15,287	Included in the \$60 million shown above
	Construct additional storage tracks at Light Rail Vehicle Storage Facility and purchase/install automatic electric switch on the North/South LRT Line at 100 S. Main Street.	0	0	1,100	0
	Construct Silver Creek Jct. park-and- ride; purchase venue load and unload equipment; and construct Silver Creek Jct. bus garage (supplemented by UT-0-0039)	0	0	9,811	0

unding <sup>ab</sup>	Total federal fu	event	Staging the	uction	Venue constr		Housing/Infras suppor
Designate t Congres	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress°	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ expenditure
	\$626	0	0	0	0	0	0
	50	0	0	0	0	0	0
	89	0	0	0	0	0	0
	19	0	0	0	0	0	0
	204	0	0	0	0	0	0
	259	0	0	0	0	0	0
60,00	48,490	0	0	0	0	0	0
	15,287	0	0	0	0	0	0
	1,100	0	0	0	0	0	0
	9,811	0	0	0	0	0	0

2001 Dollars in thousands

# Project or activity

		Safety/Sec	curity	Transportation		
Federal organization	Description of project or activity	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	
	Construct busway at Snowbasin, bus garage at Silver Creek Jct., and Olympic Park park-and-ride lot (supplemental to UT-03-0040)	0	0	\$5,533	0	
	Expand five park-and-ride lots in the Salt Lake City area and expand the bus storage area at three Utah Transit Authority bus garages	0	0	6,868	0	
Federal Railroad Administration	Monitoring of railroad operations for safety	379	0	0	0	
Research and Special Programs Administration	Safety- and security-related services	28	0	0	0	
	Security related for Pipe Line Transportation System	17	0	0	0	
Department of the Treasury		\$78,035	\$51,958	0	0	
Bureau of Alcohol, Tobacco, and Firearms	Safety- and security-related services	10,523	10,523	0	0	
U.S. Secret Service		27,287	19,530	0	0	
U.S. Customs Service		15,470	13,813	0	0	
Customs Air Interdiction		5,531	4,931	0	0	
FinCEN		146	58	0	0	
Internal Revenue Service		2,729	2,729	0	0	
Treasury Office of Enforcement		60	40	0	0	
Treasury Inspector General for Tax Administration		334	334	0	0	
Wireless program	Safety- and security-related services	15,955	0	0	0	
Department of Veterans Affairs	VA Salt Lake City Healthcare System - 2002 Winter Olympics security activities	2,909	0	0	0	
<b>Environmental Protection Agend</b>	су	423	0	0	0	
	Venue-related sewer construction	0	0	0	0	
	Planning and increased services	0	0	0	0	
	Safety- and security-related services	423	0	0	0	

Housing/Infras		Venue const	ruction	Staging the	event	Total federal f	unding <sup>ab</sup>
Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress <sup>c</sup>	Planned/ Expenditure	Designated by Congress
0	0	0	0	0	0	\$5,533	(
0	0	0	0	0	0	6,868	(
0	0	0	0	0	0	379	(
0	0	0	0	0	0	28	(
0	0	0	0	0	0	17	(
0	0	0	0	0	0	78,035	\$51,958
0	0	0	0	0	0	10,523	10,523
0	0	0	0	0	0	27,287	19,530
0	0	0	0	0	0	15,470	13,813
0	0	0	0	0	0	5,531	4,931
0	0	0	0	0	0	146	58
0	0	0	0	0	0	2,729	2,729
0	0	0	0	0	0	60	40
0	0	0	0	0	0	334	334
0	0	0	0	0	0	15,955	(
0	0	0	0	0	0	2,909	(
0	0	\$2,174	\$2,174	\$494	0	3,091	2,174
0	0	2,174	2,174	0	0	2,174	2,174
0	0	0	0	494	0	494	(
0	0	0	0	0		423	(

2001 Dollars in thousands

#### **Project or activity**

		Safety/Sec	curity	Transport	ation
Federal organization	Description of project or activity	Planned/ expenditure	Designated by Congress <sup>c</sup>	Planned/ expenditure	Designated by Congress <sup>c</sup>
Federal Communciations Commission		\$73	0	0	0
	Security: establish on-site capability to detect and locate sources of radio transmissions interfering with law enforcement and emergency operations	73	0	0	0
	Operations: establish on-site capability to detect and locate sources of radio transmissions interfering with Olympic operations	0	0	0	0
Federal Emergency Management Agency	Safety- and security-related services	6,375	0	0	0
General Services Administration		1,594	0	0	0
	Doping Control Program FY 2002 Winter Olympics	0	0	0	0
	Heightened security around GSA Facilities FY 2002 Winter Olympics	959	0	0	0
	Heightened security around GSA facilities FY 2002 Paralympics	635	0	0	0
U.S. Postal Service	Increased postal services	0	0	0	0
Totals		\$184,530	\$111,354	\$106,462	\$68,846

unding <sup>ab</sup>	Total federal fu	event	Staging the	uction	Venue constr		Housing/Infras suppor
Designated	Planned/	Designated by	Planned/	Designated by	Planned/	Designated by	Planned/
Congress	Expenditure	Congress	Expenditure	Congress	Expenditure	Congress	expenditure
C	\$146	0	\$73	0	0	0	0
C	73	0	0	0	0	0	0
C	73	0	73	0	0	0	0
O	6,375	0	0	0	0	0	0
\$3,300	4,894	3,300	3,300	0	0	0	0
3,300	3,300	3,300	3,300	0	0	0	0
C	959	0	0	0	0	0	0
C	635	0	0	0	0	0	0
0	1,977	0	1,977	0	0	0	0
\$207,890	\$342,365	\$4,310	\$19,497	\$19,379	\$27,430	\$4,000	\$4,446

<sup>&</sup>lt;sup>a</sup>Personnel costs are generally not included in these amounts.

Source: GAO analysis of data provided by officials from OMB and the listed federal organizations.

 $<sup>^{\</sup>rm b}\text{Totals}$  may not add due to rounding.

 $<sup>^{\</sup>circ}$ "Designated by Congress" refers to funds that were specifically designated for an Olympic-related purpose in appropriations acts or committee reports accompanying those acts.

# Direct Federal Funding and Support for Planning and Staging the 1984 Summer Olympic Games in Los Angeles, CA

Project or activity		Safety/Se	curity	Transpor	tation
			Designated by		Designated by
Federal organization	Description of project or activity	Expenditure	Congress	Expenditure	Congress <sup>c</sup>
Department of Agriculture		0	0	0	0
Animal and Plant Health Inspection Service	Equestrian event: quarantine horses and increase agency services	0	0	0	0
Department of Commerce		0	0	0	0
Economic Development Administration	Increased agency services	0	0	0	0
National Oceanic and Atmospheric Administration	Weather forecasting services for Olympic events	0	0	0	0
Department of Defensed	Safety and security personnel, equipment, and services	\$48,751	\$76,170	0	0
Department of Health and Human Services	Safety- and security-related services	323	0	0	0
Department of Justice	Increased agency services	10,338	0	0	0
Drug Enforcement Administration	Safety- and security-related services	432	0	0	0
Federal Bureau of Investigation	Safety- and security-related services	7,866	0	0	0
Immigration and Naturalization Service	Safety- and security-related services and increased agency services	2,032	0	0	0
Interpol	Safety- and security-related services	7	0	0	0
Department of State	Increased agency services	2,991	0	0	0
Department of Transportation		4,126	0	0	0
U.S. Coast Guard	Safety-and security-related services	2,819	0	0	0
Federal Aviation Administration	Safety- and security-related services and increased agency services	1,307	0	0	0
Department of the Treasury		7,601	0	0	0
Bureau of Alcohol, Tobacco and Firearms	Safety- and security-related services	2,864	0	0	0
U.S. Secret Service	Safety- and security-related services	2,470	0	0	0
U.S. Customs Service	Safety- and security-related services	2,267	0	0	0
<b>Department of Veterans Affairs</b>	Not available	0	0	0	0
Federal Communications Commission	Communications systems improvements	0	0	0	0
U.S. Information Agency		0	0	0	0
	Increased agency services	0	0	0	0
Totals <sup>a,b</sup>		\$74,129	\$76,170	0	0

Appendix IV Direct Federal Funding and Support for Planning and Staging the 1984 Summer Olympic Games in Los Angeles, CA

Housing/Infras		Venue cons	struction	Staging th	e event	Total federa	ıl funds <sup>a,b</sup>
Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress
0	0	0	0	\$244	0	\$244	
0	0	0	0	244	0	244	(
0	0	0	0	399	0	399	(
0	0	0	0	152	0	152	(
0	0	0	0	246	0	246	(
0	0	0	0	0	0	48,751	\$76,170
0	0	0	0	0	0	323	(
0	0	0	0	0	0	10,338	(
0	0	0	0	0	0	432	(
0	0	0	0	0	0	7,866	(
0	0	0	0	0	0	2,032	(
0	0	0	0	0	0	7	(
0	0	0	0	0	0	2,991	
0	0	0	0	0	0	4,126	
0	0	0	0	0	0	2,819	(
0	0	0	0	0	0	1,307	(
0	0	0	0	0	0	7,601	(
0	0	0	0	0	0	2,864	(
0	0	0	0	0	0	2,470	(
0	0	0	0	0	0	2,267	(
0	0	0	0	597	0	597	
0	0	0	0	276	0	276	
0	0	0	0	2,282	0	2,282	
0	0	0	0	2,282	0	2,282	(
0	0	0	0	\$3,797	0	\$77,927	\$76,170

Appendix IV Direct Federal Funding and Support for Planning and Staging the 1984 Summer Olympic Games in Los Angeles, CA

Note: 1984 dollars were converted to 1999 dollars for our prior report (GAO/GGD-00-183) by dividing 1984 dollars by 0.6852. The 1999 dollars were converted to 2001 dollars by dividing 1999 dollars by 0.958, conversion factors derived from chain-type price indexes for gross domestic product. Totals do not add due to rounding.

<sup>a</sup>Personnel costs are generally not included in these amounts, with the exception of the Department of Justice figures.

<sup>b</sup>Totals do not include about \$53 million received by the Los Angeles Olympic Organizing Committee from the U.S. Mint as a result of the sale of Olympic Commemorative Coins.

<sup>e</sup>"Designated by Congress" refers to funds that were specifically designated for an Olympic-related purpose in appropriations acts or committee reports accompanying those acts.

<sup>d</sup>Congress appropriated \$76,170,000, and DOD spent \$48,750.000. The unused funding authority was returned to the U.S. Treasury.

Source: GAO analysis of data provided by officials from OMB and the listed federal organizations.

Project or activity	Safety/Seci	urity	Transporta	tion	
Federal organization	Description of project or activity	Expenditure	Designate d by Congress°	Expenditure	Designate d by Congress
·	Description of project of activity	<u> </u>		•	
Department of Agriculture	Paradia and a same and a same a same a	\$1,501	0	0	0
Animal and Plant Health Inspection Service	Equestrian event; quarantine horses and increase agency services	0	0	0	0
Natural Resources Conservation Service	Plant flowers and grasses at Olympic venues and city parks	0	0	0	0
U.S. Forest Service	Whitewater Olympic venue construction	0	0	0	0
	Safety- and security- related services	1,501	0	0	0
Department of Commerce		0	0	\$109	0
Economic Development Administration	Olympic stadium sewer construction	0	0	0	0
	Fund foreign visitors' trips to the United States for Paralympic events	0	0	109	0
	Retrofit gym for Paralympic events	0	0	0	0
	Economic studies, business promotions for Olympic games	0	0	0	0
National Oceanic and Atmospheric Administration	Weather forecasting services for Olympic events	0	0	0	0
Department of Defensed		37,932	\$37,902	0	0
Office of Special Events	Safety- and security-related services	20,258	20,258	0	0
U.S. Army Forces Command	Safety- and security-related services	17,644	17,644	0	0
Corps of Engineers	Temporary rangers	30	0	0	0
Department of Education	Paralympic Organizing Committee:	0	0	0	0
	Administration and staffing costs	0	0	0	0
	Opening and closing ceremonies	0	0	0	0
	Related conference costs	0	0	0	C

funding <sup>a,b</sup>	Total federal	Staging the event		Venue construction		lousing/Infrastructure support	
Designated by Congress	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure
\$6,526	\$20,386	0	\$877	\$6,526	\$18,008	0	0
(	531	0	531	0	0	0	0
C	346	0	346	0	0	0	0
6,526	18,008	0	0	6,526	18,008	0	0
0	1,501	0	0	0	0	0	0
0	4,527	0	3,116	0	1,303	0	0
С	1,303	0	0	0	1,303	0	0
0	109	0	0	0	0	0	0
0	514	0	514	0	0	0	0
O	1,457	0	1,457	0	0	0	0
0	1,145	0	1,145	0	0	0	0
37,902	37,932	0	0	0	0	0	0
20,258	20,258	0	0	0	0	0	0
17,644	17,644	0	0	0	0	0	0
C	30	0	0	0	0	0	0
0	7,744	0	7,744	0	0	0	0
C	6,383	0	6,383	0	0	0	0
C	1,307	0	1,307	0	0	0	0
0	54	0	54	0	0	0	0

#### 2001 Dollars in thousands

Project or activity		Safety/Secu	ırity	Transportation		
			Designated		Designated	
Federal organization	Description of project or activity	Expenditure	by Congress <sup>c</sup>	Expenditure	by Congress	
Department of Energy		\$1,243	0	0	0	
	Swimming pool heating and solar panel installation for Olympic swimming events	0	0	0	0	
	Safety- and security-related services	1,243	0	0	0	
Department of Health and Human Services		5,334	0	0	0	
Food and Drug Administration	Public health safety- and security- related services	268	0	0	0	
Centers for Disease Control	Public health safety- and security- related services	201	0	0	0	
Environmental Health	Public health safety- and security- related services	797	0	0	0	
Office of Emergency Preparedness	Public health safety- and security- related services	4,067	0	0	0	
Social Security Administration	Paralympic ceremonies and events videotaping	0	0	0	0	
Department of Housing and Urban Development		0	0	0	0	
	Pass-through grant for Department of Veterans Affairs for Paralympic events	0	0	0	0	
Department of the Interior		719	0	0	0	
National Park Service	Safety-and security-related services	719	0	0	0	
	Increased park services	0	0	0	0	
Department of Justice		23,433	\$4,357	0	0	
Community Relations Service	Mitigation of racial conflicts	31	0	0	0	
Drug Enforcement Administration	300 agents for safety- and security- related services	2,817	0	0	0	
Federal Bureau of Investigation	1,200 staff for safety-and security- related services	12,032	0	0	0	

funding <sup>a,b</sup>	Total federal	e event	Staging the	Venue construction		lousing/Infrastructure support	
Designated by Congress	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure
	\$4,891	0	0	0	\$3,648	0	0
(	3,648	0	0	0	3,648	0	0
(	1,243	0	0	0	0	0	0
(	5,334	0	0	0	0	0	0
(	268	0	0	0	0	0	0
(	201	0	0	0	0	0	0
(	797	0	0	0	0	0	0
(	4,067	0	0	0	0	0	0
\$1,634	1,634	\$1,634	\$1,634	0	0	0	0
(	2,178	0	0	0	0	0	2,178
(	2,178	0	0	0	0	0	2,178
(	1,630	0	911	0	0	0	0
(	719	0	0	0	0	0	0
(	911	0	911	0	0	0	0
4,35	23,433	0	0	0	0	0	0
(	31	0	0	0	0	0	0
(	2,817	0	0	0	0	0	0
(	12,032	0	0	0	0	0	0

#### 2001 Dollars in thousands

Project or activity		Safety/Se	curity	Transportation		
			Designated by		Designated by	
Federal organization	Description of project or activity	Expenditure	Congress	Expenditure	Congress	
Immigration and Naturalization Service	130 additional staff to assist with processing international passengers	\$1,60	2 (	0	0 0	
Civil Rights Division	Americans With Disabilities Act	16	0 (	)	0 0	
Office of Justice Programs	Overtime costs for Atlanta police	4,35	7 \$4,35	7	0 0	
	Safety- and security study	1,41	5 (	)	0 0	
Executive Office, U.S. Attorneys	Added equipment and four attorneys	62	6 (	0	0 0	
U.S. Marshals Service	150 Marshals for safety-and security-related services	39	1 (	0	0 0	
Department of Labor			0 (	0	0 0	
	Training and employment grants for Olympic venue construction		0 (	0	0 0	
	Training for volunteers at Paralympic events		0 (	0	0 0	
Department of State	Increased agency services	1,09	0 (	0	0 0	
Department of Transportation		2,97	1 (	\$20,80	9 \$17,426	
Federal Highway Administration	Road signs to Olympic venues		0 (	1,69	05 0	
Federal Transit Administration	Olympic Transportation System		0 (	0 17,42	26 17,426	
Federal Aviation Administration	Temporary facilities and increased services	0		0 1,68	88 0	
Federal Railroad Administration	Safety-and security-related services	4	1 (	0	0 0	
U.S. Coast Guard	Safety-and security-related services	2,93	0 (	0	0 0	
<b>Department of the Treasury</b>		7,39	2 5,966	6	0 0	
Bureau of Alcohol, Tobacco and Firearms	Safety-and security-related services	2,58	6 2,396	6	0 0	
Internal Revenue Service	100 Agents for safety and security related services	24	2 (	0	0 0	
U.S. Secret Service	Safety-and security-related services	3,70	4 3,570	0	0 0	
U.S. Customs Service	150 Inspectors for increased services	86	1 (	0	0 0	
<b>Department of Veterans Affairs</b>		1,68	8 (	0	0 0	
	Safety-and security-related services	1,68	8 (	0	0 0	

funding <sup>a,b</sup>	Total federal	Staging the event		Venue construction		ousing/Infrastructure support	
Designated by Congress	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure	Designated by Congress <sup>c</sup>	Expenditure
	\$1,602	0	0	0	0	0	0
-	160	0	0	0	0	0	0
\$4,35	4,357	0	0	0	0	0	0
	1,415	0	0	0	0	0	0
	626	0	0	0	0	0	0
	391	0	0	0	0	0	0
2,72	3,169	\$2,723	\$2,723	0	\$446	0	0
I	446	0	0	0	446	0	0
2,72	2,723	2,723	2,723	0	0	0	0
-	1,090	0	0	0	0	0	0
17,42	23,780	0	0	0	0	0	0
	1,695	0	0	0	0	0	0
17,42	17,426	0	0	0	0	0	0
	1,688	0	0	0	0	0	0
	41	0	0	0	0	0	0
	2,930	0	0	0	0	0	0
5,96	7,392	0	0	0	0	0	0
2,39	2,586	0	0	0	0	0	0
	242	0	0	0	0	0	0
3,57	3,704	0	0	0	0	0	0
	861	0	0	0	0	0	0
	1,791	0	103	0	0	0	0
	1,688	0	0	0	0	0	0

#### 2001 Dollars in thousands

Project or activity		Safety/Secu	ırity	Transportation		
			Designated	Designated		
Federal organization	Description of project or activity	Expenditure	by Congress <sup>c</sup>	Expenditure	by Congress <sup>c</sup>	
	Donated excess supplies for Paralympics	0	0	0	0	
Corporation for National and Community Services	Safety-and security-related services for Paralymic events	\$3,267	0	0	0	
Environmental Protection Agency		751	0	0	0	
	Olympic stadium-related sewer construction	0	0	0	0	
	Olympic venue bike path construction	0	0	0	0	
	Paralympics: loan of EPA employees	0	0	0	0	
	Safety-and security-related services	751	0	0	0	
	Increased agency services	0	0	0	0	
Federal Communications Commission	Communications systems improvements	0	0	0	0	
Federal Emergency Management Agency	Safety-and security-related services	12,111	0	0	0	
Federal Executive Board	Salary for safety- and security- related services (federal employees)	1,901	0	0	0	
General Services Administration	Paralympic Organizing Committee administrative and staffing costs	0	0	0	0	
Tennessee Valley Authority	Whitewater rapids event venue construction and water releases	0	0	0	0	
U.S. Information Agency	Olympic information programs	0	0	0	0	
U.S. Postal Service		0	0	0	0	
	Increased postal services	0	0	0	0	
Totals <sup>a,b</sup>		\$101,333	\$48,224	\$20,918	\$17,426	

Total federal funding <sup>a,b</sup>			Staging the event		truction	Venue const	rt	Housing/Infrastructure support	
signated Congress <sup>c</sup>	penditure	E	Designated by Congress	Expenditure	esignated y Congress° E		Ex	Designated by Congress <sup>c</sup>	Expenditure
(	\$103	0	)3	\$103	0	0	0	0	
(	3,267	0	0	(	0	0	0	0	
\$7,62	8,570	0	5	415	\$7,624	\$7,404	0	0	
7,62	7,077	0	0	(	7,624	7,077	0	0	
(	327	0	0	(	0	327	0	0	
(	168	0	68	168	0	0	0	0	
(	751	0	0	(	0	0	0	0	
(	247	0	7	247	0	0	0	0	
(	41	0	11	41	0	0	0	0	
(	12,111	0	0	(	0	0	0	0	
(	1,901	0	0	(	0	0	0	0	
2,178	2,177	78	77 \$2,17	2,177	0	0	0	0	
(	5,342	0	0	(	0	5,342	0	0	
(	7,882	0	32	7,882	0	0	0	0	
	4,481	0	<b>31</b>	4,481	0	0	0	0	
(	4,481	0	31	4,481	0	0	0	0	
\$86,33	\$192,686	35	5 \$6,53	\$32,105	\$14,150	\$36,151	0	2,178	\$2,

Note: 1996 dollars were converted to 1999 dollars for our prior report (GAO/GGD-00-183) by dividing 1996 dollars by 0.9584. The 1999 dollars were converted to 2001 dollars by dividing 1999 dollars by 0.9580- conversion factors derived from chain-type price indexes for gross domestic product. Totals may not add due to rounding.

Source: GAO analysis of data provided by officials from OMB and the listed federal organizations.

<sup>&</sup>lt;sup>a</sup>Personnel costs are generally not included in these amounts, with the exception of the U.S. Forest Service figure.

bTotals do not include about \$28 million received by ACOG from the U.S. Mint as a result of the sale of Olympic Commemorative Coins.

"Designated by Congress" refers to funds that were specifically designated for an Olympic-related

purpose in appropriations acts or committee reports accompanying those acts.

# Comments From the Salt Lake Organizing Committee

Salt Lake Organizing Committee for the Olympic Winter Games of 2002

Telephone: 801-212-200

299 South Main Street, Suite 1300 P.O. Box 45002 Salt Lake City, Utah 84145-0002 USA

www.saltlake2002.com



October 25, 2001

Bernard L. Ungar Director, Physical Infrastructure Issues United States General Accounting Office Washington, DC 20548

Dear Mr. Ungar:

I appreciate the opportunity to provide comments on GAO's recent review of the increase in costs associated with staging the Olympic and Paralympic Games. As your report accurately reflects, the scope and magnitude of both the Olympic Games and the Paralympic Games have increased dramatically in the past twenty years. In fact, the growth has been so rapid that the 2002 Winter Paralympic Games are actually larger than the 1980 Lake Placid Olympics when measured in number of athletes, sports, or spectators. Your report notes that the number of athletes for the 2002 Winter Olympic Games has tripled since Lake Placid, the number of countries attending has more than doubled, and the spectators actually attending the Games has increased almost 400%. Correspondingly, the costs of staging the Games have increased with the growth of the Games. However, there are two additional areas, not mentioned in your report, that are significant factors in the increased cost of the Games since 1980 – technology and broadcast.

As Olympic-level competition has become more advanced, and as competition results have become closer, the requirements to provide results information captured in the 100/s or even 1,000/s of a second is now commonplace. Technology exists to capture and provide these results, but it is very expensive. Moreover, the requirement by the world press to provide results instantaneously, around the world, is also reflected in the increased technology costs. In fact, for the 2002 Winter Olympic Games, we will spend over \$291M in the area of IT alone.

It is important to note that although the costs of the Winter Olympics in Salt Lake City is almost six times the cost of the Lake Placid Games (using the numbers provided in your report), the federal percentage of those costs has decreased from 52 % to 18% - a dramatic decrease. Further, the actual dollars provided for the 2002 Games have merely doubled since Lake Placid (increasing from \$179M to \$351M) and thus have not begun to keep pace with the rapid increase in costs of the Games. In fact, this increase in federal costs is seen in the areas of security and

Appendix VI Comments From the Salt Lake Organizing Committee

Bernard L. Ungar October 25, 2001 Page Two

transportation – two components that are traditional government functions. Non-governmental functions, such as venue construction and housing, have significantly decreased.

One of my top priorities in the three years that I have served as the CEO of the 2002 Winter Games has been to simplify and reduce the costs of the Games as much as possible. In this regard, we have revisited many of the "requirements" of the Games and sought to reverse the trend of having each Olympic Games be "bigger and better" than the one before. Our goal, instead, is to refocus the Games on the basics of sport – to ensure that we provide everything that the athletes need for the competition to be one of excellence and for each individual to truly perform at their best. The surrounding elements of the Games – the pageantry and the many associated programs – we've sought to reduce and to eliminate wherever possible.

Unfortunately, many costs cannot be eliminated – such as those costs that come with technology or with the increased number of spectators, athletes and media. Others possibly could be, if the Games were structured differently beginning with the bid process. The planning and construction for the 2002 Games was well underway when I joined the Committee in 1999, having begun in 1995 when the bid was awarded to Salt Lake City. Some changes I would have made with this new focus could not be implemented at this late date. Nevertheless, we were able to reduce the planned budget by over \$200 million dollars and we continue to work to hold costs down. When these Games have concluded, I plan to present to IOC President Jacques Rogge a series of recommendations on reducing the scope of future Games, in order to ensure that the focus remains on the athletes and athletic competition. The IOC has already begun a review process in this regard and I believe you will see a strong focus on controlling future growth of Olympic Games.

Sincerely

Mitt Romney

President & CEO

#### **GAO's Mission**

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