U.S. GOVERNMENT ACCOUNTABILITY OFFICE
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October 31, 2016

The Honorable Jason Chaffetz
Chairman
The Honorable Elijah E. Cummings
Ranking Member
Committee on Oversight and Government Reform
House of Representatives

The Honorable John Mica
Chairman
Subcommittee on Transportation and Public Assets
Committee on Oversight and Government Reform
House of Representatives

Reported Inventory, Use, and Cost of Federally Owned Aircraft

Federally owned aircraft are operated by agencies to fulfill their diverse missions. According to Federal Management Regulations, agencies can acquire an aircraft through several different methods. Federal agencies that own aircraft are required to report quarterly data on each aircraft to the Federal Aviation Interactive Reporting System (FAIRS).[1]

You asked us to provide information on the composition and characteristics of federally owned aircraft. The enclosure presents our findings regarding what recent information is available on the amount, use, and cost of federally owned civilian aircraft. We presented this information to your staff in September 2016.

To address this area, we reviewed FAIRS information. This system is maintained by the General Services Administration (GSA) and includes information on aircraft inventory, use, and costs. GSA publishes an annual report that aggregates data by agency. We reviewed and summarized annual data published by GSA in FAIRS reports from fiscal years 2011, 2014, and 2015.[2] In addition, we also analyzed unpublished FAIRS data on individual aircraft that were in agencies' reported inventories as of July 2016.[3] The data we analyzed did not include aircraft belonging to the Department of Defense, the Coast Guard, or intelligence agencies such as the

[1] Pursuant to 41 C.F.R. § 102-33.20 an owned aircraft is one that an executive branch agency holds title to or borrows for any length of time.

[2] The published inventories include aircraft that federal agencies own but lease to others paying the costs (such as states). They also include aircraft from intelligence agencies for which costs and use are not reported to FAIRS.

[3] When analyzing unpublished FAIRS data, we limited owned aircraft to those aircraft that were owned and used by the same agency.

Federal Bureau of Investigation. These agencies are not required to report aircraft data to GSA, but some intelligence agencies reported data. Agencies are also allowed to revise the data they previously reported. As a result, data from annual FAIRS reports, the July 2016 data included in this review, and the most recently updated FAIRS data may differ. In addition to analyzing data, we also reviewed agencies' Inspectors General reports from October 2011 through July 2016, reviewed regulations and guidance on the acquisition of civilian federal aircraft, and requested information on aircraft use from the 11 civilian agencies that own aircraft.[4]

We conducted our work from May 2016 to October 2016 in accordance with all sections of GAO's *Quality Assurance Framework* that are relevant to our objective. The framework requires that we plan and perform the engagement to obtain sufficient, appropriate evidence to meet our stated objectives and to discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions in this product.

In summary, we found:

- As of July 2016, 11 federal civilian agencies owned 924 aircraft. This includes 495 airplanes, 414 helicopters, 14 unmanned aircraft systems (commonly known as drones), and 1 glider.[5] The Department of State owned the most aircraft (248), and the National Science Foundation owned the least (3). Of the 924 owned aircraft, 88 were non-operational in July 2016. Agencies consider an aircraft to be non-operational when it cannot economically be returned to airworthiness. Non-operational aircraft can be used for parts, put on display, or be destroyed, among other things. Seventy-seven of these 88 non-operational aircraft were owned by the National Aeronautics and Space Administration (NASA), the State Department, and the U.S. Department of Agriculture. Twenty nine of these non-operational aircraft were acquired by the agency that currently owns them since the start of fiscal year 2011.

- Agencies use aircraft for a variety of purposes. Specifically, agencies reported using aircraft for law enforcement, scientific research, firefighting, and other activities. Aircraft that were owned and operational as of July 2016 were used for an average of 275 flight hours in fiscal year 2015. These aircraft ranged from 0 flight hours to 1,279 in fiscal year 2015. Flight hours is the most common metric for aircraft use, although some aircraft can also be on alert or used for research and development. Agencies reported that 66 owned, operational aircraft had 0 reported hours of use (including alert and research and development time) in fiscal year 2015. Twelve of these 66 aircraft had 0 reported hours of use since fiscal year 2011. Ten of these 12 aircraft belong to the Department of State. Department of State officials said that most of these aircraft were undergoing extended repairs/upgrades.

- Agencies reported spending approximately $661 million in fiscal year 2015 to use and maintain their owned aircraft, and of this $661 million, approximately $652 million in

[4] The 11 agencies are the Departments of Agriculture, Commerce, Energy, Homeland Security, Interior, Justice, State, and Transportation; the National Aeronautics and Space Administration; the National Science Foundation; and the Tennessee Valley Authority.

[5] Data on unmanned aircraft systems are reported to FAIRS only if the systems meet certain standards, such as an expected useful life of at least 2 years.

fiscal year 2015 was to use and maintain their owned, operational aircraft.[6] Agencies typically report their costs in four cost categories: maintenance, overhead, fuel/oil, and crew. Agencies do not report the cost of depreciation. Out of the $652 million, agencies reported spending approximately $297 million in maintenance, $172 million in overhead, $95 million in fuel/oil, and $88 million in crew costs in fiscal year 2015 for their owned, operational aircraft.[7] Agencies spent an average of $366,000 per aircraft on maintenance in fiscal year 2015. The highest maintenance cost was for a highly modified Boeing 747 that NASA equipped with a 17 ton telescope and flew for 596 hours in fiscal year 2015.

We provided a draft of this report to the Departments of Agriculture, Commerce, Energy, Homeland Security, Interior, Justice, State, and Transportation; the National Aeronautics and Space Administration; the National Science Foundation; and the Tennessee Valley Authority for comment. We received technical comments from the Departments of Agriculture and Justice, which we incorporated as appropriate.

We are sending copies of this report to the appropriate congressional committees; the Departments of Agriculture, Commerce, Energy, Homeland Security, Interior, Justice, State, and Transportation; the National Aeronautics and Space Administration; the National Science Foundation; and the Tennessee Valley Authority. In addition, the report will be available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-2834 or rectanusl@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are John W. Shumann (Assistant Director); Alison Snyder (Analyst in Charge); Amy Abramowitz; Brenna Cole; Jerome Sandau; and Crystal Wesco.

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[6] In addition to owning aircraft, agencies can also lease, rent, or charter aircraft from the private sector. These are known as Commercial Aviation Services. Agencies reported spending $369 million on Commercial Aviation Services in fiscal year 2015.

[7] Three agency officials told us that reported data are not always complete or accurate due to reporting lags and contracting errors, among other things. We did not assess how this affects total costs.

Federally Owned Aircraft, Briefing to Committee on Oversight and Government Reform, House of Representatives. See attached PDF.

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