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UNITED STATES GENERAL ACCOUNTING OFFICE  
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STATEMENT OF  
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BEFORE THE  
SUBCOMMITTEE ON OVERSIGHT AND SPECIAL INVESTIGATIONS  
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS  
HOUSE OF REPRESENTATIVES  
ON THE  
GENERAL ACCOUNTING OFFICE  
EVALUATION OF THE ACTIVITIES OF THE  
DEPARTMENT OF THE INTERIOR'S OFFICE OF AIRCRAFT SERVICES

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Mr. Chairman and Members of the Subcommittee:

We are pleased to appear before you to give you the results of our evaluation of the activities of the Department of the Interior's Office of Aircraft Services.

On April 8, 1981, the Chairman of the House Committee on Interior and Insular Affairs, asked us to conduct an evaluation of the Office of Aircraft Services (OAS) to determine if it is carrying out the purposes for which it was established. The Chairman expressed concern because the Interior Department's revised budget justification statement for FY 1982 zeroed out the Office of Aircraft Services within the Office of the Secretary. Moreover, on March 16, 1981, Department of the Interior Order No. 3061 was issued to "abolish the Office of Aircraft Services and return responsibility for aircraft service to the bureaus and offices of the Department."

While we did not have time to fully evaluate OAS's performance and cost effectiveness in providing aircraft services, our review clearly showed that the Department of Interior was achieving certain important benefits from centralized aircraft management.

The March 16, 1981, order abolishing OAS stated that "\*\*\* it is no longer cost effective to administer these management functions through a centralized authority." However, we found that the Interior Department has no support for this conclusion.

The OAS is providing a number of important aircraft services which we believe the bureaus and offices can not provide as cost effectively. Moreover, Interior has not assessed the cost

At the same time, the lack of uniform cost systems would make it difficult to compare aircraft program costs of the various bureaus and offices or to determine whether some services could be obtained at lower cost from commercial sources. Thus, it would be virtually impossible to determine how and by whom aircraft services should be provided to assure least cost to the Government.

#### Safety Program

The OAS is responsible for developing and conducting an aircraft accident prevention program. The program is generally managed by an air safety officer and a specialist with assistance by other OAS personnel at Boise.

The OAS philosophy is that aircraft mishaps can be prevented. The key elements of its safety program are

- . education and training
- . certification of pilots
- . inspection of aircraft
- . operations and hazards evaluation
- . aircraft accident prevention surveys
- . aircraft accident/incident investigations, and the
- . protective equipment program.

Since the establishment of OAS in 1973, aircraft accidents within the Interior Department have decreased dramatically.

#### Contracting

The OAS has established a centralized contracting service, which since 1974 has issued over 1,300 contracts--only 6 of these were formally protested to GAO by unsuccessful bidders--three of the protests were denied, two were withdrawn and one is pending.

### Flight Coordination Centers

The OAS Flight Coordination Centers at Boise and Anchorage are charged primarily with procurement and coordination of the OAS rental program (procurements of aircraft and services under \$10,000). They also are involved daily with OAS contracted aircraft that are available to the Interior Department and other Government departments and agencies. The Flight Coordination Centers attempt to achieve optimum use of Government-procured aircraft (whether contracted, owned, or rented) by individually researching every request and providing the agencies with cost figures, and technical information that may affect the successful completion of each mission. Through this coordination process OAS is able to look at the "big picture" and provide maximum aircraft use at the lowest cost.

### Impact of Decentralized Aircraft Services

The Interior Department has not taken the time to assess the impact of decentralizing aircraft services on either program or cost effectiveness. While the March 16, 1981, order stated that OAS was being abolished because it is no longer cost effective, the Department could provide no support for this statement.

We were told that the decision to abolish OAS was made solely to give the bureaus and offices full control over all of their resources and program management. Even if it cost more to provide aircraft services on a decentralized basis, it was felt that the resulting improved program effectiveness would outweigh any added costs.

deal of concern, and some confusion within the bureaus as to how they will manage their aircraft services if OAS is abolished, and at what cost.

Before Interior arrived at the decision to abolish OAS it should have carefully weighed the pros and cons and considered the alternative actions. However, this was not done. We believe that this needs to be done now. In our opinion, OAS should not be abolished unless Interior can clearly show that decentralization of aircraft services would result in more efficient, effective, and economical operation of resources without jeopardizing aircraft safety.

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Mr. Chairman, this concludes my statement. My associates and I will be happy to respond to any questions you or any members of the Subcommittee may have at this time.