

May 28, 2002

The Honorable Robert C. Byrd
Chairman
The Honorable Ted Stevens
Ranking Minority Member
Committee on Appropriations
United States Senate

The Honorable C. W. Bill Young
Chairman
The Honorable David Obey
Ranking Minority Member
Committee on Appropriations
House of Representatives

This letter provides our report in response to requirements of Public Law (P.L.) 107-67, Treasury and General Government Appropriations Act, 2002. Section 647 of P.L. 107-67 requires the Inspector General of each department or agency to submit to the Committees on Appropriations a report detailing what policies and procedures each department or agency has in place, giving first priority to the location of new offices and other facilities in rural areas, as directed by the Rural Development Act of 1972.

DOT Policy and Procedures

The Department of Transportation (DOT) policy and procedures addressing the requirements of the Rural Development Act were issued in 1988 as DOT Order 4320.1A, "Location of New Offices and Other Facilities in Rural Areas." The order states that it is the policy of the Department to give first priority to rural areas when locating new offices or other facilities. Further, it requires that the appropriate site selection studies or reports include documentation of the considerations given to rural locations in accordance with the policy. The order states that when planning to acquire space through the General Services Administration (GSA), the location of the new office and other facilities will, in general, be guided by the availability of GSA space.

Our review of the DOT order disclosed that it requires a discussion of the considerations given to rural locations, and that if a rural location is not selected, the reasons should be explained. However, the DOT order does not give any guidance to responsible officials on any decisional criteria or factors that should be considered during the planning and acquisition process, such as cost-benefit analysis, access to public transportation systems, or the effect of relocation on the workforce. The absence of such guidance could result in inconsistent application by the 12 Operating Administrations within DOT.

Compliance with Policy and Procedures

To conduct our review, DOT provided a listing of 37 new facilities at locations that were either owned, leased, or planned from October 1997 through February 2002. We eliminated four sites from this list -- two sites were expansions of existing space that were not subject to the Rural Development Act and two sites were additional housing units at the same location. Of the remaining 33 sites (see enclosure), 8 were located in rural areas and were in compliance with the Rural Development Act. For the remaining 25 sites, we asked for the files documenting compliance with the DOT order. Four files were in Washington, D.C., and available for review. The other 21 files were located at various field sites throughout the country. For these 21 field locations, we asked that responsible field representatives identify and provide documentation demonstrating that first priority was given to rural locations in accordance with DOT policy.

Of the four files in Washington, D.C., we found that only one file had adequate documentation supporting the location in an urban area. This was the proposed new headquarters building that by law (Title 4, United States Code, Chapter 3, Section 72) must be located in Washington, D.C. The other three files had no documentation of any considerations given to locating the sites in rural areas or explanations of the reasons rural locations were not selected. Likewise, for the other 21 urban locations, officials were unable to provide any file documentation to indicate compliance with the DOT order or the Rural Development Act.

Action Required

To ensure compliance with the Rural Development Act, we are recommending that DOT:

- Enforce the provision of the current DOT order which requires that official files for new buildings and facilities show the consideration given to rural locations; and


- Modify DOT Order 4320.1A to set forth decisional criteria or factors to be used when evaluating the feasibility of locating new offices or facilities in rural areas and giving such areas the "first priority" consideration referenced in P.L. 107-67.

We discussed our results with appropriate DOT representatives. They agreed that official files should provide documentation of compliance with the Rural Development Act in accordance with the DOT order, but did not agree that it needed to be modified to provide guidance on decisional criteria or factors.

Although documentation of the decision as to why a rural area was not selected would be a significant improvement over current practice, we continue to believe that guidance on decisional criteria or factors is needed to ensure consistency among the 12 DOT Operating Administrations. We are providing this letter to the DOT Assistant Secretary for Administration for appropriate action.

We are sending identical letters to the Chairman and Ranking Minority Member of the Senate Appropriations Subcommittee on Treasury and General Government, and the Chairman and Ranking Minority Member of the House Appropriations Subcommittee on Treasury, Postal Service, and General Government.

Sincerely,



Kenneth M. Mead
Inspector General

Enclosure

Department of Transportation
Selected New Buildings and Facilities
1997 through 2002

ENCLOSURE

	Property Name	Predominant Use	Location		Rural or Urban
Federal Aviation Administration					
1	Technical Support Facility - Mike Monroney Aeronautical Center (MMAC)	Technical Shops, Engineering and Administration	Oklahoma City	OK	Urban
2	Terminal Radar Approach Control	Air Traffic Control	Peachtree City	GA	Rural
3	Aircraft Certification Office	Office - Customer Service	Long Beach	CA	Urban
4	Pavement Test Facility	Research and Development	Pomona	NJ	Rural
5	Title Trust Building (MMAC)	Administrative and Office	Oklahoma City	OK	Urban
6	Radar Repair Building (MMAC)	Repair and Maintenance	Oklahoma City	OK	Urban
7	Airport Surveillance Radar (MMAC)	Training and Logistics Support	Oklahoma City	OK	Urban
8	Radar Support Facility (MMAC)	Engineering Support	Oklahoma City	OK	Urban
9	Flight Standards Office	Office Space	Ankeny	IA	Urban
10	Dakota-Minnesota Systems	Management Office	Apple Valley	MN	Urban
11	Civil Aviation Security Office	Administrative Security Office	Romulus	MI	Urban
12	Flight Standards Office	Office Space	Columbus	OH	Urban
13	Sioux Falls Regional Airport	Weather Observation Office	Sioux Falls	SD	Urban
14	Terminal Radar Approach Control	Air Traffic Control	Warrenton	VA	Rural
U.S. Coast Guard					
15	Coast Guard (CG) Group - Atlantic City	Flight Operations/Aircraft Management	Atlantic City	NJ	Urban
16	CG Air Station - Miami	Helicopter Hanger	Opa Locka	FL	Urban
17	Rio Bayamon Community	Housing Units (3)	San Juan	PR	Urban
18	CG Group - Key West	Marine Safety Office	Key West	FL	Urban
19	CG Air Station - Charleston	Aircraft Hanger	N. Charleston	SC	Urban
20	CG Air Station - Sacramento	Helicopter Hanger	McClelland Air Force Base	CA	Urban
21	CG Support Center	Administration	Seattle	WA	Urban
22	Recreation Facility	Gymnasium	Otis Air Force Base	MA	Urban
23	Fort Wadsworth Facility	Tracking Facility	Staten Island	NY	Urban
24	Whitehorn Communications Site	Communications Antenna	Whitehorn	CA	Rural
25	Cordova Communications Site	Communications Antenna	Cordova	AK	Rural
26	CG Station - Carquinez	Marine Safety Office	Vallejo	CA	Urban
27	Cordova Storage	Storage Facility	Cordova	AK	Rural
28	Pier 69	Port Tracking Facility	Seattle	WA	Urban
29	Umitalla Ridge Communications Site	Communications Antenna	Plymouth	WA	Rural
National Highway Traffic Safety Administration					
30	Vehicle Test Center	Research and Development	East Liberty	OH	Rural
31	Uniform Tire Grading Facility	Tire Testing	San Angelo	TX	Urban
Maritime Administration					
32	Western Region Facility	Warehouse	Alameda	CA	Urban
Transportation Administrative Service Center					
33	DOT Headquarters Building	Main Office Building	Washington	DC	Urban
SUMMARY				Rural:	8
				Urban:	25