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Highlights

Highlights of [GAO-07-264](#), a report to congressional committees

Why GAO Did This Study

The Department of State's (State) Bureau of International Narcotics and Law Enforcement Affairs (INL) owns 357 helicopters and fixed-wing aircraft (valued at over \$340 million) primarily to help carry out its counternarcotics efforts, such as aerial eradication of drug crops in Colombia. INL relies on contractor support to help maintain and operate its aircraft.

In 2004, GAO analysis showed that INL lagged behind other agencies in implementing Office of Management and Budget (OMB) and General Services Administration (GSA) aviation fleet management principles. GAO was mandated to review INL's management and oversight of this fleet. GAO specifically examined (1) the extent INL has complied with OMB and GSA aviation fleet management guidance and (2) how INL has overseen its aviation support contracts.

Since INL has undertaken initiatives to address the weaknesses GAO observed, GAO makes no recommendations. GAO will follow up to ensure that these initiatives are completed, as planned. In comments on this report, State highlighted reforms under way. State also indicated that INL conducted analyses to justify most aviation investments. GAO notes, however, that the documentation provided did not reflect the key analyses called for by OMB guidance.

www.gao.gov/cgi-bin/getrpt?GAO-07-264.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Jess T. Ford at (202) 512-4268 or FordJ@gao.gov.

STATE DEPARTMENT

State Has Initiated a More Systematic Approach for Managing Its Aviation Fleet

What GAO Found

Despite some improvements since 2004, INL has not yet employed a systematic process for managing its aviation fleet that adheres to OMB and GSA guidance intended to help federal programs ensure that they acquire, manage, and modernize their aircraft in a cost-effective manner. However, in October 2006, INL began a number of initiatives to improve compliance with this guidance. The guidance entails three key principles: (1) assessing a program's long-term fleet requirements, (2) acquiring the most cost-effective fleet of aircraft to meet those requirements, and (3) assessing fleet performance. INL's initiatives are intended to address weaknesses in the following three areas:

- *Long-term planning.* Since 2004, INL has prepared a strategic plan and a Critical Flight Safety Program to refurbish certain aircraft and replace others to meet projected mission needs. However, this effort did not address the long-term aircraft needs of all INL aviation programs.
- *Fleet investment justifications.* INL has funded multimillion dollar aircraft investments, including the acquisition of new aircraft and major overhauls of older assets, without documenting cost-benefit and life cycle cost analyses of alternatives.
- *Fleet composition assessment.* INL has not reviewed the composition of its entire fleet to demonstrate that its aircraft are the most appropriate and cost-effective to meet mission requirements. INL is hampered in assessing the performance of its fleet because it does not have complete and reliable aircraft cost and usage data.

INL has undertaken a study to assess the aviation fleet's overall composition, identify investment needs, and assess alternative approaches for meeting those needs. INL expects completion of this and other initiatives in 2007.

Regarding contract oversight, INL has met applicable federal, agency, and contract-specific requirements for managing its aviation support contracts. In addition to direct contractor oversight, State has used quantitative measures, primarily aircraft readiness rates, to monitor and assess contractor performance.

Examples of INL Aircraft



Source: INL.