NASA TRAVEL

Passenger Aircraft Services Annually Cost Taxpayers Millions More Than Commercial Airlines

Why GAO Did This Study

Since its creation, the National Aeronautics and Space Administration (NASA) has operated passenger aircraft services. These operations have been questioned in several prior audit reports. GAO was asked to perform a series of audits of NASA's controls to prevent fraud, waste, and abuse of taxpayer dollars. In this audit, GAO assessed (1) the relative cost of NASA passenger aircraft services in comparison with commercial costs, (2) whether NASA aircraft services were retained and operated in accordance with governmentwide guidance, and (3) the effectiveness of NASA's oversight and management of this program.

What GAO Recommends

Because NASA management has been largely unresponsive to similar prior recommendations, this report includes a matter for congressional consideration concerning legislation to restrict NASA's ownership of passenger aircraft and funding for passenger aircraft services to those needed solely to meet valid mission requirements. To the extent Congress determines NASA should retain passenger aircraft services, GAO makes recommendations to improve program management. NASA concurred with GAO's recommendations and outlined various planned actions. Depending on NASA actions, additional congressional action may also be needed.

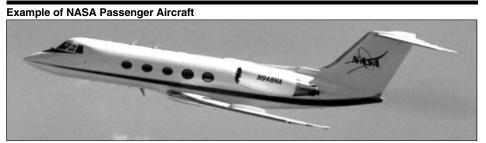www.gao.gov/cgi-bin/getrpt?GAO-05-818.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Gregory Kutz at (202) 512-9505 or kutzg@gao.gov.

What GAO Found

NASA-owned and -chartered passenger aircraft services provide a perquisite to employees, but cost taxpayers an estimated five times more than flying on commercial airlines. While the majority of NASA air travel is on commercial airlines, NASA employees took at least 1,188 flights using NASA passenger aircraft services during fiscal years 2003 and 2004.

Example of NASA Passenger Aircraft

Source: NASA.

Use of NASA passenger aircraft services can save time, provide more flexibility to meet senior executives' schedules, and provide other less tangible and quantifiable benefits. However, GAO's analysis of available reported data related to NASA passenger aircraft services during fiscal years 2003 and 2004 showed NASA reported costs were nearly $25 million compared with estimated commercial airline coach transportation costs of about $5 million. Further, this relative cost comparison, based on available NASA reported costs, did not take into account all applicable types of costs associated with its passenger aircraft services, including, for example, depreciation associated with the estimated $14 million NASA paid in 2001 to acquire several aircraft used for passenger transportation. Consequently, NASA's passenger air transportation services are much more costly than indicated by available data. Further, NASA is currently considering additional expenditures of about $77 million to upgrade and expand its existing passenger fleet.

NASA's ownership of aircraft used to provide passenger transportation conflicts with federal policy allowing agencies to own aircraft only as needed to meet specified mission requirements, such as prisoner transportation and aeronautical research. GAO's analysis of NASA passenger aircraft flights for fiscal years 2003 and 2004 showed that an estimated 86 percent—about seven out of every eight flights—were taken to support routine business operations specifically prohibited by federal policy regarding aircraft ownership, including routine site visits, meetings, speeches, and conferences. Further, agencywide oversight and management of its passenger aircraft services was not effective. NASA's ability to make informed decisions on continued ownership of its passenger aircraft fleet and on flight-by-flight justifications was impaired by the lack of reliable agencywide data on aircraft costs and other weak management oversight practices.

_____ **United States Government Accountability Office**